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Application Proof of



DIZAL PHARMACEUTICAL CO., LTD.
迪哲(江蘇)醫藥股份有限公司

(the "**Company**")

(A joint stock company incorporated in the People's Republic of China with limited liability)

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DIZAL PHARMACEUTICAL CO., LTD.

迪哲(江蘇)醫藥股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

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Number of [REDACTED]	**:**	**[REDACTED] H Shares (subject to [REDACTED])**
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Nominal Value	**:**	**RMB1.00 per H Share**
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IMPORTANT

[**REDACTED**]

EXPECTED TIMETABLE[1]

[**REDACTED**]

EXPECTED TIMETABLE[1]

[**REDACTED**]

EXPECTED TIMETABLE[1]

[**REDACTED**]

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SUMMARY

***This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read this document in its entirety before you decide to* [REDACTED] *in the* [REDACTED]. *There are risks associated with any* [REDACTED]. *Some of the risks involved in* [REDACTED] *in the* [REDACTED] *are set out in the "Risk Factors" section of this document. You should read that section carefully before you decide to* [REDACTED] *in the* [REDACTED].**

OVERVIEW

Who We Are

We are a commercial-stage biopharmaceutical company. Oncology and hematological diseases are our primary therapeutic areas. During the Track Record Period, we developed and commercialized golidocitinib, a next-generation, highly selective Janus kinase 1 ("**JAK1**") inhibitor, in Chinese Mainland. In addition, we developed, commercialized and out-licensed ZEGFROVY® (舒沃哲®), the world's first small molecule epidermal growth factor receptor ("**EGFR**") tyrosine kinase inhibitor ("**TKI**") approved for the treatment of lung cancer with EGFR exon 20 insertion ("**exon20ins**") mutations.

Prior to the establishment of Dizal in 2017, we were the AstraZeneca global oncology translational science center, Innovative Medicine and Early Development Asia ("**iMED Asia**"). Our competitive strength lies in our strong scientific heritage, complete and intact scientific team with proven track record in drug discovery and development, and practical insights in marketing and commercializing innovative targeted medicines.

Leveraging our experience in disease research and our translational science and drug design capabilities, we have developed a product portfolio, including ZEGFROVY® and golidocitinib, one registrational stage drug candidate birelentinib (DZD8586), three post-proof-of-concept ("**post-PoC**") assets, and one early clinical stage asset. ZEGFROVY® was launched in Chinese Mainland and approved in the United States. It was the first drug invented in China that received Breakthrough Therapy Designations from both the United States FDA and China NMPA for the treatment of lung cancer. It is currently the only small-molecule drug recommended by internationally authoritative National Comprehensive Cancer Network NSCLC Guidelines for the treatment of NSCLC with EGFR exon20ins. Furthermore, it is the only targeted drug included in the China's National Reimbursement Drug List ("**NRDL**") for the treatment of relapsed and refractory ("**r/r**") NSCLC with EGFR exon20ins, as of the Latest Practicable Date. As of the same date, golidocitinib is the world's first and only JAK1 inhibitor approved for the treatment of relapsed or refractory peripheral T-cell lymphoma ("**r/r PTCL**"). Recognizing its clinical value, U.S. FDA granted golidocitinib Fast Track and Orphan Drug Designations. Golidocitinib is also included in China NRDL. During the Track Record Period, ZEGFROVY® and golidocitinib were commercialized and generated revenue in Chinese Mainland.

On July 14, 2026, we entered into a license agreement (the "**AstraZeneca Agreement**") with AstraZeneca UK Limited ("**AstraZeneca**"), pursuant to which we granted to AstraZeneca an exclusive license to develop and commercialize ZEGFROVY® globally. In partial consideration of the rights granted by us to AstraZeneca, AstraZeneca is expected to pay us a one-time, non-refundable and non-creditable upfront payment of US$600.0 million, representing the largest upfront payment for a China-originated small molecule drug in a single-asset out-licensing deal to date, according to CIC. In addition, we are eligible for development milestone payments potentially up to an aggregate of US$400.0 million and sales milestone payments potentially up to an aggregate of US$500.0 million, subject to the achievement of specific development, regulatory and sales milestone events. We are also eligible for tiered royalties of up to low-double-digit percentages on the global sales of ZEGFROVY®. For details, see "Business — License Agreement with AstraZeneca."

Our Origins and Team

In 2017, following a strategic reorganization, iMED Asia became an independent entity, with AstraZeneca contributing a select portfolio of preclinical assets and the Future Industry Investment Fund providing working capital. As part of this transition, Dr. Zhang Xiaolin (張小林), the then head of the iMED Asia, was appointed as the CEO of the newly established company, Dizal. The rest of the iMED Asia organization became the foundation of our company.

Our team, with working experience from leading multinational companies such as AstraZeneca, BMS, Eli Lilly, MSD, Pfizer, Roche, Sanofi, and BeOne Medicines (formerly known as BeiGene), has a strong and successful track record of designing novel molecules and executing innovative clinical trials. The team made direct contributions to some of the landmark drugs like Iressa® (gefitinib) and Tagrisso® (osimertinib). We are the inventor of the first fully blood-brain barrier ("**BBB**") penetrant lung cancer drug zorifertinib (formerly AZD3759). This discovery, which challenged conventional thinking, was recognized as a "Highly Read Article of 2015" by the American Chemistry Society Journal of Medicinal Chemistry.

OUR PRODUCT PORTFOLIO

Our product portfolio comprises the out-licensed product ZEGFROVY®, our marketed product golidocitinib, one registrational stage drug candidate, three post-PoC stage assets, and one early clinical stage asset. All programs have clear competitive differentiation. The following table summarizes the development status of the later stage portfolio and upcoming milestones.

Product	Target	Indication (Line of Treatment)		Therapy	IND	Dose Escalation	PoC	Registration Trial	NDA	Approval	Regulatory Designation	Commercial Rights	Upcoming Milestones
ZEGFROVY® (DZD9008)[1]	EGFR	EGFR exon20ins NSCLC	2L/2L+	Monotherapy	WU-KONG6: Single arm						PR (China) BTD (China)	Global R&D and commercial-ization rights licensed to AstraZeneca	(Approved)
					WU-KONG1B: Single arm						PR (US) BTD (US)		(Approved in the US)
			1L	Monotherapy	WU-KONG28: vs. platinum-containing chemo						PR (China) BTD (China & US)		1Q2027: CN NDA approval
			Adjuvant	Monotherapy	WU-KONG16: vs. placebo								2028: Primary readout
					[redacted]								
		PACC NSCLC	1L	Monotherapy	WU-KONG15/35*: Single arm								End of 2026: Study completion
			Adjuvant	Monotherapy	[redacted]								
Golidocitinib (DZD4205)	JAK1	PTCL	r/r	Monotherapy	JACKPOT8B: Single arm						PR (China)	Global	(Approved)
					JACKPOT8B: Single arm						FTD & ODD (US)		1H2028: NDA submission
					JACKPOT19: vs. investigator's choice								4Q2027: Primary readout
			1L	Combo with CHOP	JACKPOT53/55*: Single arm								4Q2027: Primary readout
				Mono/Combo with CHOP	JACKPOT23*: Non-comparative study								2Q2027: Primary readout
		Non-driver mutation NSCLC	1L	Combo with IO	JACKPOT33*: Single arm								1H2027: Primary readout
		Primary ITP	r/r	Monotherapy	JACKPOT16*: vs. placebo								1H2028: Primary readout
Birelentinib (DZD8586)	Lyn/BTK	CLL/SLL	2L/2L+	Monotherapy	TAI-SHAN6: vs. investigator's choice						FTD (US)	Global	2H2027: Interim analysis
			1L	Combo with BCL2i	TAI-SHAN10: Single arm								3Q2026: Primary readout
			1L	Combo with BCL2i	TAI-SHAN16: vs immunochemotherapy								1H2027: ph3 initiation
		DLBCL	r/r	Monotherapy	TAI-SHAN9: Single arm								4Q2026: Study completion
			1L/2L/2L+	Combo with chemotherapy	TAI-SHAN12: Single arm								4Q2026: Primary readout
			1L	Combo with R-CHOP	TAI-SHAN19: vs R-CHOP								1H2027: ph3 initiation
		Primary ITP	2L/2L+	Monotherapy	TAI-SHAN11: Single arm								1H2027: Primary readout
DZD6008	EGFR (4th Gen TKI)	EGFR NSCLC	1L/2L/2L+	Monotherapy	TIAN-SHAN1/2: Single arm							Global	1Q2027: Primary readout for later line
			2L/2L+	Monotherapy	TIAN-SHAN6: vs. docetaxel								1H2027: Initiation
				Combo with chemotherapy	TIAN-SHAN7: Single arm								1Q2027: Primary readout
			1L/2L/2L+	Combo with ZEGFROVY#[2]	TIAN-SHAN8: Single arm								1Q2027: Primary readout
GW5282	EZH1/2	NHL	r/r	Monotherapy	BEI-DOU1: Single arm							Global	4Q2026: Primary readout
				Combo with golidocitinib	BEI-DOU3: Single arm								4Q2026: Determining RP2CD
		Solid Tumors	r/r	Monotherapy	BEI-DOU2: Single arm								4Q2026: Determining RP2D
DZD1516	HER2+	HER2 + BC	2L/2L+	Combo with HER2 ADC	WEN-JI1: Single arm							Global	2H2027: Combination study initiation
DZD2269	A2aR	Solid Tumors	-	Monotherapy and combo	PAN-GU1: Single arm							Global	2H2027: Combination study initiation

China Clinical Trials
Global/overseas Clinical Trials
Trials to be conducted by AstraZeneca

Market for commercialization
* Denotes II Trrials

IND=Investigational New Drug NDA=New DrugApplication
PR =Priority Review FSI = First Subject In
BTD=Breakthrough Therapy Designation

FTD = Fast Track Designation
ODD = Orphan Drug Designation
MAA =Marketing Authorization Application

Notes:
1. AstraZeneca retains discretion regarding the expansion into other clinical indications.
2. Dizal retains full responsibility for and ownership of the combination study of Zegfrovy and DZD6008, including all R&D costs and any resulting patents.

ZEGFROVY® — A Globally Competitive, Commercialized EGFR TKI

ZEGFROVY® (舒沃哲®) is an innovative, highly selective EGFR TKI independently discovered and developed for the treatment of NSCLC. On July 14, 2026, we entered into the AstraZeneca Agreement, pursuant to which we granted AstraZeneca an exclusive license to develop and commercialize ZEGFROVY® globally. For details, see "Business — License Agreement with AstraZeneca."

ZEGFROVY® is approved in the US and China for the treatment of adult patients with locally advanced or metastatic NSCLC with EGFR exon 20 insertion mutations, whose disease has progressed on or after platinum-based chemotherapy, representing a subtype of lung cancer with a limited number of diagnosed patients. ZEGFROVY® was designed to address key limitations of existing EGFR TKIs, which often exhibit limited activity against structurally complex EGFR alterations, particularly EGFR exon 20 insertion ("**exon20ins**") mutations and EGFR P-loop αC-helix compressing ("**PACC**") mutations. These mutations alter the conformation of the EGFR kinase domain, impairing the binding of conventional inhibitors and resulting in limited therapeutic options and suboptimal outcomes for affected patients. On top of that, these mutations are highly heterogenous. A successful drug has to be able to inhibit most, if not all, mutation subtypes to bring meaningful clinical benefits to the patient population.

To overcome these challenges, ZEGFROVY® was designed as a potent small-molecule inhibitor capable of broadly and durably inhibiting both classical driver EGFR mutations and hard-to-treat variants such as exon20ins and PACC mutations. It is designed to recognize and engage diverse, altered three-dimensional structures and steric features of mutant EGFR kinase domains, enabling sustained inhibitory activity while other TKIs cannot do. Through the combined optimization of molecular selectivity, inhibitory potency, and pharmacokinetic properties, ZEGFROVY® has been developed as a targeted therapy capable of delivering meaningful clinical benefits across a broad spectrum of EGFR-mutant NSCLC.

In its international multi-center registrational clinical study, WU-KONG1B, and China standalone multicenter registrational study, WU-KONG6, ZEGFROVY® demonstrated anti-tumor efficacy across multiple mutation subtypes, together with a favorable safety profile and a long half-life, supporting its potential as a best-in-class therapy. Results from WU-KONG1B were selected for oral presentation at the 2025 World Conference on Lung Cancer ("**WCLC**") and at the 2024 American Society of Clinical Oncology ("**ASCO**") meeting and published in the leading scientific *Journal of Clinical Oncology*. Results from WU-KONG6 were published in *Lancet Respiratory Medicine*.

ZEGFROVY® received marketing approvals from the NMPA in August 2023 and from the U.S. FDA in July 2025 for the treatment of adult patients with locally advanced or metastatic NSCLC harboring EGFR exon20ins mutations who have previously received platinum-containing chemotherapy. According to CIC, ZEGFROVY® is **the first** innovative, first-in-class drug discovered and developed in China with marketing approval in the United States. It is also **the first** drug that received Breakthrough Therapy Designations in both the United States and China for lung cancer. Furthermore, it was **the only** second- or later-line treatment for EGFR exon20ins NSCLC included in the NRDL, as of the Latest Practicable Date.

ZEGFROVY® has been well recognized by the global scientific and medical communities and included in major clinical practice guidelines. In China, it is a Category I recommendation in the CSCO guidelines for previously treated patients, and in the United States it is referenced in the NCCN guidelines as a treatment option following prior systemic therapy, making it **the only** small-molecule targeted therapy for EGFR exon20ins NSCLC included in an internationally recognized lung cancer treatment guideline as of the Latest Practicable Date.

The development of ZEGFROVY® has expanded beyond second- or later-line therapy. The international multi-center Phase 3 WU-KONG28 study evaluating ZEGFROVY® monotherapy as first-line treatment in NSCLC with EGFR exon20ins met its primary endpoint with positive topline results in March 2026. Data from this trial were presented as a Late-Breaking Abstract at the 2026 ASCO Annual Meeting and simultaneously published in the *New England Journal of Medicine*. Based on the positive results of WU-KONG28, the NDA for ZEGFROVY® as a first-line the supplemental NDA for approval of ZEGFROVY® in the first-line setting have also been submitted to the US FDA and China's CDE. ZEGFROVY® is expected to receive full NDA approvals from the NMPA and FDA based on results from WU-KONG28, which served as the post-approval confirmatory trial required under China and the U.S. accelerated approval framework.

Pursuant to the AstraZeneca Agreement, AstraZeneca shall have the right to develop ZEGFROVY®, except that we will continue to perform certain development activities for ZEGFROVY® including completing the EGFR exon20ins NSCLC cohort of WU-KONG16, a registrational Phase 3 clinical trial in China, evaluating ZEGFROVY® as an adjuvant therapy with development costs reimbursed by AstraZeneca up to a cap and two ongoing combination therapy studies of ZEGFROVY® and DZD6008, TIAN-SHAN1 and TIAN-SHAN8 at our own costs.

Prior to the AstraZeneca Agreement, we generated revenue of RMB91.3 million, RMB310.8 million, RMB575.6 million, RMB262.4 million and RMB368.2 million from sales of ZEGFROVY® in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. Pursuant to the AstraZeneca Agreement, AstraZeneca is expected to pay us a one-time, non-refundable and non-creditable upfront payment of US$600.0 million, and we are eligible for specific development milestone payments potentially up to an aggregate of US$400.0 million and sales milestone payments potentially up to an aggregate of US$500.0 million, subject to the achievement of specified development, regulatory and sales milestone events. We are also eligible for tiered royalties of up to low-double-digit percentages on the global sales of ZEGFROVY®. For details, see "Business — License Agreement with AstraZeneca."

Golidocitinib — A Commercialized, Next-generation, Highly Selective JAK1 Inhibitor

Golidocitinib (brand name: 高瑞哲®) is a next-generation, oral, highly selective JAK1 inhibitor for the treatment of hematological diseases and for solid tumors without known driver mutations. It was approved by the NMPA in China in June 2024 for the treatment of adult patients with relapsed/refractory peripheral T cell lymphoma ("**r/r PTCL**"), which is a rare sub-type of non-Hodgkin lymphoma with a limited number of diagnosed patients. In addition, golidocitinib has been granted Fast Track Designation and Orphan Drug Designation by the U.S. FDA for the treatment of r/r PTCL, supporting its continued global clinical development. As of the Latest Practicable Date, golidocitinib was the **first and only** JAK1-specific inhibitor approved for a T-cell lymphoma indication, according to CIC.

Golidocitinib is designed to selectively inhibit JAK1-mediated signaling pathways that play a central role in the pathogenesis of PTCL, while minimizing inhibition of other JAK family members that are more closely associated with off-target toxicities. It demonstrates 200- to 400-fold selectivity for JAK1 over other members of JAK family, allowing it to avoid the anemia-related adverse effects that may arise from inhibiting Janus kinase 2 ("**JAK2**") pathway.

The clinical results for golidocitinib have been presented at numerous international academic conferences, including oral presentations or poster sessions at the 2025 European Hematology Association ("**EHA**") Congress and the 2025 International Conference on Malignant Lymphoma ("**ICML**"). Research findings have also been published in internationally recognized journals such as *Lancet Oncology* and *Annals of Oncology*. In addition, golidocitinib has received clinical recognition through inclusion in the CSCO Lymphoma Treatment Guidelines with a Category I recommendation for the treatment of r/r PTCL.

In addition to r/r PTCL, we are evaluating golidocitinib's potential in combination with chemotherapy for the first-line treatment of PTCL. For solid tumors, golidocitinib has also shown promising clinical efficacy when combined with an anti-PD(L)-1 antibody in NSCLC without known driver mutations. In addition, we are developing golidocitinib for the treatment of primary immune thrombocytopenia ("**ITP**").

Beyond oral capsule, we are developing golidocitinib ointment for dermatology indications. Golidocitinib ointment is currently under GMP production and GLP toxicology study. We plan to initiate a Phase 1/2 proof-of-concept trial of golidocitinib ointment for mild-to-moderate atopical dermatitis ("**AD**") in 2027.

We generated revenue of nil, RMB49.1 million, RMB225.5 million, RMB92.6 million and RMB154.4 million from sales of golidocitinib in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. Golidocitinib was included in the NRDL in China with coverage effective January 2025.

Birelentinib — An Innovative Lyn/BTK Dual Inhibitor

Birelentinib (DZD8586) is an innovative dual inhibitor of lymphocyte-specific protein tyrosine kinase ("**Lyn**") and Bruton's tyrosine kinase ("**BTK**"). It is designed to simultaneously inhibit both BTK-dependent and BTK-independent B-cell receptor ("**BCR**") signaling pathways,

with the objective of overcoming key limitations associated with single-target BTK inhibitors. Through this dual-pathway mechanism, birelentinib is intended to suppress oncogenic BCR signaling and inhibit tumor growth across multiple subtypes of B-NHL. As of the Latest Practicable Date, it was the **first and only** dual Lyn/BTK inhibitor in clinical development, according to CIC.

Birelentinib received Fast Track Designation from the U.S. FDA in August 2025 for the treatment of r/r CLL/SLL. A pooled analysis from two clinical studies in heavily pretreated patients with chronic lymphocytic leukemia/small lymphocytic lymphoma ("**CLL/SLL**") was selected for oral presentation at both the 2025 American Society of Clinical Oncology ("**ASCO**") meeting and the 18th International Conference on Malignant Lymphoma ("**ICML**"). Based on these data, we initiated an international multi-center Phase 3 clinical trial of birelentinib for r/r CLL/SLL in September 2025.

Beyond CLL/SLL, we are exploring birelentinib's potential in DLBCL. We are also developing birelentinib beyond relapsed/refractory settings in combination with BCL2 inhibitor and chemotherapy for the first-line treatment of CLL/SLL and DLBCL, respectively. Moreover, we are evaluating birelentinib's potential in immunology indication in an ongoing Phase 2 clinical trial for r/r primary immune thrombocytopenia ("**ITP**") in China.

DZD6008 — A Novel, Highly Selective, BBB-penetrant, Fourth-generation EGFR TKI

DZD6008 is a fourth-generation EGFR TKI designed to address clinical challenges after treatment failure from a third generation EGFR TKI such as osimertinib (Tagrisso®). In preclinical models, DZD6008 exhibits potent and consistent inhibitory activity across a broad range of EGFR mutations, including classical EGFR driver mutations (L858R and exon 19 deletions), resistant double mutations (including T790M/C797S in the context of L858R or exon 19 deletion), and the challenging triple mutations (C797X plus T790M plus L858R or exon 19 deletion). DZD6008 is a high specific EGFR TKI, with more than 50-fold selectivity over wild-type EGFR, and thus provides wide safety margin, minimizing wildtype EGFR associated toxicities. With no measurable activities against a panel of ion channels, DZD6008 is expected to have low cardiotoxicity risks which has been associated with certain third-generation EGFR TKIs. In addition, DZD6008 is designed to fully penetrate the blood-brain barrier and has demonstrated complete inhibition of tumor growth across multiple EGFR-mutant tumor cell lines and animal models. These properties have been quickly validated in early clinical studies.

In TIAN-SHAN1 and TIAN-SHAN2, the Phase 1/2 clinical studies evaluating DZD6008 monotherapy in NSCLC patients with classical mutations, the majority of patients (82.1%) had tumor shrinkage following DZD6008 treatment, and higher response rates are expected with longer treatment. Tumor response was durable, with 6-month PFS rates at 70.6% and 61.8% for the 40 mg and 60 mg cohorts, respectively. The median DoR was not reached. Excellent BBB penetration was observed, including strong intracranial anti-tumor activity among patients with baseline brain metastasis. In addition, DZD6008 demonstrated a favorable safety profile with high selectivity for wild-type EGFR, resulting in minimal adverse effects.

GW5282 — A Next-generation EZH1/2 Dual Inhibitor

GW5282 is a next-generation EZH1/2 (Enhancer of Zeste Homolog 1 and 2) dual inhibitor. This molecule has a dual-target mechanism, simultaneously inhibiting EZH1 and EZH2 with equal potency, which prevents the tumor from utilizing a compensatory activation pathway to escape treatment. We are developing GW5282 for the treatment of r/r NHL as well as solid tumors, including prostate cancer, lung cancer, ovarian and endometrial cancers.

For details, see "Business — Our Product Portfolio."

OUR STRENGTHS

We believe the following competitive strengths have differentiated us from our competitors: (i) deep scientific insight and disease knowledge for drug program selection and prioritization, (ii) integrated translational science capabilities accelerating development and reducing risks, (iii) global clinical execution capabilities evidenced by world-class trials, (iv) integrated commercialization capabilities elevating scientific leadership into market leadership, and (v) industry leading management and R&D team with global vision and extensive industry experience. For details, see "Business — Our Strengths."

OUR STRATEGIES

We intend to capitalize on our competitive strengths by pursuing the following development strategies: (i) advance the global development of our pipeline candidates and strengthen our product portfolio, (ii) strengthen our core technological competencies to continue translating basic research into practical applications, (iii) continuously enhance commercialization capabilities to realize market potential of our pipeline assets, (iv) expand global visibility and partnerships to unlock commercial potential of golidocitinib and our pipeline products, (v) strengthen in-house manufacturing and improve cost efficiency, and (vi) attract, nurture and retain top-tier talents across R&D, manufacturing and commercialization. For details, see "Business — Our Strategies."

RESEARCH AND DEVELOPMENT

We recognize that research and development are vital to our future growth and maintaining a competitive edge in the global biopharmaceutical industry. We have established an integrated R&D capabilities with comprehensive in-house capabilities spanning the entire innovative drug development continuum, from early discovery through late-stage development. Our capabilities encompass drug target discovery and mechanism validation, translational science research, molecular design and compound screening, preclinical studies, chemistry, CMC, as well as clinical trial design and execution.

Our research and development capabilities are exemplified by our highly skilled and experienced R&D team, which is led by distinguished scientists and clinicians, including Dr. Zhang, our CEO, who has over 25 years of experience and is considered an influential figure in China's pharmaceutical industry. We conduct research and development activities primarily through our in-house R&D team and engage CROs from time to time to support our preclinical research and clinical trials. As of June 30, 2026, our in-house R&D team consisted of 302 members, 52.3% of whom held master degrees, and 19.5% doctoral degrees in science and related fields.

In 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, our research and development expenses amounted to RMB805.6 million, RMB723.7 million, RMB855.6 million, RMB408.3 million and RMB402.0 million, respectively, accounting for 64.8%, 54.6%, 53.8%, 54.6% and 55.6% of our operating expenses, respectively. For details, see "Business — Research and Development."

MANUFACTURING

We have historically engaged, and will continue to engage, industry-recognized CDMOs for our commercial production and clinical manufacturing.

We have historically engaged, and will continue to engage, industry-recognized CDMOs for commercial production and clinical manufacturing. In line with this strategy, we have completed the construction of our international-standard manufacturing facility in Wuxi, Jiangsu, which is designed to meet GMP requirements of China and the United States and has an annual capacity of approximately 70 million tablets and 20 million capsules.

Under the AstraZeneca Agreement, AstraZeneca shall have the right to manufacture ZEGFROVY®. We have certain transitional supply obligations and are required to perform a manufacturing technology transfer, with reimbursement of certain costs. We have the sole right, at our own expense, to manufacture ZEGFROVY® for the ongoing combination studies of ZEGFROVY® and DZD6008. For details, see "Business — Manufacturing" and "Business — License Agreement with AstraZeneca."

For details, see "Business — Manufacturing."

COMMERCIALIZATION STRATEGIES AND SALES MODEL

We have established a proven nationwide commercialization system with a structured organizational framework and clear functional divisions, enabling efficient coordination and the smooth execution of marketing activities. Our commercialization team is organized across integrated functions, including marketing, clinical promotion, market access, medical affairs, commercial channels, and business planning and operations to support the commercialization of golidocitinib and our pipeline products and enhance our sales productivity. As of June 30, 2026, our integrated commercialization team comprised 563 seasoned professionals who have extensive expertise in the sales and marketing of pharmaceutical goods, all of whom are our in-house

employees. As of the Latest Practicable Date, we had not engaged any contract sales organizations ("**CSOs**"). We plan to adjust and optimize our commercialization team following the effectiveness of the AstraZeneca Agreement. Our sales and marketing functions are organized into several key teams with distinct roles and responsibilities: (i) marketing, which focuses on product lifecycle management, brand positioning, nationwide marketing strategy formulation, development of academic materials and physician education programs, and market competition analysis, (ii) clinical promotion, which engages with clinicians and hospital departments, communicates the latest clinical data, organizes academic activities, and collects clinical feedback, (iii) medical affairs, which is responsible for medical strategy, generation and dissemination of medical evidence, engagement with key opinion leaders, support for investigator-initiated trials, and review of promotional materials for medical accuracy and compliance, (iv) commercial channels, which manages our nationwide distributor network, oversees supply chain and logistics, and manages channel credit and collections, (v) market access, which drives inclusion in NRDL and provincial level implementation, hospital and pharmacy access, and pricing and access strategies, and (vi) business planning and operations, which oversees sales performance management, sales force effectiveness, and new product planning, including pre-launch readiness and commercialization strategies.

Throughout the Track Record Period, we generated revenue through sales of ZEGFROVY® and golidocitinib in Chinese Mainland. As of the Latest Practicable Date, the commercialization activities of golidocitinib have been conducted exclusively in Chinese Mainland. We adopt an integrated commercialization and marketing strategy through coordinated deployment across marketing, clinical promotion, market access and distribution channels, including (i) an academically driven strategy focused on providing in-depth medical education and strengthening healthcare professionals' awareness of the differentiated efficacy and safety profile of golidocitinib and our pipeline products to establish leadership in key therapeutic areas, (ii) active participation in national reimbursement negotiations securing value-based pricing, driving market penetration and expanding patient reach, (iii) an in-house sales team to conduct professional academic promotion and support rapid and sustainable sales growth, and (iv) collaboration with qualified pharmaceutical distributors under annual distribution agreements to establish a nationwide, stable and compliant distribution network to ensure timely supply.

Pursuant to the AstraZeneca Agreement, AstraZeneca shall have the sole right to commercialize ZEGFROVY® globally at its sole cost and expense. For details, see "— License Agreement with AstraZeneca." ZEGFROVY® targets major global markets, particularly the United States, where ZEGFROVY® has received FDA NDA approval.

CUSTOMERS

During the Track Record Period, our customers were our distributors who purchase drug products from us, allocate within designated regions or resell to end-customers. Our revenue from our five largest customers for each period during the Track Record Period amounted to RMB82.9 million, RMB322.3 million, RMB652.7 million and RMB433.2 million, respectively, accounting for 90.8%, 89.6%, 81.5% and 82.9% of our total revenue, respectively. Our revenue from our largest customer for each period during the Track Record Period amounted to RMB35.9 million, RMB139.6 million, RMB335.0 million and RMB224.4 million, respectively, accounting for 39.3%, 38.8%, 41.8% and 42.9% of our total revenue, respectively. For details, see "Business — Our Customers."

SUPPLIERS

During the Track Record Period, our suppliers primarily consisted of suppliers of CRO services and CDMO services. Our purchases from our five largest suppliers for each period during the Track Record Period amounted to RMB301.9 million, RMB249.9 million, RMB302.3 million and RMB124.2 million, respectively, accounting for 60.6%, 57.0%, 52.1% and 44.4% of our total purchases, respectively. Our purchases from the largest supplier for each period during the Track Record Period amounted to RMB127.0 million, RMB70.1 million, RMB79.7 million and RMB33.1 million, respectively, accounting for 25.5%, 16.0%, 13.8% and 11.8% of our total purchases, respectively. For details, see "Business — Our Suppliers."

INTELLECTUAL PROPERTY

Intellectual property rights are crucial to our business success. Our future success is highly dependent on our ability to obtain and maintain patent protection, as well as other forms of intellectual property rights, in respect of the key technologies, inventions and proprietary know-how underpinning our product pipeline and technology capabilities. Equally critical is our ability to maintain and enforce these intellectual property rights, preserve the confidentiality of our trade secrets, and ensure our freedom to operate without infringing on, misappropriating or otherwise violating the valid intellectual property rights of third parties.

We hold a global portfolio of patents to protect our product portfolio and technologies. As of the Latest Practicable Date, we owned 193 issued patents, including 32 in China, 22 in the U.S., and 139 in other jurisdictions. As of the same date, we had 198 patent applications, including 17 in China, 13 in the U.S., 163 in other jurisdictions and five under the Patent Cooperation Treaty ("**PCT**") filed in China.

Under the AstraZeneca Agreement, each party owns know-how and inventions made solely by or on behalf of that party, except AstraZeneca owns all know-how with respect to Licensed Compounds and Licensed Products, and the parties each own an equal, undivided interest in joint know-how and joint patent rights. AstraZeneca owns all product trademarks used with ZEGFROVY®. For details, see "Business — Intellectual Property" and "Business — License Agreement with AstraZeneca."

COMPETITION

The pharmaceutical industry is defined by fast-evolving technologies, intense competition, and a significant focus on proprietary drug development. We encounter competition from diverse sources, including large domestic and international pharmaceutical companies, as well as smaller emerging pharmaceutical companies, who may currently market and sell products or are pursuing the development of drug candidates for the treatment of the same indications as our products and drug candidates. For details of the competitive dynamics, see "Risk Factors — Risks Related to Our Business and Industry — 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."

Our strategy focuses on advancing golidocitinib and clinical-stage assets through key development milestones and to continue exploring new targets, expanded indications and combination regimens in oncology and immunology diseases. In addition, we plan to strengthen our core technological competencies, while continuously enhancing commercialization capabilities to realize the full market potential of our pipeline. We aim to expand global partnerships to unlock the commercial value of golidocitinib and our pipeline products. In parallel, we plan to strengthen in-house manufacturing to support scalable supply and improve cost efficiency. Underpinning these efforts, we prioritize attracting, developing, and retaining top-tier talent across R&D, manufacturing, and commercialization to support long-term growth and global expansion.

SUMMARY OF KEY FINANCIAL INFORMATION

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

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

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

	For the year ended December 31,			For the six months ended June 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)				
				(Unaudited)	
Revenue	91,289	359,901	801,136	355,001	522,693

	For the year ended December 31,			For the six months ended June 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)			*(Unaudited)*	
Gross profit	**88,074**	**350,585**	**766,907**	**339,374**	**501,802**
Loss before income tax	**(1,107,612)**	**(939,651)**	**(767,126)**	**(378,990)**	**(212,462)**
Income tax expense	(101)	(4)	(1,391)	(52)	(633)
Loss and total comprehensive income for the year/period	**(1,107,713)**	**(939,655)**	**(768,517)**	**(379,042)**	**(213,095)**

Revenue

During the Track Record Period, we generated revenue from sales of ZEGFROVY® and golidocitinib in Chinese Mainland. ZEGFROVY® and golidocitinib were commercially launched in August 2023 and June 2024 in Chinese Mainland, respectively. As our pipeline drug candidates are expected to launch into the market in the future upon approval, and as we successfully expand the indications of golidocitinib, our sources of revenue are expected to become more diversified.

The following table sets forth a breakdown of our total revenue by product, in absolute amounts and as a percentage of our total revenue, for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(Unaudited)			
ZEGFROVY®	91,289	100.0	310,805	86.4	575,629	71.9	262,402	73.9	368,245	70.5
Golidocitinib	–	–	49,096	13.6	225,507	28.1	92,599	26.1	154,448	29.5
Total	**91,289**	**100.0**	**359,901**	**100.0**	**801,136**	**100.0**	**355,001**	**100.0**	**522,693**	**100.0**

During the Track Record Period, our revenue grew substantially due to the successful launch of ZEGFROVY® and golidocitinib and our efficient pre-launch execution strategies. ZEGFROVY® and golidocitinib were included in the NRDL in late 2024, resulting in price reductions effective January 1, 2025. In line with industry practice and to avoid any price inversion, we provided a one-off price compensation of RMB52.3 million to our distributors for inventory that had already been delivered to distributors but not yet sold to end customers prior to the price adjustment taking effect. This measure was aimed at fostering distributor partnerships and ensuring a smooth transition to the new pricing system. The amount of compensation was determined as inventory volume multiplied by the unit price reduction. This compensation, recorded as a revenue reduction in the fourth quarter of 2024, resulting in a relative lower full-year 2024 revenue.

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of sales, and our gross profit margin represents our gross profit as a percentage of our revenue. Our gross profit amounted to RMB88.1 million, RMB350.6 million, RMB766.9 million, RMB339.4 million and RMB501.8 million in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively.

Our gross profit margin was 96.5%, 97.4%, 95.7%, 95.6% and 96.0% in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. Our relatively high gross profit margins during the Track Record Period were primarily due to our enhanced bargaining power with respect to selling prices, leveraged through our R&D expertise and innovative product portfolio. This was exemplified by ZEGFROVY®, which is China's first innovative first-in-class drug with U.S. marketing approval, and golidocitinib, the world's first and only approved JAK1 inhibitor for relapsed or refractory peripheral T-cell lymphoma. In addition, we maintain effective control over our cost of sales by implementing optimized raw material procurement strategies, including leveraging long-term supplier relationships, enhancing supply chain efficiency, and closely monitoring market trends to ensure cost stability and quality consistency.

The following table sets forth a breakdown of our gross profit and gross profit margin by product for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(Unaudited)			
ZEGFROVY®	88,074	96.5	302,512	97.3	549,808	95.5	250,241	95.4	353,005	95.9
Golidocitinib	–	–	48,073	97.9	217,099	96.3	89,133	96.3	148,797	96.3
Total	**88,074**	**96.5**	**350,585**	**97.4**	**766,907**	**95.7**	**339,374**	**95.6**	**501,802**	**96.0**

Net Losses

In 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, we recorded a loss of RMB1,107.7 million, RMB939.7 million, RMB768.5 million, RMB379.0 million and RMB213.1 million, respectively.

Our net losses decreased from RMB1,107.7 million in 2023 to RMB939.7 million in 2024. The decrease was primarily due to an increase in our revenue, as we commercially launched ZEGFROVY® and golidocitinib in August 2023 and June 2024 in Chinese Mainland, respectively. Our net losses were partially adjusted by (i) an increase in our cost of sales, primarily due an increase in manufacturing overheads to our CDMOs in line with the commercialization and sales ramp-up of ZEGFROVY® and golidocitinib; (ii) an increase in our selling and distribution expenses, mainly driven by our efforts in building our internal commercialization team; and (iii) a decrease in research and development expenses, primarily due to reduced R&D service fees following the commercialization of ZEGFROVY® and golidocitinib.

Our net losses decreased from RMB939.7 million in 2024 to RMB768.5 million in 2025. The decrease was primarily due to an increase in our revenue, primarily due to an increase in sales of ZEGFROVY® and golidocitinib upon their inclusion in the NRDL in 2024 (effective since January 1, 2025). Our net losses were partially adjusted by (i) an increase in our cost of sales, primarily due to an increase in manufacturing overheads and raw material costs, both in line with the growth in product sales; (ii) an increase in our selling and distribution expenses, mainly driven by an increase of sales and marketing personnel to build our internal commercialization capabilities; and (iii) an increase in our research and development expenses, primarily attributable to R&D service fees related to clinical trials for our novel drug candidates.

Our net losses decreased from RMB379.0 million for the six months ended June 30, 2025 to RMB213.1 million for the six months ended June 30, 2026, primarily attributable to the significant increase in revenue resulting from the growth in sales of ZEGFROVY® and golidocitinib, which was primarily driven by the inclusion of both products in the NRDL effective since January 2025, which expanded patient access, enhanced affordability and facilitated broader hospital coverage, together with our continued sales and marketing efforts and the expansion of our distribution network that further accelerated market penetration. In addition, our selling and distribution expenses decreased from RMB268.4 million for the six months ended June 30, 2025 to RMB241.2 million for the six months ended June 30, 2026, primarily in relation to the optimized structure of our commercialization team and the scheduled progression of our ESOP plan. Our net losses were partially adjusted by an increase in our cost of sales, primarily due to an increase in manufacturing overheads and raw material costs, both in line with the growth in product sales.

For details, please see "Financial information — Description of Certain Consolidated Statements of Profit or Loss and Other Comprehensive Income Items."

Summary of Consolidated Statements of Financial Position

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

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Total non-current assets	586,017	719,765	819,852	790,563
Total current assets	910,362	998,973	2,182,678	2,057,300
Total current liabilities	448,436	785,085	985,235	783,193
Net current assets	461,926	213,888	1,197,443	1,274,107
Total assets less current liabilities	1,047,943	933,653	2,017,295	2,064,670
Total non-current liabilities	199,316	733,596	721,604	935,549
Net assets	848,627	200,057	1,295,691	1,129,121

Our net current assets decreased from RMB461.9 million as of December 31, 2023 to RMB213.9 million as of December 31, 2024, primarily due to an increase in our current liabilities, including (i) an increase of RMB214.9 million in interest-bearing borrowings as we obtained additional bank loans to support our continued business development, and (ii) an increase of RMB118.3 million in other payables and accruals in line with our business expansion. The decrease was partially offset by an increase in our current assets, including an increase of RMB176.0 million in cash and cash equivalents, primarily attributable to the redemption of wealth management products upon maturity.

Our net current assets significantly increased from RMB213.9 million as of December 31, 2024 to RMB1,197.4 million as of December 31, 2025, primarily due to an increase of RMB1,183.7 million in our current assets, including (i) an increase of RMB1,055.0 million in financial assets at FVPL, as we purchased more structured deposits to better utilize our cash on hand, (ii) an increase of RMB115.9 million in trade receivables, in line with the expansion of our distributor network and the increase in product sales, and (iii) an increase of RMB41.3 million in cash and cash equivalents as we received proceeds from the private placement of our A Shares in April 2025. The increase was partially offset by an increase in our current liabilities, including (i) an increase of RMB104.3 million in other payables and accruals, primarily due to an increase in payables to research and development and payables for staff costs, and (ii) an increase of RMB94.3 million in interest-bearing borrowings due to the reclassification of certain non-current borrowings maturing within one year to current portion.

Our net current assets increased from RMB1,197.4 million as of December 31, 2025 to RMB1,274.1 million as of June 30, 2026, primarily due to a decrease of RMB202.0 million in our current liabilities, including (i) a decrease of RMB105.8 million in other payables and accruals following the completion of bonus payments to our employees in early 2026, as well as the settlement of certain due payments, and (ii) a decrease of RMB101.7 million in interest-bearing borrowings, primarily due to the repayment of certain short-term borrowings upon maturity. The increase was partially offset by a decrease of RMB125.4 million in our current assets, including (i) a decrease of RMB112.3 million in cash and cash equivalents as we used the cash to support our daily business operations, and (ii) a decrease of RMB88.0 million in financial assets at FVPL, primarily due to we redeemed certain matured structured deposits to fund our business operations.

Our net assets decreased from RMB848.6 million as of December 31, 2023 to RMB200.1 million as of December 31, 2024, primarily attributable to loss for the year of RMB939.7 million, which was partially offset by the recognition of equity-settled share-based payments of RMB132.8 million, a capital injection from non-controlling interests of RMB100.0 million and share issued upon exercise of share options of RMB58.3 million. Our net assets increased from RMB200.1 million as of December 31, 2024 to RMB1,295.7 million as of December 31, 2025, primarily attributable to loss for the year of RMB768.5 million, which was partially offset by the shares placement of RMB1,795.9 million, and the recognition of equity-settled share-based payments of RMB73.6 million. Our net assets then decreased from RMB1,295.7 million as of December 31, 2025 to RMB1,129.1 million as of June 30, 2026, primarily attributable to loss for the period of RMB213.1 million, which was partially offset by share issued upon exercise of share options of RMB38.2 million and the recognition of equity-settled share-based payments of RMB8.3 million. For details, see "History and Corporate Structure — Corporate Development and Major Shareholding Changes — Private Placement of A Shares in 2025." See the consolidated statements of changes in equity in the Accountants' Report set out in Appendix I to this document for details.

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

Summary of Consolidated Statements of Cash Flows

The following table sets forth a summary of our cash flows information for the years indicated:

	For the year ended December 31,			For the six months ended June 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)			*(Unaudited)*	
Net cash used in operating activities	(973,048)	(654,215)	(589,210)	(263,021)	(275,924)
Net cash generated from/ (used in) investing activities	614,820	(36,715)	(1,198,007)	(516,458)	54,961
Net cash generated from financing activities	309,784	869,343	1,828,868	1,773,958	108,944
Net (decrease)/increase in cash and cash equivalents	(48,444)	178,413	41,651	994,479	(112,019)
Cash and cash equivalents at the beginning of the year/period	121,400	73,927	249,890	249,890	291,147
Effect of foreign exchange rate changes on cash and cash equivalents	971	(2,450)	(394)	(78)	(264)
Cash and cash equivalents at the end of the year/period	**73,927**	**249,890**	**291,147**	**1,244,291**	**178,864**

Our net cash used in operating activities amounted to RMB973.0 million, RMB645.2 million, RMB589.2 million, RMB263.0 million and RMB275.9 million in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. Our net cash used in operating activities primarily resulted from our losses for the period, as we incurred significant research and development expenses in relation to the development of our drug products. Our product portfolio comprises the out-licensed product ZEGFROVY®, our marketed product golidocitinib, one registrational stage drug candidate, three post-PoC stage assets, and one early clinical stage asset. The NDA for ZEGFROVY® monotherapy as a first-line treatment for NSCLC with EGFR exon20ins was accepted and granted Priority Review by the NMPA in May 2026 following positive WU-KONG28 results, and we expect to file an NDA for golidocitinib for r/r PTCL with the FDA in 2028. As sales of golidocitinib continue and our drug candidates achieve commercial launch, we expect our net cash outflow from operating activities to improve.

For details, see "Financial Information — Liquidity and Capital Resources — Cash Flows."

Key Financial Ratios

The table below sets forth our key financial ratios as of the dates/for the periods indicated:

	As of/for the year ended December 31,			As of/for the six months ended June 30,
	2023	2024	2025	2026
Gross profit margin[(1)]	96.5%	97.4%	95.7%	96.0%
Current ratio[(2)]	2.0	1.3	2.2	2.6
Quick ratio[(3)]	1.8	1.1	2.2	2.6
Gearing ratio[(4)]	43.3%	88.4%	56.8%	60.4%

Notes:

(1) Gross profit margin is calculated based on gross profit divided by revenue and multiplied by 100%.

(2) Current ratio is calculated based on total current assets divided by total current liabilities.

(3) Quick ratio is calculated as current assets less inventories divided by current liabilities.

(4) Gearing ratio is calculated using total liabilities divided by total assets and multiplied by 100.0%.

See "Financial Information — Key Financial Ratios."

PATH TO PROFITABILITY

Our historical losses were primarily attributable to our continuous investment in establishing our leading technology capabilities and developing globally innovative treatments. Our product portfolio comprises the out-licensed product ZEGFROVY®, our marketed product golidocitinib and five clinical-stage drug candidates with global competitiveness and substantial potential to serve patients beyond China. We did not have any commercialized products prior to the Track Record Period. We also made significant investments in building foundational business operations — including technology development, platform establishment, business operations, and team expansion — which required substantial upfront capital and drove our net losses. These factors all resulted in our accumulated losses of RMB1,405.9 million as of January 1, 2023.

Our net losses during the Track Record Period were primarily due to (i) the limited number of approved drugs and the limited commercialization time for ZEGFROVY® and golidocitinib, (ii) economies of scale still materializing, particularly as we build our internal commercialization team in its early stages, (iii) significant R&D investments aligned with the advancement of our product pipeline, (iv) the affordable pricing strategy for ZEGFROVY® and golidocitinib upon NRDL inclusion to capture greater market share, (v) significant selling and distribution expenses incurred to promote ZEGFROVY® and golidocitinib and to build market awareness among healthcare professionals, and (vi) investments in attracting and retaining talent. Although we continued to incur significant research and development expenses for our other pipeline products, as well as growing selling and distribution expenses as our sales activities expanded, we were able to gradually decrease our losses during the Track Record Period due to the launch and sales of ZEGFROVY® and golidocitinib.

There will continue to be a significant demand for innovative drugs in the treatment of solid tumors and hematological diseases. In 2025, oncology drugs held the leading position in the global pharmaceutical market, with a market share of 16.9%. This dominance was mirrored in China, where oncology ranked first with a market share of 16.3%. In contrast, a structural divergence exists in the I&I segment — while I&I therapies accounted for approximately 12.9% of the global market in 2025, they represented only 5.6% of the market in China. This significant disparity underscores a profound under-penetration of I&I treatments domestically, highlighting a compelling growth opportunity for innovative therapies to bridge this gap and address increasing clinical demand.

Going forward, we expect to sustain our revenue growth and achieve profitability taking into account the following factors: (i) revenue growth from sales of golidocitinib; (ii) potential license fee income pursuant to the AstraZeneca Agreement; (iii) diversification of our revenue sources through new drug candidates and the expansion of indications of golidocitinib; (iv) continued improvement in selling and marketing efficiency and output and the expected significant decrease in selling and marketing expenses regarding ZEGFROVY®; and (v) enhanced economies of scale to control administrative and other operating expenses. For details, see "Business — Path to Profitability" and "Business — License Agreement with AstraZeneca."

SUMMARY OF MATERIAL RISK FACTORS

Our business faces risks including those set out in the section headed "Risk Factors." As different investors may have different interpretations and criteria when determining the significance of a risk, you should read the "Risk Factors" section in its entirety before you decide to [**REDACTED**] in our Company. Some of the major risks that we face include: (i) 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; (ii) we may experience fluctuations in our revenue that could affect our results of operations; (iii) 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; (iv) decreases in sales volume and price levels of golidocitinib or drug candidates approved in the future and changes in the cost structures may adversely affect our revenue and financial performance; (v) 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; (vi) 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; (vii) 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; (viii) 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; (ix) if we encounter delays or difficulties enrolling participants in our clinical trials, our clinical development progress could be delayed or otherwise adversely affected; (x) 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; and (xi) we rely on 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.

RELATIONSHIPS WITH OUR LARGEST SHAREHOLDERS

As of the Latest Practicable Date, AstraZeneca AB ("**AZAB**") and Future Industry Investment Fund (Limited Partnership) ("**FIIF**") were the two largest shareholders of our Company, each holding approximately 23.42% of our total issued shares. Both AZAB and FIIF are long-term passive financial investors whose shareholdings reflect their confidence in our scientific capabilities and commercial prospects. Their presence as our two largest Shareholders provides our Company with stability and credibility, while our corporate governance structure ensures that we operate as an independent entity with professional management and effective Board oversight.

CONNECTED TRANSACTIONS

Prior to the [**REDACTED**], our Group has entered into certain transactions in our ordinary and usual course of business with parties who will, upon the [**REDACTED**], become connected persons of our Company. We will continue to engage in certain connected transactions after the [**REDACTED**]. For details of such one-off connected transactions and continuing connected transactions of our Company following the [**REDACTED**], see "Connected Transactions."

We have applied for, and the Stock Exchange [has granted] us, waivers from strict compliance with (i) the announcement, circular and independent Shareholders' approval requirements under Rule 14A.105 of the Listing Rules; and (ii) the requirement of setting a monetary annual cap set out in Rule 14A.53 of the Listing Rules. For details, see the section headed "Connected Transactions" in this document.

DIVIDEND POLICY

We did not declare or pay dividends on our Shares during the Track Record Period. We currently expect to retain all future earnings for use in the operation and expansion of our business and do not anticipate paying cash dividends in the foreseeable future. Any declaration and payment of any dividends in the future will be determined by our Board of Directors and subject to our Articles of Association and the PRC Company Law, and will depend on a number of factors, including the successful commercialization of our products as well as our earnings, capital requirements, overall financial condition and contractual restrictions. Subject to applicable laws and regulations and our Articles of Association, we may distribute dividends in cash, stocks or a combination of both, and give priority to profit distribution in cash, where eligible. Provided that we have distributable profits, we intend to distribute cash dividends to our Shareholders at least on an annual basis based on our financial condition and cash flow adequacy. Under our dividend policy, the cumulative cash dividends distributed in the most recent three years shall not be less than 30% of our average annual distributable profits realized over the same three-year period. We currently do not have any pre-determined dividend payout ratio. The Board should assess the stage of development that we are in and the arrangements for significant capital expenditure and, in accordance with the procedures stipulated in the Articles of Association of our Company, put forward a differentiated cash dividend policy. PRC laws and regulations permit payment of dividends of a PRC company only out of accumulated distributable after-tax profits as determined in accordance with its articles of association and the accounting standards and regulations in China. As a result, we may not have sufficient or any distributable profits, being the after-tax profits, less any recovery of accumulated losses and appropriations to statutory and other reserves that we are required to make, to make dividend distributions to our Shareholders, even if we become profitable. Any distributable profits not distributed in a given year are retained and available for distribution in subsequent years. Our dividend distribution may also be restricted if we incur debt or losses or

in accordance with any restrictive covenants in bank credit facilities, convertible bond instruments or other agreements that we or our subsidiaries may enter into in the future. See "Risk Factors — Risks Relating to the [**REDACTED**] — 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." In the future, we may rely to some extent on dividends and other distributions on equity from our principal operating subsidiaries to fund offshore cash and financing requirements.

2022 SHARE INCENTIVE SCHEME

On December 13, 2022, we approved the restricted A shares scheme, the terms of which are not subject to the provisions of Chapter 17 of the Listing Rules. The maximum number of Restricted Stock initially available to be granted under the 2022 Share Incentive Scheme are 14,146,409 Shares. As of the Latest Practicable Date, there are a total of 76 grantees under the 2022 Share Incentive Scheme with 2,082,072 Restricted Stocks remained unexercised and outstanding.

Assuming (i) the [**REDACTED**] is not exercised and (ii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [**REDACTED**], upon completion of the [**REDACTED**], our total issued and outstanding share capital will be diluted by approximately [**REDACTED**]% if the outstanding Restricted Stocks are fully exercised. For further details, see "Appendix VI — Statutory and General Information — Share Incentive Scheme — 2022 Share Incentive Scheme."

[**REDACTED**]

APPLICATION FOR [REDACTED] ON THE STOCK EXCHANGE

We are applying for the [**REDACTED**] under Rule 8.05(3) of the Listing Rules and we satisfy the market capitalization/revenue test, with reference to (i) our revenue for the year ended December 31, 2025, which is over HK$500 million as required by Rule 8.05(3) of the Listing Rules; and (ii) our expected market capitalization at the time of the [**REDACTED**], which based on the [**REDACTED**] of the [**REDACTED**], exceeds HK$4 billion as required by Rule 8.05(3) of the Listing Rules.

[REDACTED]

We estimate that we will receive [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**], after deducting [**REDACTED**], fees and estimated expenses in connection with the [**REDACTED**] payable by us, and assuming that the [**REDACTED**] is not exercised and based on an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range stated in this document.

We currently intend to apply these [**REDACTED**] for the following purposes: (i) approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the clinical development of golidocitinib; (ii) approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the clinical development of DZD6008; (iii) approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the clinical development of birelentinib; (iv) approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the development of our other clinical-stage drug candidates and preclinical pipelines; (v) approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund our sales and marketing efforts and to expand our sales and marketing team in China; and (vi) approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used for our working capital and other general corporate purposes. For further details, see "Future Plans and [**REDACTED**]."

[**REDACTED**]

Our [**REDACTED**] mainly include [**REDACTED**], professional fees paid to legal advisors, the Reporting Accountants and other professional advisors for their services rendered in relation to the [**REDACTED**] and the [**REDACTED**]. Assuming full payment of the discretionary incentive fee, the estimated total [**REDACTED**] (based on the mid-point of the [**REDACTED**] range stated in this document and assuming that the [**REDACTED**] is not exercised) for the [**REDACTED**] are approximately HK$[**REDACTED**], representing [**REDACTED**]% of the [**REDACTED**] of the [**REDACTED**]. The estimated total [**REDACTED**] consist of: (i) [**REDACTED**]-related expenses of HK$[**REDACTED**], and (ii) non-[**REDACTED**]-related expenses of HK$[**REDACTED**], comprising (a) fees and expenses of legal advisors and Reporting Accountants of HK$[**REDACTED**] and (b) other fees and expenses of HK$[**REDACTED**]. We do not believe that any of these fees or expenses are material to our Group, taken as a whole, or are unusually high. During the Track Record Period, we incurred [**REDACTED**] of HK$[**REDACTED**], HK$[**REDACTED**], of which was charged to our consolidated statements of profit or loss and HK$[**REDACTED**] attributable to the issuance of H Shares will be deducted from equity upon [**REDACTED**]. We expect to incur [**REDACTED**] of HK$[**REDACTED**] after the Track Record Period, of which HK$[**REDACTED**] is expected to be charged to our consolidated statements of profit or loss and HK$[**REDACTED**] attributable to the issuance of H Shares will be deducted from equity upon [**REDACTED**]. The [**REDACTED**] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

LISTING ON THE SSE STAR MARKET

On December 10, 2021, our A Shares were listed on the SSE STAR Market with the stock code of 688192.SH. For details, see "History and Corporate Structure."

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Recent Developments

Our business operations and financial results have continued to grow following the Track Record Period. We expect to incur significant research and development expenses as we continue to expand indication for our marketed products and advance the R&D of our drug candidates. Commercial production at our Wuxi facility is targeted to begin in 2027. On July 14, 2026, we entered into the AstraZeneca Agreement with AstraZeneca, pursuant to which we granted AstraZeneca an exclusive license to develop and commercialize ZEGFROVY® globally. For details, see "Business — License Agreement with AstraZeneca."

No Material Adverse Change

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

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

"2022 Share Incentive Scheme"	the restricted A Shares Scheme approved by the Shareholders and adopted on December 13, 2022, the principal terms of which are set out in "Appendix VI — Statutory and General Information — Share Incentive Scheme — 2022 Share Incentive Scheme" to this document
"A Share(s)"	ordinary share(s) issued by our Company, with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange and traded in Renminbi
"Accountants' Report"	the accountants' report of our Company for the Track Record Period, as set out in Appendix I to this document
"affiliate"	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"AFRC"	the Accounting and Financial Reporting Council of Hong Kong
"Articles of Association" or "Articles"	the articles of association of our Company adopted on January 9, 2026 which will become effective upon the [**REDACTED**] and as amended from time to time, a summary of which is set out in Appendix V to this document
"AstraZeneca", "AstraZeneca UK" or "AZUK"	AstraZeneca UK Limited, a company incorporated in England and Wales with limited liability and a subsidiary of AstraZeneca PLC, a multinational pharmaceutical company listed on the London Stock Exchange (stock code: AZN), the New York Stock Exchange (ticker symbol: AZN) and the Nasdaq Stockholm AB (ticker symbol: AZN)
"AstraZeneca Agreement"	the license agreement we entered into with AstraZeneca on July 14, 2026, pursuant to which we granted to AstraZeneca an exclusive license to develop and commercialize ZEGFROVY® globally
"Audit Committee"	the audit committee of the Board
"Board" or "Board of Directors"	the board of Directors of our Company
"Business Day" or "business day"	any day (other than a Saturday, Sunday or public holiday in Hong Kong and any day on which tropical cyclone warning no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong) on which banks in Hong Kong are generally open for normal banking business
"CAGR"	compound annual growth rate

[**REDACTED**]

"China" or "PRC"	the People's Republic of China
"CIC"	China Insights Industry Consultancy Limited (灼識企業管理諮詢(上海)有限公司), a market research and consulting company, an Independent Third Party
"CIC Report"	an independent market research report commissioned by us and prepared by CIC independently for the purpose of this document
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company" or "our Company"	Dizal Pharmaceutical Co., Ltd. (迪哲(江蘇)醫藥股份有限公司), a joint stock company with limited liability established on October 27, 2017, the A Shares of which have been listed on the SSE STAR Market (stock code: 688192)
"Company Law" or "PRC Company Law"	the Company Law of the PRC (《中華人民共和國公司法》), as amended, supplemented or otherwise modified from time to time
"Compliance Advisor"	First Shanghai Securities Limited
"CSDC"	China Securities Depository and Clearing Co., Ltd. (中國證券登記結算有限責任公司)
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會), a regulatory body responsible for the supervision and regulation of the PRC national securities markets
"Director(s)" or "our Director(s)"	the director(s) of our Company
"Dizal Beijing"	Dizal (Beijing) Pharmaceutical Co., Ltd. (迪哲(北京)醫藥有限公司), a company established in the PRC in June 2020 with limited liability, and a subsidiary of our Company
"Dizal Shanghai"	Dizal (Shanghai) Pharmaceutical Co., Ltd. (迪哲(上海)醫藥有限公司), a company established in the PRC in December 2017 with limited liability, and a subsidiary of our Company

"Dizal Wuxi"	Dizal (Wuxi) Pharmaceutical Co., Ltd. (迪哲(無錫)醫藥有限公司), a company established in the PRC in November 2021 with limited liability, and a subsidiary of our Company
"Dr. Zhang"	Dr. Zhang Xiaolin (張小林), our founder, chairperson of the Board, executive Director and Chief Executive Officer
"EIT"	enterprise income tax
"EIT Law"	the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》), as amended, supplemented or otherwise modified from time to time
"EU"	European Union
"Extreme Conditions"	extreme conditions as announced by the government of Hong Kong in the case where a super typhoon or other natural disaster of a substantial scale seriously affects the working public's ability to resume work or brings safely concern for a prolonged period
	[**REDACTED**]
"Gewu Bio"	Gewu Bio Co., Ltd (格物生物技術(江蘇)有限公司), a company established in the PRC in May 2024 with limited liability, and a non-wholly-owned subsidiary of our Company
	[**REDACTED**]
"Group," "our Group," "our," "we" or "us"	our Company and all of our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of its present subsidiaries, the businesses operated by such subsidiaries or their predecessors (as the case may be)
"H Share(s)"	overseas listed foreign share(s) in our ordinary share capital, with nominal value of RMB1.00 each in the share capital of our Company, which are to [**REDACTED**] in HK dollars, and for which an application has been made for [**REDACTED**] on the Stock Exchange
	[**REDACTED**]

[**REDACTED**]

"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars," "HK dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong

[**REDACTED**]

"IFRS"	the International Financial Reporting Standards as issued by the IASB, which comprise the IFRS Accounting Standards, International Accounting Standards, Interpretations developed by the IFRS Interpretations Committee or its predecessor body, the Standing Interpretations Committee
"Independent Third Party(ies)"	person(s) or company(ies) who/which, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, are not our connected persons

[**REDACTED**]

[**REDACTED**]

"Joint Sponsors"	the joint sponsors as named in "Directors and Parties Involved in the [**REDACTED**]"
"Latest Practicable Date"	August 20, 2026, being the latest practicable date for the purpose of ascertaining certain information in this document prior to its publication

[**REDACTED**]

"Listing Committee"	the Listing Committee of the Stock Exchange

[**REDACTED**]

"Listing Guide" or "Guide for New Listing Applicants"	the Guide for New Listing Applicants as published by the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Listing Rules" or "Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange, which is independent from and operated in parallel with the GEM of the Stock Exchange
"MIIT"	Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部)
"MOFCOM"	the Ministry of Commerce of the PRC (中華人民共和國商務部)

"NDRC"	the National Development and Reform Commission (中華人民共和國國家發展和改革委員會)
"Nomination Committee"	the nomination committee of the Board
"NPC"	the National People's Congress of the PRC (中華人民共和國全國人民代表大會)
	[**REDACTED**]
"Overseas Listing Trial Measures"	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》) released by the CSRC on February 17, 2023 and took effect on March 31, 2023
"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC
"PRC Legal Advisors"	Zhong Lun Law Firm, the legal advisors to our Company as to the laws of the PRC
	[**REDACTED**]
"document"	this document being issued in connection with the [**REDACTED**]
	[**REDACTED**]
"R&D"	research and development

"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of the Board
"Restricted Stock(s)"	the restricted A Shares to be granted and issued as incentives to certain participants under the 2022 Share Incentive Scheme
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Rule 144A"	Rule 144A under the U.S. Securities Act
"SAFE"	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
"SAMR"	State Administration for Market Regulation of the PRC (中華人民共和國國家市場監督管理總局)
"SAT"	the State Administration of Taxation of the PRC (中華人 民共和國國家税務總局)
"Securities and Futures Ordinance" or "SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Securities Law" or "PRC Securities Law"	the Securities Law of the PRC (《中華人民共和國證券法》), as amended, supplemented or otherwise modified from time to time
"SFC"	the Securities and Futures Commission of Hong Kong
"Shanghai-Hong Kong Stock Connect"	a securities trading and clearing links program developed by the Hong Kong Stock Exchange, Shanghai Stock Exchange, HKSCC and China Securities Depository and Clearing Corporation Limited for mutual market access between Hong Kong and Shanghai
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, comprising A Shares and H Shares
"Shareholder(s)"	holder(s) of our Share(s)
"SSE STAR Market"	the Shanghai Stock Exchange Science and Technology Innovation Board (上海證券交易所科創板)
"SSE STAR Market Listing Rules"	the Rules Governing the Listing of Stock on the Science and Technology Innovation Board of Shanghai Stock Exchange (《上海證券交易所科創板股票上市規則》), as amended, supplemented or otherwise modified from time to time
	[**REDACTED**]
"State Council"	the State Council of the PRC (中華人民共和國國務院)

"Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited
"Strategy Committee"	the strategy committee of the Board
"subsidiarie(s)"	has the meaning ascribed to it in section 15 of the Companies Ordinance
"Subsidiaries"	the subsidiaries of our Company listed in "History and Corporate Structure — Our Subsidiaries"
"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
"Track Record Period"	the years ended December 31, 2023, 2024, 2025 and the six months ended June 30, 2026
"U.S. dollars," "US$" or "USD"	United States dollars, the lawful currency of the United States
"U.S. Securities Act"	the United States Securities Act of 1933, as amended and supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder

[**REDACTED**]

"United States," "USA" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"VAT"	value added tax

[**REDACTED**]

"%"	per cent

For the purpose of this document, references to "provinces" of China include provinces, municipalities under direct administration of the central government and provincial-level autonomous regions.

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

For ease of reference, the names of PRC laws and regulations, governmental authorities, institutions, natural persons or other entities (including certain of our subsidiaries) have been included in this document in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail. English translations of company names and other terms from the Chinese language are provided for identification purposes only.

GLOSSARY OF TECHNICAL TERMS

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

"A2aR"	adenosine A2a receptor, a G protein-coupled receptor that is highly expressed on certain immune cells and in the central nervous system. It signals primarily through Gs proteins to increase intracellular cyclic AMP and can mediate immunosuppressive and neuromodulatory effects when activated by adenosine or pharmacologic agonists
"AD"	atopic dermatitis, a chronic, inflammatory, immune mediated skin disease characterized by itchy, inflamed, and recurrent skin lesions
"AE"	adverse event, which may be mild, moderate, or severe, any untoward medical occurrence in a patient or subject receiving a drug or other pharmaceutical product in a clinical trial and which does not necessarily have a causal relationship with the treatment
"adjuvant therapy"	additional treatment given after primary therapy, such as surgery or definitive local treatment, with the goal of reducing the risk of disease recurrence or progression, typically using modalities such as systemic anti-cancer therapy, radiation, or other interventions
"anti-PD(L)-1 antibody"	a drug, typically a monoclonal antibody, that binds to and blocks the programmed cell death protein 1 (PD-1) or its ligand PD-L1 receptor on T cells being used as an immune checkpoint therapy in various cancers
"ASCT"	autologous stem cell transplantation
"B-NHL"	B-cell non-Hodgkin lymphoma, a heterogeneous group of non-Hodgkin lymphomas that arise from B lymphocytes at various stages of differentiation and include multiple subtypes such as diffuse large B-cell lymphoma, follicular lymphoma, and mantle cell lymphoma, and others
"BBB"	blood-brain barrier, a specialized, selectively permeable barrier formed primarily by tight junctions between endothelial cells of brain capillaries, along with supporting cells such as astrocytes and pericytes, that regulates the passage of substances between the bloodstream and the central nervous system and thereby helps maintain brain homeostasis and protect neural tissue from toxins and pathogens
"BCR"	B-cell receptor
"BICR"	blinded independent central review

GLOSSARY OF TECHNICAL TERMS

"BR"	refers to a chemotherapy regimen consisting of bendamustine in combination with rituximab, which is commonly used in the treatment of certain subtypes of non-Hodgkin's lymphoma and other B-cell malignancies, and is often employed as a standard-of-care regimen or comparator in clinical studies
"BTK"	Bruton's tyrosine kinase
"CDE"	Center for Drug Evaluation under the NMPA
"CDTP"	candidate drug target profile, a predefined set of biological, pharmacological, and safety attributes that potential candidate compounds are recommended to meet. Established in the early stages of drug discovery, they guide the selection and prioritization of candidate compounds and assess their suitability for further therapeutic development
"CDx"	companion diagnostic, an in vitro diagnostic device or test that provides information essential for the safe and effective use of a corresponding therapeutic product, such as by identifying patients who are most likely to benefit from the therapy, are at increased risk of serious adverse reactions, or require specific dosing or monitoring
"CDMO"	contract development and manufacturing organization
"CHOP"	cyclophosphamide, hydroxydaunorubicin (doxorubicin), Oncovin (vincristine), prednisone, a multi-agent chemotherapy regimen consisting of cyclophosphamide, doxorubicin, vincristine, and prednisone, commonly used in the treatment of non-Hodgkin lymphoma and other hematologic malignancies
"CLL/SLL"	chronic lymphocytic leukemia/small lymphocytic lymphoma, a slowly progressing, liquid form of tumor that causes an excess of white blood cells in the bone marrow, blood, liver, and spleen
"CMC"	chemistry, manufacturing and control
"CNS"	central nervous system
"cORR"	confirmed overall response rate, the proportion of patients in a clinical study who achieve a confirmed objective response, typically defined as a complete response or partial response that is subsequently confirmed at a consecutive assessment conducted after a prespecified minimum interval, in accordance with the applicable tumor response criteria
"CR"	complete response, a measure of treatment efficacy in which all detectable signs of cancer (or the targeted disease) disappear following therapy, based on predefined clinical, laboratory, and/or imaging criteria, although it does not necessarily mean the disease has been cured
"CRO"	contract research organization

GLOSSARY OF TECHNICAL TERMS

"CSCO"	Chinese Society of Clinical Oncology
"CSF"	cerebrospinal fluid, the clear, colorless fluid that circulates within the ventricles of the brain and the subarachnoid space surrounding the brain and spinal cord, cushion and protect the central nervous system from mechanical injury, to remove metabolic waste products, transports nutrients and signaling molecules, and is often sampled or analyzed to assess neurologic diseases or drug penetration into the central nervous system
"DCR"	disease control rate, the proportion of patients who have achieved either a complete response, partial response, or stable disease after treatment
"DDIs"	drug-drug interactions, the pharmacologic or clinical effects that occur when one drug alters the absorption, distribution, metabolism, or excretion of another drug, or modifies its efficacy or safety profile, leading to reduced therapeutic effect or increased toxicity and other adverse outcomes
"DFS"	disease-free survival, the length of time after curative or definitive treatment during which a patient remains alive without any signs or symptoms of the disease, typically measured from a defined starting point such as randomization, surgery, or completion of therapy until the first documented recurrence of the disease or death from any cause
"DLBCL"	diffuse large B-cell lymphoma, an aggressive type of non-Hodgkin lymphoma that develops from the B-cells in the lymphatic system
"DLT"	dose-limiting toxicity
"DMPK"	drug metabolism and pharmacokinetic; It is the scientific discipline that studies how a drug is absorbed, distributed, metabolized, and excreted in the body. It also and characterizes the relationships between drug exposure, time, and pharmacologic effects to support critical decisions in drug development, including candidate selection, dose optimization, and overall therapeutic strategy
"DoR"	duration of response, the length of time that a tumor continues to respond to treatment before it grows or spreads again
"driver mutations"	Specific DNA changes in a cell that provide a significant growth or survival advantage, causing normal cells to become cancerous and drive tumor development
"EGFR"	epidermal growth factor receptor, a transmembrane receptor protein in humans
"EGFR exon20ins"	exon20 insertions, a class of genetic alterations characterized by insertion mutations occurring in exon 20 of EGFR, which can drive oncogenic signaling and are clinically relevant as molecular targets or resistance mechanisms in various cancers

GLOSSARY OF TECHNICAL TERMS

"EHA"	European Hematology Association
"EZH1/2"	Enhancer of Zeste Homolog 1 and 2
"Fast Track Designation"	a designation to facilitate the development and expedite the review of drugs that are intended to treat serious or life-threatening conditions and that demonstrate the potential to address unmet medical needs through more frequent interactions with the regulatory authority and eligibility for rolling review and other expedited regulatory processes
"FDA" or "U.S. FDA"	Food and Drug Administration, a federal agency of the U.S. Department of Health and Human Services responsible for protecting public health
"GCB subtype"	germinal center B-cell-like subtype, a molecular subtype of diffuse large B-cell lymphoma characterized by gene expression or immunophenotypic features resembling normal germinal center B cells, and generally associated with distinct biology, prognosis, and potential treatment responses compared with non-GCB or activated B-cell-like subtypes
"GFA"	gross floor area
"GLP"	Good Laboratory Practice, a regulatory quality standard for non-clinical studies, including toxicology studies, that sets requirements for the planning, conduct, monitoring, recording, reporting, and archiving of study activities, data and materials to ensure their reliability, integrity, and suitability for regulatory review
"GMP"	Good Manufacturing Practice, the practices required in order to conform to the guidelines recommended by agencies that control the authorization and licensing of the manufacture of products
"IIT"	investigator-initiated trial, a clinical study for which the principal investigator or an academic or clinical institution, rather than a pharmaceutical or biotechnology company, designs the protocol, acts as the sponsor, and is primarily responsible for initiating, conducting, and managing the trial, including obtaining regulatory and ethics approvals
"Immunotherapy"	use of the immune system to treat disease
"IRC"	independent review committee
"ILD"	interstitial lung disease, a group of disorders characterized by inflammation and fibrosis of the lung interstitial and surrounding structures, leading to impaired gas exchange, progressive dyspnea, and characteristic radiographic findings, and which may occur as an underlying disease or as a drug-related adverse event in clinical studies

GLOSSARY OF TECHNICAL TERMS

"ITP"	immune thrombocytopenia, an acquired autoimmune bleeding disorder characterized by immune-mediated destruction and impaired production of platelets, leading to thrombocytopenia and an increased risk of bruising and bleeding, and which may occur as an underlying disease or as a treatment-related adverse event
"IVIG"	intravenous immunoglobulin, a sterile preparation of pooled immunoglobulin G (IgG) antibodies derived from the plasma of healthy donors that is administered intravenously for replacement therapy in patients with antibody deficiencies or as an immunomodulatory treatment in various autoimmune, inflammatory, or immune-mediated conditions
"JAK1"	Janus kinase 1, a member of the Janus kinase family of non-receptor tyrosine kinases that transduces signals from various cytokine and growth factor receptors through the JAK-STAT pathway, thereby regulating immune function, hematopoiesis, and inflammation and serving as a therapeutic target for certain autoimmune diseases and cancers
"JAK-STAT"	a key intracellular signaling pathway in which activation of Janus kinases (JAKs) by cytokine or growth factor receptors leads to phosphorylation and activation of signal transducer and activator of transcription (STAT) proteins, which then dimerize and translocate to the nucleus to regulate gene expression involved in immunity, inflammation, cell growth, and survival
"KOL"	key opinion leader
"Lyn"	Tyrosine-protein kinase Lyn, a Src family non-receptor tyrosine kinase expressed primarily in hematopoietic cells that plays a key role in initiating and modulating signaling from B-cell receptors and other immune receptors, thereby regulating lymphocyte activation, tolerance, and survival and representing a potential therapeutic target in certain hematologic malignancies and immune-mediated diseases
"MIDD"	model-informed drug development; It is an approach to drug development that uses quantitative models integrating pharmacokinetic, pharmacodynamic, efficacy, and safety data, along with disease and trial simulations, to support decision-making, optimize dose and regimen, and enhance the efficiency and probability of success of development programs
"mOS"	median overall survival, the length of time from either the date of diagnosis or the start of treatment for a disease that half of the patients in a group of patients diagnosed with the disease are still alive
"mPFS"	median progression-free survival, the median time during a clinical study that patients live without disease progression or worsening

"MTD"	maximum tolerated dose, the highest dose of a drug or treatment that does not cause unacceptable side effects, established through clinical trials to determine the optimal balance between efficacy and toxicity
"NCCN"	National Comprehensive Cancer Network
"NDA"	New Drug Application
"NGS"	next-generation sequencing
"NHSA"	The National Healthcare Security Administration, the main regulatory authority for formulating and implementing medical and maternity insurance policies, administering the NRDL, and overseeing centralized procurement of medicines and consumables
"NMPA"	The National Medical Products Administration of the PRC (國家藥品監督管理局)
"NRDL"	National Reimbursement Drug List
"NSCLC"	Non-small cell lung cancer
"Orphan Drug Designation"	a designation to a drug or biologic intended to treat a rare disease or condition affecting a small patient population, which provides incentives such as tax credits for clinical testing, waiver of certain user fees, and, upon approval, a period of marketing exclusivity for the designated indication
"ORR"	objective response rate, an efficacy endpoint in clinical studies defined as the proportion of patients who achieve a predefined objective tumor response to treatment, typically including complete response (CR) and partial response (PR), and usually expressed as a percentage of all evaluable patients
"PACC"	P-loop αC-helix compressing, a structural conformation of certain protein kinases in which the phosphate-binding loop (P-loop) is compressed toward the αC-helix, a feature that can be stabilized by specific small-molecule inhibitors and is associated with distinct binding modes and regulatory effects on kinase activity
"PARP inhibitor"	a small-molecule inhibitor of poly (ADP-ribose) polymerase enzymes, particularly PARP1 and PARP2, that blocks repair of single-strand DNA breaks and can induce cancer cell death, especially in tumors with defects in homologous recombination repair pathways such as those harboring BRCA1 or BRCA2 mutations
"PFS"	progression-free survival, the time during and after treatment in which the patient lives without disease progression

"Pola-R-CHP"	polatuzumab vedotin, rituximab, cyclophosphamide, hydroxydaunorubicin (doxorubicin), prednisone, a combination chemoimmunotherapy regimen consisting of the antibody-drug conjugate polatuzumab vedotin plus rituximab, cyclophosphamide, doxorubicin and prednisone, used as a first-line treatment option for certain patients with DLBCL
"PK/PD"	pharmacodynamic or pharmacokinetic; It refers to pharmacodynamic and pharmacokinetic studies, which together describe the scientific investigation of how a drug is absorbed, distributed, metabolized, and eliminated by the body, while also characterizing its biological effects. This combined framework provides crucial information on the drug's behavior in vivo and informs the design and optimization of its dosing regimen to achieve desired therapeutic outcomes
"PTCL"	peripheral T-cell lymphoma
"r/r"	relapsed or refractory, disease or condition which become progressive after treatment (relapsed) or does not respond to the initial treatment (refractory)
"rhTPO"	recombinant human thrombopoietin, a lab-produced protein that mimics the body's natural thrombopoietin, stimulating the bone marrow to make more platelets (thrombocytes) and is used as a treatment for low platelet counts (thrombocytopenia) from causes like chemotherapy or immune thrombocytopenia (ITP)
"R-CHOP"	a chemotherapy regimen consisting of rituximab, cyclophosphamide, doxorubicin, vincristine, prednisone, commonly used in the treatment of certain B-cell lymphomas and other hematologic malignancies
"R-GemOx"	a chemotherapy regimen consisting of rituximab, gemcitabine, and oxaliplatin, commonly used in the treatment of certain B-cell lymphomas and other hematologic malignancies, particularly in the relapsed or refractory setting
"RP2D"	recommended phase 2 dose
"RP3D"	recommended phase 3 dose
"SAE"	serious adverse event, in the context of clinical trials, any undesirable medical event that results in death, is life-threatening, requires hospitalization or causes prolongation of existing hospitalization, results in persistent or significant disability or incapacity, is a congenital anomaly or birth defect, or requires intervention to prevent permanent impairment or damage
"SMARCA2"	a gene encoding a core ATPase subunit of the SWI/SNF (BAF) chromatin-remodeling complex, also known as BRM, that uses ATP hydrolysis to modulate chromatin structure and regulate gene expression, and whose loss or dysregulation has been implicated in cancer and other diseases

GLOSSARY OF TECHNICAL TERMS

"TEAE"	treatment-emergent adverse event
"TKI"	tyrosine kinase inhibitor, a type of pharmaceutical drug that inhibits tyrosine kinases
"TME"	the complex local environment surrounding a tumor, including immune cells, stromal cells, blood vessels, extracellular matrix, signaling molecules, and other non-malignant components, which interact with tumor cells to influence cancer growth, metastasis, and response to therapy
"TPO-RA"	thrombopoietin receptor agonist, a drug that binds to and activates the thrombopoietin (TPO) receptor, also known as c-Mpl, on megakaryocyte progenitors and platelets, thereby stimulating megakaryocyte proliferation and differentiation and increasing platelet production, and is commonly used in the treatment of thrombocytopenia in various clinical settings
"TRAE"	treatment-related adverse event, undesirable events not present prior to medical treatment or an already present event that worsens in intensity or frequency as a result of the treatment
"wild-type EGFR"	epidermal growth factor receptor that has the normal, non-mutated gene and protein sequence typically found in healthy cells, as distinguished from EGFR harboring activating, resistance, or other pathogenic mutations often seen in cancer

FORWARD-LOOKING STATEMENTS

We have included in this document forward-looking statements. Statements that are not historical facts, including statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements.

This document contains certain forward-looking statements and information relating to us and our subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this document, the words "aim," "anticipate," "believe," "could," "estimate," "expect," "going forward," "intend," "may," "might," "plan," "potential," "predict," "project," "seek," "should," "will," "would" and the negative of these words and other similar expressions, as they relate to us or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change.

These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this document. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing our Company which could affect the accuracy of forward-looking statements include, but are not limited to, the following: (i) the market opportunities of our products; (ii) our business strategies and plans to achieve these strategies; (iii) our future business development, financial conditions and results of operations; (iv) industry trends and competition; (v) general economic, political and business conditions in the industry and markets in which we operate or into which we intend to expand; (vi) our expectations regarding demand for and market acceptance of our products; (vii) our expectations regarding our relationships with customers, business partners, suppliers and other partners; (viii) changes in the macro environment, regional and global economy, as well as industry trends related to our operations; (ix) our ability to adequately protect our reputation and brand image, as well as our intellectual property rights; (x) our ability to obtain adequate capital resources to fund future development plans; (xi) our ability to control costs, as well as to achieve and maintain operational efficiency; (xii) our ability to attract and retain qualified personnel; (xiii) our proposed [**REDACTED**]; (xiv) rapid developments in technology and our ability to successfully keep up with technological advancement; (xv) relevant government policies and regulations relating to our industry, business and corporate structure; (xvi) certain statements in this document with respect to trends in prices, operations, margins, overall market trends, and risk management; (xvii) changes in or volatility of interest rates, foreign exchange rates, equity prices, volumes, operations, margins, risk management and overall market trends; (xviii) all other risks and uncertainties described in the "Risk Factors;" and (xix) other statements in this document that are not historical facts.

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

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."

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.

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.

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

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

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

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.

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

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

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

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.

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

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

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

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

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.

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.

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,

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

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

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.

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

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.

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.

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

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rules 8.12 and 19A.15 of the Listing Rules, an issuer must have sufficient management presence in Hong Kong. This will normally mean that at least two of its executive directors must be ordinarily resident in Hong Kong. We do not have sufficient management presence in Hong Kong for the purposes of Rule 8.12 and Rule 19A.15 of the Listing Rules.

Our Group's management headquarters, senior management, business operations and assets are primarily based outside Hong Kong. The Directors consider that the appointment of executive directors who will be ordinarily resident in Hong Kong would not be beneficial to, or appropriate for, our Group and therefore would not be in the best interests of our Company or the Shareholders as a whole. Therefore, our Company does not, and does not contemplate in the foreseeable future that we will, have sufficient management presence in Hong Kong for the purpose of satisfying the requirements under the Listing Rules.

Accordingly, we have applied for, and the Stock Exchange [has granted], a waiver from strict compliance with Rules 8.12 and 19A.15 of the Listing Rules. We will ensure that there is an effective channel of communication between the Stock Exchange and us by way of the following arrangements:

(i) **Authorized representatives**: both of our Company's authorized representatives, Dr. Zhang Xiaolin (張小林) and Ms. Tsui Ka Yan (崔嘉欣), will act as our Company's principal channels of communication with the Stock Exchange. Accordingly, the authorized representatives of our Company will be able to meet with the relevant members of the Stock Exchange on reasonable notice and will be readily contactable by telephone, facsimile and/or email.

Each of the authorized representatives of our Company has means of contacting all Directors (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange proposes to contact a Director with respect to any matter;

(ii) **Directors**: each Director has provided their mobile phone number, office phone number, fax number, if any, and e-mail address to the authorized representatives of our Company and the Stock Exchange, and in the event that any Director expects to travel or otherwise be out of the office, they will provide the phone number of the place of their accommodation to the authorized representatives.

Each of our Directors not ordinarily residing in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and will be able to meet with the relevant members of the Stock Exchange within a reasonable period of time; and

(iii) **Compliance advisor**: we have appointed First Shanghai Securities Limited as our Compliance Advisor, in compliance with Rule 3A.19 of the Listing Rules, who will, among other things and in addition to the authorized representatives and our Directors, also act as an additional channel of communication with the Stock Exchange from the [**REDACTED**] to the date when our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year immediately following the [**REDACTED**]. Pursuant to the Note to Rule 3A.23, the Compliance Advisor will have access at all times to our authorized representatives, our Directors and other officers. We shall ensure that there are adequate and efficient means of communication among our Company, our authorized representatives, our Directors, other officers and the Compliance Advisor, and will keep the Compliance Advisor fully informed of all communications and dealings between the Stock Exchange and us.

WAIVER IN RESPECT OF JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the company secretary must be an individual who, by virtue of their academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary.

Pursuant to Note 1 to Rule 3.28 of the Listing Rules, the Hong Kong Stock Exchange considers the following academic or professional qualifications to be acceptable: (i) a member of The Hong Kong Chartered Governance Institute; (ii) a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and (iii) a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong).

Pursuant to Note 2 to Rule 3.28 of the Listing Rules, in assessing the "relevant experience," the Hong Kong Stock Exchange will consider the individual's: (i) length of employment with the issuer and other issuers and the roles he/she played; (ii) familiarity with the Listing Rules and other relevant laws and regulations including the Securities and Futures Ordinance, the Companies Ordinance, the CWUMPO and the Takeovers Code; (iii) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and (iv) professional qualifications in other jurisdictions.

We have appointed Ms. Dong Weiwen (董韡雯) ("**Ms. Dong**") as our joint company secretary in August 2026. Our Group's key operations and principal business activities are conducted outside of Hong Kong. We believe that the company secretary role requires a person to be deeply familiar with our operations and the specific industry context, and to be able to cultivate strong relationships with both the Board and the management. It would be in the best interests of our Company and our corporate governance to have as its joint company secretary a person such as Ms. Dong who has been with our Company since August 2018. As the Board secretary of the Company, Ms. Dong is deeply familiar with our operations and is able to cultivate strong relationships with both the Board and the management. Our Directors believe that Ms. Dong's intimate knowledge of our Company and operations is essential for the performance of company secretary duties in the most effective and efficient manner. For biographical details of Ms. Dong, see "Directors and Senior Management — Senior Management."

Since Ms. Dong does not possess the qualifications stipulated in Rule 3.28 of the Listing Rules, she is not able to solely fulfill the requirements as a company secretary of a listed issuer stipulated under the Listing Rules. To support Ms. Dong in performing the duties of company secretary, we have appointed Ms. Tsui Ka Yan (崔嘉欣) ("**Ms. Tsui**"), who is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom and meets the requirements under Rule 3.28 of the Listing Rules, as a joint company secretary to provide assistance for a three-year period from the [**REDACTED**] so as to enable Ms. Dong to acquire the relevant experience as required under Note 2 to Rule 3.28 of the Listing Rules to duly discharge her duties.

Accordingly, our Company has applied for, and the Stock Exchange [has granted] us, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules in relation to the appointment of Ms. Dong as our joint company secretary. Pursuant to Chapter 3.10 of the Listing Guide, such waiver [has been] granted on the conditions that: (i) Ms. Tsui is appointed as a joint company secretary to assist Ms. Dong in discharging her functions as a company secretary and gaining the relevant experience under Rule 3.28 of the Listing Rules; this waiver will be revoked immediately if and when Ms. Tsui ceases to provide such assistance during the three-year period; and (ii) this waiver is subject to revocation in the event of any material breaches of the Listing Rules by our Company.

In addition, Ms. Dong will comply with the annual professional training requirements under Rule 3.29 of the Listing Rules and enhance her understanding of the Listing Rules during the three-year period from the [**REDACTED**]. Our Company will further ensure that Ms. Dong has access to the relevant training and support to familiarize herself with the Listing Rules and the duties of a company secretary of an issuer listed on the Stock Exchange. Prior to the expiration of the three-year period, our Company will further evaluate the qualifications and experience of Ms. Dong to determine whether she has satisfied the requirements as stipulated under the Listing Rules and whether she needs further assistance. We will liaise with and assist the Stock Exchange in assessing whether Ms. Dong having benefited from the assistance of Ms. Tsui for three years, has acquired the skills necessary to carry out the duties of a company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

DISCLOSURE REQUIREMENTS IN RESPECT OF OUTSTANDING RESTRICTED STOCKS GRANTED UNDER 2022 SHARE INCENTIVE SCHEME

The Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance prescribe certain disclosure requirements in relation to the Restricted Stocks granted by our Company (the "**ESOP Disclosure Requirements**"):

(a) Rule 17.02(1)(b) of the Listing Rules stipulates that all material terms of a scheme must be clearly set out in the document. Our Company is also required to disclose in the document full details of all outstanding Restricted Stocks granted under the 2022 Share Incentive Scheme and their potential dilution effect on the shareholdings upon the [**REDACTED**] as well as the impact on the earnings per share arising from the issue of shares in respect of such outstanding Restricted Stocks;

(b) Paragraph 27 of Appendix D1A to the Listing Rules requires our Company to set out in the document particulars of any member of our Group that is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted and the price and duration of the option, and the name and address of the grantee; and

(c) Paragraph 10 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires our Company to disclose in the document the number, description and amount of any shares in or debentures of our Company which any person has or is entitled to be given, an option to subscribe for, together with the following particulars of the option, that is to say, (a) the period during which it is exercisable; (b) the price to be paid for shares or debentures subscribed for under it; (c) the consideration (if any) given or to be given for it or for the right to it; (d) the names and addresses of the persons to whom it or the right to it was given or, if given to existing shareholders or debenture holders as such, the relevant shares or debentures.

Paragraph 6 of Chapter 3.6 of the Guide for New Listing Applicants provides that in general, the Stock Exchange would grant waivers from disclosing the names and addresses of certain grantees in the listing document.

Paragraph 7 of Chapter 3.6 of the Guide for New Listing Applicants further provides that a waiver from the ESOP Disclosure Requirements is at least subject to the following conditions (the "**Waiver Conditions**"):

(a) demonstrating that the disclosure required under the relevant Listing Rules would be irrelevant or unduly burdensome;

(b) disclosing the following in the document:

  (i) for each of the grantees who is (1) a Director, (2) a member of the senior management, or (3) a connected person, all the particulars required under the ESOP Disclosure Requirements;

  (ii) for the remaining grantees, on an aggregate basis, (1) the aggregate number of grantees and the number of Restricted Stocks; (2) the exercise period of each Restricted Stock; (3) the consideration paid for the Restricted Stocks; and (4) the exercise price of the Restricted Stocks; and

  (iii) the aggregate number of underlying Shares required to be issued to satisfy the Restricted Stocks; the percentage of such aggregate number of underlying Shares to the issued share capital; and the dilution effect and impact on earnings per share upon full exercise of the Restricted Stocks under the 2022 Share Incentive Scheme.

(c) making available for public inspection a full list of all grantees under the 2022 Share Incentive Scheme with all the particulars required under ESOP Disclosure Requirements.

As of the Latest Practicable Date, the 2022 Share Incentive Scheme was in effect, to which the ESOP Disclosure Requirements are applicable. For details, see "Appendix VI — Statutory and General Information — Share Incentive Scheme — 2022 Share Incentive Scheme" to this document.

As of the Latest Practicable Date, the total number of Shares underlying the Restricted Stocks grantable under the 2022 Share Incentive Scheme amounted to 2,082,072 Shares, accounting for approximately [**REDACTED**]% of the total issued Shares upon completion of the [**REDACTED**] (assuming (i) the [**REDACTED**] is not exercised and (ii) no changes are made to the total issued share capital of our Company since the Latest Practicable Date and up to the [**REDACTED**]), among which, Restricted Stocks representing 2,082,072 Shares had been granted to 76 grantees and remained outstanding and unexercised.

We have applied to (i) the Stock Exchange for a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules; and (ii) the SFC for a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, exempting our Company from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, respectively, on the grounds that strict compliance with the ESOP Disclosure Requirements would be unduly burdensome for our Company and the waiver and exemption would not prejudice the interest of the investing public, taking into account the following reasons:

(a) given that 76 grantees are involved under the 2022 Share Incentive Scheme, strict compliance with such disclosure requirements in setting out full details of all the grantees under the 2022 Share Incentive Scheme in the document would be costly and unduly burdensome for our Company in light of a significant increase in cost and time for information compilation and document preparation. For example, the disclosure of personal information of each grantee may require the consent of all grantees to comply with personal information privacy laws and principles. Given the number of grantees, obtaining their consent would cause an unnecessary burden on our Company;

(b) the grant and exercise in full of the Restricted Stocks under the 2022 Share Incentive Scheme will not cause any material adverse impact to the financial position of our Group;

(c) non-compliance with the ESOP Disclosure Requirements would not prevent the Company from providing the potential investors with an informed assessment of the activities, assets, liabilities, financial position, management and prospects of our Company;

(d) material information relating to the Restricted Stocks, including the information required under the Waiver Conditions, has been disclosed in this document to provide prospective investors with sufficient information to make an informed decision; and

(e) the 2022 Share Incentive Scheme involves only A Shares which are not fungible with the H Shares for which listing on the Stock Exchange is sought.

We have applied to the Stock Exchange for, and the Stock Exchange [has granted] us, a waiver from strict compliance with Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules in relation to the ESOP Disclosure Requirements on the conditions that:

(a) a summary of the latest terms of the 2022 Share Incentive Scheme is disclosed in "Appendix VI — Statutory and General Information — Share Incentive Scheme — 2022 Share Incentive Scheme" to this document;

(b) full details of the Restricted Stocks granted by our Company to the Directors, senior management and the connected person, on an individual basis, as required under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to the Listing Rules, and paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, have been disclosed in "Appendix VI — Statutory and General Information — Share Incentive Scheme — 2022 Share Incentive Scheme" to this document;

(c) with respect to the Restricted Stocks granted to the remaining grantees (being grantees who are not the Directors, senior management or other connected persons), disclosure has been made on an aggregate basis categorized into groups based on the number of Shares underlying the outstanding Restricted Stocks, being (a) 1 to 2,000, (b) 2,001 to 5,000, (c) 5,001 to 10,000, (d) 10,001 to 100,000 and (e) 100,001 and above, and in respect of each group of Shares, the following details are disclosed in this document: (a) the number of grantees and number of Shares underlying the Restricted Stocks, (b) the exercise period of the Restricted Stocks, and (c) the exercise price of the Restricted Stocks;

(d) the total number of Shares underlying the outstanding Restricted Stocks under the 2022 Share Incentive Scheme and the percentage to the total issued Shares represented by such number of Shares as of the Latest Practicable Date are disclosed in "Appendix VI — Statutory and General Information — Share Incentive Scheme — 2022 Share Incentive Scheme" to this document;

(e) the dilutive effect and impact on earnings per share upon the full issue and registration of the Restricted Stocks upon completion of the [**REDACTED**] are disclosed in "Appendix VI — Statutory and General Information — Share Incentive Scheme — 2022 Share Incentive Scheme" to this document;

(f) a full list of all the grantees with outstanding Restricted Stocks under the 2022 Share Incentive Scheme, containing all the details as required under paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance will be made available for public inspection in accordance with "Appendix VII — Documents Delivered to the Registrar of Companies and Available on Display — Documents Available for Inspection" to this document; and

(g) the grant of a certificate of exemption under the Companies (Winding Up and Miscellaneous Provisions) Ordinance from the SFC exempting our Company from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

We have applied to the SFC for, and the SFC [has granted] us, a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance from strict compliance with paragraph 10(d) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the conditions that:

(a) full details of the Restricted Stocks granted by our Company to the Directors, senior management and other connected persons, on an individual basis, as required under paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, have been disclosed in "Appendix VI — Statutory and General Information — Share Incentive Scheme — 2022 Share Incentive Scheme" to this document;

(b) with respect to the Restricted Stocks granted to the remaining grantees (being grantees who are not the Directors, senior management or other connected persons), disclosure has been made on an aggregate basis categorized into groups based on the number of Shares underlying the outstanding Restricted Stocks, being (a) 1 to 2,000, (b) 2,001 to 5,000, (c) 5,001 to 10,000, (d) 10,001 to 100,000 and (e) 100,001 and above, the following details are disclosed in this document: (a) the number of grantees and number of Shares underlying the Restricted Stocks, (b) the exercise period of the Restricted Stocks, and (c) the exercise price of the Restricted Stocks;

(c) a full list of all the grantees with outstanding Restricted Stocks under the 2022 Share Incentive Scheme, containing all the details as required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance will be made available for public inspection in accordance with "Appendix VII — Documents Delivered to the Registrar of Companies and Available on Display — Documents Available for Inspection" to this document; and

(d) the particulars of the exemption will be disclosed in this document, and this document will be issued on or before [**REDACTED**].

[**REDACTED**]

[**REDACTED**]

CONTINUING CONNECTED TRANSACTIONS

We have entered into and will continue to engage in certain transactions which would constitute continuing connected transactions for our Company under the Listing Rules following completion of the [**REDACTED**]. We have applied to the Stock Exchange for, and the Stock Exchange [has granted] us, waivers from strict compliance with certain requirements set out in Chapter 14A of the Listing Rules for certain continuing connected transactions. For further details of such continuing connected transactions and the waivers, please see "Connected Transactions".

[REDACTED]

[REDACTED]

[REDACTED]

DIRECTORS

Name	Address	Nationality
Executive Directors		
Dr. Zhang Xiaolin (張小林)	Room 416 No. 1800 Jinke Road Pudong New Area Shanghai PRC	American
Ms. Kang Xiaojing (康曉靜)	Room 1201, No. 132 Lane 1799, Yinchun Road Minhang District Shanghai PRC	Chinese
Non-executive Directors		
Dr. Lu Simon Dazhong (呂大忠)	Room 510, Building 48 No. 478, Fanghua Road Pudong New Area Shanghai PRC	Canadian
Mr. Rodolphe Peter André Grépinet	1 Sherlock Road, CB3 0HR Cambridge U.K.	French
Independent Non-executive Directors		
Ms. An Meixia (安梅霞)	Unit 37-1, Qixia Yingcui, Huangshan Country Garden Community No. 16 Meilin Avenue Economic Development District Huangshan Anhui Province PRC	Chinese
Ms. Wang Tianyou (王天佑)	Flat B, 12/F, Tower 1A Grand Austin, No. 9 Tsim Sha Tsui Austin Road Kowloon Hong Kong	Chinese (Hong Kong)
Mr. Cao Yibo (曹弋博)	Room 3619, Tower 2 Harbourview Horizon 12 HungLok Road Hung Hom Bay Kowloon Hong Kong	Chinese

For further details regarding our Directors, please see "Directors and Senior Management — Board of Directors."

PARTIES INVOLVED IN THE [REDACTED]

Joint Sponsors	**Goldman Sachs (Asia) L.L.C.** 68/F, Cheung Kong Center 2 Queen's Road Central Hong Kong **Huatai Financial Holdings (Hong Kong) Limited** 62/F, The Center 99 Queen's Road Central Hong Kong
Overall Coordinators, [REDACTED]	**Goldman Sachs (Asia) L.L.C.** 68/F, Cheung Kong Center 2 Queen's Road Central Hong Kong **Huatai Financial Holdings (Hong Kong) Limited** 62/F, The Center 99 Queen's Road Central Hong Kong **SDIC Securities (Hong Kong) Limited** 39/F, One Exchange Square Central Hong Kong
Legal Advisors to our Company	*as to Hong Kong and U.S. laws:* **Kirkland & Ellis** 26/F, Gloucester Tower The Landmark 15 Queen's Road Central Hong Kong *as to PRC law:* **Zhong Lun Law Firm** 22-24/F & 27-31/F, South Tower CP Center 20 Jin He East Avenue Chaoyang District Beijing PRC
Legal Advisors to the Joint Sponsors and [REDACTED]	*as to Hong Kong and U.S. laws:* **Freshfields** 55/F, One Island East Taikoo Place Quarry Bay Hong Kong

	as to PRC law: **Fangda Partners** 24/F, HKRI Centre Two HKRI Taikoo Hui 288 Shi Men Yi Road Jing'an District Shanghai PRC
Reporting Accountant and Independent Auditor	**BDO Limited** *Certified Public Accountants* *Registered Public Interest Entity Auditor* 25/F, Wing On Centre 111 Connaught Road Central Hong Kong
Industry Consultant	**China Insights Industry Consultancy Limited** 10/F, Block B Jing'an International Center 88 Puji Road Jing'an District Shanghai PRC
Compliance Advisor	**First Shanghai Securities Limited** 19th Floor, Wing On House 71 Des Voeux Road Central Hong Kong

[**REDACTED**]

CORPORATE INFORMATION

Registered Office in the PRC	Rooms 404, 405, and 416, Building C Huirong Business Plaza No. 26 Hefeng Road Xinwu District Wuxi City Jiangsu Province PRC
Head Office and Principal Place of Business in the PRC	Rooms 404, 405, and 416, Building C Huirong Business Plaza No. 26 Hefeng Road Xinwu District Wuxi City Jiangsu Province PRC Building 4 No. 199 and 245 Liangjing Road Pilot Free Trade Zone Shanghai PRC
Principal Place of Business in Hong Kong	31/F, Tower Two, Times Square, 1 Matheson Street Causeway Bay Hong Kong
Company's Website	**www.dizalpharma.com** *(Information contained in this website does not form part of this document)*
Joint Company Secretaries	Ms. Dong Weiwen (董韡雯) Rooms 404, 405, and 416, Building C Huirong Business Plaza No. 26 Hefeng Road Xinwu District Wuxi City Jiangsu Province PRC Ms. Tsui Ka Yan (崔嘉欣) *(a member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom)* 31/F, Tower Two Times Square 1 Matheson Street Causeway Bay Hong Kong
Authorized Representatives	Dr. Zhang Xiaolin (張小林) Room 416 No. 1800 Jinke Road Pudong New Area Shanghai PRC

	Ms. Tsui Ka Yan (崔嘉欣) 31/F, Tower Two Times Square 1 Matheson Street Causeway Bay Hong Kong
Audit Committee	Ms. An Meixia (安梅霞) *(Chairperson)* Dr. Lu Simon Dazhong (呂大忠) Mr. Rodolphe Peter André Grépinet Mr. Cao Yibo (曹弋博) Ms. Wang Tianyou (王天佑)
Nomination Committee	Ms. Wang Tianyou (王天佑) *(Chairperson)* Dr. Lu Simon Dazhong (呂大忠) Mr. Rodolphe Peter André Grépinet Mr. Cao Yibo (曹弋博) Ms. An Meixia (安梅霞)
Remuneration and Appraisal Committee	Mr. Cao Yibo (曹弋博) *(Chairperson)* Dr. Lu Simon Dazhong (呂大忠) Mr. Rodolphe Peter André Grépinet Ms. An Meixia (安梅霞) Ms. Wang Tianyou (王天佑)
Strategy Committee	Dr. Zhang Xiaolin (張小林) *(Chairperson)* Dr. Lu Simon Dazhong (呂大忠) Mr. Rodolphe Peter André Grépinet Mr. Cao Yibo (曹弋博) Ms. Wang Tianyou (王天佑)

[**REDACTED**]

Principal Bank	**China CITIC Bank Co., Ltd.** **Wuxi New Area Branch** Units 7-101 & 201 Huirong Business Plaza Wuxi, Jiangsu Province PRC

The information and statistics set out in this section and other sections of this document were extracted from different official government publications, available sources from public, market research and other sources from independent suppliers, and from the independent industry report prepared by CIC. The information from official government 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 no representation is given as to its accuracy.

THE PHARMACEUTICAL MARKET

Overview

The global pharmaceutical industry continues to expand amid demographic aging, rising healthcare expenditure and sustained scientific innovation. The global pharmaceutical market increased from US$1,333.0 billion in 2020 to US$1,795.3 billion in 2025 at a CAGR of 6.1%, and is projected to reach US$2,807.4 billion in 2035, representing a CAGR of 4.6% from 2025 to 2035. As a major engine of global pharmaceutical growth, the pharmaceutical market in China increased from US$202.6 billion in 2020 to US$240.6 billion in 2025 at a CAGR of 3.5%, and is expected to reach US$437.8 billion in 2035, representing a CAGR of 6.2% from 2025 to 2035.

China has evolved from a generics-focused market into an innovation-oriented ecosystem, driven by regulatory reforms such as the Marketing Authorization Holder ("**MAH**") system and NRDL inclusion. By 2025, ten China-originated drugs had received FDA approval, eight of which have been approved since 2023, underscoring a rapid alignment with global regulatory standards. Meanwhile, China's share of global business development transaction value increased significantly from 6% in 2020 to 30%. Leveraging strengths in immunotherapy, antibodies, small molecules, and cell therapy, pharmaceutical companies in China have become key drivers of global innovation and cross-border collaboration.

Key Therapeutic Areas: Oncology and Inflammation & Immunology

Oncology and inflammatory & immunology ("**I&I**") diseases represent the two of the most significant therapeutic areas globally, collectively driving substantial market demand. In 2025, oncology drugs held the leading position in the global pharmaceutical market, with a market share of 16.9%. This dominance was mirrored in China, where oncology ranked first with a market share of 16.3% . In contrast, a structural divergence exists in the I&I segment — while I&I therapies accounted for approximately 12.9% of the global market in 2025, they represented only 5.6% in China. This significant disparity underscores a profound under-penetration of I&I treatments domestically, highlighting a compelling growth opportunity for innovative therapies to bridge this gap and address increasing clinical demand.

Development of Small-molecule Drugs

Within the broader context of precision medicine, despite the emergence of diverse therapeutic modalities, small-molecule drugs continue to maintain a substantial market presence, underpinned by distinct and enduring competitive advantages, including: (i) patient convenience, as oral formulations allow self-administration, reducing reliance on hospital-based infusions typical of biologics; (ii) notable tissue penetration, with small molecules reaching intracellular targets that are largely inaccessible to large-molecule biologics; (iii) cost efficiency, where simplified manufacturing and supply chains lower production costs, enhancing affordability and scalability; (iv) global access, since eliminating cold-chain requirements simplifies logistics, improving market access and payer acceptance worldwide; and (v) combination potential, as oral administration and rapid systemic clearance enable easy integration into combination therapies, balancing efficacy and safety.

Market Drivers and Future Trends

The continued growth of the pharmaceutical market is primarily driven by three key factors: (i) a highly supportive policy environment in China, underscored by a series of recent government initiatives — such as *the Implementation Plan for Supporting the Development of Innovative Drugs Across the Entire Chain* (2024) (《全鏈條支持創新藥發展實施方案》) and *Several Measures to Support the High-quality Development of Innovative Drugs* (2025) (《支持創新藥高質量發展的若干措施》) — designed to accelerate regulatory reviews, encourage differentiated R&D, and optimize pricing and reimbursement mechanisms; (ii) an expanding addressable patient pool, as population aging, lifestyle and environmental factors, and improved disease awareness and diagnostic capabilities continue to increase the diagnosed prevalence and treatment demand across oncology, immunology and inflammation-related diseases; and (iii) the increasing clinical adoption of innovative therapies across these therapeutic areas. In oncology, treatment paradigms are evolving from traditional chemotherapy and broadly applied regimens toward targeted small molecule drugs, immunotherapies and other precision treatment modalities, which are increasingly used across defined patient populations and treatment lines to improve disease control and extend treatment duration. In immunology and inflammation-related diseases, treatment approaches are also shifting from conventional symptomatic control and broad immunosuppression toward targeted and mechanism-based therapies, including small molecule drugs and biologics, which support more tailored disease management, improved treatment convenience and broader long-term use among eligible patients.

Challenges and Risks for Innovative Drugs

The development and commercialization of therapies in the pharmaceutical market, particularly for innovative drugs, face several market risks and challenges, including (i) long development cycles, high R&D costs, and inherent uncertainties in clinical and regulatory outcomes that could lead to delays or failures; (ii) intense competition driven by rapid technological evolution and the emergence of competing therapies from peers; (iii) evolving market access, pricing, and reimbursement policies, such as NRDL inclusion and government cost-containment measures; (iv) unpredictable market acceptance by physicians and patients, which depends on perceived clinical advantages, safety, and affordability; and (v) operational challenges in commercialization and distribution, particularly regarding hospital access, distributor network management, and the retention of qualified sales personnel.

THE ONCOLOGY THERAPEUTICS MARKET

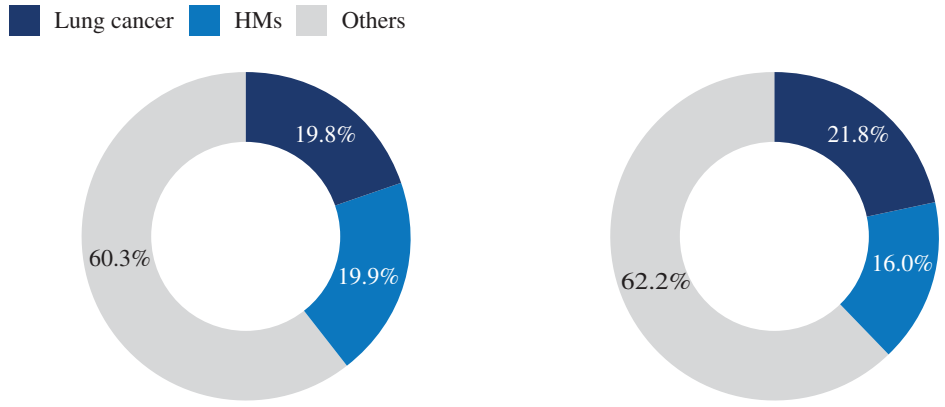
The Oncology Therapeutics Market Size

According to CIC, the global oncology treatment drug market grew from US$167.0 billion in 2020 to US$304.1 billion in 2025 at a CAGR of 12.7%, and is expected to reach US$729.2 billion in 2035, representing a CAGR of 9.1% from 2025 to 2035. In China, the market grew from US$25.8 billion in 2020 to US$39.1 billion in 2025, and is expected to reach US$131.2 billion in 2035, representing a CAGR of 12.9% from 2025 to 2035. The growth of the global oncology treatment market is driven by rising cancer prevalence and expanding access to diagnosis and treatment. It is further accelerated by the adoption of innovative therapies, sustained investment in R&D, favorable reimbursement and policy support, particularly in high-growth markets such as China.

Key Tumor Types: Lung Cancer and Hematologic Malignancies

Within the global oncology therapeutics landscape, lung cancer and hematologic malignancies ("**HMs**") together comprised approximately 40% of the total oncology treatment market in 2025. Lung cancer remains the leading type among solid tumors, with more than 2.5 million new cases worldwide in 2025 — approximately 40% occurring in China, where incidence was approximately two-fold higher than the next most common cancer. Five-year survival rates remain modest, at 28.1% in the U.S. and 28.7% in China. HMs, arising from abnormal differentiation of hematopoietic stem cells, exceeded 5.7 million prevalent cases globally in 2025, with China contributing over 1.0 million cases, or approximately 20% of the global total.

Oncology Market Composition by Key Therapeutic Areas in terms of sales value, 2025



In the global oncology treatment market *In the oncology treatment market in China*

Source: WHO, Annual reports, CIC

Key Challenges in Global Oncology Therapeutics Market

Despite continuous advancements in cancer treatment, the global oncology therapeutics market remains constrained by several critical challenges, including: (i) drug resistance, as both intrinsic and acquired resistance drive relapse and disease progression, posing the greatest challenge to long-term cancer control; (ii) blood–brain barrier ("**BBB**") penetration, as the BBB restricts most anticancer drugs from entering the central nervous system ("**CNS**"), which limits therapeutic concentrations in the brain and worsens the prognosis for CNS metastases, making it technically difficult to design molecules that can cross this barrier safely and potently; (iii) tumor heterogeneity, where diverse subclones and microenvironmental factors lead to variable drug responses and adaptive resistance, reinforcing the need for combination and precision-based strategies; and (iv) safety and toxicity concerns, which remain a major hurdle in oncology drug development, often limiting optimal dosing, patient adherence, and long-term use.

The Non-small Cell Lung Cancer Market

Overview

Lung cancer remains one of the highest-burden cancers globally, with non-small cell lung cancer ("**NSCLC**") accounting for around 85% of all cases and exhibiting increasing incidence across major regions. According to CIC, global NSCLC incidence is projected to increase from approximately 1.9 million cases in 2020 to 2.9 million cases in 2035. China substantially drives this growth, with incidence expected to grow from approximately 0.8 million cases in 2020 to 1.3 million cases in 2035. In addition, 55% NSCLC patients are diagnosed at an advanced stage. Consequently, it remains a leading cause of cancer mortality and represents a substantial and persistent unmet medical need globally and in China.

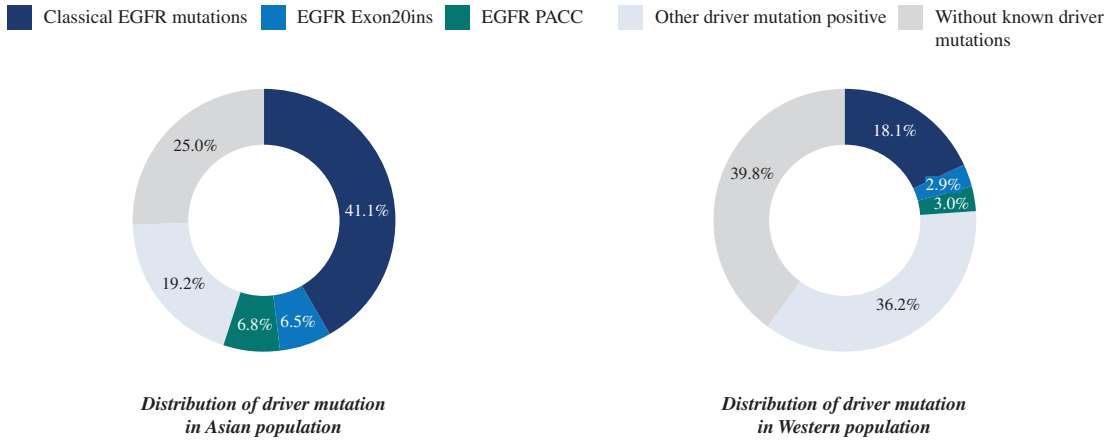
According to CIC, the global NSCLC drug market grew from US$22.5 billion in 2020 to US$54.3 billion in 2025 at a CAGR of 19.2%, and is projected to reach US$115.8 billion in 2035, representing a CAGR of 7.9% from 2025 to 2035. China remains a key growth engine, with its market size increasing from US$5.3 billion in 2020 to US$7.7 billion in 2025 at a CAGR of 7.5% and expected to reach US$23.0 billion in 2035, reflecting a CAGR of 11.6% from 2025 to 2035.

Key molecular subtypes in NSCLC

NSCLC is classified into driver mutation-positive and driver-negative subtypes. Driver mutation-positive cases account for approximately 75% of cases in Asian populations and 58% in Western populations, involving actionable alterations in genes such as EGFR, ALK, and ROS1.

EGFR is the most prevalent molecular subtype, primarily driven by exon 19 deletions and the L858R mutation, while the T790M is a common resistance mutation emerging after early-generation EGFR TKI therapy. Atypical mutations include exon20ins and PACC variants (e.g., G719X, S768I). EGFR mutation prevalence differs markedly by region — over 50% in NSCLC patients in China versus 24% in the U.S. and other Western populations.

Distribution of Driver Mutation in Key Molecular Subtypes of NSCLC



Distribution of driver mutation in Asian population

Distribution of driver mutation in Western population

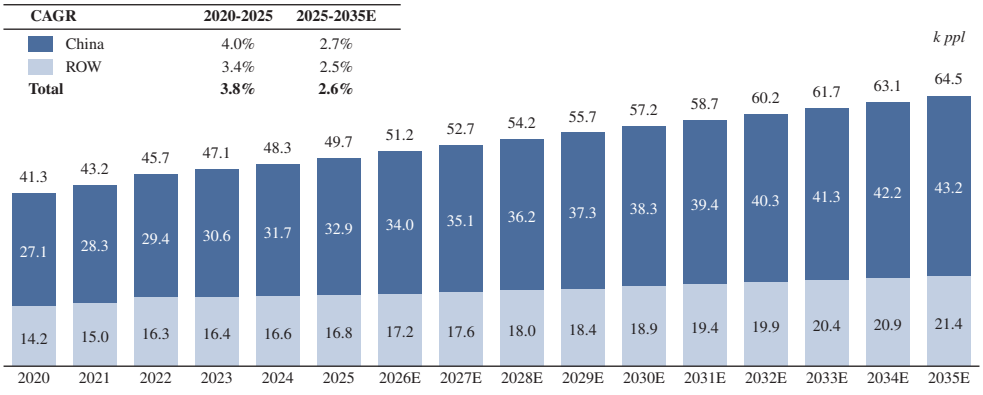
Source: Healthbook TIMES Onco Hema., Int. J. Mol. Sci., Nature Portfolio, Journal of Clinical Medicine, Heliyon, J Clin Oncol., CIC

The EGFR Exon20ins NSCLC Market

Overview of EGFR exon20ins NSCLC

EGFR exon20ins mutations account for approximately 12% to 15% of total EGFR mutant patients. The global incidence of EGFR exon20ins NSCLC increased from 63.7 thousand cases in 2020 to 76.7 thousand cases in 2025 and is expected to reach 99.6 thousand cases in 2035. In China, incidence increased from 41.2 thousand cases in 2020 to 50.1 thousand cases in 2025 and is anticipated to reach 65.7 thousand cases in 2035. The global incidence of 2L/2L+ EGFR exon20ins NSCLC increased from 41.3 thousand cases in 2020 to 49.7 thousand cases in 2025 and is expected to reach 64.5 thousand cases in 2035. In China, incidence increased from 27.1 thousand cases in 2020 to 32.9 thousand cases in 2025 and is anticipated to reach 43.2 thousand cases in 2035.

Global Incidence of 2L/2L+ EGFR Exon20ins NSCLC, 2020-2035E



Source: GLOBOCAN, WHO, CIC

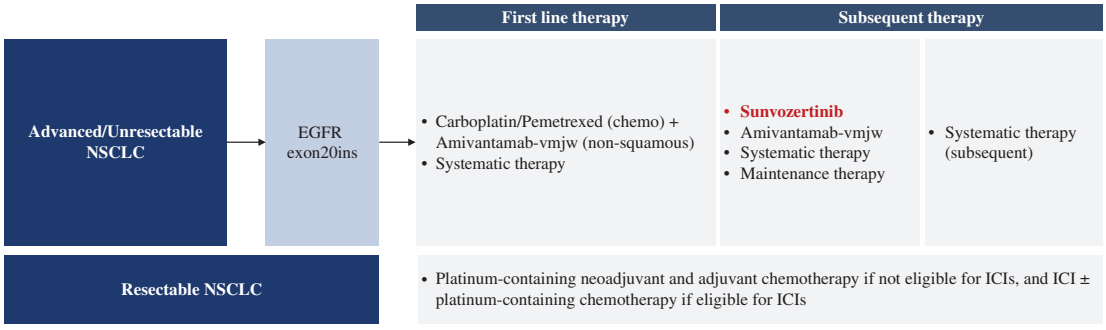
EGFR exon20ins mutations alter the kinase domain, creating steric hindrance that blocks most EGFR TKIs, leading to poor treatment response. Detection rates have historically been low due to a lack of targeted therapies. With new exon20ins-specific drugs now available, more sensitive diagnostics are expected to increase identified cases.

Treatment paradigm and unmet needs for EGFR exon20ins NSCLC

Treatment paradigm for EGFR exon20ins NSCLC

Globally and in China, approximately 75% of incident cases of EGFR exon20ins NSCLC are diagnosed at an advanced stage. Among these patients, approximately 90% receive first-line treatment, representing an estimated 69.0 thousand cases globally and 45.1 thousand cases in China in 2025. Subsequently, roughly 70% of those treated in the first-line setting will progress to require second- and later-line therapies, accounting for 49.7 thousand cases globally and 32.9 thousand in China in 2025. Under the NCCN guidelines, first-line treatment for advanced non-squamous NSCLC with EGFR exon20ins mutations is carboplatin/pemetrexed plus amivantamab. Subsequent options include sunvozertinib, amivantamab, or other systemic therapies.

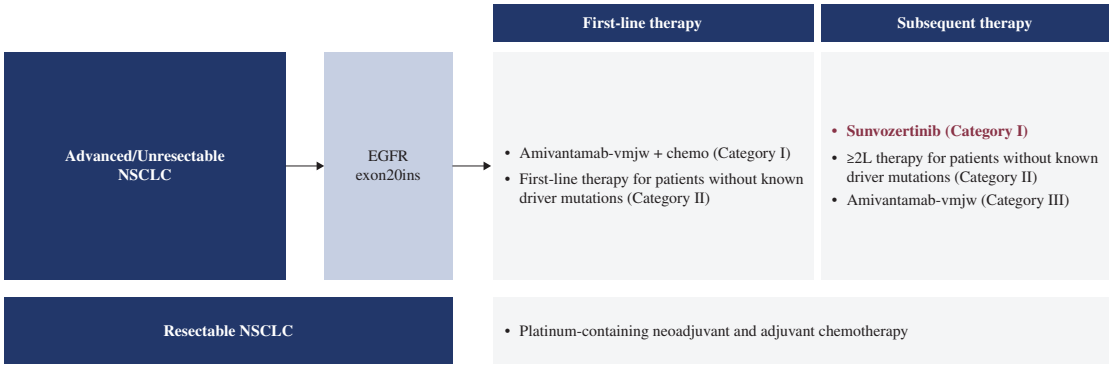
Treatment Paradigm for EGFR Exon20ins NSCLC, NCCN (the U.S.)



Source: NCCN, CIC

Under the CSCO guidelines, first-line treatment for EGFR exon20ins-positive advanced NSCLC prioritizes amivantamab plus chemotherapy (Category I). For subsequent lines, sunvozertinib is recommended as a Category I option, along with chemotherapy regimens for driver-negative patients (Category II) and amivantamab (Category III).

Treatment Paradigm for EGFR Exon20ins NSCLC, CSCO (China)



Source: CSCO, CIC

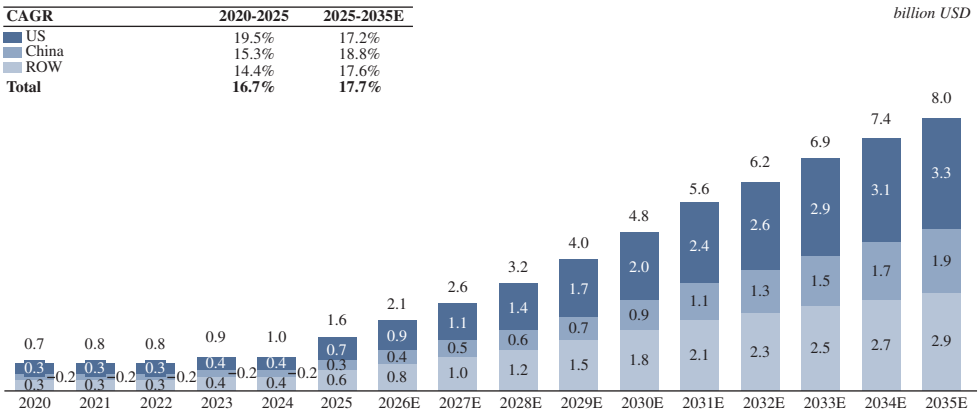
Unmet needs in EGFR exon20ins NSCLC

For second-line advanced EGFR exon20ins NSCLC, before targeted options such as ZEGFROVY® and Rybrevant® became available, chemotherapy provided only modest responses and limited disease control, highlighting a major gap versus classic EGFR mutations. In first-line, no oral therapies have been approved. For resectable disease, no mutation-specific targeted therapy is currently recommended, and platinum-based chemotherapy remains standard in the perioperative setting.

The market size of EGFR exon20ins NSCLC

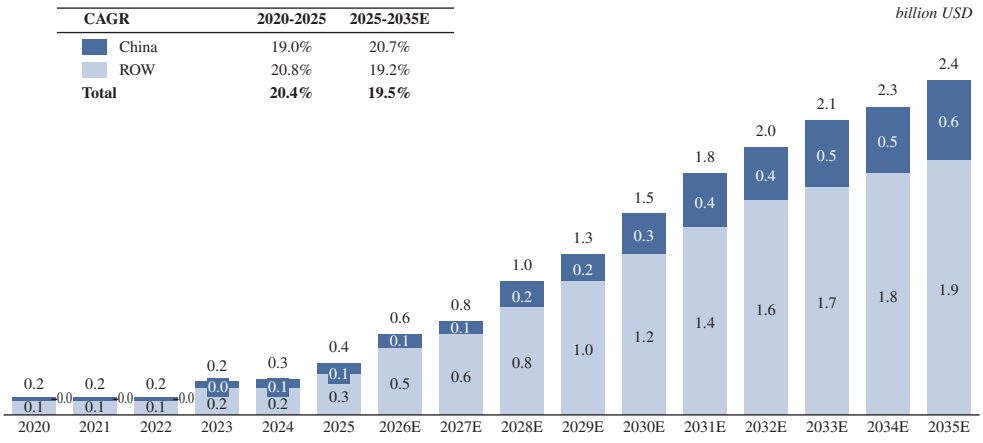
The global EGFR exon20ins NSCLC market grew from US$0.7 billion in 2020 to US$1.6 billion in 2025 at a CAGR of 16.7%, and is expected to increase to US$8.0 billion in 2035, representing a CAGR of 17.7% from 2025 to 2035. The global 2L/2L+ EGFR exon20ins NSCLC market grew from US$0.2 billion in 2020 to US$0.4 billion in 2025, and is expected to increase to US$2.4 billion in 2035, representing a CAGR of 19.5% from 2025 to 2035. The 2L/2L+ EGFR exon20ins NSCLC market in China grew from US$0.04 billion in 2020 to US$0.1 billion in 2025, and is expected to increase to US$0.6 billion in 2035, representing a CAGR of 20.7% from 2025 to 2035.

The EGFR Exon20ins NSCLC Market Size, 2020-2035E



Source: NCCN, CSCO, CIC

The 2L/2L+ EGFR Exon20ins NSCLC Market Size, 2020-2035E



Source: NCCN, CSCO, CIC

Global competitive landscape of EGFR exon20ins NSCLC therapies

As of the Latest Practicable Date, there were four approved drugs for EGFR exon20ins NSCLC globally — ZEGFROVY® (舒沃哲®), Rybrevant® (锐珂®, amivantamab-vmjw, Ivesa® (艾弗沙®) and Ambiray® (安比锐®)). As an oral small-molecule drug, ZEGFROVY® offers significant advantages in convenience and patient compliance over intravenous infusion. In addition, it has been recommended by the NCCN guidelines and approved in both China and the U.S., underscoring its internationally recognized clinical value. Its inclusion in the NRDL further enhances affordability and market competitiveness, providing a clear pricing advantage.

Global Approved Drugs for EGFR Exon20ins NSCLC

INN	Brand name	Company	Target	Modality	Indication	Treatment Line	Mono/Combo	Clinical Stage	Approval Date	NCCN Inclusion	NRDL Inclusion
Sunvozertinib	Zegfrovy® 舒沃哲®	Our Company/ AstraZeneca	EGFR	Small-molecule	Locally advanced/ metastatic NSCLC with EGFR Exon20ins mutation progressing on/after Platinum-containing chemotherapy	2L/2L+	Mono	Approved	NMPA: 2023-08-22 FDA: 2025-07-02	Yes	Yes, 2024
Amivantamab	Rybrevant® 锐珂®	J&J	EGFR/c-MET	Antibody	NSCLC with EGFR Exon20ins mutation	1L	Combo with chemo (Platinum-containing)	Approved	NMPA: 2025-02-11 FDA: 2021-05-24	Yes	No
Firmonertinib	Ivesa® 艾弗沙®	Allist/Arrivent	EGFR	Small-molecule	EGFR Exon20ins NSCLC	2L+	Mono	Approved	NMPA: 2026-02-02	No	No
Andamertinib	Ambiray® 安比锐®	Avistone	EGFR	Small-molecule	Locally advanced/ metastatic NSCLC with EGFR Exon20ins mutation progressing on/after Platinum-containing chemotherapy	2L	Mono	Approved	NMPA: 2026-04-30	No	No

Source: FDA, NMPA, CIC

As of the same date, seven drug candidates had advanced to Phase 2 clinical development or beyond globally, as illustrated below.

Global Drug Candidates Under Clinical Development (Phase 2 or Beyond) for EGFR Exon20ins NSCLC

Drug	Company	Target	Modality	Indication	Treatment Line	Mono/Combo	Clinical Stage	Approval Date/First Posted Date	Location
Zipalertinib (CLN081)	Taiho Oncology/ Zai Lab	EGFR	Small-molecule	EGFR Exon20ins NSCLC	2L+	Mono	NDA	2026-03-10	The U.S.
				EGFR Exon20ins NSCLC	1L	Combo	3	2023-08-03	Global
					Adjuvant	Combo	3	2023-08-17	Global
Sunvozertinib (DZD9008)	Our Company/ AstraZeneca	EGFR	Small-molecule	EGFR Exon20ins NSCLC	1L	Mono	NDA	2022-12-30	Global
				EGFR Exon20ins NSCLC	Adjuvant	Mono	3	2025-08-17	Global
PLB1004	Avistone	EGFR	Small-molecule	EGFR Exon20ins nsq NSCLC	1L	Mono	3	2024-01-09	China
Firmonertinib	Allist/Arrivent	EGFR	Small-molecule	EGFR Exon20ins nsq NSCLC	1L	Mono	3	2023-05-11	Global
YK-029A	Puhe Biopharma	EGFR	Small-molecule	EGFR Exon20ins NSCLC	1L	Mono	3	2023-03-23	China
JMT101	CSPC Pharma/ JMT-Bio	EGFR	Antibody	EGFR Exon20ins NSCLC	1L	Combo	3	2024-04-11	China
					2L+	Combo	2	2021-11-24	China
BEBT-109	BeBetter Med	EGFR	Small-molecule	EGFR Exon20ins NSCLC	2L+	Mono	2	2021-12-31	China
					1L	Combo	2	2024-06-18	China

Source: Clinicaltrials.gov, FDA, NMPA, CDE, CIC

The tables below set forth a comparison of key therapies in the 2L+ and 1L treatment of EGFR Exon20ins NSCLC, respectively.

Comparison of Key Therapies under Development in the 2L+ Treatment of EGFR Exon20ins NSCLC*

Drug name	Sunvozertinib		Amivantamab	PLB-1004	Firmonertinib
Company	Our Company and AstraZeneca		Janssen	Avistone	Allist
Data Source	WU-KONG6 (NCT05712902)	WU-KONG1B (NCT03974022)	CHRYSALIS (NCT02609776)	KANNON (NCT06015503)	FURMO-003 (NCT06015503)
Trial Phase of Reported Data	Phase 2	Phase 2	Phase 1	Phase 2	Phase 2
Administration	PO		IV	PO	PO
Dosage	Mono 300 mg QD	Mono 200 mg QD	Mono 1400 mg ≤80 kg QW for first 4 weeks, Q2W from week 5	Mono 240 mg QD	Mono 240 mg QD
Patient Baseline	2L+, All previously at least chemo treated	2L, All previously at least 1L systemic therapy treated	2L+, All previously chemotherapy treated	2L+, All previously chemo/immunotherapy treated	2L+, All previously chemo treated, 22.5% had CNS metastases
Efficacy **ORR**	60.8%	45.9%	40%	42.7%	44.3%
Efficacy **mPFS**	–	8.4m	8.3m	6.2m	8.3m
Efficacy **mDoR**	8.3m	11.1m	11.1m	8.7m	8.3m
Safety	Drug-related TEAE leading to drug discontinuation 10%	TRAEs leading to drug discontinuation 4.4%	AE leading to discontinuation 10%	TRAE leading to treatment discontinuation 2.2%	TRAE leading to treatment discontinuation 5.6%

Abbreviations: IV= intravenous administration; PO= oral administration.
**Note:* Based on non-head-to-head comparisons.
Source: Clinicaltrials.gov, ASCO, ESMO, CIC

Comparison of Key Therapies under Development in the 1L Treatment of EGFR Exon20ins NSCLC*

Drug name	Sunvozertinib	Amivantamab
Company	Our Company and AstraZeneca	Janssen
Data Source	WU-KONG28	PAPILLON (NCT04538664)
Trial Phase of Reported data	Phase 3	Phase 3
Administration	PO	IV
Treatment Plan	Mono 300 mg QD	Combo with chemo 1400 mg ≤80 kg
Patient Baseline	1L	1L
Efficacy mPFS	10.3m	11.4m
Safety	Treatment-related adverse event leading to drug discontinuation 7.4%	Discontinuation of drug 11%

Abbreviations: IV= intravenous administration; PO= oral administration.
**Note:* Based on non-head-to-head comparisons.
Source: The New England Journal of Medicine

The EGFR PACC NSCLC Market

Overview of EGFR PACC NSCLC

Among EGFR mutations, P-loop and αC-helix compressing ("**PACC**") mutations account for about 12.5% and are widely distributed across exons 18 to 21. The global incidence of EGFR PACC NSCLC increased from 65.4 thousand cases in 2020 to 78.1 thousand cases in 2025 and is expected to reach 101.5 thousand cases in 2035. In China, incidence grew from 42.8 thousand cases in 2020 to 52.0 thousand cases in 2025 and is anticipated to reach 68.2 thousand cases in 2035.

EGFR PACC mutations exhibit high molecular heterogeneity, making them prone to under-detection by conventional PCR assays. Next-generation sequencing ("**NGS**") is therefore recommended for comprehensive identification. These mutations alter the P-loop and αC-helix orientation, changing spatial conformation and reducing the drug-binding pocket size. This structural change impairs stable binding of traditional EGFR TKIs, limiting their therapeutic efficacy.

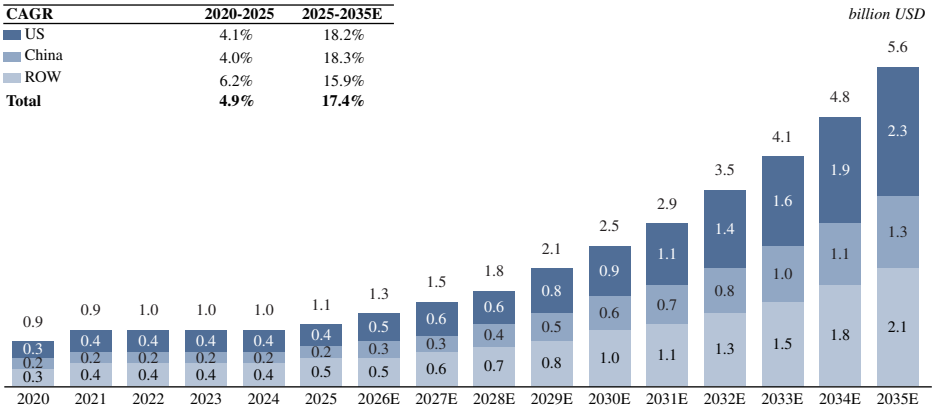
Treatment paradigm and unmet needs for EGFR PACC NSCLC

Approved EGFR kinase inhibitors may have clinical activities to certain types of mutations, but overall, their clinical benefits are rather limited, and chemo doublet are the only option. Multiple studies have shown that patients with these mutations exhibit poorer prognosis than those with classical EGFR common mutations (exon 19 deletions and L858R), underscoring a significant unmet medical need for effective, well-tolerated therapies with broader activity cross the EGFR mutation spectrum.

The market size of EGFR PACC NSCLC

The global EGFR PACC NSCLC market grew from US$0.9 billion in 2020 to US$1.1 billion in 2025 at a CAGR of 4.9%, and is expected to reach US$5.6 billion in 2035, representing a CAGR of 17.4% from 2025 to 2035.

The EGFR PACC NSCLC market size, 2020-2035E



Source: NCCN, CSCO, CIC

Global competitive landscape of EGFR PACC NSCLC therapies

As of the Latest Practicable Date, no drug had been approved for EGFR PACC NSCLC globally. As of the same date, there were eight drug candidates under clinical development globally, as illustrated below.

Global Drug Candidates Under Clinical Development for EGFR PACC NSCLC

Drug	Company	Target	Indication	Treatment Line	Mono/Combo	Clinical Stage	First Posted Date	Location
Sunvozertinib (DZD9008)	Our Company/ AstraZeneca	EGFR	EGFR PACC NSCLC	Adjuvant	Mono/Combo	3	2025-08-12	Global
				1L	Mono	Post-PoC	/	China
Firmonertinib	Allist/ArriVent	EGFR	EGFR PACC NSCLC	Adjuvant	Mono/Combo	3	2025-06-06	China
				1L	Mono	3	2025-05-02	China, the U.S.
PLB1004	Avistone	EGFR	EGFR PACC nsqNSCLC	1L	Mono	2/3	2025-12-09	China
Zipalertinib (CLN081)	Taiho Oncology/ Zai Lab	EGFR	NSCLC with atypical EGFR mutation	1L	Mono	2	2023-08-01	Global
Enozertinib (ORIC-114)	ORIC	EGFR/HER2	NSCLC with atypical EGFR mutation	3L+	Mono	1/2	2022-04-07	Global
BDTX-1535	Black Diamond Therapeutics	EGFR	NSCLC with atypical EGFR mutation	1L	Mono	1/2	2022-02-25	The U.S.
BH-30643	BlossomHill Therapeutics	EGFR	NSCLC with atypical EGFR mutation	2L/2L+	Mono	1/2	2024-11-26	Global
VRN110755	Voronoi	EGFR	EGFR PACC NSCLC	2L/2L+	Mono	1/2	2026-07-13	Global

Source: Clinicaltrials.gov, CDE, CIC

The EGFR-mutant NSCLC Market

Overview of EGFR-mutant NSCLC

Driver EGFR mutations represent a major molecular subset of NSCLC, with an overall prevalence of approximately 30% globally and over 50% in China. These mutations are dominated by the classical exon 19 deletions and exon 21 L858R mutation, which collectively account for around 75% of EGFR-mutant cases. NSCLC harboring these classical EGFR mutations is referred to as EGFR-mutant NSCLC.

The global incidence of EGFR-mutant NSCLC increased from 529.8 thousand cases in 2020 to 632.0 thousand cases in 2025 and is projected to rise to 821.5 thousand cases in 2035. In China, incidence grew from 342.4 thousand cases in 2020 to 415.9 thousand cases in 2025 and is anticipated to reach 545.6 thousand cases in 2035. The global incidence of 2L/2L+ EGFR-mutant NSCLC increased from 128.4 thousand cases in 2020 to 422.2 thousand cases in 2025 and is expected to reach 647.8 thousand cases in 2035. In China, prevalence increased from 89.9 thousand cases in 2020 to 279.9 thousand cases in 2025 and is anticipated to reach 430.6 thousand cases in 2035.

Treatment paradigm and unmet needs for EGFR-mutant NSCLC

Treatment paradigm for EGFR-mutant NSCLC

The following table sets forth the treatment paradigm for EGFR-mutant NSCLC recommended by NCCN and CSCO.

Treatment Paradigm for EGFR-mutant NSCLC, NCCN (the U.S.)

			First-line therapy	Subsequent therapy
Advanced or Metastasis NSCLC	EGFR mutation	EGFR Exon 19 Deletion or L858R Mutation	***Preferred*** • Osimertinib • (Carboplatin or Cisplatin)/Osimertinib/Pemetrexed (non-squamous) • Lazertinib + Amivantamab-vmjw ***Useful in certain circumstances*** • Afatinib or Dacomitinib or Erlotinib or Erlotinib + Bevacizumab or Erlotinib + Ramucirumab or Gefitinib or Lazertinib	• Osimertinib • Carboplatin/Pemetrexed + Amivantamab-vmjw (non-squamous) • Datopotamab deruxtecan-dlnk (non-squamous) • Lazertinib + Amivantamab-vmjw
		EGFR S768I, L861Q, and/or G719X Mutations	***Preferred*** • Afatinib or Osimertinib ***Other recommended*** • Dacomitinib or Gefitinib or Osimertinib	• Osimertinib • Datopotamab deruxtecan-dlnk (non-squamous)

Treatment Paradigm for EGFR-mutant NSCLC, CSCO (China)

		First-line therapy	Subsequent therapy
Advanced IV stage NSCLC	EGFR ("classical")	**Category I Recommendations** • 3rd gen TKIs: Osimertinib, Almonertinib, Firmonertinib, Befotertinib, Rilertinib, Rezivertinib • 2nd gen TKIs: Afatinib, Dacomitinib • 1st gen TKIs: Gefitinib, Erlotinib, Icotinib • Zorifertinib (for patients with CNS metastases) • Combination: Osimertinib + Chemotherapy **Category II Recommendations** • Gefitinib/Erlotinib + Chemotherapy (PS=0–1) • Erlotinib + Bevacizumab • Platinum-doublet Chemotherapy ± Bevacizumab (non-squamous) **Category III Recommendations** • Amivantamab-vmjw + Lazertinib	**Oligoprogression or CNS Progression** **Category I Recommendations** • Continue prior EGFR TKIs + Local Therapy **Category II Recommendations** • Re-biopsy to identify resistance mechanism **Widespread Progression** **Category I Recommendations** • For 1st/2nd gen TKI failure (T790M-positive): Osimertinib, or Almonertinib/ Firmonertinib/Befotertinib…; • For T790M-negative or 3rd gen TKI failure: Platinum-doublet Chemotherapy ± Bevacizumab (non-squamous); • Ivonescimab + Chemotherapy; • Pemetrexed + Cisplatin + Bevacizumab + Sintilimab; **Category II Recommendations** • For re-detected T790M-positive: Platinum-doublet Chemotherapy ± Bevacizumab (non-squamous); Sac-TMT; • Amivantamab-vmjw + Chemotherapy; Re-biopsy to evaluate other resistance mechanisms

Source: NCCN, CSCO, CIC

Unmet needs in EGFR-mutant NSCLC

While the standard of care for EGFR-mutated NSCLC has evolved toward third-generation EGFR TKIs, meaningful clinical limitations persist across durability of response, central nervous system control, safety, and coverage of molecular heterogeneity, leaving substantial unmet medical needs. The key unmet needs in EGFR-mutant NSCLC include: (i) drug resistance, as most patients eventually develop resistance to third-generation EGFR TKIs and face limited post-progression options, with chemotherapy yielding only modest efficacy (ORR 30-40%, mPFS 5.3 months, mOS 9.6 months) and newer bispecific antibodies and ADCs showing suboptimal responses and safety concerns; (ii) limited BBB penetration, since third-generation TKIs have a CSF-to-free plasma ratio of approximately 20%, which restricts CNS efficacy in a population where CNS metastases occur in approximately 30% of patients at diagnosis, rise to 50-60% within three years, and remain a major cause of mortality post-resistance; (iii) cardiac safety concerns, given that osimertinib causes dose-dependent QT prolongation, requiring ECG monitoring and restricting its use in at-risk patients; and (iv) limited efficacy in certain EGFR mutations, where osimertinib is highly effective against classical mutations but shows reduced activity in complex mutations (e.g. G719X, L861Q, S768I).

The market size of EGFR-mutant NSCLC

The global EGFR-mutant NSCLC market grew from US$8.1 billion in 2020 to US$12.1 billion in 2025 at a CAGR of 8.5%. It is projected to further expand to US$25.4 billion in 2035, representing a CAGR of 7.7% from 2025 to 2035. The market size in China increased from US$1.8 billion in 2020 to US$2.8 billion in 2025 at a CAGR of 9.0%, and is expected to reach US$5.9 billion in 2035, reflecting a CAGR of 7.9% from 2025 to 2035. The global 2L/2L+ EGFR-mutant NSCLC drug market grew from US$1.7 billion in 2020 to an estimated US$7.2 billion in 2025 at a CAGR of 32.9%. It is projected to further expand to US$16.5 billion in 2035, representing a CAGR of 8.6% from 2025 to 2035. The market size in China increased from US$0.1 billion in 2020 to US$0.6 billion in 2025 at a CAGR of 32.6%, and is expected to reach US$2.8 billion in 2035, reflecting a CAGR of 17.3% from 2025 to 2035.

Global competitive landscape of EGFR-mutant NSCLC therapies

The following table sets forth the third-generation and beyond EGFR TKIs approved for NSCLC with EGFR Exon19del or Exon21 (L858R) mutation/classical EGFR mutations.

Global Approved Third-generation or beyond EGFR TKIs for EGFR-mutant NSCLC

Product	Company	Target	RoA	Approved indications			First Approval Date	NRDL
				1L EGFR-mutant NSCLC with Exon19del or Exon21 (L858R) mutation	NSCLC progressing on/after EGFR TKI with EGFR T790M mutation	Adjuvant		
Osimertinib	AstraZeneca	EGFR	p.o.	• YES	• YES	• YES	FDA 2015.11 NMPA 2021.04	YES
Almonertinib	Hansoh	EGFR	p.o.	• YES, and maintenance therapy	• YES	• /	NMPA 2020.03	YES
Firmonertinib	Allist	EGFR	p.o.	• YES	• YES	• /	NMPA 2021.03	YES
Befotertinib	Betta Pharmaceuticals	EGFR	p.o.	• YES	• YES	• /	NMPA 2023.05	YES
Rezivertinib	Beta Pharma	EGFR	p.o.	• YES	• YES	• /	NMPA 2024.05	YES
Rilertinib	Sanhome	EGFR	p.o.	• YES	• YES	• /	NMPA 2024.06	YES
Zorifertinib	AstraZeneca/Chintai	EGFR	p.o.	• YES, with CNS metastasis	• /	• /	NMPA 2024.11	YES
Limertinib	Ask Pharma	EGFR	p.o.	• YES	• YES	• /	NMPA 2025.01	YES
Lazertinib	J&J	EGFR	p.o.	• YES, combo with amivantamab	• /	• /	FDA 2024.08 NMPA 2025.07	/
Mefatinib	Huadong Medicine	EGFR/HER2	p.o.	• YES	• /	• /	NMPA 2025.10	/

Source: FDA, NMPA, CIC

As of the Latest Practicable Date, there were over 15 post third-generation EGFR-TKI candidates for EGFR-mutant NSCLC globally, as illustrated below.

Global EGFR-TKI Candidates for Post-3rd-generation EGFR-TKI EGFR-mutant NSCLC

Drug	Company	Treatment Line	Mono/Combo	Clinical Stage	First Posted Date	Location
HS-10504	Hansoh Pharmaceutical	2L/2L+	Mono	3	2026-08-10	China
DZD6008	Our Company	2L/2L+	Combo with chemo	2	2025-07-17	China
		1L/2L+	Mono	1/2	2025-02-06	Global
		1L/2L+	Combo with Sunvozertinib	1/2	2025-07-23	China
WSD0922-FU	Wayshine Biopharm	2L/2L+	Mono	2	2025-03-11	Global
BDTX-1535	Black Diamond Therapeutics	2L/2L+	Mono	1/2	2022-02-25	The U.S.
DAJH-1050766	DIAO Jiuhong Pharmaceutical	2L/2L+	Mono	1/2	2022-05-07	China
JIN-A02	J Ints Bio	2L/2L+	Mono	1/2	2022-05-27	The U.S., South Korea, Thailand
HS-10375	Hansoh Pharmaceutical	2L/2L+	Mono	1/2	2022-06-28	China
BBT-207	Bridge Biotherapeutics	2L/2L+	Mono	1/2	2023-06-27	South Korea
BH-30643	BlossomHill Therapeutics	2L/2L+	Mono	1/2	2024-11-26	Global
H002	RedCloud Bio	2L/2L+	Mono	1/2a	2022-09-23	Global
PH009-1	Puhe Pharmaceutical	2L/2L+	Mono	1/2a	2024-09-19	China
WSD0922-FU	Wayshine Biopharm	2L	Combo with osimertinib	1/2	2025-10-03	China
VRN1107511	Voronoi	2L/2L+	Mono	1/2	2026-07-13	Global
QLH11811	Qilu Pharmaceutical	2L/2L+	Mono	1	2022-09-26	China
AST2303	Allist/Abbisko	2L/2L+	Mono	1	2024-12-23	China
STX-241	Pierre Fabre	2L/2L+	Mono	1	2025-06-13	China

Note: Only active trials are presented (first posted date since January 2022)
Source: Clinicaltrials.gov, CDE,CIC

The NSCLC Without Known Driver Mutations Market

Overview of without known driver mutations NSCLC

Among NSCLC patients, those without identifiable driver mutations (including EGFR, ALK, ROS1 and other actionable mutations) constitute one of the largest subgroups, accounting for approximately 25% in Asian populations and 40% in Western populations. NSCLC without identifiable driver mutations is referred to as without known driver mutations NSCLC. Patients with NSCLC without known driver mutations generally lack effective targeted therapies and therefore rely predominantly on chemotherapy and immunotherapy, which often demonstrate limited durability of benefit.

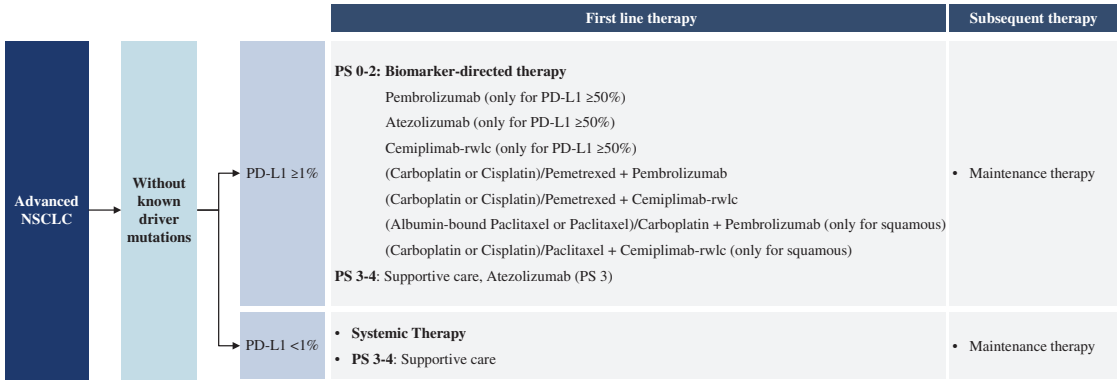
The global incidence of NSCLC without known driver mutations increased from 449.0 thousand cases in 2020 to 527.6 thousand cases in 2025 and is projected to rise to 681.2 thousand cases in 2035. In China, incidence grew from 155.6 thousand cases in 2020 to 189.1 thousand cases in 2025 and is anticipated to reach 248.0 thousand cases in 2035.

Treatment paradigm and unmet needs of NSCLC without known driver mutations

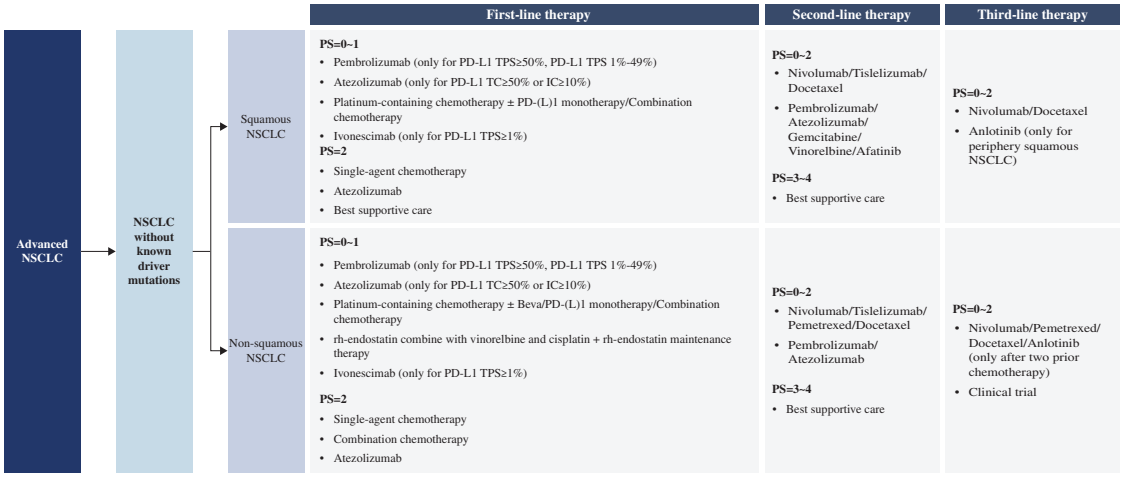
Treatment paradigm for NSCLC without known driver mutations

The following table sets forth the treatment paradigm for NSCLC without known driver mutations according to NCCN and CSCO.

Treatment Paradigm for NSCLC Without Known Driver Mutations, NCCN (the U.S.)



Treatment Paradigm for NSCLC Without Known Driver Mutations, CSCO (China)



Abbreviation: PS = performance status
Source: NCCN, CSCO, CIC

Unmet needs in NSCLC without known driver mutations

The key unmet medical needs in NSCLC without known driver mutations primarily include: (i) limited durability in patients with high PD-L1 expression (TPS ≥50%), where current regimens achieve strong objective response rates but many patients eventually develop resistance, underscoring the need to improve progression-free and overall survival beyond current standards; (ii) suboptimal response rates in the large subgroup with low or intermediate PD-L1 expression (TPS 1-49%), even with chemotherapy combinations, highlighting the need to enhance efficacy and address the "cold" tumor microenvironment; and (iii) safety and tolerability concerns, as immune-related adverse events and cumulative chemo-immunotherapy toxicity increase patient burden, limiting long-term adherence and clinical utility.

The market size of NSCLC without known driver mutations

The global NSCLC without known driver mutations market grew from US$13.3 billion in 2020 to US$23.2 billion in 2025 at a CAGR of 11.8%. It is projected to further expand to US$42.6 billion in 2035, representing a CAGR of 6.3% from 2025 to 2035. The market size in China increased from US$2.4 billion in 2020 to US$3.2 billion in 2025 at a CAGR of 5.9%, and is expected to reach US$6.7 billion in 2035, reflecting a CAGR of 7.9% from 2025 to 2035.

Global competitive landscape of NSCLC without known driver mutations treatment

Janus kinase ("**JAK**") inhibitors offer a differentiated value proposition in NSCLC without known driver mutations by modulating aberrant JAK-STAT-mediated inflammatory and immune-evasive signaling. By suppressing tumor growth and reshaping the tumor microenvironment, this approach potentially enhance sensitivity to immunotherapy in a population with limited targeted options.

As of the Latest Practicable Date, no small-molecule targeted therapy had been approved for NSCLC without known driver mutations globally. As of the same date, golidocitinib was the only JAK-targeted drug candidate under clinical development globally.

The table below sets forth a comparison of key therapies in the treatment of NSCLC without known driver mutations.

Comparison of Key Therapies under Development in the Treatment of NSCLC without known driver mutations*

Drug name		Golidocitinib	Ivonescimab (AK112)	Dato-DXd	sac-TMT (SKB264)
Company		Dizal	Akeso/Summit	Daiichi Sankyo/AstraZeneca	Kelun/MSD
Target		JAK1	PD-1/VEGF	TROP2	TROP2
Data Source		JACKPOT33 (NCT06198907)	HARMONi-2 (NCT05499390)	TROPION-Lung02 (NCT04526691)	OptiTROP-Lung05 (NCT06448312)
Trial Phase of Reported Data		IIT	Phase 3	Phase 1b	Phase 2
Administration		PO	IV	IV	IV
Treatment Plan		golidocitinib 150 mg QD +sintilimab 200 mg Q3W	Mono 20 mg/kg Q3W	Combo with Pembro 4.0/6.0 mg/kg Q3W	Combo with Pembro 4 mg/kg Q2W
Patient Baseline		1L, PD-L1 positive advanced NSCLC without driver mutations	1L, PD-L1 TPS ≥1%	1L	1L, without EGFR or ALK mutations, PD-L1 TPS ≥1%
Efficacy	ORR	TPS ≥50% cohort: 84.2% TPS 1-49% cohort: 50%	TPS 1-49%: 42.6% TPS ≥50%: 60.2%	54.8%	70.2%
	mPFS	NA	TPS 1-49%: 8.0m TPS ≥50%: 11.1m	11.2m	NR
	mDoR	NA	TPS 1-49%: 90.4% (DCR) TPS ≥50%: 89.6% (DCR)	20.1m	NR
Safety		Grade ≥3 TRAE 31.9%	≥Grade 3 TRAEs: 29%	SAEs: 12%	Grade ≥3 TEAEs: 55.3%

Abbreviations: IV= intravenous administration; PO= oral administration.
**Note:* Based on non-head-to-head comparisons.
Source: Clinicaltrials.gov, ASCO, Cancer research on prevention and treatment, CIC

The Non-Hodgkin's Lymphoma Market

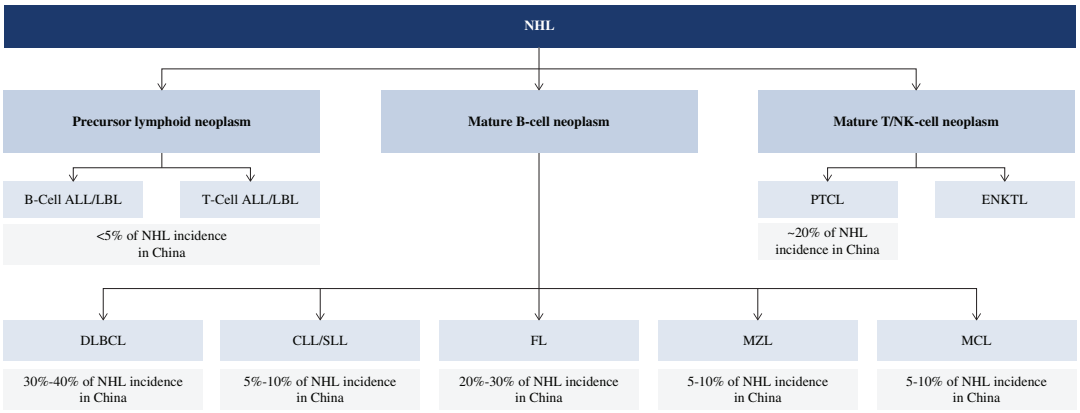
Overview of NHL

Lymphoma is a group of malignant tumors originating from lymphocytes, accounting for around 50% of all hematological malignancies. It is characterized by painless lymph node enlargement, hepatosplenomegaly, and systemic involvement, often accompanied by fever, night sweats, and unexplained weight loss. Lymphomas are classified into non-Hodgkin lymphoma ("**NHL**") and Hodgkin lymphoma ("**HL**"), with NHL accounting for about 80%-90% of cases.

The global prevalence of NHL increased from 2.4 million cases in 2020 to 2.7 million cases in 2025 and is projected to rise to 3.0 million cases in 2035. In China, prevalence increased from 0.4 million cases in 2020 to 0.5 million cases in 2025 and is expected to reach 0.6 million cases in 2035.

Main subtypes and characteristics of NHL

NHL is a heterogeneous group of lymphoid malignancies classified into precursor lymphoid neoplasms, mature B-cell neoplasms, and mature T/NK-cell neoplasms. The following graph illustrates the main subtypes of NHL.



Source: ESMO, NHC, CSCO, CIC

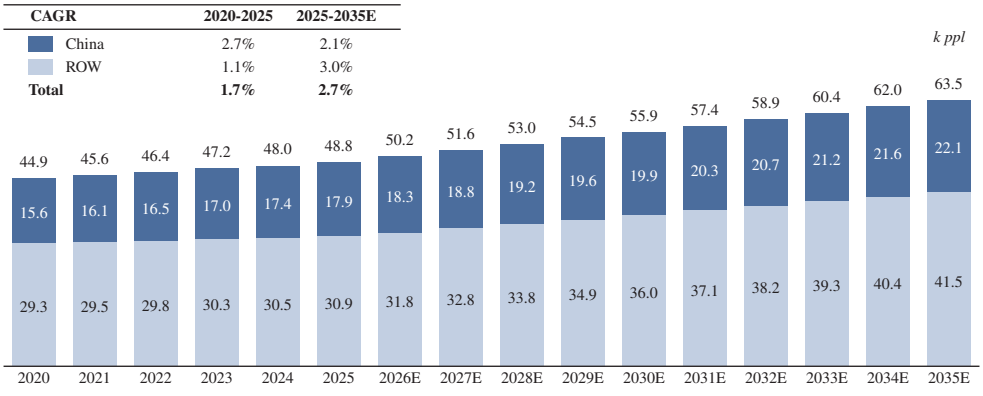
The PTCL Market

Overview of PTCL

PTCL is a highly heterogeneous and aggressive NHL subtype. In China, PTCL accounts for approximately 20% of all NHL cases — significantly higher than in the U.S. (~5%) and globally (~10%). It is characterized by rapid progression, frequent primary refractoriness or early relapse, limited options beyond first-line therapy, and poor long-term outcomes despite intensive chemotherapy. Median OS in r/r PTCL is around 5.8 months, and the 5-year overall survival following first relapse is less than 30%, underscoring the aggressive nature of the disease.

The global incidence of PTCL increased from 68.1 thousand cases in 2020 to 73.9 thousand cases in 2025 and is projected to rise to 96.3 thousand cases in 2035. In China, incidence grew from 23.4 thousand cases in 2020 to 26.8 thousand cases in 2025 and is anticipated to reach 33.2 thousand cases in 2035. The global incidence of r/r PTCL increased from 44.9 thousand cases in 2020 to 48.8 thousand cases in 2025 and is projected to rise to 63.5 thousand cases in 2035. In China, incidence grew from 15.6 thousand cases in 2020 to 17.9 thousand cases in 2025 and is anticipated to reach 22.1 thousand cases in 2035.

Global Incidence of r/r PTCL, 2020-2035E



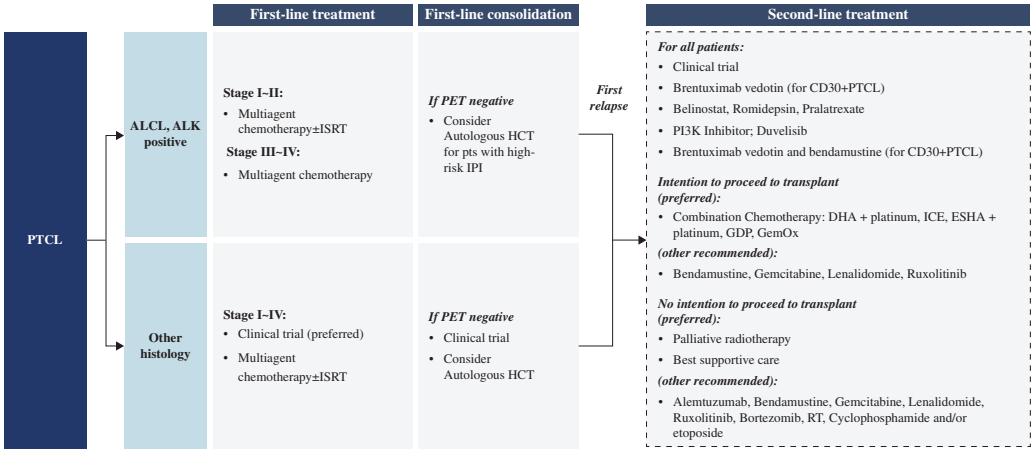
Source: GLOBOCAN, Blood, CIC

Treatment paradigm and unmet needs of PTCL

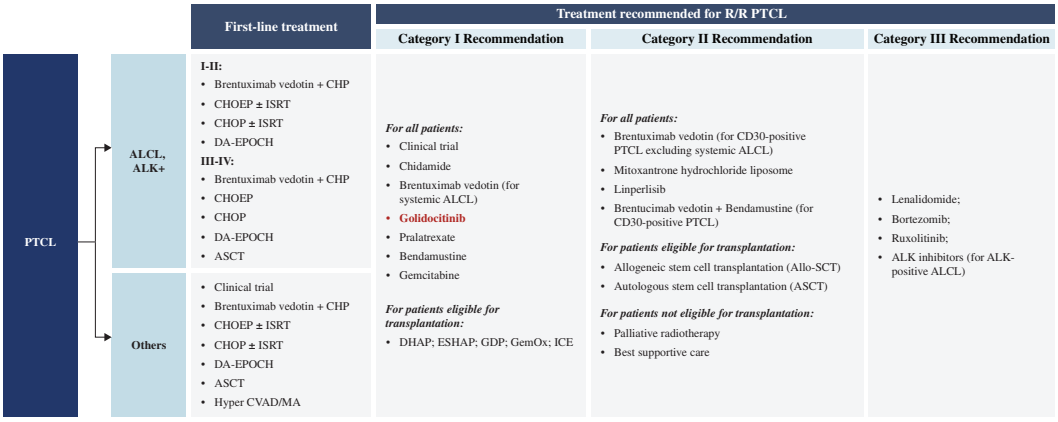
Treatment paradigm for PTCL

Globally and in China, over 95% of newly diagnosed PTCL patients receive first-line treatment, representing 71.7 thousand cases globally and 26.3 thousand cases in China in 2025. Following first-line therapy, approximately 70% of patients who experience disease progression or relapse receive second-line treatment, accounting for 48.8 thousand cases globally and 17.9 thousand cases in China in 2025. The following table sets forth the treatment paradigm for PTCL according to NCCN and CSCO.

Treatment Paradigm for PTCL, NCCN (the U.S.)



Treatment Paradigm for PTCL, CSCO (China)



Source: NCCN, CSCO, CIC

Unmet needs in PTCL

First-line PTCL standard of care remains CHOP -based chemotherapy, though outcomes are poor and most patients relapse. No preferred therapy exists for ALK-negative PTCL due to lack of targeted options. In the r/r setting, treatment is empirical as no standard second-line regimen has been established. Conventional salvage chemotherapy offers limited benefit: an ORR of approximately 20%, a complete response ("**CR**") of approximately 10%, a median PFS of 3.5 months, and an OS of approximately 5.8 months. Prior to 2024, options were largely confined to intravenous single-agent therapies (e.g., HDAC inhibitors, antifolates), with ORRs generally under 30% and no demonstrated survival improvement.

In June 2024, golidocitinib, a highly selective JAK1 inhibitor, was approved in China by the NMPA as the first and only JAK1-selective inhibitor indicated for r/r PTCL, fundamentally changing the treatment paradigm by offering promising efficacy and improved tolerability.

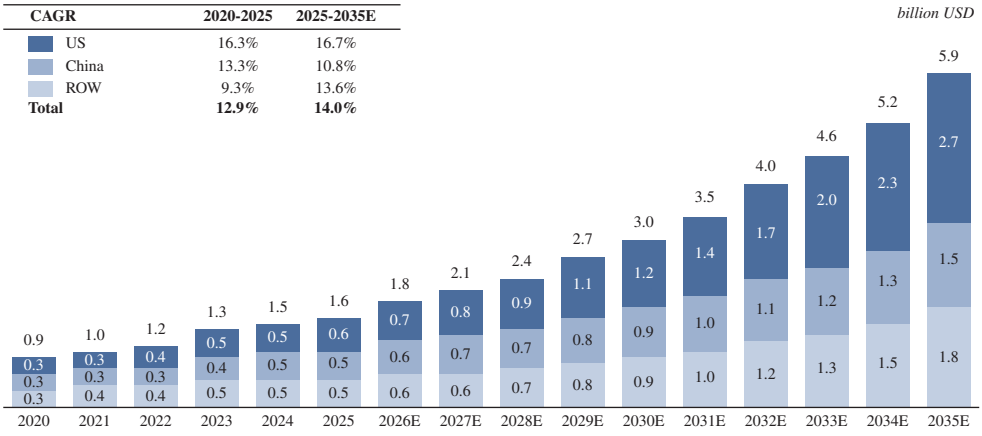
JAK inhibitors for the treatment of PTCL

The JAK family consists of four non-receptor tyrosine kinases (JAK1, JAK2, JAK3, and TYK2) that drive JAK-STAT signaling, playing essential roles in immunity, hematopoiesis, and inflammation. Aberrant JAK-STAT activation is a hallmark of hematological malignancies, particularly in myeloproliferative neoplasms and T-cell lymphomas. Globally, over ten JAK inhibitors have been approved, mostly for I&I indications. In oncology, only golidocitinib have received regulatory approval for the treatment of PTCL.

The market size of PTCL

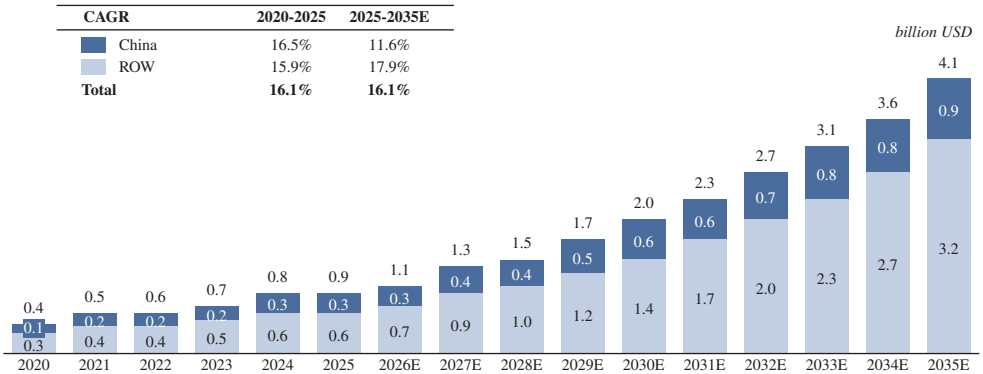
According to CIC, the global PTCL drug market grew from US$0.9 billion in 2020 to US$1.6 billion in 2025 at a CAGR of 12.9%. It is projected to further expand to US$5.9 billion in 2035, representing a CAGR of 14.0% from 2025 to 2035. The market size in China increased from US$0.3 billion in 2020 to US$0.5 billion in 2025 at a CAGR of 13.3%, and is expected to reach US$1.5 billion in 2035, reflecting a CAGR of 10.8% CAGR from 2025 to 2035. The global r/r PTCL market grew from US$0.4 billion in 2020 to US$0.9 billion in 2025, and is expected to increase to US$4.1 billion in 2035, representing a CAGR of 16.1% from 2025 to 2035. The r/r PTCL market in China grew from US$0.1 billion in 2020 to US$0.3 billion in 2025, and is expected to increase to US$0.9 billion in 2035, representing a CAGR of 11.6% from 2025 to 2035.

The PTCL Drugs Market Size, 2020-2035E



Source: NCCN, CSCO, Future Oncology, Drug labels, NHSA, CIC

The r/r PTCL Drugs Market Size, 2020-2035E



Source: NCCN, CSCO, Future Oncology, Drug labels, NHSA, CIC

Global competitive landscape of PTCL treatment

As of the Latest Practicable Date, seven drugs had been approved for PTCL globally, as illustrated below. Golidocitinib is the world's first and only JAK1-selective inhibitor for r/r PTCL, offering a novel therapeutic approach. Clinical data show an ORR of 44% and CRR of 24%, surpassing HDAC inhibitor, folate antagonist and liposomal injection. It achieves a median duration of response of 20.7 months and median OS of 24.3 months, with the lower discontinuation rate of 7.3%, indicating favorable tolerability. Besides, its oral administration enhances patient convenience and compliance.

Global Approved Drugs for PTCL

INN	Brand name	Company	Target	Indication	Combo/Mono	Treatment line	First approval date	NCCN Inclusion	NRDL Inclusion
Pralatrexate	FOLOTYN®	Acrotech Biopharma	DHFR, TS	r/r PTCL	Mono	2L+	FDA: 2009-09-24 NMPA: 2020-08-26	Yes	/
Brentuximab Vedotin	ADCETRIS® 安适利®	Seagen/Takeda	CD30	sALCL or other CD30+ PTCL	Combo Mono	1L 2L+	FDA: 2011-08-19 NMPA: 2020-05-12	Yes	Yes, 2023
Belinostat	BELEODAQ®	Acrotech Biopharma	HDAC	r/r PTCL	Mono	2L+	FDA: 2014-07-03	Yes	/
Chidamide	爱谱沙®	Chipscreen	HDAC	r/r PTCL	Mono	2L+	NMPA: 2014-12-23	/	Yes, 2017
Mitoxantrone Hydrochloride Liposome (Lipo-MIT)	多恩达®	CSPC	TOPOii, DNA/RNA	r/r PTCL	Mono	2L+	NMPA: 2022-01-07	/	Yes, 2023
Golidocitinib	高瑞哲®	Our Company	JAK1	r/r PTCL	Mono	2L+	NMPA: 2024-06-18	/	Yes, 2024
Zeprumetostat	艾瑞璟®	Hengrui	EZH2	r/r PTCL	Mono	2L+	NMPA: 2025-08-26	/	/

Source: FDA, NMPA, CIC

The following table sets forth the comparison of key therapeutic outcomes of major approved therapies for PTCL.

Comparison of Approved Therapies for PTCL

Drug	Golidocitinib	Chidamide	Pralatrexate	Mitoxantrone Hydrochloride
MoA	JAK1 inhibitor	HDAC inhibitor	Folate Antagonist	Liposomal injection
ORR	44%	28%	27%	41%
CRR (Complete Response Rate)	24%	14%	8%	22%
mPFS	5.6 months	2.1 months	3.5 months	7.5 months
mDoR (median Duration of Response)	20.7 months	9.9 months	9.4 months	11 months
mOS	24.3 months	21.4 months	14.5 months	16.3 months
Discontinuation Rate	7.3%	17%	23%	13.7%

Source: Drug labels, The Lancet, Annals of Oncology, J Clin Oncol., ASH, CIC

The CLL/SLL Market

Overview of CLL/SLL

Chronic lymphocytic leukemia ("**CLL**") and small lymphocytic lymphoma ("**SLL**") represent different manifestations of the same mature B-cell clonal malignancy, characterized by morphologically mature but dysfunctional B lymphocytes with identical pathology and immunophenotype. CLL involves peripheral blood and bone marrow, while SLL is primarily nodal with low circulating tumor cells. Despite these differences, they are managed as a single entity (CLL/SLL). CLL/SLL is a major B-cell NHL subtype, accounting for approximately 8% of NHL globally and 15% in the U.S. It is less common in Asia — in China, it represents approximately 5-10% of NHL cases. The global prevalence of CLL/SLL increased from 637.2 thousand cases in 2020 to 734.7 thousand cases in 2025 and is projected to rise to 862.3 thousand cases in 2035. In China, prevalence grew from 30.2 thousand cases in 2020 to 37.1 thousand cases in 2025 and is

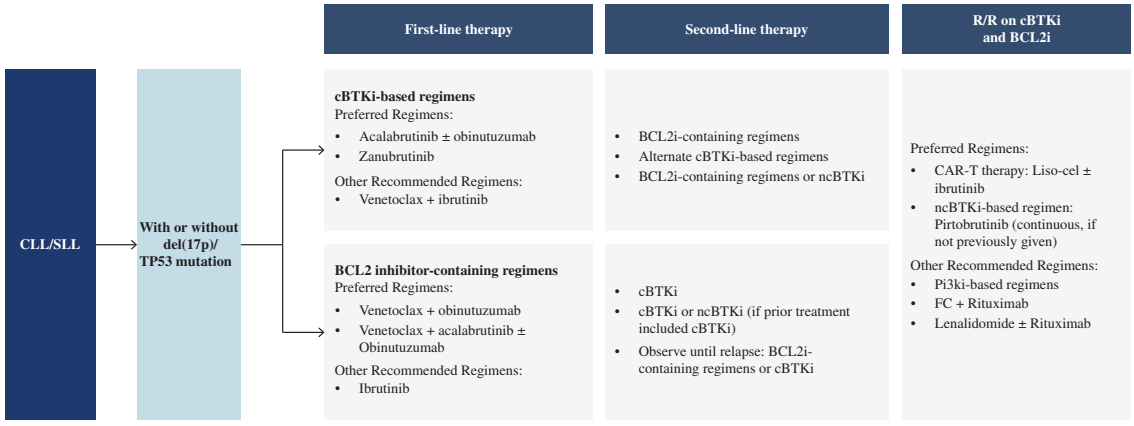
anticipated to reach 49.0 thousand cases in 2035. The global prevalence of r/r CLL/SLL increased from 176.2 thousand cases in 2020 to 203.1 thousand cases in 2025 and is expected to reach 238.4 thousand cases in 2035. In China, prevalence increased from 8.4 thousand cases in 2020 to 10.3 thousand cases in 2025 and is anticipated to reach 13.6 thousand cases in 2035.

Treatment paradigm and unmet needs of CLL/SLL

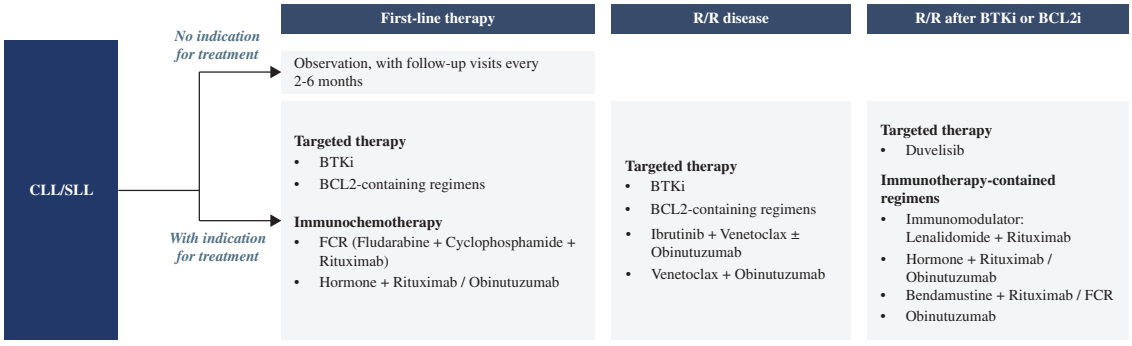
Treatment paradigm for CLL/SLL

The following table sets forth the treatment paradigm for CLL/SLL according to NCCN and CSCO.

Treatment Paradigm for CLL/SLL, NCCN (the U.S.)



Treatment Paradigm for CLL/SLL, CSCO (China)



Abbreviations: cBTKi = Covalent BTK inhibitors; ncBTKi = Non-covalent BTK inhibitors
Source: NCCN, CSCO, CIC

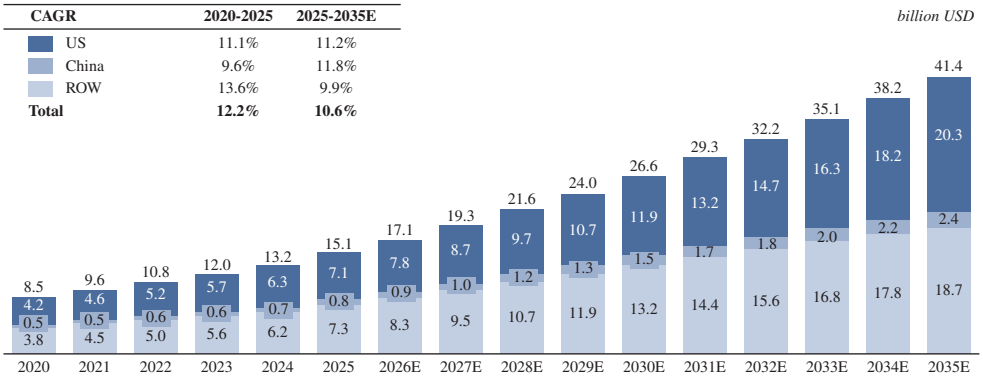
Unmet needs in CLL/SLL

BTK inhibitor-based regimens are foundational in treating CLL/SLL and B-cell NHL by disrupting B-cell receptor ("**BCR**") signaling. However, their durability is often limited by resistance, primarily driven by C481X mutations impairing BTK binding or activation of alternative pathways. Prolonged exposure leads to acquired resistance, highlighting the need for mutation-agnostic frontline strategies. Dual inhibition targeting BTK and upstream kinases like Lyn may offer more comprehensive BCR suppression and address both canonical and compensatory resistance mechanisms.

The market size of CLL/SLL

According to CIC, the global CLL/SLL drug market grew from US$8.5 billion in 2020 to US$15.1 billion in 2025 at a CAGR of 12.2%. It is projected to further expand to US$41.4 billion in 2035, representing a CAGR of 10.6% from 2025 to 2035. China remains a key growth engine, with market size increasing from US$0.5 billion in 2020 to US$0.8 billion in 2025 at a CAGR of 9.6%, and is expected to reach US$2.4 billion in 2035, reflecting a CAGR of 11.8% from 2025 to 2035. The global r/r CLL/SLL drug market grew from US$2.7 billion in 2020 to an estimated US$6.5 billion in 2025 at a CAGR of 19.1%. It is projected to further expand to US$28.8 billion in 2035, representing a CAGR of 16.0% from 2025 to 2035. The market size in China increased from US$0.2 billion in 2020 to US$0.3 billion in 2025 at a CAGR of 16.4%, and is expected to reach US$1.7 billion in 2035, reflecting a CAGR of 17.2% from 2025 to 2035.

The CLL/SLL Drugs Market Size, 2020-2035E



Source: NCCN, CSCO, Drug labels, NHSA, CIC

Global competitive landscape of CLL/SLL treatment

As of the Latest Practicable Date, five BTK inhibitors had been approved for CLL/SLL globally, among which only pirtobrutinib binds to the ATP pocket of BTK in a reversible, non-covalent manner. As of the same date, there were six BTK inhibitors for CLL/SLL had advanced to Phase 2 clinical development or beyond globally, as illustrated below.

Global Approved BTK inhibitors for CLL/SLL

INN	Brand Name	Company	Target	Binding mode	Indication	First Approval Date	NRDL
Ibrutinib	IMBRUVICA® 亿珂®	Janssen	BTK	Covalent	CLL/SLL ± 17p deletion, MCL, WM, cGVHD	2013/11 FDA 2018/01 NMPA	YES
Acalabrutinib	CALQUENCE® 康可期®	AstraZeneca	BTK	Covalent	CLL/SLL, MCL	2017/10 FDA 2023/03 NMPA	YES
Zanubrutinib	BRUKINSA® 百悦泽®	BeiGene	BTK	Covalent	CLL/SLL, MCL, WM, FL, MZL	2019/11 FDA 2020/06 NMPA	YES
Orelabrutinib	Innobruka® 宜诺凯®	InnoCare	BTK	Covalent	CLL/SLL, MCL, MCL	2020/12 NMPA	YES
Pirtobrutinib	JAYPIRCA® 捷帕力®	Eli Lilly	BTK	Non-Covalent	CLL/SLL, MCL	2023/01 FDA 2024/10 NMPA	YES

Source: FDA, NMPA, CIC

Global BTK Inhibitors Under Clinical Development for CLL/SLL (Phase 2 or beyond)

Drug	Company	Target	Drug Type	Indication	Treatment Line	Mono/Combo	Clinical Stage	First Posted Date	Location
MK-1026 Nemtabrutinib	Merck	BTK	ncBTKi	CLL/SLL	1L	Mono	3	2022-11-22	Global
BGB-16673	BeOne	BTK	Degrader	r/r CLL/SLL	2L+	Mono	3	2025-02-26	Global
				CLL/SLL	1L	Combo	2	2026-04-03	The U.S.
Birelentinib (DZD8586)	Our Company	LYN/BTK	Dual inhibitor	r/r CLL/SLL	2L+	Mono	3	2025-08-24	China
				CLL/SLL	1L	Combo	2	2025-09-04	China
HBW-3220	Hyperway	BTK	ncBTKi	r/r CLL/SLL	2L+	Mono	3	2025-12-05	China
LP-168	Lupeng	BTK	cBTKi and ncBTKi	r/r CLL/SLL	2L+	Mono	3	2026-01-15	Global
				r/r CLL/SLL	2L+	Combo	2	2026-05-27	China
NX-5948 Bexobrutideg	Nurix/Roche	BTK	Degrader	r/r CLL/SLL	2L+	Mono	3	2026-04-07	Not publicly available

Abbreviations: cBTKi = Covalent BTK inhibitor; ncBTKi = Non-covalent BTK inhibitor
Source: Clinicaltrials.gov, CDE, CIC

The DLBCL Market

Overview of DLBCL

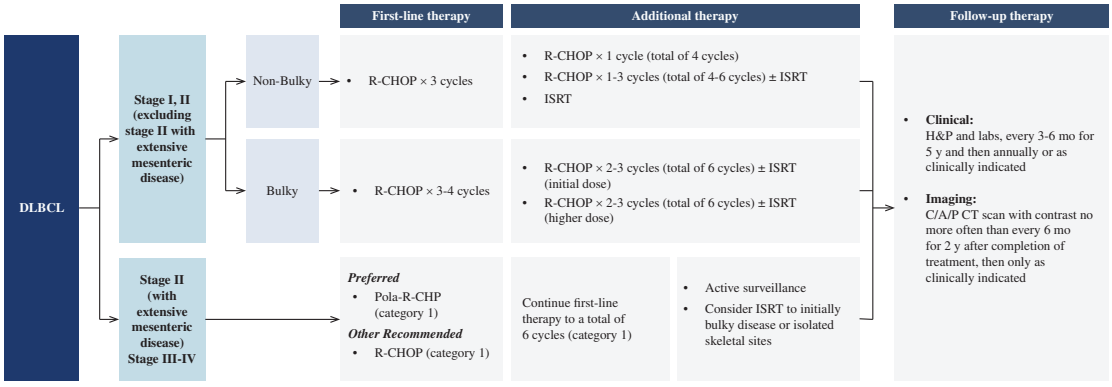
Diffuse large B-cell lymphoma ("**DLBCL**") is an aggressive malignancy arising from mature B cells, characterized by diffuse infiltration of large atypical B cells. It is the most common NHL subtype worldwide. Biologically heterogeneous, it is classified into germinal center B-cell-like ("**GCB**") and non-GCB subtypes based on cell-of-origin. GCB arises from germinal center B cells and is associated with more favorable outcomes. Non-GCB subtype (including activated B-cell-like, or ABC) features chronic B-cell receptor and NF-κB activation, inferior prognosis, and higher relapse rates, accounting for approximately 50-60% of cases. There is a significant unmet need for small-molecule therapies in DLBCL. BTK inhibitors show activity primarily in non-GCB but limited efficacy in GCB. Besides, the 5-year cumulative incidence rate for r/r DLBCL is 20%, with subsequent salvage chemotherapy yielding an ORR of only 30% and a CR rate of just 9%. Median survival is only 5.9 months, with a 2-year OS rate of merely 16%. The global prevalence of DLBCL increased from 809.0 thousand cases in 2020 to 936.8 thousand cases in 2025 and is projected to rise to 1,113.2 thousand cases in 2035. In China, prevalence grew from 160.1 thousand cases in 2020 to 199.4 thousand cases in 2025 and is anticipated to reach 269.5 thousand cases in 2035. The global number of new r/r DLBCL patients increased from 85.3 thousand cases in 2020 to 106.0 thousand cases in 2025 and is expected to reach 167.1 thousand cases in 2035. In China, number of new r/r DLBCL cases increased from 14.6 thousand cases in 2020 to 19.2 thousand cases in 2025 and is anticipated to reach 30.2 thousand cases in 2035.

Treatment paradigm and unmet needs of DLBCL

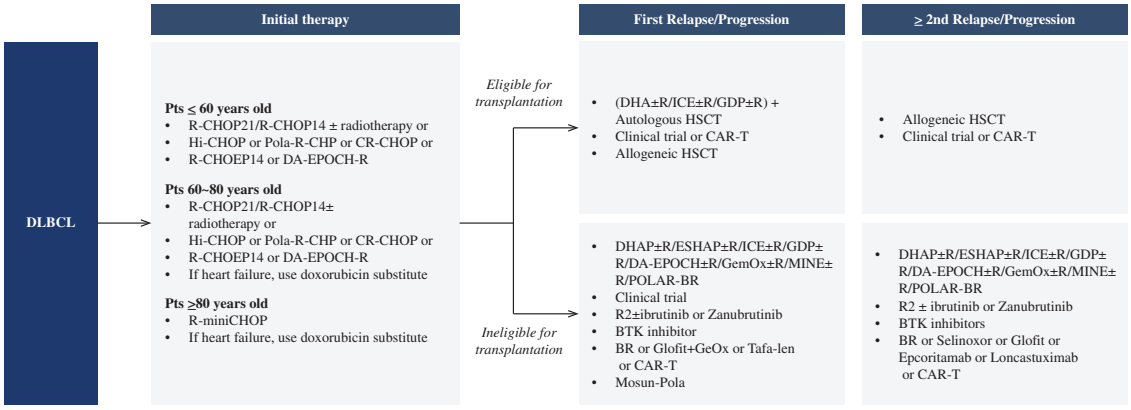
Treatment paradigm for DLBCL

The following table sets forth the treatment paradigm for DLBCL according to NCCN and CSCO.

Treatment Paradigm for DLBCL, NCCN (the U.S.)



Treatment Paradigm for DLBCL, CSCO (China)



Source: NCCN, CSCO, CIC

Unmet needs in DLBCL

R-CHOP (rituximab, cyclophosphamide, doxorubicin, vincristine, prednisone) remains the frontline standard of care for newly diagnosed DLBCL, but 30-50% of patients experience refractory disease or relapse — 15%-25% are refractory during treatment, and 20%-30% relapsing after achieving complete response. Second-line regimens followed by ASCT are commonly used, but most patients are ineligible. Those who are second-line refractory or relapse after ASCT have poor outcomes: a median OS of 5-8 months and an ORR of just 26%.

Overall, the market remains heavily reliant on biologics that offer limited efficacy, while cell therapies face accessibility barriers. No small-molecule targeting Lyn/BTK or BCR signaling is approved specifically for DLBCL. While a few BTK inhibitors show efficacy in non-GCB DLBCL, GCB subtypes remains underserved. This leaves significant space for differentiated oral agents capable of delivering broad and durable efficacy across both non-GCB and GCB DLBCL.

The market size of DLBCL

According to CIC, the global DLBCL drug market grew from US$3.3 billion in 2020 to an estimated US$7.2 billion in 2025 at a CAGR of 16.7%. It is projected to further expand to US$24.9 billion in 2035, representing a CAGR of 13.3% from 2025 to 2035. The market size in China increased from US$0.6 billion in 2020 to US$1.4 billion in 2025 at a CAGR of 19.2%, and is expected to reach US$4.3 billion in 2035, reflecting a CAGR of 12.3% from 2025 to 2035. The global r/r DLBCL drug market grew from US$1.4 billion in 2020 to an estimated US$3.3 billion in 2025 at a CAGR of 19.5%. It is projected to further expand to US$11.5 billion in 2035, representing a CAGR of 13.3% from 2025 to 2035. The market size in China increased from US$0.2 billion in 2020 to US$0.6 billion in 2025 at a CAGR of 22.1%, and is expected to reach US$2.0 billion in 2035, reflecting a CAGR of 12.3% from 2025 to 2035.

Global competitive landscape of DLBCL treatment

As of the Latest Practicable Date, no BTK inhibitor had been approved for DLBCL globally. As of the same date, there were six BTK inhibitors under Phase 2 or later stage for DLBCL, as illustrated below.

Global BTK pipelines for DLBCL (phase 2 and beyond)

Drug	Company	Target	Indication	Treatment Line	Mono/Combo	Clinical Stage	First Posted Date	Location
Acalabrutinib	Acerta Pharma	BTK	ND non-GCB DLBCL	1L	Combo with R-CHOP	3	2020-08-28	Global
HMPL-760	Hutchmed	BTK	r/r DLBCL	2L+	Combo with R-GemOx	3	2025-12-05	China
Birelentinib (DZD8586)	Our Company	LYN/BTK	r/r DLBCL	2L+	Mono/Combo	1/2	2024-08-06	China
			DLBCL	1L	Combo with R-CHOP	1b/2	2025-06-05	China
TQB3702	Chia Tai-tianqing	BTK	r/r DLBCL	2L+	Combo	2	2024-08-21	China
LP-168	Lupeng	BTK	r/r non-GCB DLBCL	2L+	Mono	2	2025-09-19	China
			ND non-GCB DLBCL	1L	Combo with R-CHOP	1b	2024-02-09	China
Poseltinib	Hanmi Pharmaceuticals	BTK	r/r DLBCL	2L+	Combo	1/2	2025-12-08	Global excl. the U.S. and China

Source: Clinicaltrials.gov, CDE, CIC

THE INFLAMMATION & IMMUNOLOGY THERAPEUTICS MARKET

Overview

Inflammatory & immunology ("**I&I**") diseases are conditions in which the immune system malfunctions, attacking healthy tissues and causing chronic inflammation and tissue damage, including autoimmune diseases and allergies. These disorders affect an estimated 50-80 million people globally, representing 5%-10% of the world population. Prevalence is higher in developed nations and rising in developing countries.

The Market Size of I&I

According to CIC, the global I&I drug market grew from US$131.3 billion in 2020 to US$232.3 billion in 2025 at a CAGR of 12.1%. It is projected to further expand to US$428.4 billion in 2035, representing a CAGR of 6.3% from 2025 to 2035. The market size in China increased from US$5.1 billion in 2020 to US$13.4 billion in 2025 at a CAGR of 21.1%, and is expected to reach US$42.0 billion in 2035, reflecting a CAGR of 12.1% from 2025 to 2035.

The BTK and JAK Inhibitors Market for the Treatment of I&I Disease

Mechanism and future potential of BTK inhibitors

BTK is a cytoplasmic Tec family kinase expressed in B cells and myeloid lineage cells, but not in T cells, plasma cells, or NK cells. It plays a central role in BCR signaling, Fc-γreceptor mediated immune activation, and osteoclast-driven osteogenesis. BTK inhibition thus suppresses B cell proliferation, inflammatory cytokine release, and B cell maturation-making it a cornerstone in treating hematologic malignancies and inflammatory diseases.

Future potential lies in expanding clinical applications through improved selectivity and safety. Next-generation BTK inhibitors with enhanced kinase selectivity and optimized profiles aim to reduce off-target effects and enable chronic use in non-oncologic settings, as seen with emerging I&I indications like rilzabrutinib in ITP.

Mechanism and future potential of JAK inhibitors

JAK inhibitors are oral small molecules that target JAK1, JAK2, JAK3, and TYK2, blocking JAK-STAT signaling downstream of multiple pro-inflammatory cytokines. This produces broad anti-inflammatory and immunosuppressive effects across diseases such as rheumatoid arthritis, atopic dermatitis ("**AD**"), and inflammatory bowel disease ("**IBD**"). Development has evolved from non-selective to more selective inhibitors to reduce off-target effects like JAK2-associated myelosuppression.

In AD, JAK inhibitors enable oral targeting of type 2 inflammation and itch pathways (e.g., IL-4/IL-13, IL-31). Agents like upadacitinib and abrocitinib provide rapid itch relief and skin clearance, even in patients with inadequate response to topical therapies or biologics. Ongoing efforts focus on selective JAK inhibition and optimized dosing for long-term disease control. In IBD, JAK inhibitors offer oral modulation of multiple cytokine pathways driving chronic intestinal inflammation. Tofacitinib, filgotinib, and upadacitinib have shown efficacy in ulcerative colitis, and upadacitinib in Crohn's disease, addressing unmet needs in biologic-refractory patients. Further refinement of isoform selectivity aims to enhance efficacy and safety in long-term management.

The ITP Market

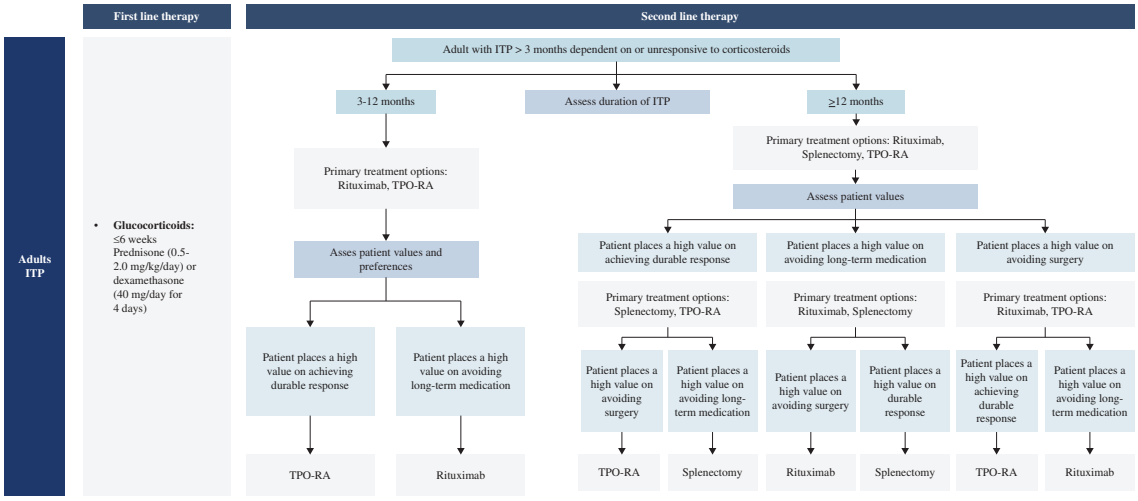
Disease overview of ITP

Primary immune thrombocytopenia ("**ITP**") is an acquired autoimmune bleeding disorder characterized by low platelet counts resulting from immune-mediated platelet destruction and impaired platelet production. It arises from a loss of immune tolerance to platelet autoantigens, driving both humoral and cellular dysregulation. Central to its pathogenesis are pathogenic anti-platelet autoantibodies targeting glycoproteins such as GPIIb/IIIa or GPIb/IX. The global prevalence of ITP increased from 1,283.9 thousand cases in 2020 to 1,487.7 thousand cases in 2025 and is projected to rise to 1,887.2 thousand cases in 2035. In China, prevalence grew from 234.5 thousand cases in 2020 to 294.6 thousand cases in 2025 and is anticipated to reach 449.7 thousand cases in 2035. The global prevalence of 2L/2L+ ITP patients increased from 577.8 thousand cases in 2020 to 669.5 thousand cases in 2025, and is expected to reach 849.2 thousand cases in 2035. In China, the prevalence of 2L/2L+ ITP patients increased from 105.5 thousand cases in 2020 to 132.6 thousand cases in 2025 and is anticipated to reach 202.4 thousand cases in 2035.

Treatment paradigm for ITP

The treatment of ITP follows the principle of individualized therapy, encouraging patient involvement in decision-making.

Treatment Paradigm for ITP



Source: ASH 2019, CIC

Unmet needs in ITP

Durable disease control remains a key challenge in ITP. Current options lack durable responses: rituximab effects are transient, TPO-RAs require continuous use, and splenectomy is invasive. There is a need for non-surgical therapies that provide lasting platelet control without long-term treatment dependence.

The market size of ITP

The global ITP drug market grew from US$2.0 billion in 2020 to US$3.0 billion in 2025 at a CAGR of 7.4%. It is projected to further expand to US$7.2 billion in 2035, representing a CAGR of 9.7% from 2025 to 2035. The market size in China increased from US$0.2 billion in 2020 to US$0.5 billion in 2025 at a CAGR of 15.4%, and is expected to reach US$1.3 billion in 2035, reflecting a 11.3% CAGR from 2025 to 2035. The global 2L/2L+ ITP drug market grew from US$1.9 billion in 2020 to an estimated US$2.9 billion in 2025 at a CAGR of 8.8%. It is projected to further expand to US$7.1 billion in 2035, representing a CAGR of 9.4% from 2025 to 2035. The market size in China increased from US$0.2 billion in 2020 to US$0.4 billion in 2025 at a CAGR of 14.9%, and is expected to reach US$1.3 billion in 2035, reflecting a CAGR of 12.5% from 2025 to 2035.

Global competitive landscape of ITP treatment

As of the Latest Practicable Date, only one BTK inhibitor — Wayrilz® — had been approved for ITP globally. As of the same date, there were six BTK inhibitors under clinical development for ITP globally, as illustrated below.

Global Approved BTK Inhibitors for ITP

Drug	Brand name	Company	Target	Indication	First approval date
Rilzabrutinib	Wayrilz®	Sanofi	BTK	Persistent or chronic ITP who have had an insufficient response to a previous treatment	FDA: 2025-08-29

Global BTK Inhibitors Under Clinical Development for ITP

Drug	Company	Target	Indication	Clinical Stage	First Posted Date	Location
Orelabrutinib	InnoCare	BTK	Chronic ITP	NDA	2026-05-29	China
CX1440	Biosun Pharma	BTK	ITP	3	2023-07-17	China
Rilzabrutinib	Sanofi	BTK	ITP	3	2025-10-24	China
HZ-A-018	Healzentx	BTK	Persistent or chronic ITP	2	2025-08-22	China
Birelentinib (DZD8586)	Our Company	LYN/BTK	ITP	2	2025-12-12	China
Pirtobrutinib	Eli Lilly	BTK	ITP	1/2	2024-12-06	Global

Source: FDA, Clinicaltrials.gov, CDE,CIC

As of the Latest Practicable Date, there were neither JAK inhibitors approved nor any under industry-sponsored clinical development for ITP globally.

REPORT COMMISSIONED BY CIC

In connection with the [**REDACTED**], we have engaged CIC to conduct a detailed analysis and prepare an industry report on the major markets for which our drug candidates are positioned. CIC is an independent global market research and consulting company that provides market research on a variety of industries including biotechnology. We have agreed to pay CIC a total fee of RMB0.6 million for the preparation of the CIC Report, and we believe that such fees are consistent with the market rate. The payment of such amount was not contingent upon our successful [**REDACTED**] or on the results of the CIC Report. Except for the CIC Report, we did not commission any other industry report in connection with the [**REDACTED**].

The market projections in the CIC Report were based on the following key assumptions: (i) the overall social, economic and political environment in China is expected to remain stable during the forecast period; (ii) China's economic and industrial development is likely to maintain a steady growth trend over the next decade; (iii) related key industry drivers are likely to continue driving the growth of the market during the forecast period; and (iv) there is no extreme force majeure or industry regulation in which the market may be affected dramatically or fundamentally. The reliability of the CIC Report may be affected by the accuracy of the foregoing key assumptions.

The Directors and the Joint Sponsors have exercised reasonable care in selecting and identifying the named information sources, compiling, extracting and reproducing the information, confirm that to the best of their knowledge and belief, there are no material omissions of the information. After making reasonable inquiries, our Directors confirm that, to the best of their knowledge, there has been no detrimental change in the market information demonstrated in the CIC Report since the date of the report that may qualify, contradict or have an impact on the information in this Document, including, in particular, the information set out in the Industry Overview section.

OVERVIEW OF LAWS AND REGULATIONS IN THE PRC

This section summarizes the principal PRC laws, rules and regulations that are relevant to our business:

Regulatory Authorities

The regulatory authorities of the drug industry in the PRC include: the National Medical Products Administration (國家藥品監督管理局) (the "NMPA"), the National Health Commission (國家衛生健康委員會) (the "NHC") and the National Healthcare Security Administration (國家醫療保障局) (the "NHSA").

The NMPA is an authority under the State Administration for Market Regulation (國家市場監督管理總局) (the "SAMR") and is the primary regulator for medical products. It is primarily responsible for supervising and managing drugs, medical devices and cosmetics, including drafting relevant regulations and policies; undertaking standard management, registration regulation, quality management and post-market risk management for drugs, medical devices and cosmetics; and organizing and guiding the supervision and inspection of drugs, medical devices and cosmetics; undertaking management of qualifications for licensed pharmacists.

The NHC is the primary national regulator for public health. It is primarily responsible for drafting national health policies, supervising and regulating public health, healthcare services, and health emergency systems, coordinating the reform of medical and health system, organizing the formulation of national drug policies and national essential medicine system, launching an early warning mechanism for the monitoring of the use and clinical comprehensive evaluation of medicine as well as the drug shortage, giving suggestions on the pricing policy of national essential medicine, and regulating the operation of medical institutions and practicing of medical personnel.

The NHSA is an authority directly under the State Council of the PRC (中華人民共和國國務院) (the "State Council") responsible for the management of the healthcare security system. It is primarily responsible for drafting and implementing policies and standards on medical insurance, maternity insurance and medical assistance; supervising and administering the healthcare security funds; organizing the formulation of a uniform medical insurance catalogue and payment standards on drugs, medical disposables and healthcare services; and formulating and supervising the implementation of the bidding and tendering policies for drugs and medical disposables.

Laws and Regulations in Relation to New Drugs

Application for New Drug Registration

Drug registration refers to an approval process where the NMPA conducts review of the safety, efficacy and quality controllability of the drugs intended for marketing according to the application for drug registration made by an applicant, and decides whether to approve the application. Pursuant to the provisions of the Measures for the Administration of Drug Registration (《藥品註冊管理辦法》), promulgated by the SAMR on January 22, 2020 and came into effect on July 1, 2020, the Measures for the Administration of Drug Registration (2020) shall apply to the development, registration, supervision and management activities carried out in the territory of the PRC for marketing of drugs. In accordance with the Measures for the Administration of Drug Registration (2020), drugs registration refers to activities that a drug registration applicant files an application and other supplementary applications for drug clinical trial, approval for drug marketing, and reregistration, among others, under the legal procedures and according to the relevant requirements, and that the medical products administrative department examines the safety, effectiveness, and quality controllability based on the laws and regulations, and the existing scientific cognitions, to decide whether to agree with the activities applied for. A drug registration certificate shall be valid for five years. During the validity period, a holder of a drug registration certificate shall continue to ensure the safety, effectiveness and quality controllability of the marketed drug, and apply for re-registration of the drug six months prior to the expiry of the validity period.

Non-clinical Research

The non-clinical safety assessment of drugs for marketing approval shall be conducted in accordance with the Good Laboratory Practices for Non-clinical Laboratory Studies (《藥物非臨床研究質量管理規範》) promulgated by the State Food and Drug Administration (the "SFDA") in

August 2003 and latest amended by the China Food and Drug Administration (the "CFDA") in July 2017 and came into effect on September 1, 2017. The SFDA promulgated the Administrative Measures for the Certification of Good Laboratory Practices for Non-clinical Laboratory Studies (《藥物非臨床研究質量管理規範認證管理辦法》) in April 2007, which specifies the requirements for institutions applying for Good Laboratory Practices (GLP) certification of non-clinical laboratory studies. On January 19, 2023, the NMPA amended the Administrative Measures for the Certification of Good Laboratory Practices for Non-clinical Laboratory Studies (《藥物非臨床研究質量管理規範認證管理辦法》), which came into effect on July 1, 2023.

Application for Clinical Trial

After completing the pre-clinical studies, the applicant must obtain approval for clinical trials of drugs from the NMPA before the conduction of new drug clinical trial. According to the Decision on Adjusting the Approval Procedures of Certain Administrative Approval Items for Drugs (《關於調整部分藥品行政審批事項審批程序的決定》) promulgated by the CFDA on March 17, 2017 and came into effect on May 1, 2017, the decision on the approval of clinical trials of drugs enacted by the CFDA can be made by the Center for Drug Evaluation of the NMPA (國家藥品審評中心) (the "CDE") from May 1, 2017. Pursuant to the Drug Administration Law of the PRC (《中華人民共和國藥品管理法》) (the "Drug Administration Law"), the dossier on a new drug research and development, including the manufacturing method, quality specifications, results of pharmacological and toxicological tests and the relevant data, files and samples, shall, in accordance with the regulations of the drug regulatory authority under the State Council be truthfully submitted to the said department for approval before drug clinical trial is conducted.

The drug regulatory authority under the State Council shall decide whether to approve the clinical trial application and notify the decision to the clinical trial applicant within sixty (60) business days from the date of accepting the clinical trial application. If the drug regulatory authority under the State Council fails to do so, the clinical trial application shall be deemed as approval, and if the bioequivalence test is conducted, it is required to report it to the drug regulatory authority under State Council for filing. According to the Announcement of the NMPA on Matters Concerning Optimizing the Review and Approval of Clinical Trials for Innovative Drugs (《國家藥監局關於優化創新藥臨床試驗審評審批有關事項的公告》), which came into effect in September 2025, to further support innovative drug R&D oriented by clinical value and to improve the quality and efficiency of clinical R&D, clinical trial applications for innovative drugs that meet the requirements shall complete review and approval within thirty (30) working days upon acceptance. However, for complex cases, the CDE may notify the applicant to extend the review period to 60 days.

Before conducting the clinical trial, the applicant shall file a series of detailed documents with the NMPA. According to the Announcement on Drug Clinical Trial Information Platform (《關於藥物臨床試驗信息平台的公告》), which came into effect in September 2013, and the Standard for the Management of Drug Clinical Trial Registration and Information Disclosure (Trial) (《藥物臨床試驗登記與信息公示管理規範(試行)》), which came into effect in July 2020, all clinical trials approved by the CFDA and conducted in the PRC shall complete the clinical trial registration and information disclosure on the Drug Clinical Trial Information Platform. The applicant must complete the initial registration of the trial within one month after obtaining the approval of the clinical trial to obtain the unique registration number of the trial; and complete the subsequent data registration before the first patient is enrolled and submit it for the first time for disclosure.

After obtaining clinical trial approval, the applicant shall choose institutions qualified for clinical trials of the drug to conduct clinical trials. Pursuant to the Administrative Regulations for Drug Clinical Trial Institutions (《藥物臨床試驗機構管理規定》), which came into effect in December 2019, if engaging in drug development activities and conducting clinical trials of drugs (including bioequivalence test conducted after filing) approved by the NMPA within the territory of the PRC, they shall be conducted in the Drug Clinical Trial Institutions. Drug clinical trial institutions shall be subject to filing administration. Institutions that only engage in analysis of biological samples related to drug clinical trials shall not be subject to filing. The national drug regulatory authority is responsible for setting up a filing management information platform for drug clinical trial institutions for registration, filing and operation management of drug clinical trial institutions, as well as the entry, sharing and disclosure of information on supervision and inspection of the drug regulatory authority and competent healthcare authority.

Conduct of Clinical Trial

In compliance with the Measures for the Administration of Drug Registration (《藥品註冊管理辦法》), clinical trials are divided into Phase 1, Phase 2, Phase 3, Phase 4 and bioequivalence trial:

A drug clinical trial to be carried out shall be examined and approved by the ethics committee. Clinical trials shall be conducted for the application of new drug registration and shall be implemented in accordance with the GCP, promulgated by the NMPA and NHC and came into effect on July 1, 2020. The Good Clinical Practice for Drug Trials stipulates the criteria for the entire procedure of the clinical trial with reference to the internationally recognized principles.

According to the Announcement of the National Medical Products Administration on Adjusting the Review and Approval Procedures for Drug Clinical Trials (《國家藥品監督管理局關於調整藥物臨床試驗審評審批程序的公告》), if a new drug clinical trial has been approved to be carried out, after the completion of Phase 1 and Phase 2 clinical trials and before the implementation of Phase 3 clinical trials, the applicant shall submit an application for a communication meeting to the CDE to discuss with the CDE on key technical issues including the design of the phase 3 clinical trial. The applicant can also apply for communication on key technical issues at different stages of clinical research and development.

According to the Measures for the Administration of Drug Registration (《藥品註冊管理辦法》), applicants may communicate with CDE on major issues at critical stages such as prior to application for clinical trial of a drug, during the process of clinical trial of a drug, and prior to application for marketing authorization of a drug. According to the Measures for the Administration of Communication and Exchange in Drug Development and Technology Review (《藥物研發與技術審評溝通交流管理辦法》) promulgated by the CDE on December 10, 2020, an applicant may propose to convene a communication meeting with the CDE during the process of drug research and development and registration application.

New Drug Application

Pursuant to the Measures for the Administration of Drug Registration (《藥品註冊管理辦法》), after completing the pharmaceutical research, pharmacological and toxicological studies, clinical trial, and other studies supporting the marketing registration of a drug, determining the quality standards, completing the verification of commercial large-scale production process, and making sound preparation for the acceptance of drug registration inspection and examination, an applicant shall file an application for drug marketing authorization, and submit relevant research materials in accordance with the requirements of the application materials. After the formal examination of the application materials, an application that satisfies the requirements shall be accepted. Where a generic drug, in vitro diagnostic reagent managed as a drug, or any other eligible circumstance assessed by an applicant to be unnecessary or impossible for conducting drug clinical trial and meeting the conditions for exempting drug clinical trial, the applicant may directly file an application for drug marketing authorization. The technical guiding principles and relevant specific requirements for exempting drug clinical trial shall be developed and announced by the CDE.

The CDE shall organize pharmaceutical, medical and other technical personnel to evaluate the accepted applications for drug marketing authorization as required. Where the comprehensive evaluation conclusion is adopted, the drug shall be approved for marketing, and a drug registration certificate shall be issued. If the comprehensive evaluation conclusion is not adopted, a disapproval decision shall be made. A drug registration certificate shall specify the drug approval number, holder, manufacturer and other information.

Drug registration inspection means the inspection activities carried out for the development sites and production sites for verifying the authenticity and consistency of the application materials and the commercial production conditions for marketing of drugs, and examining the compliance of drug development, and data reliability, among others, and the extended examination activities carried out for manufacturers, suppliers, or other entrusted institutions of chemical active pharmaceutical ingredients (the "APIs"), auxiliary materials, and packaging materials and containers in direct contact with drugs involved in the application for drug registration, if necessary.

The CDE shall decide whether to carry out on-site inspection of drug registration development based on risks, according to the degree of drug innovation and the previous acceptance of inspection by drug research institutions.

The CDE shall decide whether to launch production site inspection for drug registration based on risks according to factors such as variety, process, facility, and previous acceptance of inspection for which an application is filed for registration. For innovative drugs, new modified drugs and biological products, production site inspection for drug registration and pre-marketing examination for management standards for drug production quality shall be conducted. For generic drugs, production site inspection for drug registration and pre-marketing examination for management standards for drug production quality shall be conducted based on the risks, according to whether a drug production license for the corresponding production scope has been obtained and whether a variety of the same dosage form has been marketed.

After an application for drug registration is accepted, the CDE shall conduct preliminary review within forty (40) business days of acceptance, notify the Center for Food and Drug Inspection of NMPA (the "Center for Inspection") of organizing inspection and provide the relevant materials required for inspection, where production site inspection for drug registration is required, and concurrently notify the applicant and the medical products administrative department of the province, autonomous region, or municipality in the place where the applicant or production enterprise is located. In principle, the Center for Inspection shall complete the inspection work forty (40) business days prior to the expiry of the time limit for inspection, and report the inspection information, inspection results and other relevant materials to the CDE.

Drug registration examination shall include standard review and sample examination. The review period for an application for drug marketing authorization shall be 200 business days. Within this two hundred (200) business days period, the review period for the procedures for prioritized review and approval shall be one hundred and thirty (130) business days, and the review period for the procedures for prioritized review and approval for clinically and urgently needed overseas-marketed drug for a rare disease shall be seventy (70) business days.

Reform of Evaluation and Approval System for Drugs

In August 2015, the State Council promulgated the Opinions on the Reform of Evaluation and Approval System for Drugs and Medical Devices and Equipment (《關於改革藥品醫療器械審評審批制度的意見》) (the "Reform Opinions"), which provides a framework for reforming the evaluation and approval system for drugs and indicates enhancing the standard of approval for drug registration and accelerating the evaluation and approval process for innovative drugs.

In November 2015, the CFDA promulgated the Announcement on Certain Policies for Drug Registration, Evaluation and Approval (《關於藥品註冊審評審批若干政策的公告》) (the "Certain Policies Announcement"), which further clarifies the measures and policies on simplifying and accelerating the approval process on the basis of the Reform Opinions.

Pursuant to the Decision on Adjusting the Approval Procedures of Certain Administrative Approval Items for Drugs (《關於調整部分藥品行政審批事項審批程序的決定》) promulgated by the CFDA in March 2017 and came into effect in May 2017, the following administrative approval decisions on drugs can be directly made by the CDE in the name of the CFDA: the clinical trial approval decisions on drugs (including domestic and imported); decisions on approval of drug supplementary applications (including domestic and imported); decisions on approval of re-registration of imported drugs.

The Evaluation and Approval Procedures for Breakthrough Therapeutic Drugs (Trial) (《突破性治療藥物審評工作程序(試行)》), the Evaluation and Approval Procedures for Conditionally Approved Drugs (Trial) (《藥品附條件批准上市申請審評審批工作程序(試行)》) and The Preferential Evaluation and Approval Procedures for Drug Marketing Authorization (Trial) (《藥品上市許可優先審評審批工作程序(試行)》) promulgated by the NMPA in July 2020 and came into effect in July 2020, replace the Opinions on Implementing Priority Review and Approval to Encourage Drug Innovation (《關於鼓勵藥品創新實行優先審評審批的意見》) promulgated by the CFDA in December 2017 and came into effect in December 2017, which further clarified the Accelerating Registration Procedures for Drugs.

Administrative Protection and Monitoring Periods for New Drugs

According to the Implementing Rules for PRC Drug Administration Law (《中華人民共和國藥品管理法實施條例》) issued on December 6, 2024 and came into effect from January 20, 2025 and the Reform Plan for Registration Category of Chemical Drugs (《化學藥品註冊分類改革工作方案》) issued on March 4, 2016 and came into effect from the same day, the NMPA may, for the purpose of protecting public health, provide for an administrative monitoring period of five years for new Category 1 drugs approved to be manufactured, commencing from the date of approval, to continually monitor the safety of those new drugs.

Regulations on International Multi-Center Clinical Trials and Acceptance of Overseas Clinical Trial Data

According to the Notice on Issuing the International Multi-Center Clinical Trial Guidelines (Trial) (《關於發佈國際多中心藥物臨床試驗指南(試行)的通告》), ("the Multi-Center Clinical Trial Guidelines"), promulgated by the NMPA on January 30, 2015 and came into effect on March 1, 2015, international multi-center clinical trial applicants may simultaneously perform clinical trials in different centers using the same clinical trial protocol. Where the applicants plan to implement the international multi-center clinical trials in the PRC, the applicants shall comply with relevant laws and regulations, such as the PRC Drug Administration Law, the Implementing Regulations of the PRC Drug Administration Law and the Administrative Measures for Drug Registration, execute the Good Clinical Practice, make reference to universal international principles such as the International Council for Harmonization of Technical Requirements for Pharmaceuticals for Human Use (the "ICH"), and comply with the laws and regulations of the countries involved in the international multi-center clinical trials. Where the applicants plan to use the data derived from the international multi-center clinical trials for approval of a drug registration in the PRC, it shall involve at least two countries, including China, and shall satisfy the requirements for clinical trials set forth in the Multi-Center Clinical Trial Guidelines and other related laws and regulations.

According to the Opinions on Deepening the Reform of the Evaluation and Approval System and Inspiring Innovation of Drugs and Medical Devices, clinical trial data obtained in an international multi-center that conforms to China's requirements for registration of drugs and medical devices can be used for the application for registration in China.

Marketing Authorization Holder System

Pursuant to the Drug Administration Law and the Administrative Measures for Drug Registration, the state implements the drug marketing authorization holder system for drug management. After obtaining a drug registration certificate, an applicant shall be the drug marketing authorization holder. During the validity period, a holder of a drug registration certificate shall continue to ensure the safety, effectiveness and quality controllability of the marketed drug, and apply for re-registration of the drug six months prior to the expiry of the validity period.

The drug marketing authorization holder shall proactively carry out post-marketing research on drugs, further confirm the safety, effectiveness and quality controllability of drugs, and strengthen the continuous management of marketed drugs. Where a drug registration certificate and its annexes require the marketing authorization holder to carry out relevant research work after the drug is marketed, the marketing authorization holder shall complete the research within the prescribed time limit and file a supplementary application, undergo recordation formalities or report as required. After a drug is approved for marketing, the marketing authorization holder shall continue to conduct research on drug safety and effectiveness, undergo recordation formalities in a timely manner or file a supplementary application for revising the instructions according to the relevant data, and continuously update and improve the instructions and labels. According to the duties, the medical products administrative department may require the marketing authorization holder to revise the instructions and labels based on the monitoring of adverse drug reactions and the post-marketing re-evaluation results of the drug.

National Reimbursement Drug List of China (the "NRDL")

Participants in the National Health Insurance Scheme and their employers (if any) have to pay a monthly premium. Participants may be reimbursed for all or part of the cost of medicines included in the medical insurance catalogue. The Notice on Provisional Measures for the Administration of

the Scope of Medicines in the Basic Medical Insurance for Urban Workers (《城鎮職工基本醫療保險用藥範圍管理暫行辦法》) (or the Medical Insurance Notice), jointly issued by the Ministry of Labor and Social Security of the PRC and the National Development and Reform Commission (the "NDRC") and other governmental organizations on May 12, 1999, stipulates that the medicines included in the medical insurance catalogue must be clinically necessary, safe and effective, reasonably priced, convenient to use and the supply of which can be guaranteed by the market.

The NRDL for Basic Medical Insurance, Maternity Insurance and Work Injury Insurance (《國家基本醫療保險、生育保險和工傷保險藥品目錄》) sets out the standards for payment of medicines by the basic medical insurance, work injury insurance and maternity insurance funds. The NHSA of the PRC and other governmental organizations have the authority to determine the drugs to be included in the NRDL. On December 5, 2025, the NHSA and the Ministry of Human Resources and Social Security of the PRC released the latest NRDL (implemented on January 1, 2026), which has been expanded to cover a total of 3,253 drugs. Inclusion in the NRDL will generally result in increased sales volume and lower drug prices (which are determined on a case-by-case basis and negotiated based on factors such as the initial drug price).

On July 30, 2020, the NHSA issued the Provisional Measures for the Administration of Medicines for Basic Medical Insurance (《基本醫療保險用藥管理暫行辦法》) ("Measures for the Administration of the NRDL"), which came into effect on September 1, 2020. The Measures for the Administration of the NRDL provides guidance on the inclusion and adjustment of the NRDL and the payment, management and supervision of basic medical insurance. According to the Measures for the Administration of the NRDL, a dynamic adjustment mechanism shall be established for the NRDL, which shall be adjusted annually in principle.

National Essential Drug List of China (the "NEDL")

On August 18, 2009, the MOH and eight other ministries and commissions in the PRC issued the Provisional Measures on the Administration of the NEDL (《國家基本藥物目錄管理辦法(暫行)》), which was revised on February 13, 2015 by the Notice on Issuing the Measures on the Administration of the NEDL (《關於印發國家基本藥物目錄管理辦法的通知》), and the Guidelines on the Implementation of the NEDL System (《關於建立國家基本藥物制度的實施意見》), which aims to promote essential medicines sold to consumers at fair prices in the PRC and ensure that the general public in the PRC has equal access to the drugs contained in the NEDL. On September 13, 2018, the General Office of the State Council issued the Opinions of the General Office of the State Council on Improving the National Essential Drug System (《國務院辦公廳關於完善國家基本藥物制度的意見》). The NHC and the National Administration of Traditional Chinese Medicine promulgated the NEDL (2018 version) (《國家基本藥物目錄(2018年版)》) on September 30, 2018. According to these regulations, basic healthcare institutions funded by the government, which primarily include county-level hospitals, county-level Chinese medicine hospitals, rural clinics and community clinics, shall store up and use drugs listed in the NEDL. The drugs listed in NEDL shall be purchased by centralized tender process and shall be subject to the price control by the NDRC. Remedial drugs in the NEDL are all listed in the Medical Insurance Catalog and the entire amount of the purchase price of such drugs is entitled to reimbursement.

Gathering, Collection and Filing of Human Genetic Resources

Pursuant to the Regulations on the Management of Human Genetic Resources of the People's Republic of China (《中華人民共和國人類遺傳資源管理條例》) (the "HGR Regulations") promulgated by the State Council in May 2019, newly amended in March 2024 and came into effect on May 1, 2024, the state supports the rational use of human genetic resources for scientific research, development of the biomedical industry, improvement of diagnosis and treatment technology, improvement of China's ability to guarantee biosafety and improvement of the level of people's health. Foreign organizations, individuals and institutions established or actually controlled by them shall not gather or preserve Chinese genetic resources within the territory of the PRC, or provide Chinese genetic resources to foreign countries. In addition, the gathering, preservation, utilization and external provision of Chinese genetic resources shall (i) conform to ethical principles and conduct ethical review in accordance with relevant regulations; (ii) respect the privacy of the human genetic resource providers, obtain their prior consents, and protect their lawful rights and interests; (iii) comply with technical specification promulgated by the healthcare department of the State Council.

On October 17, 2020, SCNPC promulgated Biosecurity Law of the PRC (《中華人民共和國生物安全法》), and latest amended and came into effect on April 26, 2024. As per the Biosecurity Law, the research and development activities of high-risk and medium-risk biotechnology shall be carried out by a legal person organization established within the territory of China, upon obtaining the approval or record-filing. The establishment of a pathogenic microorganism laboratory shall be subject to approval or record-filing requirements in accordance with the law.

The Ministry of Science and Technology promulgated the Implementation Rules for the Administrative Regulation on Human Genetic Resources (《人類遺傳資源管理條例實施細則》) (the "Implementation Rules") on May 26, 2023 and came into effect on July 1, 2023. The Implementation Rules have further provided detailed implementation regulations for the administration of human genetic resources of the PRC, including but not limited to listing the situations where security review may be required, which shall include: (i) human genetic resource information of important genetic families; (ii) human genetic resources information of specific regions, (iii) exome sequencing and genome sequencing information resources with a population greater than 500 cases; and (iv) other situation that may affect the public health, national security and social public interest of the PRC.

Good Clinical Practice Certification and Compliance with the Good Clinical Practice (GCP)

To improve the quality of clinical trials, the NMPA and NHC promulgated the Good Clinical Practice for Drug Trials (《藥物臨床試驗質量管理規範》) (the "GCP") in April 2020 and came into effect on July 1, 2020, which aims to ensure that the clinical trials of drugs are standardized and the results are scientific and reliable, protecting the rights and safety of human subjects.

Laws and Regulations in Relation to Drug Manufacturer

Drug Manufacturing Permit

Pursuant to the Drug Administration Law promulgated by the SCNPC in September 1984 and lastly amended in August 2019 and came into effect in December 2019, the state adopts an industry entry permit system for drug manufacturers. The conduct of drug manufacturing activities shall be approved and granted with a Drug Manufacturing License (《藥品生產許可證》) by the drug regulatory authority of the people's government at provincial, autonomous regional or municipal level. The Drug Manufacturing License shall indicate the validity period and the scope of production, and shall be reviewed for renewing upon expiration.

Good Manufacturing Practices

Pursuant to the Announcement on the Relevant Issues Concerning the Implementation of the Drug Administration Law of the PRC (《關於貫徹實施<中華人民共和國藥品管理法>有關事項的公告》), promulgated by the NMPA on November 29, 2019, and the Drug Administration Law, the GMP and Good Supply Practice (GSP) certifications have been cancelled, applications for GMP and GSP certifications are no longer accepted, and GMP and GSP certificates are no longer issued. When engaging in drug manufacturing activities, a manufacturer shall comply with the GMP and establish a sound GMP management system, to ensure that the entire process of drug manufacturing maintain to meet the statutory requirements, and meet the GMP requirements enacted by the drug regulatory authority under the State Council in accordance with the law. The legal representative of and principal person in charge of a drug manufacturer are fully responsible for the drug manufacturing activities of the enterprise.

The Good Manufacturing Practices (《藥品生產質量管理規範》), promulgated by the Ministry of Health of the PRC (the "MOH", now known as the NHC) in March 1988, newly amended in January 2011 and came into effect on March 1, 2011, provided guidance for the quality management, organization and staffing, production premises and facilities, equipment, material and products, recognition and inspection, documentation maintenance, manufacture management, quality control and quality assurance, contractual manufacture and contractual inspection for the products, product delivery and recalls of a manufacturer in a systematical manner.

Pursuant to the Drug Administration Law, the state implements a supervision system for drug manufacturers to ensure the quality and safety of drugs throughout the production process. The Measures for the Supervision and Administration of Drug Production (《藥品生產監督管理辦法》), promulgated by the SAMR in March 2020 and effective as of July 1, 2020, serve as the key

implementing regulations governing the supervision of drug production activities. These Measures set forth comprehensive requirements regarding the issuance and management of the Drug Manufacturing License, supervision and inspection of production processes, management of quality assurance systems in compliance with GMP, handling of changes in production, and regulatory responsibilities for entrusted production activities. The Measures emphasize a risk-based and full-lifecycle supervision approach, reinforcing the primary responsibility of marketing authorization holders and manufacturers for drug quality.

Laws and Regulations on Drug Supply

According to the Drug Administration Law, the operation of drug business, including drug wholesale and drug retail, is prohibited without a Drug Supply Permit. A Drug Supply Permit shall state the validity period and the scope of business and be subject to review and reissuance upon expiry of the validity period.

According to the Measures for the Supervision and Administration of Drug Supply and Usage (《藥品經營和使用質量監督管理辦法》) came into effect on January 1, 2024, a Drug Supply Permit is valid for five years. Each holder of the Drug Supply Permit must apply for an extension of its permit six months to two months prior to expiration.

The Good Supply Practice for Pharmaceutical Products (《藥品經營質量管理規範》) (the "GSP Rules") was last amended and came into effect on July 13, 2016. The GSP Rules set forth the basic standards in management of drug supply and apply to enterprises engaged in drug supply in the PRC, which require drug suppliers to implement strict controls on its supply of pharmaceutical products, including standards regarding staff qualifications, premises, warehouses, inspection equipment and facilities, management and quality control. Under the Drug Administration Law, the GSP certification is no longer required for drug suppliers, but drug suppliers are still required to comply with the GSP Rules.

Other Laws and Regulations in Relation to Medical Industry

Basic Medical Insurance Policy

Pursuant to the Decision on the Establishment of the Urban Employee Basic Medical Insurance Programme (《關於建立城鎮職工基本醫療保險制度的決定》) promulgated by the State Council on December 14, 1998 and the Tentative Measures for the Administration of the Scope of Medical Insurance Coverage for Pharmaceutical Products for Urban Employee (《城鎮職工基本醫療保險用藥範圍管理暫行辦法》) promulgated by the NDRC, the SDA and other authorities, came into effect on May 12, 1999, all employers in cities and towns, including enterprises (state-owned enterprises, collective enterprises, foreign-invested enterprises, private enterprises, etc.), institutions, public institutions, social organizations, private non-enterprise units and their employees are required to participate in basic medical insurance. Pursuant to the Guiding Opinions on the Pilot of Basic Medical Insurance for Urban Residents (《關於開展城鎮居民基本醫療保險試點的指導意見》) promulgated by the State Council on July 10, 2007, urban residents (not urban employees) in the pilot areas can voluntarily participate in the basic medical insurance for urban residents. Pursuant to the Opinions of the State Council on the Integration of the Basic Medical Insurance System for Urban and Rural Residents (《國務院關於整合城鄉居民基本醫療保險制度的意見》) promulgated by the State Council on January 3, 2016, a unified basic medical insurance system for urban and rural residents was established, including the existing urban residents' medical insurance and all the insured personnel of New Rural Cooperative Medical System, covering all urban and rural residents except those who should be covered by the employee's basic medical insurance.

Medical Insurance Catalogue

Pursuant to the Tentative Measures for the Administration of the Scope of Medical Insurance Coverage for Pharmaceutical Products for Urban Employee (《城鎮職工基本醫療保險用藥範圍管理暫行辦法》), the scope of medical insurance coverage for pharmaceutical products needs to be managed through the formulation of the Medical Insurance Catalogue. After several adjustments, the currently effective one is the NRDL for Basic Medical Insurance, Maternity Insurance and Work Injury Insurance (2025) (《國家基本醫療保險、生育保險和工傷保險藥品目錄》(2025年)) (implemented on January 1, 2026).

Drug Price

Pursuant to the Drug Administration Law, for drug products with market-regulated prices in accordance with the law, the drug marketing authorization holder, the drug manufacturer, the drug distributor and medical institution shall determine the price pursuant to the principles of fairness, reasonableness, integrity and trustworthiness as well as quality for value in order to supply drug users with reasonably priced drug products; and shall comply with the requirements relating to drug price administration promulgated by the State Council's pricing authorities, determine and clearly mark the retail prices of drug products. Pursuant to the Notice on Issuing Opinions on Promoting Drug Price Reform (《關於印發<推進藥品價格改革意見>的通知》) jointly promulgated by NDRC, NHC, the Ministry of Human Resources and Social Security, Ministry of Industry and Information Technology, the Ministry of Finance, the MOFCOM and the CFDA on May 4, 2015 and came into effect on June 1, 2015.

Drug Purchases by Hospitals

According to the Guiding Opinions concerning the Urban Medical and Health System Reform (《關於城鎮醫藥衛生體制改革的指導意見》) promulgated and came into effect on February 16, 2000, and the Opinions on the Implementation of Classification Management of Urban Medical Institutions (《關於城鎮醫療機構分類管理的實施意見》) promulgated on July 18, 2000 and came into effect on September 1, 2000, a medical institution must be defined as a for-profit or not-for-profit institution at the time of its establishment. A not-for-profit medical institution refers to a medical institution established for the purpose of public interest services, which maintains and develops the institution with its income, while a for-profit medical institution is established by investors for the purpose of investment return. The PRC government has not established any for-profit medical institutions, while non-government entities may establish for-profit medical institutions. Under PRC law, any not-for-profit medical institution must use a centralized tender system to purchase any pharmaceutical products, while any for-profit medical institution is not required to use such system.

According to the Notice on the Trial Implementation of the Centralized Tender with Respect to Drug Purchases by Medical Institutions (《關於印發醫療機構藥品集中招標採購試點工作若干規定的通知》) promulgated and came into effect on July 7, 2000, the Notice on the Further Standardizing of the Centralized Tender with respect to Drug Purchases By Medical Institutions (《關於進一步做好醫療機構藥品集中招標採購工作的通知》) promulgated and came into effect on August 8, 2001 and the Opinions concerning Further Regulating Drug Purchases by Medical Institutions through Centralized Tendering (《關於進一步規範醫療機構藥品集中採購工作的意見》) promulgated and came into effect on January 17, 2009, any not-for-profit medical institutions established and/or controlled by any government at the county level or above must use a centralized tender system for the procurement of drugs which are listed in the Catalog of Drugs for National Basic Medical Insurance (《國家基本醫療保險藥品目錄》) and are generally for clinical use and bulk purchase.

The Good Practice of Medical Institutions with respect to Centralized Procurement of Drugs (《醫療機構藥品集中採購工作規範》) promulgated and came into effect on July 7, 2010, provides detailed provisions on the catalog and procurement methods of centralized procurement of drugs, the procedures of centralized procurement of drugs, the evaluation methods of centralized procurement of drugs, and the construction and management of the expert pools, further regulates the centralized procurement of drugs and clarifies the code of conduct of the parties involved in centralized procurement of drugs. According to the Good Practice of Medical Institutions with respect to Centralized Procurement of Drugs (《醫療機構藥品集中採購工作規範》), not-for-profit medical institutions established by the government at the county level or above or state-owned enterprises (including state-controlled enterprises) must participate in the centralized procurement of drugs for medical institutions. The centralized procurement management authority at provincial (district or municipal) level is responsible for compiling the catalog of drugs for centralized procurement by medical institutions within its own administrative region, and narcotic drugs and Class I psychoactive drugs under special management by the State are not included in such catalog for centralized procurement; Class II psychoactive drugs, radioactive pharmaceuticals, toxicity drugs for medical use, crude drugs, traditional Chinese medicinal materials and traditional Chinese medicine decoction pieces may be excluded from such catalog for centralized procurement.

According to the Guidance Opinion of the General Office of the State Council on the Improvement of the Drug Centralized Procurement Work of Public Hospitals (《國務院辦公廳關於完善公立醫院藥品集中採購工作的指導意見》) promulgated and came into effect on February 9, 2015, the centralized procurement work of public hospitals will be improved through the purchase of drugs by classification. All drugs used by public hospitals (with the exception of traditional Chinese medicine decoction pieces) should be procured through a provincial centralized pharmaceutical procurement platform. The provincial drug procurement agency should work out a summary of the procurement plans and budget submitted by hospitals and compile reasonably a drug procurement catalog of the hospitals within its own administration region, listing by classification the drugs to be procured through bids, negotiations, direct purchases by hospitals or to be manufactured by appointed pharmaceutical manufacturers.

Drug Distribution and Two-Invoice System

According to the Implementing Opinions on Promoting the "Two-Invoice System" for Drug Procurement by Public Medical Institutions (For Trial Implementation) (《關於在公立醫療機構藥品採購中推行「兩票制」的實施意見(試行)》) which was issued on December 26,2016, the Two-Invoice System is a system under which invoices are issued by drug manufacturers to drug distributors on a one-off basis while invoices are issued by drug distributors to medical institutions on a one-off basis. Wholly-owned or holding commerce companies (there shall be only one commerce company throughout the country) and domestic general agents of overseas drugs (there shall be only one domestic general agent throughout the country) that are established by drug manufacturers or group enterprises integrating scientific research, manufacture, and trade to sell the drugs of these enterprises (groups) may be regarded as manufacturers. Within an enterprise that is a drug circulation group, the allocation of drugs between the group and wholly-owned (holding) subsidiaries or between wholly-owned (holding) subsidiaries should not be regarded as invoicing, but invoicing is allowed once at most.

According to the Several Opinions of the General Office of the State Council on Further Reform and Improvement in Policies of Drug Production, Circulation and Use (《國務院辦公廳關於進一步改革完善藥品生產流通使用政策的若干意見》), which was issued on January 24, 2017, on a priority basis, the Two-Invoice System would be promoted in pilot provinces (autonomous regions and municipalities directly under the Central Government) and pilot cities for public hospital reform, with the goal of having it implemented nationwide by 2018. Pharmaceutical companies must comply with the Two-Invoice System in order to engage in procurement processes with public hospitals.

Administration of Pathogenic Microorganism Laboratories

According to the Regulations on the Bio-safety Management of Pathogenic Microbe Laboratories (《病原微生物實驗室生物安全管理條例》) promulgated by State Council and latest amended in December 2024, the pathogenic microorganism laboratories are classified into Level 1, Level 2, Level 3 and Level 4 in accordance with its biosafety level for pathogenic microorganisms and the national standards for the bio-safety. Laboratories at Bio-safety Level 1 and Level 2 may only conduct experimental activities relating to any highly pathogenic microbes that are explicitly permitted for such laboratories under the official Catalogue of Pathogenic Microorganisms. Laboratories at Bio-safety Level 3 and Level 4 shall meet certain requirements to conduct experimental activities relating to any highly pathogenic microbes. Newly building, rebuilding or expanding of Bio-safety Level 1 or Level 2 laboratories shall file with the relevant health administrative department or veterinary administrative department in the municipal people's government of the place where it is built. The laboratories of Bio-safety Level 3 and Level 4 shall be subject to the state accreditation for laboratories. Laboratories passing accreditation will be granted with certificates for Bio-safety Laboratories at corresponding level. The certificate will be effective for five years.

Laws and Regulations in Relation to Intellectual Property

Patent

Patents in the PRC are mainly protected by the Patent Law of the PRC (《中華人民共和國專利法》) (the "Patent Law"), which was promulgated by the SCNPC on March 12, 1984 and latest amended on October 17, 2020 and came into effect on June 1, 2021, and the Implementation Rules of the Patent Law of the PRC (《中華人民共和國專利法實施細則》) (the "Implementation Rules"), promulgated by the State Council on June 15, 2001 and latest amended on December 11, 2023 and came into effect on January 20, 2024. The Patent Law and the Implementation Rules provide for three types of patents, namely "invention," "utility model" and "design." The duration of a patent right for "invention" is twenty (20) years; the duration of a patent right for "utility model" is ten (10) years; and the duration of a patent right for "design" is fifteen (15) years, all of which duration are from the date of application. According to the Patent Law, for the purpose of public health, the patent administrative department of the State Council may grant mandatory licensing for patented drugs manufactured and exported to countries or regions which comply with the provisions of the relevant international treaty participated by the PRC.

The newly amended Patent Law introduces patent extensions to patents of new drugs that launched in the PRC, and stipulates that the Patent Administration Department under the State Council shall, upon request of the patentee, extend the patent term of relevant invention patents of the new drug that is approved to be listed on the market in China, to compensate for the time spent for the review and examination and approval of the listing of a new drug on the market.

The compensated extension shall not exceed five (5) years, and the total valid patent term after the new drug is approved for the market shall not exceed fourteen (14) years.

Trademarks

Registered trademarks in the PRC are mainly protected by the Trademark Law of the PRC (《中華人民共和國商標法》), which was promulgated by the SCNPC on August 23, 1982 and latest amended on April 23, 2019 and came into effect on November 1, 2019, and the Implementation Rules of the Trademark Law of the PRC (《中華人民共和國商標法實施條例》), which were promulgated by the State Council on August 3, 2002 and latest amended on April 29, 2014 and came into effect on May 1, 2014. The Trademark Office is responsible for the registration and administration of trademarks throughout China and grants a term of ten (10) years to registered trademarks.

Trade Secret

According to the Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》) promulgated by SCNPC, as amended and effective as of April 23, 2019, the term "trade secrets" refers to technical and business information that is unknown to the public, has utility, may create business interests or profits for its legal owners or holders, and is maintained as a secret by its legal owners or holders. Under the Anti-Unfair Competition Law of the PRC, business persons are prohibited from infringing others' trade secrets.

The Company Law and Regulations

The Company Law, which was amended by the SCNPC on December 29, 2023 and became effective on July 1, 2024, provides for the establishment, corporate structure and corporate management of companies, which also applies to foreign-invested enterprises in PRC.

Regulations in Relation to Foreign Direct Investment

Since January 1, 2020, the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "Foreign Investment Law") promulgated by the National People's Congress (the "NPC") has come into effect. While the organization form, institutional framework and standard of conduct of foreign-invested enterprises shall be subject to the provisions of the Company Law of the PRC and other laws. The PRC government will implement the management system of pre-entry national treatment and the Negative List for foreign investment abolished the original approval and filing administration system for the establishment and change of foreign-invested enterprises. Pre-entry national treatment refers to the treatment accorded to foreign investors and their investments at the stage of investment entry which is no less favorable than the treatment accorded to domestic investors and their investments. Negative List refers to a special administrative measure for the entry of foreign investment in specific sectors as imposed by the PRC. The PRC accords national treatment to foreign investment outside of the Negative List. The current Negative List is the Special Management Measures (Negative List) for the Access of Foreign Investment (2024 Revision) (《外商投資准入特別管理措施(負面清單)(2024年版)》) issued by the NDRC and the MOFCOM on September 6, 2024 and came into effect on November 1, 2024, which lists the special management measures for foreign investment access for industries regulated by the Negative List, such as equity requirements and senior management requirements. While strengthening investment promotion and protection, the Foreign Investment Law further regulates foreign investment management and proposes the establishment of a foreign investment information reporting system that replaces the original foreign investment enterprise approval and filing system of the MOFCOM.

The foreign investment information reporting is subject to the Foreign Investment Information Reporting Method (《外商投資信息報告辦法》) jointly developed by the MOFCOM and the State Administration for Market Regulation, which came into effect on January 1, 2020. According to the Foreign Investment Information Reporting Method, the MOFCOM is responsible for coordinating and guiding the reporting of foreign investment information nationwide. The competent commercial department of the local people's government at or above the county level, as well as the relevant agencies of the Pilot Free Trade Zones and the National Economic and Technological Development Zones, are responsible for reporting information on foreign investment in the region. Foreign investors who directly or indirectly carry out investment activities in China shall submit investment information to the competent commercial department through the enterprise registration system and the National Enterprise Credit Information Publicity System and the reporting methods include initial reports, change reports, cancellation reports, and annual reports. Foreign investors who establish foreign invested enterprises in China or acquire domestic non-foreign-invested enterprises through equity merger and acquisition shall submit initial reports through the enterprise registration system when applying for the registration of the establishment of foreign-invested enterprises or applying for the registration of the change of the acquired enterprises. If the change in the information of initial reports involves registration or filing of the change of enterprises, foreign-invested enterprises shall submit change reports through the enterprise registration system when applying for the registration or filing of change of enterprises. If the change in the information of initial reports does not involve registration or filing of the change of enterprises, foreign-invested enterprises shall submit change reports through the enterprise registration system within twenty (20) business days after the change. Foreign-invested listed companies may report information on changes in investors and their shareholdings only when the cumulative change in the foreign investors' shareholding ratio exceeds 5% or the foreign parties' shareholding or relative holding status has changed.

Regulations on The Security Review of Foreign Investment

On December 19, 2020, the NDRC and the MOFCOM jointly promulgated the Measures on the Security Review of Foreign Investment (《外商投資安全審查辦法》), effective on January 18, 2021, setting forth provisions concerning the security review mechanism on foreign investment, including the types of investments subject to review, the scopes of review and procedures to review, among others.

Regulations in Relation to Product Liability

The Product Quality Law of the PRC (《中華人民共和國產品質量法》), promulgated by the SCNPC on February 22, 1993 and latest amended on December 29, 2018 (the "Product Quality Law"), is the principal governing law relating to the supervision and administration of product quality. According to the Product Quality Law, manufacturers shall be liable for the quality of

products produced by them and sellers shall take measures to ensure the quality of the products sold by them. A manufacturer shall be liable to compensate for any bodily injuries or damage to property other than the defective product itself resulting from the defects in the product. A seller shall be liable to compensate for any bodily injuries or damage to property of others caused by the defects in the product if such defects are attributable to the seller. A seller shall pay compensation if it fails to indicate either the manufacturer or the supplier of the defective product. A person who is injured or whose property is damaged by the defects in the product may claim for compensation from the manufacturer or the seller.

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

The Law of the PRC on the Protection of the Rights and Interests of Consumers (《中華人民共和國消費者權益保護法》) was promulgated on October 31, 1993 and latest amended on October 25, 2013 and came into effect on March 15, 2014 to protect consumers' rights when they purchase or use goods and accept services. All business operators must comply with this law when they manufacture or sell goods and/or provide services to customers.

Regulations in Relation to Production Safety

The Production Safety Law of the PRC (《中華人民共和國安全生產法》), promulgated by the SCNPC on June 29, 2002 and latest amended on June 10, 2021 and came into effect on September 1, 2021, is the basic law for governing production safety. It provides that any entity whose production safety conditions do not meet the requirements may not engage in production and business operation activities. Safety facilities of any new building, rebuilding or expanding project (the "construction project") shall be designed, constructed and put into operation simultaneously with the main body of the project. Investment in safety facilities shall be included in the budget of the construction project.

Regulations in Relation to Employment and Social Securities

Pursuant to the Labor Law of the PRC (《中華人民共和國勞動法》), promulgated by the SCNPC on July 5, 1994 and latest amended on December 29, 2018 and the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》), promulgated by the SCNPC on June 29, 2007 and latest amended on December 28, 2012 and came into effect on July 1, 2013, employers shall execute written labor contracts with full-time employees. All employers shall comply with local minimum wage standards. Employers shall establish a comprehensive management system to protect the rights of their employees.

According to Social Security Law of the PRC (《中華人民共和國社會保險法》), which was promulgated on 28 October 2010 and amended on 29 December 2018, an employer is required to make contributions to social insurance schemes for its employees, including basic pension insurance, basic medical insurance, unemployment insurance, maternity insurance and work-related injury insurance. If the employer fails to make social insurance contributions in full and on time, the social insurance authorities may demand the employer to make payments or supplementary payments for the unpaid social insurance premium within a prescribed time limit together with a 0.05% per day surcharge of the unpaid social insurance premium from the due date. If the payment is not made within such time limit, the relevant administrative authorities will impose a fine ranging from one to three times the total outstanding amount. Pursuant to the Interpretation (II) of the Supreme People's Court on Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》), promulgated on July 31, 2025 and effective as of September 1, 2025, any agreement between an employer and an employee, or any undertaking by an employee, to waive social insurance contributions shall be deemed invalid by the people's courts. If an employer fails to make social insurance contributions in accordance with the law, the employee is entitled to terminate the labor contract in accordance with Article 38 of the Labor Contract Law and claim economic compensation, which shall be supported by the people's courts.

According to the Reform Plan of the State Tax and Local Tax Collection Administration System (《國稅地稅徵管體制改革方案》), which was promulgated on 20 July 2018, commencing from 1 January 2019, all the social insurance premiums including the premiums of the basic pension insurance, unemployment insurance, maternity insurance, work injury insurance and basic medical insurance shall be collected by the tax authorities.

According to the Administrative Regulations on Housing Provident Funds (《住房公積金管理條例》), which was promulgated on 3 April 1999 and latest amended on 24 March 2019, employers are required to make contribution to housing provident funds for their employees. Where an employer fails to pay up housing provident funds, the housing provident fund administration center may order it to make payment within a prescribed time limit. If the employer still fails to do so, the housing provident fund administration center may apply to the court for compulsory enforcement of the unpaid amount.

Regulations in Relation to Information Security and Data Privacy

Data Security and Export

The NPCSC promulgated the Data Security Law of the People's Republic of China (《中華人民共和國數據安全法》), on June 10, 2021 (effective from September 1, 2021), for the establishment of a data classification and grading protection system to conduct classified and hierarchical protection of data. Entities engaged in data processing activities shall, in accordance with laws and regulations, establish a sound full-process data security management system, organize data security education and training, and take corresponding technical measures and other necessary measures to ensure data security.

According to the Measures for Security Assessment of Data Export (《數據出境安全評估辦法》) issued by the Cyberspace Administration of China on July 7, 2022 and came into effect on September 1, 2022, a data processor that provides data overseas under any of the following circumstances shall apply to the national cyberspace administration for the security assessment of the outbound data transfer through local provincial cyberspace administration: (i) a data processor provides important data abroad; (ii) the critical information infrastructure operator or the data processor that has processed the personal information of more than 1 million people provides personal information abroad; (iii) the data processor that has provided the personal information of over 100,000 people or the sensitive personal information of over 10,000 people cumulatively since January 1 of the previous year provides personal information abroad.; and (iv) any other circumstance where an application for the security assessment of outbound data transfer is required by the national cyberspace administration.

According to the Measures for Standard Contract for Outbound Transfer of Personal Information (《個人信息出境標準合同辦法》) issued by the Cyberspace Administration of China on February 22, 2023 and effective from June 1, 2023, to provide personal information to an overseas recipient through the conclusion of the standard contract, a personal information processor shall meet all of the following circumstances: (i) it is not a critical information infrastructure operator; (ii) it has processed the personal information of less than one million individuals; (iii) it has cumulatively provided the personal information of less than 100,000 individuals to overseas recipients since January 1 of the previous year; and (iv) it has cumulatively provided the sensitive personal information of less than 10,000 individuals since January 1 of the previous year.

According to the Provisions on Facilitating and Regulating Cross-border Data Flows (《促進和規範數據跨境流動規定》), a data handler that is not a critical information infrastructure operator, will be exempted from declaring for security assessment for outbound data transfer, signing a standard contract with overseas recipient or passing the personal protection certification, if such data handler accumulatively transfers overseas ordinary personal information of less than 100,000 individuals since January 1 of the current year.

Personal Information Protection

According to the Civil Code, personal information of natural persons is protected by law. If any organization or individual needs to obtain other people's personal information, they should obtain it in accordance with the law and ensure the security of the information. They must not illegally collect, use, process, or transmit other people's personal information, and must not illegally buy, sell, provide, or disclose the information. The Personal Information Protection Law

of the People's Republic of China (《中華人民共和國個人信息保護法》) promulgated by the NPCSC on August 20, 2021 and implemented on November 1, 2021, further emphasizes the obligations and responsibilities of processors for the protection of personal information, and requests higher level of protective measures on the processing of sensitive personal information.

According to the Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》) promulgated by the NPCSC on November 7, 2016 and effective on June 1, 2017, network operators must follow the principles of legality, legitimacy and necessity when collecting and using personal information, and publicly disclose the rules for collection and use, clearly state the purpose, method and scope of collecting and using information, and obtain the consent of the person whose data is being collected. Network operators shall not collect personal information unrelated to the services they provide. Network operators are not allowed to leak, tamper with, or damage the personal information they collect; they are not allowed to provide personal information to others without the consent of the person whose data is being collected. However, this does not apply to cases where a specific individual cannot be identified and the identity cannot be recovered after processing. Network operators should take technical measures and other necessary measures to ensure the security of the personal information they collect and prevent leakage, damage and loss of information.

Laws and Regulations in Relation to Anti-Bribery

According to the Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》) promulgated by SCNPC, as amended and effective as of April 23, 2019, and the Interim Provisions on the Prohibition of Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》) promulgated by the SAIC on November 15, 1996, any business operator shall not provide or promise to provide economic benefits (including cash, other property or by other means) to a counter-party in a transaction or a third party that may be able to influence the transaction, in order to entice such party to secure a transactional opportunity or competitive advantages for the business operator. Any business operator breaching the relevant anti-bribery rules above-mentioned may be subject to administrative punishment or criminal liability depending on the seriousness of the cases.

Pursuant to the Provisions on the Establishment of Adverse Records of Commercial Briberies in the Medicine Purchase and Sales Industry (《關於建立醫藥購銷領域商業賄賂不良記錄的規定》), which was promulgated by the National Health and Family Planning Commission (currently the NHC) and came into effect on March 1, 2014, any medicine production and operation enterprises or agents that are involved in criminal, investigational or administrative procedures for commercial bribery will be listed in the adverse records of commercial briberies by the relevant government authorities.

REGULATIONS ON TAXATION

Enterprise Income Tax

According to the CIT Law, which was promulgated by the SCNPC and was latest amended on December 29, 2018, and the Regulation on the Implementation of the CIT Law, which was promulgated by the State Council and was latest amended in April 2019, a uniform 25% enterprise income tax rate is imposed to both foreign invested enterprises and domestic enterprises, except where tax incentives are granted to special industries and projects. The enterprise income tax rate is reduced to 20% for qualifying small low-profit enterprises. The high-tech enterprises that need full support from the PRC's government will enjoy a reduced tax rate of 15% for enterprise income tax.

Value-added Tax

Pursuant to the Value-added Tax Law of the People's Republic of China (《中華人民共和國增值税法》), which was promulgated on December 25, 2024 and came into effect on. January 1, 2026 and the Regulations for the Implementation of the Value-Added Tax Law of the People's Republic of China (《中華人民共和國增值税法實施條例》), which was promulgated and came into effect on the same day, entities and individuals (including individual businesses) engaged in sale of goods, services, intangible assets and immovables and importation of goods within the territory of China are the value-added tax ("VAT") payers. Sale of goods, services, intangible assets and immovables shall mean compensated transfer of ownership of goods and immovables, provision of services for compensation, and compensated transfer of ownership or use right of intangible assets.

According to the Announcement of the Ministry of Finance, the State Taxation Administration and the General Administration of Customs on Relevant Policies for Deepening the Value-Added Tax Reform (《財政部稅務總局海關總署關於深化增值稅改革有關政策的公告》) promulgated on March 20, 2019 and effective from April 1, 2019, the VAT rates of 16% and 10% on sales, imported goods shall be adjusted to 13% and 9%, respectively.

REGULATIONS ON FOREIGN EXCHANGE

Foreign Exchange Regulation

On January 29, 1996, the State Council promulgated the Administrative Regulations on Foreign Exchange of the PRC (《中華人民共和國外匯管理條例》) which became effective on April 1, 1996 and was amended on January 14, 1997 and August 5, 2008. Foreign exchange payments under current account items shall, pursuant to the administrative provisions of the foreign exchange control department of the State Council on payments of foreign currencies and purchase of foreign currencies, be made using self-owned foreign currency or foreign currency purchased from financial institutions engaging in conversion and sale of foreign currencies by presenting the valid document. Domestic entities and domestic individuals making overseas direct investments or engaging in issuance and trading of overseas securities and derivatives shall process registration formalities pursuant to the provisions of the foreign exchange control department of the State Council.

On November 19, 2012, the SAFE issued the Circular of Further Improving and Adjusting Foreign Exchange Administration Policies on Foreign Direct Investment (《關於進一步改進和調整直接投資外匯管理政策的通知》), or the SAFE Circular 59, which came into effect on December 17, 2012 and was revised on May 4, 2015, October 10, 2018 and partially abolished on December 30, 2019. The SAFE Circular 59 aims to simplify the foreign exchange procedure and promote the facilitation of investment and trade. According to the SAFE Circular 59, the opening of various special purpose foreign exchange accounts, such as pre-establishment expenses accounts, foreign exchange capital accounts and guarantee accounts, the reinvestment of RMB proceeds derived by foreign investors in the PRC, and remittance of foreign exchange profits and dividends by a foreign-invested enterprise to its foreign shareholders no longer require the approval or verification of SAFE, multiple capital accounts for the same entity may be opened in different provinces as well. Later, the SAFE promulgated the Circular on Further Simplifying and Improving Foreign Exchange Administration Policies in Respect of Direct Investment (《關於進一步簡化和改進直接投資外匯管理政策的通知》) in February 2015, which was partially abolished in December 2019, prescribed that the bank instead of SAFE can directly handle the foreign exchange registration and approval under foreign direct investment while SAFE and its branches indirectly supervise the foreign exchange registration and approval under foreign direct investment through the bank.

According to the Notice of the People's Bank of China and the State Administration of Foreign Exchange on Issues Concerning the Administration of Funds Raised by Domestic Enterprises Listed Overseas (《中國人民銀行國家外匯管理局關於境內企業境外上市資金管理有關問題的通知》), promulgated on December 24, 2025 and effective on April 1, 2026, a domestic enterprise that conducts an overseas listing shall, within 30 working days from the first trading day of the overseas listing or the completion of the [**REDACTED**], apply to a bank within the province or the separately-listed municipality where it is registered (hereinafter referred to as the local bank) for overseas listing registration. In principle, funds raised by domestic enterprises through overseas listings shall be remitted back to the territory in a timely manner. Where such funds are retained overseas for the conduct of overseas direct investment, overseas securities investment, overseas lending and other businesses, the domestic enterprise shall obtain the approval or filing documents from the business competent authorities before the date of completion of the overseas issuance or the [**REDACTED**] and shall comply with relevant cross-border funds administration provisions. The purposes of funds raised through an overseas listing shall be consistent with the relevant contents set out in publicly disclosed documents (hereinafter referred to as publicly disclosed documents), such as the document or resolutions of the board of directors or shareholders' meetings. Any domestic shareholder who reduces their holdings must file a reduction registration with their bank either before or within 30 working days after the transaction.

According to the Notice of the State Administration of Foreign Exchange on Reforming the Management Mode of Foreign Exchange Capital Settlement of Foreign Investment Enterprises (《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》), or the SAFE Circular 19 promulgated on March 30, 2015, coming effective on June 1, 2015 and partially

abolished on December 30, 2019 and March 23, 2023, foreign-invested enterprises could settle their foreign exchange capital on a discretionary basis according to the actual needs of their business operations. Whilst, foreign-invested enterprises are prohibited to use the foreign exchange capital settled in RMB (a) for any expenditures beyond the business scope of the foreign-invested enterprises or forbidden by laws and regulations; (b) for direct or indirect securities investment; (c) to provide entrusted loans (unless permitted in the business scope), repay loans between enterprises (including advances by third parties) or repay RMB bank loans that have been on-lent to a third party; and (d) to purchase real estates not for self-use purposes (save for real estate enterprises).

On June 9, 2016, SAFE issued the Notice of the State Administration of Foreign Exchange on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》), or the SAFE Circular 16, which came into effect on the same day and partially amended on December 4, 2023 and effective since then. The SAFE Circular 16 provides that discretionary foreign exchange settlement applies to foreign exchange capital, foreign debt offering proceeds and remitted foreign listing proceeds, and the corresponding RMB capital converted from foreign exchange may be used to extend loans to related parties or repay inter-company loans (including advances by third parties).

On October 23, 2019, SAFE promulgated the Notice on Further Facilitating Cross-Board Trade and Investment (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》), which became effective on the same date (except for Article 8.2, which became effective on January 1, 2020), and partially amended on December 4, 2023 and effective since then. The notice canceled restrictions on domestic equity investments made with capital funds by non-investing foreign-funded enterprises. Eligible enterprises in the pilot area are also allowed to use revenues under capital accounts, such as capital funds, foreign debts and overseas listing proceeds for domestic payments without providing materials to the bank in advance for authenticity verification on an item-by-item basis, while the use of funds should be true, in compliance with applicable rules and conforming to the current capital revenue management regulations.

According to the Circular on Optimizing Administration of Foreign Exchange to Support the Development of Foreign-related Business (《關於優化外匯管理支持涉外業務發展的通知》) issued by the SAFE on April 10, 2020, eligible enterprises are allowed to make domestic payments by using their capital funds, foreign credits and the income under capital accounts of overseas listing, without submitting the evidentiary materials concerning authenticity of such capital for banks in advance, provided that their capital use is authentic and in compliance with administrative regulations on the use of income under capital accounts. The bank in charge shall conduct post spot checking in accordance with the relevant requirements.

REGULATIONS IN RELATION TO OVERSEAS SECURITIES OFFERING AND LISTING BY DOMESTIC COMPANIES

According to the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Enterprises (《境內企業境外發行證券和上市管理試行辦法》) issued by the China Securities Regulatory Commission (the "CSRC") on February 17, 2023 and effective from March 31, 2023 (hereinafter referred to as the "Trial Measures"), where a domestic company seeks overseas securities issuance and listing, the issuer shall file with the CSRC in accordance with the Trial Measures. If an issuer procures an overseas initial public offering or listing, it shall file with the CSRC within three (3) business days after submitting application documents for overseas securities issuance and listing.

According to the Provisions on Strengthening Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) jointly issued by the CSRC and other departments on February 24, 2023 and effective on March 31, 2023, in the overseas offering and listing activities of domestic enterprises, domestic enterprises, and securities companies and securities service institutions that provide corresponding services shall strictly comply with the applicable laws and regulations of the People's Republic of China and satisfy the requirements of these Provisions, enhance the legal awareness of safeguarding state secrets and strengthening archives administration, establish and improve the confidentiality and archives work system, and take necessary measures to fulfill the confidentiality and archives administration obligations, and shall not divulge state secrets or work secrets of state organs, or harm the interests of the state or the public.

OVERVIEW

We are a commercial-stage biopharmaceutical company advancing novel therapies with global competitiveness for oncology indications and hematological diseases.

We were established as an independent entity from the AstraZeneca group's Innovative Medicine and Early Development Asia ("**iMED Asia**"), which was the only translational science center of the AstraZeneca group globally. In 2017, aiming at transitioning into a fully integrated biopharmaceutical company with both development and commercialization capabilities, and seizing a strategic opportunity to unlock greater innovation, we became an independent entity, led by a strategic partnership between Dr. Zhang Xiaolin (張小林) (our chairperson of the Board and Chief Executive Officer), AstraZeneca AB ("**AZAB**") and Future Industry Investment Fund (Limited Partnership) ("**FIIF**"). Since our inception, this powerful genesis set the stage for rapid growth. Under the leadership of Dr. Zhang Xiaolin, grounded in deep expertise in biology and pharmacology and supported by advanced translational science and drug design platforms, we have now built a robust pipeline of seven globally competitive candidates in clinical stage and beyond.

KEY CORPORATE AND BUSINESS DEVELOPMENT MILESTONES

The following table sets forth our key corporate and business development milestones:

Year	Milestones
2017	Our Company was established.
2018	We initiated a Phase 1 clinical trial for golidocitinib in the United States.
2019	We received IND approval from the NMPA for golidocitinib.
	We received IND approvals both from the FDA and the NMPA for ZEGFROVY®.
2020	ZEGFROVY® was recognized with Breakthrough Therapy Designation for the second- or later-line treatment of EGFR exon20ins NSCLC by CDE.
	Golidocitinib received Orphan Drug Designation for the treatment of r/r PTCL from the FDA.
	We completed a financing round led by Lilly Asia Ventures and with the participation of Sequoia Capital, Trinity Fund, and Wuxi NewForce Fund, raising US$100 million.
2021	Our A Shares were listed on the SSE STAR Market.
2022	ZEGFROVY® was recognized with Breakthrough Therapy Designation by the FDA for the second- or later-line treatment of EGFR exon20ins NSCLC.
	Golidocitinib was granted Fast Track Designation for the treatment of r/r PTCL by the FDA.
2023	NDA for ZEGFROVY® was accepted by the NMPA.
	ZEGFROVY® received marketing approval in August from the NMPA, being the first Chinese Innovative drug approved for the treatment of EGFR exon20ins NSCLC.
	NDA for Golidocitinib was accepted by the NMPA.
2024	Golidocitinib received marketing approval in June from the NMPA, being the world's first and only approved selective JAK1 inhibitor for r/r PTCL.

Year	Milestones
	ZEGFROVY® was recognized with Breakthrough Therapy Designation for the first-line treatment of EGFR exon20ins NSCLC by both FDA and CDE.
	Both of our approved drugs, ZEGFROVY® and golidocitinib were added to the NRDL in China with coverage effective since January 2025.
2025	ZEGFROVY® received the accelerated approval from the FDA in July, being the first targeted oral treatment for EGFR exon20ins NSCLC globally as of the Latest Practicable Date.
	Birelentinib was granted Fast Track Designation by the FDA for r/r CLL/SLL in August 2025.
	We completed the construction of our China R&D and manufacturing headquarters in Wuxi, Jiangsu Province, and obtained drug manufacturing license issued by the NMPA.
	Our revenue from sales of ZEGFROVY® and golidocitinib amounted to RMB801 million for the year ended December 31, 2025, representing a year-on-year growth of 122.60%.
2026	A global registrational Phase 3 clinical trial, WU-KONG28, evaluating ZEGFROVY® as first-line treatment for EGFR exon20ins NSCLC, achieved its primary endpoint in March 2026.
	The supplemental NDA for ZEGFROVY® for the first-line treatment of EGFR exon20ins NSCLC was accepted and granted Priority Review designation by the CDE in May 2026.
	We entered into a license agreement with AstraZeneca, which grants AstraZeneca exclusive worldwide rights to develop and commercialize ZEGFROVY®.

OUR SUBSIDIARIES

Since our inception, we have been continuously expanding our business and, as of the Latest Practicable Date, operated four subsidiaries to ensure the rapid and effective execution of our strategies. Details of the subsidiaries of our Company are set out below.

	Name	Principal business activities	Date and place of establishment	Shareholding controlled by our Company
1. . .	Dizal (Shanghai) Pharmaceutical Co., Ltd. (迪哲(上海)醫藥有限公司)	R&D	December 15, 2017, PRC	100%
2. . .	Dizal (Beijing) Pharmaceutical Co., Ltd. (迪哲(北京)醫藥有限公司)	R&D	June 18, 2020, PRC	100%
3. . .	Dizal (Wuxi) Pharmaceutical Co., Ltd. (迪哲(無錫)醫藥有限公司)	R&D and Drug Manufacturing	November 11, 2021, PRC	100%
4. . .	Gewu Bio Co., Ltd (格物生物技術(江蘇)有限公司)	R&D	May 14, 2024, PRC	87.5%

Our Company held the entire or majority of the equity interest in the above subsidiaries throughout the Track Record Period. See Note 1 of the Accountants' Report as set out in Appendix I to this document.

CORPORATE DEVELOPMENT AND MAJOR SHAREHOLDING CHANGES

Establishment

In 2017, our Company was established in Wuxi, PRC, as a limited liability company with an initial registered capital of USD132,530,121.

Upon establishment, our Company was held as to 41.5% by AZAB, 41.5% by FIIF, 1.5% by ZYTZ Partners Limited ("**ZYTZ**"), and 15.5% by Wuxi Lingchuang Business Consulting Partnership (Limited Partnership) (無錫靈創商務諮詢合夥企業(有限合夥)) ("**Wuxi Lingchuang**"), respectively.

Early Shareholding Changes

The 2019 capital increase

Following two rounds of capital increase subscribed by AZAB, FIIF and ZYTZ, the registered capital of our Company was increased to US$156,626,507 in May 2019 and further to US$192,771,085 in December 2019.

The 2020 capital decrease

Wuxi Lingchuang was a limited partnership which served as the employee shareholding platform of our Company and controlled by Wuxi Sinokeen Business Consulting Co., Ltd. (無錫敦禾商務諮詢有限責任公司) (a limited partnership managed by Dr. Zhang as its general partner, "**Wuxi Sinokeen**") as its general partner, with each of Wuxi Sinokeen, AZAB and FIIF owned one third of partnership interest therein. In connection with restructuring arrangement of our employee shareholding platforms, in July 2020, Wuxi Lingchuang ceased to be a Shareholder, with the registered capital of our Company decreased from US$192,771,085 to US$163,795,181.

The table below sets forth our shareholding structure upon completion of the above registered capital changes:

Names	Registered capital	Percentage
AZAB	US$80,000,000	48.84%
FIIF	US$80,000,000	48.84%
ZYTZ	US$3,795,181	2.32%
Total	**US$163,795,181**	**100%**

Series A Financing

In July 2020, pursuant to an investment agreement (the "**Investment Agreement**") entered into by and among our Company, our then shareholders and our series A investors, led by LAV Dizal Hong Kong Limited ("**LAV Dizal**"), Suzhou Likang Equity Investment Center (Limited Partnership) (蘇州禮康股權投資中心(有限合夥)) ("**Suzhou Likang**") and Suzhou Lirui Equity Investment Center (Limited Partnership) (蘇州禮瑞股權投資中心(有限合夥)) ("**Suzhou Lirui**"), all being investment holding entities under the brand of Lilly Asia Ventures, with participation from (i) Imagination V (HK) Limited ("**Imagination V**"), an investment holding entity of Sequoia Capital, (ii) Trinity Uppsala Limited ("**Trinity Uppsala**") and Trinity Zhongzhi (Tianjin) Venture Capital Partnership (Limited Partnership) (三一眾志(天津)創業投資中心(有限合夥)) ("**Trinity Zhongzhi**"), being investment holding entities under the brand of Trinity Fund, and (iii) Wuxi High-tech Zone New Force Industry Development Fund (Limited Partnership) (無錫高新區新動能產業發展基金(有限合夥)) (the "**Wuxi NewForce Fund**"), our series A investors agreed to subscribe for an increased registered capital of our Company of US$85,236,000 for a total consideration of US$100,000,000 (the "**Series A Financing**"), which was determined based on arm's length negotiations between our Company and investors with reference to the status and prospects of our business development.

In July 2020, in order to facilitate our employee shareholding arrangements and in accordance with the Investment Agreement, Jiangsu Wuxi Dizhe Enterprise Management Partnership Enterprise (Limited Partnership) (江蘇無錫迪喆企業管理合夥企業(有限合夥)) ("**Wuxi Dizhe**"), being our Company's employee shareholding platform, subscribed for our Company's newly increased registered capital of US$15,375,729, with the aggregate amount of subscription price of

US$15,375,729, representing the nominal value of our then registered capital. The series A investors also transferred, on a pro rata basis of each of their shareholding in our Company, a total registered capital of US$26,820,520 to Wuxi Dizhe at nil consideration, which was determined on an arm's length basis for the purpose of promoting the implementation of our employee share incentive scheme, with the relevant registered capital of Wuxi Dizhe to have been fully paid up by the participating employees of our Company.

The shareholding structure of our Company immediately following completion of above changes of registered capital is set forth below:

Names	Subscribed Registered Capital	Percentage
AZAB	US$80,000,000	30.26%
FIIF	US$80,000,000	30.26%
ZYTZ	US$3,795,181	1.44%
Wuxi Dizhe	US$42,196,249	15.96%
LAV Dizal	US$13,143,483	4.97%
Suzhou Likang	US$10,514,786	3.98%
Suzhou Lirui	US$2,628,697	0.99%
Imagination V	US$20,445,418	7.73%
Wuxi NewForce Fund	US$8,762,322	3.31%
Trinity Zhongzhi	US$1,775,831	0.67%
Trinity Uppsala	US$1,144,943	0.43%
Total	**US$264,406,910**	**100%**

Conversion into a Joint Stock Company with Limited Liability and Listing on the Shanghai Stock Exchange

In September 2020, our Company was converted from a limited liability company to a joint stock company with limited liability, with a registered capital of RMB360 million, and was then renamed as Dizal Pharmaceutical Co., Ltd. (迪哲(江蘇)醫藥股份有限公司).

In December 2021, we completed the listing of our A Shares on the SSE STAR Market (stock code: 688192) (the "**A-Shares Listing**"). In the A-Share Listing, we issued an aggregate of 40,000,100 A Shares, representing 10% of our Company's total registered share capital immediately following the A-Shares Listing.

Private Placement of A Shares in 2025

In April 2025, our Company completed a private placement of its A Shares to raise funds mainly for the development of new drugs and the industrialization of innovative drugs meeting international standards. A total of 41,764,808 A Shares were issued in the placement to 14 investors, all of whom were Independent Third Parties. The placement raised net proceeds of approximately RMB1.77 billion. Following the completion of the private placement, our Company's total issued share capital increased to 459,412,894 A Shares.

Except for the outstanding Restricted Stocks under the 2022 Share Incentive Scheme, the dilution effect of which is detailed in "Statutory and General Information — Share Incentive Scheme — 2022 Share Incentive Scheme" in Appendix VI to this document, there were no other outstanding options, warrants, or convertible securities that could potentially affect the shareholding structure of our Company as of the Latest Practicable Date.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

Our Company did not carry out any major acquisitions, disposals or mergers during the Track Record Period and up to the Latest Practicable Date.

OUR LISTING ON THE SHANGHAI STOCK EXCHANGE AND REASONS FOR THE [REDACTED] ON THE HONG KONG STOCK EXCHANGE

Since 2021, our A Shares have been listed on the Shanghai Stock Exchange. Our Directors confirmed that, during the Track Record Period and up to the Latest Practicable Date, we had no instances of non-compliance with the rules of the Shanghai Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors' attention in relation to our compliance record on the Shanghai Stock Exchange.

Our PRC Legal Advisors are of the view that the confirmation of our Directors above with regard to our compliance records is accurate and reasonable.

Based on the due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would reasonably cause them to disagree with the Directors' confirmation with regard to the compliance records of the Company on the Shanghai Stock Exchange.

Our Company seeks to [**REDACTED**] its H Shares on the Hong Kong Stock Exchange to advance our global strategy, elevate our Company's international brand image, and further enhance our core competitiveness. See "Business — Our Strategies" and "Future Plans and [**REDACTED**]" in this document for more details.

RELATIONSHIPS WITH OUR LARGEST SHAREHOLDERS

As of the Latest Practicable Date, AZAB and FIIF were the two largest shareholders of our Company, each holding approximately 23.42% of our total issued shares. Both shareholders are passive financial investors with limited involvement in our business operations.

As our Company is a public company listed on the SSE STAR Market with diverse shareholding base, our shareholding structure is subject to changes as a result of trading of A Shares by our Shareholders or investors which are beyond our control. None of our Shareholders could control (within the meaning of "controlling shareholder" under the Listing Rules) or exert significant influence over the management of the Company during the Track Record Period and up to the Latest Practicable Date. As of the Latest Practicable Date, there was no acting in concert arrangement nor voting proxy arrangement between Dr. Zhang Xiaolin (together with Wuxi Dizhe and ZYTZ), AZAB and FIIF, or any other Shareholder.

Our Directors are of the view that we are capable of carrying on our business independently, operate independently and maintain financial independence from any of our substantial shareholder (within the meaning of the Listing Rules) following completion of the [**REDACTED**].

Background Information of AZAB and FIIF

AZAB is a wholly-owned subsidiary of AstraZeneca PLC ("**AZ PLC**"), a multinational pharmaceutical company listed on the London Stock Exchange (stock code: AZN), the New York Stock Exchange (ticker symbol: AZN) and the Nasdaq Stockholm AB (ticker symbol: AZN), which focuses on the discovery, development and commercialization of prescription medicines across multiple therapy areas including oncology, cardiovascular, renal and metabolic diseases, respiratory and immunologic diseases, and rare diseases. Its shareholding in our Company stems from our corporate origins, as we were established in 2017 and emerged from iMED Asia.

Our Company has entered into (i) a property lease agreement with AstraZeneca Investment (China) Limited, and (ii) a license agreement with AstraZeneca UK Limited, each of which is an associate of AZAB. For details, please refer to the section headed "Connected Transactions" of this document.

FIIF is a limited partnership established in the PRC and is primarily engaged in equity investment. The general partner of FIIF is SDICFUND Management Co., Ltd. (國投創新投資管理有限公司) ("**SDICFUND**"). SDICFUND is an independent private equity fund manager. SDICFUND and its affiliates manage nearly RMB100 billion of capital from diversified investors,

including financial institutions, social security fund, private enterprises, state-owned enterprises. SDICFUND focuses on four investment sectors: life science, intelligent NEV, smart manufacturing as well as information & communication technology.

Independence from Our Two Largest Shareholders

Our independence from our two largest Shareholders is reflected in the following aspects:

- **Operational independence**: Both AZAB and FIIF are passive financial investors with no involvement in our day-to-day operations or management decisions. All research and development, clinical trials, manufacturing, and commercialization activities are conducted independently by our Company. Our Company possesses its own independent and complete R&D team, integrated technology platform and R&D capabilities, and has independently developed a product portfolio consists entirely of in-house developed small-molecule innovative drugs with global rights save for ZEGFROVY® (sunvozertinib), which we have agreed to exclusively license to AstraZeneca pursuant to the AstraZeneca Agreement. See "Business — License Agreement with AstraZeneca". Notwithstanding the AstraZeneca Agreement and certain arrangements thereunder, which were entered into after arm's length negotiations and on normal commercial terms, we retain independent research and development capabilities for the rest of our pipeline as well as our own manufacturing and operational capabilities, and our Directors are of the view that our business operations do not rely on AZAB or its associates;

- **Management independence**: Our business strategy and pipeline priorities are determined by our management and Board without reference to shareholder interests, neither AZAB nor FIIF is able to unilaterally determine or exert a material influence over our Company's business policies or decisions on material matters. Although each of AZAB and FIIF has nominated one non-executive director to our Board, such non-executive directors serve in their capacity as directors of the Company and do not perform any executive functions or participate in day-to-day operational decision-making. We have full rights to make all decisions on, and to carry out, our own business operation independently from each of AZAB and FIIF and their respective close associates and will continue to do so after the [**REDACTED**]; and

- **Financial independence**: We fund our operations through our own revenue, equity financing, and bank borrowings, without reliance on shareholder funding or guarantees. We have established our own finance department with a team of independent financial staff responsible for discharging treasury, accounting, reporting, group credit and internal control functions independently from each of AZAB and FIIF and their respective close associates, as well as a sound and independent financial system, and make independent financial decision according to our own business needs.

[**REDACTED**]

Satisfaction of the [REDACTED] Requirement

Rule 8.08(1) (as amended and replaced by Rule 19A.13A) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of [**REDACTED**], this requirement will normally mean that the portion of H shares for which [**REDACTED**] is sought that are held by the public, at the time of [**REDACTED**], must (a) represent at least 10% of the issuer's total number of issued shares in the class to which H shares belong (excluding treasury shares); or (b) have an expected market value of not less than HK$3,000,000,000. Our A Shares are listed on the Shanghai Stock Exchange. Immediately upon completion of the [**REDACTED**], assuming that (i) [**REDACTED**] H Shares are [**REDACTED**] to public shareholders in the [**REDACTED**]; (ii) the [**REDACTED**] is not exercised; and (iii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [**REDACTED**], the expected [**REDACTED**] of the total issued H Shares held by the public is expected to be above HK$[**REDACTED**] at the time of the [**REDACTED**], calculated on the [**REDACTED**] of an indicative [**REDACTED**] range between HK$[**REDACTED**] to HK$[**REDACTED**], [**REDACTED**] thereby satisfying Rule 19A.13A of the Listing Rules.

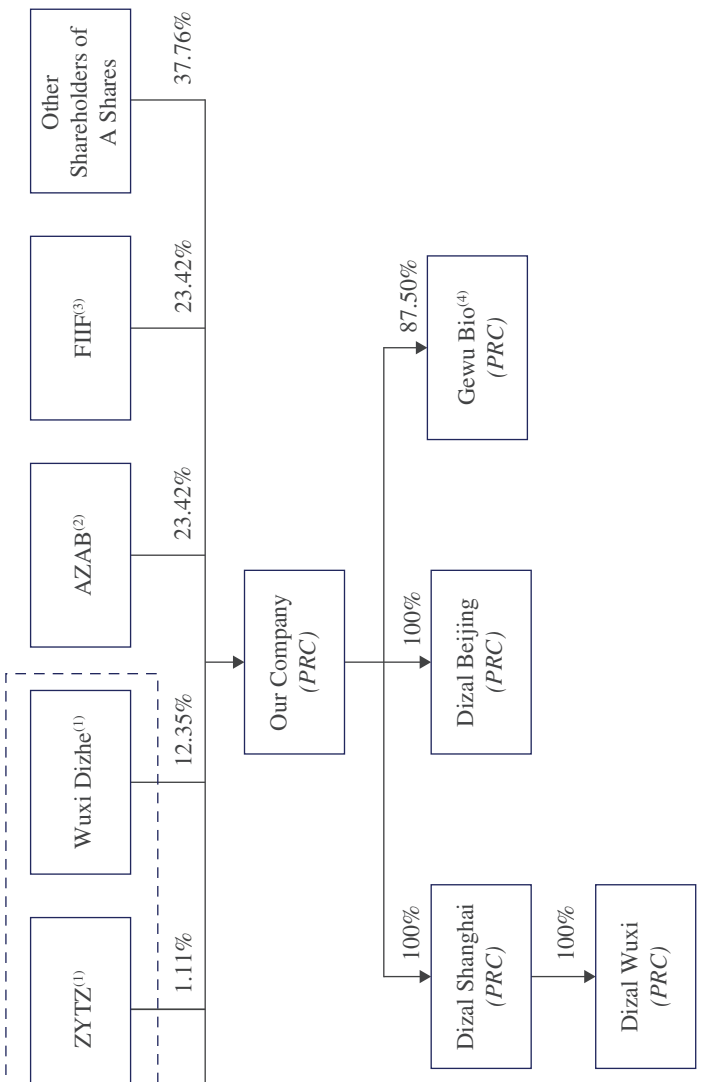
Satisfaction of the [REDACTED] Requirement

Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this requirement will normally mean that the portion of H shares for which [**REDACTED**] is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of [**REDACTED**], must: (a) represent at least 5% of the total number of issued shares in the class to which H shares belong at the time of [**REDACTED**] (excluding treasury shares), with an expected [**REDACTED**] at the time of listing of not less than HK$50,000,000; or (b) have an expected [**REDACTED**] at the time of [**REDACTED**] of not less than HK$600,000,000. Immediately upon completion of the [**REDACTED**], assuming that (i) [**REDACTED**] H Shares are issued and sold to public shareholders in the [**REDACTED**] and not subject to any disposal restriction; (ii) the [**REDACTED**] is not exercised; (iii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [**REDACTED**], our H Shares will have an expected market value at the time of [**REDACTED**] of HK$[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**], being the [**REDACTED**] of the [**REDACTED**] range stated in this document). As such, it is expected that the Company will be in compliance with the [**REDACTED**] requirements set forth under Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules.

OUR SHAREHOLDING AND CORPORATE STRUCTURE

Shareholding and Corporate Structure Immediately before the [REDACTED]

The following chart depicts a simplified shareholding and corporate structure of our Group immediately before the completion of the **[REDACTED]**, assuming that no changes are made to the total issued share capital of our Company since the Latest Practicable Date and up to the **[REDACTED]**:



Notes:

(1) As of the Latest Practicable Date, our Company was owned as to (i) 1.94% by Dr. Zhang Xiaolin; (ii) 12.35% by Wuxi Dizhe, a limited partnership which is owned as to (a) 0.000065% by Wuxi Sinokeen as its general partner, which is in turn owned as to 90% and 10% by Dr. Zhang, being our chairperson of the Board and Chief Executive Officer, and Dr. Yang Zhenfan (楊振帆), being our deputy general manager and chief medical officer, respectively (b) Dr. Zhang Xiaolin as to 61.11% as a limited partner; (c) Dr. Yang Zhenfan as to 14.65% as a limited partner; (d) Mr. Lyu Hongbin (呂洪斌), our chief financial officer, as to 5.91% as a limited partner; (e) Ms. Chen Suqin (陳素勤), our deputy general manager as to 4.35% as a limited partner; (f) other 32 limited partners, with each of whom holding less than 2% partnership interests; and (iii) 1.11% by ZYTZ, a company incorporated in Hong Kong with limited liability, which is wholly owned by Dezent Partners Limited, a limited liability company incorporated in the British Virgin Islands and owned by Dr. Zhang, Dr. Yang Zhenfan, Dr. Tsui Honchung (徐漢忠) and Dr. Zeng Qingbei (曾慶北) as to 75%, 10%, 7% and 8% respectively. Both Wuxi Dizhe and ZYTZ are the employee shareholding platforms of our Company.

According to the Measures for the Administration of the Takeover of Listed Companies (《上市公司收購管理辦法》) promulgated by the CSRC, unless there is evidence to the contrary, any direct shareholder under the control of the same entity of an A-share listed company are collectively deemed to be (i) persons acting in concert with the direct shareholder; and (ii) interested in the shares in the A-share listed company owned by the direct shareholder. As advised by our PRC Legal Advisor, Wuxi Dizhe and ZYTZ are parties acting in concert with Dr. Zhang Xiaolin pursuant to PRC law. As of the date of this document, Dr. Zhang Xiaolin, Wuxi Dizhe and ZYTZ, are collectively entitled to exercise the voting rights attached to approximately 15.40% of our total issued Shares, and will be entitled to exercise the voting rights attached to approximately [**REDACTED**]% of our total issued Shares immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised).

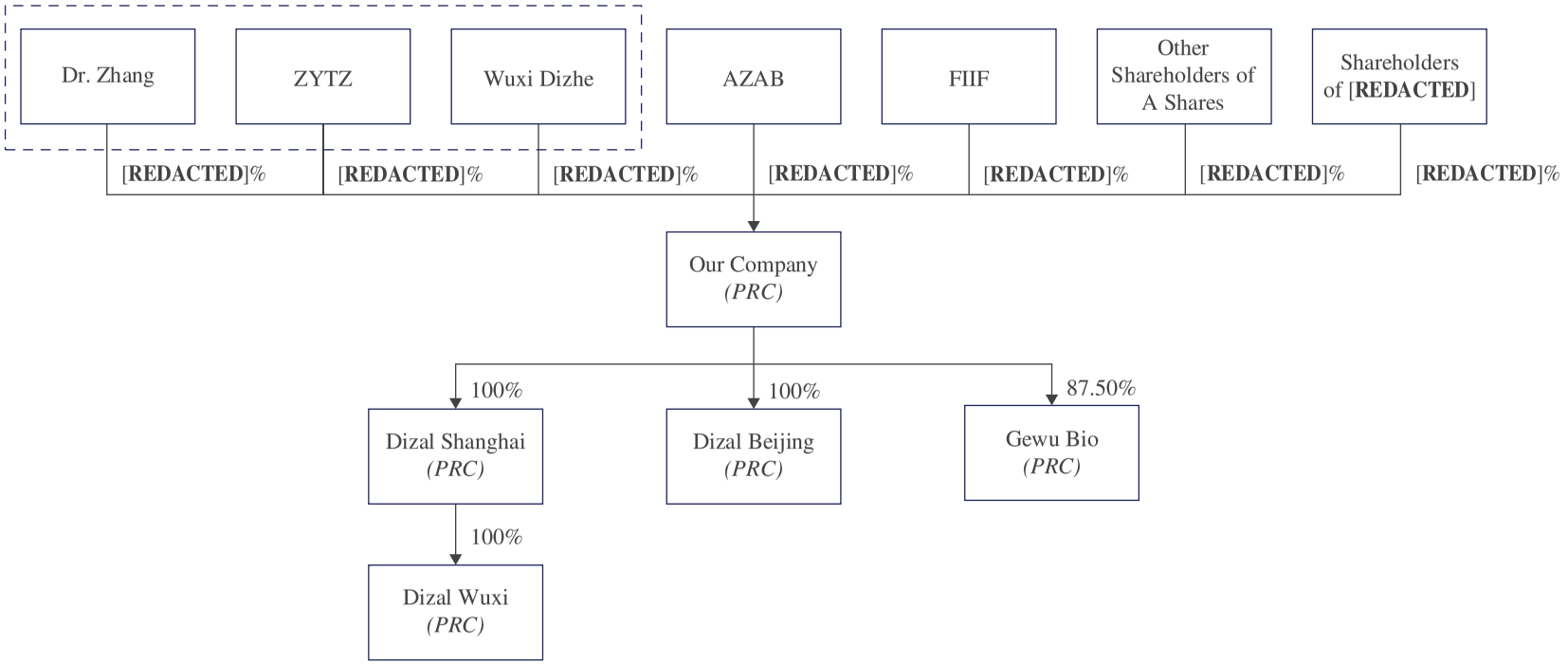
(2) As of the Latest Practicable Date, our Company was owned as to 23.42% by AZAB, a company wholly owned by AZ PLC.

(3) As of the Latest Practicable Date, our Company was owned as to 23.42% by FIIF, whose general partner is SDICFUND, holding 0.09% partnership interests. SDICFUND was held as to 40% by China SDIC Gaoxin Industrial Investment Co., Ltd. (中國國投高新產業投資有限公司), which is held as to approximately 72.36% by State Development and Investment Group Co., Ltd. (國家開發投資集團有限公司) as its single largest shareholder, a state-owned enterprise wholly owned by the State-owned Assets Supervision and Administration Commission (國務院國有資產監督管理委員會) ("**State SASAC**"). None of the other shareholders of SDICFUND held over 30% interests therein. As of the Latest Practicable Date, FIIF had 11 limited partners, of which the Ministry of Finance of the PRC (中華人民共和國財政部) was the largest limited partner, holding 35.5% partnership interest in FIIF. None of the remaining limited partners of FIIF held more than 30% of partnership interest therein, and each of them was an Independent Third Party.

(4) As of the Latest Practicable Date, Gewu Bio was owned as to 87.50% by the Company and 12.50% by Wuxi NewForce Fund, a limited partnership established in the PRC, which is owned as to (a) 0.63% by its general partner, Wuxi Xintou Jinshi Venture Capital Management Co., Ltd. (無錫新投金石創業投資管理有限公司); (b) 74.37% and 25% by Wuxi High-tech Zone Venture Capital Holding Group Co., Ltd. (無錫市高新區創業投資控股集團有限公司) and Wuxi Yungang Venture Capital Co., Ltd. (無錫市雲港創業投資有限公司) as limited partners, respectively. The partners of Wuxi NewForce Fund are all wholly owned by Wuxi Gaofa Investment Development Group Co., Ltd. (無錫市高發投資發展集團有限公司), which is in turn wholly owned by the People's Government of Xinwu District of Wuxi (無錫市新吳區人民政府).

Shareholding and Corporate Structure upon Completion of the [REDACTED]

The following chart depicts a simplified shareholding and corporate structure of our Group upon completion of the **[REDACTED]**, assuming that the **[REDACTED]** is not exercised and no changes are made to the total issued share capital of our Company since the Latest Practicable Date and up to the **[REDACTED]**:



Note: See "History and Corporate Structure — Our Shareholding and Corporate Structure — Shareholding and Corporate Structure Immediately Before the **[REDACTED]**".

OVERVIEW

Who We Are

We are a commercial-stage biopharmaceutical company. Oncology and hematological diseases are our primary therapeutic areas. During the Track Record Period, we developed and commercialized golidocitinib, a next-generation, highly selective Janus kinase 1 ("**JAK1**") inhibitor, in Chinese Mainland. In addition, we developed, commercialized and out-licensed ZEGFROVY® (舒沃哲®), the world's first small molecule epidermal growth factor receptor ("**EGFR**") tyrosine kinase inhibitor ("**TKI**") approved for the treatment of lung cancer with EGFR exon 20 insertion ("**exon20ins**") mutations.

Prior to the establishment of Dizal in 2017, we were the AstraZeneca global oncology translational science center, Innovative Medicine and Early Development Asia ("**iMED Asia**"). Our competitive strength lies in our strong scientific heritage, complete and intact scientific team with proven track record in drug discovery and development, and practical insights in marketing and commercializing innovative targeted medicines.

Leveraging our experience in disease research and our translational science and drug design capabilities, we have developed a product portfolio, including ZEGFROVY® and golidocitinib, one registrational stage drug candidate birelentinib (DZD8586), three post-proof-of-concept ("**post-PoC**") assets, and one early clinical stage asset. ZEGFROVY® was launched in Chinese Mainland and approved in the United States. It was the first drug invented in China that received Breakthrough Therapy Designations from both the United States FDA and China NMPA for the treatment of lung cancer. It is currently the only small-molecule drug recommended by internationally authoritative National Comprehensive Cancer Network NSCLC Guidelines for the treatment of NSCLC with EGFR exon20ins. Furthermore, it is the only targeted drug included in the China's National Reimbursement Drug List ("**NRDL**") for the treatment of relapsed and refractory ("**r/r**") NSCLC with EGFR exon20ins, as of the Latest Practicable Date. As of the same date, golidocitinib, is the world's first and only JAK1 inhibitor approved for the treatment of relapsed or refractory peripheral T-cell lymphoma ("**r/r PTCL**"). Recognizing its clinical value, U.S. FDA granted golidocitinib Fast Track and Orphan Drug Designations. Golidocitinib is also included in China NRDL.

On July 14, 2026, we entered into a license agreement (the "**AstraZeneca Agreement**") with AstraZeneca UK Limited ("**AstraZeneca**"), pursuant to which we granted to AstraZeneca, among other rights, an exclusive license to develop and commercialize ZEGFROVY® globally. In partial consideration of the rights granted by us to AstraZeneca, AstraZeneca is expected to pay us a one-time, non-refundable and non-creditable upfront payment of US$600.0 million, representing the largest upfront payment for a China-originated small molecule drug in a single-asset out-licensing deal to date, according to CIC. In addition, we are eligible for development milestone payments potentially up to an aggregate of US$400.0 million and sales milestone payments potentially up to an aggregate of US$500.0 million, subject to the achievement of specified development, regulatory and sales milestone events. We are also eligible for tiered royalties of up to low-double-digit percentages on the global sales of ZEGFROVY®. For details, see "Business — License Agreement with AstraZeneca."

Our Origins and Team

In 2017, following a strategic reorganization, iMED Asia became an independent entity, with AstraZeneca contributing a select portfolio of preclinical assets and the Future Industry Investment Fund providing working capital. As part of this transition, Dr. Zhang Xiaolin (張小林), the then head of the iMED Asia, was appointed as the CEO of the newly established company, Dizal. The rest of the iMED Asia organization became the foundation of our company.

Our team, with working experience from leading multinational companies such as AstraZeneca, BMS, Eli Lilly, MSD, Pfizer, Roche, Sanofi, and BeOne Medicines (formerly known as BeiGene), has a strong and successful track record of designing novel molecules and executing innovative clinical trials. The team made direct contributions to some of the landmark drugs like Iressa® (gefitinib) and Tagrisso® (osimertinib). We are the inventor of the first fully blood-brain barrier ("**BBB**") penetrant lung cancer drug zorifertinib (formerly AZD3759). This discovery, which challenged conventional thinking, was recognized as a "Highly Read Article of 2015" by the American Chemistry Society *Journal of Medicinal Chemistry*.

Our Product Portfolio

Our product portfolio comprises the out-licensed product ZEGFROVY®, our marketed product golidocitinib, one registrational stage drug candidate, three post-PoC stage assets, and one early clinical stage asset. All programs have clear competitive differentiation. The following table summarizes the development status of the later stage portfolio and upcoming milestones.

Product	Target	Indication (Line of Treatment)		Therapy	Pipeline	Regulatory Designation	Commercial Rights	Upcoming Milestones
ZEGFROVY® (DZD9008)[1]	EGFR	EGFR exon20ins NSCLC	2L/2L+	Monotherapy	WU-KONG6: Single arm	PR (China) BTD (China)	Global R&D and commercial-ization rights licensed to AstraZeneca	(Approved)
					WU-KONG1B: Single arm	PR (US) BTD (US)		(Approved in the US)
			1L	Monotherapy	WU-KONG28: vs. platinum-containing chemo	PR (China) BTD (China & US)		1Q2027: CN NDA approval
			Adjuvant	Monotherapy	WU-KONG16: vs. placebo			2028: Primary readout
					[redacted]			
		PACC NSCLC	1L	Monotherapy	WU-KONG15/35®: Single arm			End of 2026: Study completion
			Adjuvant	Monotherapy	[redacted]			
Golidocitinib (DZD4205)	JAK1	PTCL	r/r	Monotherapy	JACKPOT8B: Single arm	PR (China)	Global	(Approved)
					JACKPOT8B: Single arm	FTD & ODD (US)		1H2028: NDA submission
					JACKPOT19: vs. investigator's choice			4Q2027: Primary readout
			1L	Combo with CHOP	JACKPOT53/55®: Single arm			4Q2027: Primary readout
				Mono/Combo with CHOP	JACKPOT23®: Non-comparative study			2Q2027: Primary readout
		Non-driver mutation NSCLC	1L	Combo with IO	JACKPOT33®: Single arm			1H2027: Primary readout
		Primary ITP	r/r	Monotherapy	JACKPOT16®: vs. placebo			1H2028: Primary readout
Birelentinib (DZD8586)	Lyn/BTK	CLL/SLL	2L/2L+	Monotherapy	TAI-SHAN6: vs. investigator's choice	FTD (US)	Global	2H2027: Interim analysis
			1L	Combo with BCL2i	TAI-SHAN10: Single arm			3Q2026: Primary readout
			1L	Combo with BCL2i	TAI-SHAN16: vs immunochemotherapy			1H2027: ph3 initiation
		DLBCL	r/r	Monotherapy	TAI-SHAN9: Single arm			4Q2026: Study completion
			1L/2L/2L+	Combo with chemotherapy	TAI-SHAN12: Single arm			4Q2026: Primary readout
			1L	Combo with R-CHOP	TAI-SHAN19: vs R-CHOP			1H2027: ph3 initiation
		Primary ITP	2L/2L+	Monotherapy	TAI-SHAN11: Single arm			1H2027: Primary readout
DZD6008	EGFR (4th Gen TKI)	EGFR NSCLC	1L/2L/2L+	Monotherapy	TIAN-SHAN1/2: Single arm		Global	1Q2027: Primary readout for later line
			2L/2L+	Monotherapy	TIAN-SHAN6: vs. docetaxel			1H2027: Initiation
				Combo with chemotherapy	TIAN-SHAN7: Single arm			1Q2027: Primary readout
			1L/2L/2L+	Combo with ZEGFROVY®[2]	TIAN-SHAN8: Single arm			1Q2027: Primary readout
GW5282	EZH1/2	NHL	r/r	Monotherapy	BEI-DOU1: Single arm		Global	4Q2026: Primary readout
				Combo with golidocitinib	BEI-DOU3: Single arm			4Q2026: Determining RP2CD
		Solid Tumors	r/r	Monotherapy	BEI-DOU2: Single arm			4Q2026: Determining RP2D
DZD1516	HER2+	HER2 + BC	2L/2L+	Combo with HER2 ADC	WEN-JI1: Single arm		Global	2H2027: Combination study initiation
DZD2269	A2aR	Solid Tumors	-	Monotherapy and combo	PAN-GU1: Single arm		Global	2H2027: Combination study initiation

China Clinical Trials
Global/overseas Clinical Trials
Trials to be conducted by AstraZeneca

Market for commercialization
* Denotes II Trials

IND=Investigational New Drug NDA=New DrugApplication
PR =Priority Review FSI = First Subject In
BTD=Breakthrough Therapy Designation

FTD = Fast Track Designation
ODD = Orphan Drug Designation
MAA =Marketing Authorization Application

Notes:
1. AstraZeneca retains discretion regarding the expansion into other clinical indications.
2. Dizal retains full responsibility for and ownership of the combination study of Zegfrovy and DZD6008, including all R&D costs and any resulting patents.

Lung cancer

We are advancing a differentiated product portfolio to address a wide range of unmet medical needs in NSCLC, which accounts for 85% of all lung cancer cases. For NSCLC with driver mutations, we prioritize diseases driven by EGFR mutations, especially those with exon20ins mutations and EGFR P-loop αC-helix compressing ("**PACC**") mutations, acquired resistance, and CNS metastasis. Team has long and successful research history and deep expertise in this area. For NSCLC without known driver mutations, we focus on overcoming immunotherapy resistance, especially resistance to anti-PD(L)-1 antibodies.

- ***ZEGFROVY***®, is an innovative EGFR TKI engineered to expand treatment options for patients with historically hard-to-treat mutations, including EGFR exon20ins and PACC. ZEGFROVY® provides a much-needed treatment option for patients with EGFR exon20ins NSCLC, which represents approximately 12% to 15% of the EGFR mutated NSCLC patients have EGFR exon20ins mutations. This patient population has historically faced poor prognosis. No targeted small molecule therapy was available for these patient population before ZEGFROVY®, and commonly used treatment include chemodoublets and TKIs, with objective response rates ("**ORR**") below 20% and median progression-free survival ("**mPFS**") of around six months or less. On July 14, 2026, we entered into the AstraZeneca Agreement, pursuant to which we granted AstraZeneca an exclusive license to develop and commercialize ZEGFROVY® globally. For details, see "— License Agreement with AstraZeneca."

  ZEGFROVY® has been approved for treating EGFR exon20ins mutations positive NSCLC patients who have failed front line platinum-containing chemo doublet treatment. ZEGFROVY® has been included in major clinical practice guidelines for EGFR exon20ins NSCLC. In China, it is a Category I recommendation in the CSCO guidelines for previously treated patients EGFR exon20ins NSCLC, and in the United States it is referenced in the NCCN guidelines as a treatment option following prior systemic therapy, making it **the only** small-molecule targeted therapy for EGFR exon20ins NSCLC included in an internationally recognized lung cancer treatment guideline.

  In the first-line treatment, ZEGFROVY® compares favorably to the current standard of care for EGFR exon20ins NSCLC, including a triple-drug intravenous regimen, without chemotherapy or injection-related toxicities.

  Lung cancer with EGFR PACC mutations represent another class of driver mutations, which occurs in approximately 12.5% of all EGFR-mutant NSCLC. As of the Latest Practicable Date, there were no approved targeted therapies specifically for the treatment of EGFR PACC NSCLC. Frequently used therapies include off-label use of approved EGFR TKIs and chemotherapies with only limited efficacy and short duration of response. In WU-KONG35 and WU-KONG15, per investigator assessment, tumor lesion shrinkage was observed in 100% of patients with EGFR PACC NSCLC, with an ORR of 81.3%, and a DCR of 100%. Tumor response was also observed in 11 out of 15 patients with previously-untreated baseline brain metastasis, including 6 patients with confirmed PR. The antitumor activity was durable. As February 10, 2026, median DoR had not been reached, with 81.3% of patients remaining on ZEGFROVY® treatment. The estimated 6-month durable response rate was 87.5%. The estimated 9-month PFS rate was 83.9%. The safety profile was consistent with previous studies of ZEGFROVY®. No new safety signals were observed.

  Pursuant to the AstraZeneca Agreement, AstraZeneca shall have the sole right, at its sole expense, to develop ZEGFROVY®, except that we will continue to perform certain development activities for ZEGFROVY® including completing the EGFR exon20ins NSCLC cohort of WU-KONG16, a registrational Phase 3 clinical trial in China evaluating ZEGFROVY® as an adjuvant therapy with development costs reimbursed by AstraZeneca up to a cap and two ongoing combination therapy studies of ZEGFROVY® and DZD6008, TIAN-SHAN1 and TIAN-SHAN8 at our own costs.

  The global EGFR exon20ins NSCLC market grew from US$0.7 billion in 2020 to US$1.6 billion in 2025 at a CAGR of 16.7%, and is expected to increase to US$8.0 billion in 2035, representing a CAGR of 17.7% from 2025 to 2035. The global EGFR

PACC NSCLC market grew from US$0.9 billion in 2020 to US$1.1 billion in 2025 at a CAGR of 4.9%, and is expected to increase to US$5.6 billion in 2035, representing a CAGR of 17.4% from 2025 to 2035.

- ***DZD6008*** is a fourth-generation EGFR TKI, addressing the significant unmet needs for NSCLC patients who develop resistance to third-generation EGFR TKIs. The current standard of care for these patients is chemotherapy, which offers limited benefit, with patients receiving the therapy achieving an average ORR of 30% to 40%, mPFS of less than six months.

  The next generation EGFR TKI, the fourth generation, must be able to provide additional treatment benefits over the current third generation, represented by Tagrisso®. Specifically, the fourth generation must be able to (i) suppress common activating mutations, resistant double, and triple mutations, with almost equal potencies to avoid the need for overdosing in order to cover all mutation types; (ii) have high wild-type EGFR selectivity to minimize wildtype EGFR related toxicities; (iii) penetrate BBB most efficiently to effectively treat CNS metastases, and (iv) mitigate enhanced sensitivities to cardiotoxicity risks associated with third-generation EGFR TKIs. DZD6008 is the only fourth-generation EGFR TKI with clinical evidence to meet all four definitive criteria.

  As a monotherapy, DZD6008 has demonstrated compelling clinical efficacy in both heavily treated TKI-resistant EGFR-mutant NSCLC patients, as well as treatment naïve EGFR-mutant NSCLC patients. DZD6008's favorable safety profile makes it an ideal backbone for novel combination regimens, which are being actively explored. On the top of the list is DZD6008 in combination with ZEGFROVY® as it offers significant advantages of as a chemo-free regimen minimizing chemo-related toxicities and as an all oral regimen maximizing patients' compliance.

  In addition, we are also exploring DZD6008 in combination with current standard of care and emerging new therapies such as ADCs.

  The global EGFR-mutant NSCLC market grew from US$8.1 billion in 2020 to an estimated US$12.1 billion in 2025. It is projected to further expand to US$25.4 billion by 2035, representing a CAGR of 7.7% from 2025 to 2035.

- ***Golidocitinib***, a next-generation, highly selective JAK1 inhibitor, has shown promising clinical efficacy when combined with an anti-PD(L)-1 antibody in NSCLC patients without known driver mutations. Immunotherapy is the current standard of care for these patients but only with modest clinical benefits, especially for those with intermediate PD-L1 expression.

  Clinical evidence from us and others confirms that aberrant activation of the JAK-STAT pathway, often driven by inflammatory cytokines within the tumor microenvironment, may facilitate immune evasion by upregulating PD-L1 expression and reinforcing immunosuppressive signaling programs that contribute to progressive T-cell dysfunction and exhaustion. Accordingly, JAK1 inhibition with golidocitinib may attenuate these pro-PD-L1 and immune-suppressive signals, thereby modulating the tumor microenvironment and potentially restoring antitumor immune activities.

  We are exploring this hypothesis clinically, evaluating golidocitinib's potential in combination with an anti-PD(L)-1 antibody in NSCLC without known driver mutations in an ongoing investigator-initiated trial in China, JACKPOT33. The data of JACKPOT33 will be used to support the IND application of JACKPOT66, a planned registrational Phase 3 clinical trial for NSCLC without known driver mutations.

  The global NSCLC without known driver mutations market grew from US$13.3 billion in 2020 to an estimated US$23.2 billion in 2025. It is projected to further expand to US$42.6 billion by 2035, representing a CAGR of 6.3% from 2025 to 2035.

- ***GW5282*** is a next-generation EZH1/2 (Enhancer of Zeste Homolog 1 and 2) dual inhibitor. GW5282 stands out as a next-generation therapy that addresses the key limitations of these existing EZH2-only inhibitors. Our strategic focus for this molecule is directed toward solid tumors, including lung cancer, for which we have validated preclinical evidence.

Hematological diseases

In hematological diseases, we are advancing three differentiated late-stage molecules, including golidocitinib, birelentinib and GW5282.

- ***Golidocitinib*** (brand name: 高瑞哲®) has been approved and launched in Chinese Mainland for relapsed/refractory peripheral T-cell lymphoma ("**r/r PTCL**"). Patients with PTCL face a dismal prognosis. The only available front-line treatment, CHOP, is a combination regimen of four chemotherapy drugs. There is no standard of care once the disease progresses. The median Overall Survival ("**mOS**") for relapsed and refractory patients is only about 6 months.

  As a first-in-class agent specifically targeting the JAK-STAT signaling pathway in PTCL, golidocitinib represents a novel targeted drug for this disease. It is designed to deliver a differentiated triple-action profile, combining direct antitumor activity with anti-inflammatory effects and immune modulation, with the objective of providing broad and durable clinical benefits for PTCL patients.

  In the registrational Phase 2 study, JACKPOT8, golidocitinib demonstrated strong anti-lymphoma activity in r/r PTCL, with an ORR of 44.3% and a complete response ("**CR**") rate of 23.9%. These response rates compare favorably with current chemotherapies and emerging single-agent targeted agents in this setting, where ORRs have often been below 30%. The observed efficacy supports the potential of golidocitinib to meaningfully improve outcomes in this difficult-to-treat patient population. Based on these favorable clinical results, golidocitinib was approved in China and included as a Category I recommendation in leading Chinese clinical guidelines, specifically Chinese Society of Clinical Oncology ("**CSCO**") 2025 for r/r PTCL. It is also the first and only JAK1 inhibitor worldwide receiving both FDA Fast Track and Orphan Drug designations for r/r PTCL as of the Latest Practicable Date.

  We plan to file an NDA for golidocitinib for r/r PTCL with the FDA in the first half of 2028. Beyond r/r PTCL, we are evaluating golidocitinib for first-line treatment in combination with CHOP. In an ongoing IIT in China, JACKPOT55, Go-CHOP regimen (150 mg of golidocitinib every other day + CHOP) demonstrated strong anti-tumor activity in patients with newly diagnosed PTCL. The reported ORR was 94.1% and the complete response ("CR") rate was 64.7%. The study is still ongoing with 85% of patients remained on treatment. The longest PFS has exceeded 15 months. Overall safety profile was as manageable with no treatment discontinuations due to TRAEs. Based on these data, together with ongoing IIT JACKPOT53 and ongoing Phase 1/2 trial JACKPOT23, the IND application is planned for JACKPOT28, a registrational Phase 3 clinical trial of golidocitinib for the first-line treatment of newly diagnosed PTCL.

  According to CIC, the global PTCL drug market grew from US$0.9 billion in 2020 to an estimated US$1.6 billion in 2025. It is projected to further expand to US$5.9 billion by 2035, representing a CAGR of 14.0% from 2025 to 2035. China market size increased from US$0.3 billion in 2020 to US$0.5 billion in 2024 and expected to reach US$1.5 billion by 2035, reflecting a CAGR of 10.8% from 2025 to 2035.

- ***Birelentinib*** is a novel dual inhibitor of lymphocyte-specific protein tyrosine kinase ("**Lyn**") and Bruton's tyrosine kinase ("**BTK**"), designed to completely block both BTK-dependent and BTK non-dependent pathways

  Birelentinib demonstrated its clinical potential quickly in early clinical studies. A pooled analysis from two clinical studies in heavily pretreated patients with chronic lymphocytic leukemia/small lymphocytic lymphoma ("**CLL/SLL**") was selected for oral presentation at both the 2025 American Society of Clinical Oncology ("**ASCO**") meeting and the 18th International Conference on Malignant Lymphoma ("**ICML**"). Based on

these results, U.S. FDA granted birelentinib Fast Track Designation in August 2025 for the treatment of r/r CLL/SLL. We have initiated an international multi-center Phase 3 clinical trial of birelentinib for r/r CLL/SLL in September 2025.

Beyond CLL/SLL, we are exploring Birelentinib's potential in DLBCL. We are also developing birelentinib beyond relapsed/refractory settings in combination with BCL2 inhibitor and chemotherapy for the first-line treatment of CLL/SLL and DLBCL, respectively.

- ***GW5282*** can significantly reduce H3K27me3 levels in cells and demonstrates strong anti-tumor activity across NHL models in both *in vitro* and *in vivo* preclinical models.

Other solid tumors

Beyond lung cancer and hematological diseases, we are advancing three differentiated candidate drugs, including GW5282, DZD1516, and DZD2269 for other solid tumors.

- In addition to lung cancer and r/r NHL, we are developing ***GW5282*** for the treatment of other solid tumors, including prostate, ovarian and endometrial cancers.

- ***DZD1516*** is an oral, reversible, and highly selective small-molecule HER2 TKI that addresses some of the most pressing challenges in treating HER2-positive breast cancer, particularly in patients with CNS metastases.

- ***DZD2269*** is an innovative, highly selective adenosine A2a receptor ("**A2aR**") antagonist. DZD2269 exhibited favorable safety and tolerability profiles. These early clinical findings support the continued clinical development of DZD2269 for use in oncology and immune diseases, where the A2aR pathway plays a significant role in immune suppression within the TME.

Immune disorders

- We are exploring the therapeutic potential of our existing pipelines for immune disorders. The Lyn/BTK dual-pathway coverage of birelentinib may be beneficial to address immune-mediated diseases such as ITP, where pathogenic autoantibody production by B cells and Fc receptor-mediated platelet destruction by macrophages are driven by BTK- and Lyn-dependent signaling cascades. By targeting both kinases, birelentinib provides a mechanistic rationale for evaluation in ITP. We are assessing birelentinib in an ongoing Phase 2 clinical trial, TAI-SHAN11, for r/r primary ITP in China.

- In addition, we are developing ***golidocitinib*** for the treatment of primary ITP via a distinct mechanism of action. Golidocitinib is a selective JAK1 inhibitor that reduces overactive JAK/STAT cytokine signaling, which can drive immune-mediated platelet destruction and impaired platelet production. By selectively targeting JAK1, it is designed to deliver immunomodulatory benefit while limiting broader JAK inhibition that may be associated with more off-target side effects. We are assessing golidocitinib in an ongoing Phase 2 clinical trial, JACKPOT16, for r/r primary ITP in China.

- In addition to oral capsule, we are developing ***golidocitinib ointment*** for dermatology indications. Golidocitinib ointment is currently under GMP production and GLP toxicology study. We plan to initiate a Phase 1/2 proof-of-concept trial of golidocitinib ointment for mild-to-moderate atopical dermatitis ("**AD**") in 2027.

Integrated Technology Capabilities for De-Risked and Accelerated R&D

We attribute the strength of our product portfolio to the integrated technology capabilities that we have continued to strengthen over the eight years since our inception. We set clear "Go — No Go" criteria tied to clinical and translational milestones. This approach allows us to invest resources only in programs that show a strong scientific rationale and a realistic opportunity to achieve global first-in-class or best-in-class differentiation.

Integrated approach for precision molecular design and model-informed clinical development

Our integrated technology seamlessly connects translational science, precision molecular design, and predictive clinical pharmacology into a unified workflow. In translational science, we leverage a comprehensive library of over 1,500 cell lines, alongside proprietary disease models that best mimic human diseases with defined biological relevance. These models encompass transgenic and driver-mutation validation models, surgical CNS metastasis models with an intact BBB, and a short oral absorption model designed for rapid drug metabolism and pharmacokinetic ("**DMPK**") readouts. By utilizing these tools and applying these models to successfully and accurately predict clinical activities, we meticulously validate the intricate relationship between targets and diseases, define a clear candidate drug target profile ("**CDTP**"), and identify and validate predictive biomarkers that guide patient selection, response prediction, and safety monitoring.

As candidates progress, we incorporate model-informed drug development ("**MIDD**") into our predictive clinical pharmacology approach. This approach integrates preclinical data into models of human pharmacokinetics and pharmacodynamics ("**PK/PD**"). These models assist us in designing clinical trials with rational starting doses, focused dose escalation strategies, and dose levels that strike a balance between efficacy and tolerability.

ZEGFROVY® as proof of execution and speed

ZEGFROVY®'s discovery and development exemplifies the practical application of these integrated capabilities. Backed by translational science and validated pharmacological biomarkers, tumor response was observed at the starting dose. The Recommended Phase 2 Dose ("**RP2D**") was identified with only 4 dose cycles. This alone shortened clinical development by more than a year. The desired balance between molecule structural rigidity and flexibility was understood. This balance was key to ZEGFROVY®'s promising efficacy across over 100 different subtypes of exon20ins. Clinical data confirmed the model for target coverage needed to maximize target inhibition while sparing off-target effects. Taken together, these factors supported market approval within four years after First Subject In ("**FSI**").

Global Clinical Development

We have been committed from the outset to developing medicines for a global patient population and are among the few China-based companies pursuing global development for every pipeline asset. For candidates that achieve proof of concept, we intend to continue development through globally designed trials rather than restricting development to a single region. As a result, our clinical trials span multiple regions, including five continents and nearly 20 countries as of June 30, 2026. Across these programs, we have enrolled around 800 overseas patients under the care of key opinion leaders ("**KOLs**") in major oncology and hematology medical centers worldwide as of June 30, 2026.

For ZEGFROVY®, golidocitinib and birelentinib, we have obtained seven U.S. regulatory designations, including Breakthrough Therapy Designations and other expedited pathway designations, and we have achieved what we believe to be a historic milestone — ZEGFROVY® became the first China-discovered and developed first-in-class drug to receive marketing approval in the United States. These regulatory interactions also underscore our execution capabilities. For example, our new drug application ("**NDA**") submission for ZEGFROVY® in China and the United States received no deficiency notices and the pre-approval inspections for ZEGFROVY® in China and the United States concluded with no findings.

Rapid Commercialization Uptake

We have successfully transitioned into a fully integrated biopharmaceutical company with both development and commercialization capabilities. ZEGFROVY® and golidocitinib have been included in leading global and Chinese treatment guidelines, as well as China's NRDL. These inclusions have significantly contributed to the rapid market uptake and growing recognition of these drugs among clinicians. Following their respective regulatory approvals, we achieved the first prescription for ZEGFROVY® within four days.

Since ZEGFROVY® was commercially launched in 2023, ZEGFROVY® generated revenue of RMB91.3 million, RMB310.8 million, RMB575.6 million, RMB262.4 million and RMB368.2 million, and golidocitinib generated revenue of nil, RMB49.1 million, RMB225.5 million,

RMB92.6 million and RMB154.4 million, in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. Moreover, our focus on efficiency has led to a reduction in selling and distribution expenses as a percentage of revenue. We incurred selling and distribution expenses of RMB445.3 million, RMB570.8 million, RMB268.4 million and RMB241.2 million in 2024, 2025 and the six months ended June 30, 2025 and 2026, accounting for 123.7%, 71.2%, 75.6% and 46.1% of our revenue during the same periods, reflecting our improved sales productivity and optimized cost structure.

Looking Ahead

As we look into the future, we intend to advance golidocitinib and clinical-stage assets through key development milestones and to continue exploring new targets in oncology and immunology diseases. In addition, we plan to strengthen our core technological competencies, while continuously enhancing commercialization capabilities to realize the full market potential of our pipeline. We aim to expand global partnerships to unlock the commercial value of golidocitinib and our pipeline products. In parallel, we plan to strengthen in-house manufacturing to support scalable supply and improve cost efficiency. Underpinning these efforts, we prioritize attracting, developing, and retaining top-tier talent across R&D, manufacturing, and commercialization to support long-term growth and global expansion.

OUR STRENGTHS

Deep scientific insight and disease knowledge for drug program selection and prioritization

Our ability to generate breakthrough therapies stems from our deep understanding of cancer biology and our capability to translate scientific insight into differentiated molecular designs.

- ***ZEGFROVY®*** is an innovative EGFR TKI launched in Chinese Mainland and approved in the United States. Early in our research, we identified a fundamental limitation in available NSCLC therapies: they did not adequately address the structural diversity and conformational complexity of EGFR mutations, particularly exon20ins variants and PACC mutations. Through comprehensive structural and biochemical analysis, we recognized that exon20ins encompass more than 100 distinct variants, which are far more than commonly appreciated in the published literature at that time. This insight guided the purposeful engineering of ZEGFROVY®'s molecular scaffold to balance the flexibility required to accommodate diverse insertion mutations with the rigidity needed for stable receptor binding.

- ***DZD6008.*** We understand that to meet the four definitive criteria for a fourth-generation EGFR TKI, namely be able to (i) suppress common activating mutations, resistant double, and triple mutations, with almost equal potencies to avoid the need for overdosing in order to cover all mutation types; (ii) have high wild-type EGFR selectivity to minimize wild-type EGFR related toxicities; (iii) penetrate BBB most efficiently to effectively treat CNS metastases, and (iv) mitigate cardiotoxicity risks associated with third-generation EGFR TKIs, a fundamentally new chemical structure is required, rather than incremental modification of existing EGFR TKI scaffolds. Accordingly, we applied precision molecular design to derive DZD6008, with the objective of creating a structurally distinct molecule capable of not only addressing complex resistance mutations but also crossing the blood-brain barrier. These features form the structural and mechanistic basis for DZD6008's broad mutation coverage and next-generation profile.

- ***Birelentinib.*** In addition, our understanding of tumor escape mechanisms inspired the creation of birelentinib, a first-in-class dual Lyn/BTK inhibitor. Recognizing that BTK inhibition only often results in therapeutic escape through alternative signaling routes, we designed birelentinib to simultaneously inhibit Lyn and BTK, thereby blocking a broader network of B-cell receptor signaling and potentially extending clinical benefit across multiple B-NHL subtypes where BTK-only inhibition has limited durability.

Taken together, these molecules exemplify our core strength in deriving deep mechanistic insight, translating it into rational molecular design, and ultimately generating differentiated candidates with the potential to address clinically significant unmet needs.

Integrated translational science capabilities accelerating development and reducing risks

Our research and development efforts are grounded in a strong commitment to translational science, which enables us to accelerate development while reducing overall risk. Our translational science capabilities strengthen decision-making from target selection through early clinical development by validating target-disease relationship, defining clear candidate drug profile, and identifying biomarkers that guide dosing and trial design. These capabilities help us focus resources on the most promising programs, accelerate optimization, and improve clinical execution efficiency.

- ***Validate targets with clinically relevant models.*** Using a panel of more than 1,500 cell lines across diverse diseases, we noticed that only a few cell lines showed extremely sensitivity to golidocitinib. We further identified that these sensitive cell lines share a common T-cell origin. With these findings, we were able to make a quick and informed decision to prioritize golidocitinib development in peripheral T-cell lymphoma. Five years later, golidocitinib became the only JAK1 inhibitor approved for r/r PTCL as of the Latest Practicable Date. Our transgenic mouse models also confirmed that EGFR exon20ins mutations drive tumor initiation and progression — an insight foundational to the development of ZEGFROVY®.

- ***Define CDTP requirements to accelerate optimization.*** We employ specialized models, including a disease-relevant surgical brain metastasis model that closely mimics natural disease progression and a "short oral absorption" rat model that provides rapid absorption, distribution, and metabolic stability data, to precisely define CDTP requirements and accelerate compound optimization.

- ***Transform well-defined CDTP into optimally engineered molecule.*** Our medicinal chemistry expertise enables us to transform a well-defined CDTP into an optimally engineered molecule. We have demonstrated our ability to achieve the rare and intricate balance between multiple requirements, such as ensuring BBB penetration while maintaining high selectivity for the drug target.

- ***Identify proof-of-mechanism and proof-of-concept biomarkers to guide dosing and trial design early in the development.*** Using proprietary animal models and tumor tissues, we uncover predictive biomarkers that inform treatment strategies, support dose selection, and enable optimized clinical trial designs, as demonstrated by golidocitinib. Combined with model-informed predictions, this approach helps avoid sub-therapeutic starting doses, improves estimation of maximum tolerated dose ("**MTD**") and dose-limiting toxicity ("**DLT**") to streamline dose escalation, and informs dosing frequency through accurate half-life projections to enhance patient convenience and compliance. It also supports proactive assessment of drug-drug interactions ("**DDIs**") and risks in special populations (e.g., hepatic or renal impairment), reducing trial complexity, accelerating enrollment, and saving time and cost. This rigorous scientific process is further bolstered by our predictive clinical pharmacology capability, which utilizes model-informed drug development ("**MIDD**") to generate accurate projections. We consistently predict preclinical pharmacokinetic ("**PK**") parameters, translating these predictions into anticipated clinical PK behavior. This critical guidance aids in dose selection, study design, and the overall clinical development of our drug candidates.

Overall, our integrated approach, which couples pioneering science with predictive and translational tools, leads to validated clinical acceleration and efficiency as evidenced by the clinical development process of ZEGFROVY®. The molecule completed its Phase 1 dose-escalation trial in only four cohorts, starting at a dose that ultimately proved to be the efficacious dose — well below the industry norm of eight to ten cohorts. This rapid timeline demonstrates our platform's clear ability to accelerate the development of drug candidates while strictly maintaining rigorous scientific standards throughout the process.

The average success rate for oncology drugs advancing from Phase 1 to regulatory approval is generally only 3% to 5% globally, underscoring the substantial challenges inherent in developing effective cancer therapies. Approximately half of drug candidates entering Phase 1 do not progress further due to inadequate PK or safety profiles. By combining pioneering science with predictive modeling and translational tools, our integrated approach is designed to identify and address these risks early. As of the Latest Practicable Date, none of our pipeline candidates had failed in clinical development due to poor PK or safety.

Global clinical execution capabilities evidenced by world-class trials

We aim to develop a globally competitive pipeline, and we are one of the few China-based biopharmaceutical companies that conduct global development for every single pipeline asset.

Extensive global clinical trial experience in line with international standards

We have cultivated extensive global clinical trial experience, designing and executing studies in accordance with the highest international standards. Our global footprint is far-reaching, with clinical trials conducted across five continents and nearly 20 countries. This commitment to international development is reflected in our operations with a cumulative overseas enrollment around 800 patients.

Our competitive trial design allows our clinical trials to be internationally comparable in both scale and design with those run by the leading global competitors. We foster a deep connection with the global scientific community. Most of our global trials are led by globally recognized Key Opinion Leaders ("**KOLs**") in their respective fields. This is especially so in lung cancer, where we maintain close relationships with the most prominent internationally recognized experts. This network helps to support our clinical strategy in reflecting the latest scientific consensus.

We have demonstrated our operational efficiency in global execution. For the global registrational trial of ZEGFROVY®, we achieved an average enrollment speed of over ten patients per month with approximately 100 clinical sites versus the over 200 sites typically required by competitors for the same enrollment speed.

Experienced in-house clinical development team ensuring study quality

Our in-house clinical development team consists of highly skilled professionals with extensive experience in multinational corporations ("**MNCs**"), including leaders who have previously managed global studies at AstraZeneca. The expertise offered by our team supports every phase of study design, implementation, and analysis, ensuring high study quality. Our team effectively manages clinical development timelines and works closely with contract research organizations ("**CROs**") to deliver results in accordance with applicable standards and timelines.

Proven global success on registration and application

Quality engagement with major regulatory agencies is often a big challenge for young China-based biotech companies. We have demonstrated our regulatory registration and application capabilities with proven global success. Our track record includes obtaining marketing approvals for two products in both China and the U.S. ZEGFROVY®, golidocitinib and birelentinib have collectively received seven major U.S. regulatory designations, including Priority Review, Breakthrough Therapy, Fast Track, and Orphan Drug.

Our U.S. NDA submission for ZEGFROVY® was accepted on the first attempt without any major amendments. The FDA praised our quality submission and subsequent responses, which led to approval ahead of the original timeline set by the Prescription Drug User Fee Act ("**PDUFA**"). Additionally, the pre-approval inspection of our clinical studies resulted in zero findings and no Form 483 issues — an exceptional achievement in the industry, showcasing the strong traceability and defensibility of our data and procedures.

Integrated commercialization capabilities elevating scientific leadership into market leadership

Our sales and marketing strength lies in a combination of scientific marketing, rapid pre-launch execution, comprehensive market access strategies, and a high-performance sales team. We leverage our scientific expertise to educate the market on innovative therapies, ensuring rapid product adoption and broad patient access. Additionally, our integrated commercialization approach and focus on efficiency have led to sustained revenue growth and improved sales productivity.

Scientific marketing builds awareness for innovative drugs

For golidocitinib and our pipeline products, which feature first-in-class innovative treatments, we recognize the critical need for robust market education, especially since these products require a distinct approach compared to traditional, mature drug markets. Understanding that innovation often involves differentiated therapeutic mechanisms, we have developed a commercialization team specifically trained to educate healthcare professionals, patients, and stakeholders about the clinical benefits and data behind our new drugs. Our marketing strategy is deeply rooted in scientific principles, focusing not only on the efficacy and safety of our therapies but also on educating the market about managing adverse events ("**AEs**") and the importance of personalized medicine.

A key part of our strategy is promoting companion diagnostics to improve mutation detection rates. By achieving simultaneous approval of drugs and companion diagnostic ("**CDx**") tool for the U.S. launch in collaboration with a global leader, we provide scientific resources to support healthcare professionals in identifying the right patients for approved companion diagnostic testing, in accordance with applicable product labels and regulatory requirements. In China, we have partnered with leading companies to promote validated next-generation sequencing ("**NGS**") testing, allowing the right patients to be matched to the right therapies.

We focus on data-driven market education, particularly in complex disease areas. Our pre-launch efforts include sophisticated market shaping and professional education to ensure rapid clinical adoption and optimal usage once the product is approved. This proactive approach accelerates the integration of our therapies into clinical practice.

Pre-launch planning and efficient launch execution enables rapid product uptake

We supplement scientific market efforts with meticulous pre-launch preparation, proven launch excellence capabilities and execution strategies for our drug candidates nearing commercialization. In addition, by leveraging our pre-launch strategies, such as scientific exchanges with KOLs and close monitoring of evolving CSCO guidelines, our experienced commercialization team rapidly activated the hospital network post-approval. As a result, ZEGFROVY® achieved its first prescription within four days of approval, setting an industry record for drugs shipped from external manufacturing facilities.

Comprehensive market access strategies enable broad patient access

We have also established a comprehensive post-launch commercialization approach and payer engagement, ensuring sustained collaboration with healthcare payers alongside market access and product uptake strategies. Reflecting our commercialization abilities and market access strengths, as well as its favorable therapeutic potential to satisfy medical needs, golidocitinib achieved same-year NRDL inclusion following its approval, allowing immediate patient access post-launch. Our post-launch commercialization strategies expanded patient access, boosted market penetration, and validated our commercialization strategy amid competitive oncology pricing pressures.

Strong sales and marketing team drives growth and efficiency

Supported by our integrated commercialization team, we achieved solid sales performance during the Track Record Period. Our revenue increased by 122.6% from RMB359.9 million in 2024 to RMB801.1 million in 2025. In addition, our revenue increased by 47.2% from RMB355.0 million for the six months ended June 30, 2025 to RMB522.7 million for the same period in 2026.

Moreover, our focus on efficiency has led to a reduction in selling and distribution expenses as a percentage of revenue. We incurred selling and distribution expenses of RMB445.3 million, RMB570.8 million, RMB268.4 million and RMB241.2 million in 2024, 2025 and the six months ended June 30, 2025 and 2026, accounting for 123.7%, 71.2%, 75.6% and 46.1% of our revenue during the same periods, reflecting our improved sales productivity and optimized cost structure.

Industry leading management and R&D team with global vision and extensive industry experience

We are led by an experienced management team with an exceptional track record in global pharmaceutical innovation. Under the guidance of Dr. Zhang Xiaolin, our Chief Executive Officer, our core leadership comprises seasoned industry veterans from leading multinational pharmaceutical companies, including AstraZeneca, BMS, Eli Lilly, MSD, Pfizer, Roche, Sanofi, and BeOne Medicines (formerly known as BeiGene), each bringing deep expertise in innovative drug discovery, clinical development and commercialization. Their complementary capabilities and international perspectives underpin our corporate strategy and advance our long-term global growth.

- Dr. Zhang has over 25 years of experience in the biopharmaceutical industry and is recognized as an influential figure in China's pharmaceutical innovation landscape. Prior to founding our company, Dr. Zhang served as Global Vice President at AstraZeneca and played a pivotal role in establishing the Innovation Center China and subsequent AstraZeneca's iMED Asia, where he successfully led multiple global R&D collaborations and innovative drug programs.

- Under Dr. Zhang's leadership, our core management team includes senior experts such as Dr. Yang Zhenfan (楊振帆) (Chief Medical Officer), Chen Suqin (陳素勤) (Senior Vice President for Clinical Operations), Dr. Zeng Qingbei (曾慶北) (Chief Scientist), Dr. Tsui Honchung (徐漢忠) (Senior Vice President for Medicinal Chemistry), and Dr. Chang Shih-Ying (張世英) (Head of CMC), most of whom previously held key positions at AstraZeneca and other global pharmaceutical organizations. Collectively, our leadership team has contributed to the successful development and commercialization of several globally recognized therapies, including Iressa®, Tagisso®, AZD2954, AZD3759 and rolapitant. Their extensive experience in cross-border collaboration and regulatory interaction enables us to efficiently advance first-in-class innovations through international development and commercialization.

- Our commercial operations are led by Wu Qingyi (吳清漪), our Chief Commercial Officer, a proven commercial leader with a track record of successful launches of multiple blockbuster drugs across AstraZeneca, Sanofi and BeOne Medicines (formerly known as BeiGene). Backed by her demonstrated ability in team building and commercialization leadership, we have established a competitive commercial organization aligned with our global expansion strategy.

Backed by visionary leadership, an internationally experienced management team, and sustained confidence from top tier global investors, we are well positioned to continue delivering transformative therapies and driving our sustainable global growth.

OUR STRATEGIES

Advance the global development of our pipeline candidates and strengthen our product portfolio

Our pipeline development strategy is centered on maximizing the clinical and commercial value of approved products while accelerating clinical advancement of pipeline assets, capturing synergies across the portfolio, and expanding into new disease areas with high unmet needs to build a broad, differentiated engine for innovation and long-term growth.

We primarily develop targeted therapies — particularly small-molecule drugs — because we believe that (i) we have accumulated competitive advantages in designing small molecule drugs, and (ii) precisely designed small molecules give us better protection through higher technical barriers for competition. In lung cancer, we are advancing a differentiated NSCLC portfolio targeting hard-to-treat EGFR mutations, treatment resistance, and serious complications including CNS metastases where standard therapies fall short. In hematological diseases, we are advancing differentiated targeted therapies with a focus on expanding options and overcoming resistance in hard-to-treat lymphomas.

Maximize the potential value of golidocitinib

For golidocitinib, our strategy is to maximize clinical and commercial value by pursuing appropriate earlier-line and expanded indications. We intend to pursue first-line treatment for PTCL and expand its potential use by evaluating combinations with immunotherapy in NSCLC without known driver mutations.

Accelerate the clinical development of our pipeline assets

We aim to accelerate the clinical development of our pipeline products. Our focus is on key therapeutic areas, especially lung cancer and hematological diseases, aiming for a broad clinical presence across various indications. We will prioritize resources for pipeline assets nearing commercialization, including birelentinib and DZD6008.

Explore synergies within our pipeline

We will continue to explore synergies within our pipeline and between pipeline assets and approved drugs through combination therapies. Under the AstraZeneca Agreement, we will continue, at our own costs, to perform the ongoing combination studies of ZEGFROVY® and DZD6008, including TIAN-SHAN1 and TIAN-SHAN8. This combination is designed to be mutually reinforcing and to mitigate the emergence of resistance of both drugs.

Selectively expand our R&D efforts into new disease areas with unmet clinical needs

We are committed to exploring new disease areas with significant unmet clinical needs, including **immunology** and **neurodegenerative diseases**. Our preclinical pipeline is grounded in scientific validation, with a focus on advancing high-potential candidates. We are committed to advancing one compound per year into the IND stage over the next two to three years, ensuring a steady stream of new clinical-stage candidates to replenish our product portfolio.

Strengthen our core technological competencies to continue translating basic research into practical applications

We plan to strengthen our technology capabilities through a set of integrated initiatives to improve efficiency and increase the success prospect of innovation.

Invest in AI for drug discovery, design, and development

We plan to invest in AI and expand its use across the full R&D value chain. In discovery, we aim to apply AI to strengthen our understanding of disease biology and target-disease linkage, helping prioritize the most promising targets and mechanisms. In precision molecular design, we plan to use AI-enabled approaches to propose novel chemistry and molecular designs beyond known scaffolds, accelerate hit-to-lead and lead optimization, and improve key properties such as potency and selectivity. In CMC, we aim to apply AI to support synthetic route scouting and optimize scalable routes with a focus on quality, efficiency, and manufacturability. We also plan to use AI to improve submission readiness and regulatory communications.

Advance small-molecule drug discovery with organoid-enabled translational science

We plan to further refine our small-molecule drug discovery platforms by deepening our understanding of tumor biology, driver mutations, and protein structure-function relationships. To strengthen translation from lab to clinic, we aim to incorporate novel technologies such as organoid screening into our discovery workflows. By using biologically relevant models, we aim to improve candidate differentiation and translational confidence, generate stronger evidence on efficacy signals, resistance patterns, and combination potential, and support biomarker exploration, patient stratification, CNS drug delivery, and model-informed early clinical development.

Further enrich our compound libraries and expand lab automation

We plan to further enrich our compound collection libraries to increase diversities and novelties, with the help of AI. In parallel, we aim to strengthen lab automation capabilities by introducing automated workflows for routine and high-throughput experiments, improving data capture, reproducibility, and cycle time.

Collaborate with leading research institutions to access external innovation

We plan to collaborate with leading academic and research institutions globally to tap into external innovation and scientific breakthroughs. These collaborations may include joint research programs, shared technology platforms, and sponsored translational studies. We aim to establish clear governance for project selection, milestone-driven execution, and intellectual property management so that external insights can be converted into internal capabilities and pipeline opportunities efficiently.

Integrate end-to-end R&D process to improve efficiency and success rates

We plan to maximize synergies across the full R&D cycle by integrating our end-to-end system — from target discovery and mechanism validation to clinical execution and CMC. This approach aims to further improve operational efficiency, speed up feedback loop, increase the probability of success for novel programs, and support the continued expansion and global commercialization of our small-molecule oncology pipeline.

Continuously enhance commercialization capabilities to realize market potential of our pipeline assets

We plan to apply data-driven technologies to optimize commercialization operations and improve execution efficiency. By leveraging market intelligence, we aim to allocate our sales force more precisely and tailor engagement to the right hospitals and specialists. We also plan to expand digital and remote interactions so that education and promotion are not limited to face-to-face activities. In addition, we plan to apply data-driven analytics on unmet need, competitive dynamics, and payer and hospital pathways to refine positioning, and develop evidence packages in our marketing process that support guideline inclusion and reimbursement.

We plan to strengthen internal commercialization capability through systematic training programs for our sales force. These programs aim to improve product knowledge, scientific communication, compliance awareness, and execution skills, helping teams translate knowledge and strategy into consistent field performance. By investing in structured onboarding, continuous learning, and practical coaching, we aim to build a strong sales and marketing infrastructure that supports seamless execution from launch planning to broad market delivery.

In addition, as our pipeline advances, we plan to build launch-ready commercialization capabilities well ahead of key regulatory milestones, including scalable supply planning, internal training, field-force readiness, scientific engagement with targeted KOLs, and preparation for physician and patient education, while mapping key hospitals and specialists, strengthening our nationwide marketing and distribution network, and optimizing market access strategies. Supported by value-based pricing, digital tools, and real-world evidence generation, these efforts aim to substantiate the potential clinical value of our pipeline and facilitate rapid, broad and sustained market and patient coverage upon approval.

We are committed to expanding and empowering our professional commercial team to cover the entire value chain — marketing, medical affairs, channel management, market access, and business planning and operation — and to reinforce the expertise of our members through systematic training. We will further strengthen academic promotion activities focusing on priority therapeutic areas such as lung cancer and hematologic malignancies, deliver scientific communication to front line clinicians via key academic channels, and continue to deepen our collaboration with leading hospitals and key opinion leaders.

Expand global visibility and partnerships to unlock commercial potential of golidocitinib and our pipeline products

We aim to leverage our clinical data and growing global academic presence to expand the recognition of our products. By presenting high quality clinical results at top international academic conferences such as ASCO, WCLC, ASH and ICML, we continue to strengthen our scientific visibility worldwide.

In the nearer term, we plan to adopt a flexible collaboration and licensing strategy to realize the global commercial potential of golidocitinib and our pipeline products, particularly in major international markets. To accelerate market access and commercialization, we aim to pursue strategic partnerships with leading multinational pharmaceutical companies and leverage their established commercial infrastructure, market expertise, and distribution networks.

Through these collaborations, we aim to structure value-sharing models that may include upfront payments, development and regulatory milestones, and royalties. This approach is intended to generate earlier financial returns while supporting long-term product value creation. By combining our innovation capabilities with partners' global reach, we aim to bring clinically meaningful precision therapies from China to patients worldwide, creating sustainable value for patients, partners, and shareholders.

In the longer term, we will evaluate the development of a small scale, specialized global commercialization team at an appropriate stage, gradually evolving from collaborative operations to independent execution to enhance global market control and maximize long term product value.

Strengthen in-house manufacturing and improve cost efficiency

We will continue to strengthen our in-house manufacturing capabilities to support the global commercialization and supply of our products. By establishing production facilities in China, we aim to achieve self-sufficiency in manufacturing and create a reliable production base for golidocitinib and late-stage candidates.

We have constructed a manufacturing facility in Wuxi, Jiangsu, with a GFA of over 35,000 square meters and an annual capacity of around 70 million tablets and 20 million capsules. The facility is designed to comply with the GMP standards of China and the United States and is expected to commence operation in 2027. Once operational, this facility is expected to support preclinical research, clinical development and commercial manufacturing, and to facilitate future product scale-up. Through these efforts, we aim to establish a strong manufacturing foundation that supports the reliable supply of our drugs.

We aim to strengthen coordination with suppliers to ensure a stable supply of APIs and raw materials, maintaining consistent product quality and availability worldwide. We aim to optimize cost efficiency through in-house manufacturing by refining process control, reducing waste, and enhancing material utilization. We anticipate vertical integration to help reduce intermediary costs and improve capital efficiency. We also plan to adopt centralized procurement and strategic partnerships to stabilize costs and ensure a cost-competitive supply chain.

Attract, nurture and retain top-tier talents across R&D, manufacturing and commercialization

A key part of our strategy is to continuously recruit, develop, and retain top talent to support our global execution and commercialization. We will continue to enhance our already strong R&D organization through focused efforts to identify, recruit, develop and retain both internal and external talents across drug discovery, clinical operations, and translational medicine. Beyond R&D, we are strengthening specialized capabilities in medical affairs, manufacturing quality control and other operational functions to support product launches and drive rapid, disciplined sales growth.

To nurture the next generation of talent, we focus on fostering a supportive environment where emerging talents are given opportunities to learn from experienced mentors. By providing training programs, leadership development initiatives, and clear career paths, we help our newer team members build the expertise needed to eventually step into critical roles, ensuring a smooth transition of knowledge and leadership.

To build a stable and innovative team, we plan to implement a multi-level talent incentive system with long-term benefits. We aim to promote an open and inclusive culture that encourages innovation, allowing our team to thrive and contribute to our ongoing growth and global impact.

OUR PRODUCT PORTFOLIO

Our product portfolio consists of in-house developed small-molecule innovative drugs and drug candidates. Our portfolio is strategically focused on oncology indications and hematological diseases and has been developed through a coordinated, global approach.

As of the Latest Practicable Date, our product portfolio included (i) two products with marketing authorizations, namely (a) ZEGFROVY®, our out-licensed product, an innovative EGFR TKI launched in Chinese Mainland and approved in the United States, and (b) golidocitinib, a next-generation, highly selective JAK1 inhibitor approved and launched in Chinese Mainland, (ii) one registrational-stage drug candidate, namely birelentinib, (iii) three post-PoC stage assets, namely DZD6008, GW5282, DZD1516 and (iv) one early clinical stage asset, namely DZD2269.

We generated revenue of RMB91.3 million, RMB359.9 million, RMB801.1 million, RMB355.0 million and RMB522.7 million from sales of ZEGFROVY® and golidocitinib, in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. In addition to revenue from product sales, we expect to generate license fee income, including upfront payment, milestone payments and royalties going forward. For details, see "Business — License Agreement with AstraZeneca." Set forth below are the respective revenue contributions of each of these launched products in each period of the Track Record Period.

	For the year ended December 31,						For the six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000* *(unaudited)*	*%*	*RMB'000*	*%*
ZEGFROVY®	91,289	100.0	310,805	86.4	575,629	71.9	262,402	73.9	368,245	70.5
Golidocitinib	–	–	49,096	13.6	225,507	28.1	92,599	26.1	154,448	29.5
Total	**91,289**	**100.0**	**359,901**	**100.0**	**801,136**	**100.0**	**355,001**	**100.0**	**522,693**	**100.0**

ZEGFROVY® — A Globally Competitive, Commercialized EGFR TKI

Overview

ZEGFROVY® (舒沃哲®) is an innovative, highly selective EGFR TKI independently discovered and developed for the treatment of NSCLC. ZEGFROVY® received marketing approvals from the NMPA in August 2023 and from the U.S. FDA in July 2025 for the treatment of adult patients with locally advanced or metastatic NSCLC harboring EGFR exon 20 insertion mutations who have previously received platinum-containing chemotherapy. In Chinese Mainland, ZEGFROVY® is approved at a daily dose of 300 mg, given as two 150 mg tablets taken orally once daily. For illustrative purposes, based on historical sales figures, the treatable patient population derived from independent third-party industry research reports, and assumptions regarding treatment duration based on clinical practice and historical drug utilization, we have conducted an illustrative estimation of the total annual per-patient cost for a full treatment cycle based on the duration of treatment of ZEGFROVY®, estimated at approximately RMB66,000 to RMB93,000. The foregoing estimate is for illustrative purposes only and does not represent the actual amount payable by patients, medical insurance reimbursement standards, or ZEGFROVY®'s pricing. In the United States, it is approved at a daily dose of 200 mg, given as one 200 mg tablet taken orally once daily.

On July 14, 2026, we entered into the AstraZeneca Agreement, pursuant to which we granted AstraZeneca an exclusive license to develop and commercialize ZEGFROVY® globally. For details, see "— License Agreement with AstraZeneca."



ZEGFROVY® was designed to address key limitations of existing EGFR TKIs, which showed only limited activity against structurally complex EGFR alterations, particularly EGFR exon 20 insertion mutations ("**exon20ins**") and EGFR P-loop α and C-helix compressing ("**PACC**") mutations. These mutations alter the conformation of the EGFR kinase domain, impair the binding of conventional inhibitors, and result in limited therapeutic options and suboptimal outcomes for affected patients. On top of that, these mutations are highly heterogenous. A successful drug has to be able to inhibit most, if not all, mutation subtypes to bring meaningful clinical benefits to the patient population.

To overcome these challenges, ZEGFROVY® was designed as a potent small-molecule inhibitor capable of broadly and durably inhibiting both classical EGFR driver mutations and hard-to-treat variants such as exon20ins and PACC mutations. It is designed to recognize and engage diverse, altered three-dimensional structures and steric features of mutant EGFR kinase domains, enabling sustained inhibitory activity while other TKIs cannot do. Through the combined optimization of molecular selectivity, inhibitory potency, and pharmacokinetic properties, ZEGFROVY® has been developed as a targeted therapy capable of delivering meaningful clinical benefits across a broad spectrum of EGFR-mutant NSCLC.

In its international multi-center registrational clinical study, WU-KONG1B, and China standalone multicenter registrational study, WU-KONG6, ZEGFROVY® demonstrated anti-tumor efficacy across multiple mutation subtypes, together with a favorable safety profile and a long half-life, supporting its potential as a best-in-class therapy. Results from WU-KONG1B were selected for oral presentation at the 2025 World Conference on Lung Cancer ("**WCLC**") and at the 2024American Society of Clinical Oncology ("**ASCO**") meeting and were published in the leading scientific *Journal of Clinical Oncology*. Results from WU-KONG6 were published in *Lancet Respiratory Medicine* and were selected for oral presentation at the 2023 ASCO.

According to CIC, ZEGFROVY® is **the first** innovative, first-in-class drug discovered and developed in China with marketing approval in the United States. It is also **the first** drug that received Breakthrough Therapy Designations in both the United States and China for lung cancer. Furthermore, it was **the only** second- or later-line treatment for EGFR exon20ins NSCLC included in the NRDL, as of the Latest Practicable Date.

ZEGFROVY® has been well recognized by the global scientific and medical communities and included in major clinical practice guidelines. In China, it is a Category I recommendation in the CSCO guidelines for previously treated patients, and in the United States it is referenced in the NCCN guidelines as a treatment option following prior systemic therapy, making it **the only** small-molecule targeted therapy for EGFR exon20ins NSCLC included in an internationally recognized lung cancer treatment guideline as of the Latest Practicable Date.

The development of ZEGFROVY® has expanded beyond second- or later-line therapy. The international multi-center Phase 3 WU-KONG28 study evaluating ZEGFROVY® monotherapy as first-line treatment in NSCLC with EGFR exon20ins met its primary endpoint with positive topline results in March 2026. Data from this trial were presented as a Late-Breaking Abstract at the 2026 ASCO Annual Meeting and simultaneously published in the *New England Journal of Medicine*. Based on the positive results of WU-KONG28, the supplemental New Drug Applications for approval of ZEGFROVY® in the 1st-line setting have also been submitted to the US FDA and China's CDE.

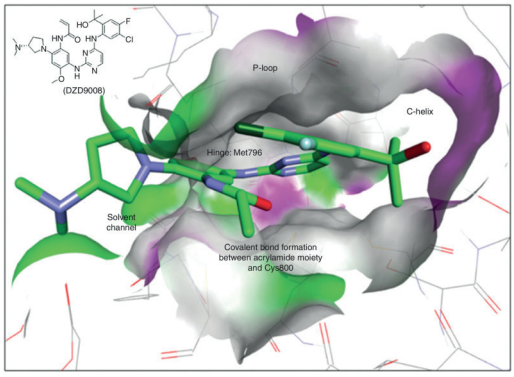
Pursuant to the AstraZeneca Agreement, AstraZeneca shall have the sole right, at its sole expense, to develop ZEGFROVY®, except that we will continue to perform certain development activities for ZEGFROVY® including completing the EGFR exon20ins NSCLC cohort of WU-KONG16, a registrational Phase 3 clinical trial in China evaluating ZEGFROVY® as an adjuvant therapy with development costs reimbursed by AstraZeneca up to a cap and two ongoing combination therapy studies of ZEGFROVY® and DZD6008, TIAN-SHAN1 and TIAN-SHAN8 at our own costs.

Prior to the AstraZeneca Agreement, we generated revenue of RMB91.3 million, RMB310.8 million, RMB575.6 million, RMB262.4 million and RMB368.2 million from sales of ZEGFROVY® in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. Pursuant to the AstraZeneca Agreement, AstraZeneca is expected to pay us a one-time, non-refundable and non-creditable upfront payment of US$600.0 million, and we are eligible for development milestone payments potentially up to an aggregate of US$400.0 million and sales milestone payments potentially up to an aggregate of US$500.0 million, subject to the achievement of specific development, regulatory and sales milestone events. We are also eligible for tiered royalties of up to low-double-digit percentages on the global sales of ZEGFROVY®. For details, see "— License Agreement with AstraZeneca."

Drug Design and Mechanism of Action

EGFR normally regulates cell growth, differentiation, and survival through ligand-dependent activation, but mutations in exons 18-21 can cause ligand-independent receptor activation, persistent autophosphorylation, and continuous oncogenic signaling that drives tumor proliferation and survival. While common driver mutations such as exon 19 deletions and L858R are typically sensitive to conventional EGFR TKIs, structurally distinct exon 20 insertion and PACC mutations often resist these therapies because they reshape or compress the kinase domain and ATP-binding pocket, limiting drug binding. ZEGFROVY® was designed to overcome these resistant conformations by selectively fitting the altered mutant EGFR pocket while sparing wild-type EGFR to reduce dose-limiting toxicity. Mechanistically, it binds the EGFR kinase domain through a bidentate interaction between its aminopyrimidine group and EGFR hinge-region Met796. In addition, it forms an irreversible covalent bond via its acrylamide group with Cys800, and uses additional groups to engage adjacent structural regions and solvent-exposed residues of EGFR, thereby stabilizing target binding, blocking mutant EGFR kinase activation, suppressing downstream proliferative and survival signaling, and promoting tumor cell death.

Binding of ZEGFROVY® to the EGFR kinase pocket



Source: Mengzhao Wang et al. Cancer Discovery. 2022

Monotherapy for exon20ins NSCLC

ZEGFROVY® received marketing approvals from the NMPA in August 2023 and from the U.S. FDA in July 2025 for treating EGFR exon20ins mutations positive NSCLC patients who have failed front line platinum-containing chemo treatment. It has been recommended in the CSCO (China clinical guideline) and NCCN (U.S. clinical guideline) for the treatment of previously treated EGFR exon20ins NSCLC.

The clinical development of ZEGFROVY® is being expanded towards first-line treatment. The international multi-center Phase 3 WU-KONG28 study evaluating ZEGFROVY® monotherapy as first-line treatment in NSCLC with EGFR exon20ins met its primary endpoint with positive topline results. Topline results demonstrated that ZEGFROVY® significantly improved PFS compared to platinum-based doublet chemotherapy, with meaningful clinical benefit.

Market Opportunities and Competitive Landscape

The global EGFR exon20ins NSCLC market grew from US$0.7 billion in 2020 to US$1.6 billion in 2025 at a CAGR of 16.7%, and is expected to increase to US$8.0 billion in 2035, representing a CAGR of 17.7% from 2025 to 2035. As of the Latest Practicable Date, in addition to ZEGFROVY®, there were one targeted therapy approved for EGFR exon20ins NSCLC globally, namely Rybrevant® (amivantamab-vmjw), and two additional targeted therapies approved in China, namely Ivesa® and Ambiray®. For details, see "Industry Overview — The Oncology Therapeutics Market — The EGFR Exon20ins NSCLC Market."

Competitive Advantages

Clinical efficacy in the second- or later-line setting

High tumor response rate. In the registrational Phase 2 WU-KONG6 trial conducted in China, ZEGFROVY® achieved a confirmed ORR of 61% in patients with locally advanced or metastatic EGFR exon20ins NSCLC. Rybrevant® (amivantamab-vmjw), an intravenously administered bispecific antibody developed by Johnson & Johnson and a commonly used therapy in this setting, reported an ORR of 40% in its registrational study in a similar patient population. No head-to-head comparisons were conducted between ZEGFROVY® and Rybrevant®.

In addition, ZEGFROVY®'s efficacy is consistent across treatment line, mutation subtype, age, sex, previous immunotherapy and smoking status subgroups.

Consistent activity across exon20ins subtypes. ZEGFROVY® demonstrated consistent anti-tumor activity across multiple exon20ins subtypes in the China registrational Phase 2 trial WU-KONG6 and the global registrational Phase 2 clinical trial WU-KONG1B.

Given the substantial heterogeneity of exon20ins mutations and the variability in drug sensitivity across insertion sites, the breadth and consistency of activity observed with ZEGFROVY® supports its potential applicability across a wider range of patient subgroups.

Potential for sequential therapy. In a subset analysis, ZEGFROVY® achieved a 67% ORR in patients who had previously progressed on Rybrevant® (amivantamab). These findings indicate that ZEGFROVY® may retain clinical activity following treatment with another exon20ins-targeted agent, supporting its potential role in treatment sequencing and highlighting its differentiated mechanism of action.

Clinically meaningful activity in CNS metastases. A *post hoc* analysis of intracranial response in WU-KONG1B study showed a confirmed intracranial ORR of 40% in patients with measurable brain lesions. This signal is clinically meaningful, as CNS metastases are a common and difficult-to-treat complication in advanced NSCLC and frequently drive morbidity and disease progression. These results suggest that ZEGFROVY® may have the potential to provide both systemic and intracranial disease control.

Encouraging signs of efficacy in the first-line setting

Pooled analysis from WU-KONG1 and WU-KONG15 studies showed promising anti-tumor activity of ZEGFROVY® in first-line setting of advanced EGFR exon20ins NSCLC, with a confirmed ORR of 78.6% and an mPFS of 12.4 months. These findings, which were reported in the 2023 European Society for Medical Oncology ("**ESMO**") Annual Meeting, support the potential for ZEGFROVY® to deliver meaningful clinical benefits as a first-line monotherapy while preserving the convenience and tolerability advantages as an oral targeted therapy.

A chemotherapy-free first-line option avoiding the complexity and toxicity of combination chemotherapy

In contrast to combination chemotherapy and antibody-based regimens, ZEGFROVY® offers a once-daily oral monotherapy option for first-line treatment. This approach may reduce treatment burden, avoid toxicities associated with cytotoxic chemotherapy, and improve patient convenience and adherence. A chemotherapy-free regimen is particularly attractive for older and frail patients who are less tolerable to treatment associated toxicities.

Convenient once-daily oral administration

ZEGFROVY® exhibits a relatively long half-life of approximately 50 hours in humans and a flat pharmacokinetic profile characterized by modest peak-to-trough variability. These properties support once-daily oral dosing and provide practical advantages over intravenous therapies such as antibody-based regimens. Oral administration eliminates the need for infusion center visits, reduces treatment burden for patients and caregivers, and may improve adherence and quality of life in real-world settings.

High selectivity for mutant EGFR with a favorable safety profile

Preclinical data demonstrate that ZEGFROVY® strongly inhibits exon20ins EGFR while showing substantially weaker inhibition of wild-type EGFR. ZEGFROVY® exhibits a 3- to 50-fold selectivity for mutant EGFR over wild-type EGFR, outperforming the selectivity reported for another small-molecule EGFR inhibitor, mobocertinib ("**TAK-788**"). This high selectivity prolife supports a wider therapeutic window in clinical settings and reduces the likelihood of toxicities commonly associated with wild-type EGFR inhibition.

Clinically, ZEGFROVY® has demonstrated a manageable safety and tolerability profile. Adverse events were generally manageable with standard supportive care or dose modification, allowing most patients to remain on treatment. Given oncologists' familiarity with EGFR TKI-associated toxicities, the safety profile supports the integration of ZEGFROVY® into routine clinical practice.

Summary of Clinical Trials and Development Plan

The following table sets forth an overview of the completed and ongoing registrational clinical trials of ZEGFROVY® as a monotherapy treatment for exon20ins NSCLC.

Study Name	Indication	Line of Treatment	Trial Phase	Trial Status	Primary Regions	Start Date	Completion Date/ Planned Data Readout Date
WU-KONG1 . . .	Advanced EGFR exon20ins NSCLC	2L/2L+	Registrational Phase 1/2	Completed	China, North America, Europe and South America	November 2021	October 2024
WU-KONG6 . . .	Advanced EGFR exon20ins NSCLC	2L/2L+	Registrational Phase 2	Completed	China	July 2021	April 2023
WU-KONG28 . .	Advanced EGFR exon20ins NSCLC	1L	Registrational Phase 3	Ongoing	China, North America, Europe and South America	December 2022	Primary readout in March 2026

WU-KONG1

This is a global registrational Phase 1/2, open-label, multicenter study to assess the safety, tolerability, pharmacokinetics and anti-tumor efficacy of ZEGFROVY® in patients with advanced NSCLC with EGFR or HER2 mutations. Results from this clinical trial supported the accelerated approval of ZEGFROVY® in the United States. The primary objective of WU-KONG1B was to evaluate anti-tumor efficacy of ZEGFROVY® using independent review committee ("**IRC**") assessed confirmed overall response rates ("**cORRs**") as the primary endpoint in previously treated patients with locally advanced or metastatic NSCLC harboring EGFR exon20ins.

Trial status. We initiated this registrational Phase 1/2 trial in November 2021 and completed this trial in October 2024.

Efficacy results. A total of 202 patients with advanced EGFR exon20ins NSCLC were enrolled. Of these, 91 patients were initially randomized to the 200 mg cohort, and 93 patients to the 300 mg cohort. After determining the optimal recommended phase 2 dose ("**RP2D**") of 300 mg, 18 additional patients were enrolled into the 300 mg cohort, resulting in 111 patients in the 300 mg group.

The efficacy analysis included 85 patients from the 200 mg randomization cohort (200 mg-rand), 89 from the 300 mg randomization cohort (300 mg-rand), and 107 from the 300 mg overall cohort (300 mg-all), who met predefined criteria. According to the IRC, most patients showed tumor size reduction in their target lesions. The cORRs were 45.9%, 47.2%, and 45.8% in the 200 mg-rand, 300 mg-rand, and 300 mg-all cohorts, respectively. The null hypothesis was rejected with statistical significance ($p<0.0001$).

At both doses, tumor response was observed regardless of various factors, although the 200 mg group showed more variability in the cORRs. Non-Asia patients, patients with baseline brain metastasis, and those previously treated with amivantamab showed higher cORRs at 300 mg compared to 200 mg.

A *post hoc* evaluation of intracranial response showed 40% cORRs in patients with measurable intracranial lesions. The estimated median DoR was 11.1, 13.8, and 9.8 months in the 200 mg-rand, 300 mg-rand, and 300 mg-all cohorts, respectively.

Safety results. Relative dose intensities were 99.3% for the 200 mg dose and 84.4% for the 300 mg dose. TRAEs of Grade 3 or above were reported in 40.7% and 58.6% of patients in the 200 mg and 300 mg groups, respectively. Serious adverse events ("**SAEs**") were reported in 17.6% and 23.4% of patients in these groups.

At the 200 mg and 300 mg doses, TRAEs leading to dose interruption, reduction, and discontinuation were reported in 35.2% vs. 49.5%, 23.1% vs. 38.7%, and 4.4% vs. 7.2% of patients, respectively. No fatal TRAEs were reported.

The most common treatment-related SAEs (≥2%) included diarrhea (0% vs. 8.1%), pneumonia (2.2% vs. 1.8%), anemia (2.2% vs. 0.9%), and rash (2.2% vs. 0.9%). Dose discontinuation due to TRAEs occurred in a few patients, with one patient from the 200 mg group discontinuing treatment due to diarrhea.

ZEGFROVY® showed a tolerable and acceptable safety profile at 300 mg once daily. The most common TEAEs were diarrhea (87.4%), increased blood CPK (53.2%), anemia (47.7%), rash (47.7%), and vomiting (44.1%). Most of these TEAEs were grade 1 or 2 in severity and manageable with dose adjustments and supportive care. Hepatic safety concerns were minimal, and no cases of Hy's law were identified. Renal toxicity risk was low, and the incidence of interstitial lung disease ("**ILD**") and pneumonitis was 1.8% and 2.7%, respectively, similar to other EGFR inhibitors. No fatal case of ILD was reported.

WU-KONG6

This is a registrational Phase 2, single-arm, multicenter study to evaluate the anti-tumor efficacy, safety, tolerability and pharmacokinetics of ZEGFROVY® in patients with locally advanced or metastatic NSCLC harboring EGFR exon20ins mutations in China. Results from this clinical trial supported the marketing approval of ZEGFROVY® in China. The primary objective of WU-KONG6 was to evaluate the anti-tumor efficacy of ZEGFROVY® using ORR assessed by independent review committee ("**IRC**") according to RECIST 1.1 as the primary endpoint.

Trial status. We initiated this registrational Phase 2 trial in July 2021 and completed this trial in April 2023.

Efficacy results. Between July 19, 2021, and May 6, 2022, 104 patients were enrolled in the study. As of the data cutoff on October 17, 2022, the last enrolled patient had been followed up for approximately 6 months.

Among 97 patients who were evaluated for efficacy, 59 (61%) achieved a tumor response, resulting in a cORR of 61%.

Tumor responses were observed regardless of factors such as age, sex, smoking history, EGFR exon20ins subtypes, baseline brain metastasis, previous treatments, or history of onco-immunotherapy. In subset analysis, ZEGFROVY® showed a 67% ORR in patients who had previously progressed on amivantamab.

Safety results. ZEGFROVY® was well tolerated at 300 mg once daily. The most common Grade 3 or above TRAEs included increased blood creatine phosphokinase (17%), diarrhea (8%), and anemia (6%). The most common serious TRAEs included interstitial lung disease (5%), anemia (3%), vomiting (2%), nausea (2%), and pneumonia (2%).

WU-KONG28

This is a global registrational Phase 3, open-label, randomized, multicenter study of ZEGFROVY® versus platinum-containing doublet chemotherapy as first-line treatment for patients with locally advanced or metastatic NSCLC harboring EGFR exon20ins mutations. The study will also serve as the post-approval confirmatory trial required under the accelerated approval framework. The primary objective of WU-KONG28 is to assess the anti-tumor efficacy of ZEGFROVY® versus platinum-containing doublet chemotherapy in patients with newly diagnosed or treatment naïve NSCLC carrying EGFR exon20ins using PFS as assessed by blinded independent central review ("**BICR**") per RECIST 1.1 as the primary endpoint.

Trial status. This registrational Phase 3 trial was initiated in December 2022 and met its primary endpoint with positive topline results in March 2026. Data from this trial were presented as a Late-Breaking Abstract at the 2026 ASCO Annual Meeting and simultaneously published in the *New England Journal of Medicine*. Based on the positive results of WU-KONG28, the supplemental NDAs for approval of ZEGFROVY® in the first-line setting have also been submitted to the US FDA and China's CDE.

Efficacy results. ZEGFROVY® demonstrated statistically significant and clinically meaningful improvement in PFS compared to platinum-doublet chemotherapy. Median PFS was 10.3 months with ZEGFROVY® versus 7.5 months with chemotherapy (HR=0.65; P=0.0008). BICR-assessed best objective response rate was 68.1% with ZEGFROVY® versus 35.4% with chemotherapy. Median DoR was 11.2 months with ZEGFROVY® versus 7.1 months with chemotherapy.

Safety results. The overall safety profile was consistent with previous studies of ZEGFROVY®, with no new safety findings identified. Adverse reactions were generally manageable and reversible.

Monotherapy for PACC NSCLC

In addition to EGFR exon20ins mutation, the development of ZEGFROVY® is being expanded to NSCLC harboring EGFR PACC mutations. These mutations represent a structurally distinct class of EGFR alterations and are frequently associated with intrinsic resistance to currently available EGFR TKIs.

Market Opportunities and Competitive Landscape

As of the Latest Practicable Date, there were no approved targeted therapies specifically indicated for the treatment of EGFR PACC NSCLC. As a result, therapies available for patients with these mutations, including many marketed EGFR TKIs, are typically associated with modest efficacy and limited durability of response. The global EGFR PACC NSCLC market grew from US$0.9 billion in 2020 to US$1.1 billion in 2025 at a CAGR of 4.9%, and is expected to increase to US$5.6 billion in 2035, representing a CAGR of 17.4% from 2025 to 2035. For details, see "Industry Overview — The Oncology Therapeutics Market — The EGFR PACC NSCLC Market."

Competitive Advantages

Encouraging early clinical efficacy in EGFR PACC NSCLC

In WU-KONG35 and WU-KONG15, per investigator assessment, tumor lesion shrinkage was observed in 100% of patients with EGFR PACC NSCLC, with an ORR of 81.3%, and a DCR of 100%. Tumor response was also observed in 11 out of 15 patients with previously-untreated baseline brain metastasis, including 6 patients with confirmed PR. The antitumor activity was durable. As of February 10, 2026, the data-cut-off date, median DoR had not been reached, with 81.3% of patients remaining on ZEGFROVY® treatment. The estimated 6-month durable response rate was 87.5%. The estimated 9-month PFS rate was 83.9%. The safety profile was consistent with previous studies of ZEGFROVY®. No new safety signals were observed. These findings highlight the potential of ZEGFROVY® to deliver clinically meaningful efficacy in this difficult-to-treat patient population.

Summary of Clinical Trials and Development Plan

The following table sets forth an overview of the ongoing and planned clinical trials of ZEGFROVY® as monotherapy for EGFR PACC NSCLC.

Study Name	Indication	Line of Treatment	Trial Phase	Trial Status	Region	Start Date	(Planned) Data Readout Date
WU-KONG15 . .	Advanced EGFR PACC NSCLC	1L	IIT[1]	Ongoing	China	November 2021	Study completion: by the end of 2026
WU-KONG35 . .	Advanced EGFR PACC NSCLC	1L	IIT[1]	Ongoing	China	March 2025	Study completion: by the end of 2026

Note:

*1. The data of WU-KONG15 and WU-KONG35 investigator-initiated trials ("**IITs**") will be used to support the IND application for WU-KONG8, the registrational Phase 3 clinical trial for advanced EGFR PACC NSCLC.*

WU-KONG15 and WU-KONG35

Trial design. WU-KONG15 is an investigator-initiated trial of ZEGFROVY® in patients with locally advanced or metastatic NSCLC harboring EGFR mutations, including PACC mutations, initiated by a leading public hospital in Beijing. A total of 8 cohorts are planned in WU-KONG15 study, and among them, cohort 8 intends to enroll 20-30 treatment naïve patients with advanced NSCLC carrying EGFR PACC mutations. Patients will receive ZEGFROVY® 200 mg once daily, until disease progression, intolerable AE, or other discontinuation criteria met.

WU-KONG35 is an investigator-initiated trial of ZEGFROVY® in treatment-naïve patients with advanced NSCLC harboring uncommon EGFR mutations, including PACC mutations, initiated by a leading public hospital in Shanghai. A total of 34 patients are planned to be enrolled, and will receive ZEGFROVY® treatment at the doses of 200 mg (N=14) or 300 mg (N=20) until disease progression, unacceptable toxicity, withdrawal of informed consent, initiation of other anti-tumor treatments, death, or other discontinuation of treatment as deemed by the investigator, whichever occurred first. The primary objective of WU-KONG15 and WU-KONG35 is to assess anti-tumor efficacy of ZEGFROVY® using PFS (WU-KONG15) and ORR (WU-KONG35) assessed by investigator as the primary endpoint.

Trial status and plan. WU-KONG15 was initiated in November 2021 and WU-KONG35 was initiated in March 2025. We obtained initial data readout for both trials in December 2025 and reported the results at the J.P. Morgan Healthcare Conference 2026. We expect to obtain further trial data with more patients and longer follow-up time in June 2026. The data of WU-KONG15 and WU-KONG35 trials will be used to support the IND application for WU-KONG8, a planned registrational Phase 3 clinical trial for advanced EGFR PACC NSCLC.

Trial results. Per investigator assessment, tumor lesion shrinkage was observed in 100% of patients with EGFR PACC NSCLC, with an ORR of 81.3%, and a DCR of 100%. Tumor response was also observed in 11 out of 15 patients with previously-untreated baseline brain metastasis, including 6 patients with confirmed PR. The antitumor activity was durable. As of February 10, 2026, the data-cut-off date, median DoR had not been reached, with 81.3% of patients remaining on ZEGFROVY® treatment. The estimated 6-month durable response rate was 87.5%. The estimated 9-month PFS rate was 83.9%. The safety profile was consistent with previous studies of ZEGFROVY®. No new safety signals were observed.

Adjuvant Therapy for EGFR Exon20ins and PACC NSCLC

Adjuvant therapies are administered following curative-intent treatment, such as surgery, with the objective of eliminating residual microscopic disease and reducing the risk of recurrence. The development of ZEGFROVY® across EGFR exon20ins and PACC NSCLC is supported by the central role of EGFR signaling in both disease initiation and treatment resistance. ZEGFROVY®'s oral administration, targeted mechanism of action, and activity across structurally diverse EGFR alterations support its evaluation across multiple stages of disease and consistent with the evolving paradigm of extending targeted EGFR inhibition earlier and more broadly to improve durable clinical outcomes.

The following table sets forth an overview of the ongoing and planned clinical trials of ZEGFROVY® as an adjuvant therapy for exon20ins and PACC NSCLC.

Study Name	Indication	Trial Phase	Trial Status	Primary Regions	(Planned) Start Date	(Planned) Data Readout Date
WU-KONG16[1] . .	Stage Ib to IIIA EGFR exon20ins cohort NSCLC	Registrational Phase 3	Ongoing	China	December 2025	Primary readout for EGFR exon20ins NSCLC in 2028

Note:

1. Pursuant to the AstraZeneca Agreement, we will continue to complete the EGFR exon20ins NSCLC cohort of WU-KONG16, with development costs reimbursed by AstraZeneca up to a cap.

WU-KONG16

This is a registrational Phase 3, double-blind, randomized, placebo-controlled, multicenter clinical study with investigator-assessed disease-free survival as the primary endpoint to evaluate anti-tumor efficacy and safety of ZEGFROVY® versus placebo as adjuvant therapy in patients with stage IB to stage IIIA NSCLC harboring EGFR exon20ins or EGFR PACC mutations after surgery, with or without adjuvant doublet platinum-containing chemotherapy in China. The primary objective of WU-KONG16 is to assess anti-tumor efficacy of ZEGFROVY® versus placebo using DFS assessed by investigator as the primary endpoint. Pursuant to the AstraZeneca Agreement, we will continue to complete the EGFR exon20ins NSCLC cohort of WU-KONG16, with development costs reimbursed by AstraZeneca up to a cap.

Trial status. This registrational Phase 3 trial was initiated in December 2025, with primary readout expected for EGFR exon20ins NSCLC patients in 2028.

Combination Therapy with DZD6008 for NSCLC with Classical EGFR mutations

In addition to monotherapy, ZEGFROVY® is being evaluated as part of an all oral, frontline combination regimen with DZD6008 for the treatment of NSCLC with classical EGFR mutations. DZD6008 is a novel, highly selective, fourth-generation EGFR TKI. For additional information, see "— Our Product Portfolio — DZD6008, a novel, highly selective, fourth-generation EGFR TKI."

This combination is designed to be mutually reinforcing and to mitigate the emergence of resistance of ZEGFROVY® and DZD6008. Together, the regimen is designed to create a high barrier to resistance by targeting complementary escape pathways, with the aim of delivering more durable clinical benefit and potentially establishing a differentiated standard of care in the first-line setting. This all-oral combination is currently in active clinical development and reflects the current development strategy for addressing resistance as a means to meaningfully extend treatment durability.

The following table sets forth an overview of the ongoing and planned clinical trials of ZEGFROVY® in combination with DZD6008 for the treatment of NSCLC with classical EGFR mutations.

Study Name	Indication	Line of Treatment	Trial Phase	Trial Status	Region	(Planned) Start Date	(Planned) Data Readout Date/ NDA Submission Date
TIAN-SHAN8 . .	Advanced EGFR-mutant NSCLC	1L/2L/2L+	Phase 1/2	Ongoing	China	July 2025	Primary readout in 1Q 2027
TIAN-SHAN16 .	EGFR-mutant NSCLC	1L	Registrational Phase 3	Planned	Global	1H 2028	NDA submission in 2031
TIAN-SHAN1 . .	Advanced EGFR-mutant NSCLC Mono & combo with ZEGFROVY®	1L/2L/2L+	Phase 1/2	Ongoing	North America, Oceania	May 2025	Primary readout at 2026 ASCO in 2Q 2026, Primary readout for later line in 1Q 2027

TIAN-SHAN8

This is a Phase 1/2, open-label, multicenter study to assess the safety, tolerability, pharmacokinetics, and anti-tumor efficacy of ZEGFROVY® in combination with DZD6008 in locally advanced or metastatic NSCLC patients with classical EGFR mutations in China.

Trial status. TIAN-SHAN8 was initiated in July 2025 and primary readout for the trial is expected in the first quarter of 2027. We will bear the cost of TIAN-SHAN8.

TIAN-SHAN16

TIAN-SHAN16 is a registrational Phase 3, randomized, open-label, multicenter study of DZD6008 combined with ZEGFROVY® as first-line treatment in NSCLC patients with classical EGFR mutations. This trial is planned to be initiated in the first half of 2028. We will bear the cost of TIAN-SHAN16.

TIAN-SHAN1

This is a Phase 1, open-label, multicenter study of DZD6008 monotherapy or ZEGFROVY® in combination with DZD6008 in locally advanced or metastatic NSCLC patients with classic EGFR mutations. The combination cohort of TIAN-SHAN1 was initiated in May 2026. We will bear the cost of TIAN-SHAN1.

Golidocitinib — A Commercialized, Next-generation, Highly Selective JAK1 Inhibitor

Overview

Golidocitinib (brand name: 高瑞哲®) is a next-generation, oral, highly selective JAK1 inhibitor for the treatment of hematological diseases and for solid tumors without known driver mutations. It was approved by the NMPA in China in June 2024 for the treatment of adult patients with relapsed/refractory peripheral T cell lymphoma ("**r/r PTCL**"). In addition, golidocitinib has been granted Fast Track Designation and Orphan Drug Designation by the U.S. FDA for the treatment of r/r PTCL, supporting its continued global clinical development. As of the Latest Practicable Date, golidocitinib was the **first and only** JAK1-specific inhibitor approved for a T-cell lymphoma indication, according to CIC. Golidocitinib is approved at a daily dose of 150 mg, given as one 150 mg capsule taken orally once daily.

For illustrative purposes, based on historical sales figures, the treatable patient population derived from independent third-party industry research reports, and assumptions regarding treatment duration based on clinical practice and historical drug utilization, we have conducted an illustrative estimation of the total annual per-patient cost for a full treatment cycle based on the duration of treatment of golidocitinib, estimated at approximately RMB42,000 to RMB63,000. The foregoing estimate is for illustrative purposes only and does not represent the actual amount payable by patients, medical insurance reimbursement standards, or our product pricing.



Golidocitinib is designed to selectively inhibit JAK1-mediated signaling pathways that play a central role in the pathogenesis of PTCL, while minimizing inhibition of other JAK family members that are more closely associated with off-target toxicities. It demonstrates 200- to 400-fold selectivity for JAK1 over other members of JAK family, allowing it to avoid the anemia-related adverse effects that may arise from inhibiting Janus kinase 2 ("**JAK2**") pathway.

The clinical results for golidocitinib have been presented at numerous international academic conferences, including oral presentations or poster sessions at the 2025 European Hematology Association ("**EHA**") Congress and the 2025 International Conference on Malignant Lymphoma ("**ICML**"). Research findings have also been published in internationally recognized journals such as *Lancet Oncology* and *Annals of Oncology*. In addition, golidocitinib has received clinical recognition through inclusion in the CSCO Lymphoma Treatment Guidelines with a Category I recommendation for the treatment of r/r PTCL.

In addition to r/r PTCL, we are evaluating golidocitinib's potential as monotherapy or in combination with chemotherapy for the first-line treatment of PTCL. For solid tumors, golidocitinib has also shown promising clinical efficacy when combined with an anti-PD(L)-1 antibody in NSCLC without known driver mutations. Moreover, we are developing golidocitinib for the treatment of primary immune thrombocytopenia ("**ITP**").

Beyond oral capsule, we are developing golidocitinib ointment for dermatology indications. Golidocitinib ointment is currently under GMP production and GLP toxicology study. We plan to initiate a Phase 1/2 proof-of-concept trial of golidocitinib ointment for mild-to-moderate atopical dermatitis ("**AD**") in 2027.

We generated revenue of nil, RMB49.1 million, RMB225.5 million, RMB92.6 million and RMB154.4 million from sales of golidocitinib in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. Golidocitinib was included in the NRDL in China with coverage effective January 2025.

Drug Design and Mechanism of Action

Golidocitinib is a highly selective JAK1 inhibitor designed to suppress disease-relevant cytokine signaling by blocking JAK1-mediated STAT activation, a key pathway that drives immune cell proliferation, survival, and inflammatory signaling. In hematologic malignancies such as PTCL and some B-cell lymphomas, aberrant JAK1/STAT signaling promotes tumor cell growth, survival, and resistance to apoptosis, making selective JAK1 inhibition a rational strategy that may reduce toxicity compared with broader JAK2 or JAK3 blockade. In NSCLC without known driver mutations, cytokine-driven JAK/STAT activation in the tumor microenvironment can increase PD-L1 expression and reinforce immunosuppressive signaling, contributing to resistance to immune checkpoint inhibitors; in this setting, golidocitinib may help restore anti-tumor immunity by dampening these immune-evasive signals. The JAK1-centered mechanism also supports its use in inflammatory skin diseases, where JAK1 transduces signals from cytokines such as IL-4, IL-13, TSLP, IL-31, IFN-γ, and IL-22 that contribute to barrier dysfunction, allergic inflammation, itch, and melanocyte-directed immune injury.

PTCL

While JAK inhibitors have historically been developed mainly for autoimmune diseases, extensive translational work, including our screening of thousands of cell lines in preclinical studies, highlighted JAK/STAT pathway activation as a key driver in T-cell lymphomas, leading to our deliberate strategy to target PTCL.

Golidocitinib was the **first and only** JAK1 inhibitor approved in China for r/r PTCL as of the Latest Practicable Date, according to CIC. It was also the **first and only** JAK1 inhibitor worldwide receiving both FDA Fast Track and Orphan Drug designations for r/r PTCL as of the same date and according to the same source.

Beyond r/r PTCL, we are evaluating the potential of golidocitinib as monotherapy or in combination with chemotherapy for the first-line treatment of PTCL in ongoing IITs in China. In accordance with our communication with the NMPA, the data of IIT trials will be used to support the IND application for JACKPOT28, a planned registrational Phase 3 clinical trial of golidocitinib for the first-line treatment of PTCL.

Market Opportunities and Competitive Landscape

According to CIC, the global PTCL drug market grew from US$0.9 billion in 2020 to US$1.6 billion in 2025 at a CAGR of 12.9%. It is projected to further expand to US$5.9 billion in 2035, representing a CAGR of 14.0% from 2025 to 2035. The market size in China increased from US$0.3 billion in 2020 to US$0.5 billion in 2025 at a CAGR of 13.3%, and is expected to reach US$1.5 billion in 2035, reflecting an 10.8% CAGR from 2025 to 2035. For details, see "Industry Overview — The Oncology Therapeutics Market — The PTCL Market."

Competitive Advantages

Demonstrated clinical efficacy in PTCL

As a first-in-class agent specifically targeting the JAK/STAT signaling pathway in PTCL, golidocitinib represents a novel targeted therapeutic approach for this disease. It is designed to deliver a differentiated "**triple-action**" profile, combining direct anti-tumor activity, anti-inflammatory effects, and immune modulation, with the objective of supporting broad and durable clinical benefit in PTCL.

Registrational trial responses exceed historical benchmarks. In the registrational Phase 2 study of JACKPOT8, golidocitinib demonstrated strong anti-lymphoma activity in r/r PTCL, with an ORR of 44.3% and a complete response ("**CR**") rate of 23.9%. These response rates compare favorably with historical outcomes reported for many prior single-agent targeted therapies in r/r PTCL, where ORRs have often been below 30%. The observed efficacy supports the potential of golidocitinib to meaningfully improve outcomes in this difficult-to-treat patient population.

Broad subtype activity with durable survival outcomes. Importantly, golidocitinib demonstrated anti-tumor activity across multiple PTCL subtypes, with ORRs exceeding 40% in several common subtypes. This breadth of activity suggests that golidocitinib may address a major treatment gap in PTCL, where clinical outcomes have historically been poor and heterogeneous across subtypes.

Beyond initial tumor responses, clinical outcomes were notable for their durability. For instance, in Phase 2 study of JACKPOT8, the median OS was 24.3 months. These results compare favorably with published outcomes for other monotherapy treatments in r/r PTCL and are particularly meaningful given the historically limited survival expectations in this population.

High JAK1 target specificity supporting a favorable safety profile

Preclinical enzymatic studies demonstrate that golidocitinib is a potent and highly selective inhibitor of JAK1. Golidocitinib exhibits more than 200-fold selectivity for JAK1 relative to other members of JAK family in terms of IC_{50} value. This high degree of selectivity is intended to reduce the risk of adverse effects associated with off-target inhibition of other JAK family members.

In JACKPOT8 study, golidocitinib demonstrated a generally manageable safety profile. Grade 3 or 4 drug-related TEAEs were reported in 59% of patients. The most common Grade 3-4 drug-related TEAEs were clinically manageable and generally reversible with appropriate supportive care and dose management.

Favorable PK profile supporting once-daily dosing

Golidocitinib incorporates a distinctive molecular design featuring a "dual hydrogen bond and salt bridge" motif to enhance target engagement. Its physicochemical properties support a relatively long elimination half-life, enabling sustained pathway suppression and convenient dosing.

Clinical PK studies have shown that golidocitinib has a half-life of approximately 45 to 50 hours, supporting once-daily oral administration. Once-daily dosing may improve patient convenience and treatment adherence, particularly in the context of long-term therapy. In addition, golidocitinib exhibits relatively low inter-individual PK variability, which facilitates dose predictability and supports a balanced safety and efficacy profile.

Preclinical studies also indicate that golidocitinib is cleared through multiple metabolic and excretory pathways. It demonstrates minimal inhibitory effects on major drug-metabolizing enzymes and drug transporters, suggesting a low potential for clinically meaningful drug-drug interactions when used in combination with other therapies.

Summary of Clinical Trials and Development Plan

The following table sets forth an overview of the completed, ongoing and planned key clinical trials of golidocitinib for the treatment of PTCL.

Study Name	Indication	Mono/Combo	Treatment Line	Trial Phase	Trial Status	Primary Regions	(Planned) Start Date	Completion Date/ (Planned) Data Readout Date
JACKPOT8	r/r PTCL	Mono	r/r	Registrational Phase 1/2	Completed	Asia Pacific, United States	March 2021	August 2024
JACKPOT19	r/r PTCL	Mono	r/r	Confirmatory Phase 3[1]	Ongoing	Asia Pacific	May 2024	Primary readout in 4Q 2027
JACKPOT26	PTCL	Mono	1L	Maintenance Phase 2	Completed	China	March 2022	March 2025
JACKPOT53	PTCL	Combo with CHOP	1L	IIT[2] (Proof-of-concept)	Ongoing	China	August 2024	Primary readout in 4Q 2027
JACKPOT55	PTCL	Combo with CHOP	1L	IIT[2] (Proof-of-concept)	Ongoing	China	March 2025	Primary readout in 4Q 2027
JACKPOT23	PTCL	Mono or Combo with CHOP	1L	IIT	Ongoing	China	July 2025	Primary readout in 2Q 2027
JACKPOT28	PTCL	Combo with CHOP	1L	Registrational Phase 3	Planned	China, United States and Europe	2H 2027	Primary readout in 1H 2032

Note:

1. *JACKPOT19 is a confirmatory Phase 3 clinical trial to support the full NDA approval of golidocitinib in China for r/r PTCL following the conditional NDA approval of the drug based on its registrational Phase 1/2 trial JACKPOT8 in China.*
2. *The data of JACKPOT23, JACKPOT53, JACKPOT55 IIT trials and JACKPOT26 Phase 2 trial will be used to support the IND application of JACKPOT28, a planned registrational Phase 3 clinical trial for the first-line treatment of PTCL.*

JACKPOT8

This is a registrational Phase 1/2, open-label, multicenter study to investigate the safety, tolerability, pharmacokinetics, and anti-tumor activity of golidocitinib in patients with PTCL in China, the United States and Australia. Results from this clinical trial supported the conditional NDA approval of golidocitinib in China. The objective of Part A is to assess safety, tolerability, PK and anti-tumor efficacy of golidocitinib. The objective of Part B is to assess anti-tumor efficacy of golidocitinib using IRC assessed ORR as the primary endpoint.

Trial status. We initiated this registrational Phase 1/2 trial in March 2021 and completed this trial in August 2024.

Results of Part A study. In the Part A study, a total of 51 patients were enrolled and received golidocitinib treatment at doses of 150 mg or 250 mg once daily. Golidocitinib was tolerated at both doses. The most common Grade 3 or above drug-related TEAEs were neutropenia (27.5%) and thrombocytopenia (11.8%). Based on efficacy and safety, 150 mg once daily was established as the RP2D. Golidocitinib demonstrated a favorable PK profile as an oral agent, and biomarker analysis suggested a potential correlation between JAK/STAT pathway abnormalities and the clinical activity of golidocitinib.

Efficacy results of Part B study. Between February 26, 2021, and October 12, 2022, a total of 104 patients were enrolled and received golidocitinib treatment at 150 mg once daily. Among them, 88 patients were included in the efficacy analysis. As of the data cutoff on August 31, 2023 (with a median follow-up of 13.3 months), the ORR per IRC assessment was 44.3% (95% CI 33.7-55.3), with 21 patients (23.9%) achieving a complete response.

Safety results of Part B study. In the safety analysis, 61% of patients had grade 3-4 drug-related TEAEs, with the most common being decreased neutrophil count (29%), decreased white blood cell count (26%), decreased lymphocyte count (21%), and decreased platelet count (20%), all of which were clinically manageable and reversible.

JACKPOT26

JACKPOT26 is a Phase 2, open-label, multicenter study to investigate the safety and anti-tumor efficacy of golidocitinib in participants with PTCL who have responded after first-line standard therapy.

Efficacy results. In cohort 1, the 12-month and 24- month DFS rates were 82.1% and 74.2%, respectively, indicating a strong long term outcome of patient. The median overall survival was not reached yet with median follow-up time of 30.5 months. In cohort 2, at a median follow-up of 25.1 months, the median PFS was 17.4 months. The longest PFS reached 35.9 months, with the patient still showing a positive response to treatment. At a median follow-up of 28.6 months, the median OS had not yet been reached.

In cohort 2, the CRR was 50.0%, demonstrating a significant portion of patients achieving complete tumor response. The median DoR was 23.9 months, further supporting the durability of treatment outcomes. Of the 10 patients with measurable disease at baseline, 9 completed at least one post-treatment tumor assessment. Notably, 80% of patients experienced tumor shrinkage of target lesions, and 60% achieved a complete tumor response, highlighting the efficacy of the treatment in reducing tumor burden.

Safety results. The most common ($\geq$2 patients) $\geq$ grade 3 drug-related TEAEs were hematological adverse events in nature, which were similar to TEAEs previously reported for golidocitinib. The majority of TEAEs were reversible and clinically manageable. 16.7% of the patients had dose reduction due to drug-related TEAEs. 10.4% of the patients discontinued treatment due to drug-related TEAEs. No drug-related TEAEs with fatal outcome.

JACKPOT19

This is a Phase 3, open-label, randomized, international multi-center study to investigate the anti-tumor efficacy of golidocitinib versus investigator's choice in adult patients with r/r PTCL. This trial is a confirmatory Phase 3 clinical trial to support the full NDA approval of golidocitinib in China for r/r PTCL following the conditional NDA approval based on its registrational Phase 1/2 trial JACKPOT8 in China. The primary endpoint of this trial is PFS assessed by IRC.

Trial status. We initiated this registrational Phase 3 trial in May 2024 and expect to obtain primary data readout in the 4Q 2027.

JACKPOT53, JACKPOT55 and JACKPOT23

JACKPOT53 and JACKPOT55 are investigator-initiated trials of golidocitinib in combination with CHOP ("**Go-CHOP**") in patients with newly diagnosed PTCL. These two studies applied different regimens of golidocitinib. These two studies were initiated by a leading public hospital in Beijing and another public hospital in Guangzhou, respectively.

JACKPOT53 is an ongoing Phase 1/2, single-center, single-arm clinical trial. JACKPOT53 was initiated in August 2024 and is expected to obtain primary readout in the fourth quarter of 2027.

In JACKPOT53, Go-CHOP regimen (150 mg of golidocitinib once daily + CHOP) demonstrated encouraging anti-tumor activity and tolerable safety profile. The reported ORR was 88.9% and CR rate was 61.1% in newly diagnosed patients with PTCL.

JACKPOT55 was initiated in March 2025 and is expected to obtain primary readout in the fourth quarter of 2027.

In JACKPOT55, Go-CHOP regimen (150 mg of golidocitinib every other day + CHOP) demonstrated strong early anti-tumor activity in patients with newly diagnosed PTCL. The reported ORR was 94.1% and CR rate was 64.7%. In addition, 85% of patients remained on treatment, with the longest PFS exceeding 15 months, and the safety profile was described as manageable with no treatment discontinuations due to TRAEs.

JACKPOT23 is an ongoing multicenter, non-comparative study with a two-cohort design. Initiated in July 2025, the study is expected to yield its primary readout by the 2Q 2027. In Cohort 1, an optimized induction regimen of golidocitinib as a single agent is being explored in an untreated, Tfh-PTCL-enriched population. Cohort 2 is evaluating a reinforced induction regimen consisting of golidocitinib in combination with CHOP chemotherapy in an untreated PTCL population.

JACKPOT28

JACKPOT28 is a planned Phase 3, randomized designed, multi-regional trial comparing the golidocitinib containing regimen versus standard-of-care therapy in patients with newly diagnosed PTCL. The trial is scheduled to initiate in 2H 2027.

NSCLC without known driver mutations

In NSCLC without known driver mutations, aberrant activation of JAK/STAT pathway, often driven by inflammatory cytokines within the tumor microenvironment, may facilitate immune evasion by upregulating PD-L1 expression and reinforcing immunosuppressive signaling programs that contribute to progressive T-cell dysfunction and exhaustion. Accordingly, JAK1 inhibition with golidocitinib may attenuate these pro-PD-L1 and immune-suppressive signals, thereby modulating the tumor microenvironment and potentially restoring anti-tumor immune activity.

Consistent with this rationale, preclinical data indicate that JAK inhibition can rescue exhausted T-cell function and enhance sensitivity to checkpoint blockade, providing a mechanistic basis for combining golidocitinib with anti-PD-1/PD-L1 therapies.

We are exploring golidocitinib's potential in combination with an anti-PD(L)-1 antibody in NSCLC without known driver mutations in an ongoing investigator-initiated trial in China, JACKPOT33. Results from the JACKPOT33 study were presented at the 2026 ASCO Annual Meeting. The data of JACKPOT33 study will be used to support the IND application of JACKPOT66, a planned registrational Phase 3 clinical trial for NSCLC without known driver mutations.

Market Opportunities and Competitive Landscape

NSCLC without known driver mutations represents a major unmet need because many patients must rely on immunotherapy-based regimens, yet an anti-PD(L)-1 antibody monotherapy delivers only modest disease control for a large proportion of patients, especially those with intermediate PD-L1 expression. In the first-line PD-L1 monotherapy population, median PFS was only 5.4 months, illustrating how quickly many tumors progress despite treatment.

A key biological reason is that these tumors often exist in an immune-suppressed microenvironment where T cells become chronically stimulated and exhausted, losing effective anti-tumor function and contributing to primary or early resistance to checkpoint blockade, thereby creating a clear need for new approaches that can re-energize anti-tumor immunity and improve the depth and durability of benefit beyond what PD-1 monotherapy achieves today.

The global NSCLC without known driver mutations market grew from US$13.3 billion in 2020 to US$23.2 billion in 2025 at a CAGR of 11.8%. It is projected to further expand to US$42.6 billion in 2035, representing a CAGR of 6.3% from 2025 to 2035. As of the Latest Practicable Date, there had not been small-molecule targeted therapy approved for NSCLC without known driver mutations globally.

For details, see "Industry Overview — The Oncology Therapeutics Market — The NSCLC Without Known Driver Mutations Market."

Summary of Clinical Development

The following table sets forth an overview of the ongoing and planned clinical trials of golidocitinib for the treatment of NSCLC without known driver mutations.

Study Name	Indication	Mono/Combo	Line of Treatment	Trial Phase	Trial Status	Region	(Planned) Start Date	(Planned) Data Readout Date
JACKPOT33	NSCLC	Combo with anti-PD (L)-1 Antibody	1L	IIT[1] (Proof-of-concept)	Ongoing	China	March 2024	Primary readout in 1H 2027
JACKPOT66	NSCLC	Combo with IO	1L	Registrational Phase 3	Planned	China	2H 2027	Primary readout in 2H 2028

Note:

1. *The data of JACKPOT33 will be used to support the IND application of JACKPOT66, a planned registrational Phase 3 clinical trial for NSCLC without known driver mutations.*

JACKPOT33

This is an open-label, single-arm investigator-initiated trial to assess the safety and efficacy of golidocitinib combined with an anti-PD(L)-1 antibody in PD-L1-positive, treatment-naive, locally advanced or metastatic NSCLC.

Results from the JACKPOT33 study were presented at the 2026 ASCO Annual Meeting. A total of 47 treatment-naïve patients with advanced NSCLC were enrolled in the study. Following 2 cycles of chemo-immunotherapy, the ORR was 42.6%. Following addition of golidocitinib with sintilimab, deeper tumor shrinkage and additional responders were observed, resulting in an ORR of 63.8%, with a profound tumor response of 84.2% in patients with high PD-L1 expression. The combination treatment was well tolerated. The common TRAEs were mostly grade 1 or 2 and clinically manageable. Profound improvement of immune-related adverse events was noticed.

JACKPOT66

JACKPOT66 is a planned Phase 3, randomized, open-label, multi-center study of golidocitinib combined with immunotherapy for the first-line treatment of patients with locally advanced or metastatic NSCLC without known driver mutations. We plan to initiate this trial in the second half of 2027.

Primary ITP

We are developing golidocitinib for the treatment of primary ITP. Golidocitinib is a selective JAK1 inhibitor that reduces overactive JAK/STAT cytokine signaling, which can drive immune-mediated platelet destruction and impaired platelet production. By selectively targeting JAK1, it is designed to deliver immunomodulatory benefit while limiting broader JAK inhibition that may be associated with more off-target side effects.

In ITP, many patients have an abnormally pro-inflammatory cytokine environment, reflecting immune dysregulation that supports autoreactive T- and B-cell responses and continued platelet clearance. By inhibiting JAK1, golidocitinib can dampen downstream STAT activation triggered by multiple cytokines, thus may reduce harmful immune activity, decrease platelet destruction, and help restore megakaryocyte function and platelet production over time.

We are assessing golidocitinib in an ongoing clinical trial, JACKPOT16, for r/r primary ITP in China.

Market Opportunities and Competitive Landscape

Primary ITP is an acquired autoimmune bleeding disorder characterized by immune-mediated platelet destruction and impaired platelet production. Patients typically present with platelet counts below 100×10^9/L, increased bleeding risk and, in some cases, thrombotic complications, resulting in a meaningful reduction in quality of life. Because ITP is often chronic and unpredictable, many patients require long-term diseases control strategies that do not impose excessive treatment burden.

A key unmet need in ITP is the limited durability of response achieved with first-line therapies. Corticosteroids and intravenous immunoglobulin ("**IVIG**") are effective in rapidly increasing platelet counts, but a substantial proportion of adult patients relapse after steroids are tapered or discontinued. Long-term steroid use is also associated with significant toxicity, including increased infection risks and osteoporosis, particularly in patients requiring repeated treatment courses.

For r/r ITP, available second-line therapies can raise platelet counts but have important limitations. Thrombopoietin-based therapies, including recombinant human thrombopoietin ("**rhTPO**") and thrombopoietin receptor agonists ("**TPO-RAs**"), often require continuous administration to maintain platelet level needed, with platelet counts declining after discontinuation in some patients. Long-term use raises concerns regarding cumulative toxicity, and high treatment costs may limit real-world access and adherence. Other treatment options also leave unmet needs.

Overall, there remains a need for therapies that can deliver sustained platelet responses, reduce reliance on steroids and offer a safer, more practical long-term treatment option for patients with r/r ITP.

The global ITP drug market grew from US$2.0 billion in 2020 to US$3.0 billion in 2025 at a CAGR of 7.4%. It is projected to further expand to US$7.2 billion in 2035, representing a CAGR of 9.7% from 2025 to 2035. The market size in China increased from US$0.2 billion in 2020 to US$0.5 billion in 2025 at a CAGR of 15.4%, and is expected to reach US$1.3 billion in 2035, reflecting a CAGR of 11.3% from 2025 to 2035.

As of the Latest Practicable date, there was one BTK inhibitor approved for ITP globally.

For details, see "Industry Overview — The Oncology Therapeutics Market — The NSCLC Without Known Driver Mutations Market."

Competitive Advantages

Novel mechanism of action. No JAK inhibitor is approved in ITP as of the Latest Practicable Date. As a first-in-class agent specifically targeting the JAK/STAT signaling pathway in PTCL, golidocitinib represents a novel targeted therapeutic approach for this disease.

Highly selective JAK1 inhibitor offering favorable safety profile. Golidocitinib exhibits more than 200-fold selectivity for JAK1 relative to other members of JAK family in terms of IC_{50} value. This high degree of selectivity is intended to reduce the risk of adverse effects associated with off-target inhibition of other JAK family members.

Favorable PK profile supporting once-daily dosing. Golidocitinib incorporates a distinctive molecular design featuring a "dual hydrogen bond and salt bridge" motif to enhance target engagement. Its physicochemical properties support a relatively long elimination half-life, enabling sustained pathway suppression and convenient dosing.

Summary of Clinical Trials

The following table sets forth an overview of the ongoing clinical trial of golidocitinib for primary ITP.

Study Name	Indication	Mono/Combo	Line of Treatment	Trial Phase	Trial Status	Region	Start Date	(Planned) Completion Date/Data Readout Date
JACKPOT16 . . .	Primary ITP	Mono	r/r	IIT	Ongoing	China	December 2025	Primary readout in 1H 2028

JACKPOT16

JACKPOT16 is a multicenter IIT clinical study to evaluate the safety and efficacy of golidocitinib in patients with r/r primary ITP. The primary objective of Part A of JACKPOT16 is to assess the safety and tolerability of golidocitinib. The primary objective of Part B of JACKPOT16 is to assess the efficacy for r/r primary ITP versus placebo.

Trial status and plan. This trial was initiated in December 2025 and expect to obtain primary readout in the first half of 2028.

Dermatology indications

In addition to oral capsule, we are developing golidocitinib ointment for dermatology indications. Golidocitinib ointment is currently under GMP production and GLP toxicology study. We plan to initiate a Phase 1/2 proof-of-concept trial of golidocitinib ointment for mild-to-moderate atopical dermatitis ("**AD**") in 2027.

Oral golidocitinib has shown rapid and effective antipruritic (anti-itch) efficacy in clinical practice. However, topical administration of JAK inhibitors offers advantages over oral administration for mild-to-moderate skin inflammation disease as it can minimize the systemic exposure to avoid serious systemic adverse effects associated with oral administration. A topical drug needs to effectively penetrate the skin and remain in the dermis at a sufficient concentration for sustained duration. As of the Latest Practicable Date, only 1.5% ruxolitinib cream was approved for use in the United States, and 0.5% delgocitinib ointment was approved in Japan. Owing to its unique molecular design, golidocitinib possesses excellent skin penetration and is able to remain in the skin for long periods with high concentration. Therefore, golidocitinib ointment may achieve rapid relief of inflammation while avoiding the systemic side effects.

Birelentinib — An Innovative Lyn/BTK Dual Inhibitor

Overview

Birelentinib (DZD8586) is an innovative dual inhibitor of lymphocyte-specific protein tyrosine kinase ("**Lyn**") and Bruton's tyrosine kinase ("**BTK**"). Although currently available BTK inhibitors have delivered meaningful clinical benefit in certain B-cell non-Hodgkin lymphoma ("**B-NHL**") subtypes, the development of treatment resistance remains a major clinical challenge. Resistance is primarily driven by two mechanisms: (i) mutations at the C481 binding site of BTK (collectively referred to as C481X mutations), and (ii) reactivation of BCR signaling through alternative pathways that no longer depend on BTK. As of the Latest Practicable Date, no approved drug was able to overcome both resistance mechanisms simultaneously, according to CIC.

Birelentinib is different. It is designed to simultaneously inhibit both BTK-dependent and BTK-independent B-cell receptor ("**BCR**") signaling pathways, with the objective of overcoming key limitations associated with single-target BTK inhibitors. Through this dual-pathway mechanism, birelentinib is intended to suppress oncogenic BCR signaling and inhibit tumor growth across multiple subtypes of B-NHL. As of the Latest Practicable Date, it was the **first and only** dual Lyn/BTK inhibitor in clinical development, according to CIC.

Birelentinib received Fast Track Designation from the U.S. FDA in August 2025 for the treatment of r/r CLL/SLL. A pooled analysis from two clinical studies in heavily pretreated patients with CLL/SLL was selected for oral presentation at both the 2025 American Society of Clinical Oncology ("**ASCO**") meeting and the 18th International Conference on Malignant Lymphoma ("**ICML**"). Based on these data, we initiated an international multi-center Phase 3 clinical trial of birelentinib for r/r CLL/SLL in September 2025.

Beyond CLL/SLL, we are exploring birelentinib's potential in DLBCL. So far, BTK inhibitors have only shown limited clinical efficacy in non-GCB subtype of DLBCL. We hypothesize that incomplete blockade of BCR signaling is the likely reason. By simultaneously inhibiting both BTK and Lyn signaling, birelentinib may overcome these limitations and improve treatment outcomes in r/r DLBCL. This hypothesis was supported by the results from a Phase 2 clinical study evaluating birelentinib monotherapy in r/r DLBCL, TAI-SHAN9, which was presented at the 2025 European Hematology Association ("**EHA**") Congress and the 18th ICML. Significant anti-tumor activities were observed in both GCB and non-GCB DLBCL subtypes.

We are also developing birelentinib beyond relapsed/refractory settings in combination with BCL2 inhibitor and chemotherapy for the first-line treatment of CLL/SLL and DLBCL, respectively. Moreover, we are evaluating birelentinib's potential in immunology indication in an ongoing Phase 2 clinical trial for r/r primary immune thrombocytopenia ("**ITP**") in China.

Drug Design and Mechanism of Action

Birelentinib is a non-covalent dual inhibitor of Lyn and BTK designed to selectively shut down key signaling nodes in the B-cell receptor pathway while maintaining selectivity over other TEC family kinases. Because Lyn acts early after BCR engagement and BTK functions downstream to amplify signaling, simultaneous inhibition of both kinases enables birelentinib to block canonical BTK-dependent signaling as well as BTK-independent escape pathways that can emerge with BTK-only inhibition, including resistance driven by BTK binding-site mutations such as C481X and other compensatory mechanisms that restore BCR activity. This dual-pathway coverage provides a mechanistic basis for its anti-tumor activity across multiple B-cell malignancies, including CLL, SLL, and DLBCL. The same dual-target strategy also supports its potential use in immune-mediated diseases such as ITP, where BTK- and Lyn-dependent signaling contribute both to pathogenic B-cell autoantibody production and to Fc receptor-mediated platelet destruction by macrophages, allowing birelentinib to target both upstream autoimmune drivers and downstream effector pathways.

CLL/SLL

Birelentinib received Fast Track Designation from the U.S. FDA in August 2025 for the treatment of r/r CLL/SLL. We initiated TAI-SHAN6, an international multi-center Phase 3 clinical trial of birelentinib for r/r CLL/SLL, in September 2025.

Beyond the relapsed or refractory setting, we are developing birelentinib as part of combination therapy aimed at achieving deeper response in CLL/SLL. Deeper responses may enable time-limited treatment approaches, in which patients receive therapy for a defined duration rather than continuous, indefinite treatment. Such approaches have the potential to maintain disease control while reducing long-term treatment burden, cumulative toxicity and the practical impact of prolonged therapy.

To evaluate this approach, we are conducting TAI-SHAN10, an ongoing Phase 2 clinical trial in China investigating birelentinib in combination with a BCL2 inhibitor as first-line treatment for CLL/SLL.

Market Opportunities and Competitive Landscape

According to CIC, the global CLL/SLL drug market grew from US$8.5 billion in 2020 to US$15.1 billion in 2025 at a CAGR of 12.2%. It is projected to further expand to US$41.4 billion in 2035, representing a CAGR of 10.6% from 2025 to 2035. China remains a key growth engine, with market size increasing from US$0.5 billion in 2020 to US$0.8 billion in 2025 at a CAGR of 9.6%, and is expected to reach US$2.4 billion in 2035, reflecting a CAGR of 11.8% from 2025 to 2035. As of the Latest Practicable date, there were five BTK inhibitor approved for CLL/SLL globally. For details, see "Industry Overview — The Oncology Therapeutics Market — The CLL/SLL Market."

Competitive Advantages

Compelling efficacy signals in heavily pretreated r/r CLL/SLL patients

High response rate in pretreated r/r CLL/SLL. The results of a pooled analysis from two clinical studies, Phase 1 (TAI-SHAN5) and Phase 2 (TAI-SHAN8), were selected as oral presentations at both 2025 American Society of Clinical Oncology ("**ASCO**") meeting and the 18th International Conference on Malignant Lymphoma ("**ICML**"). As of December 2025, patients treated with birelentinib at 50 mg achieved an ORR of 85%.

Broad activity in resistant and high-risk subgroups. Clinical responses were observed across challenging subgroups, including patients previously treated with covalent or non-covalent BTK inhibitors, BTK degraders, and BCL2 inhibitors, as well as those carrying classic BTK resistance

mutations and other BTK alterations (including kinase-impaired mutations). For instance, as of the December 2025 for TAI-SHAN8, responses were observed in patients with prior BTK-targeted therapies, including covalent BTKi (81%, 13/16), non-covalent BTKi (100%, 2/2), and BTK degrader (50%, 1/2).

Encouraging durability and FDA Fast Track Recognition. Durability of response was also encouraging, with an estimated 9-month DoR rate of 80% from the pooled analysis of TAI-SHAN5 and TAI-SHAN8. As a recognition of its therapeutic potential, the U.S. FDA granted birelentinib Fast Track Designation in August 2025 for r/r CLL/SLL after at least two prior lines of therapy, including a BTK inhibitor and a BCL2 inhibitor.

Differentiated safety profile supporting long-term use and combinations

Across clinical trials, birelentinib has demonstrated a generally manageable safety profile. There were no reported instances of drug-related bleeding, atrial fibrillation, or other major cardiac events, which is notable given class-wide safety considerations associated with chronic BTK inhibition.

This safety and tolerability profile is particularly important given the intended role of birelentinib not only as a monotherapy, but also as a potential backbone for combination regimens, which often require sustained dosing to achieve durable benefit. We are assessing birelentinib's potential as part of a combination therapy in the first-line setting for CLL/SLL in an ongoing Phase 2 clinical trial, TAI-SHAN10, as described below.

Summary of Clinical Trials and Development Plan

The following table sets forth an overview of key ongoing and planned clinical trials of birelentinib for the treatment of CLL/SLL.

Study Name	Indication	Mono/Combo	Line of Treatment	Trial Phase	Trial Status	Primary Regions	(Planned) Start Date	(Planned) Data Readout Date
TAI-SHAN8 . . .	CLL/SLL	Mono	2L/2L+	Phase 2	Ongoing	China	April 2024	Primary readout in 3Q 2026
TAI-SHAN6 . . .	r/r CLL/SLL	Mono	2L/2L+	Registrational Phase 3	Ongoing	Global	September 2025	Interim data readout in 2H 2027
TAI-SHAN10 . .	CLL/SLL	Combo with BCL2 inhibitor	1L	Phase 2	Ongoing	China	October 2025	Primary readout in 3Q 2026
TAI-SHAN16 . .	CLL/SLL	Combo with BCL2 inhibitor	1L	Registrational Phase 3	Planned	China	1H 2027	Primary readout in 2031
TAI-SHAN20 . .	CLL/SLL	Combo with BCL2 inhibitor	1L	Registrational Phase 3	Planned	Global	2H 2027	Primary readout in 2032

TAI-SHAN8

This is a Phase 2, open-label, multicenter study to evaluate the anti-tumor efficacy, safety, tolerability, and pharmacokinetic characteristics of birelentinib in patients with r/r CLL/SLL.

Trial design. Relapsed or refractory (including those intolerant to current study therapy) and previously untreated CLL/SLL patients are enrolled into the study. Participants are first randomized to cohort 1 or cohort 2, and cohort 3 is determined based on safety and efficacy data from both cohorts and after SRC assessment. Dose of birelentinib ranged from 25 to 75 mg. Based on the safety and efficacy data from cohorts 1, 2, 3, the dose expansion cohort will further enroll patients who receive selected dose levels. Part A data will be combined to determine the recommended Phase 3 dose ("**RP3D**").

Trial objectives. Primary endpoint of this trial is investigator assessed ORR. Secondary endpoints of this trial include investigator assessed PFS, DoR, TTR, safety, and PK.

Efficacy results as of December 2025. As of December 2025, a total of 64 patients with r/r CLL/SLL had been enrolled and received birelentinib at doses ranging from 25 mg to 100 mg once daily. The median number of prior therapies was 2 (range 1-8). Del(17p) and/or TP53 mutation was detected in 40% of the patients. Prior therapies included BTK-targeted therapies (81%, including 77% treated with covalent BTK inhibitor, 9% treated with non-covalent BTK inhibitor and 8% treated with BTK degrader), BCL2 inhibitor (38%), and chemoimmunotherapy (55%). Kinase proficient BTK mutation was detected in 43% of the patients and kinase impaired BTK mutation was detected in 21% of the patients.

The recommended phase 3 dose was determined as 50 mg once daily ("**QD**"). At this dose level, the ORR was 85%. Tumor response observed in patients with prior BTK-targeted therapies, including covalent BTKi (81%, 13/16), non-covalent BTKi (100%, 2/2), and BTK degrader (50%, 1/2). In patients with prior exposure to both BTK-targeted therapy and BCL2 inhibitor, the ORR was 83% (5/6). Tumor response observed in patients with kinase-proficient mutations (78%, 7/9) and kinase-impaired mutations (60%, 3/5).

With prolonged follow-up, sustained anti-tumor efficacy was observed. At 50 mg cohort, median duration of follow-up was longer than 11 months. Median PFS has not been reached, with 60% of the patients still event-free.

Safety results as of October 2025. Birelentinib showed favorable safety profile at 50 mg once daily ("**RP3D**"), and no new safety signals were identified. The most common treatment-related TEAEs of all grades included neutropenia and thrombocytopenia. No atrial fibrillation, or drug-related major bleeding was reported. TEAE leading to treatment discontinuation in 1 patient (2%). No treatment-related TEAE leading to death was reported.

Trial status. We initiated this Phase 2 trial in April 2024 and expect to obtain primary readout of this trial in the third quarter of 2026.

TAI-SHAN6

This is a registrational Phase 3, open-label, randomized, global multicenter study to evaluate the anti-tumor efficacy of birelentinib versus investigator's choice in patients with r/r CLL or SLL. We initiated TAI-SHAN6 following the determination of RP3D, and regulatory communications with China CDE and EMA regarding the clinical trial design of TAI-SHAN6 as a registrational trial.

Trial design. The target population of this study is patients diagnosed with r/r CLL/SLL, who have failed at least one prior BTK inhibitor treatment, as assessed by the investigator. Patient who meets inclusion criteria and does not meet exclusion criteria will be randomized to arm 1 (birelentinib) or arm 2 (investigator's choice) in a 1:1 ratio.

Trial objectives. The primary endpoint for this trial is IRC assessed PFS and the secondary endpoints include investigator assessed ORR, PFS, DoR, IRC assessed ORR, DoR, OS, safety, and PK.

Trial status. We initiated this registrational Phase 3 trial in September 2025 and expect to complete interim analysis for this trial in the second half of 2027.

TAI-SHAN10

This is a Phase 2 study to investigate the efficacy and safety of birelentinib in combination with a BCL2 inhibitor in participants with CLL/SLL who have not received any systemic therapy. This study consists of two parts: Part A is the safety lead-in phase, and Part B is the dose expansion phase.

Trial objectives. The primary endpoints for this trial are incidences of AEs (Part A) and 2-year PFS rate assessed by investigator (Part B). The secondary endpoints include investigator assessed PFS and ORR.

Trial status. We initiated this Phase 2 trial in October 2025 and expect to obtain preliminary data readout in the third quarter of 2026.

TAI-SHAN16

TAI-SHAN16 is a planned Phase 3, randomized, open-label, multi-center study of birelentinib combined with a BCL2 inhibitor as first-line treatment in patients with CLL/SLL for defined treatment duration. We plan to communicate with CDE regarding the design of this trial in the third quarter of 2026 and initiate this trial in the first half of 2027 following the IND approval.

TAI-SHAN20

This is a Phase 3, open-label, randomized controlled, multicenter study to evaluate anti-tumor efficacy of birelentinib combined with venetoclax versus venetoclax-based regimen in patients with treatment naïve CLL/SLL. The primary objective of TAI-SHAN20 is to assess the anti-tumor efficacy of birelentinib combined with venetoclax in patients with treatment naïve CLL/SLL using PFS assessed by BICR as the primary endpoint.

Trial status. We plan to initiate this registrational Phase 3 trial in the fourth quarter of 2027. The study is expected to reach its primary endpoint in the fourth quarter of 2032.

DLBCL

Beyond CLL/SLL, we are exploring birelentinib's potential in DLBCL. So far, BTK inhibitors have only shown limited clinical efficacy in non-GCB subtype of DLBCL. We hypothesize that incomplete blockade of BCR signaling is the likely reason. By simultaneously inhibiting both BTK and Lyn signaling, birelentinib may overcome these limitations and improve treatment outcomes in r/r DLBCL. This hypothesis was supported by the results from a Phase 2 clinical study evaluating birelentinib monotherapy in r/r DLBCL, TAI-SHAN9, which was presented at the 2025 European Hematology Association ("**EHA**") Congress and the 18th ICML. Significant anti-tumor activities were observed in both GCB and non-GCB DLBCL subtypes.

Market Opportunities and Competitive Landscape

DLBCL is an aggressive malignancy arising from mature B cells and is characterized by diffuse infiltration of large, atypical B cells in lymph nodes or extranodal tissues, making it the most common subtype of NHL worldwide.

R-CHOP (rituximab, cyclophosphamide, doxorubicin, vincristine, prednisone) remains the standard first-line treatment for newly diagnosed DLBCL and cures approximately 50-60% of patients. However, approximately 30-50% of patients experience primary refractory disease or relapse. Outcomes are particularly poor in high-risk subgroups, including patients with double-hit lymphoma ("**DHL**") or triple-hit lymphoma ("**THL**"). Although newer regimens such as Pola-R-CHP (polatuzumab vedotin replacing vincristine in R-CHOP) have demonstrated improved efficacy in certain settings, a substantial proportion of high-risk patients continue to relapse early, underscoring the persistent unmet need for more effective first-line therapies.

In the relapsed or refractory setting, treatment strategies are stratified by patient eligibility. Salvage chemotherapy followed by autologous stem cell transplantation ("**ASCT**") is typically pursued for fit patients, while CAR-T cell therapies or targeted regimens may be used in transplant-ineligible patients or those who relapse after CAR-T therapy. Despite this expanding therapeutic landscape, outcomes remain poor for key high-risk populations, including patients with primary refractory or quick progressive disease, with DHL/THL genetics, or patients who failed prior CAR-T therapy or ASCT.

A major therapeutic limitation for BTKi in DLBCL is their narrow activity in the non-germinal center B-cell-like ("**non-GCB**") subtype only which accounts for approximately 40-50% of DLBCL cases. This highlights the inadequacy of BTK-only blockade and underscores the need for novel agents capable of delivering broad and durable efficacy across molecular subtypes by overcoming redundant survival pathways.

According to CIC, the global DLBCL drug market grew from US$3.3 billion in 2020 to US$7.2 billion in 2025 at a CAGR of 16.7%. It is projected to further expand to US$24.9 billion in 2035, representing a CAGR of 13.3% from 2025 to 2035. The market size in China increased from US$0.6 billion in 2020 to US$1.4 billion in 2025 at a CAGR of 19.2%, and is expected to reach US$4.3 billion in 2035, reflecting a CAGR of 12.3% from 2025 to 2035.

The contemporary DLBCL market is dominated by biologics and cell therapies. There remains no approved small-molecule targeting Lyn/BTK or BCR signaling specifically for DLBCL, and no small-molecule has become a backbone therapy for either 1L or r/r disease. While a few BTK inhibitors show efficacy signals in non-GCB DLBCL, treatment coverage of GCB DLBCL is still underserved. This leaves significant space for differentiated oral agents capable of delivering broad and durable efficacy across DLBCL subtypes of both non-GCB DLBCL and GCB DLBCL.

For details, see "Industry Overview — The Oncology Therapeutics Market — The DLBCL Market."

Competitive Advantages

Meaningful single-agent activity in r/r DLBCL

Under current treatment paradigms, patients with r/r DLBCL have a poor prognosis. Against this backdrop, birelentinib monotherapy demonstrated clinically meaningful anti-tumor activity in its Phase 2 clinical study, TAI-SHAN9, reporting an ORR of 47.6% as a single agent. Importantly, birelentinib demonstrated activity in both the GCB and non-GCB subtypes of DLBCL, with comparable response rates across subgroups. In GCB DLBCL, the ORR was 58.3% and the CRR was 41.7%, in non-GCB DLBCL, the ORR was 44.8% and the CRR was 27.6%. These findings suggest the potential for broad therapeutic activity across molecularly distinct forms of DLBCL.

Expansion into first-line combination therapy

We are advancing birelentinib beyond the relapsed or refractory setting by evaluating it in first-line combination regimens for DLBCL, including combinations with established chemotherapy, such as R-CHOP, with the objective of improving outcomes by adding dual inhibition of B-cell receptor signaling pathways to standard frontline treatment.

More broadly, the dual inhibition of Lyn and BTK provides a mechanistic rationale for combining birelentinib with other targeted therapies or immune-active agents. This approach is intended to support synergistic regimens in diseases such as DLBCL and follicular lymphoma, where biological heterogeneity is substantial and suppression of multiple signaling pathways may be required to achieve durable disease control.

Summary of Clinical Trials and Development Plan

The following table sets forth an overview of the ongoing and planned clinical trials of birelentinib for DLBCL.

Study Name	Indication	Mono/Combo	Line of Treatment	Trial Phase	Trial Status	Primary Regions	(Planned) Start Date	(Planned) Data Readout Date
TAI-SHAN9	r/r DLBCL	Mono	2L/2L+	Phase 2	Ongoing	China	March 2024	Study completion in 4Q 2026
TAI-SHAN12 . . .	DLBCL	Combo with immuno chemotherapy	1L/2L/ 2L+	Phase 1b/2	Ongoing	China	August 2025	Primary readout in 4Q 2026
TAI-SHAN19 . . .	DLBCL	Combo with R-CHOP	1L	Registrational Phase 3	Planned	China and United States	1H 2027	Primary readout in 2030

TAI-SHAN9

This is a Phase 2, open-label, multicenter study to evaluate the efficacy, safety, tolerability, and pharmacokinetic characteristics of birelentinib in patients with r/r DLBCL. This study consists of two parts: Part A: dose randomization and extension, and Part B: single arm study under RP2D. Primary objective of this trial is to evaluate the efficacy of birelentinib in patients with r/r DLBCL.

Efficacy results as of June 2026. In TAI-SHAN9, birelentinib showed encouraging activity in r/r DLBCL, reporting an ORR of 47.6% as a single agent and noting similar efficacy between GCB and non-GCB subtypes. In GCB DLBCL, the ORR was 58.3% and the CRR was 41.7%, in non-GCB DLBCL, the ORR was 44.8% and the CRR was 27.6%.

Safety results as of June 2026. Birelentinib was well tolerated up to 75 mg QD, with no major bleeding or atrial fibrillation was reported and no drug-related TEAEs led to death.

Trial status. We initiated this Phase 2 trial in March 2024, and expect to complete this trial in the fourth quarter of 2026.

TAI-SHAN12

This is a Phase 1b/2, multicenter study evaluating the efficacy and safety of birelentinib combined with immunochemotherapy in patients with DLBCL. This study consists of 3 arms including birelentinib in combination with R-CHOP, R-GemOx or BR per standard dosing, in 21-day cycles. The primary objective for Part A was to evaluate the safety of combination therapy. The primary objective for Part B was to evaluate the efficacy by investigator evaluated ORR.

Trial status. We initiated this Phase 1b/2 trial in August 2025 and expect to obtain primary readout for this trial in the fourth quarter of 2026.

TAI-SHAN19

TAI-SHAN19 is a planned Phase 3, randomized, double-blind, multi-center study of birelentinib combined with R-CHOP as first-line treatment in patients with DLBCL. We submitted a regulatory communication application for this trial in the first quarter of 2026 and plan to initiate this trial in the 1H 2027 following the IND approval.

Primary ITP

The dual-pathway coverage of birelentinib may be beneficial to address immune-mediated diseases such as ITP, where pathogenic autoantibody production by B cells and Fc receptor-mediated platelet destruction by macrophages are driven by BTK- and Lyn-dependent signaling cascades. By targeting both kinases, birelentinib provides a mechanistic rationale for evaluation in ITP. We are assessing birelentinib in an ongoing Phase 2 clinical trial, TAI-SHAN11, for r/r primary ITP in China.

Market Opportunities and Competitive Landscape

Primary ITP has several unmet clinical needs driven by its chronic, unpredictable course and the need for durable disease control without excessive treatment burden. In r/r ITP, TPO-based therapies can be effective but commonly require continuous treatment, may have long-term safety concerns, and cost/access issues. Overall, there is a need for safer, more practical options that deliver sustained platelet responses and reduce steroid dependence. For details, please refer to "— Our Product Portfolio — Golidocitinib — A Commercialized, Next-generation, Highly Selective JAK1 Inhibitor — Primary ITP — Market Opportunities and Competitive Landscape."

Summary of Clinical Trials

The following table sets forth an overview of the ongoing clinical trial of birelentinib for primary ITP.

Study Name	Indication	Mono/Combo	Line of Treatment	Trial Phase	Trial Status	Region	(Planned) Start Date	(Planned) Data Readout Date
TAI-SHAN11 . . .	r/r primary ITP	Mono	2L/2L+	Phase 2	Ongoing	China	January 2026	Primary readout in 1H 2027

TAI-SHAN11

This is a Phase 2 study evaluating the efficacy and safety of birelentinib in adults with r/r primary ITP. The primary endpoint for this trial is ORR at 4 weeks.

Trial status. We initiated this Phase 2 trial in January 2026 and expect to obtain primary readout in the first half of 2027.

DZD6008 — A Novel, Highly Selective, BBB-penetrant, Fourth-generation EGFR TKI

Overview

DZD6008 is a fourth-generation EGFR TKI designed to address clinical challenges after treatment failure from a third generation EGFR TKI such as osimertinib (Tagrisso®). Patients with sensitizing mutations and relapsed from 3rd generation EGFR TKI face limited treatment options. One of the most dominant resistance mechanisms is the C797X mutation, which prevent covalent inhibitors, such as Osimertinib, binding to its target. CNS is often the 1st site of relapse, suggesting poor BBB-penetration capability of the existing EGFR inhibitors. DZD6008 was designed to address these challenges.

In preclinical models, DZD6008 exhibits potent and consistent inhibitory activity across a broad range of EGFR mutations, including EGFR driver mutations (L858R and exon 19 deletions), resistant double mutations (including T790M/C797S in the context of L858R or exon 19 deletion), and the challenging triple mutations (C797X plus T790M plus L858R or exon 19 deletion). DZD6008 has more than 50-fold selectivity versus wild-type EGFR, and thus provides large safety margin with minimizing wildtype EGFR associated toxicities. With no measurable activities against a panel of ion channels, DZD6008 is expected to have low cardiotoxicity risk that has been associated with certain third-generation EGFR TKIs.

In addition, DZD6008 is designed to fully penetrate the blood-brain barrier and has demonstrated complete inhibition of tumor growth across multiple EGFR-mutant tumor cell lines and animal models. These properties have been quickly validated in early clinical studies.

In TIAN-SHAN1 and TIAN-SHAN2, the Phase 1/2 clinical studies evaluating DZD6008 monotherapy or in combination with ZEGFROVY® in EGFR-mutant NSCLC patients conducted in the United States/Australia and China, respectively, the majority of patients (82.1%) had tumor shrinkage following DZD6008 treatment, and higher response rates are expected with longer treatment. Tumor response was durable, with 6-month PFS rates at 70.6% and 61.8% for the 40 mg and 60 mg cohorts, respectively. The median DoR was not reached. Excellent BBB penetration was observed, including strong intracranial anti-tumor activity among patients with baseline brain metastasis. In addition, DZD6008 demonstrated a favorable safety profile with high selectivity for wild-type EGFR, resulting in minimal adverse effects.

Drug Design and Mechanism of Action

DZD6008 is a mutant-selective EGFR inhibitor designed to overcome resistance mutations, including C797X, through a novel non-covalent binding mode that does not rely on the C797 residue and instead uses optimized interactions to achieve high-affinity occupancy of the ATP-binding pocket even in the presence of triple-mutant EGFR. Its structure is also engineered for a precise steric fit that confers more than 50-fold selectivity for mutant over wild-type EGFR, helping preserve activity in tumor cells while reducing wild-type EGFR-related toxicities in normal tissues. In addition, DZD6008 has been optimized to minimize recognition by efflux transporters at the blood-brain barrier, enabling strong central nervous system penetration; clinical pharmacokinetic data from TIAN-SHAN2 show CNS drug levels equal to or greater than systemic exposure, supporting its potential to achieve meaningful intracranial tumor control in patients with brain metastases.

Market Opportunities and Competitive Landscape

According to CIC, the global EGFR-mutant NSCLC drug market, which encompasses NSCLC harboring classical mutations (not including exon20ins or PACC mutations), grew from US$8.1 billion in 2020 to US$12.1 billion in 2025 at a CAGR of 8.5%. It is projected to further expand to US$25.4 billion in 2035, representing a CAGR of 7.7% from 2025 to 2035. For details, see "Industry Overview — The Oncology Therapeutics Market — The EGFR-mutant NSCLC Market."

Competitive Advantages

Broad-spectrum mutation coverage for sustained efficacy

DZD6008 is positioned as a broad-spectrum resistance solution because it is designed to inhibit mutation types that are not adequately addressed by prior generations of EGFR TKIs. This breadth is central to its clinical value proposition: rather than targeting a narrow resistance niche, DZD6008 is intended to address a wider set of post-treatment mutations patterns that can arise across from different TKI treatment sequence. By covering classical driver mutations, double-resistance and triple-resistance mutations, it seeks to meet the pressing clinical needs with a single oral targeted drug capable of addressing heterogeneous resistance mechanisms.

In later-line monotherapy for EGFR TKI-resistant patients, early clinical data from TIAN-SHAN1 and TIAN-SHAN2 studies showed that the majority of patients (82.1%) had tumor shrinkage following DZD6008 treatment, and higher response rates are expected with longer treatment. Tumor response was durable, with 6-month PFS rates at 70.6% and 61.8% for the 40 mg and 60 mg cohorts, respectively. The median DoR was not reached. Excellent BBB penetration was observed, including strong intracranial anti-tumor activity among patients with baseline brain metastasis. In addition, DZD6008 demonstrated a favorable safety profile with high selectivity for wild-type EGFR, resulting in minimal adverse effects.

Full blood-brain barrier penetration

DZD6008 is also designed to achieve full blood-brain penetration, enabling it to target CNS metastases most efficiently. Clinical PK data from the TIAN-SHAN2 demonstrates that DZD6008 attains concentrations in the central nervous system equal to or exceeding those in the systemic circulation. This attribute is clinically significant because intracranial disease progression is often the first reason for treatment failures even when extracranial disease appears under control.

Mechanism based combination with ZEGFROVY® to enhance competitive strength in EGFR mutation driven disease.

ZEGFROVY® is a potent inhibitor of identified resistance mutations to DZD6008. DZD6008 is designed to inhibit EGFR C797X mutation, which is the dominant resistant mutation to ZEGFROVY®. It has been noticed clinically that patients with L858R mutation benefit less from third generation EGFR TKI treatment due to its higher tendency to develop complex resistant mutations, which are highly sensitive to ZEGFROVY®. These findings form the scientific rationale to combine DZD6008 with ZEGFROVY® as an all oral combinational regime. This option is being evaluated in ongoing clinical studies, especially in the first-line setting where an all oral, chemo-free, targeted therapy offers clear advantages over FLAURA2 (Osimertinib combined with chemo doublet) and MARIPOSA (cMet-EGFR bi-specific antibody combined with a third generation EGFR TKI).

For details, see "— Our Pipeline — ZEGFROVY® — A globally competitive, commercialized EGFR TKI — In Combination with DZD6008 for EGFR-mutant NSCLC."

Favorable Safety Profile in Clinical Trials

As illustrated in the following table, DZD6008 monotherapy from 20 mg to 90 mg demonstrated favorable safety profile in clinical trials, with the incidences of all grade and higher than grade 3 diarrhea, rash and paronychia lower than those reported by Tagrisso®, the market leader among the third-generation EGFR TKI. This favorable safety profile is a critical advantage for treating earlier disease where tolerability is often the most important consideration. It also

decreases the potential additive or synergistic toxicities often associated with combinational therapies. Taking advantage of this, DZD6008 is being evaluated in combination with ZEGFROVY® as an all oral combination option.

Summary of Clinical Trials and Development Plan

The following table sets forth an overview of the ongoing and planned clinical trials of DZD6008.

Study Name	Indication	Mono/Combo	Line of Treatment	Trial Phase	Trial Status	Primary Regions	(Planned) Start Date	(Planned) Data Readout Date
TIAN-SHAN1	Advanced EGFR-mutant NSCLC	Mono & Combo with ZEGFROVY®	1L/2L/2L+	Phase 1/2	Ongoing	U.S., Australia	May 2025	Primary readout for later line in 1Q 2027
TIAN-SHAN2	Advanced EGFR-mutant NSCLC	Mono	1L/2L/2L+	Phase 1/2	Ongoing	China	June 2024	Primary readout for later line in 1Q 2027
TIAN-SHAN7	Advanced EGFR-mutant NSCLC	Combo with chemotherapy	1L/2L/2L+	Phase 2	Ongoing	China	July 2025	Primary readout in 1Q 2027
TIAN-SHAN8	Advanced EGFR-mutant NSCLC	Combo with ZEGFROVY®	1L/2L/ 2L+	Phase 1/2	Ongoing	China	July 2025	Primary readout in 1Q 2027
TIAN-SHAN16	EGFR-mutant NSCLC	Combo with ZEGFROVY®	1L	Registrational Phase 3	Planned	China	1H 2028	NDA submission in 2031
TIAN-SHAN6	Advanced EGFR-mutant NSCLC	Mono	2L/2L+	Registrational Phase 3	Planned	China	2027 H1	NDA submission in 2029 H1
TIAN-SHAN9	Advanced EGFR-mutant NSCLC	Combo with TROP2 ADC	2L/2L+	Phase 2	Planned	China	Jan 2027	Primary readout in 1Q 2028

TIAN-SHAN1 and TIAN-SHAN2

TIAN-SHAN1 is a multinational Phase 1/2, open-label study of DZD6008 monotherapy or in combination with ZEGFOVY® for advanced EGFR-mutant NSCLC, conducted in the U.S. and Australia. TIAN-SHAN2 is a Phase 1/2 study with the similar design, conducted in China. These are standard first-in-human studies with dose escalation in previously treated patients. Food effect is also assessed as part of the study.

Trial status. We initiated TIAN-SHAN1 in May 2025 and initiated TIAN-SHAN2 in June 2024. Results from the TIAN-SHAN1 and TIAN-SHAN2 studies were presented in an oral presentation at the 2026 ASCO Annual Meeting.

Efficacy results. The majority of patients (82.1%) had tumor shrinkage following DZD6008 treatment, and higher response rates are expected with longer treatment. Tumor response was durable, with 6-month PFS rates at 70.6% and 61.8% for the 40 mg and 60 mg cohorts, respectively. The median DoR was not reached. Excellent BBB penetration was observed, including strong intracranial anti-tumor activity among patients with baseline brain metastasis.

Safety results. DZD6008 demonstrated a favorable safety profile with high selectivity for wild-type EGFR, resulting in minimal adverse effects.

TIAN-SHAN7

This is a Phase 2, open-label, multicenter study to assess the safety, tolerability, pharmacokinetics, and anti-tumor efficacy of DZD6008 in combination with chemotherapy in patients with EGFR-mutant locally advanced or metastatic NSCLC in China.

Trial status. We initiated this Phase 2 trial in July 2025 and expect to obtain primary readout for this trial in 1Q 2027.

TIAN-SHAN8 and TIAN-SHAN16

For details about TIAN-SHAN8 and TIAN-SHAN16 assessing the combination therapy of DZD6008 and ZEGFROVY®, see "— Our Pipeline — ZEGFROVY® — A globally competitive, commercialized EGFR TKI — In Combination with DZD6008 for EGFR-mutant NSCLC."

TIAN-SHAN6

This is a phase 3, open-label, randomized, active-controlled, multicenter study of DZD6008 versus docetaxel in previously treated patients with EGFR-mutated locally advanced or metastatic NSCLC. The primary objective of TIAN-SHAN6 is to assess the anti-tumor efficacy of DZD6008 versus docetaxel in patients who have failed prior EGFR TKIs and platinum-based chemotherapy using PFS assessed by BICR per RECIST 1.1 as the primary endpoint.

Trial status. We plan to initiate this registrational Phase 3 trial in the first half of 2027.

TIAN-SHAN9

This is a phase 1/2, open-label, single-arm, multicenter study to evaluate the safety, tolerability, pharmacokinetics, and antitumor activity of DZD6008 in combination with TROP2 ADC in previously treated patients with locally advanced or metastatic NSCLC with EGFR mutation. This study consists of Part A and Part B.

For Part A, the primary objective is to assess the safety and tolerability of DZD6008 in combination with Sacituzumab Tirumotecan in previously treated patients with locally advanced or metastatic NSCLC with EGFR mutation using DLT and the incidence and severity of AEs/ SAEs graded according to CTCAE v5.0, as the primary endpoints.

For Part B, the primary objective is to assess the antitumor efficacy of DZD6008 in combination with Sacituzumab Tirumotecan in previously treated patients with locally advanced or metastatic NSCLC with EGFR mutation using the ORR as assessed by the investigator according to RECIST v1.1 as the primary endpoint.

Trial status. We will initiate this Phase 1/2 trial in January 2027. The study is expected to reach primary readout in the first quarter of 2028.

GW5282 — A Next-generation EZH1/2 Dual Inhibitor

Overview

GW5282 is a next-generation EZH1/2 (Enhancer of Zeste Homolog 1 and 2) dual inhibitor. This molecule has a dual-target mechanism, simultaneously inhibiting EZH1 and EZH2 with equal potency, which prevents the tumor from utilizing a compensatory activation pathway to escape treatment.

EZH2 is a clinically validated target for multiple hematological and solid tumors. Our translational science research showed that inhibiting EZH2 alone could not completely block the pathway as the EZH1, the other closely related gene family member, often compensates EZH2 activity. Approved EZH2-only inhibitors suffer from another deficiency, too short human blood half-life. Consequently, a much higher dose is necessary in order to cover the target, which causes typical high dose-related bone marrow toxicities. GW5282 stands out as a next-generation therapy that addresses the key limitations of these existing EZH2-only inhibitors. GW5282 was designed to inhibit both EZH1 and EZH2 with equal potencies but spare other non-targeting genes. Available clinical data fully validated our molecular design properties, including a longer half-life, improved absorption and oral bioavailability, and much lower bone marrow toxicities. With these improvement, we are able to reduce the patient's pill burden from over 14 pills to just one or two pills daily, enhancing patient compliance. Our strategic focus for this molecule is directed toward solid tumors, including lung cancer, for which we have validated preclinical evidence.

We are developing GW5282 for the treatment of r/r NHL as well as solid tumors, including prostate cancer, lung cancer, ovarian and endometrial cancers.

r/r NHL

In many NHL, EZH2 is abnormally high or hyperactive, leading to excessive H3K27me3 and inappropriate silencing of genes that normally restrain tumor growth, which is why elevated EZH2 is often linked with worse outcomes. In follicular lymphoma ("**FL**") and DLBCL, gain-of-function EZH2 mutations further increase this gene-silencing activity, driving abnormal repression of target genes, promoting stem-cell-like programs, and supporting malignant transformation. As a result, blocking EZH2 has emerged as a promising anti-cancer strategy to reduce aberrant H3K27 methylation and re-enable suppressed tumor-control pathways.

GW5282 significantly reduce H3K27me3 levels in cells and demonstrates strong anti-tumor activity across NHL models in both in vitro and in vivo preclinical models. GW5282 is currently in Phase 1/2 clinical study to assess its safety, tolerability, pharmacokinetics, and anti-tumor efficacy in patients with r/r NHL in China. Tumor shrinkage was observed at the starting dose of 40 mg, twice daily ("**BID**"). At this dose, more than 90% inhibition of the pharmacodynamic marker was achieved. No dose-limiting toxicities were observed up to 180 mg, BID.

Market Opportunities and Competitive Landscape

Lymphoma is a group of malignant tumors originating from lymphocytes. It is mainly characterized by painless lymph node enlargement, hepatosplenomegaly, and involvement of various organs throughout the body, accompanied by symptoms such as fever, night sweats, and unexplained weight loss. Lymphomas are classified into NHL and Hodgkin lymphoma ("**HL**"), with NHL accounting for about 80-90%. r/r NHL patients are often resistant to multiple lines of therapy, especially those resistant to targeted drugs (for example, BTK, BCL2 inhibitors). Salvage options are limited and toxic, with a median overall survival of only 6-12 months.

Competitive Advantages

A highly selective and potent EZH1 and EZH2 dual inhibitor. Apart from Valemetostat, which is approved only in Japan for the treatment of r/r ATL and r/r PTCL, no other EZH1/2 inhibitors have been approved globally for the treatment of r/r NHL. GW5252 exhibits similar and potent inhibition of EZH1 and EZH2, as well as various gain-of-function mutations in EZH2, which may potentially overcome the insufficient efficacy of EZH2-only inhibitors due to compensatory activation of EZH1.

Excellent methyltransferases selectivity. Among 36 human methyltransferases, GW5282 exhibits high selectivity, specifically inhibiting only EZH1 and EZH2, which holds promise for reducing off-target toxicity in the clinic.

Favorable DMPK profiles differentiate GW5282 from other EZH inhibitors. Nearly completed (>90%) pharmacodynamic biomarker (H3K27me3) modulation was achieved at the starting dose of GW5282 40 mg BID.

Summary of Clinical Trial and Development Plan

The following table sets forth an overview of the ongoing clinical trial of GW5282 for r/r NHL.

Study Name	Indication	Monotherapy/ Combination Therapy	Line of Treatment	Trial Phase	Trial Status	Region	Start Date	Next milestone
BEI-DOU1	r/r NHL	Monotherapy	r/r	Phase 1/2	Ongoing	China	June 2025	Primary readout in 4Q 2026
BEI-DOU3	r/r NHL	Combo with golidocitinib	r/r	Phase 1/2	Ongoing	China	April 2026	Determining RP2CD in 4Q 2026

BEI-DOU1

This is a Phase 1/2, open-label, multicenter study to evaluate the safety, tolerability, pharmacokinetic characteristics, and anti-tumor efficacy of GW5282 in patients with r/r NHL.

Trial status

We initiated this trial in June 2025 and expect to obtain primary readout in the fourth quarter of 2026.

BEI-DOU3

This is a Phase 1/2, open-label, multicenter study to evaluate the safety, tolerability, pharmacokinetic characteristics, and anti-tumor efficacy of GW5282 in combination with golidocitinib in patients with T-cell lymphomas.

Trial status

We initiated this trial in April 2026 and expect to determine RP2CD in the fourth quarter of 2026.

Solid tumors

We are developing GW5282 for the treatment of solid tumors, including prostate cancer, lung cancer, ovarian and endometrial cancers.

Market Opportunities and Competitive Landscape

Prostate cancer is a major cancer for male worldwide and its prevalence is rising in China. When existing treatments fail, patients face ongoing progression and a high risk of bone metastases, creating strong unmet clinical need.

Lung cancer is the most common cancer worldwide. Lung cancer patients with driver mutations are mainly treated with targeted tyrosine kinase inhibitors, while those without driver mutations rely on chemotherapy, anti-angiogenic drugs, or immunotherapy. Even though immunotherapy has improved outcomes, many patients still progress within about a year, and there is currently no globally approved standard treatment after immunotherapy resistance.

Ovarian and endometrial cancers also see significant unmet needs: despite options such as immune checkpoint inhibitors and PARP inhibitors, relapse and drug resistance are common, leading to poor prognosis and low 5-year survival. As a result, novel therapies for these solid tumors are urgently needed.

A promising approach focuses for these solid tumors on the epigenetic regulator EZH2, the catalytic core of the PRC2 complex that drives H3K27 trimethylation and abnormal gene silencing in cancer.

Competitive Advantages

Optimized PK properties for improved compliance

One of the key advantages of GW5282 is its longer half-life, which addresses a significant flaw in many existing EZH2-only inhibitors. Some current EZH2-only inhibitors require patients to take multiple pills daily due to poor pharmacokinetic profiles. In contrast, the pharmacokinetics of GW5282 is expected to reduce the daily pill count from more than 14 tablets to just one or two, which may improve treatment adherence, enhancing both convenience and the potential for sustained efficacy over time.

Summary of Clinical Trial and Development Plan

The following table sets forth an overview of the ongoing clinical trial of GW5282 for advanced solid tumors.

Study Name	Indication	Monotherapy/ Combination Therapy	Line of Treatment	Trial Phase	Trial Status	Region	Start Date	Next milestone
BEI-DOU2	Solid tumors	Monotherapy	r/r	Phase 1/2	Ongoing	China	January 2026	Determining RP2D in 4Q 2026

BEI-DOU2

This is a Phase 1/2, open-label, multicenter study to evaluate the safety, tolerability, pharmacokinetic characteristics, and anti-tumor efficacy of GW5282 in patients with advanced solid tumors.

Trial status. We initiated this trial in January 2026 and expect to determine RP2D in the fourth quarter of 2026.

DZD1516 — A Highly Selective HER2 TKI that Addresses CNS Metastases and Loss of HER2 Extracellular Domain

DZD1516 is an orally available, reversible, and highly selective small-molecule HER2 TKI that addresses some of the most pressing challenges in treating HER2-positive breast cancer, particularly in patients with CNS metastases and those experiencing HER2 loss. By providing a novel mechanism of action and enhanced CNS penetration, DZD1516 represents a promising therapeutic approach for patients who have limited treatment options with current therapies.

A significant clinical challenge in HER2-positive breast cancer is the high rate of CNS metastases, affecting 50-60% of advanced breast cancer patients. CNS metastasis in HER2-positive breast cancer is associated with poor prognosis, as many current therapies are unable to effectively treat tumors that spread to the brain.

A critical differentiator for DZD1516 is its ability to cross the blood-brain barrier, a major hurdle in treating CNS metastases. In preclinical studies, DZD1516 demonstrates penetration into the brain, positioning it as a highly promising option for treating HER2-positive breast cancer patients with CNS metastases. This unique capability gives DZD1516 the potential to address both systemic disease and CNS metastases in a way that current therapies cannot.

Another challenge in treating HER2-positive breast cancer is the phenomenon of loss of HER2 extracellular domain. Tumor cells may lose expression of HER2 extracellular domain due to drug acquired or de novo HER2 extracellular domain mutations, rendering antibody-based therapies ineffective. This further complicates the treatment of patients who initially respond to HER2-targeted therapies but later develop resistance.

Unlike antibody-based therapies that rely on binding to HER2 excellular domain, DZD1516 functions on intracellular kinase domain, which is not affected by loss of HER2 extracellular domain, making it a promising treatment option for cases of lose of HER2 extracellular domain. This mechanism of action allows DZD1516 to remain effective even when tumor cells no longer respond to antibody-based therapies, addressing a significant gap in current treatment options.

We plan to initiate a Phase 2, multicenter, randomized controlled study to evaluate the safety, tolerability, and anti-tumor activity of DZD1516 in combination with trastuzumab emtansine (T-DM1) in patients with metastatic HER2 positive (HER2+) breast cancer.

DZD2269 — A Highly Selective A2aR Antagonist

DZD2269 is an innovative, highly selective adenosine A2a receptor ("**A2aR**") antagonist. As of the Latest Practicable Date, there were no approved A2aR antagonists globally.

Adenosine, an endogenous immunosuppressive molecule, is typically present at low concentrations in normal tissues or blood. However, in the tumor microenvironment ("**TME**"), its concentration can be elevated by more than 1,000 times.

Preclinical and clinical studies indicate that DZD2269 effectively blocks adenosine/A2aR-mediated signaling pathways in a dose-dependent manner. A Phase 1 clinical trial of DZD2269 conducted in healthy volunteers demonstrated that DZD2269 can successfully inhibit the activation of these pathways. Importantly, at a dose of 160 mg, no drug-related adverse effects were observed, and the drug exhibited favorable safety and tolerability profiles. These early clinical findings support the continued clinical development of DZD2269 for use in oncology, where the A2aR pathway plays a significant role in immune suppression within the TME.

We completed a Phase 1, open-label, multicenter study to assess the safety, tolerability, pharmacokinetics and anti-tumor efficacy of DZD2269 in patients with metastatic castration resistant prostate cancer and a Phase 1 randomized, double-blind, placebo-controlled study to assess the safety, tolerability, and pharmacokinetics of DZD2269 oral tablet following single and multiple ascending dose administration in healthy adult participants. We plan to initiate combination study of DZD2269 in the second half of 2027.

LICENSE AGREEMENT WITH ASTRAZENECA

On July 14, 2026, we entered into a license agreement (the "**AstraZeneca Agreement**") with AstraZeneca UK Limited ("**AstraZeneca**"), a subsidiary of AstraZeneca PLC incorporated in England and Wales. AstraZeneca PLC is a multinational pharmaceutical company listed on the London Stock Exchange (stock code: AZN), the New York Stock Exchange (ticker symbol: AZN) and the Nasdaq Stockholm AB (ticker symbol: AZN), focusing on the discovery, development and commercialization of prescription medicines across multiple therapy areas including oncology, cardiovascular, renal and metabolic diseases, respiratory and immunologic diseases, and rare diseases. The AstraZeneca Agreement is expected to meet all conditions precedent and became effective in the second half of 2026.

Grant of Rights

Pursuant to the AstraZeneca Agreement, we granted to AstraZeneca an exclusive license, with the right to grant sublicences through multiple tiers, under our licensed technology (the "**Licensed Technology**") to exploit: (a) sunvozertinib, any other compound covered by or disclosed in our existing patent rights listed in the AstraZeneca Agreement, and certain forms thereof (each, a "**Licensed Compound**"), and (b) any pharmaceutical or biologic product that is comprised of or contains a Licensed Compound as an active ingredient, including ZEGFROVY® (each, a "**Licensed Product**"), and diagnostics related to the foregoing solely for use in connection with a Licensed Product, in each case, in all human and non-human diagnostic, prophylactic, analgesic, palliative and therapeutic uses (the "**Field**") in the entire world other than territories that have been terminated (the "**Territory**"). As of the Latest Practicable Date, no territory had been terminated under the AstraZeneca Agreement.

AstraZeneca granted to us a non-exclusive, royalty-free, fully paid-up, non-transferable license, without the right to grant sublicences, under the Licensed Technology and AstraZeneca's foreground technology (a) to perform our obligations under the transition services provisions of the AstraZeneca Agreement and any supply agreement and (b) to conduct our ongoing combination therapy studies of ZEGFROVY® and DZD6008, TIAN-SHAN1 and TIAN-SHAN8 (the "**Ongoing Combination Studies**").

Development Activities

AstraZeneca shall have the sole right, at its sole expense, to develop Licensed Compounds and Licensed Products.

Subject to the foregoing, we are required to perform certain development activities (the "**Dizal Development Activities**"), including completing certain ongoing studies, including the EGFR exon20ins NSCLC cohort of WU-KONG16, pursuant to the transition services plan (the "**Transition Services Plan**"). We must also transfer to AstraZeneca all regulatory documentation, licensed know-how and other know-how after the Effective Date or as otherwise set out in the Transition Services Plan.

AstraZeneca will reimburse us for certain costs incurred in connection with Dizal Development Activities, in each case subject to the budget limits set out in the Transition Services Plan. We are responsible for all costs with respect to the Ongoing Combination Studies.

Regulatory Activities

AstraZeneca shall have the sole right to prepare, file, obtain, and maintain regulatory approvals for Licensed Products in the Territory. Subject to the foregoing, we are required to perform regulatory activities pursuant to the Transition Services Plan, including maintaining INDs and regulatory approvals related to certain ongoing studies and other Dizal Development Activities until transfer to AstraZeneca.

Commercialization Activities

AstraZeneca shall have the sole right to commercialize Licensed Products in the Territory at its sole cost and expense. Subject to the foregoing, we are required to perform commercialization activities pursuant to the Transition Services Plan.

Manufacturing Activities

AstraZeneca shall have the sole right, at its sole expense, to manufacture the Licensed Compounds and Licensed Products. Subject to the foregoing, we have certain transitional supply obligations and are required to perform a manufacturing technology transfer and manufacture and supply Licensed Compounds and Licensed Products for AstraZeneca's development and commercialization activities until successful completion of the manufacturing technology transfer to AstraZeneca (such supply to be pursuant to clinical and commercial supply agreements to be entered into between us and AstraZeneca). AstraZeneca will reimburse us for certain costs. We have the sole right, at our sole expense, to manufacture the Licensed Compounds and Licensed Products for the Ongoing Combination Studies.

Employee Transfer

AstraZeneca has the right to interview and evaluate certain designated employees against its applicable hiring, qualification and suitability requirements, and may offer employment to those who meet such requirements. Upon such employee's acceptance of AstraZeneca's employment offer, we shall use our commercially reasonable endeavors to enter into a termination agreement with such employee.

Commercial Terms

In partial consideration of the rights granted by us to AstraZeneca under the AstraZeneca Agreement, AstraZeneca has agreed to make a one-time, non-refundable and non-creditable upfront payment of US$600.0 million, payable within 30 days following AstraZeneca's receipt of a valid invoice on or after the Effective Date. As of the Latest Practicable Date, we had not yet received the upfront payment under the AstraZeneca Agreement.

In addition, we are eligible for development milestone payments potentially up to an aggregate of US$400.0 million, subject to the achievement of specified development and regulatory milestone events for ZEGFROVY®. As of the Latest Practicable Date, no development milestone payments had become due under the AstraZeneca Agreement.

We are also eligible for sales milestone payments potentially up to an aggregate of US$500.0 million, triggered when the total net sales of all Licensed Products throughout the Territory in a calendar year first reach specified thresholds. As of the Latest Practicable Date, no sales milestone payments had become due under the AstraZeneca Agreement.

We are also eligible for tiered royalties of up to low-double-digit percentages on the aggregate annual net sales of all Licensed Products in the Territory, in each case subject to certain adjustments. We are generally entitled to receive royalties on a Licensed Product-by-Licensed Product, country-by-country basis from the first net sale until the expiration of the applicable royalty term.

Intellectual Property

With respect to intellectual property, each party shall own know-how and inventions made solely by or on behalf of such party, except AstraZeneca owns all know-how with respect to Licensed Compounds and Licensed Products, and the parties shall each own an equal, undivided interest in joint know-how and joint patent rights.

AstraZeneca shall own all rights, title and interest in and to all product trademarks used in connection with Licensed Products.

Dispute Resolution

Any dispute arising out of or in connection with the AstraZeneca Agreement shall first be referred to senior officers of the parties for negotiation. If the dispute remains unresolved, it shall be submitted to arbitration under the rules of the Singapore International Arbitration Centre.

Term and Termination

Unless terminated earlier, the AstraZeneca Agreement remains in effect from the Effective Date until the expiration of the last royalty term for the last Licensed Product. Following expiration of the royalty term, the licenses granted under the AstraZeneca Agreement shall become fully-paid, royalty-free, perpetual and irrevocable.

Either party may terminate the AstraZeneca Agreement upon prior written notice if the other party materially breaches its obligations under the AstraZeneca Agreement. AstraZeneca may also terminate the AstraZeneca Agreement (a) for safety or efficacy concerns or (b) for any or no reason upon prior written notice. Either party may terminate upon the other party's insolvency event. We may terminate on a with respect to certain patent rights if AstraZeneca or its affiliates or sublicensees contests the validity or enforceability of such patent rights.

Upon termination of the AstraZeneca Agreement in its entirety, all licenses granted thereunder shall terminate.

RESEARCH AND DEVELOPMENT

We recognize that research and development are vital to our future growth and maintaining a competitive edge in the global biopharmaceutical industry. Leveraging our proprietary translational science research capabilities, we explore intricate biological pathways, potential drug targets and disease etiology to pursue source innovation-driven research and development, with the objective of delivering first-in-class medicines and breakthrough therapeutic modalities. We have established comprehensive in-house capabilities spanning the entire innovative drug development continuum, from early discovery through late-stage development. Our capabilities encompass drug target discovery and mechanism validation, translational science research, molecular design and compound screening, preclinical studies, chemistry, CMC, as well as clinical trial design and execution.

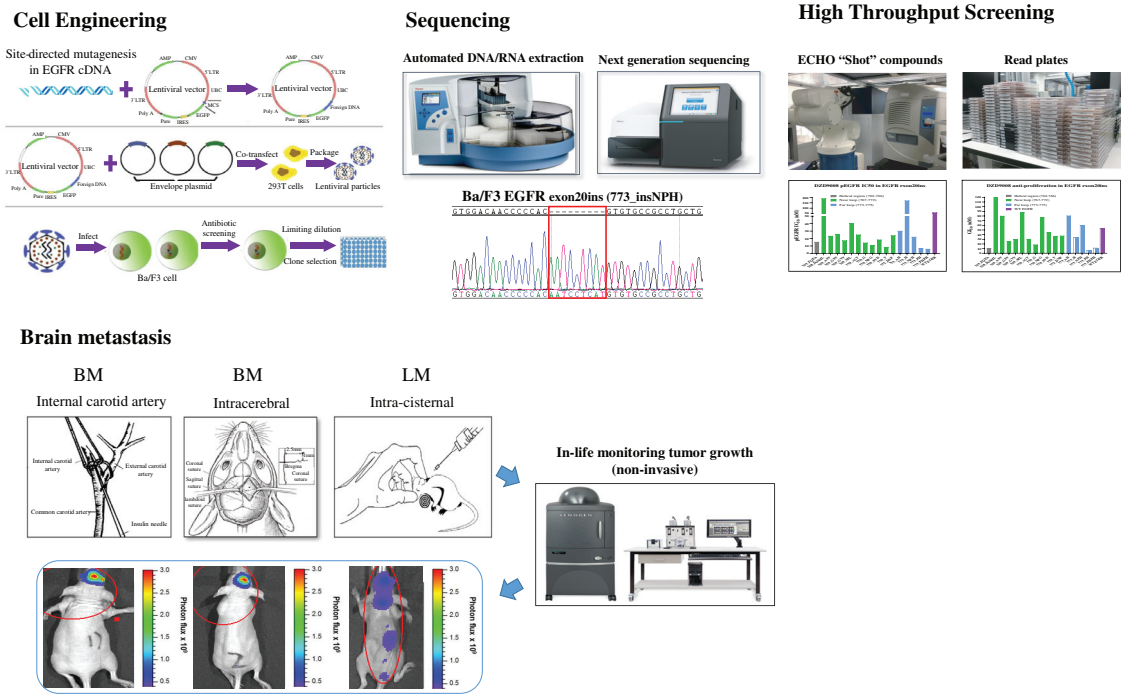
Our research and development capabilities are exemplified by our highly skilled and experienced R&D team, which is led by distinguished scientists and clinicians, including Dr. Zhang, our CEO, who has over 25 years of experience and is considered an influential figure in China's pharmaceutical industry. We conduct research and development activities primarily through our in-house R&D team and engage CROs from time to time to support our preclinical research and clinical trials. Our R&D capabilities are demonstrated by a strong portfolio of issued patents and patent applications in China and around the globe. For details, see "— Intellectual Property Rights" and Appendix VI to this document. In line with our commitment to innovation and technology breakthroughs, we invested heavily in R&D activities. For the years ended December 31, 2023, 2024, 2025 and for the six months ended June 30, 2025 and 2026, our research and development expenses amounted to RMB805.6 million, RMB723.7 million, RMB855.6 million, RMB408.3 million and RMB402.0 million, respectively, accounting for 64.8%, 54.6%, 53.8%, 54.6% and 55.6% of our operating expenses, respectively.

Integrated Capabilities

Our technologies seamlessly connect translational science, precision molecular design, and predictive clinical pharmacology into a unified workflow.

Translational science. We leverage a comprehensive library of over 1,500 cell lines, alongside proprietary disease models that best mimic human diseases with defined biological relevance. These models encompass transgenic and driver-mutation validation models, surgical CNS metastasis models with an intact BBB, and a short oral absorption model designed for rapid DMPK readouts. By utilizing these models and a variety of technologies, including cell engineering, sequencing, and high-throughput screening, we can accurately predict clinical activities and meticulously validate the intricate relationship between targets and diseases. These capabilities enable us to define a clear candidate drug target profile, as well as to identify and validate predictive biomarkers that guide patient selection, response prediction, and safety monitoring. It has played a pivotal role in programs such as ZEGFROVY® and golidocitinib, where translational data directly linked molecular mechanisms to disease pathology, enabling informed candidate selection and early go/no-go decision-making. The following graphic sets forth the features of our translational science capabilities.

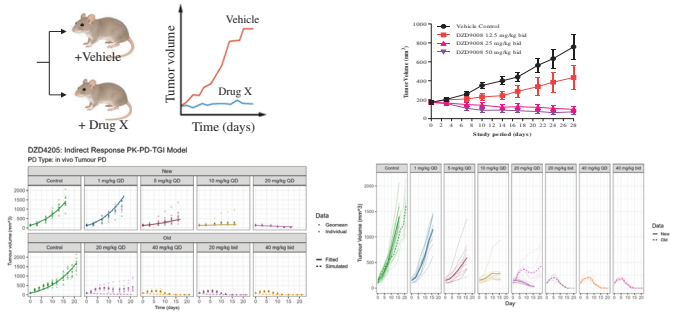
Translational Science



Precision molecular design. We transform the candidate drug target profiles defined by translational research into optimized molecular entities through structure-based and computer-aided design methodologies. Combining extensive medicinal chemistry expertise with advanced modeling and simulation tools, we have precise control over multiple design parameters, including potency, selectivity, safety, and full blood-brain barrier penetration. By iteratively refining molecular scaffolds, we achieve balanced pharmacokinetic and pharmacodynamic profiles and improved developability. This precision-engineering approach has been instrumental in advancing differentiated products such as ZEGFROVY® and DZD6008, both characterized by high target selectivity and favorable safety margins.

MIDD. As our pipeline products progress, we incorporate model-informed drug development ("**MIDD**") to seamlessly bridge preclinical insights with clinical performance. By integrating translational PK/PD and mechanistic data, we can accurately predict human PK, PD, and exposure response relationships. It supports precise dose selection, dosing-regimen optimization, and proactive safety evaluation, including drug-drug interaction assessment and special-population

guidance. This approach also enhances trial design efficiency and overall program speed — exemplified by ZEGFROVY®, which completed dose escalation in only four cohorts and achieved market approval in under four years from first-patient-in. The following graphic sets forth the details of the MIDD framework.



In-house R&D Team

Our in-house R&D capabilities, give us control and visibility over our R&D process, and enable us to ensure the quality and efficiency of our drug development programs.

As of June 30, 2026, our in-house R&D team consisted of 302 members, among whom 52.3% held master degrees and 19.5% held doctoral degrees, mainly in chemistry, biology, pharmacy, statistics and clinical medicine. Our creative and globally-oriented core management and R&D team leads and oversees all aspects of our drug development and commercialization efforts. Our core management team is composed of industry veterans with experiences from AstraZeneca, BMS, Eli Lilly, MSD, Pfizer, Roche, Sanofi, BeOne Medicines (formerly known as BeiGene), among others, and a proven track record of successful discovery, development and commercialization of innovative drugs.

R&D Process

Before initiating an R&D project, we conduct comprehensive market assessments to evaluate whether the potential product candidate addresses unmet medical needs and has sound commercial feasibility. We determine our R&D priorities by balancing clinical value and market prospects, having regard to potential market size, competition and likelihood of successful development.

At project initiation, we define key evaluation dimensions, including core, advantageous and non-core attributes, to ensure disciplined decision-making. Guided by our R&D logic of "identifying needs, elucidating mechanisms and achieving feasibility," we aim to develop drug candidates with clear target-disease mechanisms and practical clinical potential. Our R&D philosophy integrates translational science, clinical needs and market competition, allowing us to prioritize programs with high probability of success, meaningful differentiation and commercial potential.

Our in-house R&D process for innovative drug development encompasses a clinically driven, multi-stage approach. It begins with drug discovery, where therapeutic targets are identified based on evolving clinical needs, disease mechanisms, and the competitive landscape. Scientists validate targets through experiments at protein, cellular, and animal levels, perform high-throughput screening of compounds, and optimize lead candidates, selecting two to three promising compounds with differentiated characteristics and validated biomarkers. Preclinical studies follow, including pharmacodynamic, pharmacokinetic, safety, toxicology, and CMC assessments conducted in compliance with GLP and relevant regulatory standards.

At the IND stage, we prepare and submit regulatory documentation to initiate clinical trials. Clinical development then progresses through Phase 1, 2, and 3 trials to evaluate safety, pharmacology, preliminary efficacy, confirmatory efficacy, and benefit-risk profiles, conducted under GCP guidelines with close site coordination. Upon successful completion, an NDA is submitted for regulatory approval and, once approved, the drug may be commercially launched. Post-marketing studies may subsequently be conducted voluntarily or as required to assess real-world efficacy, safety, and dosing optimization.

For further details about the laws and regulations related to the registration of pharmaceutical products in China, see "Regulatory Overview — Overview of Laws and Regulations in the PRC — Laws and Regulations in Relation to New Drugs.

Collaboration with CROs

As a supplement to our in-house R&D capabilities, we also collaborate with reputable CROs worldwide to manage, conduct, and support our projects. The services they provide under our supervision include drug discovery support, site management, patient recruitment and data management for our clinical trials, as well as preclinical and clinical laboratory testing and other specialized tasks aligned with our needs. In 2023, 2024, 2025 and the six months ended June 30, 2026, we engaged 54, 45, 52 and 42 CROs, respectively.

We engage CROs based on a comprehensive evaluation of multiple criteria, including their technical capabilities, relevant therapeutic area expertise, track record of service excellence, operational efficiency, market standing, their long-term relationship with us and cost-effectiveness. We execute tailored service agreements with our CROs on a project-specific basis, which set forth the precise scope of services, operational procedures, expected deliverables, project milestones, and payment arrangements. We maintain rigorous oversight of our CRO partners to ensure their activities align with our study protocols, meet all regulatory standards, and comply with applicable legal requirements, thereby safeguarding the quality and reliability of data generated from our clinical trials and studies.

Below is a summary of the key terms of a typical agreement we enter with our CROs:

- ***Services.*** In line with industry practice, CROs support us in matters such as drug discovery, preclinical study, trail management, site management, patient recruitment, data management and compliance with regulatory requirements.

- ***Term.*** The CROs are required to perform their services within the prescribed time limit set out in each work order.

- ***Payments.*** We are required to make payments to the CROs in accordance with a payment schedule agreed by the parties.

- ***Intellectual property rights.*** All clinical results, reports, publications, and related rights and interests, including all intellectual property rights in connection with the performance of the agreements, are owned by us.

- ***Confidentiality.*** The CRO is required to keep confidential all the data, information or contents we distributed to them related to the project specified in the agreement, and such obligation may survive the termination of the cooperation agreement.

To the best of our knowledge, all of the CROs engaged by us during the Track Record Period were Independent Third Parties.

MANUFACTURING

We have historically engaged, and will continue to engage, industry-recognized CDMOs for our commercial production and clinical manufacturing. The services provided by our CDMO primarily include the production of intermediates, APIs and drug products, as well as packaging services.

We selected our CDMO partners after thoroughly evaluating factors such as manufacturing capacity and qualifications, service and product quality, reputation, costs, and alignment with our R&D objectives. To monitor and evaluate the partner's performance, we have implemented internal controls to ensure full compliance with applicable regulatory requirements and our internal quality management system. Our agreement with CDMOs specify detailed manufacturing procedures and requirements to ensure compliance with our stringent quality standards. In 2023, 2024, 2025 and the six months ended June 30, 2026, we engaged six, eight, nine and seven CDMOs, respectively. Below is a summary of the key terms of a typical agreement we enter with our CDMO partners:

- ***Services.*** Production of active pharmaceutical ingredients, drug candidates or drugs as specified in the master agreement or a work order.

- ***Term.*** The term of our agreement with the CDMOs is generally three to five years. The CDMOs are required to perform their services prescribed timeframe set out in the master agreement or a work order.

- ***Payments.*** We are required to make payments to the CDMOs in accordance with the payments schedule set forth in the agreement, which is typically linked to the stages of the manufacturing process and the deliverables we receive.

- ***Intellectual properties.*** We own all intellectual property rights relating to our products arising from the outsourced manufacturing processes.

- ***Procurement of raw materials.*** We are generally responsible for procuring and supplying the raw materials used by our CDMOs in API production. Such raw materials are custom-synthesized materials for which the synthesis routes and production process optimization are led by us. By directly managing the procurement and supply of these materials, we are able to maintain controllable delivery timelines, ensure consistent product quality, and achieve ongoing cost reductions through competitive sourcing across multiple qualified suppliers. For instance, registered starting materials ("**RSMs**") for the production of an API are manufactured by a China-based CDMO primarily engaged in the development and manufacturing of pharmaceutical intermediates and starting materials, and supplied to Supplier Group D for the production of the API. In addition, certain RSMs are also produced by the CDMO responsible for API production directly, with the final product delivered to us in the form of API. Excipients and other ancillary materials used in the formulation process are generally procured by the CDMOs.

For risks relating to our relationship with CDMOs, see "Risk Factors — Risks Relating to Dependence on Third Parties — We rely on third parties to conduct the manufacturing of golidocitinib and our drug candidates, and any disruption, quality issue or capacity constraint at such third parties could adversely affect our business, financial condition and results of operations." To the best of our knowledge, all of the CDMOs engaged by us during the Track Record Period were Independent Third Parties.

To enhance production efficiency, strengthen quality control and optimize cost structure, we are transitioning toward in-house manufacturing for products and drug candidates for which we retain manufacturing responsibilities. In-house manufacturing will also allow us to better safeguard the security and resilience of our supply chain by reducing our reliance on, and the risk of supply disruption associated with, third-party CDMOs. It will also afford us greater flexibility in production scheduling, as we will be able to manage our own capacity allocation rather than being subject to that of our CDMO partners, which in turn is expected to help us maintain more efficient inventory levels and improve inventory turnover. Furthermore, bringing manufacturing in-house will strengthen the protection of our trade secrets and intellectual property, and enable us to more rapidly iterate and refine our manufacturing processes with a view to improving product yield. Through vertical integration, we aim to achieve refined control and improved efficiency across the production process, and capture economies of scale as production volumes expand. Specifically, as fixed costs such as facility depreciation and equipment maintenance are spread over increasing production volumes, we expect our per-unit production costs to decline on a sustained basis. Upon transitioning applicable products to in-house production, we expect the variable production costs to be lower than the corresponding CDMO processing costs, with estimated unit cost reductions of approximately 5% to 10% for each incremental one million tablets or capsules produced. We expect this transition to enable us to align manufacturing planning more closely with R&D and commercialization needs, accelerate the scale-up of future products, and enhance overall capital utilization efficiency.

In line with this strategy, we have completed the construction of our manufacturing facility in Wuxi, Jiangsu in October 2025, which is designed to meet GMP requirements of China and the United States and has an annual capacity of approximately 70 million tablets and 20 million capsules. Commercial production at the Wuxi facility is targeted to begin in 2027.

The following table sets forth a summary of our manufacturing facility in Wuxi.

Facility Location	Site area	GFA	Major products to be produced	Production capacity[1]
	(sq.m.)	*(sq.m.)*		
Wuxi, Jiangsu province	62,234.2	37,739	Our small-molecule innovative drugs including golidocitinib and other drug candidates	70 million tablets and 20 million capsules

Note:

(1) The production capacity of our production line is calculated based on 250 effective working days per year on a single-shift basis (i.e. 8 hours per day).

Pursuant to the AstraZeneca Agreement, AstraZeneca shall have the sole right, at its sole expense, to manufacture ZEGFROVY® under the agreement. We have certain transitional supply obligations and are required to perform a manufacturing technology transfer and manufacture and supply ZEGFROVY® for AstraZeneca's development and commercialization activities until successful completion of the manufacturing technology transfer to AstraZeneca (such supply to be pursuant to clinical and commercial supply agreements to be entered into between us and AstraZeneca). AstraZeneca will reimburse certain costs. We have the sole right, at our own expense, to manufacture ZEGFROVY® for the ongoing combination studies. For details, see "— License Agreement with AstraZeneca."

QUALITY MANAGEMENT

We believe that a quality management system is fundamental to ensuring the safety, efficacy and quality consistency of our products. Our quality system has been established in accordance with the ICH Q10 Pharmaceutical Quality System model and other applicable ICH guidelines, including ICH Q8 and Q9, as well as the NMPA regulatory requirements under the Marketing Authorization Holder ("**MAH**") regime. Our quality system also complies with the applicable laws, regulations and industry standards, including but not limited to the Drug Administration Law, Good Manufacturing Practice ("**GMP**"), Good Supply Practice ("**GSP**") and Good Pharmacovigilance Practice ("**GVP**"), and is continuously upgraded in line with the latest regulatory developments. Our quality framework covers a broad spectrum of areas including quality management system, organization and personnel, infrastructure, data and documentation, audits and inspections, outsourced activities, supplies and materials management, complaints and product recall, processes and controls, qualification and validation, and quality control. Necessary supervisions are implemented throughout the product life cycle, and, coupled with knowledge management and risk management, facilitate science- and risk-based decision-making related to product quality. To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, we did not experience any material product quality issues or safety incidents in relation to golidocitinib or other drug candidates.

We have established a Quality Department with over 30 professionals for MAH and site quality management as of June 30, 2026. The department oversees the operation of the quality system across R&D, manufacturing, testing, storage and distribution, ensuring adherence to GMP, GSP and GVP regulations, as well as the GCP requirements in clinical trial phase. It is responsible for drafting, revising and reviewing quality documents and reports, approving or rejecting raw materials and finished products, investigating deviations, monitoring suppliers and contractors, and maintaining data integrity. The regular internal audit is required and conducted to ensure effective operation of the quality system and its continuous improvements. The authorized quality person is responsible for the final release of MAH products, ensuring that all of our products on the market meet the approved quality standards.

Key aspects of our quality control and assurance procedures include our procedures for procurement of raw materials and quality control, product in-process quality control and finished product quality control.

Inventory Management

Our inventories primarily consist of raw materials, work in progress and finished products. We have established a comprehensive inventory management system to ensure accurate, traceable and compliant management of materials and finished goods across procurement, warehousing and production. Each relevant department prepares and updates demand and procurement plans based on market conditions and production needs to maintain appropriate inventory levels. We conduct regular and ad hoc inventory counts and system reconciliations to ensure consistency between physical stock and system records. Any identified discrepancies are investigated and adjusted through documented approval procedures. Our QA team oversees warehouse management and storage conditions in compliance with GMP requirements, while our Finance Department reviews and audits inventory records on a periodic basis. We utilize an SAP-based digital management system for inventory tracking and reconciliation, enabling full traceability and enhancing the efficiency and integrity of our inventory management. As of December 31, 2023, 2024, 2025 and June 30, 2026, our inventories amounted to RMB23.5 million, RMB44.1 million, RMB36.9 million and RMB42.9 million, respectively.

COMMERCIALIZATION STRATEGIES AND SALES MODEL

Our Commercialization Team

We have established a proven nationwide commercialization system with a structured organizational framework and clear functional divisions, enabling efficient coordination and the smooth execution of marketing activities. Our commercialization team is organized across integrated functions, including marketing, clinical promotion, market access, medical affairs, commercial channels, and business planning and operations, to support the commercialization of golidocitinib and our pipeline products and enhance our sales productivity. As of June 30, 2026, our integrated commercialization team comprised 563 seasoned professionals who have extensive expertise in the sales and marketing of pharmaceutical goods, all of whom are our in-house employees. As of the Latest Practicable Date, we had not engaged any contract sales organizations ("**CSOs**"). We plan to adjust and optimize our commercialization team following the effectiveness of the AstraZeneca Agreement. Our sales and marketing functions are organized into several key teams with distinct roles and responsibilities: (i) marketing, which focuses on product lifecycle management, brand positioning, nationwide marketing strategy formulation, development of academic materials and physician education programs, and market competition analysis, (ii) clinical promotion, which engages with clinicians and hospital departments, communicates the latest clinical data, organizes academic activities, and collects clinical feedback, (iii) medical affairs, which is responsible for medical strategy, generation and dissemination of medical evidence, engagement with key opinion leaders, support for investigator-initiated trials, and review of promotional materials for medical accuracy and compliance, (iv) commercial channels, which manages our nationwide distributor network, oversees supply chain and logistics, and manages channel credit and collections, (v) market access, which drives inclusion in NRDL and provincial level implementation, hospital and pharmacy access, and pricing and access strategies, and (vi) business planning and operations, which oversees sales performance management, sales force effectiveness, and new product planning, including pre-launch readiness and commercialization strategies.

We adhere to a commercialization strategy of proactive pre-launch planning and a comprehensive post-launch commercialization approach to accelerate the realization of product value. As our drug candidates approach regulatory approval, we initiate systematic commercialization preparation centered on clear market positioning strategy, professional training, comprehensive hospital mapping, evidence support for clinical guideline inclusion, nationwide marketing network expansion, and optimization of market access pathways. As an example of our market access capabilities, golidocitinib achieved same-year NRDL inclusion following its approval, allowing expedient patient access post-launch.

As of the Latest Practicable Date, the commercialization activities of golidocitinib have been conducted exclusively in Chinese Mainland. We adopt an integrated commercialization and marketing strategy through coordinated deployment across marketing, clinical promotion, market access and distribution channels, including (i) an academically driven strategy focused on providing in-depth medical education and strengthening healthcare professionals' awareness of the differentiated efficacy and safety profile of golidocitinib and our pipeline products to establish leadership in key therapeutic areas, (ii) active participation in national reimbursement negotiations,

securing value-based pricing, driving market penetration and expanding patient reach, (iii) an in-house sales team to conduct professional academic promotion and support rapid and sustainable sales growth, and (iv) collaboration with qualified pharmaceutical distributors under annual distribution agreements to establish a nationwide, stable and compliant distribution network to ensure timely supply.

Pursuant to the AstraZeneca Agreement, AstraZeneca shall have the sole right to commercialize ZEGFROVY® globally at its sole cost and expense. For details, see "— License Agreement with AstraZeneca."

Our Distribution Model

During the Track Record Period, we generated revenue from sales of ZEGFROVY® and golidocitinib through distributorship in Chinese Mainland.

We enter into annual distribution agreements with a number of distributors, which are primarily companies within state-owned pharmaceutical groups at both central and regional levels, possessing established pharmaceutical distribution qualifications and strong regional coverage capabilities. Pursuant to such agreements, we sell our products to the distributors, who are responsible for allocation and delivery of the products to hospitals or pharmacies within their respective authorized territories. Ownership of, and the risk of loss relating to, the products are fully transferred to the distributors upon delivery by the company. Distributors are not entitled to return or exchange the products for any reason, save for cases involving product defects.

To the best knowledge of our Directors, all our distributors during the Track Record Period and up to the Latest Practicable Date were Independent Third Parties. None of the distributors who transacted with us during the Track Record Period and up to the Latest Practicable Date were controlled by our former or current employees, uses our brand or name (except where expressly authorized by us for specific promotional activities), or has received any material advance or financial assistance from us.

Distributor Network

As of June 30, 2026, our distributor network comprised 41 distributors across China.

The following table sets forth the movement of the number of our distributors for the periods indicated.

	For the year ended December 31,			For the six months ended June 30,
	2023	2024	2025	2026
Number of distributors at the beginning of the year/period[(1)]	–	25	30	40
Addition of new distributors[(2)]	25	5	11	2
Termination of existing distributors[(3)]	–	–	(1)	(1)
Net increase/(decrease) in distributors	25	5	10	1
Number of distributors at the end of the year/period	25	30	40	41

Notes:

(1) The numbers of distributors in this table are calculated on entity level, without combining distributors belonging to the same group.

(2) New distributors refer to distributors who (i) had at least one transaction with us in the relevant period; and (ii) did not have any transaction with us in the immediately preceding financial year.

(3) Terminated distributors refer to distributors who (i) did not have any transaction with us in the relevant period; and (ii) had at least one transaction with us in the immediately preceding financial year. We did not terminate any distribution relationship due to any disputes or disagreements with our distributors during the Track

Record Period. During the Track Record Period, we terminated one distributor in 2025 and one distributor in the six months ended June 30, 2026, as part of our ongoing optimization of our distribution network. During the early stage of our business development, as localized distributors had not yet been established in certain provinces, we engaged certain existing distributors to provide cross-provincial distribution services; as our business expanded and our distribution network became more established, we gradually appointed localized distributors in the relevant provinces, which not only fulfilled local distribution requirements but also improved supply efficiency and responsiveness. Accordingly, we terminated our cooperation with the distributors previously providing cross-provincial distribution services for business optimization purposes, and such termination was made in the ordinary course of business without any dispute, disagreement or outstanding claims.

Distributor Management

When selecting our distributors, we conduct comprehensive qualification and business assessments. We evaluate their operational scale, distribution capabilities, financial stability, commercial reputation, and integrity. Our distributors are also required to maintain professional logistics personnel and adequate transportation and management resources to ensure the safe and compliant delivery of our products. A prerequisite for engaging any distributor is that it must be a pharmaceutical enterprise legally established under the laws of the PRC. We have also established a formal review process to regularly assess our distributors' performance.

Terms of Distribution Agreements

We enter into annual distribution agreements with our distributors. Individual sales contracts or purchase orders are generally entered into or placed for each purchase separately. The following sets forth salient terms of our framework distribution agreements:

- ***Term.*** The typical duration of annual distribution agreements is one year.
- ***Designated distribution area.*** Distributors are generally not allowed to sell our products outside of their designated distribution areas.
- ***Exclusivity.*** Distributors are granted the distributorship right for specified types of products in their designated areas.
- ***Sales target and minimum purchase requirement.*** Our agreements with distributors generally do not specify a mandatory annual sales target or minimum annual purchase amount.
- ***Pricing.*** Our selling prices to distributors are generally fixed during the term of the distribution agreements. In the event of changes in market conditions during the term of the distribution agreements, we typically negotiate with our distributors to make corresponding price adjustments. We adopt a unified channel pricing management policy for sales to distributors, under which we determine a nationwide ex-factory price based on factors including manufacturing cost, R&D investment and market access considerations, ensuring fairness and transparency across the distribution channel. At the terminal level, we strictly adhere to national healthcare insurance policies by implementing a unified nationwide listing price, thereby maintaining the stability and compliance of our terminal market pricing system.
- ***Product return and exchange.*** Our distributors may perform product acceptance upon delivery. Returns and exchanges are not allowed without our prior written consent unless in cases of product defects.
- ***Credit terms.*** We typically grant our distributors a credit term of around 60 days.
- ***Termination.*** We may terminate the distribution agreements in the event of, among others, any material breach by our distributors of the agreement or at our discretion any time by giving prior written notice to the distributors.
- ***Compliance.*** Our distributors are required to comply with PRC laws and regulations, including anti-corruption and anti-bribery laws and regulations.

Prevention of Channel Stuffing

We have implemented a series of measures to prevent channel stuffing and ensure that our product distribution remains aligned with genuine market demand:

- ***Inventory management.*** We have established assessment mechanisms under which distributors' inventory management performance forms part of their overall evaluation. Distributors are encouraged to maintain rational inventory levels that support stable supply without accumulation of excess stock. We conduct regular on-site inspections of our distributors and perform physical inventory counts to track and verify their actual inventory levels, sales and procurement records to ensure that month-end stock remains within a reasonable range, taking into account factors such as product sales cycles and the growth trajectory of newly launched products.

- ***Sales data reporting and monitoring.*** Our distributors are required to provide reports on product sales and inventory data normally on a monthly basis. We review such information to identify abnormal stock movements and take timely actions to mitigate potential distribution risks.

- ***Independent third-party audit.*** We engage independent third-party audit firms to carry out targeted reviews, leveraging their independence to verify the authenticity and accuracy of distributors' period-end inventory and sales.

As of June 30, 2026, the unsold inventory held by our distributors and sub-distributors amounted to RMB138.1 million, equivalent to approximately 1.7 month of inventory based on such sales. We consider such channel inventory levels to be within a reasonable range and consistent with the expansion of our commercial operations. There has been no channel stuffing or premature revenue recognition through the sales to our distributors. During the Track Record Period, product returns amounted to RMB377.3 thousand, representing a product return rate of 0.021%. During the Track Record Period and up to the Latest Practicable Date, we did not identify any unusual procurements or sales activities that were inconsistent with distributors' historical practices, or any abnormally high inventory level of our distributors.

Prevention of Cannibalization

To mitigate the risk of sales cannibalization within our domestic distribution network, we have implemented a series of measures. Particularly, our distributors are designated by region, and each distributor is responsible for sales within its assigned geographic region. This regional allocation minimizes overlap and ensures a clear delineation of distribution responsibilities. Under our distribution agreements, each distributor is expressly prohibited from directly or indirectly engaging in any sales or shipments outside its designated territory, or conducting any activities that breach the terms of the agreement or infringe upon the interests of other third parties. Distributors are not permitted to conduct sales outside their designated areas without prior approval from us.

Our Directors are of the view that the above measures are effective to mitigate potential cannibalization and competition among our domestic distributors. During the Track Record Period and up to the Latest Practicable Date, we had not identified any material instances of cannibalization or malicious competition among our domestic distributors.

Implication of and Compliance with the "Two-Invoice System" in China

During the Track Record Period, sales of ZEGFROVY® and golidocitinib were subject to the "Two-Invoice System" in China, a pharmaceutical procurement policy designed and enforced by the PRC government to reduce drug prices by streamlining the supply chain. Under this system, only two invoices are allowed between manufacturers and hospitals or other medical institutions: one from the manufacturer to the distributor, and another from the distributor to public hospitals. This system, which is mandatory for public medical institutions, reduces potential markups by multiple layers of distributors, promoting pricing transparency. Manufacturers and distributors that violate the Two-Invoice System requirements may face disqualification from future public tenders, loss of hospital distribution rights, and inclusion on procurement blacklists. For details, see "Regulatory Overview — Overview of Laws and Regulations in the PRC — Other Laws and Regulations in Relation to Medical Industry — Drug Distribution and Two-Invoice System."

In compliance with the Two-Invoice System and our internal management policies strictly prohibiting cross-provincial distribution, no sub-distributors are engaged for sales to public hospitals and retail pharmacies. Sub-distributors are only utilized in limited cases for sales to certain private hospitals. During the Track Record Period, the number of such sub-distributors and their revenue contribution to our sales were immaterial.

We ensure compliance and effective oversight of our distributor network through a combination of measures. We select distributors in each province that are established local market leaders with direct delivery capabilities to terminal hospitals, and maintain strict control over the number of distributors in our network, with only 41 distributors engaged nationwide as of the Latest Practicable Date, which effectively mitigates the risk of excessive intermediary layers in the distribution chain. We conduct regular spot checks on distributor inventory levels, product flow and terminal sales data to prevent any form of channel stuffing or cannibalization. Through our internal order and remittance management system, we ensure the consistency of product flow, invoicing and capital flow, supplemented by periodic reviews of financial documentation to maintain full traceability across the distribution chain. Our annual distribution agreements also expressly set out the legal liabilities of distributors for any violations of applicable laws and regulations.

This model ensures effective monitoring of market order and risk prevention through our distributors.

We believe the risks of channel stuffing and cannibalization by sub-distributors are minimal, primarily due to:

- **Real-Demand Drive:** We do not impose mandatory sales targets on sub-distributors, encouraging procurement based on actual terminal demand and sales forecasts.

- **Buy-Out Basis:** We operate on a buy-out basis. According to our agreements, we generally do not accept product returns except for quality issues. As of the Latest Practicable Date, there have been no instances where sub-distributors returned slow-moving inventory to distributors, subsequently leading to return requests from distributors to us.

As of the Latest Practicable Date, based on our internal audits and external verification, we had not identified any violations of the "Two-Invoice System" policy. As advised by the PRC Legal Adviser, during the Track Record Period and up to the Latest Practicable Date, we have not been subject to any material non-compliance or administrative penalties in relation to the Two-Invoice System, and we remain in compliance with the applicable PRC laws and regulations in all material aspects. In particular, the PRC Legal Adviser has confirmed that, during the Track Record Period and up to the Latest Practicable Date, we (i) had not been deemed by competent authorities to have violated or circumvented any law, regulations, rules or policies in relation to the Two-Invoice System; (ii) had not been disqualified from participating in public tendering processes in any province in China; (iii) had not been subject to any administrative fines or penalties in relation to the Two-Invoice System; and (iv) had not received any warning or notice from any competent authorities in relation to our compliance with the Two-Invoice System.

Marketing Activities

We begin comprehensive commercialization planning approximately 18 to 24 months before the anticipated approval of each product candidate. Our preparations include developing internal strategy of product positioning and differentiation, building internal marketing and compliance systems, establishing supply chain readiness, and developing market access and reimbursement pathways. During this stage, we also identify and engage KOLs and major hospitals through scientific exchanges to increase awareness of evolving treatment paradigms and facilitate evidence generation and potential future inclusion in relevant treatment guidelines.

In parallel, our marketing initiatives include executing tailored messaging and brand development aligned with the product's clinical profile and target patient population. In compliance with relevant laws and regulations governing prescription drugs, the exclusive target audience of our marketing initiatives consists of healthcare professionals, such as physicians and KOLs, rather than distributors, patients, or the general public. We implement evidence-led launch programs, such as publication strategies and educational activities designed to support appropriate prescribing. For golidocitinib our academic communications are anchored by its unique mechanism of action and

validated by clinical data, supplemented by the exchange of real-world utilization experiences. We also develop promotional materials and campaign content that are fully reviewed for regulatory and compliance adherence, and we coordinate cross-functional readiness across sales, medical affairs, and market access teams to ensure consistent communication at launch and beyond. For ZEGFROVY®, pursuant to the AstraZeneca Agreement, AstraZeneca shall have the sole right to commercialize it globally at its sole cost and expense. For details, see "— License Agreement with AstraZeneca."

Following the product approval, we organize, sponsor and participate in academic conferences, seminars and symposia, sharing the latest clinical data and therapeutic insights exclusively with healthcare professionals, including physicians and KOLs. In addition, our medical team facilitates scientific dialogues with clinical practitioners to support evidence-based adoption. Such interactions help us gain valuable clinical and market insights and continuously refine our commercialization strategies to better meet patient and medical needs.

PRICING

During the Track Record Period, all of our revenue generated from sales of pharmaceutical products was derived from China. Our pricing strategy for golidocitinib is primarily based on the following principles: (i) innovation value-oriented pricing, whereby we consider its differentiated clinical benefits compared to existing treatment options to reflect its innovative value; and (ii) accessibility considerations, whereby we take into account patient affordability and policy direction to ensure both commercial sustainability and broad patient access. The regulatory regimes that directly impact golidocitinib's pricing and market access primarily include the NRDL governing insurance coverage and reimbursement standards. We continuously monitor regulatory developments and adapt our pricing strategy to navigate these complex mechanisms while maintaining sustainable business operations.

NRDL

The NRDL forms the basis for medical insurance coverage and reimbursement standards under China's basic medical insurance, work-related injury insurance and maternity insurance programs. NRDL inclusion significantly influences market dynamics by determining patient access to insurance reimbursement for covered medications, thereby affecting both demand patterns and achievable pricing levels. The NHSA, in conjunction with other relevant government authorities, maintains authority over NRDL composition and updates the list through rigorous evaluation processes that assess clinical necessity, cost-effectiveness and budgetary impact. Products undergo comprehensive evaluation based on established selection criteria including clinical efficacy, safety profiles, therapeutic value compared to existing alternatives, and economic considerations.

As of the Latest Practicable Date, golidocitinib was included in the NRDL. See also "— Our Product Portfolio." NRDL inclusion represents both an opportunity for enhanced market access and a commitment to pricing frameworks that support broad patient accessibility within China's healthcare insurance system. While NRDL inclusion provides substantial market advantages through enhanced patient accessibility and reduced out-of-pocket costs, it may also result in price adjustments through negotiated pricing mechanisms designed to balance patient access with healthcare system sustainability.

Following inclusion of golidocitinib in the NRDL on January 1, 2025, we adjusted its price in accordance with NRDL negotiation requirements, and the extent of the price reduction was generally in line with that of other innovative drugs included in the NRDL through negotiation during the same period. The inclusion of golidocitinib the NRDL has supported patient access in Chinese Mainland.

As of the Latest Practicable Date, golidocitinib had not been included in the Commercial Health Insurance Innovative Drug List, and we currently had no plans for such inclusion for golidocitinib or our pipeline products. As of the Latest Practicable Date, golidocitinib was covered by the social medical insurance in Chinese Mainland through its inclusion in the NRDL, under which eligible patients are reimbursed in accordance with local basic medical insurance policies, covering the vast majority of patients within the approved indication. Apart from such coverage, as of the Latest Practicable Date, (i) we had not entered into any specialized access arrangements or separate cooperation agreements with other commercial or social insurance programs in Chinese

Mainland, nor had we actively pursued or participated in such arrangements post inclusion of NRDL, (ii) golidocitinib and our pipeline products were not covered by any insurance programs outside Chinese Mainland, and (iii) we had not received any financial incentives in connection with insurance coverage.

For further details on the risks associated with the pricing regulations in China, as well as the NRDL and other government-sponsored medical insurance programs, see "Risk Factors — Risks Relating to Our Business and Industry — If our products 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."

OUR CUSTOMERS

During the Track Record Period, our customers were our distributors who purchase drug products from us, allocate within designated regions or resell to end-customers. Our revenue from our five largest customers for each period during the Track Record Period amounted to RMB82.9 million, RMB322.3 million, RMB652.7 million and RMB433.2 million, respectively, accounting for 90.8%, 89.6%, 81.5% and 82.9% of our total revenue, respectively. Our revenue from our largest customer for each period during the Track Record Period amounted to RMB35.9 million, RMB139.6 million, RMB335.0 million and RMB224.4 million, respectively, accounting for 39.3%, 38.8%, 41.8% and 42.9% of our total revenue, respectively. For details of the risks related to our major customers, see "Risk Factors — Risks Relating to Dependence on Third Parties — The potential loss of major customers or any of our large contracts could materially affect our business, financial condition and results of operations."

The following table sets forth details of our five largest customers for each period during the Track Record Period:

Customer	Background	Products Provided	Credit Terms	Commencement of Business Relationship (Since)	Revenue Contribution	% of Total Revenue for the Period
					(RMB in thousands)	*(%)*
For the six months ended June 30, 2026						
Customer Group A . . .	A leading state-owned pharmaceutical company group headquartered in Beijing China, whose subsidiary is listed on the Hong Kong Stock Exchange, principally engaged in the distribution and retail of pharmaceuticals, healthcare products and medical devices	ZEGFROVY® and golidocitinib	60 days	2023	224,395	42.9
Customer Group B . . .	A leading state-owned pharmaceutical company group headquartered in China listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, principally engaged in R&D, manufacturing, distribution and retail of pharmaceuticals, healthcare products and medical devices	ZEGFROVY® and golidocitinib	60 days	2023	80,569	15.4

Customer	Background	Products Provided	Credit Terms	Commencement of Business Relationship (Since)	Revenue Contribution	% of Total Revenue for the Period
					(RMB in thousands)	*(%)*
Customer Group C	A leading state-owned pharmaceutical company group headquartered in China whose parent company is listed on the Hong Kong Stock Exchange, principally engaged in the distribution of pharmaceuticals, medical devices and healthcare products	ZEGFROVY® and golidocitinib	60 days	2023	70,939	13.6
Customer Group F	A leading state-owned pharmaceutical and health care company group headquartered in Chongqing, China, whose parent company is listed on the Shenzhen Stock Exchange, principally engaged in the distribution and retail of pharmaceuticals, healthcare products, medical devices and related value-added services	ZEGFROVY® and golidocitinib	60 days	2023	29,383	5.6
Customer E	A leading state-owned pharmaceutical company headquartered in Guangzhou, China, principally engaged in the wholesale and retail distribution of pharmaceuticals and healthcare products	ZEGFROVY® and golidocitinib	60 days	2023	27,938	5.4
Total					**433,224**	**82.9**

Customer	Background	Products Provided	Credit Terms	Commencement of Business Relationship (Since)	Revenue Contribution	% of Total Revenue for the Year
					(RMB in thousands)	*(%)*
For the year ended December 31, 2025						
Customer Group A	A leading state-owned pharmaceutical company group headquartered in Beijing China, whose subsidiary is listed on the Hong Kong Stock Exchange, principally engaged in the distribution and retail of pharmaceuticals, healthcare products and medical devices	ZEGFROVY® and golidocitinib	60 days	2023	335,016	41.8

Customer	Background	Products Provided	Credit Terms	Commencement of Business Relationship (Since)	Revenue Contribution	% of Total Revenue for the Year
					(RMB in thousands)	*(%)*
Customer Group B . . .	A leading state-owned pharmaceutical company group headquartered in China listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, principally engaged in R&D, manufacturing, distribution and retail of pharmaceuticals, healthcare products and medical devices	ZEGFROVY® and golidocitinib	60 days	2023	120,749	15.1
Customer Group C . . .	A leading state-owned pharmaceutical company group headquartered in China whose parent company is listed on the Hong Kong Stock Exchange, principally engaged in the distribution of pharmaceuticals, medical devices and healthcare products	ZEGFROVY® and golidocitinib	60 days	2023	91,699	11.5
Customer Group D . . .	A leading state-owned pharmaceutical company group headquartered in Nanjing, China listed on the Shanghai Stock Exchange, principally engaged in the wholesale and retail distribution of pharmaceuticals and healthcare products	ZEGFROVY® and golidocitinib	60 days	2023	54,455	6.8
Customer E . . .	A leading state-owned pharmaceutical company headquartered in Guangzhou, China, principally engaged in the wholesale and retail distribution of pharmaceuticals and healthcare products	ZEGFROVY® and golidocitinib	60 days	2023	50,800	6.3
Total					**652,719**	**81.5**

Customer	Background	Products Provided	Credit Terms	Commencement of Business Relationship (Since)	Revenue Contribution	% of Total Revenue for the Year
					(RMB in thousands)	*(%)*
For the year ended December 31, 2024						
Customer Group A . . .	A leading state-owned pharmaceutical company group headquartered in Beijing China, whose subsidiary is listed on the Hong Kong Stock Exchange, principally engaged in the distribution and retail of pharmaceuticals, healthcare products and medical devices	ZEGFROVY® and golidocitinib	60 days	2023	139,589	38.8
Customer Group B . . .	A leading state-owned pharmaceutical company group headquartered in China listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, principally engaged in R&D, manufacturing, distribution and retail of pharmaceuticals, healthcare products and medical devices	ZEGFROVY® and golidocitinib	60 days	2023	80,313	22.3
Customer Group C . . .	A leading state-owned pharmaceutical company group headquartered in China whose parent company is listed on the Hong Kong Stock Exchange, principally engaged in the distribution of pharmaceuticals, medical devices and healthcare products	ZEGFROVY® and golidocitinib	60 days	2023	40,250	11.2
Customer Group D . . .	A leading state-owned pharmaceutical company group headquartered in Nanjing, China listed on the Shanghai Stock Exchange, principally engaged in the wholesale and retail distribution of pharmaceuticals and healthcare products	ZEGFROVY® and golidocitinib	60 days	2023	33,688	9.4
Customer E . . .	A leading state-owned pharmaceutical company headquartered in Guangzhou, China, principally engaged in the wholesale and retail distribution of pharmaceuticals and healthcare products	ZEGFROVY® and golidocitinib	60 days	2023	28,441	7.9
Total					**322,281**	**89.6**

Customer	Background	Products Provided	Credit Terms	Commencement of Business Relationship (Since)	Revenue Contribution	% of Total Revenue for the Year
					(RMB in thousands)	*(%)*
For the year ended December 31, 2023						
Customer Group A . . .	A leading state-owned biopharmaceutical company group headquartered in Beijing China, whose subsidiary is listed on the Hong Kong Stock Exchange, principally engaged in the distribution and retail of pharmaceuticals, healthcare products and medical devices	ZEGFROVY®	60 days	2023	35,861	39.3
Customer Group B . . .	A leading state-owned pharmaceutical company group headquartered in China listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, principally engaged in R&D, manufacturing, distribution and retail of pharmaceuticals, healthcare products and medical devices	ZEGFROVY®	60 days	2023	20,088	22.0
Customer Group C . . .	A leading state-owned pharmaceutical company group headquartered in China whose parent company is listed on the Hong Kong Stock Exchange, principally engaged in the distribution of pharmaceuticals, medical devices and healthcare products	ZEGFROVY®	60 days	2023	12,648	13.9
Customer Group D . . .	A leading state-owned pharmaceutical company group headquartered in Nanjing, China listed on the Shanghai Stock Exchange, principally engaged in the wholesale and retail distribution of pharmaceuticals and healthcare products	ZEGFROVY®	60 days	2023	8,779	9.6
Customer E . . .	A leading state-owned pharmaceutical company headquartered in Guangzhou, China, principally engaged in the wholesale and retail distribution of pharmaceuticals and healthcare products	ZEGFROVY®	60 days	2023	5,505	6.0
Total					**82,881**	**90.8**

To the best of our knowledge, (i) all of our five largest customers for each period during the Track Record Period were Independent Third Parties; and (ii) none of our Directors, their respective associates or any shareholder who owned more than 5% of our issued share capital of our Company as of the Latest Practicable Date, had any interest in any of our five largest customers for each period during the Track Record Period.

OUR SUPPLIERS

During the Track Record Period, our suppliers primarily consisted of suppliers of CRO services and CDMO services. We implement a strict procurement and supplier management system with comprehensive controls covering the entire procurement lifecycle. For details, see "— Quality Management."

Our purchases from our five largest suppliers for each period during the Track Record Period amounted to RMB301.9 million, RMB249.9 million, RMB302.3 million and RMB124.2 million, respectively, accounting for 60.6%, 57.0%, 52.1% and 44.4% of our total purchases, respectively. Our purchases from the largest supplier for each period during the Track Record Period amounted to RMB127.0 million, RMB70.1 million, RMB79.7 million and RMB33.1 million, respectively, accounting for 25.5%, 16.0%, 13.8% and 11.8% of our total purchases, respectively.

The following table sets forth details of our five largest suppliers for each period during the Track Record Period:

Supplier	Background	Major Purchases	Type of Supplier	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Period
						(RMB in thousands)	*(%)*
For the six months ended June 30, 2026							
Supplier Group D . . .	A public company group listed on the Shanghai Stock Exchange headquartered in China, primarily engages in pharmaceutical R&D outsourcing, new drug discovery, clinical trials and production-related technical services	Manufacturing and R&D services	CDMO	60 to 90 days	2018	33,060	11.8
Supplier B . . .	A private company established in China, a subsidiary of a pharmaceutical group listed on the NASDAQ Exchange headquartered in the United States, primarily engages in pharmaceutical R&D related technical services and clinical trial support	R&D services	CRO	30 days	2022	27,947	10.0
Supplier Group C . . .	A public company group listed on the New York Stock Exchange headquartered in the United States, primarily engages in R&D, production and sales of scientific instruments, reagents, lab consumables, and life science and pharmaceutical R&D related technical services	R&D services and materials	CRO	45 to 60 days	2018	26,586	9.5
Supplier Group E . . .	A private company group headquartered in the United States, primarily engages in pharmaceutical R&D outsourcing, clinical trial management, pharmaceutical commercial consulting and related technical services	R&D services	CRO	60 days	2019	19,060	6.8

Supplier	Background	Major Purchases	Type of Supplier	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Period
						(RMB in thousands)	*(%)*
Supplier A . . .	A private company established in China, a subsidiary of a pharmaceutical group listed on the NASDAQ Exchange headquartered in the United States, primarily engages in pharmaceutical R&D related technical services and clinical trial support	R&D services	CRO	45 to 90 days	2019	17,593	6.3
Total						**124,246**	**44.4**

Supplier	Background	Major Purchases	Type of Supplier	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Year
						(RMB in thousands)	*(%)*
For the year ended December 31, 2025							
Supplier Group C . . .	A public company group listed on the New York Stock Exchange headquartered in the United States, primarily engages in R&D, production and sales of scientific instruments, reagents, lab consumables, and life science and pharmaceutical R&D related technical services	R&D services and materials	CRO	45 to 60 days	2018	79,742	13.8
Supplier A . . .	A private company established in China, a subsidiary of a pharmaceutical group listed on the NASDAQ Exchange headquartered in the United States, primarily engages in pharmaceutical R&D related technical services and clinical trial support	R&D services	CRO	45 to 90 days	2019	72,202	12.5
Supplier B . . .	A private company headquartered in the United States, primarily engages in clinical trial management, pharmaceutical R&D outsourcing and related technical services	R&D services	CRO	30 days	2022	62,502	10.8
Supplier Group D . . .	A public company group listed on the Shanghai Stock Exchange headquartered in China, primarily engages in pharmaceutical R&D outsourcing, new drug discovery, clinical trials and production-related technical services	Manufacturing and R&D services	CDMO	60 to 90 days	2018	61,509	10.6

Supplier	Background	Major Purchases	Type of Supplier	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Year
						(RMB in thousands)	*(%)*
Supplier Group E	A private company group headquartered in the United States, primarily engages in pharmaceutical R&D outsourcing, clinical trial management, pharmaceutical commercial consulting and related technical services	R&D services	CRO	60 days	2019	26,361	4.6
Total						**302,316**	**52.1**

Note: We recognized U.S. FDA fees of RMB32.7 million in connection with the NDA approval of ZEGFROVY® for the year ended December 31, 2025.

Supplier	Background	Major Purchases	Type of Supplier	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Year
						(RMB in thousands)	*(%)*
For the year ended December 31, 2024							
Supplier Group C	A public company group listed on the New York Stock Exchange headquartered in the United States, primarily engages in R&D, production and sales of scientific instruments, reagents, lab consumables, and life science and pharmaceutical R&D-related technical services	R&D services and materials	CRO	45 to 60 days	2018	70,137	16.0
Supplier Group D	A public company group listed on the Shanghai Stock Exchange headquartered in China, primarily engages in pharmaceutical R&D outsourcing, new drug discovery, clinical trials and production-related technical services	Manufacturing and R&D services	CDMO	60 to 90 days	2018	60,102	13.7
Supplier B	A private company headquartered in the United States, primarily engages in clinical trial management, pharmaceutical R&D outsourcing and related technical services	R&D services	CRO	30 days	2022	58,615	13.4
Supplier A	A private company established China, a subsidiary of a pharmaceutical group listed on the NASDAQ Exchange headquartered in the United States, primarily engages in pharmaceutical R&D-related technical services and clinical trial support	R&D services	CRO	45 to 90 days	2019	32,201	7.3

Supplier	Background	Major Purchases	Type of Supplier	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Year
						(RMB in thousands)	*(%)*
Supplier Group E	A private company group headquartered in the United States, primarily engages in pharmaceutical R&D outsourcing, clinical trial management, pharmaceutical commercial consulting and related technical services	R&D services	CRO	60 days	2019	28,845	6.6
Total						**249,900**	**57.0**

Supplier	Background	Major Purchases	Type of Supplier	Credit Terms	Commencement of Business Relationship (Since)	Purchase Amount	% of Total Purchases for the Year
						(RMB in thousands)	*(%)*
For the year ended December 31, 2023							
Supplier Group F	A public company group headquartered in the U.S., primarily engaged in medical testing, clinical research support and pharmaceutical R&D-related laboratory services.	R&D services and materials	CRO	60 to 90 days	2019	126,996	25.5
Supplier Group D	A public company group listed on the Shanghai Stock Exchange headquartered in China, primarily engages in pharmaceutical R&D outsourcing, new drug discovery, clinical trials and production-related technical services	Manufacturing and R&D services	CDMO	60 to 90 days	2018	67,547	13.5
Supplier B	A private company headquartered in the United States, primarily engages in clinical trial management, pharmaceutical R&D outsourcing and related technical services	R&D services	CRO	30 days	2022	41,363	8.3
Supplier Group C	A public company group listed on the New York Stock Exchange headquartered in the United States, primarily engages in R&D, production and sales of scientific instruments, reagents, lab consumables, and life science and pharmaceutical R&D-related technical services	R&D services and materials	CRO	45 to 60 days	2018	39,129	7.9
Supplier Group E	A private company group headquartered in the United States, primarily engages in pharmaceutical R&D outsourcing, clinical trial management, pharmaceutical commercial consulting and related technical services	R&D services	CRO	60 days	2019	26,881	5.4
Total						**301,916**	**60.6**

To the best of our knowledge, (i) all of our five largest suppliers for each period during the Track Record Period were Independent Third Parties; (ii) none of our Directors, their respective associates or any shareholder who owned more than 5% of our issued share capital of our Company as of the Latest Practicable Date, had any interest in any of our five largest suppliers for each period during the Track Record Period.

OVERLAPPING OF OUR MAJOR SUPPLIERS AND CUSTOMERS

Two of our five largest customers during each period of the Track Record Period, namely Customer Group A and Customer Group B, were also the parent companies of certain of our suppliers. Our sales to Customer Group A amounted to RMB35.9 million, RMB139.6 million, RMB335.0 million and RMB224.4 million in 2023, 2024, 2025 and the six months ended June 30, 2026, respectively, accounting for approximately 39.3%, 38.8%, 41.8% and 42.9% of our total revenue for the respective periods. The gross profit generated from our sales to Customer Group A was RMB34.6 million, RMB136.0 million, RMB320.7 million and RMB215.4 million in 2023, 2024, 2025 and the six months ended June 30, 2026, respectively, representing a gross profit margin of 96.5%, 97.4%, 95.7% and 96.0%, respectively. Our sales to Customer Group B amounted to RMB20.1 million, RMB80.3 million, RMB120.7 million and RMB80.6 million in 2023, 2024, 2025 and the six months ended June 30, 2026, respectively, accounting for approximately 22.0%, 22.3%, 15.1% and 15.4% of our total revenue for the respective periods. The gross profit generated from our sales to Customer Group B was RMB19.4 million, RMB78.2 million, RMB115.6 million and RMB77.4 million in 2023, 2024, 2025 and the six months ended June 30, 2026, respectively, representing a gross profit margin of 96.5%, 97.4%, 95.7% and 96.0%, respectively.

During the Track Record Period, we procured warehousing and logistics services, as well as R&D laboratory consumables and related materials, from Customer Group A. Our purchases from Customer Group A amounted to approximately RMB0.02 million, RMB0.6 million, RMB1.7 million and RMB0.9 million in 2023, 2024, 2025 and the six months ended June 30, 2026, accounting for approximately nil, 0.1%, 0.3% and 0.3% of our total purchases in the respective periods.

During the Track Record Period, we also procured warehousing and logistics services from Customer Group B. Our purchases from Customer Group B amounted to approximately RMB0.5 million, RMB0.6 million, nil and nil in 2023, 2024, 2025 and the six months ended June 30, 2026, accounting for approximately 0.1%, 0.1%, nil and nil of our total purchases in the respective periods.

While the counterparties to us for the sales and purchases above were separate legal entities with distinct business operations, they are under common ultimate control within the same group, which has an extensive presence in pharmaceutical distribution and related services in the PRC. Our Directors confirm that the pricing and transaction terms of our sales to Customer Group A and Customer Group B, as well as our purchases from their groups' supplier entities were negotiated and conducted separately on an arm's length basis and in the ordinary course of business. Such transactions were neither connected with nor conditional upon each other, and the transaction terms (including payment schedules, credit periods and pricing) were consistent with those offered to independent third parties of similar nature.

Save as disclosed above, none of our five largest customers in each period during the Track Record Period were also our suppliers during the same period, and vice versa.

PRODUCT RETURNS AND WARRANTIES

Product returns or exchanges by our distributors are generally not permitted except under circumstances defined in our internal Returned Products Management Standard Operating Procedure ("**SOP**"). In accordance with our SOP and the Good Supply Practice for Drugs (《藥品經營質量管理規範》) of the PRC, all distributors are required to conduct acceptance inspections upon delivery to ensure that only qualified products enter their inventory.

Returns for quality reasons may include product quality issues, packaging damage or temperature excursions during transportation, while non-quality reasons may include logistics errors or near-expiry products. All return applications are subject to review and approval by our Commercial Operations and QA teams.

We have also established a quality complaint-handling mechanism to address feedback from distributors and healthcare professionals. During the Track Record Period and up to the Latest Practicable Date, we had not received any material customer complaints due to problems associated with the quality of our products or encountered any material product returns for quality reasons.

INTELLECTUAL PROPERTY

Intellectual property rights are crucial to our business success. Our future success is highly dependent on our ability to obtain and maintain patent protection, as well as other forms of intellectual property rights, in respect of the key technologies, inventions and proprietary know-how underpinning our product pipeline and technology. Equally critical is our ability to maintain and enforce these intellectual property rights, preserve the confidentiality of our trade secrets, and ensure our freedom to operate without infringing on, misappropriating or otherwise violating the valid intellectual property rights of third parties.

We hold a global portfolio of patents to protect our product portfolio and technologies. As of the Latest Practicable Date, we owned 193 issued patents, including 32 in China, 22 in the U.S., and 139 in other jurisdictions. As of the same date, we had 198 patent applications, including 17 in China, 13 in the U.S., 163 in other jurisdictions and five under the Patent Cooperation Treaty ("**PCT**") filed in China. As of the Latest Practicable Date, we had not received any material concerns or inquiries from relevant competent authorities that make us believe that any of the pending patent applications will be rejected. For details of our intellectual properties, see Appendix VI to this document.

Under the AstraZeneca Agreement, each party owns know-how and inventions made solely by or on behalf of that party, except AstraZeneca owns all know-how with respect to Licensed Compounds and Licensed Products, and the parties each own an equal, undivided interest in joint know-how and joint patent rights. AstraZeneca owns all product trademarks used with ZEGFROVY®. For details, see "Business — Intellectual Property" and "Business — License Agreement with AstraZeneca."

PATH TO PROFITABILITY

Since our inception, we are dedicated to the mission of developing novel therapies that address real-world clinical needs and provide meaningful benefits to patients worldwide. For the past eight years, we developed integrated technologies that seamlessly connect translational science, precision molecular design, and predictive clinical pharmacology into a unified workflow. Through this, we are able to validate the intricate relationship between targets and diseases, define a clear candidate drug target profile (CDTP), and identify and validate predictive biomarkers that serve as valuable guides in patient selection and the continuous monitoring of pharmacodynamic effects. Our historical losses were primarily attributable to the unique characteristics of our product portfolio, coupled with our strategic focus on establishing and innovating our integrated technologies. Our product portfolio comprises the out-licensed product ZEGFROVY®, our marketed product golidocitinib and five clinical-stage drug candidates with global competitiveness and substantial potential to serve patients beyond China. These assets are strategically designed around areas where we identify strong biological rationale, clinical need, and a feasible development pathway. In particular, we did not have any commercialized products prior to the Track Record Period. We also made significant investments in building foundational business operations—including technology development, platform establishment, business operations, and team expansion—which required substantial upfront capital and drove our net losses. These factors all resulted in our accumulated losses of RMB1,405.9 million as of January 1, 2023.

Our net losses during the Track Record Period were primarily due to (i) the limited number of approved drugs and the limited commercialization time for ZEGFROVY® and golidocitinib, (ii) economies of scale still materializing, particularly as we build our internal commercialization team in its early stages, (iii) significant R&D investments aligned with the advancement of our product pipeline, (iv) the affordable pricing strategy for ZEGFROVY® and golidocitinib upon NRDL inclusion to capture greater market share, (v) significant selling and distribution expenses incurred to promote ZEGFROVY® and golidocitinib and to build market awareness among healthcare professionals, and (vi) investments in attracting and retaining talent. Although we continued to incur significant R&D expenses for our other pipeline products, as well as growing selling and distribution expenses as our sales activities expanded, we were able to gradually decrease our losses during the Track Record Period due to the launch and sales of ZEGFROVY® and golidocitinib.

For a period-on-period analysis of our financial performance, see "— Description of Certain Consolidated Statements of Profit or Loss and Other Comprehensive Income Items" and "— Period/Year to Period/Year Comparison of Results of Operations."

Our Strategies to Deliver Sustainable Revenue Growth and Profitability

There will continue to be a significant demand for innovative drugs in the treatment for oncology indications, hematological diseases. In 2025, oncology drugs held the leading position in the global pharmaceutical market, with a market share of 16.9%. This dominance was mirrored in China, where oncology ranked first with a market share of 16.3%. In contrast, a structural divergence exists in the I&I segment — while I&I therapies accounted for approximately 12.9% of the global market in 2025, they represented only 5.6% of the market in China. This significant disparity underscores a profound under-penetration of I&I treatments domestically, highlighting a compelling growth opportunity for innovative therapies to bridge this gap and address increasing clinical demand.

Going forward, we expect to sustain our revenue growth and achieve profitability taking into account the following factors.

- ***Revenue growth from golidocitinib and expansion of its indications.*** Golidocitinib was approved and launched in Chinese Mainland in June 2024 and included in the NRDL with coverage effective January 2025. We plan to utilize approximately [**REDACTED**]% of the [**REDACTED**] (approximately HK$[**REDACTED**]) to advance golidocitinib in combination with immunotherapy for the first-line treatment of locally advanced or metastatic NSCLC without known driver mutations. We also intend to pursue first-line treatment for PTCL and other potential indications. As these initiatives progress, golidocitinib may achieve broader patient access and increased sales volumes, subject to regulatory review and approval. For details, please see "Business — Our Strategies" and "Future Plans and [**REDACTED**]."

- ***License fee income from the AstraZeneca Agreement.*** Pursuant to the AstraZeneca Agreement, AstraZeneca is expected to pay us a one-time, non-refundable and non-creditable upfront payment of US$600.0 million, and we are eligible for development milestone payments potentially up to an aggregate of US$400.0 million, sales milestone payments potentially up to an aggregate of US$500.0 million and tiered royalties of up to low-double-digit percentages on the global sales of ZEGFROVY®, subject to specified development, regulatory and sales milestone events and certain adjustments. For details, see "— License Agreement with AstraZeneca." ZEGFROVY® has received marketing approvals in China and the United States, has been included in the NRDL in China, and generated positive topline results in the WU-KONG28 first-line study. Subject to regulatory review and approval, ZEGFROVY® is expected to obtain NDA approvals from the NMPA and FDA for as a first-line treatment for EGFR exon20ins NSCLC in 2027.

- ***Strategic focus on major therapeutic segments.*** We strategically focus on HMs and lung cancer, which are major therapeutic segments that collectively accounted for approximately 40% of the total oncology market size in 2025. In the field of HMs, we have directed our R&D efforts toward major indications such as PTCL, CLL/SLL, and DLBCL. The combined addressable patient population for these targeted indications represents approximately 70% of the total incident cases of HMs. Within the lung cancer segment, NSCLC is a primary focus of our pipeline development. Our out-licensed product and drug candidates are designed to collectively address approximately 75% of the incident NSCLC cases, offering clinical coverage across multiple lines of therapy, including 1L and 2L/2L+ treatments.

  The following table sets forth the competitive landscape and advantages for ZEGFROVY® and our other pipeline products.

	Competitive landscape and advantages			
Products	**Annual per-patient treatment cost***	**NRDL inclusion**	**NCCN inclusion**	**Competitive edges**
ZEGFROVY® (DZD9008) .	RMB66,000 to RMB93,000	Included for approved indication	Yes	• **Established regulatory position and market access.** ZEGFROVY® is the only oral small-molecule drug approved in both China and the U.S. for the treatment of NSCLC with EGFR exon20ins, and the only oral targeted therapy included in the NRDL for this indication. • **Leading clinical progress in the first-line setting.** ZEGFROVY® is the first and only oral targeted therapy globally to have demonstrated positive results in a randomized controlled Phase 3 multi-regional clinical trial for the first-line treatment of NSCLC with EGFR exon20ins. • **Encouraging early clinical efficacy in EGFR PACC NSCLC.** ZEGFROVY® has demonstrated encouraging early clinical efficacy in patients with EGFR PACC NSCLC, a difficult-to-treat population. Tumor lesion shrinkage was observed in 100% of treated patients, with an objective response rate, or ORR, of 81.3% and a disease control rate, or DCR, of 100%, indicating its potential to deliver clinically meaningful benefits in this patient population. For details of the differentiation analysis of ZEGFROVY®, see "Industry Overview — The Oncology Therapeutics Market — The EGFR Exon20ins NSCLC Market — Global competitive landscape of EGFR exon20ins NSCLC therapies."
Golidocitinib (DZD4205) .	RMB42,000 to RMB63,000	Included for approved indication	No	• **Promising efficacy among approved therapies and JAK inhibitors.** In r/r PTCL treatment, golidocitinib monotherapy exhibited over 24.3 months mOS with a relatively poor patient baseline, all subtypes benefited well, ORR of common subtypes exceeded 40% and with high CRR. • **Differentiated safety profile by design.** Highly selective for JAK1, avoiding anemia caused by targeting JAK2. • **Promising efficacy with favorable safety profile for NSCLC without known driver mutations.** Demonstrated a significantly improved ORR of 63.8% (84.2% in patients with high PD-L1 expression), combined with a favorable safety profile and improved patient-reported quality of life. For details of the differentiation analysis of golidocitinib, see "Industry Overview — The Oncology Therapeutics Market — The NSCLC Without Known Driver Mutations Market — Global competitive landscape of NSCLC without known driver mutations treatment" and "— The PTCL Market — Global competitive landscape of PTCL treatment."

	Competitive landscape and advantages			
Products	**Annual per-patient treatment cost***	**NRDL inclusion**	**NCCN inclusion**	**Competitive edges**
Birelentinib (DZD8586) .	N/A	N/A	N/A	**In r/r CLL/SLL treatment:** • **Overcome BTKi resistance.** DZD8586 blocks both BTK-dependent and non-BTK BCR signaling pathways, effectively inhibiting the growth of CLL/SLL post-BTK • **BBB penetration.** CLL/SLL may experience CNS involvement with poor prognosis. DZD8586 is designed to fully penetrate the BBB and exert therapeutic effects in the brain • **FDA FTD.** Early clinical data readout supported FDA FTD for DZD8586 treating r/r CLL/SLL **In DLBCL treatment:** • No BTK inhibitors have been approved for treating DLBCL. DZD8586 is the oral small-molecule drug, which can improve patients adherence, and also showed promising data in both GCB and non-GCB DLBCL
DZD6008 . . .	N/A	N/A	N/A	**In EGFR-TKI resistant NSCLC treatment:** • **Overcome drug resistance.** DZD6008 exhibits potent and consistent inhibitory activity against EGFR-sensitive mutations (L858R/del19), resistant double mutations (T790M/C797S with L858R/del19), and triple mutations (C797X, T790M, and L858R/del19), while demonstrating over 50-fold selectivity against wild-type EGFR in preclinical models • **BBB penetration to address brain metastases.** DZD6008 demonstrates good BBB penetration in patients in clinical trial, consistent with preclinical data, with a CSF to free plasma concentration ratio over 1, and has shown durable therapeutic responses even in patients with baseline brain metastases

Note:

* Annual per-patient treatment cost is calculated based on the assumed duration of treatment over a one-year period, taking into account the recommended dosing regimen and treatment cycle as set out in the relevant prescribing information.

More importantly, we believe that market demand remains more than sufficient for out-licensed and commercialized drugs and drug candidates, notwithstanding competitive pressures, defined patient populations, and the expected entry of competitor drugs into reimbursement frameworks. The following table sets forth a detailed analysis on the sufficiency of respective market demand for out-licensed and commercialized drugs and drug candidates.

Products	Target Indications	Patient Population			Market Size			Key Growth Drivers	Demand Sufficiency Assessment
			2025	*2035E*	*2025*	*2035E*	*CAGR*		
			(thousand cases)		*(US$ million)*		*%*		
ZEGFROVY® (DZD9008)	EGFR exon20ins NSCLC	Global	76.7	99.6	1.6	8.0	17.7	Rising NSCLC incidence; expansion to 1L/adjuvant settings; NRDL inclusion driving volume; sole oral small-molecule with NCCN recommendation.	We believe market demand is sufficient because the EGFR exon20ins NSCLC market is expected to reach US$8.0 billion in 2035, while ZEGFROVY® benefits from first-in-class positioning and a limited number of approved competitors.
		China	50.1	65.7	0.3	1.9	18.8		
Golidocitinib (DZD4205)	PTCL	Global[(1)]	73.9	96.3	1.6	5.9	14.0	Only JAK1 inhibitor approved for PTCL globally; CSCO Category I recommendation; U.S. NDA submission planned in 1H2028.	We believe market demand is sufficient because the PTCL drug market is projected to reach US$6.0 billion in 2035, and golidocitinib's differentiated JAK1 profile supports demand despite competitive pressures.
		China[(1)]	26.8	33.2	0.5	1.5	10.8		
	NSCLC without known driver mutations	Global	527.6	681.2	23.2	42.6	6.3	Expansion into a large NSCLC without known driver mutations market via IO combination; planned registrational development supported by ongoing clinical evaluation.	We believe market demand is sufficient because the NSCLC without known driver mutations market is projected to reach US$41.8 billion in 2035, substantially enlarging golidocitinib's addressable demand beyond PTCL.
		China	189.1	248.0	3.2	6.7	7.9		
Birelentinib (DZD8586)	CLL/SLL	Global[(2)]	734.7	862.3	15.1	41.4	10.6	First/only dual Lyn/BTK inhibitor; addresses both BTK-dependent and BTK-independent resistance; FDA Fast Track for r/r CLL/SLL; Phase 3 initiated Sept 2025.	We believe market demand is sufficient because the CLL/SLL drug market is projected to reach US$41.3 billion in 2035, and birelentinib's dual mechanism addresses important resistance limitations of existing BTK inhibitors.
		China[(2)]	37.1	49.0	0.8	2.4	11.8		
	DLBCL	Global[(3)]	936.8	1,113.2	7.2	24.9	13.3	No BTK inhibitor approved for DLBCL; activity observed across both GCB and non-GCB DLBCL subtypes.	We believe market demand is sufficient because the DLBCL drug market is projected to reach US$24.2 billion in 2035, and the absence of approved BTK inhibitors supports first-mover potential for a differentiated oral agent.
		China[(3)]	199.4	269.5	1.4	4.3	12.3		
DZD6008	EGFR-mutant NSCLC	Global	632.0	821.5	12.1	25.4	7.7	Only 4th-gen EGFR TKI meeting all four definitive criteria; full BBB penetration; combination with ZEGFROVY® as chemo-free oral regimen; addresses dominant C797X resistance mechanism.	We believe market demand is sufficient because the classical EGFR-mutant NSCLC market is expected to reach US$24.7 billion in 2035, and DZD6008 addresses resistance to third-generation EGFR TKIs, creating a large and growing treatment-seeking population.
		China	415.9	545.6	2.8	5.9	7.9		

Notes:

(1) Figures presented correspond to the PTCL indication.

(2) Figures presented correspond to the CLL/SLL indication.

(3) Figures presented correspond to the DLBCL indication.

For details, please see "Industry Overview."

Pursuant to the AstraZeneca Agreement, AstraZeneca shall have the sole right to commercialize ZEGFROVY® globally at its sole cost and expense upon the effectiveness of the agreement and we are eligible for certain sales milestone payments and tiered royalties of up to low-double-digit percentages on the global sales of ZEGFROVY®.

For golidocitinib, we are establishing the product as a standard of care in relapsed/refractory PTCL on the strength of a demonstrated mOS of 24.3 months. We are leveraging this overall survival data as a primary differentiator to accelerate clinical adoption. Furthermore, we are capitalizing on its early inclusion within authoritative clinical guidelines and its established NRDL coverage to support broader physician awareness and patient access across target medical institutions. We believe these commercial initiatives underpin a clear pathway to sustained volume growth for golidocitinib.

In addition to our continuous commercialization efforts, we continue to leverage favorable government spending on healthcare and the coverage of our product portfolio under government medical reimbursement schemes. For example, the NRDL introduced a new value-based rating framework to prioritize high-value and innovative therapies in 2023. Since inclusion in the NRDL golidocitinib generated revenue of RMB49.1 million in 2024 and RMB225.5 million in 2025, reflecting increased patient access following NRDL inclusion.

- ***Diversify our revenue source through the commercialization of new drug candidates and combination therapies.*** As we continue to develop and launch new products, we expect that our revenue will be further diversified. Currently, we expect to obtain several product approvals in the near future, including the marketing approval for birelentinib that is under late-stage clinical trials. Birelentinib received Fast Track Designation from the U.S. FDA in August 2025 for the treatment of r/r CLL/SLL. Subsequently, we initiated an international multi-center Phase 3 clinical trial of birelentinib in September 2025. We plan to utilize approximately [**REDACTED**]% of the [**REDACTED**] (approximately HK$[**REDACTED**]) to fund the clinical development of birelentinib. Birelentinib (DZD8586) for 2L+ CLL/SLL and DZD6008 for 2L+ EGFR NSCLC are currently at the registrational and proof-of-concept stages, respectively, with estimated approval and commercialization in 2029, subject to successful clinical development and regulatory review. Leveraging our existing distribution network, we believe these products will further improve our profitability. In addition, our pipeline development strategy aims to maximize the value of the portfolio by leveraging synergies across assets. For example, we plan to allocate approximately [**REDACTED**]% of the [**REDACTED**] (approximately HK$[**REDACTED**]) to fund a planned registrational Phase 3 clinical trial of DZD6008 in combination with ZEGFROVY® as first-line treatment for EGFR NSCLC with classical EGFR mutations. This combination is designed to be mutually reinforcing and to prevent resistance of both drugs. For details, please see "Business — Our Strategies" and "Future Plans and [**REDACTED**]." We believe this strategy will further diversify our revenue base and enhance value creation through portfolio synergies.

- ***Continue to improve selling and marketing efficiency and output.*** During the Track Record Period, we incurred significant staff costs for our sales and marketing personnel. These costs increased from RMB111.0 million in 2023 to RMB229.2 million in 2024, and further increased to RMB327.2 million in 2025. In addition, our staff costs for sales and marketing personnel decreased from RMB163.0 million for the six months ended June 30, 2025 to RMB148.8 million for the same period in 2026. We expect our sales and marketing team to optimize, and selling and marketing expenses regarding ZEGFROVY® to decrease significantly, following the AstraZeneca Agreement. By investing in structured onboarding, continuous learning, and practical coaching, we aim to build a strong and efficient sales and marketing infrastructure that supports seamless execution from launch planning to broad market delivery. During the Track Record Period, we also incurred significant marketing expenses related to academic promotion and related activities as products were commercialized in Chinese Mainland. At this early commercialization stage, we intensified academic promotion activities, strengthened market education efforts and expanded our commercial infrastructure to establish brand recognition and drive initial market penetration. We have established a dedicated commercialization team focused on golidocitinib and our pipeline products, encompassing marketing, medical affairs, distribution management, market access, and business planning and operations. Our initiatives are exclusively directed at physicians

and healthcare professionals, with a core emphasis on scientific marketing, efficient launch execution and comprehensive market access strategies. For golidocitinib, our promotional efforts leverage its unique mechanism of action, validated by robust clinical data and supplemented by real-world experience sharing. Through such science-based education and clinical evidence dissemination, we aim to drive informed prescribing decisions across the medical professional community. We expect our efforts in continuous improvement in selling and marketing efficiency to optimize our selling expenses as a percentage of revenue. For details, please see "Business — Our Strategies" and "Future Plans and [**REDACTED**]."

- ***Enhance economies of scale to control administrative and other operating expenses.*** We have benefited from operational efficiency arising from the economies of scale we have achieved and will continue to actively control our administrative and other operating expenses and expect that our administrative and other operating expenses as a percentage of revenue will continue to decrease as our business expands. In particular, we intend to refine and optimize expense management across R&D activities through improved planning, budgeting discipline and resource utilization. In addition, we will continuously improve internal operating processes to reduce non-essential activities and strengthen cross-functional execution between R&D, clinical, regulatory, and commercialization teams. We intend to further reduce administrative spend by standardizing functional processes, streamlining approvals, and minimizing duplicative workflows across departments. We will optimize headcount planning and workforce allocation through role rationalization, productivity initiatives, and cross-training to better match operational needs to pipeline milestones. By maintaining governance and performance monitoring, we aim to drive a cost-efficient operating model while supporting the timely advancement of our pipeline.

COMPETITION

The pharmaceutical industry is defined by fast-evolving technologies, intense competition, and a significant focus on proprietary drug development. We encounter competition from diverse sources, including large domestic and international pharmaceutical companies, as well as smaller emerging pharmaceutical companies, who may currently market and sell products or are pursuing the development of drug candidates for the treatment of the same indications as our products and drug candidates.

We plan to strengthen our core technological competencies, while continuously enhancing commercialization capabilities to realize the full market potential of our pipeline. We aim to expand global partnerships to unlock the commercial value of golidocitinib and our pipeline products. In parallel, we plan to strengthen in-house manufacturing to support scalable supply and improve cost efficiency. Underpinning these efforts, we prioritize attracting, developing, and retaining top-tier talent across R&D, manufacturing, and commercialization to support long-term growth and global expansion.

EMPLOYEES

As of June 30, 2026, we had 990 full-time employees, all of whom were based in China. The following table sets forth the number of our employees by function as of June 30, 2026.

Functions	Number of employees	Percentage
Sales and Marketing	563	56.9%
Research and Development	302	30.5%
Manufacturing and Quality Management	50	5.1%
Finance	16	1.6%
General and Administration	59	6.0%
Total	**990**	**100.0%**

We believe we have maintained good relationships with our employees. Our employees do not negotiate their terms of employment through any labor union or by way of collective bargaining agreements. During the Track Record Period and up to the Latest Practicable Date, we did not experience any strikes or any labor disputes with our employees which have had or are likely to have a material effect on our business.

As required by laws and regulations in China, we participate in various employee social security plans that are organized by municipal and provincial governments including, among other things, pensions, medical insurance, unemployment insurance, maternity insurance, work-related injury insurance, and housing fund plans through a PRC government-mandated benefit-contribution plan. We are required under PRC law to make contributions to employee benefit plans at specified percentages of the salaries, bonuses, and certain allowances of our employees, up to a maximum amount specified by the local government from time to time. As advised by our PRC Legal Advisor, during the Track Record Period and up to the Latest Practicable Date, we had made sufficient contributions to social insurance and housing provident funds for our employees in accordance with applicable PRC laws and regulations.

Our employees typically enter into standard employment contracts with us. We place a high value on recruiting, training, and retaining qualified employees. We maintain high standards on selecting and recruiting talent worldwide and provide competitive compensation packages. We also provide our employees with periodic training, including orientation programs for new employees, technical training, professional and management training and health and safety training.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS

As an innovative biopharmaceutical company, we remain committed to a patient-centric philosophy, focusing on original innovation at its source and consistently leveraging our core strengths to pursue sustainable development. We place emphasis on and actively advance ESH management along with our business growth. We have established an ESH Committee and formulated a comprehensive policy framework encompassing environmental monitoring and risk prevention, emergency management, laboratory and biosafety, chemical management, occupational health, power outage and natural disaster response, laboratory animal management, *in vivo* experiment oversight, and quality risk management.

We are subject to various PRC laws and regulations with respect to environmental, social and governance matters. We are committed to fully complying with these PRC regulatory requirements to prevent and mitigate hazards and risks associated with our operations, while ensuring the health and safety of our employees and the surrounding communities. We have policies in place for various aspects of our operations, including R&D, sales and marketing, and manufacturing, as well as guidelines to ensure the safety of our operations and work environment. We also conduct regular checks on occupational hazards in accordance with applicable laws and regulations. In addition, we organize regular training, emergency drills, and other activities about occupational safety knowledge to enhance our employees' safety awareness and create a corporate culture that values health and safety.

During the Track Record Period and up to the Latest Practicable Date, our operations had not experienced any material incidents, and we were not aware of any claims for material personal or property damage related to health and occupational safety.

Environmental Protection

Our business is subject to national, provincial and local environmental laws, and regulations in China. The relevant laws and regulations applicable to pharmaceutical companies in China include those governing water discharge, solid waste, sewage and exhaust fumes, and hazardous substances. For more details, see "Regulatory Overview — Overview of Laws and Regulations in the PRC — Regulations in Relation to Environmental Protection and Fire Safety." We actively monitor and ensure compliance with the applicable environmental laws and regulations in China. During the Track Record Period and up to the Latest Practicable Date, we had complied with all applicable laws and regulations relating to environmental requirements in all material respects.

We implement a comprehensive approach to environmental protection across our operations. We promote efficient resource use, waste minimization, and recycling in our office and R&D activities, while encouraging sustainable practices and environmental responsibility among CDMOs during drug manufacturing. We conduct external environmental monitoring and audits to ensure compliance with applicable standards and reduce our operational impact. We have established detailed environmental emergency response plans, including protocols for rapid assessment, containment, communication, and recovery, which we regularly test and update. Additionally, we provide ongoing training to employees on environmental awareness, relevant laws, best practices for resource conservation, and our environmental policies, with mandatory training for new hires.

Our environmental protection measures include promoting the efficient use of resources and minimizing waste across our office operations and R&D activities, conducting external environmental monitoring and audits to ensure compliance with applicable environmental standards, maintaining comprehensive environmental emergency response plans, and providing regular environmental awareness training to our employees. In terms of the manufacturing of our products, we select CDMOs committed to sustainable development and require them to strictly adhere to our code of conduct, particularly regarding environmental responsibility.

As our business continues to expand, we will allocate specific environmental targets and responsibilities to each department. This approach is supported by our multi-tiered environmental management structure and the oversight of the ESH Committee, enabling continuous monitoring and effective execution of our environmental protection initiatives across the organization.

Pollutants

The main pollutants generated during our R&D process and operation activities include wastewater, waste gas and solid waste.

Wastewater

With respect to sewage discharge, we have implemented, and plan to continue implementing, various measures to comply with applicable wastewater discharge standards and reduce wastewater intensity. These measures include the adoption of advanced wastewater treatment technologies, regular monitoring and analysis of discharge quality, strict adherence to regulatory requirements, optimization of water usage processes to minimize waste. For examples, we have introduced condensate return equipment in our manufacturing facility in Wuxi for circulating water replenishment, significantly improving water reuse rates. In addition, our manufacturing facilities are equipped with steam condensate recovery systems that collect condensed steam and reuse it for preheating other equipment, further enhancing overall energy and water efficiency.

Gas

We diligently monitor the exhaust gases generated during our operations. We have installed advanced ventilation systems in our laboratory operation rooms designed to effectively capture and treat waste gases, ensuring emissions comply with regulatory standards prior to discharge. Our approach includes the implementation of separate exhaust ventilation and activated carbon adsorption technologies.

Solid waste

In solid waste disposal, we are committed to implementing responsible and sustainable waste management practices that prioritize waste reduction, segregation, recycling, and environmental compliance to minimize our ecological footprint and support long-term sustainability goals. The table below sets forth a breakdown of our solid wastes generated for the years indicated:

	For the year ended December 31,			For the six months ended June 30,
	2023	2024	2025	2026
Hazardous waste (tons)	11.1	14.3	14.1	15.5
Non-hazardous waste (tons) . .	13.6	16.7	17.2	8.5

In the course of our business operations, the hazardous materials we primarily handle include chemicals and biomaterials, which may generate hazardous waste. We have established comprehensive measures to mitigate the associated safety risks, including strict segregation and labeling of waste types, designated storage facilities managed in accordance with standardized protocols, regular employee training on handling and emergency response procedures, and periodic emergency drills.

With respect to chemical waste and bio-waste generated by our CROs and CDMOs in the course of conducting trials and production on our behalf, we contractually require our CROs and CDMOs to comply with all applicable laws and regulations relating to waste management and

disposal. We have established standard operating procedures for the management and oversight of waste disposal practices, and our CRO and CDMO partners are required to manage chemical waste and bio-waste in accordance with their own internal regulatory compliance frameworks and applicable regulatory requirements.

Animal Welfare

We conduct all animal testing in strict compliance with animal welfare standards and applicable laws and regulations governing the management of laboratory animals in the jurisdictions where such studies are performed, and are committed to conducting medical research in accordance with internationally recognized standards for the ethical use of laboratory animals. Our laboratory animal facility has been accredited by the Association for Assessment and Accreditation of Laboratory Animal Care International (AAALAC International). We have established a comprehensive set of internal policies and standard operating procedures governing laboratory animal management, covering areas including blood sampling, drug administration, post-operative care, anesthesia, animal husbandry, facility access control, feed and water management, cleaning and disinfection, and pest control, to ensure that our animal testing activities meet the basic physiological, psychological and natural needs of the animals while minimizing unnecessary suffering.

Greenhouse Gas Emissions

We strictly abide by applicable laws and regulations related to emissions discharges. We are committed to improving the processing efficiency of our emissions treatment facilities. The greenhouse gas emissions from our manufacturing and operations activities primarily stem from fossil fuel combustion, as well as electricity and steam consumption. The table below sets forth a breakdown of our greenhouse emissions for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,
	2023	2024	2025	2026
Greenhouse gas emissions				
Scope 1 greenhouse gas (tons of CO_2 equivalent)	1,079.4	912.7	886.5	531.5
Scope 2 greenhouse gas (tons of CO_2 equivalent)	2,516.0	2,540.2	7,066.7	5,865.4
Total	**3,595.4**	**3,452,9**	**7,953.2**	**6,396.8**

To reduce carbon emissions, we are transitioning to clean energy by expanding the use of renewable resources in our operations and optimizing our energy mix to reduce carbon emissions.

Resource Consumption

We actively embrace the principle of green development by aligning closely with the national low-carbon objectives, exercising rigorous control and management across all stages from policy formulation to daily operational implementation.

In terms of energy consumption management, we have established a comprehensive policy framework encompassing environmental monitoring and risk control, emergency management, laboratory and biosafety management, chemical management, occupational health, power outage and natural disaster response, laboratory animal management, in vivo experimental management, and quality risk management. We have also implemented energy-saving measures to drive efficiency improvements, such as the installment and upgrade of energy-saving equipment.

We actively promote green office practices and environmental conservation initiatives by advocating water-saving measures in laboratory processes and daily operations, enhancing water use efficiency through equipment upgrades. In our offices, we advance digitalization and paperless operations by digitizing contracts for recruitment and procurement, as well as enabling online submission and approval of routine work requests, significantly reducing paper consumption.

Energy Saving

We are committed to expanding our business in a sustainable manner, taking into account our forecasted growth and implementation of energy-saving measures and innovations. We actively monitor our energy consumption, take proactive measures to conserve energy, and ensure thorough utilization of resources and materials.

In 2023, 2024, 2025 and the six months ended June 30, 2026, based on our best estimates, we consumed approximately 4.5 million kWh, 4.5 million kWh, 12.8 million kWh and 4.8 million kWh of electricity and approximately 31,342 tons, 32,718 tons, 146,491 tons and 54,552 tons of water, respectively.

We make every effort to upgrade and improve energy-saving and water-saving initiatives while progressively optimizing our energy consumption structure to enhance resource and energy utilization efficiency. For example, we plan to implement, or have implemented, some photovoltaic power generation projects, aiming to increase the use of renewable energy.

Climate Change

We are committed to environmental protection, with a strong focus on reducing carbon emissions and actively addressing climate change. Through researching and promoting innovative energy-saving and emission reduction technologies, sourcing clean energy, and implementing energy-efficient measures at our offices and in the construction of future production bases, we aim to reduce greenhouse gas emissions and achieve carbon neutrality.

We recognize the profound impact climate change poses to our long-term business resilience and have integrated climate-related considerations into our governance and decision-making frameworks. We proactively identify and address climate risks, adapting our strategies to strengthen resilience. For example, we have enhanced our emergency response and contingency plans to better handle extreme weather events, mitigating potential disruptions to operations, resource availability, and safety. Moving forward, we will continue monitoring emerging climate risks, bolstering our climate management systems, expanding the use of green energy, and fostering a sustainable and responsible supply chain to improve overall climate resilience.

Social Responsibility

As a responsible corporate citizen, we are committed to consistently fulfilling our corporate social responsibilities. Guided by a people-centered philosophy, we strive to create sustainable value for all stakeholders through inclusive and responsible business practices. We place strong emphasis on employee health and well-being, recognizing them as key to long-term success. At the same time, we are committed to continuously enhancing our quality control systems to guarantee that our products consistently meet the highest standards, while rigorously adhering to ethical principles throughout our research and development processes.

Workplace Safety and Diversity

We have established and maintain a comprehensive set of rules, standard operating procedures, and measures, to ensure a healthy, safe, and inclusive environment for our employees. Our safety program emphasizes three core pillars: implementing clear guidelines for safe workplace practices, maintaining rigorous accident prevention protocols, and establishing transparent reporting procedures. We are committed to ensuring a safe and comfortable work environment with security and fire safety systems. Detailed emergency response plans are regularly tested through drills to proactively identify and address potential risks. In addition, we prioritize ESH management, particularly laboratory safety, with established standards for occupational disease prevention, biosafety emergency plans, safety training, and incident reporting. During the Track Record Period, we conducted 18 biosafety training sessions and 5 drills, and established a Biosafety Committee to oversee laboratory biosafety.

We have also adopted a board diversity policy which sets out the approach to achieve diversity of the Board. We recognize and embrace the benefits of having a diverse Board, including gender diversity, as an essential element in maintaining our competitive advantage and enhancing our ability to attract, retain and motivate employees from the widest possible pool of available talent. As of the Latest Practicable Date, around 55.6% of our total employees were female. After the

[**REDACTED**], we will continue to take steps to promote gender diversity at the Board and management level. Specifically, we will actively identify female individuals suitably qualified to become our Board members. To further ensure gender diversity in a long run, our Nomination Committee will periodically review our board diversity policy and its implementation to ensure its implementation and monitor its continued effectiveness.

Supply Chain Management

Our supply chain network comprises CROs, CDMOs, and suppliers of raw materials and equipment. We strategically select partners based on five critical criteria: technical capability, cost-effectiveness, delivery performance, market reputation, and regulatory compliance. To mitigate supply chain risks — including material shortages, safety incidents, environmental violations, and integrity breaches — we maintain rigorous procurement policies. We prioritize established, large-scale suppliers who consistently demonstrate compliance with environmental and ethical standards. Our zero-tolerance stance against corruption and bribery is enforced through due diligence procedures and ongoing monitoring of all procurement activities.

We establish and execute our policies and processes to ensure compliance with applicable laws and regulations relating to safety and operations. We require our CROs and CDMOs to comply with all applicable laws and regulations relating to safety and operations, including but not limited to GCP, GMP and other applicable regulatory standards. With respect to clinical trials conducted by our CROs and production conducted by our CDMOs, we require strict adherence to applicable regulations governing patient recruitment, informed consent, clinical trial conduct and safety operations. We have implemented an end to end procurement management process, as well as our supplier qualification that adopt a risk-based approach to assessing, qualifying, and monitoring our clinical trial suppliers, under which suppliers are classified into high, medium, and low risk categories and are subject to corresponding evaluation methodologies, including commercial or technical due diligence, comprehensive internal assessments, and on-site or remote audits as appropriate. All qualified suppliers are subject to formal requalification on a regular basis and are verified ongoing compliance.

Welfare and Charity Activities

We uphold the philosophy of "fostering societal enrichment and creating a shared future. "While focusing on business growth, we actively engage in various social welfare and charitable initiatives to demonstrate our corporate responsibility and promote positive social impact. During the Track Record Period, we actively participate in social welfare and charity activities.

We actively engage in community welfare through initiatives such as the "Walk for a Cause" challenge, where employees collectively contributed over 112 million steps. We also organize voluntary blood donation drives, donating 37,300 milliliters of blood during the reporting period, underscoring our commitment to saving lives. Additionally, our volunteers visit the Shanghai Children's Medical Center, providing comfort and companionship to young patients through storytelling and engaging activities, helping to ease their stress and support their recovery. We are committed to continuing to participate in charitable events to contribute to public health construction.

ESH-Related Risks Management

We place a high priority on the identification, assessment, and management of ESH-related risks. We have established a systematic risk management framework to evaluate the potential impact of ESH issues on our business operations and financial performance and to formulate corresponding mitigation measure.

We recognize that climate change poses both risks and opportunities to our business. Our key climate-related risks include: (i) transition risks arising from the shift to a low-carbon economy, including compliance risks from stricter environmental regulations and market risks from shifting consumer preferences towards eco-friendly products; and (ii) physical risks, including increased costs associated with the storage and transportation of our pharmaceutical products and potential disruption to our facilities and logistics from extreme weather events. We also see opportunities to invest in the development of green pharmaceutical products and energy-saving initiatives.

We face social risks primarily related to our supply chain and workforce, including the risk that our suppliers may fail to comply with applicable laws and our standards concerning environmental protection, labor rights, and health and safety. We have established a risk management process encompassing risk identification, assessment and response, including continuous monitoring, targeted mitigation measures and emergency response procedures.

Governance and Oversight of ESH Matters

Our corporate governance framework is designed to facilitate sound decision-making through systems and policies aligned with our corporate values and best industry practice. We have established various specialized board committees, including strategy, audit, remuneration and evaluation, and nomination, each providing strategic guidance to our Board. In particular, we have formed a strategy and ESH committee led by operation. The committee will be responsible for (i) researching and suggesting on the company's long-term strategy, major investment decisions, and ESH-related matters; (ii) developing ESH governance vision, strategic planning, and management policies (iii) reviewing and supervising the implementation of strategic and ESH plans; (iv) ensuring the completeness and accuracy of ESH-related disclosures; and (v) other matters authorized by the Board.

Moreover, we have integrated ESH into our employee management practices to ensure that our employees contribute to our sustainability goals. For instance, to effectively manage ESH issues, mitigate risks, and achieve sustainable growth, we tie executive and managerial compensation to performance metrics related to safety, environment protection, quality, and compliance.

PROPERTIES

Owned Properties

We are headquartered in Jiangsu, China. As of the Latest Practicable Date, we owned the land use right over a parcel of land in Wuxi, Jiangsu Province, with a total site area of approximately 62,234 square meters, which is primarily used as our manufacturing facility.

Leased Properties

As of the Latest Practicable Date, we leased seven major properties in China, with an aggregate GFA of 13,623 square meters, which are used primarily as our R&D facilities, office premises, or warehouses.

Pursuant to the applicable PRC laws and regulations, both lessors and lessees must register lease agreements with the relevant authorities and obtain property leasing filing certificates. As of the Latest Practicable Date, we had not registered five lease agreements with the relevant government authorities, while we were not subject to any penalties arising from the non-registration of lease agreements during the Track Record Period and up to the Latest Practicable Date. As advised by our PRC Legal Advisor, failure to register an executed lease agreement will not affect its validity. However, we may be subject to a fine of no less than RMB1,000 and not exceeding RMB10,000 for each unregistered lease agreement if the relevant PRC governmental authorities require us to rectify it and we fail to do so within the prescribed time period, which we do not believe would have a material adverse impact on our operation. However, we will consult with our legal advisors and aim to address the issue appropriately during the lease negotiation process in the future. As of the Latest Practicable Date, we were not subject to any penalties arising from the non-registration of the lease agreements. For details, please see "Risk Factors — Risks Relating to Our Operations — We face certain risks relating to our leased properties, which may disrupt our operations and incur additional costs."

As of the Latest Practicable Date, no single property interest that formed part of non-property activities had a carrying amount of 15%, and no single property interest that formed part of property activities had a carrying amount of 1%, of our total assets. Therefore, according to Chapter 5 of the Listing Rules and section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Cap. 32L of the Laws of Hong Kong), this Document is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, which requires a valuation report with respect to our Group's interests in land or buildings.

INSURANCE

We maintain insurance policies that we consider to be in line with market practice and adequate for our business. Our principal insurance policies include medical insurance for our employees, clinical trial insurance, directors' and officers' liability insurance, and product liability insurance as a marketing authorization holder ("**MAH**"). See "Risk Factors — Risks Relating to our Operations — We have limited insurance coverage, and any claims beyond our insurance coverage may result in our incurring substantial costs and a diversion of resources."

We consider that the coverage from the insurance policies maintained by us is adequate for our present operations and is in line with the industry norm. During the Track Record Period, we had not made or been the subject of any material insurance claims.

PERMITS AND LICENSES

We are subject to regular inspections, examinations and audits by local regulators and are required to maintain or renew the necessary permits, licenses and certificates for our business. During the Track Record Period and up to the Latest Practicable Date, we had obtained all requisite licenses, approvals and permits from relevant authorities that are material to our operations and such licenses, permits and certifications all remain in full effect. For more details regarding the laws and regulations to which we are subject, see "Regulatory Overview" in this Document.

The following table sets forth the details of our material licenses, permits and approvals as of the Latest Practicable Date:

License/Permit/Approval	Issuing Authority	Holder	Grant Date	Expiration Date
Drug Manufacturing License (藥品生產許可證)	Jiangsu Provincial Drug Administration	Our Company	December 10, 2025	August 25, 2027
Drug Registration Certificate (藥品註冊證書) for golidocitinib	NMPA	Our Company	June 18, 2024	June 17, 2029
Laboratory Animal Use License (實驗動物使用許可證)	Science and Technology Commission of Shanghai Municipality	Dizal Shanghai	June 8, 2023	June 7, 2028
Shanghai Filing Certificate for Pathogenic Microorganism Laboratories (BSL-2) (上海市病原微生物實驗室備案憑證 (BSL-2))	Health Commission of Pudong New Area, Shanghai	Dizal Shanghai	March 2, 2018	–
Radiation Safety License (輻射安全許可證)	Shanghai Municipal Bureau of Ecology and Environment	Dizal Shanghai	June 7, 2023	June 6, 2028
U.S. FDA New Drug Application Approval	U.S. FDA	Our Company	July 2, 2025	–
Drug Manufacturing License (藥品生產許可證)	Jiangsu Provincial Drug Administration	Dizal Wuxi	June 13, 2026	December 15, 2030

License/Permit/Approval	Issuing Authority	Holder	Grant Date	Expiration Date
Pollutant Discharge Permit (排污許可證) .	Wuxi Municipal Bureau of Ecology and Environment	Dizal Wuxi	August 25, 2025	August 24, 2030

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

During the Track Record Period and up to the Latest Practicable Date, we have not been involved in any material legal or administrative proceedings that could significantly impact our operations, financial position, growth prospects, or reputation. However, similar to other companies in our industry, we may occasionally face routine claims or proceedings arising from normal business activities. For details, see "Risk Factor — Risks Relating to Our Operations — We may be involved in claims, disputes, litigation, arbitration or other legal proceedings in the ordinary course of business."

Compliance

We maintain rigorous compliance with all applicable laws and regulations governing our operations. During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any material non-compliance incidents that led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on our business, financial condition or results of operation.

Non-registration of Leased Properties

As of the Latest Practicable Date, five of our lease agreements were not registered. As advised by our PRC Legal Advisors, the non-registration of lease agreements will not affect the validity of the lease agreement, but the relevant local housing administrative authorities can require us to complete registrations within a specified time frame and we may be subject to a fine of between RMB1,000 and RMB10,000 for any delay in making registration for each of these lease agreements. The reasons behind the failure to register the above lease agreements are beyond our control because, among other things, the lessors' willingness to cooperate in the registration process and provision of relevant documents for registration is necessary.

To minimize the potential negative impact of the above lack of registration of lease agreements, we will continue to maintain regular communications with such lessors seeking their cooperation to complete a late registration of the relevant leases. In addition, we will seek the landlord's cooperation to register a lease agreement before signing in order to ensure compliance with applicable PRC laws and regulations in the future. We will actively liaise with the respective lessors to complete the registration of all such lease agreements, if possible.

RISK MANAGEMENT AND INTERNAL CONTROL

We are committed to developing and maintaining risk management and internal control systems comprised of policies and procedures tailored to our business operations. Our dedication lies in the continual enhancement of these systems to ensure their effectiveness.

Risk Management

We are exposed to various risks in our business operations, and we believe that risk management is important to our success. See "Risk Factors" for a discussion of the key risks and uncertainties we may face. We have established our risk management systems to identify, assess, monitor and mitigate the risks that may hinder our success including strategic risks, operational risks, financial risks and legal risks.

To monitor the ongoing implementation of risk management policies and corporate governance measures after the [**REDACTED**], we have adopted, or will continue to adopt, among other things, the following risk management measures.

- Our Board will continue to oversee and manage the overall risks associated with our business operations, including (i) reviewing and approving our risk management policy; (ii) reviewing and approving annual working plan and annual report of our corporate risk management; (iii) monitoring significant risks associated with our business operation; and (iv) assessing our corporate risk in the light of our corporate risk tolerance.

- Our finance, legal, human resources and other relevant departments will be responsible for implementing our risk management policy and carrying out our day-to-day risk management practice. To standardize risk management across our Group and establish a common level of transparency and performance, these departments will (i) gather information about risks related to their operations or functions; (ii) conduct risk assessments, which include identifying, prioritizing, measuring, and categorizing all key risks that could potentially impact their objectives; (iii) continuously monitor key risks related to their operations or functions; (iv) implement appropriate risk responses as needed; (v) develop and maintain mechanisms to facilitate the application of our risk management framework; and (vi) promptly report any material risks to relevant departments.

Internal Control

Our Board is responsible for establishing our internal control system and reviewing its effectiveness. We have engaged an independent internal control consultant, or the Internal Control Consultant, to perform certain agreed-upon procedures, or the Internal Control Review, in connection with the internal control of our Company and our major operating subsidiaries and to report factual findings on our Group's entity-level controls and internal controls of various processes, including financial reporting and disclosure controls, human resources and payroll management, general controls of IT system, taxation management, contract management, and other procedures of our operations. The Internal Control Consultant performed reviews on the internal control systems of our Group. As of the Latest Practicable Date, there were no material outstanding issues relating to our Group's internal control.

During the Track Record Period, we regularly reviewed and enhanced our internal control system. Below is a summary of the internal control policies, measures and procedures we have implemented or plan to implement.

- We have implemented a range of measures and procedures covering various aspects of our business operations, including related party transactions, risk management, anti-bribery and anti-corruption, intellectual property protection, environmental protection, and occupational health and safety. For more information, see "— Intellectual Property" and "— Environmental, Social and Governance Matters." As part of our employee training program, we regularly provide training on these measures and procedures to our staff.

- Our Directors, who are responsible for overseeing the corporate governance of our Group, will, with assistance from our legal advisers, will periodically review our compliance status with all relevant laws and regulations following the [**REDACTED**].

- We have established an audit committee which (i) makes recommendations to our Directors on the appointment and removal of external auditors; and (ii) reviews the financial statements and renders advice in respect of financial reporting as well as oversees internal control procedures of our Group.

Anti-bribery and Anti-corruption

We maintain strict anti-bribery and anti-corruption policies for our employees and business partners, which include:

- We strictly prohibit all forms of bribery, kickbacks, excessive gifts, entertainment, or any improper payments to gain undue business advantages. This prohibition applies across all business activities involving government officials, healthcare professionals, or any third parties;
- We require distributors to uphold integrity obligations under distribution agreements;
- All sales and marketing personnel must comply with promotional requirements, including restrictions on off-label promotion. Our agreements with third-party promoters include anti-bribery clauses prohibiting any inducements to healthcare professionals or regulatory agencies; and
- We maintain accurate books and records reflecting all transactions in reasonable detail. False invoices, unusual expenses, or misleading entries are strictly prohibited and must be promptly reported.

AWARDS AND RECOGNITION

The table below sets forth a summary of the key awards and recognitions we have received.

Year	Award/Recognition	Granting Authority
2025 . . .	National "Little Giant" Enterprise Specialized in Niche Sectors (7th Batch) (第七批專精特新"小巨人"企業)	Ministry of Industry and Information Technology of the People's Republic of China (中華人民共和國工業和信息化部)
2025 . . .	First Prize of Jiangsu Provincial Science and Technology Progress Award (江蘇省科學技術進步獎一等獎)	Department of Science and Technology of Jiangsu Province (江蘇省科學技術廳)
2025 . . .	2025 Jiangsu Gazelle Enterprise (2025年江蘇瞪羚企業)	Jiangsu New-Quality Productive Forces Promotion Center (江蘇省新質生產力促進中心)
2025 . . .	Top 50 Innovative Pharmaceutical Enterprises in China (醫藥行業自主創新前五十家企業)	All-China Federation of Industry and Commerce Pharmaceutical Chamber of Commerce (全聯醫藥業商會)
2024 . . .	Jiangsu Provincial "Specialized, Refined, Differential and Innovative" Small and Medium-Sized Enterprise (2024年度江蘇省專精特新中小企業)	Department of Industry and Information Technology of Jiangsu Province (江蘇省工業和信息化廳)
2024 . . .	High and New Technology Enterprise Certificate (高新技術企業證書)	Department of Science and Technology of Jiangsu Province and Department of Finance of Jiangsu Province (江蘇省科學技術廳、江蘇省財政廳)

Upon [**REDACTED**], transactions between us and our connected persons will constitute our connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules.

CONNECTED PERSONS

The following persons, with whom we have entered into certain transactions in our ordinary course of business, will become our connected persons as defined under the Listing Rules upon [**REDACTED**]:

Connected Persons	Connected Relationship
AstraZeneca Investment (China) Limited ("**AstraZeneca Investment**")	Each an associate of AZAB, a substantial shareholder of our Company
AZUK	

SUMMARY OF THE TRANSACTIONS

Nature of Transaction	Connected Person	Proposed Annual Cap	Waiver Sought
		(RMB in thousand)	
Property Lease Agreement			
One-off Connected Transaction			
Lease of properties from AstraZeneca Investment	AstraZeneca Investment	N/A	N/A
Partially-exempt Continuing Connected Transaction			
Property management services from AstraZeneca Investment	AstraZeneca Investment	For the year ending December 31, 2026: 11,839.00 2027: 11,839.00	Announcement
AstraZeneca Agreement			
Non-exempt Continuing Connected Transaction			
Product Licensing and Compound and Product Supply under the AstraZeneca Agreement	AZUK	N/A	Waiver from strict compliance with (i) the annual cap requirement under Rule 14A.53; (ii) the three-year contractual term requirement under Rule 14A.52; and (iii) the announcement, circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules

PROPERTY LEASE AGREEMENT

One-Off Connected Transaction

1. Lease of Properties

Description of the transaction

We entered into a property lease agreement (the "**Property Lease Agreement**") with AstraZeneca Investment, pursuant to the original lease commencing from January 1, 2018, as renewed for a term from January 1, 2023 to December 31, 2027, we agreed to lease properties with a total gross area of approximately 8,112.67 sq.m. located at Building 4, No. 199 and 245 Liangjing Road, Pilot Free Trade Zone, Shanghai, PRC (the "**Leased Premises**"). The Leased Premises are used by our Company for daily operations and business, such as R&D activities, office spaces and staffing. The Property Lease Agreement was entered into (i) in the ordinary and usual course of business of our Group, (ii) on arm's length basis, and (iii) on normal commercial terms or better with the rents being agreed with reference to the prevailing market rates of comparable properties in the locality and acreage of the properties.

The balance of the lease liabilities, being the present value of the lease payments recognized by our Group in relation to the Property Lease Agreement according to IFRS16 as of June 30, 2026 amounted to RMB16.6 million. For the years ended December 31, 2023, 2024 and 2025 and for the six months ended June 30, 2026, the right-of-use assets in connection with the Property Lease Agreements were approximately RMB50.2 million, RMB35.1 million, RMB22.5 million and RMB16.3 million, respectively.

Reasons and benefits of the transaction

It is a common practice in the pharmaceutical industry that an R&D driven company, like us, operates by leasing properties so as to allocate a substantial part of its cash flow into R&D activities.

We have been leasing the relevant properties from AstraZeneca Investment during the Track Record Period. While we are also actively identifying and assessing suitable alternative properties in the market to cater for potential needs upon expiration of the Property Lease Agreement, continuously leasing the relevant properties from AstraZeneca Investment can reduce our costs associated with identifying new premises and engaging in prolonged negotiations of lease agreements with third party property owners. Additionally, given that any relocation of facility or change of the current arrangements under the currently effective property lease agreement may cause certain disruption to our business operation and incur additional relocation costs, it is cost efficient and beneficial to our operations to continue leasing the relevant properties from AstraZeneca Investment. In light of the foregoing, our Directors are of the view that such arrangement is fair and reasonable and in the best interest of our Group and Shareholders as a whole.

Listing Rules implications

IFRS 16 (Leases) requires a lessee to recognize assets and liabilities for lease with a term of more than 12 months. A lessee is required to recognize a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments in future. In accordance with IFRS 16, our Group recognized a right-of-use asset on the statement of financial position in connection with the lease under the Property Lease Agreement. Therefore, the leases under the Property Lease Agreement are regarded as an acquisition of a capital asset of our Group and a one-off connected transaction entered into by our Group prior to the [**REDACTED**], rather than a continuing connected transaction, for the purposes of the Listing Rules. Accordingly, the reporting, announcement, annual review, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules will not be applicable.

Partially-exempt Continuing Connected Transaction

2. Property management services from AstraZeneca Investment

Principal terms

Pursuant to the Property Lease Agreement, AstraZeneca Investment also provides us with property management and related services in respect of the Leased Premises under the Property Lease Agreement, including daily facility maintenance and engineering support, 24-hour security, cleaning, gardening and environmental, health and safety services, repair and replacement of fixtures and facilities, and provision of common areas and facilities, which facilitate the efficient and orderly business operation of our Group.

Reasons and benefits of the transaction

As compared with independent third-party property management service providers, AstraZeneca Investment has a better understanding of the requirements of the Leased Premises, which house cleanrooms, facilities and round-the-clock laboratory equipment requiring specialized maintenance, environmental control and waste treatment. As the lessor of the Leased Premises, AstraZeneca Investment has existing infrastructure and a dedicated team on-site, enabling it to provide comprehensive and responsive property management and related services to us in a coordinated and efficient manner, which ensures the continuity, safety and regulatory compliance of our research and development operations.

The Directors (including the independent non-executive Directors) are of the view that the transactions under the property management and related services arrangement have been and will be conducted in the ordinary and usual course of business of our Group, on normal commercial terms or better, and that the terms thereof and the proposed annual caps are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

Pricing policies

Our Group shall pay property management service fees to AstraZeneca Investment, which comprise (a) a fixed annual property management and service fee of RMB2,499,000 (exclusive of VAT), which is payable on a quarterly basis; and (b) utilities and other ancillary charges actually incurred, charged at cost with reference to monthly settlement statements issued by AstraZeneca Investment and settled quarterly. The pricing of the property management and related services was determined after arm's length negotiations between the parties with reference to (i) the prevailing market property management service fees offered by third party property management service providers for comparable property in similar location or of similar type, size and/or quality; (ii) the scope of services to be provided; and (iii) the estimated servicing costs (including, without limitation, labor costs in connection with the property management services). The pricing terms of the property management and related services are no less favourable to our Group than those available from independent third parties for comparable services.

Historical amounts

For the years ended December 31, 2023, 2024 and 2025 and the six months ended June 30, 2026, the historical transaction amounts with respect to the provision of property management and related services (comprising the property management and service fee, utilities and other ancillary charges) by AstraZeneca Investment were RMB10.5 million, RMB9.5 million, RMB8.9 million and RMB4.2 million, respectively.

Annual caps and basis of determination

The following table sets forth the proposed annual caps for the transaction amounts to be paid by us to AstraZeneca Investment for provision of property management and related services under the remaining term of the Property Lease Agreement:

	Proposed annual caps for the year ending December 31,	
	2026	**2027**
	(RMB in thousand)	
Fees paid by us to AstraZeneca Investment for provision of property management services	11,839	11,839

The proposed annual caps are determined based on: (i) the historical amounts of property management and related service fees paid by us to AstraZeneca Investment during the Track Record Period; (ii) the fixed annual property management and service fee under the Property Lease Agreement, which remains unchanged during the remaining term of the Property Lease Agreement; (iii) the expected level of utilities consumption and utility prices, and other ancillary charges to be incurred at cost based on actual consumption; and (iv) a buffer for fluctuations in utilities consumption and service scope during the remaining term of the Property Lease Agreement.

The property management and related services arrangement under the Property Lease Agreement will expire on December 31, 2027. Upon any renewal or extension of the Property Lease Agreement or the services arrangement thereunder, our Company will re-comply with the applicable requirements under Chapter 14A of the Listing Rules.

Internal control measures adopted in respect of continuing connected transactions

In order to further safeguard the interests of the Shareholders as a whole (including the minority Shareholders), our Group has implemented the following internal control measures in relation to the continuing connected transactions:

- we have adopted and implemented a management system on connected transactions. Under such system, the Audit Committee under the Board is responsible for the review on compliance with relevant laws, regulations, our Company's policies and the Listing Rules in respect of the continuing connected transactions. In addition, the Audit Committee under the Board, the Board and various internal departments of our Company are jointly responsible for evaluating the terms of the continuing connected transactions, in particular, the fairness of the pricing policies and annual caps under each transaction;

- the Audit Committee under the Board, the Board and various internal departments of our Company also regularly monitor the fulfillment status and the updates in relation to the continuing connected transactions. In addition, the management of our Company also regularly reviews the pricing policies of the continuing connected transactions;

- our finance department has designated personnel to review and confirm the monthly settlement statements issued by AstraZeneca Investment for utilities and other ancillary charges before payment, and monitors the cumulative transaction amounts on a quarterly basis to ensure that the proposed annual caps will not be exceeded;

- our independent non-executive Directors and auditors will conduct annual review of the continuing connected transactions and provide annual confirmation in accordance with Rules 14A.55 and 14A.56 of the Listing Rules; and

- when considering the service fees and other fees provided by us to the above connected persons, our Company will continue to regularly research the prevailing market conditions and practices and make reference to the pricing and terms for similar transactions between our Company and Independent Third Parties, to ensure that the pricing and terms offered by the above connected persons, either from bidding procedures or mutual commercial negotiations (as the case may be), are fair, reasonable and are no less favorable to our Company than those available from Independent Third Parties.

Listing Rules Implications

As the highest applicable percentage ratio in respect of the proposed annual caps for the property management and related services arrangement for each of the two years ending December 31, 2027 is expected to be more than 0.1% but less than 5% on an annual basis, pursuant to Rule 14A.76(2) of the Listing Rules, such transactions will, upon [**REDACTED**], constitute continuing connected transactions of our Company subject to the annual reporting and annual review requirements under Rules 14A.49 and 14A.71 of the Listing Rules and the announcement requirement under Rule 14A.35 of the Listing Rules, but exempt from the independent Shareholders' approval requirements under Rule 14A.36 of the Listing Rules.

Waiver from strict compliance with announcement requirements

In respect of the partially-exempt continuing connected transaction as described above, we have applied for, [and the Stock Exchange has granted us,] a waiver from strict compliance with the announcement requirements under the Listing Rules pursuant to Rule 14A.105 of the Listing Rules.

ASTRAZENECA AGREEMENT

Non-Exempt Continuing Connected Transaction

Principal terms

On July 14, 2026, our Company entered into a license agreement (the "**AstraZeneca Agreement**") with AZUK, pursuant to which our Company has agreed to grant to AZUK, with effect from the Effective Date (as defined below), an exclusive, transferable license (the "**Product Licensing**"), with the right to grant sublicences through multiple tiers, to exploit: (a) sunvozertinib, any other compound covered by or disclosed in our existing patent rights listed in the AstraZeneca Agreement, and certain forms thereof (each, a "**Licensed Compound**"), and (b) any pharmaceutical or biologic product that is comprised of or contains a Licensed Compound as an active ingredient, including ZEGFROVY® (each, a "**Licensed Product**"), and diagnostics related to the foregoing solely for use in connection with a Licensed Product, in the entire world (the "**Territory**"), provided that any country with respect to which the AstraZeneca Agreement is terminated in accordance with its terms shall cease to form part of the Territory. The AstraZeneca Agreement will become effective on the date on which all conditions precedent thereunder are satisfied (or, where applicable, waived in accordance with its terms) (the "**Effective Date**"). We also retained the right to conduct certain ongoing combination studies in respect of the Licensed Products, for which AZUK has granted back a non-exclusive, royalty-free license to our Group. For further details, see "Business — License Agreement with AstraZeneca — Grant of Rights".

In addition, pursuant to the AstraZeneca Agreement, following the Effective Date and until the successful completion of the transfer of the manufacturing process and related CMC know-how for the Licensed Products to AZUK (or its designee) under the AstraZeneca Agreement (the "**Manufacturing Technology Transfer Completion**"), our Group will manufacture and supply, or procure the manufacture and supply of, Licensed Compounds and Licensed Products (the "**Compound and Product Supply**") to AZUK, its affiliates and its sublicensees for their development and commercialization of the Licensed Products in the Territory, including, in particular, the supply of commercial quantities of the Licensed Products for the commercialization in the PRC. Upon AZUK's request, we will also deliver initial quantities of the Licensed Compounds and Licensed Products and related materials as agreed under the AstraZeneca Agreement. The parties may, upon AZUK's request, enter into a clinical supply agreement and/or a commercial supply agreement, pending which our Group will manufacture and supply in accordance with the terms of the AstraZeneca Agreement. AZUK will pay our Group for such supplies at the prices and on the terms set out in the AstraZeneca Agreement and the relevant supply agreements. For details, see "Business — License Agreement with AstraZeneca — Manufacturing Activities".

As of the Latest Practicable Date, the AstraZeneca Agreement had not become effective. For further details of the principal terms of the AstraZeneca Agreement, see "Business — License Agreement with AstraZeneca".

Payments and consideration

In consideration of the rights to be granted to AZUK with effect from the Effective Date, AZUK is required to make an upfront payment and various milestone and royalty payments to us of up to US$1.5 billion in aggregate (excluding royalties) as follows:

Upfront Payment:	AZUK agreed to make a one-time, non-refundable and non-creditable upfront payment of US$600 million to us, payable within 30 days following receipt of a valid invoice on or after the Effective Date.
Development Milestone Payments:	We are eligible for one-time, non-refundable and non-creditable development milestone payments potentially up to an aggregate of US$400.0 million from AZUK, subject to the achievement of specified development and regulatory milestone events for ZEGFROVY®, as further described in "Business — License Agreement with AstraZeneca — Commercial Terms".

Sales Milestone Payments:	We are eligible for one-time, non-refundable and non-creditable net sales milestone payments potentially up to an aggregate of US$500.0 million, triggered when the total net sales of all Licensed Products by AZUK, its affiliates and sublicensees throughout the Territory in a calendar year first reach specified thresholds, as further described in "Business — License Agreement with AstraZeneca".
Royalty Payments:	Upon commercialization, we are eligible for tiered royalties of up to low-double-digit percentages on the aggregate annual net sales of all Licensed Products by AZUK, its affiliates and sublicensees in the Territory, subject to certain adjustments. We are generally entitled to receive royalties on a Licensed Product-by-Licensed Product, country-by-country basis from the first net sale until the expiry of the applicable royalty term. For details, see "Business — License Agreement with AstraZeneca — Commercial Terms".

The consideration under the AstraZeneca Agreement was determined after arm's length negotiations between our Group and AZUK, having taken into account the development stage and market potential of the Licensed Products, the global development and commercialization capability of AZUK, and the prevailing market practice for comparable licensing transactions in respect of innovative oncology drugs.

The payments receivable by us from AZUK for the Compound and Product Supply will be determined in accordance with the following formula:

Payments receivable by us for the product supply = unit supply price × quantity of the Licensed Compounds and Licensed Products supplied

The unit supply price is or will be determined as follows: (a) at the determined supply prices per unit set out in the AstraZeneca Agreement, which were determined after arm's length negotiations with reference to our manufacturing costs; and (b) for other supplies (including drug substance, drug product and matching placebo, other than those described in (a)), at our fully burdened manufacturing costs for such supplies plus a mark-up equivalent to an agreed margin determined after arm's length negotiations. Such pricing was determined after arm's length negotiations between the parties on normal commercial terms, with reference to factors including our fully burdened manufacturing costs expected to be incurred by us (including, without limitation, raw materials, labor and manufacturing overheads). The pricing terms of the Compound and Product Supply are no less favourable to our Group than those offered by our Group to independent third parties for comparable supplies.

The Directors consider that the consideration is fair and reasonable and in the interest of our Company and the Shareholders as a whole because (i) the terms of the AstraZeneca Agreement, including the formula set out above, were determined after arm's length negotiation between our Group and AZUK and in the ordinary and usual course of our business; (ii) as confirmed by CIC, it is common practice in the pharmaceutical industry for a licensor to receive an upfront payment, milestone payments and sales-based royalties, so that the licensor continues to share in the value that the licensee creates from the licensed product; (iii) taking into account the development stage, market potential and remaining patent life of the Licensed Products, together with the development, regulatory and commercialization costs to be borne by AZUK, the payment structure and the royalty rates to be enjoyed by our Group are in line with the industry practice for arrangements of a similar nature.

Transition services

Following the Effective Date, AZUK will have the sole right, at its own expense, to develop, seek regulatory approval for, commercialize and manufacture the Licensed Products throughout the Territory. To enable AZUK to assume these activities, our Group will perform certain transition activities under the AstraZeneca Agreement, the scope, timelines and budget of which are set out in a transition services plan agreed with AZUK. In addition, following the Effective Date and until the Manufacturing Technology Transfer Completion, our Group will manufacture and supply, or procure the manufacture and supply of, Licensed Compounds and Licensed Products for AZUK and its affiliates and sublicensees. For further details, see "Business — License Agreement with AstraZeneca — Manufacturing Activities".

Contractual term

Unless terminated earlier, upon the Effective Date the AstraZeneca Agreement will remain in force until the expiration of the last royalty term for the last Licensed Product. Upon expiration of the royalty term for a Licensed Product in a country, the license granted to AZUK for that Licensed Product in that country becomes fully paid-up, royalty-free, perpetual and irrevocable. For details of the royalty term and the termination provisions, see "Business — License Agreement with AstraZeneca — Commercial Terms and — Term and Termination".

Reasons for and benefits of the transaction

We entered into the AstraZeneca Agreement for the following reasons:

(i) the AstraZeneca Agreement will advance our global strategy by accelerating the global development and commercialization of the Licensed Products. During the Track Record Period, the commercialization of our approved products was conducted in Chinese Mainland. In selecting overseas partners, we focus on their proven commercialization capabilities, established sales and distribution networks and strategic fit. Through the AstraZeneca Agreement, we leverage the global oncology platform, regulatory expertise and commercial infrastructure of AZUK to advance the registration, market access and commercialization of the Licensed Products outside Chinese Mainland, which will accelerate the pace at which the Licensed Products reach patients in global markets and is consistent with our strategy of expanding the global reach of our product portfolio;

(ii) the payments structure under the AstraZeneca Agreement will further optimize our cash flow structure and accelerate the recovery of our earlier R&D investment. In particular, the Upfront Payment provides our Group with immediate and certain cash proceeds upon effectiveness of the AstraZeneca Agreement, whereas the Milestone Payments and the Royalty Payments allow us to continue to share in the economic value of the Licensed Products as AZUK obtains overseas approvals and expands the approved indications. These proceeds will therefore provide stable funding for the continued development of our pipeline and reduce our reliance on external financing;

(iii) the AstraZeneca Agreement allocates risks and responsibilities between our Group and AZUK according to their respective strengths. We will continue to focus our resources on source innovation, translational science and pipeline development, whereas AZUK will assume the substantial capital commitment and execution risk associated with global registration, market access and commercialization. Accordingly, we can concentrate our resources on source innovation and pipeline advancement, while the global development and commercialization of the Licensed Products proceeds in parallel under the AstraZeneca Agreement; and

(iv) the transitional supply arrangements are an integral part of the global out-license of ZEGFROVY® (sunvozertinib) to AZUK under the AstraZeneca Agreement. Given the complexity of the manufacturing process of the Licensed Products, the Manufacturing Technology Transfer Completion is expected to take a considerable period of time to achieve. The transitional supply arrangements enable AZUK to carry out uninterrupted development and commercialization of the Licensed Products in the Territory pending the Manufacturing Technology Transfer Completion, which is crucial to the continued clinical progress of, and continued market access of patients to, ZEGFROVY® (sunvozertinib), and in turn safeguards the milestone and royalty income stream of our Group under the AstraZeneca Agreement. We are currently the sole manufacturer of the Licensed Products with the requisite GMP manufacturing facilities, technical know-how and regulatory approvals, and are therefore best placed to supply the Licensed Products during the transitional period. The supply pricing, comprising determined supply prices for the initial supply and for supplies of Licensed Products in the PRC during an agreed initial period, and fully burdened manufacturing costs plus an agreed margin for other supplies, is in line with the industry practice for transitional supply arrangements in pharmaceutical licensing transactions, where the licensor typically supplies the licensed products at fixed prices or at its manufacturing cost plus a reasonable mark-up.

Taking into consideration the above and the corporate governance measures set out below, we believe that the AstraZeneca Agreement is in the interest of our Company and the Shareholders as a whole.

Corporate governance measures in evaluation of collaboration arrangements

During the ordinary and usual course of business of our Company, we review potential product transfer, acquisition and licensing opportunities from time to time. When potential opportunity arises, we would normally assess the advantages and development prospect of the product, market forecasts for the demand of the product, competitive landscape and regulatory requirements of the product for that market as well as the regulatory and commercial capability of the potential business partner to commercialize the product. Furthermore, our business development team routinely evaluates product transfer, acquisition and licensing arrangements by third parties in respect of drug products with similar mechanism of action for deal benchmarking and for term sheet evaluation purposes.

In addition, our senior management leads commercial negotiations with potential business partners, and they independently evaluate the terms taking into account all relevant factors as we consider necessary. Whether we enter into a transaction is decided purely on commercial considerations, and we proceed only if we consider that the arrangement is in the best interest of our Company and the Shareholders.

Historical transaction amounts

As the AstraZeneca Agreement had not become effective as of the Latest Practicable Date, there were no fees paid by AZUK, or any transaction amounts generated out of the implementation of the AstraZeneca Agreement, during the Track Record Period and up to the Latest Practicable Date.

Annual caps

Pursuant to Rule 14A.53 of the Listing Rules, a listed issuer is required to set an annual cap for its continuing connected transactions. As it is impracticable to set a monetary annual cap for the transactions under the AstraZeneca Agreement for the reasons set out in "— Waiver from strict compliance with annual cap requirements" below, we have applied for, [and the Stock Exchange has granted us,] a waiver from strict compliance with Rule 14A.53 of the Listing Rules. In lieu of a monetary annual cap, the transaction amounts under the AstraZeneca Agreement are or will be determined in accordance with the following formulas:

(i) the Upfront Payment: a fixed one-time amount of US$600 million;

(ii) the Development Milestone Payments and the Sales Milestone Payments: the fixed amounts set out in the AstraZeneca Agreement upon the achievement of the relevant milestone events, up to US$400.0 million and US$500.0 million in aggregate, respectively;

(iii) the Royalty Payments: the applicable tiered royalty rate (up to low-double-digit percentages) × the aggregate annual net sales of all Licensed Products by AZUK, its affiliates and sublicensees in the Territory, subject to certain adjustments; and

(iv) the Compound and Product Supply: unit supply price × quantity of the Licensed Compounds and Licensed Products supplied, where the unit supply price is or will be determined as described in "— Payments and consideration" above.

We currently expect to receive the Upfront Payment following the Effective Date. Save as aforesaid, the timing and amounts of the Milestone Payments, the Royalty Payments, the payments for the Compound and Product Supply during the initial waiver period referred to in "— Waiver from strict compliance with annual cap requirements" below cannot be estimated with certainty.

Internal control measures

To monitor the transactions under the AstraZeneca Agreement, we have adopted the following internal control measures:

(a) our Company has designated a dedicated project team comprising members from our business development, finance and legal departments to manage and monitor the performance of the AstraZeneca Agreement (including the Compound and Product Supply), to ensure that the transactions are undertaken in accordance with the terms of the AstraZeneca Agreement and the pricing policies described above;

(b) our finance department maintains detailed records of the fully burdened manufacturing costs of, and the quantities of, the Licensed Compounds and Licensed Products supplied, which form the basis of the supply invoices, and reviews the settlement statements and invoices in relation to the Compound and Product Supply and the transition services;

(c) our senior management supervises the compliance with the terms of the AstraZeneca Agreement and the applicable Listing Rules requirements (to the extent not waived by the Stock Exchange) on a regular basis; and

(d) our independent non-executive Directors and auditors will conduct annual review of the transactions under the AstraZeneca Agreement and provide annual confirmation in accordance with Rules 14A.55 and 14A.56 of the Listing Rules, respectively.

If there is any material change to the terms of the AstraZeneca Agreement (including the payment structure or the formulas for calculating the transaction amounts), our Company will re-comply with the applicable requirements under Chapter 14A of the Listing Rules, including seeking independent Shareholders' approval where required.

Listing Rules implications

Since the highest applicable percentage ratio in respect of the transactions under the AstraZeneca Agreement as we currently expect is no less than 5% on an annual basis, such transactions will, upon [**REDACTED**], constitute continuing connected transactions of our Company subject to the reporting, annual review, announcement, circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The AstraZeneca Agreement and the transactions contemplated thereunder were considered and approved by the independent shareholders of our A Shares at a general meeting of our Company held on July 30, 2026, at which AZAB abstained from voting as required under the listing rules of the Shanghai Stock Exchange.

Waiver from strict compliance with announcement, circular and independent shareholders' approval requirements

As the continuing connected transactions under the AstraZeneca Agreement are expected to continue on a recurring basis and extend over a considerable period of time, and the transaction amounts thereunder (including the contingent Milestone Payments, the sales-based Royalty Payments, the volume-based supply payments and the cost-based reimbursements) will arise from time to time in accordance with the terms of the AstraZeneca Agreement, our Directors consider that strict compliance with the announcement, circular and independent Shareholders' approval requirements each time a transaction amount arises would be impractical, would be unduly burdensome and would impose unnecessary administrative costs on our Company. Accordingly, we have applied to the Stock Exchange for, [and the Stock Exchange has granted us,] a waiver under Rule 14A.105 of the Listing Rules from strict compliance with the announcement, circular and independent Shareholders' approval requirements in respect of the above non-exempt continuing connected transactions.

We have further applied for, and the Stock Exchange [has granted] us the waiver from strict compliance with the requirements under Rule 14A.53 of the Listing Rules in respect of the continuing connected transactions under the AstraZeneca Agreement subject to the following conditions:

(i) our Company will comply with the announcement, circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules if there is any material change to the terms of the AstraZeneca Agreement;

(ii) our Company will designate a team to execute and ensure that the transactions in relation to the AstraZeneca Agreement are undertaken in accordance with the terms of the AstraZeneca Agreement;

(iii) our senior management will use their best endeavours to supervise the compliance with the terms of the AstraZeneca Agreement and applicable Listing Rules requirements to the extent not waived by the Stock Exchange on a regular basis;

(iv) the independent non-executive Directors and the auditors of our Company will review the transactions in relation to the AstraZeneca Agreement on an annual basis and confirm in our annual reports the matters set out in Rules 14A.55 and 14A.56 of the Listing Rules, respectively;

(v) our Company will disclose in this document the background for entering into of the AstraZeneca Agreement and the terms thereof, the grounds for the waiver sought and the Directors' views on the fairness and reasonableness of the transactions under the AstraZeneca Agreement;

(vi) the formula for calculating the transaction amounts under the AstraZeneca Agreement, as well as the actual transaction amounts, will be disclosed in the Company's interim and annual reports;

(vii) any amendments to the formula for calculating the transaction amounts under the AstraZeneca Agreement will be subject to the approval of independent Shareholders; and

(viii) in the event of any future amendments to the Listing Rules imposing more stringent requirements than those as of the date of this document on the above continuing connected transactions, our Company will take immediate steps to ensure compliance with such new requirements.

Waiver from strict compliance with contractual term requirements

Rule 14A.52 of the Listing Rules provides that the period for the agreement of a continuing connected transaction must not exceed three years, except in special circumstances where the nature of the transaction requires a longer period. As it is impracticable and extremely difficult for us to set a contractual term not exceeding three years in respect of the AstraZeneca Agreement, we have applied to the Stock Exchange for, and the Stock Exchange [has granted us], a waiver under Rule 14A.52 of the Listing Rules from strict compliance with the contractual term requirements, for the following reasons:

(i) the Licensed Products have a product life cycle of more than three years from the development stage to commercialization. Before our Group and AZUK can realize the commercial value of the licensed rights, AZUK must obtain marketing approvals in multiple jurisdictions and secure market access for the Licensed Products in the relevant licensed territory. Each of these steps takes years to complete;

(ii) a long-term arrangement is necessary and critical to the product development and to the stability of our future cash flows, and maintaining a long-term cooperative relationship with AZUK is critical to our businesses and development. In particular, AZUK will commit substantial capital and effort to the global development and commercialization of the Licensed Products, and it would be impracticable to commit so unless the licensed rights were granted for the full duration of the royalty terms;

(iii) a contractual arrangement of indefinite term is necessary and critical to the sustainability of our business and to ensure our smooth and continued operations, as well as stable revenue and cash flows from the future commercialization of the Licensed Products. If the AstraZeneca Agreement is subject to renewal every three years and independent shareholders' approval, we may face the unnecessary and substantial risks of failing to renew such agreement upon expiry and bringing disruptions to the commercialization of the Licensed Products, and losing our competitive advantages. This may even prevent us from carrying on our business, bringing uncertainty to our continued operation; and

(iv) the Compound and Product Supply is an integral and transitional part of the arrangements under the AstraZeneca Agreement. Given the complexity of the manufacturing process of the Licensed Products, the Manufacturing Technology Transfer Completion is expected to take a considerable period of time and may not be achieved within three years, and the supply of Licensed Products in the PRC is expected to continue under a separate supply agreement. Imposing a contractual term of three years or less would disrupt the continuity of supply of the Licensed Compounds and Licensed Products to AZUK and, in turn, the uninterrupted development and commercialization of the Licensed Products and the milestone and royalty income stream of our Group;

(v) as confirmed by CIC, a term running until the expiry of all royalty terms, rather than a fixed term of three years, is in line with the prevailing practice in the pharmaceutical industry for out-licensing transactions of similar nature;

(vi) our Directors are of the view that the terms arrangement is in the interest of our Company and our Shareholders as a whole; and

(vii) if there is any material change to the terms of the AstraZeneca Agreement, our Company will re-comply with the provisions of Chapter 14A of the Listing Rules applicable to such transactions, including seeking independent Shareholders' approval where the case may so require.

Waiver from strict compliance with annual cap requirements

Under Rule 14A.53 of the Listing Rules, the listed issuer must set an annual cap for the continuing connected transactions. The Directors believe that strict compliance with the requirements of Rule 14A.53 of the Listing Rules for setting a fixed monetary annual cap in respect of the AstraZeneca Agreement is impracticable and not in the best interests of the Shareholders. We have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with the annual cap requirement under Rule 14A.53 of the Listing Rules for the following reasons:

(i) the AstraZeneca Agreement had not become effective as of the Latest Practicable Date, and no payment (whether by way of upfront payment, milestone payment, royalty payment, product supply or service amounts) had been generated thereunder. We therefore have no historical transaction amount or data with which to establish a reliable model to estimate the future global sales of the Licensed Products or the timing of the milestone events. Whether and when a milestone event is achieved depends on regulatory review in multiple jurisdictions and on the development and commercialization progress of AZUK, while the amount of the Royalty Payments depends on the addressable market, drug pricing, reimbursement status, competitive landscape and patient access in each market, all of which are beyond the control of our Group. Even if we were able to set up a projection model for estimation purposes, such a model would only present hypothetical predictions rather than conclusions drawn from historical data, and it could therefore be inaccurate and unreliable. Similarly, the quantities of the Licensed Compounds and Licensed Products to be supplied under the Compound and Product Supply will depend on AZUK's development and commercialization plans, market demand in the Territory and the timing of the Manufacturing Technology Transfer Completion, all of which are beyond the control of our Group, such that any monetary cap on the supply amounts would be an arbitrary estimate;

(ii) imposing an arbitrary monetary cap on the payments under the AstraZeneca Agreement does not demonstrate commercial reasonableness as it would go against the commercial objective in terms of product development and be counter-productive as far as the interests of our Group, AZUK and their respective shareholders are concerned. Further, if the actual Milestone Payments, Royalty Payments or supply amounts exceeded the cap, our Group would have to suspend receipt of the relevant payments or suspend the supply of the Licensed Compounds and Licensed Products until the requisite Shareholders' approval was obtained, which would disrupt the performance of the AstraZeneca Agreement by both parties, interrupt the Compound and Product Supply and could delay patients' access to the Licensed Products in the relevant markets;

(iii) the disclosure of the annual caps in monetary terms would in effect provide our Shareholders and investors, as well as our competitors, with an indication of the sales forecast for the Licensed Products and of our estimated future revenue. The disclosure of such information is highly sensitive and would therefore put our Company in a disadvantageous position in relation to its business operation and its competition with other market players. In addition, the determined supply prices and our manufacturing cost structure under the Compound and Product Supply are commercially sensitive, the disclosure of which (whether directly or through a monetary cap from which they could be derived) would prejudice the business interests of our Group;

(iv) instead of setting a fixed annual cap on the payments under the AstraZeneca Agreement, we will re-comply with the applicable rules under Chapter 14A of the Listing Rules, including seeking independent Shareholders' approval where the case may so require, if there is any material change to the payment structure or to the formula for calculating the transaction amounts (including the royalty rates) under the AstraZeneca Agreement, so as to further ensure the interests of the Shareholders of our Company as a whole; and

(v) the waiver from strict compliance with Rule 14A.53 of the Listing Rules will be for an initial period commencing on the [**REDACTED**] and ending on December 31, [2029]. Upon expiry of such initial period, our Company will reassess, taking into account (among others) the potential market of the Licensed Products, drug pricing and the historical transaction amounts, whether it is practicable to set monetary annual caps for the transactions under the AstraZeneca Agreement; if so, our Company will set monetary annual caps and re-comply with the applicable requirements under Chapter 14A of the Listing Rules; if not, our Company will seek a further waiver from the Stock Exchange.

CONFIRMATION FROM THE DIRECTORS

Our Directors, including the independent non-executive Directors, are of the view that: (i) the continuing connected transactions as set out above have been and/or will be entered into in the ordinary and usual course of our business, on normal commercial terms or terms better to us, that are fair and reasonable and in the interest of us and our Shareholders as a whole; (ii) the proposed annual caps for provision of property management services under the Property Lease Agreement, and the absence of annual caps under the terms of the AstraZeneca Agreement are fair and reasonable and in the interests of our Company and the Shareholders as a whole; (iii) the indefinite term of the AstraZeneca Agreement is in accordance with normal business practice for agreements of this nature, and the purpose of the AstraZeneca Agreement is to provide stability and certainty to the business of our Company and that therefore the indefinite term of the transactions contemplated thereunder is fair and reasonable, and in the interests of Shareholders as a whole; and (iv) apart from those for which waivers have been sought, the Company will comply with the relevant requirements under Chapter 14A of the Listing Rules.

CONFIRMATION FROM THE JOINT SPONSORS

Taking into account the Directors' views as stated above and the due diligence measures conducted by the Joint Sponsors, the Joint Sponsors are of the view that: (i) the continuing connected transactions as set out above have been and/or will be entered into in the ordinary and usual course of business of the Company and on normal commercial terms, and are fair and reasonable and in the interest of the Company and the Shareholders as a whole; (ii) the proposed annual caps for provision of property management services under the Property Lease Agreement, and the absence of annual caps under the terms of the AstraZeneca Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (iii) the indefinite term of the AstraZeneca Agreement is in accordance with normal business practice, and the purpose of the AstraZeneca Agreement is to provide stability and certainty to the business of the Company and that therefore the indefinite term of the transactions contemplated thereunder is fair and reasonable, and in the interests of Shareholders as a whole.

BEFORE THE [REDACTED]

As of Latest Practicable Date, the total issued share capital of our Company was RMB 465,165,842, comprising 465,165,842 A Shares of nominal value of RMB1.00 each, which are all listed on the SSE STAR Market of the Shanghai Stock Exchange.

Description of Shares	Number of Shares	Percentage of total issued share capital of our Company
A Shares	465,165,842	100%
Total	**465,165,842**	**100%**

UPON COMPLETION OF THE [REDACTED]

Immediately following the completion of the [**REDACTED**], assuming (i) the [**REDACTED**] is not exercised and (ii) no other changes are made to the issued share capital of our Company between Latest Practicable Date and the [**REDACTED**], the share capital of our Company will be as follows.

Description of Shares	Number of Shares	Percentage of total issued share capital of our Company
A Shares	465,165,842	[**REDACTED**]%
H Shares to be [**REDACTED**] pursuant to the [**REDACTED**]	[**REDACTED**]	[**REDACTED**]%
Total	[**REDACTED**]	**100%**

Immediately following the completion of the [**REDACTED**], assuming (i) the [**REDACTED**] is fully exercised and (ii) no other changes are made to the issued share capital of our Company between Latest Practicable Date and the [**REDACTED**], the share capital of our Company will be as follows.

Description of Shares	Number of Shares	Percentage of total issued share capital of our Company
A Shares	465,165,842	[**REDACTED**]%
H Shares to be [**REDACTED**] pursuant to the [**REDACTED**]	[**REDACTED**]	[**REDACTED**]%
Total	[**REDACTED**]	**100%**

OUR SHARES

Our H Shares in issue upon completion of the [**REDACTED**], and our A Shares, are ordinary Shares in our share capital and are considered as one class of Shares. Shanghai-Hong Kong Stock Connect has established a stock connect mechanism between mainland China and Hong Kong. Our A Shares can be subscribed for and traded by mainland Chinese investors, qualified foreign institutional investors or qualified foreign strategic investors and must be traded in Renminbi. As our A Shares are eligible securities under the Northbound Trading Link, they can also be [**REDACTED**] and [**REDACTED**] by Hong Kong and other overseas investors pursuant to the rules and limits of Shanghai-Hong Kong Stock Connect. Our H Shares can be [**REDACTED**] or [**REDACTED**] by Hong Kong and other overseas investors and qualified domestic institutional [**REDACTED**]. If our H Shares are eligible securities under the Southbound Trading Link, they can also be [**REDACTED**] and traded by mainland Chinese investors in accordance with the rules and limits of Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

RANKING

Our H Shares and our A Shares are regarded as one class of Shares under our Articles of Association and will rank *pari passu* with each other in all other respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this document. All dividends in respect of our H Shares are to be paid by us in Hong Kong dollars whereas all dividends in respect of our A Shares are to be paid by us in Renminbi. In addition to cash, dividends may also be distributed in the form of Shares. Holders of our H Shares will receive share dividends in the form of H Shares, and holders of our A Shares will receive share dividends in the form of A Shares.

NO CONVERSION OF OUR A SHARES INTO H SHARES FOR [REDACTED] AND TRADING ON THE HONG KONG STOCK EXCHANGE

Our A Shares and our H Shares are generally neither interchangeable nor fungible, and the [**REDACTED**] of our A Shares and our H Shares may be different after the [**REDACTED**]. The Guidelines on Application for "Full Circulation" of Domestic Unlisted Shares of H-share Companies (《H股公司境內未上市股份申請"全流通"業務指引》) announced by the CSRC are not applicable to companies dual listed in the PRC and on the Hong Kong Stock Exchange. As of the Latest Practicable Date, there were no relevant rules or guidelines from the CSRC providing that A Shareholders may convert A shares held by them into H shares for [**REDACTED**] and [**REDACTED**] on the Hong Kong Stock Exchange.

APPROVAL FROM HOLDERS OF A SHARES REGARDING THE [REDACTED]

Approval from holders of A Shares is required for our Company to issue H Shares and seek the [**REDACTED**] of H Shares on the Hong Kong Stock Exchange. Such approval was obtained by us at the Shareholders' general meeting of our Company held on January 9, 2026 and is subject to the following major conditions:

(i) *Size of the* [**REDACTED**]. The proposed number of H Shares to be [**REDACTED**] shall not exceed [**REDACTED**]% of the total issued share capital enlarged by the H Shares to be [**REDACTED**] pursuant to the [**REDACTED**] (before the exercise of the [**REDACTED**]). The number of H Shares to be [**REDACTED**] pursuant to the full exercise of the [**REDACTED**] shall not exceed [**REDACTED**]% of the total number of H Shares to be [**REDACTED**] initially under the [**REDACTED**].

(ii) *Method of* [**REDACTED**]. The method of [**REDACTED**] shall be by way of an international [**REDACTED**] to institutional investors and a public [**REDACTED**] for [**REDACTED**] in Hong Kong.

(iii) *Validity period.* The issue and [**REDACTED**] of H Shares on the Hong Kong Stock Exchange shall be completed within 24 months from the date on which such matters were approved at the Shareholders' meeting held on January 9, 2026.

There are no other approved [**REDACTED**] plans for our Shares except the [**REDACTED**].

SHAREHOLDERS' GENERAL MEETINGS

For details of circumstances under which our shareholders' general meeting is required, see "Summary of Articles of Association — Shareholders and Shareholders' Meeting" in Appendix V to this document.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following completion of the [**REDACTED**] and assuming the [**REDACTED**] is not exercised and no other changes are made to the issued share capital of our Company from the Latest Practicable Date to the [**REDACTED**], the following persons will have interests or short positions (if applicable) in the Shares or underlying Shares, which would be required to be disclosed to our Company and the Stock Exchange pursuant to the provisions in Divisions 2 and 3 of Part XV of the SFO, or be interested, directly or indirectly, in 10% or more of the nominal value of any class, or be interested, directly or indirectly, in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at Shareholders' general meetings of our Company:

Name of Shareholders	Nature of interest	Description of Shares	Number of Shares	Approximate % of the total issued share capital of our Company as of the Latest Practicable Date	Immediately after the [REDACTED]	
					Approximate % of the A Shares of our Company	Approximate % of the total issued share capital of our Company
Future Industry Investment Fund (Limited Partnership) (先進製造產業投資基金(有限合夥)) ("**FIIF**")[1]	Beneficial owner	A Shares	108,923,023	23.42%	[23.42]%	[**REDACTED**]%
AstraZeneca AB[2]	Beneficial owner	A Shares	108,923,023	23.42%	[23.42]%	[**REDACTED**]%
Jiangsu Wuxi Dizhe Enterprise Management Partnership (Limited Partnership) (江蘇無錫迪喆企業管理合夥企業(有限合夥)) ("**Wuxi Dizhe**")[3]	Beneficial interest	A Shares	57,451,788	12.35%	[12.35]%	[**REDACTED**]%
	Interests held jointly with another person[5]	A Shares	14,201,255	3.05%	[3.05]%	[**REDACTED**]%
Dr. Zhang Xiaolin (張小林)	Beneficial interest	A Shares	9,033,972	1.94%	[1.94]%	[**REDACTED**]%
	Interest in controlled corporation; Interests held jointly with another person[3][4][5]	A Shares	62,619,071	13.46%	[13.46]%	[**REDACTED**]%
ZYTZ Partners Limited ("**ZYTZ**")[5]	Beneficial interest	A Shares	5,167,283	1.11%	[1.11]%	[**REDACTED**]%
	Interests held jointly with another person	A Shares	66,485,760	14.29%	[14.29]%	[**REDACTED**]%

Notes:

(1) FIIF, a limited partnership established in the PRC, is managed by its general partner, SDICFUND Management Co., Ltd. (國投創新投資管理有限公司) ("**SDICFUND**"). SDICFUND is 40% owned by China SDIC Gaoxin Industrial Investment Co., Ltd. (中國國投高新產業投資有限公司), which in turn is controlled by State Development and Investment Group Co., Ltd. (國家開發投資集團有限公司), a state-owned enterprise. As such, under the SFO, each of State Development and Investment Group Co., Ltd., China State Investment High-Tech Industrial Investment Co., Ltd. and SDICFUND is deemed to be interested in Shares held by FIIF.

(2) As of the Latest Practicable Date, AZAB is a wholly owned subsidiary of AstraZeneca PLC. As such, under the SFO, AstraZeneca PLC is deemed to be interested in Shares held by AZAB.

(3) As of the Latest Practicable Date, Wuxi Sinokeen Business Consulting Co., Ltd. (無錫敦禾商務諮詢有限責任公司) ("**Wuxi Sinokeen**") acts as the general partner of Wuxi Dizhe. The limited partnership interests in Wuxi Dizhe are held as to (a) 61.11% by Dr. Zhang Xiaolin; and (b) the remaining 38.89% by 35 other limited partners, each holding less than 30% interest therein. Wuxi Sinokeen is owned as to 90% and 10% by Dr. Zhang Xiaolin, being our founder, chairperson of the Board, executive Director and Chief Executive Officer and Dr. Yang Zhenfan (楊振帆), being our deputy general manager and chief medical officer, respectively. As such, under the SFO, Dr. Zhang Xiaolin is deemed to be interested in the Shares held by Wuxi Dizhe.

(4) As of the Latest Practicable Date, ZYTZ is wholly-owned by Dezent Partners Limited, which is in turn 75% owned by Dr. Zhang Xiaolin. As such, under the SFO, Dr. Zhang Xiaolin is deemed to be interested in the Shares held by ZYTZ.

(5) As advised by our PRC Legal Advisor, Dr. Zhang Xiaolin is deemed to be a person acting in concert with Wuxi Dizhe and ZYTZ. As such, under the SFO, each of Wuxi Dizhe, Dr. Zhang Xiaolin and ZYTZ are deemed to be interested in the Shares held by the others therein.

For further information on any other person who will be, immediately following completion of the [**REDACTED**], directly or indirectly, interested in 10% or more of the issued voting shares of our subsidiaries, see "Appendix VI — Statutory and General Information — Further Information about Our Directors and Substantial Shareholders — Interests of Substantial Shareholders — Interests in our Company's subsidiaries."

BOARD OF DIRECTORS

Upon the [**REDACTED**], our Board will consist of seven Directors, comprising two executive Directors, two non-executive Directors and three independent non-executive Directors. The following table sets forth the key information about our Directors as of the Latest Practicable Date.

Name	Age	Positions	Timing of joining our Group	Date of appointment as a Director	Roles and responsibilities
Dr. Zhang Xiaolin (張小林)	62	Chairperson of the Board, executive Director and Chief Executive Officer	Founder	September 7, 2020	Providing strategic leadership and oversight of the overall business and operations of our Group
Ms. Kang Xiaojing (康曉靜)	50	Executive Director	December 2017	November 21, 2025	Overseeing comprehensive financial management and operations of our Group
Dr. Lu Simon Dazhong (呂大忠)	58	Non-executive Director	October 2017	September 7, 2020	Providing professional advice to the Board
Mr. Rodolphe Peter André Grépinet	53	Non-executive Director	October 2017	September 7, 2020	Providing professional advice to the Board
Ms. An Meixia (安梅霞)	55	Independent non-executive Director	December 2024	December 30, 2024	Supervising and providing independent opinion and judgment to the Board
Ms. Wang Tianyou (王天佑)	42	Independent non-executive Director	January 2026	January 9, 2026	Supervising and providing independent opinion and judgment to the Board
Mr. Cao Yibo (曹弋博)	44	Independent non-executive Director	August 2026	August 20, 2026	Supervising and providing independent opinion and judgment to the Board

Executive Directors

Dr. Zhang Xiaolin (張小林), aged 62, is our founder, chairperson of the Board, the executive Director and Chief Executive Officer.

Dr. Zhang is a seasoned senior executive in the pharmaceutical industry and a leader in China's biotechnology sector, with over 20 years of experience possessing deep scientific expertise and an entrepreneurial vision. With extensive experience across research and development, corporate management and strategic decision-making, he has been the driving force behind the inception and visionary growth of our Group.

Dr. Zhang founded our Company in October 2017 and has held current position since then. Additionally, he holds directorships in several of subsidiaries of our Group, including: (i) an executive Director in Dizal Shanghai since December 2017, (ii) an executive Director in Dizal Beijing since June 2020; (iii) an executive Director in Gewu Bio since its inception in May 2024.

Prior to joining our Group, Dr. Zhang served as a vice president and head of AstraZeneca Innovative Medicine and Early Development Asia ("**iMED Asia**") from May 2010 to December 2017, where he participated in the research and development of several oncology drug candidates,

including AZD3759 and DZD2954, two internally-discovered compounds that progressed to pre-clinical development and clinical trials. Before that, he was a researcher in the Department of Pathology at Harvard Medical School.

Dr. Zhang has also been a guest investigator at the Institute of Molecular Medicine, Peking University since November 2015. Dr. Zhang obtained his PhD in molecular genetics from Oregon State University in the United States in June 1995.

Ms. Kang Xiaojing (康曉靜), aged 50, is our executive Director.

Ms. Kang has around 30 years of experience in finance and accounting. Prior to joining our Group, from August 1996 to August 2001, she worked at Shanghai Coking Co., Ltd. (上海焦化有限公司). Following this, she worked at Sunrise Chemical Co., Ltd. (上海三瑞化學有限公司) from August 2001 to March 2004. From July 2004 to March 2005, Ms. Kang worked at Hua Wei Semiconductor (Shanghai) Co., Ltd. (華微半導體(上海)有限公司). From September 2007 to February 2008, she worked at AstraZeneca (Wuxi) Trading Co., Ltd. (阿斯利康(無錫)貿易有限公司). Ms. Kang then worked at AstraZeneca Investment (China) Limited from March 2008 to December 2017.

Ms. Kang joined our Company in December 2017. She served as the employee representative supervisor from February 2022 to June 2025. Since December 2017, she has been the finance supervisor (財務主管) of our Company.

Ms. Kang graduated with a major in Computerised Accounting and obtained her master's degree in business administration from East China University of Science and Technology (華東理工大學) in the PRC in July 1996 and June 2016, respectively.

Non-Executive Directors

Dr. Lu Simon Dazhong (呂大忠), aged 58, is our non-executive Director. He joined our Group in October 2017 and has held his current position since then.

Dr. Lu has over 15 years of experience in private equity investment. Previously, Dr. Lu has served as a managing director at SDICFUND Management Co., Ltd. (國投創新投資管理有限公司) from August 2009. Outside the Group, Dr. Lu has served as a non-executive director of Ascentage Pharma Group International, a company listed on the Stock Exchange (stock code: 6855) and Nasdaq (stock code: AAPG), since August 2018.

Dr. Lu graduated with a major in economics from Nankai University (南開大學) in the PRC in July 1991, his master's degree in business administration from McGill University in Canada in June 1999 and his PhD in Economics from Nankai University in June 2010. He was qualified as a Certified Public Accountant by the State Board of Accountancy in Delaware in April 2000.

Mr. Rodolphe Peter André Grépinet, aged 53, is our non-executive Director. He joined our Group in October 2017 and has held his current position since then.

Mr. Grépinet has over 15 years of experience in finance and corporate strategy. From June 2011 to June 2013, Mr. Grépinet served as a partner at Torreya Partners LLC, an advisory firm specializing in life sciences, which was subsequently acquired by Stifel Financial Corp., a company listed on the New York Stock Exchange (ticker symbol: SF), in March 2023. Prior to joining our Group, Mr. Grépinet joined AstraZeneca UK Limited, a subsidiary of AstraZeneca PLC in April 2014 as a senior vice president of corporate development, where he is primarily responsible for overseeing the M&A strategy and execution.

Mr. Grépinet obtained his master's degree in management from ESCP Business School in France in July 1996.

Independent Non-Executive Directors

Ms. An Meixia (安梅霞), aged 55, joined our Group as an independent Director in December 2024, and was re-designated as an independent non-executive Director in January 2026.

Ms. An has over 20 years of professional experience in accounting and auditing. She joined Shanghai Tongji Science & Technology Industrial Co., Ltd. (上海同濟科技實業股份有限公司) as an accountant in October 2002, and left the company in September 2016. Following this, she took up management work at the finance center at the China State Institute of Pharmaceutical Industry (中國醫藥工業研究總院) from September 2016 to April 2017. From June 2017 to October 2020, she was a deputy general manager of the audit supervision department at Tech-Bank Food Co., Ltd. (天邦食品股份有限公司). Since February 2021, Ms. An has served as a faculty member at the School of Economics and Management, Huangshan University (黃山學院) in the PRC. Since December 2025, Ms. An has served as an independent non-executive director of Huangshan Novel Co., Ltd. (黃山永新股份有限公司), a company listed on Shenzhen Stock Exchange (stock code: 002014).

Ms. An obtained her bachelor's degree from Anhui Agricultural University in the PRC in July 1996. She then completed her postgraduate coursework program in Finance at Shanghai University of Finance and Economics (上海財經大學) in the PRC in July 2009. Ms. An obtained her Chinese Certified Public Accountant qualification in December 2009 and her senior accountant qualification in April 2008.

Ms. Wang Tianyou (王天佑), aged 42, joined our Group as an independent non-executive Director in January 2026.

Ms. Wang has over 10 years of experience in banking and financial services. She worked at Standard Chartered Bank (Hong Kong) Limited until June 2017. From June 2017 to October 2018, she served as a relationship manager in the marketing division at BNP Paribas Hong Kong Branch. From October 2018 to November 2020, she held director title and served as a relationship manager at Union Bancaire Privee, UBP SA, Hong Kong Branch. From December 2020 to November 2021, Ms. Wang served as a director of investment solution sales in sales department at Harvest Global Investments Limited (嘉實國際資產管理股份有限公司). From December 2021 to July 2022, she served as an executive director of private wealth management department at Haitong International Securities Group of Companies (海通國際證券有限公司). She served as a senior vice president at Citicorp International Limited (花旗國際股份有限公司) from March 2023 to April 2024.

Ms. Wang obtained her bachelor's degree in economics from the University of International Relations (國際關係學院) in the PRC in June 2007. Ms. Wang is licensed under the SFO as a responsible officer to carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities.

Mr. Cao Yibo (曹弋博), aged 44, joined our Group as an independent non-executive Director in August 2026.

From August 2011 to July 2017, Mr. Cao served as a managing director at Vivo Capital LLC. Following this, he has served as a managing director at HongShan since July 2017. Since October 2018, Mr. Cao has served as a director at Insight Lifetech Co., Ltd. (深圳北芯生命科股份有限公司) (formerly known as Insight Lifetech Limited (深圳北芯生命科技有限公司)), a company listed on the Shanghai Stock Exchange (stock code: 688712). Since December 2020, Mr. Cao has served as a director of Beijing Microread Genetics Co., Ltd. (北京閱微基因技術股份有限公司), a company listed on the National Equities Exchange and Quotations (stock code: 873723). Since March 2021, Mr. Cao has served as a non-executive director at VISEN Pharmaceuticals, a company listed on the Stock Exchange (stock code: 2561).

Mr. Cao obtained his bachelor's degree in pharmacy and his master's degree in clinical pharmacy from Peking University (北京大學) in July 2005 and July 2007, respectively.

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management of our business. The following table sets forth the key information about our senior management as of the Latest Practicable Date.

Name	Age	Positions	Timing of joining our Group	Date of appointment as a senior management	Roles and responsibilities
Dr. Zhang Xiaolin (張小林)	62	Chairperson of the Board, executive Director and Chief Executive Officer	Founder	October 2017	Providing guidance and supervision regarding the overall business and operation of our Group
Dr. Yang Zhenfan (楊振帆)	58	Deputy general manager and chief medical officer	December 2017	December 2017	Overseeing clinical development and medical strategy of our Group
Mr. Lyu Hongbin (呂洪斌)	48	Chief financial officer	July 2020	September 2020	Overseeing the overall financial affairs of our Group
Ms. Wu Qingyi (吳清漪)	52	Deputy general manager and chief commercial officer	October 2021	October 2021	Overseeing the commercial strategy and operations of our Group
Ms. Chen Suqin (陳素勤)	59	Deputy general manager and senior vice president of clinical operation	January 2018	January 2018	Overseeing clinical trial planning and execution of our Group
Dr. Zeng Qingbei (曾慶北)	64	Deputy general manager, senior vice president and chief scientist	December 2017	December 2017	Overseeing the scientific strategy and R&D programs of our Group
Dr. Tsui Honchung (徐漢忠)	58	Deputy general manager, senior vice president and head of medicinal chemistry	December 2017	December 2017	Overseeing the drug discovery of our Group
Dr. Chang Shih-Ying (張世英)	63	Deputy general manager, vice president and head of chemical manufacturing	January 2019	January 2019	Overseeing the chemical manufacturing and quality control of our Group
Ms. Zhang Zhiwei (張知為)	44	Deputy general manager, vice president and head of operation	February 2018	February 2018	Overseeing the human resources, information technology, facilities and equipment and administrative affairs of our Group
Ms. Dong Weiwen (董韡雯)	40	Joint company secretary and Board secretary	August 2018	August 2026	Overseeing the information disclosure, corporate governance and investor relations management of our Group

Dr. Zhang Xiaolin (張小林), aged 62, is our chairperson of the Board, executive Director and Chief Executive Officer. For his biography, see "— Board of Directors — Executive Directors" in this section.

Dr. Yang Zhenfan (楊振帆), aged 58, is our deputy general manager and chief medical officer.

Dr. Yang joined our Group in December 2017 in her current position. She has more than ten years of clinic and clinical research experience. From September 1998 to March 1999, she pursued special studies in liver transplantation in the department of surgery of the University of Hong Kong. From August 2002 to October 2009, Dr. Yang held various positions at the University of Hong Kong, including research assistant professor and assistant professor. From December 2008 to December 2017, she held various positions at the AstraZeneca Investment (China) Co., Ltd., including principal scientist, project director and medical science director.

Dr. Yang obtained her bachelor's degree in medicine in June 1992 and her master's degree in medicine in July 1995 from the West China Medical Center, Sichuan University (四川華西醫科大學) in the PRC. She then obtained her Ph.D. degree from the University of Hong Kong in 2002.

Mr. Lyu Hongbin (呂洪斌), aged 48, is our chief financial officer.

Mr. Lyu has around 15 years of experience in investment banking. From June 2007 to September 2015, he served as an executive managing director of the investment banking division at China International Capital Corporation (中國國際金融股份有限公司). Following that, from September 2015 to August 2020, he served as the Co-head of the health industry department at Huatai United Securities Co., Ltd. (華泰聯合證券有限責任公司).

Mr. Lyu obtained his bachelor's degree in economics from Northeast University of Finance and Economics (東北財經大學) in the PRC in July 2001. He then obtained his master's degree of business administration from Central University of Finance and Economics (中央財經大學) in the PRC in June 2013.

Ms. Wu Qingyi (吳清漪), aged 52, is our deputy general manager and chief commercial officer.

Ms. Wu has extensive experience in the pharmaceutical and biotech industries. From March 1999 to March 2006, she worked at Lilly (Shanghai) Management Co., Ltd., where she served as a manager of product group to the diabetes division under the marketing department. From April 2006 to May 2010, she served as a senior marketing manager of ONC Asia emerging market team at Pfizer Investment Co., Ltd. (輝瑞投資有限公司). She joined Genzyme (Shanghai) Biopharmaceutical Consulting Co., Ltd. (健贊(上海)生物醫藥諮詢有限公司) as the director of new product strategy in May 2010. Thereafter, she held as the executive director of diabetes and metabolism business at AstraZeneca Investment (China) Limited from August 2015 to June 2019, she worked at Sanofi (China) Investment Co., Ltd. Shanghai Branch as general manager of the specialty care business unit. Prior to joining our Company, she served as the chief commercial officer for the Greater China Business at BeOne Medicines Ltd. (formerly known as BeiGene, Ltd.) a company listed on the Shanghai Stock Exchange (stock code: 688235), the Stock Exchange (stock code: 6160) and Nasdaq (ticker symbol: ONC).

Ms. Wu obtained her bachelor's degree in engineering from Shanghai University (上海大學) in the PRC in July 1996.

Ms. Chen Suqin (陳素勤), aged 59, is our deputy general manager and senior vice president of clinical operation.

Ms. Chen joined our Group in January 2018 and has been appointed as her current position since then. She has over 20 years of global clinical operations experience. From April 2001 to February 2011, she worked at Shanghai Roche Pharmaceuticals Ltd. (上海羅氏製藥有限公司). From February 2011 to April 2017, Ms. Chen was the senior director of SMO China hub at AstraZeneca Investment (China) Co., Ltd.

Ms. Chen obtained her bachelor's degree in traditional Chinese medicine from China Pharmaceutical University (中國藥科大學) in the PRC in July 1989.

Dr. Zeng Qingbei (曾慶北), aged 64, is our deputy general manager, senior vice president and chief scientist.

Dr. Zeng has extensive experiences in drug design and discovery. Prior to joining our Company, Dr. Zeng was a senior principal researcher at AstraZeneca Innovation Center China from January 2012 to December 2017.

Dr. Zeng obtained his Ph.D. degree in chemistry from The Ohio State University in the United States in June 1999.

Dr. Tsui Honchung (徐漢忠), aged 58, is our deputy general manager, senior vice president and head of medicinal chemistry.

Dr. Tsui has over 10 years of experience in drug discovery and management. He commenced his postdoctoral research at Stanford University in September 1998. Following that, he held various positions at Schering-Plough and Merck&Co., Inc. From January 2012 to 2017, Dr. Tsui was a principal scientist at AstraZeneca Investment (China) Limited.

Dr. Tsui obtained a bachelor's degree in science from The Chinese University of Hong Kong in December 1990. He then obtained his master's degree of philosophy from The Chinese University of Hong Kong in December 1993 and his Ph.D. degree in chemistry from The Ohio State University in the United States in September 1998.

Dr. Chang Shih-Ying (張世英), aged 63, is our deputy general manager, vice president and head of chemical manufacturing.

Dr. Chang has over 10 years of experiences in novel formulation development and clinical supply. Dr. Chang was a senior principal scientist at Bristol-Myers Squibb. From November 2015 to December 2018, he served as the executive director of pharmaceutical sciences/formulation research and development department at Hutchison MediPharma Inc.

Dr. Chang obtained his bachelor's degree in chemical engineering from National Tsing Hua University in June 1985. He further obtained his master's degree in science in December 1992 and his Ph.D. degree in August 1996 from the University of Maryland in the United States.

Ms. Zhang Zhiwei (張知為), aged 44, is our deputy general manager, vice president and head of operation.

Ms. Zhang has around 20 years of experience in healthcare and pharmaceutical industries. From August 2006 to March 2011, she served as the assistant human resource manager of the human resources department at Shanghai United Family Hospital & Clinics (上海和睦家醫院). Ms. Zhang then served as the China HR manager at Hudson Recruitment (Shanghai) Limited (上海翰德人力資源有限公司) from April 2011 to November 2011. Following that, she served as the associate director of the human resources department at AstraZeneca Investment (China) Co., Ltd. from December 2011 to January 2018.

Ms. Zhang obtained her bachelor's degree in law from East China Normal University (華東師範大學) in the PRC in July 2005. She then obtained her master's degree in organization and human resource management from the University of Hong Kong in August 2012.

Ms. Dong Weiwen (董韡雯), aged 40, is our joint company secretary and Board secretary.

Ms. Dong has over 15 years of experience in investment promotion, corporate governance and securities affairs. From August 2011 to August 2018, she served as a project manager at Wuxi High-tech District Investment and Development Center (無錫高新區招商發展中心). Ms. Dong joined our Company in August 2018 and has since held various positions, including serving as an assistant in the president's office of our Company from August 2018 to August 2020, as chairperson of the supervisory committee and employee representative supervisor from September 2020 to June 2025, and as the representative of securities affairs since December 2020. Additionally, she has served as a supervisor of Gewu Bio since its inception in May 2024.

Ms. Dong obtained her master's degree in foreign language literature and applied linguistics from Guangdong University of Foreign Studies (廣東外語外貿大學) in the PRC in June 2011.

OTHER INFORMATION IN RELATION TO OUR DIRECTORS AND SENIOR MANAGEMENT

Save as disclosed above, to the best knowledge, information and belief of our Directors having made all reasonable inquiries, there is no other information in relation to his or her appointment which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules as of the Latest Practicable Date.

Save as disclosed above, none of our Directors and senior management held any directorships in any other company listed in Hong Kong or overseas during the three years immediately preceding the date of this document. None of our Directors and senior management is related to other Directors and senior management.

Our Company dissolved the Board of Supervisors in 2025. As advised by our PRC Legal Advisors, such dissolution was made in accordance with the requirements of the PRC Company Law and relevant rules including the Notice on Transitional Arrangements for the Implementation of Supporting System Rules for the New Company Law (《關於新<公司法>配套制度規則實施相關過渡期安排》) issued by the CSRC on December 27, 2024, and is in compliance with applicable PRC laws and the CSRC's regulatory requirements.

JOINT COMPANY SECRETARIES

Ms. Dong Weiwen (董韡雯), aged 40, is our joint company secretary and Board secretary. She has been appointed as one of the joint company secretaries of our Company effective on August 20, 2026. For her biography, see "— Senior Management" in this section.

Ms. Tsui Ka Yan (崔嘉欣) is an assistant manager of the Listing Services Department of TMF Hong Kong Limited and is responsible for provision of corporate secretarial and compliance services to listed company clients. She has been appointed as one of the joint company secretaries of our Company effective on January 9, 2026. She has over eight years of experience in the company secretarial field. She obtained a bachelor's degree of business administration in accountancy from City University of Hong Kong in July 2017. She is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

BOARD COMMITTEES

Our Company has established four committees under the Board in accordance with the relevant laws and regulations in Chinese mainland, the Articles of Association and the code of corporate governance practices under the Listing Rules, including the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee and the Strategy Committee.

Audit Committee

We have established an Audit Committee in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are to review and supervise internal control management system in the fields of financial management, risk management and regulatory compliance. The Audit Committee comprises two non-executive Directors and three independent non-executive Directors, namely, Ms. An Meixia, Dr. Lu Simon Dazhong, Mr. Rodolphe Peter André Grépinet, Mr. Cao Yibo and Ms. Wang Tianyou. Ms. An Meixia being the chairperson of the Audit Committee, holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

Nomination Committee

We have established a Nomination Committee in compliance with the Code on Corporate Governance set out in Appendix C1 to the Listing Rules. The primary duties of the Nomination Committee are to make recommendations to our Board regarding the appointment of Directors, Board succession and appointment of members of the senior management. The Nomination Committee comprises two non-executive Directors and three independent non-executive Directors, namely, Ms. Wang Tianyou, Dr. Lu Simon Dazhong, Mr. Rodolphe Peter André Grépinet, Mr. Cao Yibo and Ms. An Meixia. Ms. Wang Tianyou is the chairperson of the Nomination Committee.

Remuneration and Appraisal Committee

We have established a Remuneration and Appraisal Committee in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Remuneration and Appraisal Committee are to review and make recommendations to the Board regarding the terms of remuneration packages, bonuses and other compensation payable to our Directors and senior management. The Remuneration and Appraisal Committee comprises two non-executive Directors and three independent non-executive Directors, namely, Mr. Cao Yibo, Dr. Lu Simon Dazhong, Mr. Rodolphe Peter André Grépinet, Ms. An Meixia and Ms. Wang Tianyou. Mr. Cao Yibo is the chairperson of the Remuneration and Appraisal Committee.

Strategy Committee

We have established a Strategy Committee. The primary duties of the Strategy Committee are to conduct research and make recommendations on our Company's long-term development strategy as well as substantial investment decisions. The Strategy Committee comprises one executive Director, two non-executive Directors and two independent non-executive Directors, namely, Dr. Zhang Xiaolin, Dr. Lu Simon Dazhong, Mr. Rodolphe Peter André Grépinet, Mr. Cao Yibo and Ms. Wang Tianyou. Dr. Zhang Xiaolin is the chairperson of the Strategy Committee.

CORPORATE GOVERNANCE CODE

We recognize the importance of incorporating elements of good corporate governance in our management structure and internal control procedures so as to achieve effective accountability. Our Company intends to comply with all code provisions in Part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules after the [**REDACTED**] apart from code provision C.2.1 of Part 2 of the Corporate Governance Code, which provides that the roles of chairman of the Board and chief executive should be separate and should not be performed by the same individual.

The roles of chairperson of the Board and Chief Executive Officer of our Company are currently performed by Dr. Zhang. We consider it appropriate and beneficial to our business development and prospects that Dr. Zhang continues to act as both our chairperson of the Board and Chief Executive Officer of our Company after the [**REDACTED**], and therefore currently do not propose to separate the functions of chairperson of the Board and president. While this would constitute a deviation from code provision C.2.1 of Part 2 of the Corporate Governance Code, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of our Company, given that: (i) Dr. Zhang has served as our Chief Executive Officer since our establishment in 2017, following our establishment from AstraZeneca's iMED Asia, where he previously served as head. With over 25 years of experience in the pharmaceutical industry, Dr. Zhang has deep knowledge of our entire R&D pipeline and core technology platforms, including our EGFR inhibitor platform, JAK1 inhibitor, and Lyn/BTK dual inhibitor; (ii) Dr. Zhang's dual role ensures our scientific vision works hand in hand with our commercial strategy, which is important for turning research discoveries into marketable products in this specialized industry. Under his leadership, we have built a strong product portfolio with two approved drugs, one drug candidate in registrational stage, three post-PoC assets, and one early clinical stage asset. Key milestones achieved include ZEGFROVY® becoming the first China-discovered drug to receive Breakthrough Therapy Designations from both the U.S. FDA and China NMPA. These achievements demonstrate our ability to navigate the entire value chain from scientific discovery to commercialization; (iii) This unified leadership structure helps us carry out our long-term R&D strategy consistently, building confidence among investors and collaboration partners. Before founding our Company, Dr. Zhang was Global Vice President at AstraZeneca and played a pivotal role in establishing the Innovation Center China and subsequent AstraZeneca's iMED Asia, where he led development of multiple blockbuster drugs. This distinguished background and our historical connection with AstraZeneca have brought significant scientific credibility and potential collaboration opportunities to our Company; (iv) there are sufficient checks and balances in the Board, as a decision to be made by our Board requires approval by at least a majority of our Directors, and our Board comprises four independent non-executive Directors, which is in compliance with the requirement under the Listing Rules; (v) Dr. Zhang and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that he acts for the benefit and in the best interests of our Company and will make decisions for our Group accordingly; and (vi) the balance of power and authority is ensured by the operations of the Board which comprises experienced and individuals who meet regularly to

discuss issues affecting the operations of our Company. Moreover, the overall strategic and other key business, financial, and operational policies of our Group are made collectively after thorough discussion at both Board and senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether the separation of the roles of chairperson of the Board and president is necessary.

BOARD DIVERSITY POLICY

Our Board has adopted a diversity policy to support our strategic goals and sustainable growth. We value diversity in areas such as gender, age, background, experience, and skills. Director candidates are selected based on merit and their alignment with our business needs, with diversity as an important consideration. We place particular emphasis on gender diversity. Our Board has a balanced mix of knowledge, skills and experience. We have three independent non-executive Directors who have different industry backgrounds, ranging from 42 to 55 years old. Taking into account our business model and specific needs as well as the presence of three female Directors out of a total of seven Board members, we consider that the composition of our Board satisfies our board diversity policy. After the [**REDACTED**], we aim to gradually increase the number of female directors by identifying and maintaining a pool of qualified female candidates with diverse expertise. Female investor representatives are also considered, and we promote gender balance in mid- to senior-level recruitment to build a pipeline of future female leaders. We will provide training to high-potential female employees in areas such as operations, management, finance, and compliance, to prepare them for leadership roles. Our Nomination Committee oversees board diversity and will review the policy annually. Progress and measurable outcomes will be disclosed in our corporate governance report.

COMPLIANCE ADVISOR

We have appointed First Shanghai Securities Limited as our Compliance Advisor pursuant to Rule 3A.19 of the Listing Rules. The Compliance Advisor will provide us with guidance and advice as to compliance with the Listing Rules and applicable Hong Kong laws. The term of appointment of our Compliance Advisor shall commence on the [**REDACTED**] and is expected to end on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the [**REDACTED**].

REMUNERATION OF DIRECTORS, SUPERVISORS AND FIVE HIGHEST PAID INDIVIDUALS

The Directors and senior management members who receive remuneration from our Company are paid in forms of fees, wages, salaries, bonuses, social security and provident fund scheme contributions, and other benefits in kind. When reviewing and determining the specific remuneration packages for our Directors and members of the senior management of our Company, the Shareholders' meetings and the Board takes into account factors such as salaries paid by comparable companies, time commitment, level of responsibilities, employment elsewhere in our Group and desirability of performance-based remuneration. As required by the relevant PRC laws and regulations, our Company also participates in various defined contribution plans organized by relevant provincial and municipal government authorities and welfare schemes for employees of our Company, including medical insurance, injury insurance, unemployment insurance, pension insurance, maternity insurance and housing provident fund.

Under the arrangement currently in force, we estimate the total compensation (excluding share-based payment expenses) before taxation to be accrued to our Directors for the year ending December 31, 2026 to be RMB11 million.

For the years ended December 31, 2023, 2024, 2025 and for the six months ended June 30, 2026, the total amount of remuneration (including Directors' fees, salaries, allowances and benefits in kind, discretionary bonuses, retirement scheme contributions) and share-based payments (if applicable) paid to our Directors were RMB160.0 million, RMB49.1 million, RMB25.4 million and RMB4.5 million, respectively. For details on the remuneration of each Director during the Track Record Period, please refer to Note 10 to the Accountants' Report in Appendix I to this document.

For the years ended December 31, 2023, 2024, 2025 and for the six months ended June 30, 2026, the total amount of remuneration and other benefits in kind (if applicable) paid to our Supervisors were RMB2.3 million, RMB1.9 million, RMB1.0 million and nil, respectively. For details on the remuneration of each Supervisor during the Track Record Period, please refer to Note 10 to the Accountants' Report in Appendix I to this document.

For the years ended December 31, 2023, 2024, 2025 and for the six months ended June 30, 2026, the total emoluments paid to the five highest paid individuals (excluding 2, 1, 1 and 1 Director(s)) by us amounted to RMB45.5 million, RMB69.1 million, RMB51.8 million and RMB16.2 million, respectively. For details on the remuneration of the five highest-paid employees during the Track Record Period, please refer to Note 10 to the Accountants' Report in Appendix I to this document.

During the Track Record Period, no remuneration was paid by our Company to, or receivable by, our Directors, Supervisors or the five highest paid individuals as an inducement to join or upon joining our Company or as compensation for loss of office in connection with the management positions of our Company or any of our subsidiaries.

During the Track Record Period, none of our Directors or Supervisors waived any remuneration. Save as disclosed above, during the Track Record Period, no other amounts shall be paid or payable by us or any of our subsidiaries to our Directors, Supervisors or the five highest paid individuals.

CONFIRMATIONS FROM OUR DIRECTORS

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on December 18, 2025 or July 22, 2026, and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) that his or her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules; (ii) that he or she has no past or present financial or other interest in the business of our Company or its subsidiaries or any connection with any core connected person of our Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect his or her independence at the time of his/her appointments.

Rule 8.10 of the Listing Rules

Each of our Directors (excluding our independent non-executive Directors) confirms that as of the Latest Practicable Date, he or she did not have any interest in a business which competes or is likely to compete, directly or indirectly, with our business and requires disclosure under Rule 8.10 of the Listing Rules.

You should read the following discussion and analysis in conjunction with our audited consolidated financial information, included in the Accountants' Report in Appendix I to this document, together with the accompanying notes. Our consolidated financial information has been prepared in accordance with IFRS.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance that involve risks and uncertainties. These statements are based on our assumptions and analysis made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate under the circumstances. However, our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors. In evaluating our business, you should carefully consider the information provided in the section headed "Risk Factors" in this document.

OVERVIEW

We are a commercial-stage biopharmaceutical company. Oncology and hematological diseases are our primary therapeutic areas. During the Track Record Period, we generated revenue from sales of ZEGFROVY® and golidocitinib in Chinese Mainland. ZEGFROVY® and golidocitinib were commercially launched in August 2023 and June 2024 in Chinese Mainland, respectively. Our revenue increased significantly from RMB91.3 million in 2023 to RMB359.9 million in 2024, and further increased to RMB801.1 million in 2025. In addition, our revenue increased from RMB355.0 million for the six months ended June 30, 2025 to RMB522.7 million for the six months ended June 30, 2026.

On July 14, 2026, we entered into a license agreement (the "**AstraZeneca Agreement**") with AstraZeneca UK Limited ("**AstraZeneca**"), pursuant to which we granted to AstraZeneca, among other rights, an exclusive license to develop and commercialize ZEGFROVY® globally. In partial consideration of the rights granted by us to AstraZeneca, AstraZeneca is expected to pay us a one-time, non-refundable and non-creditable upfront payment of US$600.0 million. In addition, we are eligible for development milestone payments potentially up to an aggregate of US$400.0 million and sales milestone payments potentially up to an aggregate of US$500.0 million, subject to the achievement of specified development, regulatory and sales milestone events. Upon commercialization, we are eligible for tiered royalties of up to low-double-digit percentages on the global sales of ZEGFROVY®, in each case subject to certain adjustments. For details, see "Business — License Agreement with AstraZeneca."

BASIS OF PREPARATION

Our historical financial information has been prepared in accordance with the IFRSs. All IFRSs that are effective for the accounting period beginning on January 1, 2025, together with the relevant transitional provisions, have been early adopted by us in the preparation of the historical financial information during the Track Record Period. The historical financial information has been prepared on the historical cost convention except for certain financial assets at fair value through profit or loss, which are carried at fair value.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations have been and will continue to be affected by a number of factors, including the following significant factors:

The Growth of China's Pharmaceutical Market and Related Regulations

We are a commercial-stage pharmaceutical company based in China. The overall growth of China's pharmaceutical market, particularly in oncology indications and hematological diseases, has affected and will continue to affect our results of operations. The growth of China's pharmaceutical market is influenced by multiple macro and industry-specific factors, such as continued economic development, increasing per capita income and healthcare expenditure, expanding medical insurance coverage, relevant laws and regulations, and government policies. Meanwhile, the Chinese pharmaceutical industry continues to evolve rapidly, shaped by ongoing

regulatory reform, technological innovation, and shifting market expectations for clinical differentiation and cost-effectiveness. Our ability to timely anticipate and adapt to evolving market trends, technological advancements, and regulatory changes will have an impact on our operations and financial performance.

In recent years, the healthcare regulatory framework in China has undergone significant changes, which may affect our financial conditions and results of operations. Market acceptance and sales volume of golidocitinib and future products depend, in part, on the level of government spending on healthcare and the coverage of our product portfolio under government medical reimbursement or procurement schemes. For details, see "Regulatory Overview — Other Laws and Regulations in Relation to Medical Industry." Both ZEGFROVY® and golidocitinib were included in the NRDL in 2024, which took effect on January 1, 2025. The inclusion of ZEGFROVY® and golidocitinib in the NRDL or other government-sponsored medical insurance programs will have an impact on sales volume and selling prices. For details on the impact of the NRDL, see "Business — Pricing."

The AstraZeneca Agreement

The AstraZeneca Agreement is expected to affect our results of operations, financial position and cash flows. Pursuant to the AstraZeneca Agreement, AstraZeneca is expected to pay us a one-time, non-refundable and non-creditable upfront payment of US$600.0 million, and we are eligible for development milestone payments potentially up to an aggregate of US$400.0 million and sales milestone payments potentially up to an aggregate of US$500.0 million, subject to the achievement of specified development, regulatory and sales milestone events. Upon commercialization, we are eligible for tiered royalties of up to low-double-digit percentages on the global sales of ZEGFROVY®, subject to certain adjustments. The timing and amount of upfront, milestone and royalty payments, and the recognition of related revenue, may materially affect our revenue, profitability, cash flows and working capital. AstraZeneca will have the sole right, at its sole expense, to develop, commercialize and manufacture Licensed Products, which may reduce our future research and development and selling and distribution expenses associated with those products, although we will continue to incur certain costs for ongoing combination studies, development, regulatory, manufacturing technology transfer and transitional supply activities, some of which AstraZeneca will reimburse. For details, see "Business — License Agreement with AstraZeneca."

Our Ability to Compete Effectively and Increase the Market Share of Our Products

Our ability to sustain and grow our business depends on the competitiveness of golidocitinib and any future products and our capacity to maintain or expand their market positions in both domestic and international markets. The pharmaceutical industry in China and globally is highly competitive; factors such as pricing, product quality, brand recognition, and distribution capabilities may influence customer procurement decisions and therefore affect the sales performance of golidocitinib and any future products. Consequently, our revenue and profitability may fluctuate depending on how effectively golidocitinib and any future products compete within their respective markets and whether we can successfully maintain or expand their market share.

During the Track Record Period, we generated revenue from sales of ZEGFROVY® and golidocitinib in Chinese Mainland. ZEGFROVY® and golidocitinib were commercially launched in August 2023 and June 2024 in Chinese Mainland, respectively. Our revenue increased significantly from RMB91.3 million in 2023 to RMB359.9 million in 2024, and further increased to RMB801.1 million in 2025. In addition, our revenue further increased from RMB355.0 million for the six months ended June 30, 2025 to RMB522.7 million for the six months ended June 30, 2026. The sales performance of golidocitinib and any future products was supported by our strong R&D capabilities, product quality, and sales and marketing capabilities. The future performance of golidocitinib and any future products will continue to depend on their ability to compete within the market. Changes in market dynamics or competitive positioning may influence sales volumes and market share, which could in turn affect our business, financial condition, and results of operations.

In addition, pricing trends and gross profit margins in the pharmaceutical industry, including golidocitinib and any future products, are subject to fluctuations driven by broader market forces and industry competition. Overall pricing levels and profitability may vary with changes in supply and demand, market structure, or general economic conditions. Golidocitinib, any future products, and products of our competitors may experience fluctuations in sales and profitability throughout

different stages of their life cycles, as market acceptance, competition, and product maturity evolve. Such movements are typical in the industry and generally reflect broader market trends rather than company-specific developments. Golidocitinib and any future products may be at different stages of commercialization and address distinct therapeutic areas. As a result, our overall revenue and cost structure will depend on the sales mix and relative contribution of golidocitinib and any future products, which may vary over time depending on market dynamics, pricing, and reimbursement conditions.

Our Ability to Successfully Develop and Commercialize Our Drug Candidates

The success of our business and results of operation depend in part on our ability to advance our drug development programs, demonstrate satisfactory safety and efficacy in clinical trials, obtain the necessary regulatory approvals, and launch our products in our target markets as planned. This process requires the effective coordination of our research, clinical, regulatory, and manufacturing functions, as well as continuous investment to advance our pipeline candidates across multiple therapeutic areas. As of the Latest Practicable Date, we had five clinical-stage drug candidates.

Our ability to bring our drug candidates to market within projected timelines will be critical to sustaining our long-term growth. After our drug candidates are commercialized, our business and results of operations will depend on the market acceptance and sales of commercialized drugs. The market performance of newly launched products will in turn be influenced by their clinical differentiation, pricing strategies, reimbursement coverage and the effectiveness of our commercialization efforts, including brand positioning and academic promotion. Furthermore, we plan to collaborate with leading academic and research institutions to access external innovation and scientific breakthroughs. These collaborations will be governed by a clear framework for project selection, milestone-based execution, and intellectual property management. In turn, such partnerships are expected to support and potentially enhance the future commercialization of our drug candidates. For details, see "Business — Our Product Portfolio" and "— Our Strategies."

See also "Risk Factors — Risks Relating to the Development of Our Drug Candidates — If we fail to achieve our expected product development milestones, it could adversely affect our business prospects."

Our Ability to Effectively Control Costs and Expenses

Our profitability depends in part on our ability to manage costs and enhance operating efficiency. As we strive to expand sales of golidocitinib and any future products while implementing effective cost-control measures, we aim to maintain profitability while steadily increasing investment in our innovation-focused pipeline.

Our cost of sales consists primarily of manufacturing costs, raw material costs for ZEGFROVY® and golidocitinib, and logistic and transportation costs, which the fluctuations in which may directly affect our gross profit margin. While we continue engaging third-party CDMOs for drug product manufacturing, we plan to gradually transition toward in-house manufacturing to enhance efficiency, quality control, and cost savings. As of the Latest Practicable Date, we have completed the construction of our international-standard manufacturing facility in Wuxi, Jiangsu. This manufacturing facility is designed to meet GMP requirements in China and the United States, and we anticipate the commercial production to commence in 2027. Our ability to manage and control manufacturing costs is expected to have a significant impact on our gross profit margin.

Our operating expenses include research and development expenses, selling and distribution expenses, as well as administrative expenses and other operating expenses. Research and development expenses constituted a significant portion of our operating expenses during the Track Record Period, reflecting the development of ZEGFROVY®, golidocitinib and other drug candidates through various stages of development. In 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, our research and development expenses amounted to RMB805.6 million, RMB723.7 million, RMB855.6 million, RMB408.3 million and RMB402.0 million, respectively. During the Track Record Period, as we progressed from the R&D phase to commercial stage, which featured intensive testing and validation, to the mass production phase, our R&D expenses decreased from 2023 to 2024, and we started to experience increasing commercial successes generated from our R&D investments. We expect our research and development expenses will increase in the future to support the clinical development of our drug pipeline.

In addition, we incurred substantial selling and distribution expenses during the Track Record Period. Our selling and distribution expenses amounted to RMB210.1 million, RMB445.3 million, RMB570.8 million, RMB268.4 million and RMB241.2 million in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. This was primarily attributable to the rapid expansion of our sales and marketing team to support the commercialization of the products. Our gradually built internal commercialization team enhances efficiency in product launches and ongoing sales operations. This in-house capability enables streamlined decision-making, direct oversight of marketing strategies, and real-time adaptation to market feedback. In addition, by leveraging our expanded distributorship network, it facilitates rapid market penetration with minimal incremental costs, thereby enabling targeted, high-efficiency sales that minimize additional expenses. As we continued to benefit from economies of scale and enhanced operational efficiency, we will be able to achieve a decline in our selling and marketing expenses as a proportion of revenue. Furthermore, following the effectiveness of the AstraZeneca Agreement, AstraZeneca will have the sole right to commercialize ZEGFROVY® globally at its sole cost and expense. Accordingly, we expect a significant decrease in our selling and distribution expenses attributable to ZEGFROVY® as commercialization activities for this product transition to AstraZeneca. We also plan to adjust and optimize our commercialization team to focus on the promotion of golidocitinib and our pipeline products. For details, see "Business — License Agreement with AstraZeneca."

Our administrative expenses and other operating expenses amounted to RMB228.4 million, RMB155.6 million, RMB164.2 million, RMB70.9 million and RMB79.7 million in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. During the Track Record Period, we have observed a decrease of our administrative expenses and other operating expenses in term of our revenue. We have benefited from operational efficiency arising from the economies of scale we have achieved and will continue to actively control our administrative and other operating expenses and expect that such expense as a percentage of revenue will continue to decrease as our business expands. We also plan to improve our operating efficiency by continuously upgrading our budget control system to drive cost-efficient business operation.

Going forward, as we endeavor to advance golidocitinib and our innovative pipeline as well as enhance our drug development capabilities, we expect to continue incurring significant research and expenses, which may affect our results of operations for the subsequent years.

Funding for Our Operations

During the Track Record Period, we funded our operations primarily through cash generated from our financing activities, sales of ZEGFROVY® and golidocitinib and bank borrowings. Going forward, we expect to primarily fund our future working capital and other cash requirements with cash generated from license fee income under the AstraZeneca Agreement, anticipated sales of golidocitinib and our drug candidates upon their approval, the [**REDACTED**] from the [**REDACTED**], and bank borrowings and other financing activities. However, with the continuing development of golidocitinib and our drug candidates, we may require further funding through debt financing, collaboration arrangements and licensing arrangements or other funding sources. Any fluctuation in funding for our operations will affect our cash flow and results of operations.

MATERIAL ACCOUNTING POLICIES AND CRITICAL JUDGMENTS AND ESTIMATES

We have identified certain accounting policies that are significant to the preparation of our consolidated financial statements. Some of our accounting policies involve subjective assumptions and estimates, as well as complex judgments relating to accounting items. Estimates and judgments are continually re-evaluated and are based on historical experience and other factors, including industry practices and expectations of future events that we believe to be reasonable under the circumstances. We did not change our assumptions or estimates as of the Latest Practicable Date and have not noticed any material errors regarding our assumptions or estimates. Our material accounting policy information and significant accounting judgments and estimates, which are important for an understanding of our financial condition and results of operations, are set forth in detail in Note 2.3 and 3 to the Accountants' Report set out in Appendix I to this document. We set forth below certain accounting policies that we believe are of critical importance to us.

Impairment of Non-financial Assets

At the end of each period during the Track Record Period, we review the carrying amounts of the following assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognized no longer exists or may have decreased:

- property, plant and equipment, including right-of-use assets;

- intangible assets; and
- interests in subsidiaries in the Company's statement of financial position

If the recoverable amount (i.e. the higher of the fair value less costs of disposal and value-in-use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized in profit or loss immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior periods. A reversal of an impairment loss is recognized in profit or loss immediately.

Value-in-use is based on the estimated future cash flows expected to be derived from the asset or Cash-Generating Unit ("**CGU**"), discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

For the purpose of impairment testing, our management, with the assistance of independent professional valuer, identified our Group as a single CGU. The recoverable amount of the CGU was determined based on a value-in-use calculation which uses cash flow projections based on financial bedgets approved by the management covering a forecast of a five year budget and extrapolate till the end of the useful live of the drug licenses. Key assumptions used for the value in use calculations are the discount rate. The discount rate was a pre-tax measure based on the risk-free rate in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of our Group. A discount rate of 15.84% per annum, 16.35% per annum, 15.72% per annum and 14.71% per annum have been applies for the years ended December 31, 2023, 2024 and 2025 and the six months ended June 30, 2026, respectively. Based on the results of the assessments, as the recoverable amount of the CGU is higher than the net carrying amount, no impairment loss on property, plant and equipment or intangible assets was recognized during the Track Record Period. For details, see Note 13 to the Accountants' Report set out in Appendix I to this document.

DESCRIPTION OF CERTAIN CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ITEMS

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

	For the year ended December 31,			For the six months ended June 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)			*(Unaudited)*	
Revenue	91,289	359,901	801,136	355,001	522,693
Cost of sales	(3,215)	(9,316)	(34,229)	(15,627)	(20,891)
Gross profit	**88,074**	**350,585**	**766,907**	**339,374**	**501,802**
Other income	35,261	43,323	64,661	36,408	11,448
Other gains/(losses), net	20,661	13,772	23,143	10,027	13,682
Selling and distribution expenses	(210,050)	(445,331)	(570,792)	(268,438)	(241,165)
Research and development expenses	(805,598)	(723,687)	(855,609)	(408,267)	(402,032)
Administrative and other operating expenses	(228,386)	(155,558)	(164,220)	(70,942)	(79,705)
Finance costs	(7,574)	(22,755)	(31,216)	(17,152)	(16,492)
Loss before income tax	**(1,107,612)**	**(939,651)**	**(767,126)**	**(378,990)**	**(212,462)**
Income tax expense	(101)	(4)	(1,391)	(52)	(633)
Loss and total comprehensive income for the year/period	**(1,107,713)**	**(939,655)**	**(768,517)**	**(379,042)**	**(213,095)**

Revenue

During the Track Record Period, we generated revenue from sales of ZEGFROVY® and golidocitinib in Chinese Mainland. ZEGFROVY® and golidocitinib were commercially launched in August 2023 and June 2024 in Chinese Mainland, respectively. As our pipeline drug candidates are expected to launch into the market in the future upon approval, and as indications of golidocitinib and future products are expanded, our sources of revenue are expected to become more diversified. The following table sets forth a breakdown of our total revenue by product, in absolute amounts and as a percentage of our total revenue, for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(Unaudited)			
ZEGFROVY®	91,289	100.0	310,805	86.4	575,629	71.9	262,402	73.9	368,245	70.5
Golidocitinib	–	–	49,096	13.6	225,507	28.1	92,599	26.1	154,448	29.5
Total	**91,289**	**100.0**	**359,901**	**100.0**	**801,136**	**100.0**	**355,001**	**100.0**	**522,693**	**100.0**

During the Track Record Period, our revenue grew substantially due to the successful launch of ZEGFROVY® and golidocitinib and our efficient pre-launch execution strategies. ZEGFROVY® and golidocitinib were included in the NRDL in late 2024, resulting in price reductions effective January 1, 2025. In line with industry practice and to avoid any price inversion, we provided a one-off price compensation of RMB52.3 million to our distributors for inventory that had already been delivered to distributors but not yet sold to end customers prior to the price adjustment taking effect. This measure was aimed at fostering distributor partnerships and ensuring a smooth transition to the new pricing system. The amount of compensation was determined as inventory volume multiplied by the unit price reduction. This compensation, recorded as a revenue reduction in the fourth quarter of 2024, resulting in a relative lower full-year 2024 revenue.

Cost of Sales

Our cost of sales consists of (i) manufacturing overheads, primarily comprising fees paid to our CDMOs for manufacturing of ZEGFROVY® and golidocitinib, (ii) raw material costs for ZEGFROVY® and golidocitinib, and (iii) logistic and transportation costs, primarily related to the delivery of ZEGFROVY® and golidocitinib to distributors. The following table sets forth a breakdown of our cost of sales by nature, in absolute amounts and as a percentage of total cost of sales, for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(Unaudited)			
Manufacturing overheads	2,320	72.2	6,678	71.7	25,907	75.7	11,597	74.2	16,585	79.4
Raw material costs	663	20.6	2,066	22.2	7,154	20.9	3,473	22.2	3,649	17.5
Logistic and transportation costs	232	7.2	572	6.1	1,168	3.4	557	3.6	657	3.1
Total	**3,215**	**100.0**	**9,316**	**100.0**	**34,229**	**100.0**	**15,627**	**100.0**	**20,891**	**100.0**

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of sales, and our gross profit margin represents our gross profit as a percentage of our revenue. Our gross profit amounted to RMB88.1 million, RMB350.6 million, RMB766.9 million, RMB339.4 million and RMB501.8 million in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively.

Our gross profit margin was 96.5%, 97.4%, 95.7%, 95.6% and 96.0% in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. Our relatively high gross profit margins during the Track Record Period were primarily due to our enhanced bargaining power with respect to selling prices, leveraged through our R&D expertise and innovative product portfolio. This was exemplified by ZEGFROVY®, which is China's first innovative first-in-class drug with U.S. marketing approval, and golidocitinib, the world's first and only approved JAK1 inhibitor for relapsed or refractory peripheral T-cell lymphoma. In addition, we maintain effective control over our cost of sales by implementing optimized raw material procurement strategies, including leveraging long-term supplier relationships, enhancing supply chain efficiency, and closely monitoring market trends to ensure cost stability and quality consistency. The following table sets forth a breakdown of our gross profit and gross profit margin by product for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(Unaudited)			
ZEGFROVY®	88,074	96.5	302,512	97.3	549,807	95.5	250,241	95.4	353,005	95.9
Golidocitinib	–	–	48,073	97.9	217,099	96.3	89,133	96.3	148,797	96.3
Total	**88,074**	**96.5**	**350,585**	**97.4**	**766,907**	**95.7**	**339,374**	**95.6**	**501,802**	**96.0**

Other Income

Our other income consists of (i) government grants, primarily comprise one-off subsidies received from local governments and authorities in connection with our industry development initiatives, clinical trials of drug products, and talent acquisition efforts. There were no unfulfilled conditions or contingencies relating to such grants as of the Latest Practicable Date, and (ii) interest income. The following table sets forth a breakdown of our other income for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)				
				(Unaudited)	
Government grants	31,620	41,081	62,525	34,948	10,909
Interest income	3,641	2,242	2,136	1,460	539
Total	**35,261**	**43,323**	**64,661**	**36,408**	**11,448**

Other Gains/(Losses), Net

Our other gains or losses, net primarily consist of (i) fair value gains on financial assets at FVPL, mainly related to our structure deposits, (ii) foreign exchange gains or losses, net, primarily due to the fluctuation between U.S. dollars and RMB, (iii) gain or loss on disposal of property, plant and equipment, net, (iv) expected credit loss or reversal of expected credit loss on trade receivables, primarily related to the movement in loss allowance for trade receivables at amortized cost based on the expected credit loss model, and (v) others, including net loss on disposal of property, plant and equipment mainly associated with our office equipment. The following table sets forth a breakdown of our other gains or losses, net for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)				
				(Unaudited)	
Fair value gains on financial assets at FVPL	22,519	14,451	25,327	11,219	13,673

	For the year ended December 31,			For the six months ended June 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)			*(Unaudited)*	
Foreign exchange (losses)/gain, net	(1,454)	(2,450)	(1,013)	(640)	441
(Loss)/gain on disposal of property, plant and equipment, net	(8)	–	–	–	84
(Expected credit loss)/ reversal of expected credit loss on trade receivables	(396)	118	(1,171)	(552)	(679)
Others	–	1,653	–	–	163
Total	**20,661**	**13,772**	**23,143**	**10,027**	**13,682**

Selling and Distribution Expenses

Our selling and distribution expenses consist of (i) staff costs, which primarily consist of salaries and benefits for our sales and marketing personnel, (ii) marketing expenses, mainly for various marketing and promotion activities for ZEGFROVY® and golidocitinib, (iii) share-based payments granted to our sales and marketing personnel, and (iv) others, mainly include property utilities and office expenses and depreciation and amortization expenses. The following table sets forth a breakdown of our selling and distribution expenses and as percentages of the total selling and distribution expenses for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000* *(Unaudited)*	*%*	*RMB'000*	*%*
Staff costs	111,037	52.9	229,199	51.5	327,239	57.3	163,038	60.8	148,836	61.7
Marketing expenses	60,754	28.9	156,994	35.2	210,917	37.0	89,176	33.2	86,706	36.0
Share-based payments	30,319	14.4	45,788	10.3	24,641	4.3	11,063	4.1	1,540	0.6
Others	7,940	3.8	13,350	3.0	7,995	1.4	5,161	1.9	4,083	1.7
Total	**210,050**	**100.0**	**445,331**	**100.0**	**570,792**	**100.0**	**268,438**	**100.0**	**241,165**	**100.0**

Research and Development Expenses

Our research and development expenses consist of (i) R&D service fees, primarily include payments to CROs, hospitals and other medical institutions and testing fees incurred for clinical trials, (ii) staff costs, which primarily consist of salaries and benefits for our R&D personnel, (iii) depreciation and amortization, (iv) cost of raw materials and consumables used for research and development of our drug candidates, (v) share-based payments granted to our R&D personnel, and (vi) others, which primarily consist of property utilities and office expenses. The following table sets forth a breakdown of our research and development expenses and as percentages of the total research and development expenses for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000* *(Unaudited)*	*%*	*RMB'000*	*%*
R&D service fees	480,927	59.7	358,166	49.5	483,416	56.5	234,422	57.4	219,243	54.5
Staff costs	183,895	22.8	204,348	28.2	214,475	25.1	104,295	25.6	115,418	28.7

	For the year ended December 31,						For the six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(Unaudited)			
Depreciation and amortization	60,658	7.5	59,862	8.3	56,416	6.6	26,865	6.6	28,991	7.2
Cost of raw materials and consumables	30,216	3.8	42,508	5.9	50,116	5.9	18,732	4.6	18,527	4.6
Share-based payments	18,813	2.3	32,423	4.5	21,075	2.5	9,097	2.2	4,622	1.2
Others	31,089	3.9	26,380	3.6	30,111	3.5	14,856	3.6	15,231	3.8
Total	**805,598**	**100.0**	**723,687**	**100.0**	**855,609**	**100.0**	**408,267**	**100.0**	**402,032**	**100.0**

Administrative and Other Operating Expenses

Our administrative and other operating expenses consist of (i) staff costs, which primarily consist of salaries and benefits for our administrative personnel, (ii) depreciation and amortization, (iii) property utilities and office expenses, (iv) professional service fees, primarily including payments to accountants and legal professionals in relation to our daily operation, (v) share-based payment granted to our administrative personnel, and (vi) others, which primarily include travel and conference expense and business tax and surcharges. The following table sets forth a breakdown of our administrative and other operating expenses and as percentages of the total administrative and other operating expenses for the periods indicated:

	For the year ended December 31,						For the six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(Unaudited)			
Staff costs	45,302	19.8	56,519	36.3	82,132	50.0	39,194	55.2	40,172	50.4
Depreciation and amortization	9,393	4.1	14,446	9.3	16,548	10.1	7,706	10.9	15,366	19.3
Property utilities and office expenses	14,989	6.6	15,420	9.9	22,483	13.7	6,271	8.8	12,518	15.7
Professional service fees	4,044	1.8	5,808	3.7	2,953	1.8	448	0.6	3,430	4.3
Share-based payments	147,479	64.6	54,607	35.1	27,932	17.0	14,157	20.0	2,134	2.7
Others	7,179	3.1	8,758	5.7	12,172	7.4	3,166	4.5	6,085	7.6
Total	**228,386**	**100.0**	**155,558**	**100.0**	**164,220**	**100.0**	**70,942**	**100.0**	**79,705**	**100.0**

Finance Costs

Our finance costs consist of (i) interest charges on bank borrowings less amount capitalized in construction in progress, and (ii) interest expenses on lease liabilities. The following table sets forth a breakdown of our finance costs for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,	
	2023	2024	2025	2025	2026
		(RMB in thousands)		*(Unaudited)*	
Interest charges on bank borrowings	3,677	21,256	32,791	18,776	15,574

	For the year ended December 31,			For the six months ended June 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)			*(Unaudited)*	
Less: amount capitalized in construction in progress .	–	(1,556)	(3,958)	(2,899)	–
	3,677	19,700	28,833	15,877	15,574
Interest expenses on lease liabilities	3,897	3,055	2,383	1,275	918
Total	**7,574**	**22,755**	**31,216**	**17,152**	**16,492**

Income Tax Expense

We incurred income tax expense of RMB101.0 thousand, RMB4.0 thousand, RMB1,391.0 thousand, RMB52.0 thousand and RMB633.0 thousand related to certain subsidiary with taxable profits in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. Pursuant to the existing legislation, interpretations and practices, the income tax provision of some of our entities in Chinese mainland shall be computed at a reduced rate of 25% on the estimated assessable profits during the Track Record Period. Several of our subsidiaries in Chinese mainland qualified as high-tech enterprises. Accordingly, they enjoyed a preferential income tax rate of 15% for the Track Record Period. Pursuant to the relevant laws and regulations, certain of our subsidiaries were qualified as small and micro enterprise. As such, they are entitled to the preferential tax rate of 20%. In addition, certain research and development costs are qualified for additional deduction. For details of preferential tax treatments enjoyed by our Company and our subsidiaries, see Note 9 to the Accountants' Report in Appendix I to this document.

PERIOD TO PERIOD COMPARISON OF RESULTS OF OPERATIONS

Six Months ended June 30, 2025 Compared to Six Months ended June 30, 2026

Revenue

Our revenue increased by 47.2% from RMB355.0 million for the six months ended June 30, 2025 to RMB522.7 million for the six months ended June 30, 2026, primarily due to an increase in sales of ZEGFROVY® and golidocitinib, which was primarily driven by the inclusion of both products in the NRDL effective since January 2025, together with our continued sales and marketing efforts and the expansion of our distribution network that further accelerated market penetration. In particular, revenue from ZEGFROVY® increased from RMB262.4 million for the six months ended June 30, 2025 to RMB368.2 million for the six months ended June 30, 2026. Our revenue from golidocitinib increased from RMB92.6 million for the six months ended June 30, 2025 to RMB154.4 million for the six months ended June 30, 2026. The inclusion of ZEGFROVY® and golidocitinib in the NRDL expanded patient access, enhanced affordability and facilitated broader hospital coverage, thereby contributing to the growth of our revenue. In addition, the continuous expansion of our distribution network contributed to the increased sales of ZEGFROVY® and golidocitinib, growing from 38 distributors for the six months ended June 30, 2025 to 41 distributors for the six months ended June 30, 2026.

Cost of Sales

Our cost of sales increased by 33.7% from RMB15.6 million for the six months ended June 30, 2025 to RMB20.9 million for the six months ended June 30, 2026, primarily attributable to an increase of RMB5.0 million in manufacturing overheads associated with higher production volume of ZEGFROVY® and golidocitinib, which is in line with the growth of sales of ZEGFROVY® and golidocitinib.

Gross Profit and Gross Profit Margin

As a result of the changes in our revenue and cost of sales described above, our gross profit increased by 47.9% from RMB339.4 million for the six months ended June 30, 2025 to RMB501.8 million for the six months ended June 30, 2026.

Our gross profit margin increased slightly from 95.6% for the six months ended June 30, 2025 to 96.0% for the six months ended June 30, 2026, primarily due to improved manufacturing efficiency as our production processes stabilized. We strategically select CDMO suppliers based on quality and unit price, implement batch production planning to reduce unit costs and actively manage raw material costs. The increase in our gross profit margin was also attributable to a decline in the market prices of certain our raw materials.

Other Income

Our other income decreased by 68.6% from RMB36.4 million for the six months ended June 30, 2025 to RMB11.4 million for the six months ended June 30, 2026, primarily attributable to a decrease of RMB24.0 million in government grants which was primarily influenced by the prevailing government policies during the relevant period.

Other Gains/(Losses), Net

Our other gains or losses, net increased by 36.5% from RMB10.0 million for the six months ended June 30, 2025 to RMB13.7 million for the six months ended June 30, 2026, primarily due to an increase of RMB2.5 million in fair value gains on financial assets at FVPL, mainly because we purchased more structure deposits in order to better utilize our cash on hands.

Selling and Distribution Expenses

Our selling and distribution expenses decreased by 10.2% from RMB268.4 million for the six months ended June 30, 2025 to RMB241.2 million for the six months ended June 30, 2026, primarily attributable to (i) a decrease of RMB14.2 million in staff costs, as we optimized the structure of our commercialization team to enhance operational efficiency and (ii) a decrease of RMB9.5 million in share-based payments, reflecting the scheduled progression of our ESOP plan.

Research and Development Expenses

Our research and development expenses remained relatively stable at RMB408.3 million for the six months ended June 30, 2025 and RMB402.0 million for the six months ended June 30, 2026.

Administrative and Other Operating Expenses

Our administrative and other operating expenses increased by 12.4% from RMB70.9 million for the six months ended June 30, 2025 to RMB79.7 million for the six months ended June 30, 2026, primarily attributable to (i) an increase of RMB7.7 million in depreciation and amortization, mainly associated with our Wuxi manufacturing facility which commenced operations in late 2025, and (ii) an increase of RMB6.2 million in property utilities and office expenses, in line with the expansion of our operations. This was partially offset by a decrease of RMB12.0 million in share-based payments, reflecting the scheduled progression of our ESOP plan.

Finance Costs

Our finance costs decreased by 3.8% from RMB17.2 million for the six months ended June 30, 2025 to RMB16.5 million for the six months ended June 30, 2026, mainly due to (i) a decrease of RMB0.4 million in interest expenses on lease liabilities, mainly related to the gradual decrease in lease liabilities over the lease terms, and a decrease of RMB0.3 million in interest charges on bank borrowings less amount capitalized in construction in progress, in line with the decline of interest rates associated with our borrowings and the partial repayment of our borrowings.

Income Tax Expense

We recorded income tax expense of RMB52.0 thousand and RMB633.0 thousand for the six months ended June 30, 2025 and 2026, in relation to one of our subsidiaries in Chinese Mainland.

Loss for the Period

As a result of the foregoing, we recorded a loss of RMB379.0 million and RMB213.1 million for the six months ended June 30, 2025 and 2026, respectively.

Year ended December 31, 2024 Compared to Year ended December 31, 2025

Revenue

Our revenue increased significantly from RMB359.9 million in 2024 to RMB801.1 million in 2025, primarily due to an increase in sales of ZEGFROVY® and golidocitinib. In particular, revenue from ZEGFROVY® sales increased by RMB264.8 million from 2024 to 2025, primarily due to its inclusion in the NRDL in 2024 (effective since January 1, 2025), which drove higher sales volumes. Furthermore, the sales volume of golidocitinib increased following its inclusion in the NRDL in 2024 (effective since January 1, 2025), resulting in revenue growth of RMB176.4 million for the year ended December 31, 2025 compared to the same period in 2024. In addition, the continuous expansion of our distribution network contributed to the increased sales of ZEGFROVY® and golidocitinib, growing from 30 in 2024 to 40 distributors in 2025.

Cost of Sales

Our cost of sales increased significantly from RMB9.3 million in 2024 to RMB34.2 million in 2025, primarily attributable to an increase of RMB19.2 million in manufacturing overheads associated with higher production volume of ZEGFROVY® and golidocitinib, and an increase of RMB5.1 million in raw material costs, both in line with the growth of sales of ZEGFROVY® and golidocitinib.

Gross Profit and Gross Profit Margin

As a result of the changes in our revenue and cost of sales described above, our gross profit increased by 118.8% from RMB350.6 million in 2024 to RMB766.9 million in 2025.

Our gross profit margin decreased slightly from 97.4% in 2024 to 95.7% in 2025, following the inclusion of ZEGFROVY® and golidocitinib in the NRDL in 2024, which took effect on January 1, 2025. The inclusion of ZEGFROVY® and golidocitinib into the NRDL resulted in adjustments in their corresponding sales price, which in turn decrease their gross profit margin. These efforts enabled ZEGFROVY® and golidocitinib to strengthen their accessibility and affordability.

Other Income

Our other income increased by 49.3% from RMB43.3 million in 2024 to RMB64.7 million in 2025, primarily attributable to an increase of RMB21.4 million in government grants related to (i) the continuous encouragement of our research and development activities, primarily related to DZD4205 and DZD8586; and (ii) the supportive measures for R&D-intensive companies in fostering industry growth.

Other Gains/(Losses), Net

Our other gains or losses, net increased by 68.0% from RMB13.8 million in 2024 to RMB23.1 million in 2025, primarily attributable to an increase of RMB10.9 million in fair value gains on financial assets at FVPL, mainly because we purchased more structure deposits in order to better utilize our cash on hands.

Selling and Distribution Expenses

Our selling and distribution expenses increased by 28.2% from RMB445.3 million in 2024 to RMB570.8 million in 2025, primarily attributable to (i) an increase of RMB98.0 million in staff costs, primarily attributable to the expansion of our commercialization team headcount to support our ongoing sales and marketing activities for ZEGFROVY® and golidocitinib. In particular, our sales and marketing personnel increased from 488 in 2024 to 591 in 2025, and (ii) an increase of RMB53.9 million in marketing expenses related to meetings and academic conferences for promoting ZEGFROVY® and golidocitinib, which was also in line with our sales growth. This was partially offset by a decrease of RMB21.1 million in share-based payments, reflecting the scheduled progression of our ESOP plan.

Research and Development Expenses

Our research and development expenses increased by 18.2% from RMB723.7 million in 2024 to RMB855.6 million in 2025, primarily attributable to an increase of RMB125.3 million in R&D service fees related to clinical trials for our drug candidates, including payments to CROs and testing fees incurred for clinical trials for WUKONG28 and WUKONG1, as well as fees paid to hospitals and other medical institutions for TAI-SHAN8, TAI-SHAN9 and TIAN-SHAN2, TIAN-SHAN7. This was partially offset by a decrease of RMB11.3 million in share-based payments, reflecting the scheduled progression of our ESOP plan.

Administrative and Other Operating Expenses

Our administrative and other operating expenses increased slightly from RMB155.6 million in 2024 to RMB164.2 million in 2025, primarily due to (i) an increase of RMB25.6 million in staff costs, primarily attributable to an increase of our administrative personnel to support our business growth, and (ii) an increase of RMB7.1 million in property utilities and office expenses, mainly associated with our Wuxi manufacturing facility in line with the business expansion. This was partially offset by a decrease of RMB26.7 million in share-based payments, reflecting the scheduled progression of our ESOP plan.

Finance Costs

Our finance costs increased by 37.2% from RMB22.8 million in 2024 to RMB31.2 million in 2025, primarily due to an increase of RMB9.1 million in interest charges on bank borrowings less amount capitalized in construction in progress, mainly attributable to higher bank loan balances.

Income Tax Expense

Our income tax expense increased from to RMB0.004 million in 2024 to RMB1.4 million in 2025, primarily because one of our subsidiaries in Chinese mainland was subject to standard tax rate in 2025 rather than reduced tax rate, resulting from its continuous business growth.

Loss for the Year

As a result of the foregoing, we recorded a loss of RMB939.7 million and RMB768.5 million in 2024 and 2025, respectively.

Year Ended December 31, 2023 Compared with Year Ended December 31, 2024

Revenue

Our revenue significantly increased from RMB91.3 million in 2023 to RMB359.9 million in 2024, mainly driven by the official launch of ZEGFROVY® and golidocitinib. This increase was partially offset by one-off price difference compensation to our distributors for unsold inventory following the inclusion of ZEGFROVY® and golidocitinib in the NRDL in 2024 (effective since January 1, 2025). Revenue from ZEGFROVY® sales increased from RMB91.3 million in 2023 to RMB310.8 million in 2024, primarily due to its commercialization in August 2023 and the subsequent ramp-up in sales volume. Furthermore, golidocitinib was approved in June 2024 and we generated revenue of RMB49.1 million from its sales in 2024. In addition, the continuous expansion of our distribution network contributed to the increased sales of ZEGFROVY® and golidocitinib, growing from 25 in 2023 to 30 distributors in 2024.

Cost of Sales

Our cost of sales increased significantly from RMB3.2 million in 2023 to RMB9.3 million in 2024, primarily due to (i) an increase of RMB4.4 million in manufacturing overheads associated with higher production volume of ZEGFROVY® and the commencement of commercial production of golidocitinib; and (ii) an increase of RMB1.4 million in raw material costs, associated with the ramp-up of commercial sales of ZEGFROVY® and golidocitinib.

Gross Profit and Gross Profit Margin

As a result of the changes in our revenue and cost of sales described above, our gross profit significantly increased from RMB88.1 million in 2023 to RMB350.6 million in 2024.

Our gross profit margin increased slightly from 96.5% in 2023 to 97.4% in 2024, primarily attributable to (i) the improved gross profit margin of ZEGFROVY® arising from economies of scale achieved through higher sales volumes; and (ii) a shift in revenue mix toward higher-margin products, specifically our golidocitinib.

Other Income

Our other income increased by 22.9% from RMB35.3 million in 2023 to RMB43.3 million in 2024, primarily due to an increase of RMB9.5 million in government grants, in line with advancements in our research and development activities, primarily related to DZD9008 and DZD8586.

Other Gains/(Losses), Net

Our other gains or losses, net decreased by 33.3% from RMB20.7 million in 2023 to RMB13.8 million in 2024, primarily because of a decrease of RMB8.1 million in fair value gains on financial assets at FVPL as we purchased less structure deposits.

Selling and Distribution Expenses

Our selling and distribution expenses increased significantly from RMB210.1 million in 2023 to RMB445.3 million in 2024, primarily attributable to (i) an increase of RMB118.2 million in staff costs arising from the rapid expansion of our sales and marketing team for the commercialization of ZEGFROVY® and golidocitinib. In particular, our sales and marketing personnel increased from 247 in 2023 to 488 in 2024; (ii) an increase of RMB15.5 million in share-based payments granted to our sales and marketing personnel, and (iii) an increase of RMB96.2 million in marketing expenses, which is in line with our enhanced market development activities primarily for ZEGFROVY® and golidocitinib.

Research and Development Expenses

Our research and development expenses decreased by 10.2% from RMB805.6 million in 2023 to RMB723.7 million in 2024, primarily attributable to a decrease of RMB122.8 million in R&D service fees as we completed phase registrational Phase 1/2 trial for ZEGFROVY® in October 2024, and completed registrational Phase 1/2 trial for golidocitinib in August 2024.

Administrative and Other Operating Expenses

Our administrative and other operating expenses decreased by 31.9% from RMB228.4 million in 2023 to RMB155.6 million in 2024, primarily attributable to a decrease of RMB92.9 million in share-based payments, reflecting the scheduled progression of our ESOP plan.

Finance Costs

Our finance costs increased significantly from RMB7.6 million in 2023 to RMB22.8 million in 2024, primarily due to an increase of RMB16.0 million in interest expenses on bank borrowings less amount capitalized in constructions in progress, mainly reflecting higher bank loan balances to support R&D activities.

Income Tax Expense

Our income tax expense amounted to RMB101.0 thousand in 2023 and RMB4.0 thousand in 2024.

Loss for the Year

As a result of the foregoing, we recorded a loss of RMB1,107.7 million and RMB939.7 million in 2023 and 2024, respectively.

DISCUSSION OF SELECTED ITEMS FROM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

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

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Non-current assets				
Property, plant and equipment	156,891	292,903	426,246	410,770
Intangible assets	423,520	389,150	354,885	338,295
Prepayments, deposits and other receivables	5,606	37,712	38,721	41,498
Total non-current assets	586,017	719,765	819,852	790,563
Current assets				
Inventories	23,471	44,115	36,949	42,899
Trade receivables	48,040	27,495	143,441	210,666
Prepayments, deposits and other receivables	90,651	87,368	66,026	67,707
Financial assets at fair value through profit or loss ("FVPL")	673,998	589,830	1,644,840	1,556,889
Restricted cash	275	275	275	275
Cash and cash equivalents	73,927	249,890	291,147	178,864
Total current assets	910,362	998,973	2,182,678	2,057,300
Current liabilities				
Trade payables	14,601	17,514	20,051	24,654
Other payables and accruals	210,620	328,935	433,221	327,386
Interest-bearing borrowings	200,217	415,102	509,427	407,749
Lease liabilities	22,946	23,534	21,197	22,750
Taxation payable	52	–	1,339	654
Total current liabilities	448,436	785,085	985,235	783,193
Net current assets	**461,926**	**213,888**	**1,197,443**	**1,274,107**
Total assets less current liabilities	**1,047,943**	**933,653**	**2,017,295**	**2,064,670**
Non-current liabilities				
Interest-bearing borrowings	138,313	683,762	688,147	913,173
Lease liabilities	48,895	34,991	21,981	11,438
Deferred income	12,108	14,843	11,476	10,938
Total non-current liabilities	199,316	733,596	721,604	935,549
Net assets	**848,627**	**200,057**	**1,295,691**	**1,129,121**

Property, Plant and Equipment

Our property, plant and equipment consist of right-of-use assets, electronic equipment, computer equipment, furniture and fixtures, motor vehicles and construction in progress. Our property, plant and equipment increased from RMB156.9 million as of December 31, 2023 to RMB292.9 million as of December 31, 2024, and further increased to RMB426.2 million as of December 31, 2025, primarily attributable to the construction of our manufacturing facilities in Wuxi and the increase of machinery and other equipment in line with our business expansion. Our property, plant and equipment decreased from RMB426.2 million as of December 31, 2025 to RMB410.8 million as of June 30, 2026, primarily due to the commencement of operations at our Wuxi manufacturing facility at the end of 2025, as well as the depreciation of certain of our right-of-use assets.

Intangible Assets

Our intangible assets primarily include intellectual property and software use rights. Our intangible assets decreased from RMB423.5 million as of December 31, 2023 to RMB389.2 million as of December 31, 2024, further decreased to RMB354.9 million as of December 31, 2025, and then decreased to RMB338.3 million as of June 30, 2026, primarily in line with the amortization of our intellectual property rights.

Prepayments, Deposits and Other Receivables

Our current prepayments, deposits and other receivables primarily consist of (i) value added tax recoverable, (ii) prepayments for research and development service, (iii) deferred [**REDACTED**], (iv) prepayments for property, plant and equipment, (v) prepayments, and (vi) other deposits and receivables. The following table sets forth the details of our prepayments, deposits and other receivables as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Value added tax recoverable	34,964	35,716	38,094	40,546
Prepayments for research and development service	44,123	49,612	32,968	28,380
Deferred [**REDACTED**]	–	–	15,423	25,613
Prepayments for property, plant and equipment	2,569	22,413	–	285
Prepayments	9,020	11,732	14,324	9,887
Other deposits and receivables	5,581	5,607	3,938	4,494
Total	**96,257**	**125,080**	**104,747**	**109,205**
Current	90,651	87,368	66,026	67,707
Non-current	5,606	37,712	38,721	41,498

Our prepayments, deposits and other receivables increased from RMB96.3 million as of December 31, 2023 to RMB125.1 million as of December 31, 2024, primarily due to (i) an increase of RMB19.8 million in prepayments for property, plant and equipment, mainly related to the construction of our manufacturing facility in Wuxi and the purchase of relevant equipment and machinery, and (ii) an increase of RMB5.5 million in prepayments for research and development service, mainly associated with the FDA application for ZEGFROVY®.

Our prepayments, deposits and other receivables decreased from RMB125.1 million as of December 31, 2024 to RMB104.7 million as of December 31, 2025, primarily due to (i) a decrease of RMB22.4 million in prepayments for property, plant and equipment along with the construction progress of our manufacturing facility in Wuxi, which was subsequently completed in October 2025, and (ii) a decrease of RMB16.6 million in prepayments for research and development service, as these fees were recognized in line with the progress of the FDA application for ZEGFROVY®. This was partially offset by deferred [**REDACTED**] of RMB15.4 million as of December 31, 2025, mainly associated with our proposed [**REDACTED**].

Our prepayments, deposits and other receivables then increased from RMB104.7 million as of December 31, 2025 to RMB109.2 million as of June 30, 2026, primarily due to an increase of RMB10.2 million in deferred [**REDACTED**], mainly in connection with our proposed [**REDACTED**], partially offset by a decrease of RMB4.4 million in prepayments, in line with the continued utilization of such prepayments as our clinical trails progressed.

As of July 31, 2026, we had settled RMB2.8 million, or 2.6%, of our prepayments, deposits and other receivables as of June 30, 2026.

Inventories

Our inventories consist of (i) raw materials, (ii) work in progress, and (iii) finished goods. The following table sets forth the breakdown of our inventories as of the date indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Raw materials	1,840	3,748	3,520	362
Work in progress	17,273	28,370	24,027	32,526
Finished goods	4,358	11,997	9,402	10,011
Total	**23,471**	**44,115**	**36,949**	**42,899**

Our inventories increased from RMB23.5 million as of December 31, 2023 to RMB44.1 million as of December 31, 2024, primarily attributable to the stock preparation for sale of ZEGFROVY® and golidocitinib. Our inventories then decreased to RMB36.9 million as of December 31, 2025, primarily in line with the production progress and sales schedule of ZEGFROVY® and golidocitinib. Our inventories further increased from RMB36.9 million as of December 31, 2025 to RMB42.9 million as of June 30, 2026, primarily attributable to the stock preparation for sale of ZEGFROVY® and golidocitinib.

The table below sets forth an aging analysis of our inventories as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Within 6 months	12,521	24,869	21,972	25,312
Between 6 months and 1 year	10,563	15,194	8,212	15,192
Over 1 year	387	4,052	6,765	2,395
Total	**23,471**	**44,115**	**36,949**	**42,899**

According to our inventory provision policy, we make provisions for write-down of inventories to net realizable value for obsolete inventories and inventories that expired or would expire in six months. We do not believe further provision for impairment is necessary. In particular, we have taken stringent internal measures to enhance the inventory management. For example, we conduct regular physical inventory counts and closely monitor the condition and shelf-life of our inventories, and once any inventory becomes obsolete or expires, necessary provision will be provided; we estimate the net realizable value at the each reporting period end to identify write-down provisions, if any; we strictly monitor aging conditions and utilization of our inventories to identify slow-moving inventories, if any, so that we can promptly take appropriate measures and adjust our procurement plan accordingly.

The following table sets forth our inventory turnover days for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Inventory turnover days[(1)]	1,620	1,324	432	344

Note:

(1) Calculated using the average of the beginning and ending balances of inventories for the period, divided by cost of sales for the period and multiplied by 365/180 days.

Our inventory turnover days decreased from 1,620 days in 2023 to 1,324 days in 2024, 432 days in 2025 and 344 days in the six months ended June 30, 2026, primarily due to continued increases in product sales and enhanced inventory management.

Currently, golidocitinib has a three-year shelf life, and we believe the current inventory turnover days will not impact their efficacy. Our inventory turnover days were relatively higher during the Track Record Period, primarily due to (i) the fact that ZEGFROVY® was approved in August 2023 and golidocitinib was approved in June 2024, during which revenue generated from sales of ZEGFROVY® and golidocitinib remained in the ramp-up stage with correspondingly lower cost of sales recognized; and (ii) we have strategically stocked up sufficient amount of raw materials, APIs, and finished products to allow us to meet production and operation needs flexibly, leading to relatively large balance of inventory amount compared to our cost of sales. During the Track Record Period, as we outsourced the manufacturing of the products to CDMOs, we were required to schedule production in advance due to longer production lead times, and therefore maintained relatively higher inventory levels to ensure supply stability and support the continued growth of sales. In addition, we strategically implement batch production planning for golidocitinib to improve cost efficiency and reduce unit production costs, which also contributed to our higher inventory levels.

As of July 31, 2026, RMB5.0 million, or 11.6%, of our inventories as of June 30, 2026 had been utilized or sold.

Trade Receivables

Our trade receivables primarily represent the balances due from our customers for ZEGFROVY® and golidocitinib. The following table sets forth the breakdown of our trade receivables as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Trade receivables	48,436	27,773	144,890	212,794
Less: loss allowance	(396)	(278)	(1,449)	(2,128)
Total	**48,040**	**27,495**	**143,441**	**210,666**

Our trade receivables are typically due within 60 days from the invoice date. During the Track Record Period, all of our trade receivables were due within three months. To ensure timely and accurate collection of our trade receivables, we implement rigorous upfront customer screening, maintain ongoing customer management, and require credit limit approval for all sales orders.

Our trade receivables decreased from RMB48.0 million as of December 31, 2023 to RMB27.5 million as of December 31, 2024, primarily due to the one-off price difference compensation to our distributors for unsold inventory following the inclusion of ZEGFROVY® and golidocitinib in the NRDL in 2024 (effective since January 1, 2025). Our trade receivables increased to RMB143.4 million as of December 31, 2025, and further to RMB210.7 million as of June 30, 2026, in line with our business expansion and the increase in product sales. Notably, our distributors increased from 30 in 2024 to 40 in 2025 and further to 41 for the six months ended June 30, 2026, exemplifying our strengthened sales network.

The following table sets forth our trade receivables turnover days for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Trade receivables turnover days[(1)]	96	38	39	61

Note:

(1) Calculated using the average of the opening and closing balances of trade receivables for the relevant period, divided by revenue and multiplied by 365/180 days.

Our trade receivables turnover days decreased from 96 days in 2023 to 38 days in 2024. We experienced relatively longer trade receivables turnover days primarily because ZEGFROVY® was first commercially launched in the second half of 2023. Our trade receivables turnover days remained relatively stable at 38 and 39 days in 2024 and in 2025, respectively. Our trade receivables turnover days increased to 61 days for the six months ended June 30, 2026, which was generally in line with our credit term. The relatively lower turnover days in 2024 and 2025 were primarily due to price compensation granted to distributors in connection with the initial inclusion of ZEGFROVY® and golidocitinib in the NRDL, which resulted in temporarily lower period-end trade receivables balances during those periods.

As of July 31, 2026, RMB108.8 million, or 51.1%, of our trade receivables as of June 30, 2026 had been subsequently settled.

Cash Conversion Cycle

Our cash conversion cycle, calculated as the sum of inventory turnover days and trade receivables turnover days less trade payables turnover days, was 887 days, 733 days, 271 days and 212 days in 2023, 2024, 2025 and the six months ended June 30, 2026, respectively. 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. For further details of the analysis of our inventory turnover days, see "— Inventories." For risks related to our cash conversion cycle, see "Risk Factors — Risks Relating to Our Financial Position and Need for Additional Capital — We may be exposed to liquidity risks as a result of a long cash conversion cycle." Our cash conversion cycle has demonstrated a consistent downward trend throughout the Track Record Period, decreasing significantly from 887 days in 2023 to 212 days in the six months ended June 30, 2026, primarily as our inventory turnover days have been progressively normalizing in line with the significant growth in product sales and enhanced inventory management, and we expect this trend to continue as our commercialization further matures. We have adopted the following measures to manage and further improve our cash conversion cycle: (i) with respect to inventory management, as we transition from CDMO outsourcing to in-house manufacturing, we expect the stock-up period for drug products to be significantly shortened, and as production volumes increase, the unit production cost of APIs is expected to decline and the corresponding inventory cycle to shorten, which we expect will reduce our inventory turnover days over time; (ii) with respect to trade receivables, we actively engage with our customers to negotiate accelerated payment collection within existing credit terms; and (iii) with respect to trade payables, we seek to optimize our payment arrangements with suppliers, including streamlining milestone-based payments, reducing prepayment proportions and consolidating smaller procurement orders under unified credit terms, with a view to maintaining or extending our trade payables turnover days.

Financial Assets at FVPL

Our financial assets at FVPL primarily represented wealth management products issued by banks, with expected return rates from 1.45% to 2.93% per annum. Our financial assets at FVPL decreased from RMB674.0 million as of December 31, 2023 to RMB589.8 million as of the same date in 2024, primarily due to the redemption of our matured structure deposits. It then increased to RMB1,644.8 million as of December 31, 2025 as we purchased more structured deposits to better utilize our cash on hand. Our financial assets at FVPL further decreased to RMB1,556.9 million as of June 30, 2026, primarily due to we redeemed certain matured structured deposits to fund our business operations.

As part of our treasury management, we invest excess cash in certain wealth management products once our liquidity sufficiently covers ordinary business operations. We have established comprehensive internal control policies and procedures outlining the principles and detailed approval processes for these activities, ensuring investments prioritize capital preservation and liquidity pending deployment in our core business. Specifically, our policies stipulate that: (i) we adhere to principal-guaranteed products, such as structured deposits, as our core investment

guideline; (ii) our finance department operates based on available funds, future capital needs, and liquidity safety, guided by the principle of maximizing returns; and (iii) purchases require CFO approval via formal application. We adopt a prudent approach, selecting products exclusively from reputable PRC banks.

To manage our risk exposure, we have historically pursued, and may continue to pursue, principal-guaranteed and other low-risk wealth management products offering superior returns compared to term deposits at commercial banks. Following the [**REDACTED**], we will adhere to the relevant size test thresholds under Chapter 14 of the Listing Rules, disclosing details of such investments or other notifiable transactions as required.

Trade Payables

Our trade payables primarily represent outstanding amounts due to our CDMOs and material suppliers. Our trade payables are normally settled on terms of three months after receiving the invoice.

Our trade payables increased from RMB14.6 million as of December 31, 2023 to RMB17.5 million as of December 31, 2024, to RMB20.1 million as of December 31, 2025, and further to RMB24.7 million as of June 30, 2026, primarily related to payables to a certain of CDMOs and material suppliers, consistent with the commercialization of ZEGFROVY® and golidocitinib.

The following table sets forth an aging analysis of our trade payables based on the invoice date as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Within 3 months	13,481	15,021	11,741	23,316
3 to 12 months	1,120	2,493	8,310	1,338
Total	**14,601**	**17,514**	**20,051**	**24,654**

The following table sets for our trade payables turnover days for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,
	2023	2024	2025	2026
Trade payables turnover days[(1)]	829	629	200	193

Note:

(1) Calculated using the average of the opening and closing balances of trade payables for the relevant period divided by cost of sales and multiplied by 365/180 days.

Our trade payables turnover days decreased from 829 days in 2023 to 629 days in 2024, as ZEGFROVY® was first launched in the second half of 2023, while we proactive build-up inventories in anticipation of golidocitinib's commercialization in 2024. Our trade payables turnover days subsequently decreased to a normalized level of 200 days in 2025, consistent with the ongoing commercialization and sales of ZEGFROVY® and golidocitinib. Our trade payables turnover days further decreased to 193 days for the six months ended June 30, 2026, in line with the continued growth of our product sales during the period, which drove a corresponding increase in cost of sales at a faster rate than the growth of average trade payables.

We experienced relatively higher trade payables turnover days during the Track Record Period primarily because (i) ZEGFROVY® was approved in August 2023 and golidocitinib was approved in June 2024, during which revenue generated from sales of ZEGFROVY® and golidocitinib remained in the ramp-up stage with correspondingly lower cost of sales recognized; and (ii) we

proactively purchased sufficient raw materials, APIs, and finished products ahead of expected sales increases for ZEGFROVY® and golidocitinib, particularly following their inclusion in the NRDL, resulting in a temporary timing difference between cost of sales and trade payables. During the Track Record Period and up to the Latest Practicable Date, we have not delayed any settlement with our suppliers.

As of July 31, 2026, RMB1.2 million, or 4.7%, of our trade and bills payables as of June 30, 2026 had been subsequently settled.

Other Payables and Accruals

During the Track Record Period, our other payables and accruals primarily consist of (i) payables for research and development, (ii) payables for staff costs, (iii) payables for property, plant and equipment, (iv) accrued expenses and other payables, (v) other tax payables, (vi) [**REDACTED**] payables, (vii) contract liabilities, and (viii) amounts due to related companies.

The following table sets forth our other payables and accruals for the periods indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Payables for research and development	94,331	121,573	191,789	174,918
Payables for staff costs	55,957	69,830	98,549	75,214
Payables for property, plant and equipment	17,512	76,515	51,859	15,793
Accrued expenses and other payables	27,799	46,293	52,920	31,500
Other tax payables	12,384	10,233	17,176	15,303
[**REDACTED**] payable	–	–	15,423	4,374
Contract liabilities	982	2,930	5,505	8,850
Amounts due to related companies	1,655	1,561	–	1,434
Total	**210,620**	**328,935**	**433,221**	**327,386**

Our other payables and accruals increased from RMB210.6 million as of December 31, 2023 to RMB328.9 million as of December 31, 2024, primarily due to (i) an increase of RMB59.0 million in payables for property, plant and equipment associated with our Wuxi manufacturing facility and related machinery, and (ii) an increase of RMB27.2 million in payables for research and development, particularly for our DZD8586 and DZD9008.

Our other payables and accruals increased from RMB328.9 million as of December 31, 2024 to RMB433.2 million as of December 31, 2025, mainly because (i) an increase of RMB70.2 million in payables for research and development, particularly for our DZD9008, DZD8586 and DZD6008, and (ii) an increase of RMB28.7 million in payables for staff costs, resulting from the increased employee headcount to support our business growth, primarily attributable to the expansion of our workforce, with our headcount increasing by over 46% in 2025 as compared to 2024, and (iii) we recorded RMB15.4 million of [**REDACTED**] payables, associated with our proposed [**REDACTED**]. Such increases were partially offset by a decrease of RMB24.7 million in payables for property, plant and equipment, mainly as a result of the completion of construction of our Wuxi manufacturing facility in October 2025.

Our other payables and accruals decreased from RMB433.2 million as of December 31, 2025 to RMB327.4 million as of June 30, 2026, primarily due to (i) a decrease of RMB36.1 million in payables for property, plant and equipment, mainly related to the progressive settlement of outstanding construction payments following the completion of our Wuxi manufacturing facility, (ii) a decrease of RMB23.3 million in payables for staff costs, following the completion of bonus payments to our employees in early 2026, and (iii) a decrease of RMB21.4 million in accrued expenses and other payables in relation to the settlement of certain due payments.

As of July 31, 2026, RMB66.5 million, or 20.3%, of our other payables and accruals as of June 30, 2026 had been subsequently settled.

As of July 31, 2026, none of our contract liabilities as of June 30, 2026 had been subsequently realized.

LIQUIDITY AND CAPITAL RESOURCES

Our primary uses of cash during the Track Record Period were to fund the R&D of ZEGFROVY® and golidocitinib and other pipeline products, as well as the establishment of our commercialization team and the execution of sales and marketing activities. Historically, we have financed our operations and other capital requirements primarily through cash generated from equity financing, sales of ZEGFROVY® and golidocitinib and bank borrowings. We expect to fund our future working capital and other cash requirements with cash generated from license fee income under the AstraZeneca Agreement, anticipated sales of golidocitinib and future products upon their approval, the [**REDACTED**] from the [**REDACTED**], and bank borrowings and other financing activities.

As of June 30, 2026, the latest practicable date for determining our indebtedness, our cash and cash equivalents were RMB178.9 million. As of the same date, we had committed unutilized banking facilities of RMB680.0 million.

Net Current Assets

The following table sets forth a summary of our current assets and liabilities as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Current assets				
Inventories	23,471	44,115	36,949	42,899
Trade receivables	48,040	27,495	143,441	210,666
Prepayments, deposits and other receivables	90,651	87,368	66,026	67,707
Financial assets at fair value through profit or loss ("FVPL")	673,998	589,830	1,644,840	1,556,889
Restricted cash	275	275	275	275
Cash and cash equivalents	73,927	249,890	291,147	178,864
Total current assets	**910,362**	**998,973**	**2,182,678**	**2,057,300**
Current liabilities				
Trade payables	14,601	17,514	20,051	24,654
Other payables and accruals	210,620	328,935	433,221	327,386
Interest-bearing borrowings	200,217	415,102	509,427	407,749
Lease liabilities	22,946	23,534	21,197	22,750
Taxation payable	52	–	1,339	654
Total current liabilities	**448,436**	**785,085**	**985,235**	**783,193**
Net current assets	**461,926**	**213,888**	**1,197,443**	**1,274,107**

Our net current assets decreased from RMB461.9 million as of December 31, 2023 to RMB213.9 million as of December 31, 2024, primarily due to an increase in our current liabilities, including (i) an increase of RMB214.9 million in interest-bearing borrowings as we obtained additional bank loans to support our continued business development, and (ii) an increase of RMB118.3 million in other payables and accruals in line with our business expansion. The decrease was partially offset by an increase in our current assets, including an increase of RMB176.0 million in cash and cash equivalents, primarily attributable to the redemption of wealth management products upon maturity.

Our net current assets significantly increased from RMB213.9 million as of December 31, 2024 to RMB1,197.4 million as of December 31, 2025, primarily due to an increase of RMB1,183.7 million in our current assets, including (i) an increase of RMB1,055.0 million in financial assets at FVPL, as we purchased more structured deposits to better utilize our cash on hand, (ii) an increase of RMB115.9 million in trade receivables, in line with the expansion of our distributor network and the increase in product sales, and (iii) an increase of RMB41.3 million in cash and cash equivalents as we received proceeds from the private placement of our A Shares in April 2025. The increase was partially offset by an increase in our current liabilities, including (i) an increase of RMB104.3 million in other payables and accruals, primarily due to an increase in payables to research and development and payables for staff costs, and (ii) an increase of RMB94.3 million in interest-bearing borrowings due to the reclassification of certain non-current borrowings maturing within one year to current portion.

Our net current assets increased from RMB1,197.4 million as of December 31, 2025 to RMB1,274.1 million as of June 30, 2026, primarily due to a decrease of RMB202.0 million in our current liabilities, including (i) a decrease of RMB105.8 million in other payables and accruals following the completion of bonus payments to our employees in early 2026, as well as the settlement of certain due payments, and (ii) a decrease of RMB101.7 million in interest-bearing borrowings, primarily due to the repayment of certain short-term borrowings upon maturity. The increase was partially offset by a decrease of RMB125.4 million in our current assets, including (i) a decrease of RMB112.3 million in cash and cash equivalents as we used the cash to support our daily business operations, and (ii) a decrease of RMB88.0 million in financial assets at FVPL, primarily due to we redeemed certain matured structured deposits to fund our business operations.

Working Capital Sufficiency

Our Directors are of the opinion that, taking into account the financial resources available to us, including cash and cash equivalents, financial assets at fair value through profit or loss and the estimated [**REDACTED**] from the [**REDACTED**], we have sufficient working capital to cover 125% of our costs, including net cash used in operating activities, payment for the acquisition of property, plant and equipment and intangible assets, and capital element of lease rental paid, for at least the next 12 months from the proposed date of publication of the [**REDACTED**] document.

Our cash burn rate refers to the average monthly amount of (i) net cash used in operating activities, (ii) payment for the acquisition of property, plant and equipment and intangible assets, and (iii) capital element of lease rental paid. We had cash and cash equivalents of RMB178.9 million, and financial assets at FVPL of RMB1,556.9 million as of June 30, 2026. We estimate that we will receive [**REDACTED**] of approximately RMB[**REDACTED**], assuming no [**REDACTED**] are exercised and assuming a minimum [**REDACTED**] of HK$[**REDACTED**] per share, being the low-end of the indicative [**REDACTED**] range in the document. If we take into account the estimated [**REDACTED**] from the [**REDACTED**], assuming an average monthly cash burn rate going forward of approximately [**REDACTED**] times the level observed for the six months ended June 30, 2026, we estimate that we will be able to maintain our financial viability for [**REDACTED**] months; or if we do not take into account the estimated [**REDACTED**] from the [**REDACTED**], we estimate that we will be able to maintain our financial viability for [**REDACTED**] months.

Cash Flows

The following table sets forth a summary of our cash flows information for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)				
				(Unaudited)	
Net cash used in operating activities	(973,048)	(654,215)	(589,210)	(263,021)	(275,924)
Net cash generated from/ (used in) investing activities	614,820	(36,715)	(1,198,007)	(516,458)	54,961
Net cash generated from financing activities	309,784	869,343	1,828,868	1,773,958	108,944

	For the year ended December 31,			For the six months ended June 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)			*(Unaudited)*	
Net (decrease)/increase in cash and cash equivalents	(48,444)	178,413	41,651	994,479	(112,019)
Cash and cash equivalents at the beginning of the year/period	121,400	73,927	249,890	249,890	291,147
Effect of foreign exchange rate changes on cash and cash equivalents	971	(2,450)	(394)	(78)	(264)
Cash and cash equivalents at the end of the year/period	**73,927**	**249,890**	**291,147**	**1,244,291**	**178,864**

Net Cash Used in Operating Activities

Our net cash used in operating activities in 2023 was RMB973.0 million, primarily attributable to our loss before income tax of RMB1,107.6 million, as adjusted for non-cash and non-operating items, which primarily include (i) equity settled share-based payment expenses of RMB196.6 million, (ii) amortization of intangible assets of RMB36.9 million, (iii) depreciation of property, plant and equipment of RMB35.5 million, and (iv) fair value gains on financial assets at FVPL of RMB22.5 million. The amount was further adjusted by changes in certain working capital accounts, primarily including (i) an increase of RMB48.4 million in trade receivables, (ii) an increase of RMB39.5 million in prepayments, deposits and other receivables, and (iii) a decrease of RMB21.9 million in other payables and accruals.

Our net cash used in operating activities in 2024 was RMB654.2 million, primarily attributable to our loss before income tax of RMB939.7 million, as adjusted for non-cash and non-operating items, which primarily include (i) equity settled share-based payment expenses of RMB132.8 million, (ii) amortization of intangible assets of RMB37.7 million, (iii) depreciation of property, plant and equipment of RMB37.9 million, and (iv) fair value gains on financial assets at FVPL of RMB14.5 million. The amount was further adjusted by changes in certain working capital accounts, primarily including (i) an increase of RMB20.6 million in inventories, and (ii) an increase of RMB28.8 million in prepayments, deposits and other receivables.

Our net cash used in operating activities in 2025 was RMB589.2 million, primarily attributable to our loss before income tax of RMB767.1 million, as adjusted for non-cash and non-operating items, which primarily include (i) equity settled share-based payment expenses of RMB73.6 million, (ii) depreciation of property, plant and equipment of RMB38.9 million, (iii) amortization of intangible assets of RMB36.9 million, and (iv) fair value gains on financial assets at FVPL of RMB25.3 million. The amount was further adjusted by changes in certain working capital accounts, primarily including (i) an increase of RMB117.1 million in trade receivables, (ii) an increase of RMB113.1 million in other payables and accruals, and (iii) a decrease of RMB20.3 million in prepayments, deposits and other receivables.

Our net cash used in operating activities in the six months ended June 30, 2026 was RMB275.9 million, primarily attributable to our loss before income tax of RMB212.5 million, as adjusted for non-cash and non-operating items, which primarily include (i) depreciation for property, plant and equipment of RMB28.4 million, (ii) amortization of intangible assets of RMB16.8 million, (iii) finance costs of RMB16.5 million, and (iv) fair value gains on financial assets at FVPL of RMB13.7 million. The amount was further adjusted by changes in certain working capital accounts, primarily including (i) an increase of RMB67.9 million in trade receivables, and (ii) a decrease of RMB44.2 million in other payables and accruals.

Net Cash Generated from/(Used in) Investing Activities

Our net cash generated from investing activities in 2023 were RMB614.8 million, primarily attributable to proceeds from disposal of financial assets at fair value through profit or loss of RMB4,380.1 million, partially offset by (i) payment for the acquisition of property, plant and equipment and intangible assets of RMB32.1 million, and (ii) payment for acquisition of financial assets at fair value through profit or loss of RMB3,736.8 million.

Our net cash used in investing activities in 2024 were RMB36.7 million, primarily attributable to (i) payment for acquisition of financial assets at fair value through profit or loss of RMB3,569.4 million, and (ii) payment for the acquisition of property, plant and equipment and intangible assets of RMB137.6 million, partially offset by proceeds from disposal of financial assets at fair value through profit or loss of RMB3,668.0 million.

Our net cash used in investing activities in 2025 were RMB1,198.0 million, primarily attributable to (i) payment for acquisition of financial assets at fair value through profit or loss of RMB10,997.0 million, and (ii) payment for the acquisition of property, plant and equipment and intangible assets of RMB170.5 million, partially offset by proceeds from disposal of financial assets at fair value through profit or loss of RMB9,967.3 million.

Our net cash generated from investing activities in the six months ended June 30, 2026 was RMB55.0 million, primarily attributable to proceeds from disposal of financial assets at fair value through profit or loss of RMB3,642.6 million, partially offset by payment for acquisition of financial assets at fair value through profit or loss of RMB3,541.0 million.

Net Cash Generated from Financing Activities

Our net cash generated from financing activities in 2023 were RMB309.8 million, primarily attributable to proceeds from new borrowings raised of RMB338.2 million, partially offset by (i) capital element of lease rental paid of RMB22.4 million, and (ii) interest element of lease rental paid of RMB3.9 million.

Our net cash generated from financing activities in 2024 were RMB869.3 million, primarily attributable to (i) proceeds from new borrowings raised of RMB963.4 million, (ii) capital injection from non-controlling interests of RMB100.0 million, and (iii) cash received under share option scheme of RMB58.3 million, partially offset by (i) repayment of borrowings of RMB203.7 million, (ii) capital element of lease rental paid of RMB24.9 million, and (iii) interest element of lease rental paid of RMB3.1 million.

Our net cash generated from financing activities in 2025 were RMB1,828.9 million, primarily attributable to (i) proceeds from private shares placement of RMB1,795.9 million, and (ii) proceeds from new borrowings raised of RMB810.7 million, partially offset by (i) repayment of borrowings of RMB711.9 million, (ii) interest paid of RMB32.9 million, (iii) capital element of lease rental paid of RMB25.2 million and (iv) payment for issuance costs related to shares placement of RMB22.4 million.

Our net cash generated from financing activities in the six months ended June 30, 2026 was RMB108.9 million, primarily attributable to (i) proceeds from new borrowings raised of RMB434.3 million, and (ii) cash received under share option scheme of RMB38.2 million, partially offset by (i) repayment of borrowings of RMB310.9 million, (ii) payment for [**REDACTED**] of RMB21.2 million, (iii) interest paid of RMB16.3 million, and (iv) capital element of lease rental paid of RMB14.2 million.

Operational Cash Position and Working Capital Sufficiency

We had a net operating cash outflow during the Track Record Period primarily due to our losses for the period, as we incurred significant research and development expenses in relation to the development of ZEGFROVY®, golidocitinib and other drug candidates. Along with the commercialization and NRDL inclusion of ZEGFROVY® and golidocitinib, our revenue achieved notable growth during the Track Record Period. Consequently, along with notable revenue growth, our net operating cash outflow position has improved during the Track Record Period.

Furthermore, we are committed to implementing our business strategies, in particular, (i) maximizing clinical and commercial value of golidocitinib and our pipeline products through indication expansion and combination therapies, (ii) accelerating the clinical development of golidocitinib and our pipeline products, (iii) pursuing a flexible collaboration and licensing strategy to realize the global commercial potential of our pipeline products, and (iv) establishing production facilities in China to improve cost efficiency, all of which are expected to improve our operational performance and drive our operating cash inflow.

In addition, we have adopted specific operational measures to improve our net operating cash outflow position, including (i) actively negotiating with our CDMOs and major suppliers to optimize settlement terms, such as extending credit periods and reducing advance payment proportions, to smooth the pace of concentrated cash disbursements; and (ii) adopting a demand-driven production planning approach with monthly rolling inventory reviews to calibrate stock-up levels based on sales forecasts and CDMO delivery cycles, thereby reducing inventory-related cash occupation while safeguarding supply continuity. Commencing in 2027, we expect to begin in-house manufacturing of drug products at our Wuxi facility, which is expected to further shorten inventory cycles and improve our operating cash flow position.

We believe that we have sufficient working capital for the next 12 months from the date of this document after considering (i) our cash and cash equivalents balance of RMB178.9 million as of June 30, 2026, (ii) our good track record in being able to raise money from renowned investors to finance our business, as evidenced by several rounds of Pre-[**REDACTED**] Investments, (iii) committed unutilized banking facilities of RMB680.0 million from independent third party commercial banks for working capital purposes as of June 30, 2026, (iv) [**REDACTED**] of approximately HK$[**REDACTED**] from the [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**], (v) the expected receipt of the one-time, non-refundable and non-creditable upfront payment of US$600.0 million under the AstraZeneca Agreement (see "Business — License Agreement with AstraZeneca" for further details), (vi) revenue generated from sales of golidocitinib and future products and (vii) our operating requirements including, among others, selling and distribution expenses, administrative expenses, research and development expenses, and capital expenditures, among others. However, the above forward-looking working capital forecast are prepared based on information currently available to us. Our future financial position and results of operations may be affected by complicated factors and may be subject to risks and uncertainties, many of which may beyond our control. Please see "Risk Factors."

Our working capital management is focused on maintaining sufficient liquidity to support sales of golidocitinib and future products while also advancing our drug candidates and sustaining broader business operations. As sales of golidocitinib and future products continue to increase, we carefully manage the associated working capital demands, including inventory build-up, accounts receivable, manufacturing, distribution and commercial expansion, while also funding research and development, regulatory activities and general corporate purposes. We actively monitor our cash position, anticipated inflows from sales of golidocitinib and future products, potential license fee income under the AstraZeneca Agreement, receivables collection, inventory levels, payment obligations, and short-term liquidity needs, aligning spending and operational plans with product adoption rates, business growth and the timing of license fee payments. We also endeavor to optimize payment terms with customers and suppliers, maintain disciplined control over launch-related and operating expenditures, and preserve financial flexibility through prudent treasury management. Through these measures, we aim to ensure that we have sufficient working capital to meet our present requirements and support the execution of our business strategy.

Based on the review of financial documents and other due diligence documents, discussion with the Directors and the Directors' view disclosed above, the Joint Sponsors concur with the Directors' view that the Group has sufficient working capital for the next 12 months from the date of this document.

After due consideration of the foregoing factors, and due diligence steps conducted by the Joint Sponsors, including but not limited to (i) the review of the profit forecast memorandum and the working capital forecast memorandum prepared by the Directors, (ii) discussion with the management of the Company about, among others, expected drug pipeline, projected sales and revenue of drugs, expected data readouts and clinical trials, (iii) the discussions with the management of the Company and the Reporting Accountants about, among other things, working capital sufficiency and the assumptions and basis in the profit forecast and working capital forecast memorandum, (iv) the review of the Group's historical financial information as well as relevant financing agreements and the facility agreements, (v) the review of the Accountants' Report to understand the Company's cash and cash equivalents on hand as at June 30, 2026, (vi) the relevant financial due diligence works with the management of the Company, the Joint Sponsors have no reason to believe that the Directors' foregoing views are unreasonable.

CAPITAL EXPENDITURE AND COMMITMENTS

Capital Expenditure

Our capital expenditure during the Track Record Period primarily related to purchases of items of property, plant and equipment, and additions to other intangible assets. The following table sets forth a breakdown of our capital expenditures for the periods indicated:

	For the year ended December 31,			For the six months ended June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Property, plant and equipment	39,218	177,259	173,037	13,026
Other intangible assets	11,418	3,321	2,624	253
Total	**50,636**	**180,580**	**175,661**	**13,279**

Capital Commitments

As of December 31, 2023, 2024, 2025 and June 30, 2026, we had capital commitments contracted for but not yet provided of RMB5.5 million, RMB109.5 million, RMB0.9 million and RMB1.0 million primarily in connection with (i) contracts entered into with suppliers for the purchase of equipment and machineries, and (ii) contracts entered into with contractors for the construction of our new manufacturing facility in Wuxi. The following table sets forth our capital commitments as of dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Contracted for:				
Acquisition of machinery and equipment	5,476	73,245	892	1,023
Construction of plants and buildings	–	36,304	–	–
Total	**5,476**	**109,549**	**892**	**1,023**

INDEBTEDNESS

The following table sets forth a breakdown of our indebtedness as of the dates indicated:

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Current				
Interest-bearing borrowings	200,217	415,102	509,427	407,749
Lease liabilities	22,946	23,534	21,197	22,750
	223,163	438,636	530,624	430,499
Non-current				
Interest-bearing borrowings	138,313	683,762	688,147	913,173
Lease liabilities	48,895	34,991	21,981	11,438
Total	**410,371**	**1,157,389**	**1,240,752**	**1,355,110**

Interest-bearing Borrowings

Our interest-bearing bank borrowings comprised both secured and unsecured bank loans, with effective interest rates ranging from 2.1% to 3.4% per annum. Certain of our interest-bearing borrowings are secured by right-of-use assets included in our property, plant and equipment as of December 31, 2024 and 2025 and June 30, 2026. For details, see Note 13 to the Accountants' Report in Appendix I to this document.

The changes in our interest-bearing borrowings were primarily in line with the needs of our working capital management in the ordinary course of our business. Specifically, our current portion of interest-bearing borrowings increased from RMB200.2 million as of December 31, 2023 to RMB415.1 million as of the same date in 2024, mainly because we obtained more bank borrowings in line with our business operation needs, particularly for the R&D activities of DZD9008 and DZD8586. It increased to RMB509.4 million as of December 31, 2025, primarily due to the repayment of existing current bank borrowings in the ordinary course of our business, as well as the reclassification of certain non-current borrowings maturing within one year to current portion. Our current portion of interest-bearing borrowings decreased from RMB509.4 million as of December 31, 2025 to RMB407.7 million as of June 30, 2026, primarily due to the repayment of certain unsecured short-term bank borrowings upon maturity. As of December 31, 2023, 2024, 2025 and June 30, 2026, our non-current portion of interest-bearing borrowings were RMB138.3 million, RMB683.8 million, RMB688.1 million and RMB913.2 million, respectively. Our non-current portion of interest-bearing borrowings increased from RMB138.3 million as of December 31, 2023 to RMB683.8 million as the same date in 2024, primarily for our business expansion and the construction of our new manufacturing facility in Wuxi. It increased to RMB688.1 million as of December 31, 2025 and further to RMB913.2 million as of June 30, 2026, mainly associated with our long-term borrowings to support our business expansion.

Our bank borrowings agreements contain standard terms, conditions and covenants that are customary for commercial bank loans. As of the Latest Practicable Date, the agreements relating to our borrowings did not contain any covenant that would have a material adverse effect on our ability to make additional borrowings or issue debt or equity securities in the future. During the Track Record Period and up to the Latest Practicable Date, we did not have any material defaults or breaches of covenants in repayment of indebtedness.

Lease Liabilities

Our lease liabilities primarily comprise leases of properties and office premises. As of December 31, 2023, 2024, 2025 and June 30, 2026, our current lease liabilities amounted to RMB22.9 million, RMB23.5 million, RMB21.2 million and RMB22.8 million, and our non-current lease liabilities amounted to RMB48.9 million, RMB35.0 million, RMB22.0 million and RMB11.4 million, respectively.

Except as discussed above, we did not have any material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptances (other than normal trade bills), acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured, or guarantees or other contingent liabilities as of the Latest Practicable Date.

Our Directors confirm that there has not been any material change in our indebtedness since June 30, 2026 and up to the Latest Practicable Date. Our Directors confirm that as of the Latest Practicable Date, there was no material covenant on any of our outstanding debt and there was no material breach of any covenant during the Track Record Period and up to the Latest Practicable Date. Our Directors further confirm that our Group did not experience any difficulty in obtaining bank loans and other borrowings, default in payment of bank loans and other borrowings or breach of covenants during the Track Record Period and up to the Latest Practicable Date.

MATERIAL RELATED PARTY TRANSACTIONS

We did not have any material related party transactions during the Track Record Period. See Note 31 in the Accountants' Report set out in Appendix I to this document for details on our transactions with related parties during the Track Record Period, which were conducted in the ordinary course of business on an arm's length basis and on normal commercial terms between the relevant parties, including whether the related party balances were trade or non-trade in nature. Our Directors are of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

KEY FINANCIAL RATIOS

The table below sets forth our key financial ratios as of the dates/for the periods indicated:

	As of/for the year ended December 31,			As of/ for the six months ended June 30,
	2023	2024	2025	2026
Gross profit margin[(1)]	96.5%	97.4%	95.7%	96.0%
Current ratio[(2)]	2.0	1.3	2.2	2.6
Quick ratio[(3)]	1.8	1.1	2.2	2.6
Gearing Ratio[(4)]	43.3%	88.4%	56.8%	60.4%

Notes:

(1) Gross profit margin is calculated based on gross profit divided by revenue and multiplied by 100%.

(2) Current ratio is calculated based on total current assets divided by total current liabilities

(3) Quick ratio is calculated as current assets less inventories divided by current liabilities.

(4) Gearing ratio is calculated using total liabilities divided by total assets and multiplied by 100.0%.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

We have not entered into any off-balance sheet transactions. Neither have we entered into any financial guarantees or other relevant commitments. In addition, we have not entered into any derivative contracts that are indexed to our equity interests and classified as owners' equity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing or hedging with us.

RISK DISCLOSURES

We are exposed to a variety of market risks, including credit risk, liquidity risk, interest rate risk, currency risks and equity price risk arise in the normal course of our business. We manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner. For more details, see Note 32 to the Accountants' Report in Appendix I to this document.

Credit Risk – Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to us. Our credit risk is primarily attributable to trade receivables, deposits and other receivables. Our exposure to credit risk arising from cash and cash equivalents and restricted cash is limited because the counterparties are reputable financial institutions with high credit standing, for which we consider having low credit risk.

Liquidity Risk – Individual operating entities within us are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by our company's board when the borrowings exceed certain predetermined levels of authority.

Currency Risk – The currencies giving rise to this risk are primarily U.S. dollars. We seek to limit our exposures to foreign currency risk by minimizing our net foreign currency position.

DIVIDEND POLICY

We did not declare or pay dividends on our Shares during the Track Record Period. We currently expect to retain all future earnings for use in the operation and expansion of our business and do not anticipate paying cash dividends in the foreseeable future. Any declaration and payment of any dividends in the future will be determined by our Board of Directors and subject to our Articles of Association and the PRC Company Law, and will depend on a number of factors, including the successful commercialization of our products as well as our earnings, capital requirements, overall financial condition and contractual restrictions. Subject to applicable laws and regulations and our Articles of Association, we may distribute dividends in cash, stocks or a combination of both, and give priority to profit distribution in cash, where eligible. Provided that we have distributable profits, we intend to distribute cash dividends to our Shareholders at least on an annual basis based on our financial condition and cash flow adequacy. Under our dividend policy, the cumulative cash dividends distributed in the most recent three years shall not be less than 30% of our average annual distributable profits realized over the same three-year period. We currently do not have any pre-determined dividend payout ratio. The Board should assess the stage

of development that we are in and the arrangements for significant capital expenditure and, in accordance with the procedures stipulated in the Articles of Association of our Company, put forward a differentiated cash dividend policy. PRC laws and regulations permit payment of dividends of a PRC company only out of accumulated distributable after-tax profits as determined in accordance with its articles of association and the accounting standards and regulations in China. As a result, we may not have sufficient or any distributable profits, being the after-tax profits, less any recovery of accumulated losses and appropriations to statutory and other reserves that we are required to make, to make dividend distributions to our Shareholders, even if we become profitable. Any distributable profits not distributed in a given year are retained and available for distribution in subsequent years. Our dividend distribution may also be restricted if we incur debt or losses or in accordance with any restrictive covenants in bank credit facilities, convertible bond instruments or other agreements that we or our subsidiaries may enter into in the future. See "Risk Factors — Risks Relating to the [**REDACTED**] — 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." In the future, we may rely to some extent on dividends and other distributions on equity from our principal operating subsidiaries to fund offshore cash and financing requirements.

DISTRIBUTABLE RESERVES

As of June 30, 2026, we did not have any distributable reserves.

[**REDACTED**]

Our [**REDACTED**] mainly include [**REDACTED**], professional fees paid to legal advisors, the Reporting Accountants and other professional advisors for their services rendered in relation to the [**REDACTED**] and the [**REDACTED**]. Assuming full payment of the discretionary incentive fee, the estimated total [**REDACTED**] (based on the mid-point of the [**REDACTED**] range stated in this document and assuming that the [**REDACTED**] is not exercised) for the [**REDACTED**] are approximately HK$[**REDACTED**], representing [**REDACTED**]% of the [**REDACTED**] of the [**REDACTED**]. The estimated total [**REDACTED**] consist of: (i) [**REDACTED**]-related expenses of HK$[**REDACTED**], and (ii) non-[**REDACTED**]-related expenses of HK$[**REDACTED**], comprising (a) fees and expenses of legal advisors and Reporting Accountants of HK$[**REDACTED**] and (b) other fees and expenses of HK$[**REDACTED**]. We do not believe that any of these fees or expenses are material to our Group, taken as a whole, or are unusually high. During the Track Record Period, we incurred [**REDACTED**] of HK$[**REDACTED**], HK$[**REDACTED**], of which was charged to our consolidated statements of profit or loss and HK$[**REDACTED**] attributable to the issuance of H Shares will be deducted from equity upon [**REDACTED**]. We expect to incur [**REDACTED**] of HK$[**REDACTED**] after the Track Record Period, of which HK$[**REDACTED**] is expected to be charged to our consolidated statements of profit or loss and HK$[**REDACTED**] attributable to the issuance of H Shares will be deducted from equity upon [**REDACTED**]. The [**REDACTED**] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

UNAUDITED [REDACTED] ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The unaudited [**REDACTED**] statement of adjusted consolidated net tangible assets of our Group prepared in accordance with Rule 4.29 of the Listing Rules is to illustrate the effect of the [**REDACTED**] on the net tangible assets of our Group attributable to the owners of our Company as of June 30, 2026 as if the [**REDACTED**] had taken place on that date. This unaudited [**REDACTED**] statement of adjusted consolidated net tangible assets has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of our Group as of June 30, 2026, or at any future dates following the [**REDACTED**]. For details, see Appendix II to this document.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, up to the date of this document, there had been no material adverse change in our financial, operational or prospects since June 30, 2026, being the latest balance sheet date of our combined financial statements in the Accountants' Report in Appendix I to this document.

DISCLOSURE UNDER THE LISTING RULES

Our Directors confirm that as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 in Chapter 13 of the Listing Rules.

FUTURE PLANS

See "Business — Our Strategies" for details of our future plans.

[**REDACTED**]

We estimate that we will receive [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**], after deducting [**REDACTED**], fees and estimated expenses in connection with the [**REDACTED**] payable by us, and assuming that the [**REDACTED**] is not exercised and based on an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range stated in this document.

We intend to apply such [**REDACTED**] from the [**REDACTED**] for the following purposes:

- approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the clinical development of golidocitinib. In particular,
  - approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund a planned Phase 3 clinical trial of golidocitinib in combination with immunotherapy for the first-line treatment of locally advanced or metastatic NSCLC without known driver mutations (JACKPOT66). We plan to initiate this trial in the second half of 2027.
  - approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the clinical development of golidocitinib for the treatment of primary ITP (JACKPOT16). We initiated JACKPOT16 trial in December 2025. We expect to obtain primary readout in the first half of 2028.

  We plan to allocate the R&D expenditure for each clinical trial as follows: approximately [**REDACTED**]% for clinical trial related expenses, approximately [**REDACTED**]% for CMC expenses and approximately [**REDACTED**]% for staff costs.
- approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the clinical development of DZD6008. In particular,
  - approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the Phase 1/2 clinical studies evaluating DZD6008 monotherapy or in combination with ZEGFOVY® monotherapy in EGFR-mutant NSCLC patients conducted in the United States/Australia and China (TIAN-SHAN1 and TIAN-SHAN2), respectively. We initiated TIAN-SHAN1 in May 2025 and are expecting primary data readout for later line treatment in the first quarter of 2027. We initiated TIAN-SHAN2 in June 2024 and are expecting primary readout for later line treatment in the first quarter of 2027.
  - approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the registrational trial of DZD6008 versus docetaxel (TIAN-SHAN6), as well as a Phase 2 clinical study evaluating DZD6008 in combination with chemotherapy for the treatment of patients with EGFR-mutant locally advanced or metastatic NSCLC in China (TIAN-SHAN7). We expect to submit NDA following TIAN-SHAN6 2029H1 NDA submission in the first half of 2029 and to obtain primary readout from TIAN-SHAN7 by the first quarter of 2027.
  - approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund a planned registrational Phase 3 clinical trial of DZD6008 in combination with ZEGFROVY® as first-line treatment for EGFR NSCLC (TIAN-SHAN16). We plan to initiate TIAN-SHAN16 in the first half of 2028. We bear the cost of TIAN-SHAN16.

  We plan to allocate the R&D expenditure for each clinical trial as follows: approximately [**REDACTED**]% for clinical trial related expenses, approximately [**REDACTED**]% for CMC expenses and approximately [**REDACTED**]% for staff costs.

- approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the clinical development of birelentinib. In particular,
  - approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the clinical development of birelentinib in combination with BCL2 inhibitor as first-line treatment for CLL/SLL (TAI-SHAN16). We plan to initiate this trial in the first half of 2027.
  - approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund a Phase 1b/2, multicenter study evaluating the efficacy and safety of birelentinib combined with immunochemotherapy in patients with DLBCL (TAI-SHAN12). We initiated TAI-SHAN12 in August 2025 and expect to obtain primary readout for this trial in the fourth quarter of 2026. In addition, we also plan to fund a planned Phase 3, randomized, double-blind, multi-center study of birelentinib combined with R-CHOP as first-line treatment in patients with DLBCL (TAI-SHAN19). We plan to initiate this trial in the first half of 2027 following the IND approval.
  - approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund a Phase 2 study evaluating the efficacy and safety of birelentinib in adults with r/r primary ITP (TAI-SHAN11). We initiated TAI-SHAN11 in January 2026 and expect to obtain primary readout in the first half of 2027.

  We plan to allocate the R&D expenditure for each clinical trial as follows: approximately [**REDACTED**]% for clinical trial related expenses, approximately [**REDACTED**]% for CMC expenses and approximately [**REDACTED**]% for staff costs.
- approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the development of our other clinical-stage drug candidates and preclinical pipelines, to improve our technological capabilities and to advance our drug discovery efforts.
- approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to expand our sales and marketing team and fund our sales and marketing efforts in China. In particular, over the next five years, we plan to further expand our sales and marketing team and establish offices in key markets. We intend to prioritize the recruitment of candidates with established pharmaceutical sales experience and extensive professional networks within the healthcare industry in China. In addition, our sales and marketing team will focus on physician engagement, academic promotion, hospital formulary inclusion and systematic sales performance management across China, with a view to enhancing our market penetration.
- approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used for our working capital and other general corporate purposes.

IMPLEMENTATION TIMELINE

The table below sets out the expected implementation timetable for the planned [**REDACTED**]:

	FY2026	FY2027	FY2028 onwards	Total
		(HK$ in millions)		
The clinical development of golidocitinib	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
The clinical development of DZD6008	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
The clinical development of birelentinib	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
The development of our other clinical-stage drug candidates and preclinical pipelines	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]

	FY2026	FY2027	FY2028 onwards	Total
	(HK$ in millions)			
The enhancement of sales and marketing efforts and the expansion of our sales and marketing team in China . . .	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Working capital and other general corporate purposes .	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Total	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]

If the [**REDACTED**] is exercised in full, the [**REDACTED**] of the [**REDACTED**] would increase to approximately HK$[**REDACTED**] (based on the [**REDACTED**] of HK$[**REDACTED**] per Share). We intend to apply the additional [**REDACTED**] to the above uses in the proportion stated above.

To the extent that our [**REDACTED**] are not sufficient to fund the purposes set out above, we intend to finance the remaining portions through a variety of means, including operating cash flows, bank loans and other borrowings.

If the [**REDACTED**] of the [**REDACTED**] are not immediately applied to the above purposes, we will deposit the unutilized [**REDACTED**] into short-term interest-bearing accounts with licensed commercial banks or other authorized financial institutions, as defined under the Securities and Futures Ordinance ("**SFO**") or other applicable laws and regulations, until they are used for the intended purposes.

We will publish an appropriate announcement if there is any material change to the above proposed [**REDACTED**].

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

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[REDACTED]

[REDACTED]

[REDACTED]

The following is the text of a report set out on pages I-1 to I-2, received from the Company's reporting accountants, BDO Limited, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document. It is prepared and addressed to the directors of the Company and to the Joint Sponsors pursuant to the requirements of Hong Kong Standard on Investment Circular Reporting Engagements 200, "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants.

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF DIZAL PHARMACEUTICAL CO., LTD., GOLDMAN SACHS (ASIA) L.L.C. AND HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED

INTRODUCTION

We report on the historical financial information of Dizal Pharmaceutical Co., Ltd. (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages I-3 to I-54, which comprises the consolidated statements of financial position of the Group and the statement of financial position of the Company as at 31 December 2023, 2024 and 2025 and 30 June 2026, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for each of the periods then ended (the "Track Record Period"), and material accounting policy information and other explanatory information (together, the "**Historical Financial Information**"). The Historical Financial Information set out on pages I-3 to I-54 forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [Date] (the "**Document**") in connection with the initial [**REDACTED**] of H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

DIRECTORS' RESPONSIBILITY FOR THE HISTORICAL FINANCIAL INFORMATION

The directors of the Company are responsible for the preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

REPORTING ACCOUNTANTS' RESPONSIBILITY

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the Group's and the Company's financial position as at 31 December 2023, 2024 and 2025 and 30 June 2026, and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information.

REVIEW OF STUB PERIOD COMPARATIVE HISTORICAL FINANCIAL INFORMATION

We have reviewed the stub period comparative historical financial information of the Group which comprises the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for the six months ended 30 June 2025 and other explanatory information (together the "Stub Period Comparative Historical Financial Information").

The directors of the Company are responsible for the preparation of the Stub Period Comparative Historical Financial Information in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Historical Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review consists of making inquiries, primarily of person responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Historical Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2.1 to the Historical Financial Information.

REPORT ON MATTERS UNDER THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE OF HONG KONG LIMITED AND THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

Adjustments

In preparing the Historical Financial Information and the Stub Period Comparative Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-3 have been made.

Dividends

We refer to Note 12 to the Historical Financial Information which contains information about the dividends paid by the Company in respect of the financial years ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2025 and 2026.

BDO Limited
Certified Public Accountants
[Director's name]
Practising Certificate Number [●]

Hong Kong, [Date]

I. HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by BDO Limited in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "**Underlying Financial Statements**").

The Historical Financial Information is presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand (RMB'000) when otherwise indicated.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended 31 December			Six months ended 30 June	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Revenue	*5(a)*	91,289	359,901	801,136	355,001	522,693
Cost of sales		(3,215)	(9,316)	(34,229)	(15,627)	(20,891)
Gross profit		88,074	350,585	766,907	339,374	501,802
Other income	*5(b)*	35,261	43,323	64,661	36,408	11,448
Other gains/(losses), net	*6*	20,661	13,772	23,143	10,027	13,682
Selling and distribution expenses		(210,050)	(445,331)	(570,792)	(268,438)	(241,165)
Research and development expenses		(805,598)	(723,687)	(855,609)	(408,267)	(402,032)
Administrative and other operating expenses		(228,386)	(155,558)	(164,220)	(70,942)	(79,705)
Finance costs	*8*	(7,574)	(22,755)	(31,216)	(17,152)	(16,492)
Loss before income tax	*7*	(1,107,612)	(939,651)	(767,126)	(378,990)	(212,462)
Income tax expense	*9*	(101)	(4)	(1,391)	(52)	(633)
Loss and total comprehensive income for the year/period		(1,107,713)	(939,655)	(768,517)	(379,042)	(213,095)
Loss and total comprehensive income for the year/period attributable to:						
Owners of the Company		(1,107,713)	(845,956)	(764,049)	(377,360)	(210,373)
Non-controlling interests		–	(93,699)	(4,468)	(1,682)	(2,722)
		(1,107,713)	(939,655)	(768,517)	(379,042)	(213,095)
Loss per share						
Basic loss per share (RMB)	*11*	(2.72)	(2.04)	(1.71)	(0.87)	(0.45)
Diluted loss per share (RMB)	*11*	(2.72)	(2.04)	(1.71)	(0.87)	(0.45)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 December			As at 30 June
		2023	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current assets					
Property, plant and equipment	*13*	156,891	292,903	426,246	410,770
Intangible assets	*14*	423,520	389,150	354,885	338,295
Prepayments, deposits and other receivables	*18*	5,606	37,712	38,721	41,498
		586,017	719,765	819,852	790,563
Current assets					
Inventories	*16*	23,471	44,115	36,949	42,899
Trade receivables	*17*	48,040	27,495	143,441	210,666
Prepayments, deposits and other receivables	*18*	90,651	87,368	66,026	67,707
Financial assets at fair value through profit or loss ("FVPL")	*15*	673,998	589,830	1,644,840	1,556,889
Restricted cash	*19*	275	275	275	275
Cash and cash equivalents	*19*	73,927	249,890	291,147	178,864
		910,362	998,973	2,182,678	2,057,300
Current liabilities					
Trade payables	*22*	14,601	17,514	20,051	24,654
Other payables and accruals	*23*	210,620	328,935	433,221	327,386
Interest-bearing borrowings	*20*	200,217	415,102	509,427	407,749
Lease liabilities	*21*	22,946	23,534	21,197	22,750
Taxation payable		52	–	1,339	654
		448,436	785,085	985,235	783,193
Net current assets		461,926	213,888	1,197,443	1,274,107
Total assets less current liabilities		1,047,943	933,653	2,017,295	2,064,670
Non-current liabilities					
Interest-bearing borrowings	*20*	138,313	683,762	688,147	913,173
Lease liabilities	*21*	48,895	34,991	21,981	11,438
Deferred income	*25*	12,108	14,843	11,476	10,938
		199,316	733,596	721,604	935,549
NET ASSETS		848,627	200,057	1,295,691	1,129,121
EQUITY					
Share capital	*27(b)*	408,151	417,648	461,188	465,166
Reserves		440,476	(223,892)	832,670	664,844
Total equity attributable to owners of the Company		848,627	193,756	1,293,858	1,130,010
Non-controlling interests	*30*	–	6,301	1,833	(889)
TOTAL EQUITY		848,627	200,057	1,295,691	1,129,121

The accompanying notes form part of the Historical Financial Information.

STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Notes	As at 31 December			As at 30 June
		2023	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current assets					
Property, plant and equipment	*13*	83,549	62,012	41,127	40,157
Intangible assets	*14*	423,520	388,942	354,461	337,841
Interests in subsidiaries	*1*	85,662	822,830	1,240,945	1,244,830
Prepayments, deposits and other receivables	*18*	4,713	2,188	2,385	2,586
		597,444	1,275,972	1,638,918	1,625,414
Current assets					
Inventories	*16*	23,471	44,115	36,949	42,899
Trade receivables	*17*	48,040	44,980	148,679	221,335
Prepayments, deposits and other receivables	*18*	88,816	83,400	59,456	61,887
Financial assets at fair value through profit or loss ("FVPL")	*15*	673,998	529,810	1,479,626	1,424,649
Restricted cash	*19*	275	275	275	275
Cash and cash equivalents	*19*	72,003	237,623	208,328	134,993
		906,603	940,203	1,933,313	1,886,038
Current liabilities					
Trade payables	*22*	14,601	17,514	20,051	24,654
Other payables and accruals	*23*	207,056	270,105	398,793	329,289
Interest-bearing borrowings	*20*	200,217	401,462	466,711	357,972
Lease liabilities	*21*	15,337	16,152	13,873	15,305
		437,211	705,233	899,428	727,220
Net current assets		469,392	234,970	1,033,885	1,158,818
Total assets less current liabilities		1,066,836	1,510,942	2,672,803	2,784,232
Non-current liabilities					
Interest-bearing borrowings	*20*	138,313	566,971	564,493	789,895
Lease liabilities	*21*	45,598	27,084	13,893	6,539
Deferred income	*25*	12,108	14,843	11,476	10,938
		196,019	608,898	589,862	807,372
NET ASSETS		870,817	902,044	2,082,941	1,976,860
EQUITY					
Share capital	*27(b)*	408,151	417,648	461,188	465,166
Reserves		462,666	484,396	1,621,753	1,511,694
TOTAL EQUITY		870,817	902,044	2,082,941	1,976,860

The accompanying notes form part of the Historical Financial Information.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Notes	Attributable to owners of the Company				Non-controlling interests	Total equity
		Share capital	Capital reserve (Note 27 (c))	Accumulated losses	Total		
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2023		407,160	2,757,173	(1,405,852)	1,758,481	–	1,758,481
Loss and total comprehensive income for the year		–	–	(1,107,713)	(1,107,713)	–	(1,107,713)
Share issued upon exercise of share options	27(b)(i)	991	258	–	1,249	–	1,249
Equity-settled share-based payment	26	–	196,610	–	196,610	–	196,610
Balance at 31 December 2023 and 1 January 2024		408,151	2,954,041	(2,513,565)	848,627	–	848,627
Loss and total comprehensive income for the year		–	–	(845,956)	(845,956)	(93,699)	(939,655)
Share issued upon exercise of share options	27(b)(ii)	9,497	48,769	–	58,266	–	58,266
Equity-settled share-based payment	26	–	132,819	–	132,819	–	132,819
Capital injection from non-controlling interests		–	–	–	–	100,000	100,000
Balance at 31 December 2024 and 1 January 2025		417,648	3,135,629	(3,359,521)	193,756	6,301	200,057
Loss and total comprehensive income for the year		–	–	(764,049)	(764,049)	(4,468)	(768,517)
Equity-settled share-based payment	26	–	73,647	–	73,647	–	73,647
Share issued upon exercise of share options	27(b)(iii)	1,775	15,283	–	17,058	–	17,058
Shares placement	27(b)(iv)	41,765	1,754,122	–	1,795,887	–	1,795,887
Issuance costs related to shares placement	27(b)(iv)	–	(22,441)	–	(22,441)	–	(22,441)
Balance at 31 December 2025		461,188	4,956,240	(4,123,570)	1,293,858	1,833	1,295,691
Balance at 1 January 2026		461,188	4,956,240	(4,123,570)	1,293,858	1,833	1,295,691
Loss and total comprehensive income for the period		–	–	(210,373)	(210,373)	(2,722)	(213,095)
Equity-settled share-based payment	26	–	8,297	–	8,297	–	8,297
Share issued upon exercise of share options	27(b)(v)	3,978	34,250	–	38,228	–	38,228
Balance at 30 June 2026		465,166	4,998,787	(4,333,943)	1,130,010	(889)	1,129,121

	Notes	Attributable to owners of the Company				Non-controlling interests	Total equity
		Share capital	Capital reserve (Note 27 (c))	Accumulated losses	Total		
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2025		417,648	3,135,629	(3,359,521)	193,756	6,301	200,057
Loss and total comprehensive income for the period		–	–	(377,360)	(377,360)	(1,682)	(379,042)
Equity-settled share-based payment	*26*	–	34,317	–	34,317	–	34,317
Shares placement	*27(b)(iv)*	41,765	1,754,122	–	1,795,887	–	1,795,887
Issuance costs related to shares placement	*27(b)(iv)*	–	(22,441)	–	(22,441)	–	(22,441)
Balance at 30 June 2025 (Unaudited)		459,413	4,901,627	(3,736,881)	1,624,159	4,619	1,628,778

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended 31 December			Six months ended 30 June	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Loss before income tax		(1,107,612)	(939,651)	(767,126)	(378,990)	(212,462)
Adjustments for:						
Depreciation for property, plant and equipment	*7*	35,476	37,911	38,889	17,888	28,449
Amortisation of intangible assets	*7*	36,887	37,691	36,889	18,530	16,843
Fair value gains on financial assets at FVPL	*6*	(22,519)	(14,451)	(25,327)	(11,219)	(13,673)
Loss/(gain) on disposal of property, plant and equipment	*6*	8	–	–	–	(84)
Equity settled share-based payment expenses	*7*	196,610	132,819	73,647	34,317	8,297
Expected credit loss/(reversal of expected credit loss) on trade receivables	*6*	396	(118)	1,171	552	679
Finance costs	*8*	7,574	22,755	31,216	17,152	16,492
Interest income	*5(b)*	(3,641)	(2,242)	(2,136)	(1,460)	(539)
Foreign exchange losses/(gain), net	*6*	1,454	2,450	1,013	640	(441)
Operating losses before changes in working capital		(855,367)	(722,836)	(611,764)	(302,590)	(156,439)
(Increase)/decrease in inventories		(18,402)	(20,644)	7,165	3,567	(5,949)
(Increase)/decrease in trade receivables		(48,436)	20,664	(117,117)	(55,196)	(67,905)
(Increase)/decrease in prepayments, deposits and other receivables		(39,534)	(28,824)	20,334	40,829	(4,174)
Increase/(decrease) in trade payables		9,532	2,913	2,537	(11,014)	4,603
(Decrease)/increase in other payables and accruals		(21,898)	91,832	113,054	62,153	(44,204)
Increase/(decrease) in deferred income		1,108	2,736	(3,367)	(718)	(538)
Cash used in operations		(972,997)	(654,159)	(589,158)	(262,969)	(274,606)
Income tax paid		(51)	(56)	(52)	(52)	(1,318)
Net cash used in operating activities		(973,048)	(654,215)	(589,210)	(263,021)	(275,924)
Investing activities						
Interest received		3,630	2,242	2,136	1,460	539
Proceeds from disposal of property, plant and equipment		1	–	9	8	95
Payment for the acquisition of property, plant and equipment and intangible assets		(32,128)	(137,576)	(170,469)	(112,832)	(47,297)
Payment for acquisition of financial assets at fair value through profit or loss		(3,736,810)	(3,569,410)	(10,997,000)	(4,036,000)	(3,541,000)
Proceeds from disposal of financial assets at fair value through profit or loss		4,380,127	3,668,029	9,967,317	3,630,906	3,642,624
Net cash generated from/(used in) investing activities		614,820	(36,715)	(1,198,007)	(516,458)	54,961

	Notes	Year ended 31 December			Six months ended 30 June	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Financing activities						
Capital injection from non-controlling interests		–	100,000	–	–	–
Proceeds from new borrowings raised	*29*	338,233	963,357	810,718	557,218	434,280
Repayment of borrowings	*29*	–	(203,726)	(711,907)	(524,178)	(310,924)
Capital element of lease rental paid	*29*	(22,421)	(24,946)	(25,172)	(12,292)	(14,210)
Interest element of lease rental paid	*29*	(3,897)	(3,055)	(2,383)	(1,275)	(918)
Payment for [**REDACTED**]		–	–	–	–	(21,239)
Cash received under share option scheme	*27(b)*	1,249	58,266	17,058	–	38,228
Proceeds from shares placement	*27(b)(iv)*	–	–	1,795,887	1,795,887	–
Payment for issuance costs related to shares placement	*27(b)(iv)*	–	–	(22,441)	(22,441)	–
Interest paid	*29*	(3,380)	(20,553)	(32,892)	(18,961)	(16,273)
Net cash generated from financing activities		309,784	869,343	1,828,868	1,773,958	108,944
Net (decrease)/increase in cash and cash equivalents		(48,444)	178,413	41,651	994,479	(112,019)
Cash and cash equivalents at the beginning of the year/period		121,400	73,927	249,890	249,890	291,147
Effect of foreign exchange rate changes on cash and cash equivalents		971	(2,450)	(394)	(78)	(264)
Cash and cash equivalents at the end of the year/period		73,927	249,890	291,147	1,244,291	178,864

The accompanying notes form part of the Historical Financial Information.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

Dizal Pharmaceutical Co., Ltd. (迪哲(江蘇)醫藥股份有限公司, the "Company") was established in the People's Republic of China (the "PRC"), and converted into a joint stock limited liability company under the PRC laws on 8 September 2020. With the approval of the China Securities Regulatory Commission, the Company completed its initial public offering and listed on the Shanghai Stock Exchange (stock code: 688192) on 10 December 2021.

During the Track Record Period, the Company and its subsidiaries (together, "the Group") are principally engaged in the research and development and sales of pharmaceutical products.

As at the date of this report, the Company has direct and indirect interests in its subsidiaries as below:

Name	Place and date of incorporation/ establishment and place of operations	Type of legal entity	Particulars of issued/paid-up capital	Percentage of equity attributable to the Company		Principal activities	Name of auditor
				Direct	Indirect		
Dizal (Beijing) Pharmaceutical Co., Ltd.* (迪哲(北京)醫藥有限公司)	The People's Republic of China ("PRC"), 18 June 2020	Limited liability company	RMB15,000,000	100%	–	Pharmaceutical research and development	BDO China Shu Lun Pan Certified Public Accountants LLP (立信會計師事務所)
Dizal (Shanghai) Pharmaceutical Co., Ltd.* (迪哲(上海)醫藥有限公司)	PRC, 15 December 2017	Limited liability company	RMB50,000,000	100%	–	Pharmaceutical research and development	BDO China Shu Lun Pan Certified Public Accountants LLP (立信會計師事務所)
Gewu Bio Co., Ltd* (格物生物技術(江蘇)有限公司)	PRC, 14 May 2024	Limited liability company	RMB10,000,000	87.5%	–	Pharmaceutical research and development	BDO China Shu Lun Pan Certified Public Accountants LLP (立信會計師事務所)
Dizal (Wuxi) Pharmaceutical Co., Ltd.* (迪哲(無錫)醫藥有限公司)	PRC, 11 November 2021	Limited liability company	RMB300,000,000	–	100%	Property holding	BDO China Shu Lun Pan Certified Public Accountants LLP (立信會計師事務所)

* The official names of these entities are in Chinese. The English names are for identification purposes only.

The carrying amount of the Company's interests in subsidiaries are as follows:

The Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Investment cost, at cost	73,000	806,380	1,222,500	1,225,900
Deemed investment arising from share-based payments	12,662	16,450	18,445	18,930
Total	85,662	822,830	1,240,945	1,244,830

2.1 BASIS OF PREPARATION AND PRESENTATION OF HISTORICAL FINANCIAL INFORMATION

The Historical Financial Information has been prepared in accordance with International Financial Reporting Standards and International Accounting Standards issued by the International Accounting Standards Board (the "IASB") and Interpretations (collectively "IFRS Accounting Standards"). Further details of accounting policies are set out in Note 2.3. In addition, the Historical Financial Information also complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The IASB has issued a number of standards and amendments to standards. For the purpose of preparing this Historical Financial Information, the Group has adopted all IFRS Accounting Standards that are effective for accounting period commencing from 1 January 2026, unless otherwise stated.

The consolidated financial statements of the Group for the years ended 31 December 2023, 2024 and 2025 and for the six months ended 30 June 2026 were prepared in accordance with China Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC. The consolidated financial statements of the Group for the years ended 31 December 2023, 2024 and 2025 were audited by BDO China Shu Lun Pan Certified Public Accountants LLP, certified public accountants registered in the PRC, in accordance with the China Auditing Standards issued by China Auditing Standards Board.

Accounting policies set out below has been applied consistently to all periods presented in the Historical Financial Information.

The Historical Financial Information has been prepared under the historical cost convention except for financial assets at fair value through profit or loss ("FVPL"), which are carried at fair value.

The preparation of the Historical Financial Information in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are disclosed in Note 3.

The Historical Financial Information has been prepared based on the consolidated financial statements of the Group. Inter-company transactions, balances and unrealised gains/losses on transactions between group companies are eliminated on consolidation.

2.2 NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not effective for the Track Record Period and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions except the new IFRS 18 as set out below.

The Group plans to adopt these new standards, amendments to standards and annual improvements when they become effective:

Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency[1]
IFRS 18	Presentation and Disclosure in Financial Statements[1]
IFRS 19	Subsidiaries without Public Accountability: Disclosures[1]
IFRS 20	Regulatory Assets and Regulatory Liabilities[2]
Amendments to IFRS 19	Subsidiaries without Public Accountability: Disclosures[1]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]

1 Effective for annual periods beginning on or after 1 January 2027

2 Effective for annual periods beginning on or after 1 January 2029

3 Effective for annual periods beginning on or after a date to be determined

IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. The new requirements are expected to impact the Group's presentation of the consolidated statements of profit or loss and disclosures of the Group's financial performance. However, it is expected that the initial adoption of IFRS 18 would not significantly affect the Group's financial performance and position.

2.3 ACCOUNTING POLICIES

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The carrying amount of non-controlling interests that represent present ownership interests is the amount of those interests at initial recognition plus such non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(b) Subsidiaries

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

(c) Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of the following assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment, including right-of-use assets;
- intangible assets;
- interests in subsidiaries in the Company's statement of financial position

If the recoverable amount (i.e. the higher of the fair value less costs of disposal and value-in-use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss is recognised in profit or loss immediately.

Value-in-use is based on the estimated future cash flows expected to be derived from the asset or CGU, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

(d) Property, plant and equipment

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to the working condition and location for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as an expense in profit or loss in the period in which they are incurred.

Depreciation is calculated to write off the cost of property, plant and equipment, other than construction in progress ("CIP"), less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

Leasehold land classified as right-of-use assets	50 years
Plant and buildings classified as right-of-use assets	Over the terms of the leases
Building	20 years
Machinery and equipment	5-10 years
Computer equipment	3 years
Furniture and fixture	5 years or over the terms of the leases, whichever is the shorter
Motor vehicles	4 years

The assets' estimated useful lives estimated residual values and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

CIP, which mainly represents properties under construction, is stated at cost less any impairment losses. CIP is reclassified to the appropriate class of property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of CIP until it is completed and ready for its intended use.

The gain or loss arising on retirement or disposal is determined as the difference between the net sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

(e) Leasing

Accounting as a lessee

All leases are required to be capitalised in the consolidated statements of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for low-value assets and leases for which at the commencement date have a lease term 12 months or less and do not contain purchase option. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

Right-of-use assets

The right-of-use assets should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Under the cost model, the Group measures the right-to-use assets at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

Lease liabilities

The lease liabilities are recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the lessee's incremental borrowing rate.

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent to the commencement date, the Group measures the lease liabilities by: (i) increasing the carrying amount to reflect interest on the lease liabilities; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate.

When the Group renegotiates the contractual terms of a lease with the lessor, if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease, in all other cases, where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.

(f) Intangible assets

(i) Acquired intangible assets

Intangible assets acquired separately are initially recognised at cost. Subsequently, intangible assets with definite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Expenditure on internally generated goodwill and brand is recognised as an expenses in the period in which it is incurred.

The amortisation expense is recognised in profit or loss. Amortisation is provided on a straight-line basis over their useful lives as follows:

Patents and intellectual properties	18-19 years
Software use right	2-5 years

Both the period and method of amortisation are reviewed annually.

Intangible assets with indefinite useful lives are carried at cost less any accumulated impairment losses.

Intangible assets with definite useful lives are tested for impairment when there is an indication that an asset may be impaired. Intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that they may be impaired. Intangible assets are tested for impairment by comparing their carrying amounts with their recoverable amounts (note 2.3(c)).

(ii) Patents and intellectual properties

Patents and intellectual properties acquired separately or as part of a business combination or transferred from development cost are recognised as intangible assets at historical cost and amortised using the straight-line method over their estimated useful lives of 18-19 years, which are determined according to the authorised useful lives and the management's estimation. The estimation is made considering the duration of the patent right and the technological obsolescence of the intellectual properties. They are subsequently carried at cost less accumulated amortisation and impairment losses.

(iii) Software use rights

Purchased office software is stated at cost less any impairment losses and is amortised on the straight-line basis over the estimated useful life of 2-5 years. The useful lives of the software are assessed by the Group after considering the contractual term, the current functionality equipped by the software, using plan and operation needs of the software.

(iv) Development cost

The expenditure on an internal research and development project is classified into expenditure in the research phase and expenditure in the development phase. Expenditure on research phases is recognised as an expense in the period in which it is incurred. Expenditure on development phase is capitalised and recognised as intangible assets if all the following can be demonstrated:

- The technical feasibility to complete the development project so that it will be available for use or sale;
- the intention to complete the development project to use or sell the product;
- the ability to use or sell the product;
- the manner in which the development project will generate probable future economic benefits for the Group;
- the availability of adequate technical, financial and other resources to complete the development project and use or sell the product; and
- the expenditure attributable to the asset during its development can be reliably measured.

(g) Financial instruments

(i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at FVPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments as follows:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

FVPL: FVPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss ("ECL") on trade receivables and financial assets measured at amortised cost. The ECLs are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group measures loss allowances for trade receivables using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets at amortised cost, the ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

– failure to make payments of principal or interest on their contractually due dates;

– an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);

– an actual or expected significant deterioration in the operating results of the debtor; and

– existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criteria is more appropriate.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets, interest income is calculated based on the gross carrying amount.

(ii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at FVPL are initially measured at fair value and financial liabilities at amortised cost are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade payables, other payables and accruals, interest-bearing borrowings and lease liabilities issued by the Group are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in accordance with Note 2.3(m).

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

(iii) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with IFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

(h) Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of work in progress, costs include direct labour and appropriate share of overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(i) Income tax

Income tax comprises current tax and deferred tax are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to items recognised directly in equity in which case the taxes are also recognised directly in equity.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits and does not give rise to equal taxable and deductible temporary differences, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised, provided that the deductible temporary differences are not arises from initial recognition of assets and liabilities in a transaction other than in a business combination that affects neither taxable profit nor the accounting profit and does not rise to equal taxable and deductible temporary differences. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Current tax assets and current tax liabilities are presented in net if, and only if,

(a) the Group has the legally enforceable right to set off the recognised amounts; and

(b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if,

(a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and

(b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

the same taxable entity; or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(j) Revenue recognition

Revenue from contract with customers

Sales of pharmaceutical products

The Group sells pharmaceutical products through distributors as customers. Revenue from these sales is recognised when their control has been transferred. This occurs upon the delivery of the products to the designated place specified in the contract and the products have been accepted by the distributors or there is objective evidence that the products meet the required specifications. At this point of time, both ownership and risks of loss have been transferred to the customers in accordance with the sales contract. The customers have full discretion over the manner or use and price to sell the products within a designated area. The Group no longer has physical possession but has a present right to remaining payment.

Contract liability is recognised when the Group receives consideration in advance of transferring the control of the promised goods. A receivable is recognised when the control of the promised goods has been transferred to the customers but the Group did not received consideration in advance, as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

No element of financing is deemed present as the period between when the Group receive consideration and transferring control of the promised goods is generally within 60 days. The Group does not expect to have any contract containing financing components. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

The Group allows certain customers sales rebate if certain performance target has been met, prompt payment discount and a right to return the goods for a full refund if they have quality issue. The Group uses an expected value approach to estimates these rebates, discounts and returns, based on its specified terms of the contracts, accumulated experience with customers, their settlement patterns and historical data on returns for specific products. Revenue is recognised only to the extent that it is highly probable that a significant reversal in the cumulative amount of revenue recognised will not occur subsequently. The Group reviews its estimate at each reporting date and updates the amounts of the asset and liability accordingly.

(k) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

Contributions to local retirement schemes pursuant to the relevant labour rules and regulations in the jurisdictions in which the Group's entities located are recognised as an expense in profit or loss as incurred, except to the extent that they are included in the cost of inventories not yet recognised as an expense.

(ii) Share-based payments

The fair value of equity instruments such as share options granted to employees is recognised as staff costs with a corresponding increase in a capital reserve within equity, in case they were granted by the Company. Fair value is measured at grant date using the share options valuation models, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the period of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve, as appropriate. On the vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve, as appropriate) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the related equity instruments. The equity amount recognised in the capital reserve is retained until either the option is exercised (when it is then included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to accumulated losses).

(l) Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(m) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(n) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all the attached conditions. Government grants relating to costs are deferred and recognised in the consolidated statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to assets are included in non-current liabilities as deferred income and are credited to the consolidated statement of profit or loss on a straight-line basis over the expected useful lives of the related asset.

(o) Translation of foreign currencies

Foreign currency transactions during the Track Record Period are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Group initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's Historical Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

(i) Research and development costs

All research costs are charged to profit or loss as incurred. Costs incurred on each pipeline to develop new products are capitalised and deferred in accordance with the accounting policy for research and development costs in note 2.3 to the Historical Financial Information. Determining the amounts to be capitalised requires management to make judgments on the technical feasibility of existing pipelines to be successfully commercialised and bring economic benefits to the Group.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

(i) Impairments of non-current assets

If circumstances indicate that the carrying amount of a non-current asset may not be recoverable, the asset may be considered "impaired", and an impairment loss may be recognised in accordance with accounting policy for impairment of non-current assets as described in Note 2.3(c).

When such a decline has occurred, the carrying amount is reduced to the recoverable amount. The recoverable amount is the greater of the fair value less costs of disposal and the value in use. In determining the value in use, expected future cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to the level of revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of the level of revenue and amount of operating costs. Changes in these estimates could have a significant impact on the recoverable amount of the assets and could result in additional impairment charge or reversal of impairment in future periods.

(ii) Depreciation and amortisation

Items of property, plant and equipment and intangible assets are depreciated or amortised on a straight-line basis over the estimated useful lives of the assets, after taking into account the estimated residual value. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation and amortisation expense to be recorded during any reporting period. The useful lives are based on the Group's historical experience with similar assets and taking into account anticipated technological changes. The depreciation and amortisation expense for future periods are adjusted if there are significant changes from previous estimates.

(iii) Income tax and deferred tax

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. The Group carefully evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses. As those deferred tax assets can only be recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilised, management's judgement is required to assess the probability of future taxable profits. Management's assessment is constantly reviewed and deferred tax assets are recognised only if it becomes probable that future taxable profits will allow the deferred tax asset to be recovered.

(iv) Recognition of equity-settled share-based payments

The Group recognises share-based compensation expense for equity-settled employee awards based on the fair value of the Company's share options at the grant date, adjusted for estimated forfeitures. The awards are subject to service conditions (e.g., continued employment over a specified period) and performance conditions (e.g., achievement of Group's revenue targets and individual performance metrics). Significant judgment is required to estimate the number of awards expected to vest, particularly due to subjective factors such as:

- likelihood of achieving the research and development milestones;
- individual performance evaluations, and
- expected staff turnover rates.

At each reporting date, the Group assesses the probability of meeting performance conditions by reviewing internal forecasts, macroeconomic factors, and grantees' performance. Forfeiture assumptions are also updated using historical staff turnover data, though these trends may change over time.

These estimates are inherently uncertain, particularly for awards with longer vesting periods, and changes in assumptions could materially affect the Group's Historical Financial Information. Specifically, higher probability of meeting performance conditions and lower staff turnover would result in additional expenses being recognised as more awards are expected to vest and lower probability of meeting performance conditions and higher staff turnover would result in less expense being recognised as fewer awards are expected to vest.

(v) Fair value measurement

A certain asset included in the Group's Historical Financial Information require measurement at, and/or disclosure of, fair value. The fair value measurement of the Group's financial assets utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "fair value hierarchy"):

– Level 1: unadjusted quoted prices in active markets for identical assets;

– Level 2: observable inputs other than quoted prices included within Level 1; and

– Level 3: unobservable inputs are inputs for which market data are not available.

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures the following item at fair value:

– Financial assets at FVPL (note 15)

For more detailed information in relation to the fair value measurement of the items above, please refer to Note 32(e).

(vi) Leases — Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available or when it needs to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

4. OPERATING SEGMENT INFORMATION

Operating segment information

The directors of the Company have been identified as the chief operating decision-maker (the "CODM"). Operating segments are identified on the basis of internal reports that the CODM regularly review in allocating resources to segments and in assessing their performance.

For management purposes, the Group has only one reportable operating segment, which is research and development and sale of pharmaceutical products. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

During the Track Record Period, all Group's revenue and operating loss were generated from the sale of pharmaceutical products in Chinese Mainland and all Group's identifiable operating assets and liabilities were located in Chinese Mainland. Therefore, no geographical segment information is presented in accordance with IFRS 8 Operating Segments.

Information about major customers

Revenue from each major customer, including revenue from a group of entities which are known to be under common control with that customer, which accounted for 10% or more of the Group's revenue during the Track Record Period and the six months ended 30 June 2026 is set out below:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Customer A	35,861	139,589	335,016	141,951	224,395
Customer B	20,088	80,313	120,749	52,214	80,569
Customer C	12,648	40,250	91,699	42,529	70,939

5. REVENUE AND OTHER INCOME

(a) Revenue

The principal activities of the Group are research and development and sales of pharmaceutical products.

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by business lines is as follows:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15					
Transferred at point in time:					
Sales of pharmaceutical products	91,289	359,901	801,136	355,001	522,693

The Group's customer contracts are for the delivery of goods within the next 12 months since contracts were entered and the Group had applied the practical expedient in paragraph 121(a) of IFRS 15 for not disclosing amount of transaction price allocated to the remaining performance obligations under the contracts.

(b) Other income

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Government grants (including amortisation of deferred income) *(note)*	31,620	41,081	62,525	34,948	10,909
Interest income	3,641	2,242	2,136	1,460	539
	35,261	43,323	64,661	36,408	11,448

Note: Government grants mainly represent government subsidies for encouragement of research and development projects.

6. OTHER GAINS/(LOSSES), NET

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Foreign exchange (losses)/gain, net	(1,454)	(2,450)	(1,013)	(640)	441
Fair value gains on financial assets at FVPL	22,519	14,451	25,327	11,219	13,673
(Loss)/gain on disposal of property, plant and equipment, net	(8)	–	–	–	84
(Expected credit loss)/reversal of expected credit loss on trade receivables	(396)	118	(1,171)	(552)	(679)
Others	–	1,653	–	–	163
	20,661	13,772	23,143	10,027	13,682

7. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Auditors' remuneration	1,600	800	800	–	–
Cost of inventories recognised as expenses *(Note (a))*	2,983	8,745	33,061	15,070	20,234
Depreciation charge:					
– other property, plant and equipment	9,877	13,134	14,980	5,597	16,608
– right-of-use assets	25,599	24,777	23,909	12,291	11,841
Amortisation of intangible assets *(Note (b))*	36,887	37,691	36,889	18,530	16,843
Research and development expenses *(Note (c))*	805,598	723,687	855,609	408,267	402,032
[**REDACTED**]	–	–	–	–	610
Staff costs (including directors' emoluments):					
– Salaries and wages	309,101	443,782	564,308	239,717	270,934
– Contributions to defined contribution schemes *(Note (d))*	31,133	46,285	59,538	28,363	33,251
– Equity settled share-based payment expenses	196,610	132,819	73,647	34,317	8,297
	536,844	622,886	697,493	302,397	312,482

Notes:

(a) Cost of inventories recognised as expenses mainly includes the cost of raw material consumed and subcontracting fee.

(b) Amortisation of intangible assets are included in selling and distribution expenses, research and development expenses and administrative and other operating expenses.

(c) Research and development expenses include amounts relating to staff costs, depreciation and amortisation expenses, which are also included in the respective total amounts disclosed separately above.

(d) The employees of the Company and the subsidiaries of the Group established in the PRC participate in a defined contribution scheme managed by the local government authority, whereby these companies are required to contribute to the scheme at certain rates of the employees' basic salaries. Employees of these companies are entitled to benefits, calculated based on a percentage of the average salaries level in the PRC (other than Hong Kong), from the above-mentioned retirement scheme at their normal retirement age.

8. FINANCE COST

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Interest charges on bank borrowings	3,677	21,256	32,791	18,776	15,574
Less: amount capitalised in construction in progress	–	(1,556)	(3,958)	(2,899)	–
	3,677	19,700	28,833	15,877	15,574
Interest expenses on lease liabilities	3,897	3,055	2,383	1,275	918
	7,574	22,755	31,216	17,152	16,492

9. INCOME TAX EXPENSE

The amount of income tax expense in the consolidated statements of profit or loss and other comprehensive income represents:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Current tax					
PRC Corporate Income Tax	–	–	–	–	–
Provision for the year	101	–	1,339	–	654
Under-provision/(over-provision) in respect of the previous years	–	4	52	52	(21)
Income tax expense	101	4	1,391	52	633

Income tax expense for each of the reporting period can be reconciled to the loss before income tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Loss before income tax	(1,107,612)	(939,651)	(727,126)	(378,990)	(212,462)
Tax calculated at applicable rate in the PRC	(276,903)	(140,948)	(115,069)	(56,848)	(31,869)
Tax effect of different tax rates	(391)	(76,213)	(5,333)	(2,256)	(4,373)
Tax effect of non-deductible expenses	7,727	64,520	24,500	16,287	10,626
Utilisation of previously unrecognised tax losses	(7,781)	–	–	–	–
Tax effect of deductible temporary differences and tax losses not recognised	395,180	270,444	170,728	84,469	60,026
Tax effect of bonus deduction for research and development expenses	(117,731)	(117,803)	(73,487)	(41,652)	(33,756)
Under-provision/(over-provision) in respect of the previous year	–	4	52	52	(21)
Income tax expense	101	4	1,391	52	633

Note: The Company and its subsidiaries were subject to PRC Corporate Income Tax ("CIT") at a statutory rate of 25%, except for the Company and certain subsidiary in certain year. The Company and certain subsidiary were qualified as High and New Technology Enterprise to enjoy a preferential tax rate of 15% from 2024 to 2026.

Certain of these subsidiaries were entitled to the preferential tax rate of 20%. According to the renewed Announcement of the Ministry of Finance and the State Administration of Taxation on Further Implementing Preferential Tax Policies for Small and Micro Enterprises (財政部稅務總局關於進一步實施小微企業所得稅優惠政策的公告) (Announcement [2023] No. 13)), the renewed Announcement [2023] No. 12, the annual taxable income amount for small and micro enterprises shall be computed at a reduced rate of 25% as taxable income amount, and shall be levied at a reduced tax rate of 20%. The policy is effective till 31 December 2027.

Certain research and development costs of the Company and its subsidiaries are qualified for additional deduction. According to the Announcement on Further Improving the Policy of Pre-tax Deduction of R&D Expenses (關於進一步完善研發費用稅前加計扣除政策的公告) (No. 7 [2023]) of the State Administration of Taxation of the Ministry of Finance), the Company and its subsidiaries will be deducted before tax at 100% of the actual amount incurred when calculating the taxable income from 1 January 2023.

10. DIRECTORS' AND SUPERVISORS' EMOLUMENTS AND INDIVIDUALS WITH HIGHEST EMOLUMENTS

Directors' and Supervisors' emoluments are as follows:

Year ended 31 December 2023

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-Total	Share-based payments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Directors							
Zhang Xiaolin	–	9,490	–	45	9,535	144,642	154,177
Lu Simon Dazhong	–	–	–	–	–	–	–
Fu Xiao *(Note a)*	–	–	–	–	–	–	–
Menelas Nicolas Pongalos *(Note b)*	–	–	–	–	–	–	–
Rodolphe Peter Andre Grepinet	–	–	–	–	–	–	–
Lin Liang *(Note c)*	–	–	–	–	–	–	–
Lyu Hongbin *(Note d)*	–	3,998	–	68	4,066	1,402	5,468
Independent directors							
Jiang Bin	100	–	–	–	100	–	100
Wang Xuegong	100	–	–	–	100	–	100
Zhu Guanshan	100	–	–	–	100	–	100
Zhang Xin	100	–	–	–	100	–	100
Supervisors							
Dong Weiwen	–	737	–	68	805	–	805
Kang Xiaojing	–	1,418	–	68	1,486	–	1,486
Sun Yuan	–	–	–	–	–	–	–
	400	15,643	–	249	16,292	146,044	162,336

Notes:

(a) Fu Xiao retired as a director with effective on 21 August 2023

(b) Menelas Nicolas Pongalos resigned as a director with effective on 6 March 2023

(c) Lin Liang retired as a director with effective on 21 August 2023

(d) Lyu Hongbin retired as a director with effective on 21 August 2023

Year ended 31 December 2024

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-Total	Share-based payments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Directors							
Zhang Xiaolin	–	6,010	–	47	6,057	42,613	48,670
Lu Simon Dazhong	–	–	–	–	–	–	–
Rodolphe Peter Andre Grepinet	–	–	–	–	–	–	–
Independent directors							
Jiang Bin	100	–	–	–	100	–	100
Wang Xuegong	100	–	–	–	100	–	100
Zhu Guanshan	100	–	–	–	100	–	100
Zhang Xin *(Note a)*	100	–	–	–	100	–	100
An Meixia *(Note b)*	–	–	–	–	–	–	–
Supervisors							
Dong Weiwen	–	764	–	71	835	–	835
Kang Xiaojing	–	1,034	–	71	1,105	–	1,105
Sun Yuan	–	–	–	–	–	–	–
	400	7,808	–	189	8,397	42,613	51,010

Notes:

(a) Zhang Xin resigned as an independent director with effective on 30 December 2024

(b) An Meixia was appointed as an independent director with effective on 31 December 2024

Year ended 31 December 2025

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-Total	Share- based payments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Directors							
Zhang Xiaolin	–	7,881	–	47	7,928	16,931	24,859
Simon Dazhong Lu	–	–	–	–	–	–	–
Rodolphe Peter Andre Grepinet	–	–	–	–	–	–	–
Kang Xiaojing *(Note b)*	–	112	–	7	119	–	119
Independent directors							
Jiang Bin	100	–	–	–	100	–	100
Wang Xuegong	100	–	–	–	100	–	100
Zhu Guanshan	100	–	–	–	100	–	100
An Meixia	100	–	–	–	100	–	100
Supervisors							
Dong Weiwen *(Note a)*	–	382	–	35	417	–	417
Kang Xiaojing *(Note b)*	–	553	–	35	588	–	588
Sun Yuan *(Note c)*	–	–	–	–	–	–	–
	400	8,928	–	124	9,452	16,931	26,383

Notes:

(a) Dong Weiwen was retired as a supervisor with effective on 23 June 2025

(b) Kang Xiaojing was retired as a supervisor with effective on 23 June 2025 and appointed as a director with effective on 21 November 2025

(c) Sun Yuan was retired as a supervisor with effective on 23 June 2025

Six months ended 30 June 2026

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-Total	Share- based payments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Directors							
Zhang Xiaolin	–	3,665	–	24	3,689	–	3,689
Simon Dazhong Lu	–	–	–	–	–	–	–
Rodolphe Peter Andre Grepinet	–	–	–	–	–	–	–
Kang Xiaojing	–	577	–	36	613	–	613
Independent directors							
Jiang Bin	50	–	–	–	50	–	50
Wang Xuegong *(Note a)*	2	–	–	–	2	–	2
Wang Tianyou *(Note b)*	48	–	–	–	48	–	48
Zhu Guanshan	50	–	–	–	50	–	50
An Meixia	50	–	–	–	50	–	50
	200	4,242	–	60	4,502	–	4,502

Note:

(a) Wang Xuegong was resigned as an independent director with effective on 9 January 2026

(b) Wang Tianyou was appointed as an independent director with effective on 10 January 2026

Six months ended 30 June 2025 (Unaudited)

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-Total	Share- based payments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Directors							
Zhang Xiaolin	–	3,419	–	24	3,443	8,834	12,277
Simon Dazhong Lu	–	–	–	–	–	–	–
Rodolphe Peter Andre Grepinet	–	–	–	–	–	–	–
Independent directors							
Jiang Bin	50	–	–	–	50	–	50
Wang Xuegong	50	–	–	–	50	–	50
Zhu Guanshan	50	–	–	–	50	–	50
An Meixia	50	–	–	–	50	–	50
Supervisors							
Dong Weiwen *(Note a)*	–	381	–	35	416	–	416
Kang Xiaojing *(Note b)*	–	553	–	35	588	–	588
Sun Yuan	–	–	–	–	–	–	–
	200	4,353	–	94	4,647	8,834	13,481

Notes:

(a) Dong Weiwen resigned as a supervisor with effective on 23 June 2025

(b) Kang Xiaojing resigned as a supervisor with effective on 23 June 2025

Individuals with Highest Emoluments

Of the five individuals with the highest emoluments, 2, 1, 1, [1] and [1] are directors during the years ended 31 December 2023, 2024 and 2025 and for the six months ended 30 June 2025 and 2026, respectively, whose emoluments are disclosed as above. The aggregate of the emoluments in respect of the remaining individuals with are as follows:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Salaries, allowances and benefits in kind	11,615	17,327	18,402	9,609	9,712
Retirement scheme contributions	181	258	238	118	131
Share-based payments	33,666	51,499	33,191	15,906	6,404
	45,462	69,084	51,831	25,633	16,247

The number of remaining individuals with the highest emoluments during the each of the reporting period, respectively, are within the following bands:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	Number of individuals	*Number of individuals*	*Number of individuals*	*Number of individuals (Unaudited)*	*Number of individuals*
Nil to HKD1,000,000	–	–	–	–	–
HKD1,500,001 to HKD2,000,000	–	–	–	–	1
HKD2,500,001 to HKD3,000,000	–	–	–	1	–
HKD4,000,001 to HKD4,500,000	–	–	–	–	1
HKD4,500,001 to HKD5,000,000	–	–	–	–	1
HKD5,000,001 to HKD5,500,000	1	–	1	–	–
HKD5,500,001 to HKD6,000,000	–	1	–	–	–
HKD6,000,001 to HKD6,500,000	–	–	–	1	–
HKD6,500,001 to HKD7,000,000	–	–	–	1	–
HKD7,000,001 to HKD7,500,000	–	–	–	–	1
HKD9,000,001 to HKD9,500,000	1	–	–	–	–
HKD11,500,001 to HKD12,000,000	–	1	–	–	–
HKD12,000,001 to HKD12,500,000	–	–	1	1	–
HKD13,500,001 to HKD14,000,000	–	1	1	–	–
HKD26,000,001 to HKD26,500,000	–	–	1	–	–
HKD35,500,001 to HKD36,000,000	1	–	–	–	–
HKD43,000,001 to HKD43,500,000	–	1	–	–	–
	–	–	–	–	–
	3	4	4	4	4

11. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to owners of the Company of RMB1,107,713,000, RMB845,956,000 and RMB764,049,000 for the years ended 31 December 2023, 2024 and 2025, and RMB377,360,000 and RMB210,373,000 for the six months ended 30 June 2025 and 2026 and the weight average number of ordinary shares for the purpose of calculating basic loss per share is calculated as follows:

Weighted average number of ordinary shares

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	'000	*'000*	*'000*	*'000 (Unaudited)*	*'000*
Issued ordinary shares at 1 January	407,160	408,151	417,648	417,648	461,188
Effect of share options exercised	826	6,581	148	–	3,049
Effect of shares placement	–	–	27,843	13,922	–
Weighted average number of ordinary shares for the purpose of calculating basic loss per share for the year/period	407,986	414,732	445,639	431,570	464,237

(b) Diluted loss per share

Diluted loss per share amount for the years ended 31 December 2023, 2024 and 2025 and for the six months ended 30 June 2025 and 2026 are equal to the basic loss per share because the impact of exercise of the share option shares was anti-dilutive.

12 DIVIDENDS

No dividends were declared or paid to the owners of the Company during the Track Record Period and for the six months ended 30 June 2025.

13. PROPERTY, PLANT AND EQUIPMENT

The Group

	Right-of-use assets	Buildings	Machinery and equipment	Computer equipment	Furniture and fixtures	Motor vehicles	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cost:								
At 1 January 2023	164,709	–	18,903	7,950	9,814	708	7,346	209,430
Additions	8,990	–	14,747	2,149	1,606	–	11,726	39,218
Transfer from/(to) construction in progress	–	–	–	–	5,725	–	(5,725)	–
Disposals	–	–	–	–	(13)	–	–	(13)
Written off *(Note (iv))*	(3,603)	–	–	(66)	–	–	–	(3,669)
At 31 December 2023 and 1 January 2024	170,096	–	33,650	10,033	17,132	708	13,347	244,966
Additions	14,171	–	2,944	3,272	495	–	156,377	177,259
Lease modification	(2,540)	–	–	–	–	–	–	(2,540)
Written off *(Note (iv))*	(11,712)	–	–	(41)	(289)	–	–	(12,042)
At 31 December 2024 and 1 January 2025	170,015	–	36,594	13,264	17,338	708	169,724	407,643
Additions	9,825	–	1,700	3,186	96	21	158,209	173,037
Transfer from/(to) construction in progress	–	227,201	90,480	8,781	1,471	–	(327,933)	–
Disposals	–	–	–	(496)	–	–	–	(496)
Written off *(Note (iv))*	(14,409)	–	–	–	–	–	–	(14,409)
At 31 December 2025 and 1 January 2026	165,431	227,201	128,774	24,735	18,905	729	–	565,775

	Right-of-use assets	Buildings	Machinery and equipment	Computer equipment	Furniture and fixtures	Motor vehicles	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Additions	5,220	–	6,391	1,307	108	–	–	13,026
Disposals	–	–	(121)	(471)	(5,939)	–	–	(6,531)
Written off *(Note (iv))*	(7,565)	(53)	–	–	–	–	–	(7,618)
At 30 June 2026	163,086	227,148	135,044	25,571	13,074	729	–	564,652
Accumulated depreciation:								
At 1 January 2023	35,130	–	11,313	4,566	4,614	649	–	56,272
Charge for the year	25,599	–	5,056	2,086	2,676	59	–	35,476
Written back on disposals	–	–	–	–	(4)	–	–	(4)
Written off *(Note (iv))*	(3,603)	–	–	(66)	–	–	–	(3,669)
At 31 December 2023 and 1 January 2024	57,126	–	16,369	6,586	7,286	708	–	88,075
Charge for the year *(Note (i))*	25,573	–	5,298	2,115	5,721	–	–	38,707
Written off *(Note (iv))*	(11,712)	–	–	(41)	(289)	–	–	(12,042)
At 31 December 2024 and 1 January 2025	70,987	–	21,667	8,660	12,718	708	–	114,740
Charge for the year *(Note (i))*	24,705	1,799	6,469	3,320	3,392	–	–	39,685
Written back on disposals	–	–	–	(487)	–	–	–	(487)
Written off *(Note (iv))*	(14,409)	–	–	–	–	–	–	(14,409)
At 31 December 2025 and 1 January 2026	81,283	1,799	28,136	11,493	16,110	708	–	139,529
Charge for the period *(Note (i))*	11,841	5,396	7,240	2,931	1,038	3	–	28,449
Written back on disposals	–	–	(121)	(471)	(5,939)	–	–	(6,531)
Written off *(Note (iv))*	(7,565)	–	–	–	–	–	–	(7,565)
At 30 June 2026	85,559	7,195	35,255	13,953	11,209	711	–	153,882
Net book value:								
At 31 December 2023	112,970	–	17,281	3,447	9,846	–	13,347	156,891
At 31 December 2024	99,028	–	14,927	4,604	4,620	–	169,724	292,903
At 31 December 2025	84,148	225,402	100,638	13,242	2,795	21	–	426,246
At 30 June 2026	77,527	219,953	99,789	11,618	1,865	18	–	410,770

The Company

	Right-of-use assets	Electronic equipment	Computer equipment	Furniture and fixtures	Motor vehicles	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cost:							
At 1 January 2023	93,087	17,676	7,145	4,186	708	–	122,802
Additions	7,565	14,747	2,149	622	–	5,725	30,808
Transfer from construction in progress	–	–	–	5,725	–	(5,725)	–
Written off *(Note (iv))*	(3,600)	–	(66)	–	–	–	(3,666)
At 31 December 2023 and 1 January 2024	97,052	32,423	9,228	10,533	708	–	149,944
Additions	341	2,863	3,228	496	–	–	6,928
Lease modification	(2,540)	–	–	–	–	–	(2,540)
Written off *(Note (iv))*	(825)	–	(41)	(289)	–	–	(1,155)
At 31 December 2024 and 1 January 2025	94,028	35,286	12,415	10,740	708	–	153,177
Additions	347	1,634	2,831	–	–	–	4,812
Disposals	–	–	(488)	(265)	–	–	(753)
At 31 December 2025 and 1 January 2026	94,375	36,920	14,758	10,475	708	–	157,236

	Right-of-use assets	Electronic equipment	Computer equipment	Furniture and fixtures	Motor vehicles	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Additions	5,220	4,541	1,250	8	–	–	11,019
Disposals	–	(121)	(471)	(5,937)	–	–	(6,529)
Written off *(Note (iv))*	(7,565)	–	–	–	–	–	(7,565)
At 30 June 2026	92,030	41,340	15,537	4,546	708	–	154,161
Accumulated depreciation:							
At 1 January 2023	28,087	10,272	4,517	3,137	649	–	46,662
Charge for the year	16,125	4,871	1,818	526	59	–	23,399
Written off *(Note (iv))*	(3,600)	–	(66)	–	–	–	(3,666)
At 31 December 2023 and 1 January 2024	40,612	15,143	6,269	3,663	708	–	66,395
Charge for the year	15,434	5,295	1,839	3,357	–	–	25,925
Written off *(Note (iv))*	(825)	–	(41)	(289)	–	–	(1,155)
At 31 December 2024 and 1 January 2025	55,221	20,438	8,067	6,731	708	–	91,165
Charge for the year	15,358	4,855	2,547	2,928	–	–	25,688
Written back on disposals	–	–	(479)	(265)	–	–	(744)
At 31 December 2025 and 1 January 2026	70,579	25,293	10,135	9,394	708	–	116,109
Charge for the period	7,479	2,317	1,397	796	–	–	11,989
Written back on disposals	–	(121)	(471)	(5,937)	–	–	(6,529)
Written off *(Note (iv))*	(7,565)	–	–	–	–	–	(7,565)
At 30 June 2026	70,493	27,489	11,061	4,253	708	–	114,004
Net book value:							
At 31 December 2023	56,440	17,280	2,959	6,870	–	–	83,549
At 31 December 2024	38,807	14,848	4,348	4,009	–	–	62,012
At 31 December 2025	23,796	11,627	4,623	1,081	–	–	41,127
At 30 June 2026	21,537	13,851	4,476	293	–	–	40,157

Notes:

(i) During the years ended 31 December 2024 and 2025 and the six months ended 30 June 2025, depreciation of RMB796,000, RMB796,000 and RMB478,000 have been capitalised into the Group's construction in progress.

(ii) During the years ended 31 December 2024 and 2025 and the six months ended 30 June 2025 and 2026, the Company leased the properties from AstraZeneca Investment (China) Limited, a related company of the Company and the leased properties were recognised as right-of-use assets.

(iii) As at 31 December 2024 and 2025 and 30 June 2026 certain right of use assets with carrying amount of RMB45,201,000, RMB44,246,000 and RMBRMB43,769,000, respectively, and buildings with carrying amount of nil, RMB225,402,000 and RMB219,953,000, respectively, were pledged to secure the Group's interest bearing borrowings of RMB116,791,000, RMB124,031,000 and RMB124,031,000, respectively.

(iv) Written off of right-of-use assets represented the expiry of the relevant leases. Written off of computer equipment and furniture and fixtures represented fully depreciated assets and were retired from use.

(v) For the purpose of impairment testing, the management of the Company with the assistance of independent professional valuer have performed impairment assessments on non-current assets including property, plant and equipment and intangible assets. The management has identified the group as a CGU. The recoverable amount of this CGU is determined based on value-in-use calculation which uses cash flow projections based on financial budgets approved by the management covering a forecast period of a five year budget and extrapolate till the end of the useful live of the drug licenses. Key assumptions used for the value in use calculations are the discount rate. The discount rate was a pre-tax measure based on the risk-free rate in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the Group. A discount rate of 15.84% per annum, 16.35% per annum, 15.72% per annum and 14.71% per annum have been applied for the years ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026, respectively. Based on the result of assessment, as the recoverable amount of the CGU is higher than the net carrying amount, there was no impairment loss on the property, plant and equipment and intangible assets made during the Track Record Period.

The analysis of net book value of right-of-use assets by class of underlying assets is as follows:

The Group

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Leasehold land	46,156	45,201	44,246	43,769
Plant and buildings	66,730	53,515	39,704	33,616
Motor vehicles	84	312	198	142
	112,970	99,028	84,148	77,527

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Depreciation charge of right-of-use assets by class of underlying assets:					
Leasehold land	955	955	955	477	477
Plant and buildings	24,533	24,506	23,636	12,235	11,307
Motor vehicles	111	112	114	57	57
	25,599	25,573	24,705	12,769	11,841
Interest on lease liabilities *(Note 8)*	3,897	3,055	2,383	1,275	918
Expense relating to short-term leases	444	52	167	274	64

The analysis of total cash outflow for leases is as follows:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Within operating cash flows	444	52	167	274	64
Within financing cash flows	26,318	28,001	27,555	13,567	15,128
	26,762	28,053	27,722	13,841	15,192

Details of the maturity analysis of lease liabilities are set out in Note 21.

The Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Plant and buildings	56,357	38,496	23,598	21,395
Motor vehicles	83	311	198	142
	56,440	38,807	23,796	21,537

14. INTANGIBLE ASSETS

The Group

	Patents and intellectual properties *(Note (i))*	Software use rights	Total
	RMB'000	*RMB'000*	*RMB'000*
Cost:			
At 1 January 2023	565,249	17,652	582,901
Additions	–	11,418	11,418
At 31 December 2023 and 1 January 2024	565,249	29,070	594,319
Additions	–	3,321	3,321
Written off *(Note (ii))*	–	(5,880)	(5,880)
At 31 December 2024 and 1 January 2025	565,249	26,511	591,760
Additions	–	2,624	2,624
Written off *(Note (ii))*	–	(9,782)	(9,782)
At 31 December 2025 and 1 January 2026	565,249	19,353	584,602
Additions	–	253	253
Written off *(Note (ii))*	–	(347)	(347)
At 30 June 2026	565,249	19,259	584,508
Accumulated amortisation:			
At 1 January 2023	125,039	8,873	133,912
Charge for the year	30,555	6,332	36,887
At 31 December 2023 and 1 January 2024	155,594	15,205	170,799
Charge for the year	30,555	7,136	37,691
Written off *(Note (ii))*	–	(5,880)	(5,880)
At 31 December 2024 and 1 January 2025	186,149	16,461	202,610
Charge for the year	30,555	6,334	36,889
Written off *(Note (ii))*	–	(9,782)	(9,782)
At 31 December 2025 and 1 January 2026	216,704	13,013	229,717
Charge for the period	15,286	1,557	16,843
Written off *(Note (ii))*	–	(347)	(347)
At 30 June 2026	231,990	14,223	246,213
Net book value:			
At 31 December 2023	409,655	13,865	423,520
At 31 December 2024	379,100	10,050	389,150
At 31 December 2025	348,545	6,340	354,885
At 30 June 2026	333,259	5,036	338,295

The Company

	Patents and intellectual properties *(Note (i))*	Software use rights	Total
	RMB'000	*RMB'000*	*RMB'000*
Cost:			
At 1 January 2023	565,249	15,869	581,118
Additions	–	11,418	11,418
At 31 December 2023 and 1 January 2024	565,249	27,287	592,536
Additions	–	3,077	3,077
Written off *(Note (ii))*	–	(5,474)	(5,474)
At 31 December 2024 and 1 January 2025	565,249	24,890	590,139
Additions	–	2,357	2,357
Written off *(Note (ii))*	–	(9,835)	(9,835)
At 31 December 2025 and 1 January 2026	565,249	17,412	582,661

	Patents and intellectual properties *(Note (i))*	Software use rights	Total
	RMB'000	*RMB'000*	*RMB'000*
Additions	–	128	128
Written off *(Note (ii))*	–	(347)	(347)
At 30 June 2026	565,249	17,193	582,442
Accumulated amortisation:			
At 1 January 2023	125,039	7,375	132,414
Charge for the year *(Note (iii))*	30,555	6,047	36,602
At 31 December 2023 and 1 January 2024	155,594	13,422	169,016
Charge for the year *(Note (iii))*	30,555	7,100	37,655
Written off *(Note (ii))*	–	(5,474)	(5,474)
At 31 December 2024 and 1 January 2025	186,149	15,048	201,197
Charge for the year *(Note (iii))*	30,555	6,208	36,763
Written off *(Note (ii))*	–	(9,760)	(9,760)
At 31 December 2025 and 1 January 2026	216,704	11,496	228,200
Charge for the period *(Note (iii))*	15,286	1,462	16,748
Written off *(Note (ii))*	–	(347)	(347)
At 30 June 2026	231,990	12,611	244,601
Net book value:			
At 31 December 2023	409,655	13,865	423,520
At 31 December 2024	379,100	9,842	388,942
At 31 December 2025	348,545	5,916	354,461
At 30 June 2026	333,259	4,582	337,841

Notes:

(i) As at 31 December 2023, 2024 and 2025 and 30 June 2026, an intellectual property of AZD0095 with carrying amount of RMB87,902,000, RMB82,169,000, RMB76,436,000 and RMB73,570,000, respectively having the remaining amortisation period of 15.3 years, 14.3 years and 13.3 years and 12.8 years, respectively.

As at 31 December 2023, 2024 and 2025 and 30 June 2026, an intellectual property of TrpC6 with carrying amount of RMB120,486,000, RMB111,449,000, RMB102,413,000 and RMB97,886,000, respectively having the remaining amortisation period of 11.7 years, 10.7 years and 9.7 years and 9.2 years, respectively.

As at 31 December 2023, 2024 and 2025 and 30 June 2026, an intellectual property of JACK1 4205 with carrying amount of RMB201,267,000, RMB185,482,000, RMB169,696,000 and RMB161,803,000, respectively having the remaining amortisation period of 12.8 years, 11.8 years and 10.8 years and 10.3 years, respectively.

(ii) Written off represented the expiry of the relevant software use rights.

(iii) The amortisation of intangible assets are included in selling and distribution expenses, research and development expenses and administrative and other operating expenses.

(iv) For the impairment assessment of intangible assets, please refer to note 13 (v) for the details.

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

The Group

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Wealth management products	673,998	589,830	1,644,840	1,556,889

The Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Wealth management products	673,998	529,810	1,479,626	1,424,649

The analysis on the fair value measurement of the above financial assets is disclosed in Note 32(e).

16. INVENTORIES

The Group and the Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials	1,840	3,748	3,520	362
Work in progress	17,273	28,370	24,027	32,526
Finished goods	4,358	11,997	9,402	10,011
	23,471	44,115	36,949	42,899

17. TRADE RECEIVABLES

The Group

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	48,436	27,773	144,890	212,794
Less: loss allowance	(396)	(278)	(1,449)	(2,128)
	48,040	27,495	143,441	210,666

The Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	48,436	27,773	144,890	212,794
Amounts due from subsidiaries *(Note 31)*	–	17,485	5,238	10,669
Less: loss allowance	(396)	(278)	(1,449)	(2,128)
	48,040	44,980	148,679	221,335

Aging analysis

As of the end of the reporting period, the aging analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

The Group

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 3 months	48,040	27,495	143,441	210,666

The Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 3 months	48,040	44,980	148,679	221,335

Trade receivables are due within 60 days from the date of billing. Further details on the Group's credit policy and credit risk arising from trade receivables are set out in Note 32(a).

18. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current				
Prepayments for research and development service	44,123	49,612	32,968	28,380
Prepayments	9,020	11,732	14,324	9,887
Value added tax recoverable	32,739	20,749	–	–
Deferred [**REDACTED**]	–	–	15,423	25,613
Other deposits and receivables	4,769	5,275	3,311	3,827
	90,651	87,368	66,026	67,707
Non-current				
Prepayments for property, plant and equipment	2,569	22,413	–	285
Other deposits and receivables	812	332	627	667
Value added tax recoverable	2,225	14,967	38,094	40,546
	5,606	37,712	38,721	41,498

The Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current				
Prepayments for research and development service	43,667	49,580	31,649	26,717
Prepayments	8,257	10,779	11,794	8,514
Value added tax recoverable	32,739	20,431	–	–
Deferred [**REDACTED**]	–	–	15,423	25,613
Amounts due from subsidiaries *(Note 31)*	2,129	–	–	–
Other deposits and receivables	2,024	2,610	590	1,043
	88,816	83,400	59,456	61,887
Non-current				
Prepayments for property, plant and equipment	2,569	–	–	42
Other deposits and receivables	812	332	374	486
Value added tax recoverable	1,332	1,856	2,011	2,058
	4,713	2,188	2,385	2,586

Except for prepayments for property, plant and equipment, certain other deposits and receivables and value added tax recoverable, all other current balances of the prepayments, deposits and other receivables are expected to be recovered or recognised as expenses within one year.

19. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

The Group

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and cash equivalents	73,927	249,890	291,147	178,864
Restricted cash	275	275	275	275
Cash at bank	74,202	250,165	291,422	179,139

The Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and cash equivalents	72,003	237,623	208,328	134,993
Restricted cash	275	275	275	275
Cash at bank	72,278	237,898	208,603	135,268

Bank balances carried interest at prevailing market rates ranging from 0.05% to 5.45%, 0.05% to 4.66% and 0.05% to 3.7% per annum and 0.05% to 3.5% per annum as at 31 December 2023, 2024 and 2025 and 30 June 2026, respectively.

20. INTEREST-BEARING BORROWINGS

The maturity profile for the interest-bearing borrowings of the Group and the Company at the end of each reporting period is as follows:

The Group

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current				
Unsecured short-term bank borrowings	199,920	360,000	175,110	–
Unsecured current portion of long-term bank borrowings	–	40,603	290,862	357,225
Secured short-term bank borrowings	–	13,500	42,180	48,880
Secured current portion of long-term bank loans	–	–	377	753
Interest payable	297	999	898	891
Within 1 year or on demand	200,217	415,102	509,427	407,749
Non-current				
Unsecured long-term bank borrowings:				
– After 1 year but within 2 years	440	295,470	247,627	[316,660]
– After 2 years but within 5 years	137,873	271,501	316,866	[473,235]
Secured long-term bank borrowings:				
– After 1 year but within 2 years	–	1,000	1,327	[1,892]
– After 2 years but within 5 years	–	86,745	51,538	[60,715]
– More than 5 years	–	29,046	70,789	[60,671]
	138,313	683,762	688,147	[913,173]
	338,530	1,098,864	1,197,574	[1,320,922]

The Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current				
Unsecured short-term bank borrowings	199,920	360,000	175,110	[–]
Unsecured current portion of long-term bank borrowings	–	40,603	290,862	[357,225]
Interest payable	297	859	739	[747]
Within 1 year or on demand	200,217	401,462	466,711	[357,972]
Non-current				
Unsecured long-term bank borrowings:				
– After 1 year but within 2 years	440	295,470	247,627	[316,660]
– After 2 years but within 5 years	137,873	271,501	316,866	[473,235]
	138,313	566,971	564,493	[789,895]
	338,530	968,433	1,031,204	[1,147,867]

Certain of the Group's interest-bearing borrowings are secured by the Group's right-of-use assets and buildings included in property, plant and equipment as at 31 December 2024 and 2025 and 30 June 2026. Please refer to note 13 for the details.

The interest rate of the Group's interest-bearing borrowings were 2.8%-3.6%, 2.2%-3.8%, 2.1%-3.35% and 2.1%-3.35% per annum as at 31 December 2023, 2024 and 2025 and 30 June 2026, respectively.

21. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group and the Company's lease liabilities at the end of each reporting period:

The Group

	At 31 December						At 30 June	
	2023		2024		2025		2026	
	Present value of the future lease payments	Total future lease payments	Present value of the future lease payments	Total future lease payments	Present value of the future lease payments	Total future lease payments	Present value of the future lease payments	Total future lease payments
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	22,946	26,688	23,534	25,207	21,197	22,787	22,750	23,987
After 1 year but within 2 years	20,198	20,352	18,015	20,013	20,285	20,978	9,342	9,646
After 2 years but within 5 years	28,697	28,916	16,976	17,562	1,696	1,711	2,096	2,112
	71,841	75,956	58,525	62,782	43,178	45,476	34,188	35,745
Less: total future interest expenses		(4,115)		(4,257)		(2,298)		(1,557)
Present value of lease liabilities		71,841		58,525		43,178		34,188

The Company

	At 31 December						At 30 June	
	2023		2024		2025		2026	
	Present value of the future lease payments	Total future lease payments	Present value of the future lease payments	Total future lease payments	Present value of the future lease payments	Total future lease payments	Present value of the future lease payments	Total future lease payments
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	15,337	18,763	16,152	17,459	13,873	15,083	15,305	16,282
After 1 year but within 2 years	16,902	17,010	13,370	15,190	13,831	14,381	5,261	5,508
After 2 years but within 5 years	28,696	28,916	13,714	14,260	62	62	1,278	1,293
	60,935	64,689	43,236	46,909	27,766	29,526	21,844	23,083
Less: total future interest expenses		(3,754)		(3,673)		(1,760)		(1,239)
Present value of lease liabilities		60,935		43,236		27,766		21,844

None of the lease include variable lease payment, extension or early termination options.

22. TRADE PAYABLES

As of the end of each reporting period, the aging analysis of trade payables, based on the invoice date, is as follows:

The Group and the Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 3 months	13,481	15,021	11,741	23,316
3 to 12 months	1,120	2,493	8,310	1,338
	14,601	17,514	20,051	24,654

23. OTHER PAYABLES AND ACCRUALS

The Group

	Notes	As at 31 December			As at 30 June
		2023	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Accrued expenses and other payables	*(i)*	27,799	46,293	52,920	31,500
Contract liabilities	*(ii)*	982	2,930	5,505	8,850
Payables for research and development		94,331	121,573	191,789	174,918
Payables for property, plant and equipment		17,512	76,515	51,859	15,793
Payables for staff costs		55,957	69,830	98,549	75,214
Other tax payables		12,384	10,233	17,176	15,303
Amounts due to related companies *(Note 31)*		1,655	1,561	–	1,434
[**REDACTED**] payable		–	–	15,423	4,374
		210,620	328,935	433,221	327,386

The Company

	Notes	As at 31 December			As at 30 June
		2023	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Accrued expenses and other payables	*(i)*	20,268	43,705	46,435	27,585
Contract liabilities	*(ii)*	982	2,930	5,505	8,850
Payables for research and development		93,271	118,505	184,808	167,823
Payables for property, plant and equipment		17,512	14,547	1,336	1,289
Payables for staff costs		40,792	48,849	76,149	59,503
Other tax payables		9,702	7,120	13,803	12,889
[**REDACTED**] payable		–	–	15,423	4,374
Amounts due to related companies *(Note 31)*		1,655	1,561	–	1,434
Amounts due to subsidiaries *(Note 31)*		22,874	32,888	55,334	45,542
		207,056	270,105	398,793	329,289

All of the other payables and accruals are expected to be settled within one year or repayable on demand.

Notes:

(i) Accrued expenses and other payables represent marketing and promotion expenses, electronic equipment maintenance expenses and other expenses. It included accrued expenses in amount of RMB25,498,000, RMB42,013,000, RMB50,879,000 and RMB30,177,000 as at 31 December 2023, 2024 and 2025 and 30 June 2026, respectively.

(ii) Contract liabilities represent customers' advances received for goods that have not yet been transferred to the customers. The amount of revenue recognised for the years ended 31 December 2023, 2024 and 2025 and for the six months ended 30 June 2026 that were included in the contract liabilities as at 31 December 2023, 2024, 2025 and 30 June 2026 were RMB982,000, RMB2,930,000, RMB5,505,000 and RMB8,850,000, respectively. Information related to the aggregated amount of transaction price allocated to the remaining performance obligations has not been disclosed as the Group had applied the practical expedients under IFRS 15.

24. DEFERRED TAXATION

Deferred tax assets and liabilities recognised represents:

(i) Movements of each component of deferred tax assets and liabilities

The deferred tax assets/(liabilities) recognised in the Group's and the Company's statement of financial position and the movements during each of the reporting period are as follows:

The Group

	Lease liabilities	Right-of-use assets	Financial assets at FVPL	Others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	20,617	(20,617)	(934)	934	–
Recognised in profit or loss	(3,913)	3,913	662	(662)	–
At 31 December 2023 and 1 January 2024	16,704	(16,704)	(272)	272	–
Recognised in profit or loss	(8,413)	8,492	146	(225)	–
At 31 December 2024 and 1 January 2025	8,291	(8,212)	(126)	47	–
Recognised in profit or loss	(1,518)	1,387	(321)	452	–
At 31 December 2025 and 1 January 2026	6,773	(6,825)	(447)	499	–
Recognised in profit or loss	(994)	1,079	(11)	(74)	–
At 30 June 2026	5,779	(5,746)	(458)	425	–

The Company

	Lease liabilities	Right-of-use assets	Financial assets at FVPL	Others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	16,250	(16,250)	(934)	934	–
Recognised in profit or loss	(2,140)	2,140	662	(662)	–
At 31 December 2023 and 1 January 2024	14,110	(14,110)	(272)	272	–
Recognised in profit or loss	(8,209)	8,288	151	(230)	–
At 31 December 2024 and 1 January 2025	5,901	(5,822)	(121)	42	–
Recognised in profit or loss	(2,155)	2,252	(272)	175	–
At 31 December 2025 and 1 January 2026	3,746	(3,570)	(393)	217	–
Recognised in profit or loss	(469)	339	(4)	134	–
At 30 June 2026	3,277	(3,231)	(397)	351	–

(ii) Reconciliations to the Group's and the Company's statements of financial position

The Group

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Net deferred tax assets recognised in the consolidated statements of financial position	–	–	–	–
Net deferred tax liabilities recognised in the consolidated statements of financial position	–	–	–	–
	–	–	–	–

The Company

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Net deferred tax assets recognised in the statements of financial position of the Company	–	–	–	–
Net deferred tax liabilities recognised in the statements of financial position of the Company	–	–	–	–
	–	–	–	–
	–	–	–	–
	–	–	–	–

(iii) Deferred tax assets not recognised

In accordance with the accounting policy set out in Note 2.3(i), the Group did not recognise deferred tax assets in respect of cumulative tax losses of RMB5,231,114,000, RMB6,516,636,000, RMB7,140,844,000 and RMB7,582,987,000 as at 31 December 2023, 2024 and 2025 and 30 June 2026, respectively. Those tax losses will expire within 5 to 10 years starting from the year in which they were incurred.

The Group did not recognise deferred tax assets in respect of deductible temporary difference of RMB287,732,000, RMB150,037,000, RMB174,355,000 and RMB188,509,000 as at 31 December 2023, 2024 and 2025 and 30 June 2026, respectively.

25. DEFERRED INCOME

As at 31 December 2023, 2024 and 2025 and 30 June 2026, deferred income of the Group and the Company represented unamortised government grants for encouragement of research and development.

26. EQUITY SETTLED SHARE-BASED TRANSACTIONS

The Company currently has two share option schemes — 2020 Share Option Scheme and 2022 Class II Restricted Share Scheme, both of them include option features and are therefore in effect, share option scheme. The details of those share option schemes are as follows:

2020 Share Option Scheme

On 15 December 2020, a share incentive scheme ("2020 Share Option Scheme") was approved at the Company's annual general meeting of 2020 with 12,600,000 share options to be granted to the eligible director and employees (the "Participants") in total. Each option gives the Participants the right to subscribe for one ordinary share of the Company at an exercise price of RMB1.26. The assessed market price of the Company's shares on the date to approve 2020 Share Option Scheme ("Date of Offer") was RMB20.56. The options vest upon the later of 12 to 36 months after the date of grant and the date of successful listing in Shanghai Stock Exchange.

2020 share options shall be vested in three exercise periods within 3 years after the grant date, and when the performance appraisal target is achieved by the Participants. The vesting schedule for each phase is shown in the following table:

Exercise period	Vesting period	Percentage of exercisable
First exercise period	From the first trading day after 12 months from the grant date to the last trading day within 24 months from the grant date	34%
Second exercise period	From the first trading day after 24 months from the grant date to the last trading day within 36 months from the grant date	33%
Third exercise period	From the first trading day after 36 months from the grant date to the last trading day within 48 months from the grant date	33%

On 15 December 2020, share options at an exercise price of RMB1.26 were granted to the following participants as shown in the following table:

The Participants	Number of 2020 Share Options
Director	3,600,000
Other eligible employees	9,000,000
	12,600,000

2022 Class II Restricted Share Scheme

On 13 December 2022, a share incentive scheme ("2022 Class II Restricted Share Scheme") was approved at the Company's first extraordinary general meeting of 2022 with 14,146,409 Class II Restricted Shares, in which 11,480,931 is the first batch and 2,665,478 is the reserve batch, to be granted to the eligible director and employees (the "Participants"). Under 2022 Class II Restricted Share Scheme, the eligible director is classified as category I participant ("Category I Participant") and other employees is classified as category II participants ("Category II Participants").

The first batch of 2022 Class II Restricted Shares shall be vested in three exercise periods within 5 to 6 years after the grant date, and when the performance appraisal target is achieved by the Participants. The grant price of each 2022 Class II Restricted Share is RMB9.61.

The vesting schedule of Category I Participant for each phase is shown in the following table:

Exercise period	Vesting period	Percentage of exercisable
First exercise period	From the first trading day after 12 months from the grant date to the last trading day within 24 months from the grant date	50%
Second exercise period	From the first trading day after 24 months from the grant date to the last trading day within 36 months from the grant date	25%
Third exercise period	From the first trading day after 36 months from the grant date to the last trading day within 48 months from the grant date	25%

The vesting schedule of Category II Participants for each phase is shown in the following table:

Exercise period	Vesting period	Percentage of exercisable
First exercise period	From the first trading day after 24 months from the grant date to the last trading day within 36 months from the grant date	50%
Second exercise period	From the first trading day after 36 months from the grant date to the last trading day within 48 months from the grant date	25%
Third exercise period	From the first trading day after 48 months from the grant date to the last trading day within 60 months from the grant date	25%

On 15 December 2022, the first batch of 2022 Class II Restricted Shares at an exercise price of RMB9.61 were granted to the following participants as shown in the following table:

The Participants	Number of 2022 Class II Restricted Shares
Director	7,100,000
Other eligible employees	4,380,931
	11,480,931

The vesting schedule of the reserve batch of 2022 Class II Restricted Share Scheme Participants for each phase is shown in the following table:

Exercise period	Vesting period	Percentage of exercisable
First exercise period	From the first trading day after 24 months from the grant date to the last trading day within 36 months from the grant date	50%
Second exercise period	From the first trading day after 36 months from the grant date to the last trading day within 48 months from the grant date	50%

On 11 December 2023, the board of directors approved the reserve batch of 2022 Class II Restricted Share Scheme to 2,665,478, and granted to the "Participants" at an exercise price of RMB9.61.

The Participants	Number of 2022 Class II Restricted Shares
Other eligible employees	2,665,478

(a) The number and weighted average exercise prices of share options are as follows:

	Year ended 31 December						Six months ended 30 June			
	2023		2024		2025		2025		2026	
	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options
	RMB	*'000*	*RMB*	*'000*	*RMB*	*'000*	*RMB* *(Unaudited)*	*'000* *(Unaudited)*	*RMB*	*'000*
Outstanding at the beginning of the year/period	7.09	16,440	7.75	17,712	9.61	8,178	9.61	8,178	9.61	6,180
Exercised during the year/period	1.26	(991)	6.14	(9,497)	9.61	(1,775)	9.61	–	9.61	(3,978)
Forfeited during the year/period	9.26	(402)	9.61	(37)	9.61	(223)	9.61	(214)	9.61	(120)
Granted during the year/period	9.61	2,665	–	–	–	–	–	–	–	–
Outstanding at the end of the year/period	5.21	17,712	9.61	8,178	9.61	6,180	9.61	7,964	9.61	2,082
Exercisable at the end of the year/period	5.21	7,502	9.61	1,775	9.61	3,445	9.61	1,775	–	–

As at 31 December 2023, 2024 and 2025 and 30 June 2026, the average remaining contractual life of the options granted under the share option scheme of the Company was 5.22 years, 4.00 years, 3.00 years and 2.5 years.

During the years ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2025 and 2026, the weighted average share price at the date of the options exercised under the share option scheme of the Company was RMB48.34, RMB47.24, RMB59.77, nil and RMB65.03 respectively.

(b) Fair value of share options granted

The grant-date fair value of the share options granted is measured based on Monte Carlo simulations method for 2020 Share Option Scheme and Black-Scholes-Merton model for 2022 Class II Restricted Shares Scheme.

	2020 Share Option Scheme	2022 Class II Restricted Shares
Fair value at measurement date	RMB5.44-RMB8.79	RMB29-RMB42.48
Market price of Company's share	RMB20.56	RMB38.38 - 51.30
Expected volatility (expressed as weighted average volatility used in the modelling under Black-Scholes-Merton model)	41.39%-45.16%	47.99%-54.48%
Expected dividends	0%	0%
Risk-free interest rate	2.910%-3.025%	2.317%-2.613%
Option life (expressed as weighted average life used in the modeling)	1 year to 6 years	1 year to 5 years

The expected volatility is based on the historic volatility, adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

27. CAPITAL, RESERVES AND DIVIDENDS

(a) Movement in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statements of changes in equity. Details of the changes in the Company's each component of equity between the beginning and the end of each reporting period are set out below:

The Company

	Notes	Share capital	Capital reserve	Accumulated losses	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2023		407,160	2,757,173	(1,393,090)	1,771,243
Loss and total comprehensive income for the year		–	–	(1,098,285)	(1,098,285)
Share issued upon exercise of share options	*27(b)(i)*	991	258	–	1,249
Equity-settled shares-based transaction	*26*	–	196,610	–	196,610
Balance at 31 December 2023 and 1 January 2024		408,151	2,954,041	(2,491,375)	870,817
Loss and total comprehensive income for the year		–	–	(159,858)	(159,858)
Share issued upon exercise of share options	*27(b)(ii)*	9,497	48,769	–	58,266
Equity-settled shares-based transaction	*26*	–	132,819	–	132,819
Balance at 31 December 2024 and 1 January 2025		417,648	3,135,629	(2,651,233)	902,044
Loss and total comprehensive income for the year		–	–	(683,254)	(683,254)
Equity-settled shares-based transaction	*26*	–	73,647	–	73,647
Share issued upon exercise of share options	*27(b)(iii)*	1,775	15,283	–	17,058
Shares placement	*27(b)(iv)*	41,765	1,754,122	–	1,795,887
Issuance costs related to shares placement	*27(b)(iv)*	–	(22,441)	–	(22,441)
Balance at 31 December 2025 and 1 January 2026		461,188	4,956,240	(3,334,487)	2,082,941
Loss and total comprehensive income for the period		–	–	(152,606)	(152,606)
Equity-settled shares-based transaction	*26*	–	8,297	–	8,297
Share issued upon exercise of share options	*27(b)(iv)*	3,978	34,250	–	38,228
Balance at 30 June 2026		465,166	4,998,787	(3,487,093)	1,976,860
Balance at 1 January 2025		417,648	3,135,629	(2,651,233)	902,044
Loss and total comprehensive income for the period		–	–	(350,495)	(350,495)
Equity-settled shares-based transaction	*26*	–	34,317	–	34,317
Shares placement	*27(b)(iv)*	41,765	1,731,681	–	1,773,446
Balance at 30 June 2025 (Unaudited)		459,413	4,901,627	(3,001,728))	2,359,312

(b) Share capital

	Notes	**Number of shares**	
		'000	*RMB'000*
Ordinary shares, registered, issued and fully paid:			
At 1 January 2023		407,160	407,160
Shares issued upon exercise of share option	*(i)*	991	991
At 31 December 2023 and 1 January 2024		408,151	408,151
Shares issued upon exercise of share option	*(ii)*	9,497	9,497
At 31 December 2024 and 1 January 2025		417,648	417,648
Shares issued upon exercise of share option	*(iii)*	1,775	1,775
Shares placement	*(iv)*	41,765	41,765
At 31 December 2025 and 1 January 2026		461,188	461,188
Shares issued upon exercise of share option	*(v)*	3,978	3,978
At 30 June 2026		465,166	465,166

Notes:

(i) During the year ended 31 December 2023, share options were exercised to subscribe for 991,073 ordinary shares of the Company at a consideration of RMB1,249,000. An amount of RMB991,000 was credited to share capital and an excess amount of RMB258,000 was credited to capital reserve.

(ii) During the year ended 31 December 2024, share options were exercised to subscribe for 9,496,716 ordinary shares of the Company at a consideration of RMB58,266,000. An amount of RMB9,497,000 was credited to share capital and an excess amount of RMB48,769,000 was credited to capital reserve.

(iii) During the year ended 31 December 2025, share options were exercised to subscribe for 1,775,000 ordinary shares of the Company at a consideration of RMB17,058,000. An amount of RMB1,775,000 was credited to share capital and an excess amount of RMB15,283,000 was credited to capital reserve.

(iv) During the year ended 31 December 2025, the Company entered into share placement agreements with several independent third parties in relation to placement of 41,764,808 new ordinary shares at RMB43. Total proceeds for this placement were RMB1,795,887,000. The amount of RMB1,754,122,000, representing the excess of the proceeds received over the nominal value of the ordinary shares of RMB41,765,000, was included in capital reserve. Issuance costs related to shares placement as RMB22,441,000, which was dealt with capital reserve.

(v) During the six months ended 30 June 2026, share options were exercised to subscribe for 3,977,948 ordinary shares of the Company at a consideration of RMB38,228,000. An amount of RMB3,978,000 was credited to share capital and an excess amount of RMB34,250,000 was credited to capital reserve.

(c) Nature and purpose of reserves

Capital reserve

Capital reserve primarily comprises the following:

– capital premium of share issued;

– the portion of the grant date fair value of unexercised share options granted to employees of the Company that has been recognised in accordance with the accounting policy adopted for share-based payments in Note 2.3(k)(ii).

(d) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing assets to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors capital on the basis of the net debt-to-equity ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including interest-bearing borrowings and lease liabilities) less cash and cash equivalents. Total equity is calculated as equity as shown in the consolidated statements of financial position.

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Interest-bearing borrowings	338,530	1,098,864	1,197,574	1,320,922
Lease liabilities	71,841	58,525	43,178	34,188
Less: Cash and cash equivalents	(73,927)	(249,890)	(291,147)	(178,864)
Net debt	336,444	907,499	949,605	1,176,246
Total equity	848,627	200,057	1,295,691	1,129,121
Net debt to equity ratio	0.40	4.54	0.73	1.04

28. CAPITAL COMMITMENTS

Save as disclosed elsewhere, capital commitments outstanding at the end of each reporting period not provided for in the Historical Financial Information were as follows:

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Contracted for:				
Acquisition of machinery and equipment	5,476	73,245	892	1,023
Construction of plants and buildings	–	36,304	–	–
	5,476	109,549	892	1,023

29. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the consolidated statements of cash flows as cash flows from financing activities.

	Interest-bearing borrowings	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2023	–	85,272	85,272
Changes from financing cash flows:			
Proceeds from new borrowings raised	338,233	–	338,233
Capital element of lease rentals paid	–	(22,421)	(22,421)
Interest element of lease rentals paid	–	(3,897)	(3,897)
Interest paid	(3,380)	–	(3,380)
Total changes from financing cash flows	334,853	(26,318)	308,535
Other changes:			
Effect on new leases during the year	–	8,990	8,990
Finance costs	3,677	3,897	7,574
Total other changes	3,677	12,887	16,564
At 31 December 2023	338,530	71,841	410,371
At 1 January 2024	338,530	71,841	410,371
Changes from financing cash flows:			
Proceeds from new borrowings raised	963,357	–	963,357
Repayment of borrowings	(203,726)	–	(203,726)
Capital element of lease rentals paid	–	(24,946)	(24,946)
Interest element of lease rentals paid	–	(3,055)	(3,055)
Interest paid	(20,553)	–	(20,553)
Total changes from financing cash flows	739,078	(28,001)	711,077
Other changes:			
Finance costs	19,700	3,055	22,755
Effect on new leases during the year	–	14,170	14,170
Effect on lease modification during the year	–	(2,540)	(2,540)

	Interest-bearing borrowings	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
Other changes arising from interest capitalisation	1,556	–	1,556
Total other changes	21,256	14,685	35,941
At 31 December 2024	1,098,864	58,525	1,157,389
At 1 January 2025	1,098,864	58,525	1,157,389
Changes from financing cash flows:			
Proceeds from new borrowings raised	810,718	–	810,718
Repayment of borrowings	(711,907)	–	(711,907)
Capital element of lease rentals paid	–	(25,172)	(25,172)
Interest element of lease rentals paid	–	(2,383)	(2,383)
Interest paid	(32,892)	–	(32,892)
Total changes from financing cash flows	65,919	(27,555)	38,364
Other changes:			
Effect on new leases during the year	–	9,825	9,825
Finance costs	28,833	2,383	31,216
Other changes arising from interest capitalisation	3,958	–	3,958
Total other changes	32,791	12,208	44,999
At 31 December 2025	1,197,574	43,178	1,240,752
At 1 January 2026	1,197,574	43,178	1,240,752
Changes from financing cash flows:			
Proceeds from new borrowings raised	434,280	–	434,280
Repayment of borrowings	(310,924)	–	(310,924)
Capital element of lease rentals paid	–	(14,210)	(14,210)
Interest element of lease rentals paid	–	(918)	(918)
Interest paid	(16,273)	–	(16,273)
Total changes from financing cash flows	107,083	(15,128)	91,955
Other changes:			
Effect on new leases during the period	–	5,220	5,220
Finance costs	15,574	918	16,492
Other changes	691	–	691
Total other changes	16,265	6,138	22,403
At 30 June 2026	1,320,922	34,188	1,355,110
At 1 January 2025	1,098,864	58,525	1,157,389
Changes from financing cash flows:			
Proceeds from new borrowings raised	(524,178)	–	(524,178)
Repayment of borrowings	557,218	–	557,218
Capital element of lease rentals paid	–	(12,292)	(12,292)
Interest element of lease rentals paid	–	(1,275)	(1,275)
Interest paid	(18,961)	–	(18,961)
Total changes from financing cash flows	14,079	(13,567)	512
Other changes:			
Finance costs	15,877	1,275	17,152
Other changes arising from interest capitalisation	2,899	–	2,899
Total other changes	18,776	1,275	20,051
At 30 June 2025 (Unaudited)	1,131,719	46,233	1,177,952

30. MATERIAL NON-CONTROLLING INTERESTS ("NCI")

The following table lists out the information relating to Gewu Bio Co., Ltd., which has NCI. The summarised financial information presented below represents the amounts before any inter-company elimination.

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NCI percentage	–	12.5%	12.5%	12.5%
Current assets	–	64,158	18,093	8,810
Non-current assets	–	2,911	5,080	6,448
Current liabilities	–	(16,660)	(8,480)	(22,352)
Non-current liabilities	–	–	(28)	(18)
Net assets/(liabilities)	–	50,409	14,665	(7,112)
Carrying amount of NCI	–	6,301	1,833	(889)

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Revenue	–	–	–	–	–
Loss for the year/period	–	(749,591)	(35,744)	(13,458)	(21,777)
Total comprehensive income	–	(749,591)	(35,744)	(13,458)	(21,777)
Total comprehensive income allocated to NCI	–	(93,699)	(4,468)	(1,682)	(2,722)
Cash flows used in operating activities	–	(736,731)	(47,800)	(32,858)	(9,679)
Cash flows (used in)/generated from investing activities	–	(59,138)	45,567	(20,227)	15,077
Cash flows generated from/(used in) financing activities	–	800,000	(15)	–	(10)

31 MATERIAL RELATED PARTY TRANSACTIONS

a. Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors and certain of the highest paid employees as disclosed in Note 10, is as follows:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Short-term employee benefits	36,410	35,216	39,280	19,511	19,307
Retirement scheme contributions	588	610	618	306	274
Equity-settled share-based payment expenses	182,932	100,341	53,963	26,583	7,328
	219,930	136,167	93,861	46,400	26,909

Total remuneration is included in "staff costs" (see Note 7).

b. Names and relationships of the related party that had other material transactions with the Group during the Track Record Period:

Name of related party	Relationship
AstraZeneca Investment (China) Limited ("AstraZeneca China")	Controlled by AstraZeneca PLC, being the actual beneficial owner of the substantial shareholder, AstraZeneca AB, of the Company

c. Other significant related party transactions

During each of the reporting period, the Group had the following transactions with a related party:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Property management services					
AstraZeneca China	10,453	9,479	8,922	4,137	4,153
Rental paid for leased properties					
AstraZeneca China	14,869	14,869	14,869	7,435	11,152

d. Significant related party balances

At 31 December 2023, 2024 and 2025 and 30 June 2026, balances with related parties of the Group and the Company were as follows:

The Group

As at 31 December 2023, 2024 and 2025 and 30 June 2026, balances with AstraZeneca China included in other payables, a related company were RMB1,655,000, RMB1,561,000, nil and RMB1,434,000 and included in lease liabilities were RMB51,830,000, RMB38,937,000, RMB26,585,000 and RMB16,639,000 and included in prepayments were nil, nil, nil and RMB625,000. Balance with AstraZeneca China included in other payables would be settled quarterly according to the term pursuant to the agreement as entered into between the Group and AstraZeneca China.

The above related party balances are of non-trade nature.

The Company

As at 31 December 2023, amounts due from subsidiaries included in prepayments, deposits and other receivables of RMB2,129,000 were the balance with Dizal (Beijing) Pharmaceutical Co., Ltd..

The above related party balance is of non-trade nature.

As at 31 December 2024 and 2025 and 30 June 2026, amounts due from subsidiaries included in trade receivables of RMB17,485,000, RMB5,238,000 and RMB10,669,000 respectively, in which balances with Dizal (Beijing) Pharmaceutical Co., Ltd. were RMB1,132,000, RMB1,078,000 and nil as at 31 December 2024 and 2025 and 30 June 2026; balances with Dizal (Shanghai) Pharmaceutical Co., Ltd. was RMB1,784,000, RMB1,897,000 and nil as at 31 December 2024 and 2025 and 30 June 2026; and balances with Gewu Bio Co., Ltd. were RMB14,569,000 and RMB2,263,000 and RMB10,669,000 as at 31 December 2024 and 2025 and 30 June 2026.

The above related party balances are of trade nature

As at 31 December 2023, 2024 and 2025 and 30 June 2026, amounts due to subsidiaries included in other payables of RMB22,874,000, RMB32,888,000, RMB55,334,000 and RMB45,542,000, respectively, in which balances with Dizal (Beijing) Pharmaceutical Co., Ltd. were RMB13,870,000, RMB8,560,000, RMB11,478,000 and RMB8,303,000; and balances with Dizal (Shanghai) Pharmaceutical Co., Ltd. were RMB9,004,000; RMB24,328,000, RMB43,856,000 and RMB37,239,000, respectively.

The above related party balances are of non-trade nature.

As at 31 December 2023, 2024 and 2025 and 30 June 2026, amount due to AstraZeneca China included in other payables, a related company were RMB1,655,000, RMB1,561,000, nil and RMB1,434,000, respectively, and included in lease liabilities were RMB51,084,000, RMB38,937,000, RMB26,585,000 and RMB16,639,000, respectively. Balance with AstraZeneca China included in other payables would be settled quarterly according to the term pursuant to the agreement as entered into between the Group and AstraZeneca China.

The above related party balances are of non-trade nature.

32. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit risk, liquidity risk, interest rate risk and currency risks arise in the normal course of the Group's business. The Group's exposure to these risks and financial risk management policies and practices used by the Group to manage these risks are described below:

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables, deposits and other receivables. The Group's exposure to credit risk arising from cash and cash equivalents and restricted cash is limited because the counterparties are reputable financial institutions with high credit standing, for which the Group considers having low credit risk. The management of the Group makes periodic assessments on the recoverability of trade receivables, deposits and other receivables based on historical settlement records, past experience, and also available reasonable and supportable forward-looking information under ECL model of IFRS 9.

The Group does not provide any guarantees which would expose the Group to credit risk.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers.

As at 31 December 2023, 2024, 2025 and 30 June 2026, 39.65%, 38.13%, 46.64% and 44.06%, respectively, of trade receivables were due from the Group's largest customer and 92.28%, 87.77%, 82.68% and 85.77%, respectively, of trade receivables were due from the Group's five largest customers.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Evaluation is performed on an ongoing basis and the credit terms could be adjusted when necessary. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables at the end of each reporting period:

	As at 31 December 2023		
	Expected loss rate	Gross carrying amount	Loss allowance
	%	*RMB'000*	*RMB'000*
Current (not past due)	1%	48,436	396

	As at 31 December 2024		
	Expected loss rate	Gross carrying amount	Loss allowance
	%	*RMB'000*	*RMB'000*
Current (not past due)	1%	27,773	278

	As at 31 December 2025		
	Expected loss rate	Gross carrying amount	Loss allowance
	%	*RMB'000*	*RMB'000*
Current (not past due)	1%	144,890	1,449

	As at 30 June 2026		
	Expected loss rate	Gross carrying amount	Loss allowance
	%	*RMB'000*	*RMB'000*
Current (not past due)	1%	212,794	2,128

Expected loss rates are based on actual loss experience over the past years. These rates are adjusted to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movement in the loss allowance in respect of trade receivables during each of the reporting period is as follows:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
At the beginning of the year/period	–	396	278	278	1,449
Impairment loss recognised/(reversal of impairment loss) *(Note 6)*	396	(118)	1,171	552	679
At the end of the year/period	396	278	1,449	830	2,128

Deposits and other receivables

For deposits and other receivables, impairment loss is recognised based on 12-month ECL since the Group assesses that there has not been a significant increase in credit risk since initial recognition. In determining the ECL, the directors of the Company have taken into account the historical default experience, the financial position of the counterparties, as well as the future prospects of the industries in which the issuers operate and considering various external sources of actual and forecast economic information, as appropriate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss given default. No impairment had been provided under 12-month expected credit loss assessment.

The credit risk on cash and bank balances is limited because the majority of the counterparties are banks with good reputation. No impairment had been provided under 12-month expected credit loss assessment.

(b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of each reporting periods of the Group's financial liabilities (excluding non-financial liabilities of contract liabilities, payables for staff costs and other tax payables), which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the reporting date) and the earliest date the Group can be required to pay:

	As at 31 December 2023					
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount at 31 December 2023
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Interest-bearing borrowings	207,014	3,873	141,788	–	352,675	338,530
Lease liabilities	26,688	20,352	28,916	–	75,956	71,841
Trade payables	14,601	–	–	–	14,601	14,601
Accrued expenses and other payables	141,297	–	–	–	141,297	141,297
	389,600	24,225	170,704	–	584,529	566,269

	As at 31 December 2024					
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount at 31 December 2024
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Interest-bearing borrowings	451,994	304,234	374,287	29,484	1,159,999	1,098,864
Lease liabilities	25,207	20,013	17,562	–	62,782	58,525
Trade payables	17,514	–	–	–	17,514	17,514
Accrued expenses and other payables	245,942	–	–	–	245,942	245,942
	740,657	324,247	391,849	29,484	1,486,237	1,420,845

	As at 31 December 2025					
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount at 31 December 2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Interest-bearing borrowings	533,167	263,910	385,752	75,225	1,258,054	1,197,574
Lease liabilities	22,787	20,978	1,711	–	45,476	43,178
Trade payables	20,051	–	–	–	20,051	20,051
Accrued expenses and other payables	311,991	–	–	–	311,991	311,991
	887,996	284,888	387,463	75,225	1,635,572	1,572,794

	As at 30 June 2026					
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount at 30 June 2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Interest-bearing borrowings	436,058	337,383	550,660	63,978	1,388,079	1,320,922
Lease liabilities	23,987	9,646	2,112	–	35,745	34,188
Trade payables	24,654	–	–	–	24,654	24,654
Accrued expenses and other payables	228,019	–	–	–	228,019	228,019
	712,718	347,029	552,772	63,978	1,676,497	1,607,783

(c) Interest rate risk

The Group is exposed to cash flow interest rate risk due to fluctuations in the prevailing market interest rate on interest-bearing borrowings and cash and cash equivalents. During the Track Record Period, the Group's cash flow interest rate risk mainly concentrates on the fluctuation of Central bank benchmark interest rate arising from the Group's interest bearing borrowings and cash and cash equivalents.

Sensitivity Analysis

At 31 December 2023, 2024 and 2025 and 30 June 2026, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would increase/decrease the Group's loss after income tax and accumulated loss by approximately RMB644,000, RMB4,560,000, RMB4,798,000 and RMB10,323,000. The assumed changes have no impact on the Group's other components of equity.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of reporting period. The assumed changes in interest rates are considered to be reasonably possible changes on observation of current market conditions and represent management's assessment of a reasonably possible change in interest rates over the next twelve-month period.

The calculation is based on a change in average market interest rates for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant. The sensitivity analysis has been prepared on the same basis throughout the Track Record Period.

(d) Currency risk

The Group is exposed to currency risk primarily through purchase which give rise to payables and cash balances that is denominated in a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily USD.

i. Exposure to currency risk

The following table details the Group's exposure as at 31 December 2023, 2024 and 2025 and 30 June 2026, to currency risk arising from the recognised assets and liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purpose, the amounts of exposure are shown in RMB translated using the spot rate of the end of each reporting period. Differences resulting from the translation of the financial statements of the Group's subsidiaries with functional currency other than RMB into the Group's presentation currency are excluded.

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
USD				
Cash and cash equivalents	35,825	23,362	11,896	5,050
Other payables and accruals	(41,442)	(31,448)	(55,143)	(41,339)
Net exposure	(5,617)	(8,086)	(43,247)	(36,289)

ii. Sensitivity analysis

The following table indicates the instantaneous change in the Group's loss after tax (and accumulated losses) that would arise if foreign exchange rates to which the Group has significant exposure at the end of each reporting period changed at that date, assuming all other risk variables remained constant.

	As at 31 December						As at 30 June	
	2023		2024		2025		2026	
	Increase/ (decrease) in foreign exchange rates	Effect on loss after tax and accumulated losses	Increase/ (decrease) in foreign exchange rates	Effect on loss after tax and accumulated losses	Increase/ (decrease) in foreign exchange rates	Effect on loss after tax and accumulated losses	Increase/ (decrease) in foreign exchange rates	Effect on loss after tax and accumulated losses
	%	*RMB'000*	%	*RMB'000*	%	*RMB'000*	%	*RMB'000*
USD	10%	(421)	10%	(687)	10%	(3,676)	10%	(3,085)
USD	(10%)	421	(10%)	687	(10%)	3,676	(10%)	3,085

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group subsidiaries' profit after tax and equity measured in the respective functional currencies, translated into RMB at the exchange rate ruling at the end of each reporting period for presentation purpose.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk as at 31 December 2023, 2024 and 2025 and 30 June 2026. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for the respective previous year/period.

(e) Fair value measurement

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of each reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair Value Measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

– Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;

– Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available;

– Level 3 valuations: Fair value measured using significant unobservable inputs.

Analysis on recurring fair value measurement of financial instruments as at 31 December 2023, 2024 and 2025 and 30 June 2026 are as follows:

	Fair value measurement at 31 December 2023 categorised into			
	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets:				
Financial assets at FVPL	–	673,998	–	673,998

	Fair value measurement at 31 December 2024 categorised into			
	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets:				
Financial assets at FVPL	–	589,830	–	589,830

	Fair value measurement at 31 December 2025 categorised into			
	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets:				
Financial assets at FVPL	–	1,644,840	–	1,644,840

	Fair value measurement at 30 June 2026 categorised into			
	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets:				
Financial assets at FVPL	–	1,556,889	–	1,556,889

The fair value of financial assets at FVPL are determined by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

There were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 during the years ended 31 December 2023, 2024 and 2025 and six months ended 30 June 2026. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

33. CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets and liabilities at the end of each reporting periods.

34. IMMEDIATE AND ULTIMATE CONTROLLING PARTY

During the Track Record Period and the six months ended 30 June 2025, the directors consider the Group does not have immediate parent and ultimate controlling party.

35. EVENT AFTER THE REPORTING PERIOD

Subsequent to 30 June 2026, the Group entered the license agreement with AstraZeneca UK Limited ("AstraZeneca UK"), a subsidiary of AstraZeneca PLC, in which the Group granted the exclusive license to AstraZeneca UK to manufacture, sales and distribute of the medicine — ZEGFROVY for one-off non-refundable fee of US$600 million, up to US$400 million's development milestone income and US$500 million's sales milestone income.

36. SUBSEQUENT FINANCIAL STATEMENT

No audited financial statements have been prepared by the Company and its subsidiaries in respect of any period subsequent to 30 June 2026.

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

[**REDACTED**]

TAXATION AND FOREIGN EXCHANGE

1. Taxation of Security Holders

The taxation of income and capital gains of holders of H Shares is subject to the laws and practices of the PRC and of jurisdictions in which holders of H Shares are resident or otherwise subject to tax. The following summary of certain relevant taxation provisions is based on current laws and practices in effect, and constitutes no predictions of changes or adjustments to relevant laws or policies or any advice or suggestions thereunder. The discussion does not deal with all possible tax consequences relating to an investment in the H Shares or take into account the specific circumstances of any particular investor, some of which may be subject to special rules. Accordingly, investors should consult their own tax adviser regarding the taxation of an investment in the H Shares. The discussion is based upon current laws and relevant interpretations in effect as at the execution date of this document, all of which are subject to change or adjustment and may have retrospective effect.

The discussion below does not involve any issue concerning the PRC or Hong Kong taxation other than income tax, capital gains tax, stamp duty and estate duty. Prospective investors are urged to consult their financial advisers regarding the PRC, Hong Kong and other tax consequences of owning and disposing of H Shares.

1) Taxation on Dividends

A. Individual Investors

Pursuant to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法》) last amended on August 31, 2018 and implemented on January 1, 2019 as well as the Regulations on Implementation of the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法實施條例》) last amended on December 18, 2018 and implemented on January 1, 2019, dividends distributed by PRC enterprises are subject to an individual income tax levied at a flat rate of 20%. For a foreign individual who is not a resident of the PRC, the receipt of dividends from an enterprise in the PRC is normally subject to an individual income tax of 20% unless specifically exempted by the tax authority of the State Council or reduced by an applicable tax treaty. In accordance with the Circular on Certain Issues Concerning the Policies of Individual Income Tax (Cai Shui Zi [1994] No. 020) (《關於個人所得税若干政策問題的通知》(財税字[1994]020號)) promulgated by the Ministry of Finance ("MOF") and the State Administration of Taxation (the "SAT") on May 13, 1994 and effective from the same day, overseas individuals are, as an interim measure, exempted from the individual income tax for dividends or bonuses received from foreign-invested enterprises. According to the Notice of the State Council on Approving and Relaying the Several Opinions of the National Development and Reform Commission and Other Departments on Deepening Reform of the Income Distribution System (《國務院批轉發展改革委等部門關於深化收入分配制度改革若干意見的通知》) issued by the State Council on February 5, 2013, overseas individuals are no longer exempted from the individual income tax for dividends or bonuses received from foreign-invested enterprises, which is, however, not specified in the subsequent Individual Income Tax Law of the PRC and relevant tax regulations.

On June 28, 2011, the SAT issued the Notice on Matters Concerning the Levy and Administration of Individual Income Tax After the Repeal of Document Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) (《關於國税發[1993]045號文件廢止後有關個人所得税徵管問題的通知》(國税函[2011]348號)), pursuant to which, dividends received by overseas resident individual shareholders from domestic non-foreign invested enterprises which have issued shares in Hong Kong are subject to individual income tax, which shall be withheld and paid by a withholding agent according to the items of interest, dividend and bonus income. Overseas resident individual shareholders of domestic non-foreign invested enterprises which have issued shares in Hong Kong are entitled to relevant preferential tax treatment pursuant to the provisions in the tax treaties between the countries in which they are

residents and China, and the tax arrangements between Mainland China and Hong Kong (Macau). Individual shareholders are generally subject to a withholding tax rate of 10% without any application when domestic non-foreign invested enterprises which have issued shares in Hong Kong distribute dividends. Where the tax rates on dividends are not 10%, the following requirements shall apply: (1) for individuals receiving dividends who are citizens from countries that have entered into tax treaties with China with tax rates lower than 10%, they may, according to the Notice of SAT on Issuing the Administrative Measures on Preferential Treatment Entitled by Non-residents under Tax Treaties (Guo Shui Fa [2009] No. 124) (《國家税務總局關於印發<非居民享受税收協定待遇管理辦法(試行)>的通知》(國税發[2009]124號)), apply for refund; (2) for individuals receiving dividends who are citizens from countries that have entered into tax treaties with China with tax rates higher than 10% but lower than 20%, the withholding agent will, upon distribution of dividends, withhold and pay the individual income tax at the agreed effective tax rates under the treaties, without seeking such approval; (3) for individuals receiving dividends who are citizens from countries without tax treaties with China or under other circumstances, the withholding agent will, upon distribution of dividends, withhold and pay the individual income tax at the rate of 20%.

According to the Notice on Issues Concerning Differentiated Individual Income Tax Policies on Dividends and Bonus of Listed Companies (《關於上市公司股息紅利差別化個人所得税政策有關問題的通知》) issued by the MOF, SAT and the CSRC on 7 September 2015 and effective on 8 September 2015, where an individual holds the shares of a listed company obtained from the public offering for more than one year and transfers the stock of the listed company on the stock market, the dividend and bonus income shall be temporarily exempted from individual income tax. Where an individual acquires shares of a listed company from the public offering and transfers the stock of the listed company on the stock market, if the holding period is within one month (inclusive), the dividend and bonus income shall be included in the taxable income in full; if the holding period is more than one month but less than one year (inclusive), the dividend and bonus income shall be included in the taxable income at the rate of 50%; the aforesaid income shall be subject to individual income tax at a uniform rate of 20%.

In accordance with the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》) signed on August 21, 2006, the PRC Government may levy taxes on the dividends paid by a PRC company to Hong Kong residents (including natural persons and legal entities) in an amount not exceeding 10% of total dividends payable by the PRC company. If a Hong Kong resident directly holds 25% or more of the equity interest in a PRC company, then such tax shall not exceed 5% of the dividends payable by the PRC company. The Fifth Protocol to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《<內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排>第五議定書》), or the Fifth Protocol, issued by the State Administration of Taxation and effective as of 6 December 2019, provides that such preferential provisions shall not apply to any arrangement or transaction where one of its principal purposes is to obtain the tax benefits thereunder.

B. Enterprise Investors

Pursuant to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》), or the EIT Law, amended by the SCNPC and effective on December 29, 2018, and the Implementation Rules of the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法實施條例》), or the Implementation Rules of the EIT Law, amended by the State Council and effective on April 23, 2019, a non-resident enterprise is subject to a 10% enterprise income tax on PRC-sourced income, including dividends paid by a PRC resident enterprise that issues and lists shares in Hong Kong, if such non-resident enterprise does not have an establishment or place of business in the PRC or has an establishment or place of

business in the PRC but the PRC-sourced income is not actually connected with such establishment or place of business in the PRC. The aforesaid income tax payable by non-resident enterprises shall be withheld at source, and the payer shall be the withholding agent; the tax shall be withheld by the withholding agent from the payment or the amount due each time such payment is made or becomes due. Such tax may be reduced or exempted pursuant to an applicable treaty for the avoidance of double taxation.

The SAT Circular on Issues Relating to the Withholding of Enterprise Income Tax by PRC Resident Enterprises on Dividends Paid to Overseas Non-PRC Resident Enterprise Shareholders of H Shares (Guo Shui Han [2008] No. 897) (《國家税務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得税有關問題的通知》(國税函[2008]897號)) issued by the SAT on November 6, 2008, which became effective on the same day, further clarified that a PRC-resident enterprise must withhold corporate income tax at a flat rate of 10% on dividends paid to non-PRC resident enterprise shareholders of H Shares with respect to the dividends of 2008 and onwards. In addition, the SAT Response to Questions on Levying Enterprise Income Tax on Dividends Derived by Non-resident Enterprises from Holding Stocks such as B Shares (Guo Shui Han [2009] No. 394) (《國家税務總局關於非居民企業取得B股等股票股息徵收企業所得税問題的批覆》(國税函[2009]394號)) issued by the SAT on July 24, 2009, which became effective on the same day, further provides that PRC-resident enterprises listed on Chinese and overseas stock exchanges by issuing stocks (A shares, B shares and overseas shares) must withhold enterprise income tax at a flat rate of 10% on dividends of 2008 and onwards that it distributes to non-resident enterprise shareholders. Such tax rates may be further modified pursuant to the tax treaties or agreements that China has concluded with a relevant jurisdiction, where applicable.

Pursuant to the Arrangement between the Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》) signed on August 21, 2006, the PRC Government may levy taxes on the dividends paid by a PRC company to Hong Kong residents (including natural persons and legal entities) in an amount not exceeding 10% of total dividends payable by the PRC company. If a Hong Kong resident directly holds 25% or more of the equity interest in a PRC company, then such tax shall not exceed 5% of the dividends payable by the PRC company.

C. Tax Treaties

Investors who are not PRC residents and reside in jurisdictions which have entered into avoidance of double taxation treaties or arrangements with the PRC are entitled to a reduction of the PRC enterprise income taxes imposed on the dividends received from PRC companies. At present, the PRC has entered into agreements/arrangements for the avoidance of double taxation with a number of countries or regions including HKSAR, Macau S.A.R, Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States. Non-PRC resident enterprises entitled to preferential tax rates in accordance with the relevant income tax treaties or arrangements may apply to the PRC tax authorities for a refund of enterprise income tax in excess of the agreed tax rate, and the refund application is subject to approval by the PRC tax authorities.

2) Taxation on Equity Transfer

i. Income Tax

A. Individual Investors

According to the Individual Income Tax Law of the PRC, gains realized on the transfer of personal assets are subject to the income tax at a rate of 20%. Pursuant to the Circular on the Continued Exemption of Individual Income Tax over Individual Income from Share Transfer (Cai Shui Zi [1998] No. 61) (《關於個人轉讓股票所得繼續暫免徵

收個人所得税的通知》(財税字[1998]61號)) jointly issued by the MOF and the SAT on March 30, 1998, which became effective on the same day, from January 1, 1997. The Individual Income Tax Law (last amended and effective on January 1, 2019) and its implementing regulations do not explicitly state whether this exemption for gains from the transfer of listed company shares will be continued.

However, on December 31, 2009, the MOF, the SAT and the CSRC jointly issued the Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of Listed Shares Subject to Sales Limitation (Cai Shui [2009] No. 167) (《關於個人轉讓上市公司限售股所得徵收個人所得税有關問題的通知》(財税[2009]167號)), which became effective on January 1, 2010 and provides that individuals' income from transferring listed shares publicly issued and transferred on the Shanghai Stock Exchange and the Shenzhen Stock Exchange shall continue to be exempted from individual income tax, except for shares subject to sales limitations as defined in the Supplementary Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of Listed Shares Subject to Sales Limitation (Cai Shui [2010] No. 70) (《關於個人轉讓上市公司限售股所得徵收個人所得税有關問題的補充通知》(財税[2010]70號)) jointly issued by such departments on November 10, 2010 and coming into effect on the same day.

As of the execution date of this document, no provision has expressly provided that individual income tax shall be collected from non-PRC resident individual shareholders on their gains from the transfer of shares of PRC resident enterprises listed on overseas stock exchanges (such as the Hong Kong Stock Exchange).

B. Enterprise Investors

In accordance with the EIT Law, and the Implementation Rules of the EIT Law, a non-resident enterprise is generally subject to a 10% enterprise income tax on income sourced from China, if it does not have an establishment or place in China, or has an establishment or place in China but the income is not effectively connected with such establishment or place (as stipulated in Paragraph 3, Article 3 of the EIT Law). Such income tax for non-resident enterprises is withheld at source, where the payer is required to withhold the income tax from the amount payable to the non-resident enterprise upon payment or when it becomes due. The applicable tax rate may be reduced pursuant to any tax treaties or arrangements for the avoidance of double taxation that China has entered into with the jurisdiction where the non-resident enterprise is a resident.

ii. Stamp Duty

Under the Stamp Tax Law of the People's Republic of China (《中華人民共和國印花税法》) issued by the SCNPC on June 10, 2021 and implemented on July 1, 2022, the PRC stamp tax is applicable to the entities and individuals that conclude taxable vouchers or conduct securities trading within the territory of the People's Republic of China, and the entities and individuals outside the territory of the People's Republic of China that conclude taxable vouchers that are used inside China. Therefore, PRC stamp duty on share transfer by PRC listed companies does not apply to acquisitions or dispositions of H shares outside the PRC by non-PRC investors.

3) Estate Duty

As of the signing date of this document, no estate duty has been levied in China under the PRC laws.

4) Taxation Policies of Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect

On October 31, 2014 and November 5, 2016, the MOF, the SAT and the CSRC jointly issued the Notice on Taxation Policies Concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) and the Notice on Tax Policies Concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), pursuant to which, the income from transfer differences and dividend and bonus income derived by PRC enterprise investors from investing in stocks listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect shall be included in their total income and subject to enterprise income tax in accordance with the law. In particular, the dividend and bonus income derived by PRC resident enterprises which hold H shares for at least 12 consecutive months shall be exempted from enterprise income tax according to law. H-share companies do not withhold tax on dividends and bonus income of PRC enterprise investors, and the tax payable shall be declared and paid by enterprises.

For dividends and bonuses received by PRC individual investors investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, H-share companies shall submit an application to China Securities Depository and Clearing Corporation Limited, which shall provide H-share companies with a register of PRC individual investors. H-share companies shall withhold individual income tax at a rate of 20%. Individual investors who have paid withholding tax outside the PRC may apply for tax credits at the competent tax authorities of the CSDC with valid tax deduction certificates. Individual income tax is levied on dividend and bonus income derived by PRC security investment funds from investing in stocks listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect in accordance with the above provisions.

Pursuant to the Announcement on Extending the Implementation of the Individual Income Tax Policies Concerning the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and the Mainland-Hong Kong Mutual Recognition of Funds (《關於延續實施滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得稅政策的公告》), promulgated and implemented on 21 August 2023, the transfer spread income derived by mainland individual investors from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect shall be exempted from individual income tax through 31 December 2027.

2. Principal Taxation of Our Company in the PRC

For details, please refer to the Regulatory Overview in this document.

II. FOREIGN EXCHANGE

RMB is the legal currency of the PRC and is currently subject to foreign exchange controls and cannot be freely inverted into foreign currency. The State Administration of Foreign Exchange ("SAFE") under the People's Bank of China is responsible for all matters relating to foreign exchange, including the enforcement of exchange control regulations.

Pursuant to the Regulations of the People's Republic of China on Foreign Exchange Control (《中華人民共和國外匯管理條例》), amended by the State Council and effective on 5 August 2008, all international payments and transfers are classified into current account items and capital account items. The PRC does not impose restrictions on international payments and transfers under current account items. Foreign exchange income from the current account of PRC enterprises may be retained or sold to financial institutions engaged in the settlement and sale of foreign exchange

in accordance with relevant provisions of the State. The retention or sale of foreign exchange receipts under capital accounts to financial institutions engaged in settlement and sale of foreign exchange shall be subject to the approval of foreign exchange administrative authorities, unless otherwise stipulated by the State.

Under the Administrative Regulations on Foreign Exchange Settlement, Sale and Payment (《結匯、售匯及付匯管理規定》) issued by the People's Bank of China on June 20, 1996 and implemented from July 1, 1996, the existing restrictions on foreign exchange transactions under capital items are retained, while the remaining restrictions on foreign exchange conversion for current items are abolished.

According to the Announcement on Reforming the RMB Exchange Rate Regime (《關於完善人民幣匯率形成機制改革的公告》) issued by the People's Bank of China on July 21, 2005 and effective from the same date, from July 21, 2005 onwards, China has implemented a floating exchange rate system with management and regulation based on market supply and demand and with reference to a basket of currencies. As a result, RMB exchange rates are no longer pegged to USD. The People's Bank of China publishes the closing prices of the exchange rates of RMB against USD and other currencies in the interbank foreign exchange market after the market closes on each working day, which serves as the mid-price for the currency's transactions against RMB on the following working day.

On August 5, 2008, the State Council promulgated the amended Regulations of the People's Republic of China on Foreign Exchange Administration, with significant changes to China's foreign exchange regulatory system. Firstly, balanced treatment has been adopted for foreign exchange inflows and outflows. Foreign exchange earnings from overseas may be transferred back to the PRC or deposited abroad, and foreign exchange and settlement funds under capital items may only be used for the purposes approved by competent authorities and foreign exchange control authorities. Secondly, it has improved the RMB exchange rate formation mechanism based on market supply and demand. Thirdly, when there is or appears to be a serious imbalance in international balance of payments or when there is or appears to be a serious crisis in the national economy, the state can take necessary safeguard and control measures on international balance of payments. Fourthly, it has strengthened the supervision and management of foreign exchange transactions and granted extensive powers to the SAFE to enhance its supervision and management capabilities.

According to relevant PRC laws and regulations, Chinese enterprises (including foreign-invested enterprises) requiring foreign exchange for current account transactions may, without the approval of foreign exchange authorities, make payments through foreign exchange accounts opened at designated foreign exchange banks, provided that valid receipts or vouchers for the transactions are produced. Foreign-invested enterprises that need to distribute profits in foreign currency to their shareholders and Chinese enterprises that need to pay dividends in foreign currency to their shareholders may make payments from foreign exchange accounts at designated foreign exchange banks or exchange and pay at such banks in accordance with the decision of the board of directors or the shareholders' general meeting on the distribution of profits.

Pursuant to the Decision of the State Council on Cancelling and Adjusting a Range of Administrative Approval Items and Other Matters (Guo Fa [2014] No. 50) (《國務院關於取消和調整一批行政審批專案等事項的決定》(國發[2014]50號)) issued by the State Council on October 23, 2014 and effective from the same date, the requirement has been cancelled for the SAFE and its branches to approve the repatriation and settlement of foreign exchange proceeds raised by overseas listed foreign shares.

According to the Notice of the People's Bank of China and the State Administration of Foreign Exchange on Issues Concerning the Administration of Funds Raised by Domestic Enterprises Listed Overseas (《中國人民銀行 國家外匯管理局關於境內企業境外上市資金管理有關問題的通知》), promulgated on December 24, 2025 and effective on April 1, 2026, a domestic enterprise that conducts an overseas listing shall, within 30 working days from the first trading day of the overseas

listing or the completion of the over-allotment option, apply to a bank within the province or the separately-listed municipality where it is registered (hereinafter referred to as the local bank) for overseas listing registration. In principle, funds raised by domestic enterprises through overseas listings shall be remitted back to the territory in a timely manner. Where such funds are retained overseas for the conduct of overseas direct investment, overseas securities investment, overseas lending and other businesses, the domestic enterprise shall obtain the approval or filing documents from the business competent authorities before the date of completion of the overseas issuance or the over-allotment option and shall comply with relevant cross-border funds administration provisions. The purposes of funds raised through an overseas listing shall be consistent with the relevant contents set out in publicly disclosed documents (hereinafter referred to as publicly disclosed documents), such as the document or resolutions of the board of directors or shareholders' meetings. Any domestic shareholder who reduces their holdings must file a reduction registration with their bank either before or within 30 working days after the transaction. Until the new rules take effect in April 2026, the existing Notice on Relevant Issues Concerning the Administration of Foreign Exchange for Overseas Listing (《關於境外上市外匯管理有關問題的通知》) (issued by the SAFE on December 26, 2014) remains applicable. Under that existing notice, a domestic company shall register its overseas listing with the local branch of the State Administration of Foreign Exchange within 15 working days from the date of completion of overseas listing. Funds raised by a domestic company from overseas listing may be transferred back or deposited overseas, and the use of the funds shall be consistent with those set out in the document and other disclosure documents.

According to the Notice of the State Administration of Foreign Exchange on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment (Hui Fa [2015] No. 13) (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》(匯發[2015]13號)) issued by the SAFE on February 13, 2015, implemented from June 1, 2015 and amended on December 30, 2019, two administrative approvals have been cancelled, namely foreign exchange registration under domestic direct investment and that under overseas direct investment, which will be directly reviewed and approved by banks. The SAFE and its branches exercise indirect supervision over the foreign exchange registration of direct investment through banks.

Pursuant to the Notice of the State Administration of Foreign Exchange on Reforming and Regulating the Policies for the Administration of Foreign Exchange Settlement under Capital Items (Hui Fa [2016] No. 16) (《國家外匯管理局關於改革和規範資本專案結匯管理政策的通知》(匯發[2016]16號)) issued by the SAFE on June 9, 2016 and implemented from the same date, the relevant policies have explicitly stated that the foreign exchange income from capital items (including foreign exchange capital funds, foreign debt funds, funds transferred back from overseas listings, etc.) which are subject to voluntary settlement can be settled at banks according to the particular needs of domestic institutions. The ratio of voluntary settlement of foreign exchange earnings from capital items of domestic institutions is temporarily set at 100%, which is subject to adjustment by the SAFE according to international balance of payments.

According to the Notice of the State Administration of Foreign Exchange on Further Promoting the Reform of Foreign Exchange Administration and Improving the Examination of Authenticity and Compliance (Hui Fa [2017] No. 3) (《國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知》(匯發[2017]3號)) issued by the SAFE on January 18, 2017 and implemented from the same date, the scope of domestic foreign exchange loan settlement is further expanded to allow domestic foreign exchange loans with the background of commodity trade and exports to be settled, allow funds under domestic guarantee and foreign loans to be transferred back, allow foreign exchange settlement via the foreign exchange accounts of foreign institutions in pilot free trade zones, and implement full-coverage overseas lending management in both RMB and foreign currencies; where a domestic institution engages in overseas lending, the combined balance of foreign exchange lending in RMB and foreign currencies shall not exceed a maximum of 30% of the owner's equity in the audited financial statements of the preceding year.

According to the Notice on Further Facilitating Cross-border Trade and Investment (Hui Fa [2019] No. 28) (《關於進一步促進跨境貿易投資便利化的通知》(匯發[2019]28號)) issued by the SAFE on October 23, 2019 and implemented from the same date, restrictions have been removed on the use of capital funds by non-investment foreign-invested enterprises for domestic equity investment. In addition, restrictions have also been removed on the use of funds in domestic asset realization accounts for foreign exchange settlement and the use of security deposits for foreign exchange settlement by foreign investors. Eligible enterprises in pilot areas are allowed to use capital funds, foreign debt, overseas listings and other income under capital items for domestic payments without providing the banks with proofs of authenticity in advance, and their use of funds should be genuine and compliant with the current regulations governing the use of income from capital items.

This Appendix provides a summary of certain aspects of PRC laws and regulations relevant to our Company's operations and business. The laws and regulations relating to taxation in the PRC are discussed separately in Appendix III — Taxation and Foreign Exchange of this document. This Appendix also includes a summary of key provisions of the PRC Company Law. The primary purpose of this summary is to provide potential investors with an overview of the principal legal and regulatory framework applicable to our Company. This summary does not purport to be exhaustive or to contain all information that may be important to potential investors. For a discussion of other laws and regulations relevant to our business, please refer to the section headed "Regulatory Overview" in this document.

I. THE PRC LEGAL SYSTEM

The PRC legal system is based on the Constitution of the PRC (《中華人民共和國憲法》) (hereinafter referred to as the "**Constitution**") and is made up of written laws, administrative regulations, local regulations, autonomous regulations, separate regulations, rules and regulations of ministries of the State Council, rules and regulations of local governments, laws of special administrative regions and international treaties and agreements to which the PRC is a party, and other regulatory documents. Court verdicts do not constitute binding precedents. However, they may be used as judicial reference and guidance.

According to the Constitution and the Legislation Law of the PRC (《中華人民共和國立法法(2023年修訂)》) (hereinafter referred to as the "**Legislation Law**"), the National People's Congress (hereinafter referred to as the "**NPC**") and the Standing Committee of The National People's Congress are empowered to exercise the legislative power of the State. The NPC has the power to formulate and amend the basic laws governing civil and criminal matters, state organs and other matters. The Standing Committee of the NPC is empowered to formulate and amend laws other than those required to be enacted by the NPC. During the adjournment of the NPC, partial supplement and amendment shall be made to the laws as formulated by the NPC, provided that such supplements and amendments are not in conflict with the basic principles of such laws.

The State Council is the highest organ of the PRC administration and has the power to formulate administrative regulations based on the Constitution and laws.

The People's Congresses of the provinces, autonomous regions and municipalities and their respective standing committees may formulate local regulations based on the specific circumstances and actual requirements of their respective administrative areas. These local regulations shall comply with the Constitution, laws and administrative regulations.

The people's congresses of cities divided into districts and their respective standing committees may formulate local regulations on aspects such as urban and rural construction and management, environmental protection, and historical and cultural protection based on the specific circumstances and actual requirements of such cities, provided that such local regulations do not contravene any provision of the Constitution, laws, administrative regulations and local regulations of their respective provinces or autonomous regions. Where the laws provide otherwise on the matters concerning the formulation of local regulations by cities divided into districts, those provisions shall prevail. Such local regulations by cities divided into districts shall become enforceable after being reported to and approved by the standing committees of the people's congresses of the relevant provinces or autonomous regions. The people's congresses of national autonomous areas shall have the power to formulate autonomous regulations and separate regulations in light of the political, economic and cultural characteristics of the ethnic groups in the areas concerned.

The ministries and commissions of the State Council, the People's Bank of China, the National Audit Office of the PRC and the subordinate institutions with administrative functions directly under the State Council may formulate departmental rules within the jurisdiction of their respective departments based on the laws and administrative regulations, as well as the decisions and orders of the State Council.

The people's governments of the provinces, autonomous regions, municipalities and cities or autonomous prefectures divided into districts may formulate their rules and regulations based on the laws, administrative regulations and local regulations of relevant provinces, autonomous regions and municipalities.

The Constitution has supreme legal authority and no laws, administrative regulations, local regulations, autonomous regulations or separate regulations may contravene the Constitution. The authority of laws is greater than that of administrative regulations, local regulations and rules. The authority of administrative regulations is greater than that of local regulations and rules. The authority of local regulations is greater than that of the rules of the local governments at or below the corresponding level. The authority of the rules enacted by the people's governments of the provinces or autonomous regions is greater than that of the rules enacted by the people's governments of the cities with districts and autonomous prefectures within the administrative areas of the provinces and the autonomous regions.

The NPC has the power to amend or annul any inappropriate laws enacted by the Standing Committee of the NPC, and to annul any autonomous regulations and separate regulations as approved by its committee which contravene the Constitution or the Legislation Law. The Standing Committee of the NPC has the power to annul any administrative regulations that contravene the Constitution or laws, to annul any local regulations that contravene the Constitution, laws or administrative regulations, and to annul any autonomous regulations and local regulations which have been approved by the Standing Committee of the NPC of the relevant provinces, autonomous regions or municipalities directly under the central government, but contravene the Constitution or the Legislation Law. The State Council has the power to alter or annul any inappropriate ministerial rules and rules of local governments. The people's congresses of provinces, autonomous regions or municipalities directly under the central government have the power to alter or annul any inappropriate local regulations enacted or approved by their respective standing committees. The people's governments of provinces and autonomous regions have the power to alter or annul any inappropriate rules enacted by the people's governments at a lower level.

According to the Constitution or the Legislation Law, the power to interpret the laws is vested in the Standing Committee of the NPC. According to the Resolution of the Standing Committee of the National People's Congress Regarding the Strengthening of Interpretation of Laws (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》) which was passed on June 10, 1981, if the scope prescribed by laws needs to be further defined or supplementary provisions need to be made, the Standing Committee of the NPC shall interpret them or make provisions. Issues involving the specific application of laws in the trial work of the court shall be interpreted by the Supreme People's Court. Issues involving the specific application of laws in the procuratorial work of the procuratorate shall be interpreted by the Supreme People's Procuratorate. If there are principled differences in the interpretation of the Supreme People's Court and the Supreme People's Procuratorate, they shall be submitted to the Standing Committee of The National People's Congress for interpretation or decision. Issues that do not involve the specific application of laws in judicial and procuratorial work shall be interpreted by the State Council and the competent departments. The State Council and its ministries and commissions are also vested with the power to give interpretation of the administrative regulations and departmental rules which they have promulgated. At the regional level, the power to give interpretation of the local laws is vested in the regional legislative and administrative organs which promulgate such law.

II. PRC JUDICIAL SYSTEM

Under the Constitution and the PRC Law on the Organization of the People's Courts (《中華人民共和國人民法院組織法》), the PRC judicial system is made up of the Supreme People's Court, the local people's courts at all levels, and the special people's courts.

Local people's courts are divided into the primary people's court, intermediate people's court and the higher people's court. The higher people's courts supervise the primary and intermediate people's courts. The people's procuratorates also have the right to exercise legal supervision over the civil proceedings of people's courts of the same level and lower levels. The Supreme People's Court is the highest judicial organ in the PRC. It supervises the judicial work of the people's courts at all levels.

The people's courts adopt a system of finality at the second instance, meaning that judgments or rulings rendered at the second instance are legally binding and final. A party may appeal against the judgment or ruling of the first instance of a local people's court. The people's procuratorate may present a protest to the people's court at the next higher level in accordance with the procedures stipulated by the laws. In the absence of any appeal by the parties and any protest by the people's procuratorate within the stipulated period, the judgments or rulings of the people's court are final. Judgments or rulings of the second instance of the intermediate people's courts, the higher people's courts and the Supreme People's Court, and judgments or rulings of the first instance of the Supreme People's Court are final. However, if any errors are identified in a legally effective judgment, ruling or mediation statement of the people's court at any level by the Supreme People's Court, or if such errors are identified in a legally effective judgment, ruling or mediation statement of the people's court at a lower level by the people's court at a higher level, it has the authority to review the case itself or to refer to the people's court at a lower level to conduct a retrial. If the president of a people's court considers that a legally effective judgment, ruling or mediation statement of the court contains an error and that a retrial is necessary, the case shall be submitted to the judicial committee of the court for deliberation and decision.

The Civil Procedure Law of the PRC (《中華人民共和國民事訴訟法》) (hereinafter referred to as the "Civil Procedure Law"), which was last amended by the Standing Committee of the NPC on September 1, 2023 and became effective on January 1, 2024, prescribes the conditions for instituting a civil action, the jurisdiction of a people's court, the procedures for conducting a civil action, and the procedures for enforcement of a civil judgment or ruling. All parties to a civil action conducted within the PRC shall comply with the Civil Procedure Law. A civil case is generally heard at the court located in the defendant's place of domicile. The court of jurisdiction in respect of a civil action may also be chosen by explicit agreement among the parties to a contract, provided that the people's court having jurisdiction should be located at the place directly associated with the disputes, such as the plaintiff's or the defendant's place of domicile, the place where the contract is performed or signed or the place where the subject matter of the action is located. However, such choice shall not in any circumstances contravene the regulations of differential jurisdiction and exclusive jurisdiction.

A foreign individual, a person without a nationality, a foreign enterprise or organization is given the same litigation rights and obligations as a citizen and legal person of the PRC. Should a foreign court limit the litigation rights of a PRC citizen and enterprise, the PRC court may apply the same limitations to the citizens and enterprises of such foreign country. A foreign individual, a person without nationality, a foreign enterprise or organization must engage a PRC lawyer if they need to engage a lawyer for the purpose of initiating an action or defending against litigation at a PRC court. in accordance with international treaties to which the PRC is a part or according to the principle of reciprocity, a PRC people's court and a foreign court may request each other to serve documents, conduct investigation and collect evidence, and conduct other actions on its behalf. A PRC people's court shall not accommodate any request made by a foreign court which will result in the violation of sovereignty, security or social and public interests of the PRC.

A party shall comply with a law-binding civil judgment or ruling, If any party to a civil action refuses to comply with a judgment or ruling made by a people's court or an award made by an arbitration panel in the PRC, the other party may apply to the people's court for the enforcement of the same within two years. However, they may apply for an extension of the enforcement period. In the case of an arbitral award, they may also apply for revocation in accordance with applicable laws.

A party seeking to enforce a judgment or ruling of a people's court against another party who is not personally or whose property is not within the PRC may apply to a foreign court with the jurisdiction over the case for recognition and enforcement of such judgment or ruling. A foreign judgment or ruling may also be recognized and enforced by a PRC people's court according to PRC enforcement procedures if the PRC has entered into or acceded to an international treaty with the relevant foreign country, which provides for such recognition and enforcement, or if the judgment or ruling satisfies the court's examination according to the principle of reciprocity, unless the people's court believes that the recognition or enforcement of such judgment or ruling will result in a violation of the basic legal principles of the PRC, its sovereignty or national security or against its social and public interests.

III. THE PRC COMPANY LAW AND ADMINISTRATIVE MEASURES

A joint stock limited company which is incorporated in the PRC and listed on the Stock Exchange is mainly subject to the following laws and regulations in the PRC:

1) The PRC Company Law (《中華人民共和國公司法》), which was promulgated by the Standing Committee of the NPC on December 29, 1993, came into effect on July 1, 1994, and was amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018 and December 29, 2023 respectively and the latest amendment of which was implemented on July 1, 2024;

2) 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 "**Trial Measures**") which were promulgated by the China Securities Regulatory Commission (the "CSRC") on February 17, 2023, came into effect on March 31,2023, applicable to the overseas share subscription and listing of joint stock limited companies;

3) The Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》) (the "**Guidelines for Articles of Association**") which was latest amended and came into effect on March 28, 2025 by the CSRC.

Set out below is a summary of the major provisions of the PRC Company Law, the Trial Measures and the Guidelines for Articles of Association applicable to our Group.

1. General Provisions

A joint stock limited company refers to an enterprise legal person incorporated under the Company Law with its registered capital divided into shares of equal par value. The liability of its shareholders is limited to the amount of shares held by them and the company is liable to its creditors for an amount equal to the total value of its assets.

A joint stock limited company shall conduct its business in accordance with laws and administrative regulations. It may invest in other limited liability companies and joint stock limited companies and its liabilities with respect to such invested companies are limited to the amount invested. Where any laws stipulate that a joint stock limited company may not be a contributor that undertakes joint and several liabilities for the debts of the invested companies, such requirements shall prevail.

2. Incorporation

A company may be established either by promotion or by public subscription. A company shall have a minimum of one but no more than 200 people as its promoters, and over half of the promoters must have residence within the PRC. No share offering shall be made before the shares subscribed for by the promoters are fully paid up. For companies established by subscription, the registered capital is the total paid-up share capital as registered with the company registration authorities.

The convening and voting procedures of the establishment meeting of a joint-stock company established by way of promotion shall be stipulated in the company's articles of association or the agreement between the promoters. The promoters who raise funds to establish a joint-stock company shall preside over and convene the establishment meeting of the company within thirty days from the date of full payment of the shares that should be issued when the company is established, and notify all subscribers or announce the date of the meeting 15 days prior to the date of the establishment meeting. The inaugural meeting may be convened only with the presence of promoters or subscribers representing at least half of the shares in the company. At the inaugural meeting, matters including the report on organization of the company, the adoption of articles of association and the election of members of the board of directors and members of the board of supervisors of the company will be dealt with. All resolutions of the meeting require the approval of subscribers with more than half of the voting rights present at the meeting.

Within 30 days after the conclusion of the inaugural meeting, the board of directors must authorize a representative to apply to the registration authority for registration of the establishment of the joint stock limited company. A company is formally established and acquires the status of a legal person upon the issuance of its business license by the registration authority.

3. Registered Shares

Shareholders may make capital contributions in cash, or non-monetary assets such as in kind, intellectual property rights and land use rights which can be appraised with monetary value and transferred lawfully, except for assets prohibited from capital contribution by laws and administrative regulations. For capital contributions made in non-monetary assets, a valuation of the assets contributed must be appraised and verified, without any overvaluation or undervaluation.

The issuance of shares shall be conducted in a fair and equitable manner. The same class of shares must carry equal rights. For shares issued at the same time and within the same class, the conditions and price per share must be the same. For shares subscribed by any organization or individual, the same price shall be paid for each share. The share offering price may be equal to or greater than the nominal value of the share, but not less than the nominal value.

Under the PRC Company Law, a company issuing registered share certificates shall maintain a shareholder register which sets forth the following matters: (1) the name and domicile of each shareholder; (2) the number of shares held by each shareholder; (3) the serial numbers of shares held by each shareholder; (4) the date on which each shareholder acquired the shares.

4. Increase in Registered Shares

Where a company issues new shares, resolutions shall be made at the shareholders' general meeting in respect of the class and amount of the new shares, the issue price of the new shares, the commencement and end dates for the issue of the new shares, and the class and amount of the new shares proposed to be issued to existing shareholders.

When a company launches a public issue of new shares upon approval by the CSRC, a new share offering prospectus and financial accounting report must be published and a subscription form must be prepared. After the new shares issued by the company have been fully paid up, the change must be registered with the relevant company registration authorities and a public announcement must be made accordingly. Where the registered capital of a company is increased by issuing new shares, shareholders shall pay for their subscribed shares in accordance with the relevant provisions applicable to capital contributions upon company establishment.

5. Reduction of Share Capital

A company may reduce its registered capital in accordance with the following procedures prescribed by the PRC Company Law: (1) the company shall prepare a balance sheet and an inventory of assets; (2) the reduction of registered capital must be approved by shareholders at the shareholders' general meeting; (3) the company shall notify its creditors of the reduction in registered capital within 10 days and publish the relevant announcement in newspapers within 30 days of the resolution approving the reduction being passed; (4) the creditors of the company may require the company to repay its debts or provide guarantees for the debts within 30 days of receipt of the notification or within 45 days of the date of the announcement if they fail to receive any notification; and (5) the company must apply to the company registration authorities for registration of such change.

6. Repurchase of Shares

In accordance with the PRC Company Law, a company shall not purchase its own shares except under any of the following circumstances: (1) reducing the registered capital of the company; (2) merging with another company that holds its shares; (3) using shares for the employee stock ownership plan or as equity incentives; (4) a shareholder requesting the company to purchase its shares held by him/her since he/she objects to a resolution of the shareholders' general meeting on the combination or division of the company; (5) using shares for converting convertible corporate bonds issued by the listed company; (6) it is necessary for a listed company to protect its corporate value and the rights and interests of shareholders.

A company purchasing its own shares under any of the circumstances set forth in items (1) and (2) above shall be subject to a resolution of the shareholders' general meeting; and a company purchasing its own shares under any of the circumstances set forth in items (3), (5) and (6) above may, pursuant to the provisions of the articles of association or the authorization of the shareholders' general meeting, be subject to a resolution of a meeting of the board of directors at which more than two-thirds of directors are present.

After purchasing the Company's shares pursuant to the above provisions, the company shall, under the circumstance set forth in item (1), cancel them within 10 days after the purchase; under the circumstance set forth in item (2) or (4), transfer or cancel them within six months; or under the circumstance set forth in item (3), (5) or (6), hold an aggregate of no more than 10% of all the shares issued by the company and transfer or cancel them within three years.

A listed company repurchasing its own shares shall fulfill the obligation of information disclosure in accordance with the Securities Law of the PRC (the "**Securities Law**"). A listed company purchasing the Company's shares under any of the circumstances set forth in items (3), (5) and (6) of this article shall carry out trading in a public and centralized manner.

The Company shall not accept its own shares as the subject of a pledge.

7. Transfer of Shares

Shares held by a shareholder may be transferred according to the law. Under the Company Law, a shareholder should affect a transfer of his shares on securities established exchange according to the law or by any other means as required by the State Council. Registered shares may be transferred by endorsement of shareholders or by other means stipulated by laws or administrative regulations. After the transfer, a company shall record the name and address of the transferee in the register of shareholders. No changes of registration in the share register provided in the foregoing requirement shall be affected during a period of 20 days prior to the convening of shareholder's meeting or 5 days prior to the record date for a company's distribution of dividends. If any law, administrative regulation, or any provision by the securities regulatory authority of the State Council specifies otherwise for the modification of the register of shareholders of a listed company, such provisions should prevail.

Under the Company Law, shares issued by a company prior to the public offering of shares shall not be transferred within one year from the date on which the shares of a company are listed and traded on a securities exchange. The directors, supervisors and senior management of the company should declare to the company the shares they hold and the changes thereof. During the term of office as determined when they assume the posts, the shares transferred each year should not exceed 25% of the total shares they hold of the company. Shares of a company held by its directors, supervisors and senior management shall not be transferred within one year from the date of a company's listing on a securities exchange, nor within six months after their resignation from their positions with a company.

If the shares are pledged within the time limit for restricted transfer as provided for by laws and administrative regulations, the pledgee cannot exercise the pledge right within such restricted period.

8. Shareholders

Under the Company Law and Guidelines for Articles of Association the rights of a shareholder of a company include:

(i) To receive dividends and other forms of interest distribution according to the number of shares held;

(ii) To legally require, convene, preside over, participate in or authorize proxies of Shareholders to attend the General Meeting and exercise corresponding voting rights;

(iii) To supervise business operations of our Company, provide suggestions or submit queries;

(iv) To transfer, grant or pledge the Company's shares held according to the provisions of the laws, administrative regulations and the Articles of Association;

(v) To read and copy the Articles of Association, the register of Shareholders, General Meeting minutes, resolutions of meetings of the Board of Directors, resolutions of meetings of the Board of Supervisors and financial and accounting reports;

(vi) Shareholders who hold more than 3% of the company's shares individually or collectively for more than 180 consecutive days may inspect the company's accounting books and accounting vouchers as required by laws;

(vii) To participate in the distribution of the remaining assets of our Company according to the proportion of shares held upon our termination or liquidation;

(viii) To require our Company to acquire the shares from Shareholders voting against any resolutions adopted at the General Meeting concerning the merger and division of the Company;

(ix) Other rights conferred by laws, administrative regulations, regulations of the authorities, regulatory rules where our Company's shares are listed, or the Articles of Association.

The obligations of a shareholder of a company include:

(i) To abide by laws, administrative regulations and the Articles of Association;

(ii) To provide Share capital according to the Shares subscribed for and Share participation methods;

(iii) Not to withdraw Shares unless prescribed otherwise in laws and administrative regulations;

(iv) Not to abuse Shareholders' rights to infringe upon the interests of the Company or other Shareholders; not to abuse the Company's status as an independent legal entity or the limited liability of Shareholders to damage the interests of the Company's creditors;

(v) To perform other duties prescribed in laws, administrative regulations, departmental rules and the securities regulatory rules of the place where the Company's shares are listed.

9. Shareholder's Meetings

Under the Company Law, the shareholders' meeting of a joint stock limited company is made up of all shareholders. The shareholders' meeting is the organ of authority of a company, which exercises the following functions and powers:

(i) to elect and replace directors and supervisors and to decide on matters relating to the remuneration of directors and supervisors;

(ii) to examine and approve reports of the board of directors;

(iii) to examine and approve reports of the supervisory committee;

(iv) to examine and approve a company's profit distribution plans and loss recovery plans;

(v) to resolve on the increase or reduction of a company's registered capital;

(vi) to resolve on the issuance of corporate bonds;

(vii) to resolve on the merger, division, dissolution, liquidation or change of corporate form of a company;

(viii) to amend the company's articles of association;

(ix) other functions and powers specified in provision of the articles of association. Under the Company Law, annual shareholders' meetings are required to be held once every year. An extraordinary shareholders' meeting is required to be held within two months after the occurrence of any of the following circumstances:

  (i) the number of directors is less than the number stipulated in the Company Law or less than two-thirds of the number specified in the articles of association;

  (ii) when the unrecovered losses of a company amount to one-third of the total paid-up share capital;

  (iii) shareholders individually or jointly holding 10% or more of the company's shares request;

  (iv) when deemed necessary by the Board;

(v) the Supervisory Committee proposes to convene the meeting;

(vi) other circumstances as stipulated in the articles of association.

Shareholders' general meetings shall be convened by the board of directors, and presided over by the chairman of the board of directors. In the event that the chairman is incapable of performing or not performing his duties, the meeting shall be presided over by the vice chairman. In the event that the vice chairman is incapable of performing or not performing his duties, a director nominated by more than half of directors shall preside over the meeting.

If the board of directors is incapable of performing or is not performing its duties to convene the general meeting, the board of supervisors should convene and preside over shareholders' general meeting in a timely manner. If the board of supervisors fails to convene and preside over shareholders' general meeting, shareholders individually or in aggregate holding 10% or more of the company's shares for 90 days or more consecutively may unilaterally convene and preside over shareholders' general meeting.

If the shareholders who separately or aggregately hold more than 10% of the shares of the company request to convene an interim shareholders' meeting, the board of directors and the board of supervisors should, within 10 days after the receipt of such request, decide whether to hold an interim shareholders' meeting and reply to the shareholders in writing.

Notice of meeting shall state the time and venue of and matters to be considered at the meeting and shall be given to all shareholders 20 days before the meeting. A notice of extraordinary meeting shall be given to all shareholders 15 days prior to the meeting.

Shareholders who individually or jointly hold more than 1% of the company's shares may put forward interim proposals and submit them to the convener in writing 10 days before the meeting of shareholders. The convener shall issue a supplementary notice of the meeting of shareholders within two days after receiving the proposal and announce the contents of the interim proposal.

Under the Company Law, a shareholder may entrust a proxy to attend a shareholders' meeting, and it should clarify the matters, power and time limit of the proxy. The proxy shall present a written power of attorney issued by the shareholder to a company and shall exercise his voting rights within the scope of authorization. There is no specific provision in the Company Law regarding the number of shareholders constituting a quorum in a shareholders' meeting.

Under the Company Law, shareholders present at a shareholders' meeting have one vote for each share they hold, except the shareholders of classified shares. However, shares held by the company itself are not entitled to any voting rights.

The cumulative voting system may be adopted for the election of directors and supervisors at the shareholders' meeting in accordance with the provisions of the articles of association or the resolutions of the shareholders' meeting. Under the accumulative voting system, each share shall have the same number of voting rights as the number of directors or supervisors to be elected at the shareholders' meeting, and shareholders may consolidate their voting rights when casting a vote.

Under the Company Law and the Guidelines for Articles of Association, the passing of any resolution requires affirmative votes of shareholders representing more than half of the voting rights represented by the shareholders who attend the shareholders' meeting. Matters relating to merger, division or dissolution of a company, increase or reduction of registered capital, change of corporate form or amendments to the articles of association must be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.

10. Directors

Under the Company Law, a joint stock limited company should have a board of directors, which consists of more than three members. The term of office of a director shall be stipulated in the articles of association, but each term of office shall not exceed three years. Directors may serve consecutive terms if re-elected.

Meetings of the board of directors shall be convened at least twice a year. All directors and supervisors shall be noticed 10 days before the meeting for every meeting. The Board exercises the following functions and powers:

(i) to convene shareholder's general meetings and report its work to the shareholder's general meetings;

(ii) to implement the resolutions of the shareholder's general meeting;

(iii) to decide on a company's business plans and investment plans;

(iv) to formulate a company's profit distribution plan and loss recovery plan;

(v) to formulate proposals for the increase or reduction of a company's registered capital and the issue of corporate bonds;

(vi) to formulate plans for cake, division, dissolution or change of corporate form of a company;

(vii) to decide on the internal management structure of a company;

(viii) to decide on the appointment or dismissal of the manager of a company and their remuneration; to decide on the appointment or dismissal of the deputy manager and financial officer of a company based on the nomination of the manager and as well as remuneration;

(ix) to formulate a company's basic management system;

(x) other functions and powers specified in the articles of association or granted by the shareholders' meeting.

Board meetings shall be held only if more than half of the directors are present. If a director is unable to attend a board meeting, he may appoint another director by a power of attorney specifying the scope of the authorization for another director to attend the meeting on his behalf. If a resolution of the board of directors violates the laws, administrative regulations or the articles of association, and as a result of which the company suffers serious losses, the directors participating in the resolution shall be liable to compensate the company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director may be exempt from such liability.

Under the Company Law, a person may not serve as a director of a company if he/she is:

(i) a person without capacity or with restricted capacity;

(ii) a person who has been sentenced to any criminal penalty due to an offense of corruption, bribery, encroachment of property, misappropriation of property, or disrupting the order of the socialist market economy, or has been deprived of political rights due to a crime, where a five-year period has not elapsed since the date of completion of the sentence; if he/she is pronounced for suspension of sentence, a two-year period has not elapsed since the expiration of the suspension period;

(iii) a person who was a director, factory manager or manager of a company or enterprise which has entered into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of such company or enterprise;

(iv) persons who were legal representatives of a company or enterprise which had its business license revoked due to violation of the law and had been closed down by order, and who were personally liable, where less than three years have elapsed since the date of the revocation of the business license of the company or enterprise or the order for closure; and

(v) being listed as one of "dishonest persons subject to enforcement" by the people's court due to his/her failure to pay off a relatively large amount of due debts.

The board of directors shall have one chairman, who shall be elected by more than half of all the directors. The chairman shall exercise the following functions and powers (including but not limited to):

(i) to preside over shareholders' meetings and convene and preside over board meetings;

(ii) to examine the implementation of resolutions of the Board;

(iii) to exercise other powers conferred by the Board.

11. Manager and Senior Management

Under the relevant provisions of the PRC Company Law, a company shall have a manager who shall be appointed or removed by the board of directors.

The manager shall be accountable to the board of directors and may exercise the duties and powers in accordance with the provisions of the company's articles of association or the authorization of the board of directors.

The manager shall be present at meetings of the board of directors. However, the manager shall have no voting rights at meetings of the board of directors unless he/she concurrently serves as a director.

According to the PRC Company Law, senior management refers to the manager, deputy manager, financial officer, secretary to the board of a listed company and other personnel as stipulated in the articles of association.

12. Duties of Directors, Supervisors and Senior Management

Under the PRC Company Law, directors, supervisors and senior management shall comply with relevant laws, administrative regulations and the articles of association, and carry out their duties of fidelity and diligence. Directors, supervisors and senior management shall take measures

to avoid conflicts between their own interests and the interests of the company, and shall not make use of their positions to gain undue advantage. They shall also owe a duty of diligence to the company and shall perform their duties with the reasonable care normally expected of a person in management position in the best interests of the company.

In addition, directors and senior management shall not: (1) embezzlement of company properties and misappropriation of the company's capital; (2) depositing the company's capital into accounts under his own name or the name of other individuals; (3) utilizing power to accept bribe or accept other illegal income; (4) accept and possess commissions paid by a third party for transactions conducted with the company; (5) unauthorized divulgence of confidential business information of the company; or (6) other acts in violation of their duty of loyalty to the company.

A director, supervisor or senior management member who contravenes laws, administrative regulations or the articles of association in the performance of his/her duties resulting in any loss to the company shall be liable to the company for compensation.

Where a director, supervisor or senior management member is required to attend a shareholders' general meeting, such director, supervisor or senior management member shall attend the meeting and answer inquiries from shareholders. Directors and senior management shall furnish relevant situations and information to the board of supervisors in a truthful manner, without impeding the discharge of duties by the board of supervisors.

13. Finance and Accounting

Under the PRC Company Law, the company shall establish its financial and accounting systems according to laws, administrative regulations and the regulations of competent financial authorities of the State Council. At the end of each accounting year, the company shall prepare a financial report audited by an accounting firm in accordance with laws. The company's financial and accounting report shall be prepared in accordance with provisions of the laws, administrative regulations and the regulations of the financial department of the State Council. The company's financial and accounting reports shall be made available for shareholders' inspection at the company 20 days before the convening of an annual general meeting. A joint stock limited company that makes public stock offerings shall publish its financial and accounting reports.

When distributing profits after taxation of the year, the company shall set aside 10% of its profits for the company's statutory common reserve fund until the fund has reached 50% or more of the company's registered capital. When the company's statutory common reserve fund is not sufficient to make up for the company's losses for the previous years, the profits of the current year shall first be used to cover the losses before any allocation is set aside for the statutory common reserve fund pursuant to the preceding provision. After making allocations to the statutory common reserve fund from its profits after taxation, the Company may, upon passing a resolution at a shareholders' meeting or shareholders' general meeting, make further allocations from its profits after taxation to the discretionary common reserve fund. After the company covers its losses and makes allocations to its discretionary common reserve fund, the remaining profits after taxation shall be distributed in proportion to the number of shares held by the shareholders, except for those which are not distributed in a proportionate manner as provided by the articles of association.

Profits distributed to shareholders by a shareholders' general meeting or the board of directors before losses are covered and allocations are made to the statutory common reserve fund in violation of the preceding requirements must be returned to the company. The company shall not distribute any profits in respect of the shares held by it.

The Company's reserve fund shall be applied to make up losses of the company, expand its business operations or be converted to increase the registered capital of the company. When utilizing reserve funds to make up for a company's losses, the discretionary reserve fund and statutory reserve fund should be used first; if the losses still cannot be made up, the capital reserve fund may be used in accordance with regulations. Upon the conversion of statutory common reserve fund into increasing the registered capital, the balance of the statutory common reserve fund shall not be less than 25% of the registered capital of the company before such conversion.

The company shall have no other accounting books except the statutory accounting books. Its assets shall not be deposited in any accounts opened in the name of any individual.

14. Appointment and Dismissal of Accounting Firms

Pursuant to the PRC Company Law, the appointment or dismissal of accounting firms responsible for the auditing of the company shall be determined by the shareholders' meeting, shareholders' general meeting or board of directors in accordance with the provisions of articles of association. The accounting firm should be allowed to make representations when the shareholders' meeting, shareholders' general meeting or board of directors of the company conducts a vote on the dismissal of the accounting firm. The company should provide true and complete accounting evidences, books, financial and accounting reports and other accounting data to the accounting firm it engages, without any refusal, withholding or misrepresentation.

The Guidance for Articles of Association provide that the company guarantees to provide true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials to the employed accounting firm, and shall not refuse, conceal or falsely report. And the audit fee of the accounting firm shall be decided by the general meeting of shareholders.

15. Distribution of Profits

According to the PRC Company Law, a company shall not distribute profits before losses are covered and the statutory common reserve is drawn.

16. Dissolution and Liquidation

According to the PRC Company Law, a company may dissolve as a result of the following reasons: (1) the expiry of term of its operations set out in the articles of association, or the occurrence of other events of dissolution specified in the articles of association; (2) it is resolved in a shareholders' general meeting that the company shall resolve; (3) the company is dissolved by reason of a merger or division; (4) the business license is suspended or the company is ordered to close down or to be dissolved in accordance with the laws; or (5) the company is dissolved by a people's court in response to the request of shareholders holding shares that represent more than 10% of the voting rights of all of the company's shareholders, on the grounds that the company suffers from significant hardship in its operation and the management that cannot be resolved through other means, and the ongoing existence of the company will bring significant losses to the shareholders.

In the event of (1) or (2) above and in case that no assets have been distributed to shareholders, it may carry on its existence by amending its articles of association or by a resolution of shareholders' meeting. The amendment of the articles of association or by a resolution of shareholders' meeting in accordance with provisions set out above shall require approval of more than two thirds of voting rights of shareholders attending a shareholders' general meeting.

Where the company is dissolved in the circumstances described in items (1), (2), (4), or (5) above, a liquidation group shall be established and the liquidation process shall commence within 15 days after the occurrence of an event of dissolution. The liquidation group shall be composed of directors, unless the company's articles of association provide otherwise or the shareholders' meeting resolves to elect someone else. If the liquidation obligator fails to fulfill its liquidation obligations in a timely manner and causes losses to the company or creditors, it shall be liable for compensation. If a liquidation group is not established within the stipulated period or if the liquidation is not carried out after the establishment of the liquidation group, the interested parties may apply with the people's court for setting up a liquidation group with designated relevant personnel to conduct the liquidation. The people's court should accept such application and form a liquidation group to conduct liquidation in a timely manner.

The liquidation group shall notify the company's creditors within 10 days after its establishment and issue public notices in newspapers or on the National Enterprise Credit Information Publicity System within 60 days. A creditor shall lodge his claim with the liquidation group within 30 days after receiving notification, or within 45 days of the public notice if he did not receive any notification. A creditor shall state all matters relevant to his creditor rights in making his claim and furnish evidence. The liquidation group shall register such creditor rights. The liquidation group shall not make any debt settlement to creditors during the period of claim.

Upon liquidation of properties and the preparation of the balance sheet and inventory of assets, the liquidation group shall draw up a liquidation plan to be submitted to the shareholders' general meeting or people's court for confirmation.

The company's remaining assets after payment of liquidation expenses, wages, social insurance expenses and statutory compensation, outstanding taxes and debts shall be distributed to shareholders according to their shareholding proportion. It shall continue to exist during the liquidation period, although it can only engage in any operating activities that are related to the liquidation. The company's properties shall not be distributed to the shareholders before repayments are made in accordance to the foregoing provisions.

Upon liquidation of the company's properties and the preparation of the balance sheet and inventory of assets, if the liquidation group becomes aware that the company does not have sufficient assets to meet its liabilities, it must apply to the people's court for a declaration for bankruptcy liquidation.

Following the acceptance of application for bankruptcy by the People's Court, the liquidation group shall hand over the liquidation affairs to the bankruptcy administrator appointed by the people's court.

Upon completion of the liquidation, the liquidation group shall submit a liquidation report to the shareholders' general meeting or the people's court for verification and the report shall be submitted to the registration authority of the company in order to cancel the company's registration. When performing the duties in relation to the liquidation, members of the liquidation group shall bear the duties of loyalty and diligence.

If members of the liquidation group are reluctant in performing their liquidation duties and cause losses to the company, they shall be liable for compensation. A member of the liquidation group is liable to indemnify the company and its creditors in respect of any loss arising from his intentional or gross negligence.

17. Overseas Listing

According to the Trial Measures, the domestic enterprise shall report the application documents for issuance and listing to the CSRC for record-filing within three working days after submission of the application documents for issuance and listing overseas.

18. Merger and Division

Companies may merge through merger by absorption or through the establishment of a newly merged entity. If it merges by absorption, the company which is absorbed shall be dissolved. If it merges by forming a new corporation, both companies will be dissolved.

IV. SECURITIES LAWS AND REGULATIONS

In October 1992, the State Council established the Securities Committee and the CSRC. The Securities Committee is responsible for coordinating the drafting of securities regulations, formulating securities-related policies, planning the development of securities markets, directing, coordinating and supervising all securities-related institutions in the PRC and administering the CSRC. The CSRC is the regulatory arm of the Securities Committee and is responsible for the drafting of regulatory provisions of securities markets, supervising securities companies, regulating public offers of securities by Chinese companies in the mainland China or overseas, regulating the trading of securities, compiling securities-related statistics and undertaking research and analysis. On 29 March 1998, the State Council consolidated the above two departments and reformed the CSRC.

The Provisional Regulations Concerning the Issue and Trading of Shares (《股票發行與交易管理暫行條例》) promulgated by the State Council and effective on 22 April 1993 provide the application and approval procedures for public offerings of shares, trading in shares, the acquisition of listed companies, the deposit, settlement and transfer of listed shares, the disclosure of information with respect to a listed company, investigation and penalties and dispute arbitration.

The Regulations of the State Council Concerning the Domestic Listed Foreign Shares of Joint Stock Limited Companies (《國務院關於股份有限公司境內上市外資股的規定》), which were promulgated by the State Council and came into effect on 25 December 1995, mainly provide for the issue, subscription, trading and payment of dividends of domestic listed foreign shares and disclosure of information of joint stock limited companies with domestic listed foreign shares.

The Securities Law of the People's Republic of China (《中華人民共和國證券法》), or the PRC Securities Law, which was amended by the Standing Committee of the NPC on 28 December 2019 and came into effect on 1 March 2020, provides a series of provisions regulating, among other things, the issue and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of the State Council's securities regulatory authorities in the PRC, and comprehensively regulates activities in the PRC securities market. The PRC Securities Law provides that a domestic enterprise must comply with the relevant provisions of the State Council in issuing securities directly or indirectly outside the PRC or listing and trading its securities outside the PRC. Currently, the issue and trading of foreign issued shares are mainly governed by the rules and regulations promulgated by the State Council and the CSRC.

V. ARBITRATION AND ENFORCEMENT OF AN ARBITRAL AWARD

Under the Arbitration Law of the People's Republic of China (《中華人民共和國仲裁法》), or the Arbitration Law, amended by the Standing Committee of the NPC on September 1 2017 and effective on January 1 2018, the Arbitration Law is applicable to economic disputes involving foreign parties, and all parties have entered into a written agreement to refer the matter to an

arbitration committee constituted in accordance with the Arbitration Law. An arbitration committee may, before the promulgation by the PRC Arbitration Association of arbitration regulations, formulate interim arbitration rules in accordance with relevant regulations under the Arbitration Law and the PRC Civil Procedure Law. Where both parties have agreed to settle disputes by means of arbitration, the people's court will refuse to take legal action brought by a party in the people's court.

Under the Arbitration Law, an arbitral award is final and binding on the parties. If a party fails to comply with an award, the other party to the award may apply to the people's court for enforcement according to the PRC Civil Procedure Law. A people's court may refuse to enforce an arbitral award made by an arbitration commission if there is any procedural irregularity (including irregularity in the composition of the arbitration committee or the making of an award on matters beyond the scope of the arbitration agreement or the jurisdiction of the arbitration commission). A party seeking to enforce an arbitral award of foreign arbitration commission against a party who or whose property is not within the PRC shall apply to a foreign court with jurisdiction over the case for recognition and enforcement. Similarly, an arbitral award made by a foreign arbitration body may be recognized and enforced by the people's court in accordance with the principles of reciprocity or any international treaty concluded or acceded to by the PRC.

According to the Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的安排》) promulgated by the Supreme People's Court on 24 January 2000 and effective on 1 February 2000, and the Supplementary Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region (《最高人 民法院關於內地與香港特別行政區相互執行仲裁裁決的補充安排》) promulgated by the Supreme People's Court on 26 November 2020 and effective on 27 November 2020, awards made by PRC arbitral authorities can be enforced in Hong Kong, and Hong Kong arbitration awards are also enforceable in the PRC.

SUMMARY OF ARTICLES OF ASSOCIATION OF THE COMPANY

This Appendix contains a summary of the principal provisions of the Articles of Association ("the Articles of Association"), which will become effective on the date on which the H Shares are [**REDACTED**] on the Hong Kong Stock Exchange. The main purpose of this Appendix is to provide potential [**REDACTED**] with an overview of the Articles of Association and it may not necessarily contain all information that is important to potential [**REDACTED**].

GENERAL PROVISIONS

The Company is a joint stock limited company established in accordance with the Company Law, the Securities Law and other relevant regulations.

Shareholders shall be liable for the Company to the extent of the shares subscribed for by them. The Company shall be liable for its debts with all of its assets.

From the date of its effectiveness, the Articles of Association shall become a legally binding document that governs the organization and conduct of the Company, as well as the rights and obligations between the Company and its shareholders, and among shareholders. They shall be legally binding on the Company, its shareholders, directors, and senior management members. In accordance with the Articles of Association, shareholders may sue shareholders, shareholders may sue the Company's directors and senior management members, and shareholders may sue the Company. The Company may also sue shareholders, directors, and senior management members.

BUSINESS OBJECTIVE AND SCOPE

Business objective of the Company: being committed to the R&D and commercial application of innovative drugs, and continually striving for excellence to benefit human health.

Upon registration according to law, the Company's business scope includes: "R&D and wholesale of chemical drug preparations, active pharmaceutical ingredients of chemical drugs, and biological drugs; technology development, technology transfer, and technical services; self-operated and agency import and export business of various goods and technologies (excluding goods and technologies whose import or export is banned or restricted by the State); economic and business consulting (excluding investment consulting.). (For items requiring approval in accordance with the law, business activities may be carried out only after approval by relevant departments) Licensed items: drug production; drug wholesale; drug retail. (For items requiring approval in accordance with the law, business activities may be carried out only after approval by relevant departments. Specific business activities shall comply with the approval documents or permits issued by relevant departments.)"

SHARES

Issuance of Shares

The issuance of the Company's shares follows the principles of openness, fairness, and justice. Each share of the same class shall have equal rights.

Shares issued at the same time and within the same class shall be issued on the same conditions and at the same price. Any subscriber shall pay the same price for each of the shares it or he/she subscribes for.

Increase, Decrease and Repurchase of Shares

The Company may, upon resolutions by shareholders' meetings, adopt the following methods to increase its capital in accordance with its business and development needs and pursuant to the laws and regulations:

(I) offering of shares to non-specific objects;

(II) offering of shares to specific objects;

(III) distribution of bonus shares to existing shareholders;

(IV) conversion of funds in the capital reserve to share capital;

(V) other methods stipulated by the laws, administrative regulations and the securities regulatory rules of the place where the Company's shares are listed.

The Company may reduce its registered capital. The reduction of registered capital by the Company shall follow the procedures set forth in the Company Law and other relevant regulations and the Articles of Association.

The Company shall not purchase its own shares, except in any of the following circumstances:

(I) reducing the registered capital of the Company;

(II) merging with another company holding shares in the Company;

(III) using shares for the employee stock ownership plan or equity incentives;

(IV) acquiring the shares of shareholders who vote against any resolution adopted at the shareholders' meeting on the merger or division of the Company and request the Company to acquire their shares;

(V) using shares for converting corporate bonds issued by the Company that can be converted to shares;

(VI) acquiring shares in a manner as necessary for maintenance of the Company's value and shareholders' rights and interests;

(VII) other circumstances as permitted by the laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed.

The Company may acquire its own shares through public centralized trading provided that it complies with the securities regulatory rules of the place where the Company's shares are listed, or other ways approved by the laws, regulations, or the securities authorities of the place where the Company's shares are listed.

The acquisition of its own shares by the Company under the circumstances set out in Items (III), (V) or (VI) above shall be conducted through public centralized trading.

Acquisition of its own shares by the Company under the circumstances specified in Items (I) or (II) above shall be subject to a resolution adopted by the shareholders' meeting; acquisition of its own shares by the Company under the circumstances specified in Items (III), (V) or (VI) above shall be subject to a resolution adopted at a Board meeting attended by more than two-thirds of the directors in accordance with the Articles of Association.

After the Company has acquired its own shares in accordance with the first paragraph, the shares acquired under the circumstance stipulated in Item (I) shall be deregistered within 10 days from the date of acquisition; the shares shall be assigned or deregistered within six months if the acquisition of shares is made under the circumstances stipulated in either Item (II) or Item (IV); and the shares of the Company held in total by the Company after the acquisition of shares under the circumstances stipulated in Item (III), Item (V) or Item (VI) shall not exceed 10% of the Company's total shares in issue, and shall be assigned or deregistered within three years.

Transfer of Shares

Shares of the Company may be transferred according to the laws. All transfers of H shares shall be effected by a written instrument of transfer in the usual or ordinary form or in any other form acceptable to the Board of Directors (including the standard transfer form or instrument of transfer prescribed by the Hong Kong Stock Exchange from time to time). Such instrument of transfer may be executed only under hand or, in the case of a transferor or transferee being a company, under its valid corporate seal. If the transferor or transferee is a recognized clearing house or its nominee as defined under the relevant ordinances in force in Hong Kong from time to time, the instrument of transfer may be executed under hand or by mechanical means. All instruments of transfer shall be kept at the legal address of the Company or at such other place as the Board of Directors may from time to time determine.

The Company does not accept its own shares as collateral for a pledge.

Shares of the Company issued prior to the public issuance of shares shall not be transferred within one year from the date on which the shares of the Company are listed and traded on the stock exchange.

The Directors and senior management members of the Company shall report to the Company their shareholdings in the Company and changes thereof and shall not transfer more than 25% of the total shares of the same class held by them in the Company per annum during their terms of office determined at their assumption of duty; the shares they hold in the Company shall not be transferred within one year from the date on which the shares of the Company are listed and traded. The aforesaid persons shall not transfer their shares in the Company within half a year after they terminate service with the Company. Where directors and senior management members of the Company resign before the expiration of their term of office, they shall continue to comply with the relevant requirements for the percentage of shareholding reduction stipulated in laws and regulations including the Company Law and the securities regulatory rules of the place where the Company's shares are listed, within the term of office specified upon their appointment and the six months following the expiration of such term.

If the directors, senior management members or the shareholders holding more than 5% of the Company's shares sell the Company's shares or other equity securities held by them within six months after buying the same or buy the Company's shares or other equity securities within six months after selling the same, the earnings arising therefrom shall belong to the Company and shall be forfeited by the Board of the Company. However, this provision does not apply to securities companies, Hong Kong Securities Clearing Company Limited and HKSCC Nominees Limited that hold more than 5% of the Company's shares due to the purchase of remaining shares after underwriting, and other circumstances stipulated by the CSRC or the securities regulatory authorities of the place where the Company's shares are listed.

SHAREHOLDERS AND SHAREHOLDERS' MEETING

General Provisions of Shareholders

The Company shall set up a register of members based on the certificates provided by the securities registration and clearing institution. The register of members shall be sufficient evidence proving the holding of the shares in the Company by a shareholder. The original copy of the register of members for H shareholders shall be kept in Hong Kong for inspection by shareholders. The

Company may suspend the registration of shareholders in accordance with applicable laws, regulations and securities regulatory rules of the place where the Company's shares are listed. If any shareholder whose name is entered in the register of members or any person who requests to have his/her name entered into the register of members has lost his/her share certificate, he/she may apply to the Company for a new share certificate in replacement of the lost share certificate. If any holder of H shares has lost his/her share certificate and applies for the issue of a new share certificate, he/she may act in accordance with the laws, the rules of the stock exchange or other relevant regulations of the place where the original copy of the register of members for H shareholders is kept. Shareholders shall enjoy rights and undertake obligations according to the class of shares they hold. Shareholders holding shares of the same class shall enjoy the same rights and undertake the same obligations.

When the Company convenes a shareholders' meeting, distributes dividends, undergoes liquidation, or engages in any other activities that require the identification of shareholders, the Board of Directors or the convener of the shareholders' meeting shall determine the record date. Shareholders registered in the register of members at the close of business on the record date are entitled to the relevant rights.

The shareholders of the Company shall have the following rights:

(I) to obtain dividends and other forms of profit distribution in proportion to the number of shares held by them;

(II) to request, convene, chair, attend or appoint a proxy to attend a shareholders' meeting according to laws, and to exercise corresponding voting rights;

(III) to supervise the Company's business operations, propose recommendations or raise inquiries;

(IV) to transfer, bestow or pledge their shares in the Company in accordance with the laws, administrative regulations and the Articles of Association;

(V) to inspect and copy the Articles of Association, register of members, minutes of shareholders' meetings, resolutions of Board meetings, and financial and accounting reports, while the eligible shareholders may inspect the Company's accounting books and vouchers;

(VI) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining assets of the Company in proportion to the number of shares held by them;

(VII) to require the Company to repurchase their shares in the event of objection to resolutions of the shareholders' meetings concerning merger or division of the Company, provided that the procedural requirements for the Company's repurchase of shares as stipulated in the Articles of Association and relevant laws and regulations are met;

(VIII) to enjoy other rights stipulated by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

When shareholders request to inspect or copy the relevant materials of the Company, they shall comply with the provisions of laws and administrative regulations such as the Company Law, the Securities Law, and the Hong Kong Listing Rules. If a shareholder requests to inspect the information referred to in the preceding article or to obtain materials, he/she shall provide the Company with a written document proving the class and number of shares held in the Company. After verifying the shareholder's identity, the Company shall provide the requested information in accordance with the shareholder's requirements.

If any resolution of the shareholders' meeting or the Board of the Company runs against the laws and administrative regulations, the shareholders shall have the right to request the people's court to invalidate the said resolution.

If the convening procedure or voting method of the shareholders' meetings or Board meetings violates the laws, administrative regulations or the Articles of Association, or the content of a resolution runs counter to the Articles of Association, the shareholders shall have the right to request the people's court to rescind such resolution within 60 days after adoption of the resolution, unless there is only a slight defect in the convening procedure or voting method of shareholders' meetings or Board meetings, which has no substantive impact on the resolution.

In the event of a dispute regarding the validity of the resolution of a shareholders' meeting among the Board of Directors, shareholders and other relevant parties, legal action shall be promptly initiated with the people's court. Until the people's court issues a judgment or ruling, such as rescinding the resolution, the parties involved shall implement the resolution of the shareholders' meeting. The Company, its directors, and senior management members shall diligently discharge their duties to ensure the normal operation of the Company.

Where the people's court makes a judgment or ruling on the relevant matters, the Company shall, in accordance with the laws, administrative regulations, and the securities regulatory rules of the place where the Company's shares are listed, perform its information disclosure obligations, fully explain the impact, and actively cooperate in the execution of the judgment or ruling after it becomes effective. If the correction of previous matters is involved, the Company shall deal with it in a timely manner and fulfill the corresponding information disclosure obligations.

Under any of the following circumstances, a resolution of the shareholders' meeting or the Board of Directors of the Company shall not be formed:

(I) a resolution is adopted without holding a shareholders' meeting or a meeting of the Board of Directors;

(II) the matters to be resolved are not voted on at a shareholders' meeting or a meeting of the Board of Directors;

(III) the number of persons present at a meeting or the number of voting rights held by them is less than the number of persons or the number of voting rights held as prescribed in the Company Law or the Articles of Association;

(IV) the number of persons voting for the matters to be resolved or the number of voting rights held by them is less than the number of persons or the number of voting rights held as prescribed in the Company Law or the Articles of Association.

When directors or senior management members, excluding members of the Audit Committee, violate laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association while performing their duties for the Company, thereby causing losses to the Company, shareholders who individually or jointly hold 1% or more of the Company's shares for more than 180 days consecutively shall have the right to submit a written request to the Audit Committee to initiate legal proceedings to the people's court. When members of the Audit Committee violate laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association while performing their duties for the Company, thereby causing losses to the Company, the aforementioned shareholders may submit a written request to the Board of Directors to initiate legal proceedings to the people's court.

If the Audit Committee or the Board of Directors refuses to initiate legal proceedings after receiving the written request from the shareholders as stipulated in the preceding paragraph, fails to initiate legal proceedings within 30 days from the date of receiving such request, or if the situation is urgent and failure to initiate legal proceedings immediately would cause irreparable harm to the interests of the Company, the shareholders specified in the preceding paragraph shall have the right to directly initiate legal proceedings to the people's court in their own name for the benefit of the Company.

If others infringe upon the legitimate rights and interests of the Company, causing losses to the Company, the shareholders specified in the first paragraph of this article may initiate legal proceedings to the people's court in accordance with the provisions of the preceding two paragraphs.

Where the directors, supervisors, or senior management members of a wholly-owned subsidiary of the Company violate laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association while performing their duties, causing losses to the Company, or where others infringe upon the legitimate rights and interests of the wholly-owned subsidiary of the Company, resulting in losses, shareholders who individually or collectively hold 1% or more of the Company's shares for more than 180 days consecutively may, in accordance with the first three paragraphs of Article 189 of the Company Law, submit a written request to the board of supervisors or the board of directors of the wholly-owned subsidiary to initiate legal proceedings to the people's court, or directly initiate legal proceedings to the people's court in their own name.

If directors or senior management members violate laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association, thereby harming the interests of shareholders, the shareholders may initiate legal proceedings against the people's court.

The shareholders of the Company shall undertake the following obligations:

(I) to abide by laws, administrative regulations and the Articles of Association;

(II) to pay subscription funds as per the shares subscribed for and the method of subscription;

(III) not to make divestment unless in the circumstances stipulated by laws and regulations;

(IV) not to abuse shareholders' rights to damage the interests of the Company or other shareholders; not to abuse the Company's independent legal person status or shareholders' limited liability to damage the interests of the Company's creditors;

(V) to assume other obligations as provided by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

If any shareholder of the Company abuses his/her shareholder's right, thereby causing any loss to the Company or other shareholders, the said shareholder shall be liable for compensation according to law. Any shareholder of the Company who abuses the Company's independent legal person status and shareholders' limited liability to evade debts and seriously damage the interests of the Company's creditors shall assume joint and several liability for the Company's debts.

General Provisions on Shareholders' Meetings

The shareholders' meeting of the Company shall comprise all the shareholders. The shareholders' meeting is the organ of authority of the Company, and shall exercise the following functions and powers pursuant to the law:

(I) to elect and replace directors who are not employee representatives, and decide on matters related to directors' remuneration;

(II) to consider and approve the reports of the Board of Directors;

(III) to consider and approve the profit distribution plans and loss recovery plans of the Company;

(IV) to resolve on increase or decrease of the registered capital of the Company;

(V) to resolve on issuance of bonds of the Company;

(VI) to resolve on the merger, division, dissolution, liquidation or change in corporate form of the Company;

(VII) to amend the Articles of Association;

(VIII) to resolve on the engagement and dismissal of accounting firms responsible for audit matters of the Company;

(IX) to consider and approve matters relating to the guarantees stipulated in the Articles of Association;

(X) to consider matters regarding the Company's purchase or sale of material assets within one year in excess of 30% of the latest audited total assets of the Company;

(XI) to consider the matters relating to transactions specified in the Articles of Association;

(XII) to consider and approve the matters concerning related party transactions specified in the Articles of Association;

(XIII) to consider and approve matters relating to the changes in the use of proceeds;

(XIV) to consider and approve equity incentive scheme and employee stock ownership plan;

(XV) to consider and approve transactions between the Company and related parties which should be submitted to the shareholders' meeting for approval as stipulated by laws, administrative regulations and provisions of the securities regulatory authorities of the place where the Company's shares are listed;

(XVI) to consider other matters which should be decided by the shareholders' meeting as stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

The shareholders' meeting may authorize the Board of Directors to make resolutions on the issuance of corporate bonds.

Unless otherwise provided by laws, administrative regulations and the securities regulatory rules of the place where the Company's shares are listed, the aforesaid functions and powers of the shareholders' meeting shall not be exercised by the Board of Directors or other institutions and individuals by means of authorization.

Shareholders' meetings include annual shareholders' meetings and extraordinary shareholders' meetings. Annual shareholders' meetings shall be convened once a year within six months from the end of the previous fiscal year.

The Company shall convene an extraordinary shareholders' meeting within two months from the date of occurrence of any of the following circumstances:

(I) the number of directors falls short of the quorum stipulated in the Company Law or is less than two thirds of the number specified in the Articles of Association;

(II) the unrecovered losses of the Company amount to one third of the total amount of its share capital;

(III) it is required by shareholders individually or jointly holding 10% or more of the Company's shares;

(IV) the Board deems it necessary to convene the meeting;

(V) the Audit Committee proposes to convene the meeting;

(VI) there arise other circumstances as stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

The number of shares held by shareholders as described in item (III) above shall be calculated as per the shares of the Company held by such shareholders on the day of making the request.

The venue of shareholders' meetings of the Company shall be the domicile of the Company or any other specific location designated by the Board of Directors in the notice of meeting.

A meeting venue shall be set for the shareholders' meeting which shall be held in the form of an on-site meeting. In addition to holding shareholders' meetings at a physical venue, the Company may also convene meetings concurrently by means of electronic communication. The Company shall, where applicable and circumstances permit, facilitate shareholders' participation in shareholders' meetings through various means and channels, including the provision of online voting and other methods, in accordance with the law, administrative regulations, the regulatory rules of the place where the Company's shares are listed, the Hong Kong Listing Rules or the provisions of the Articles of Association.

Convening of Shareholders' Meetings

The Board shall convene shareholders' meetings in a timely manner within the periods specified.

With the approval of a simple majority of all independent directors, the independent directors shall be entitled to propose the convening of an extraordinary shareholders' meeting to the Board of Directors. Regarding the proposal of the independent directors to convene an extraordinary shareholders' meeting, the Board shall, pursuant to laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, give a written reply on whether or not to agree on the convening of the extraordinary shareholders' meeting within 10 days after receipt of the proposal. If the Board of Directors agrees to hold the

extraordinary shareholders' meeting, it shall serve a notice of such meeting within five days after the resolution is made. If the Board of Directors does not agree to hold the extraordinary shareholders' meeting, it shall give the reasons and publish an announcement in respect thereof.

The Audit Committee has the right to propose to the Board of Directors to convene an extraordinary shareholders' meeting, and such proposal shall be submitted to the Board of Directors in writing. The Board shall, pursuant to laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, give a written reply on whether or not to agree on the convening of the extraordinary shareholders' meeting within 10 days after receipt of the proposal.

Where the Board agrees to convene an extraordinary shareholders' meeting, a notice on the convening of the shareholders' meeting shall be issued within five days after the resolution is passed by the Board, and the changes to the original proposal set forth in the notice shall be approved by the Audit Committee.

Where the Board does not agree to convene an extraordinary shareholders' meeting, or fails to reply within 10 days upon receipt of the proposal, the Board shall be deemed as not being able to perform or failing to perform its duty to convene the shareholders' meeting, and the Audit Committee may convene and preside over such meeting on its own.

Shareholders individually or jointly holding 10% or more of the Company's shares shall have the right to request the Board to convene an extraordinary shareholders' meeting, and such request shall be made to the Board in writing. The Board shall, pursuant to laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, give a written reply on whether or not to agree on the convening of the extraordinary shareholders' meeting within 10 days after receipt of the request.

Where the Board agrees to convene an extraordinary shareholders' meeting, a notice on the convening of the shareholders' meeting shall be issued within five days after the resolution is passed by the Board, and the changes to the original request set forth in the notice shall be approved by the shareholders proposing to convene such meeting.

Where the Board does not agree to convene an extraordinary shareholders' meeting, or fails to reply within 10 days upon receipt of the request, proposing shareholders shall have the right to propose to the Audit Committee to convene an extraordinary shareholders' meeting, and such request shall be made to the Audit Committee in writing.

Where the Audit Committee agrees to convene an extraordinary shareholders' meeting, a notice on convening the shareholders' meeting shall be issued within five days upon receipt of the request, and the changes to the original request set forth in the notice shall be subject to approval by the proposing shareholders.

If the Audit Committee fails to serve a notice on convening of the shareholders' meeting within the prescribed period, it shall be deemed as failing to convene and preside over the shareholders' meeting, and the shareholders severally or jointly holding 10% or more of the Company's shares for 90 days consecutively may convene and preside over the meeting by themselves.

If the Audit Committee or shareholders decide to convene a shareholders' meeting by itself/themselves, it/they shall notify the Board of Directors in writing and file the same with the stock exchange.

The Audit Committee or the convening shareholders shall submit the relevant supporting materials to the stock exchange when issuing a notice of the shareholders' meeting and the announcement of the resolution of the shareholders' meeting.

The shares held by the convening shareholders prior to the announcement of the resolution of the shareholders' meeting shall not be below 10% of the shares of the Company.

With regard to the shareholders' meeting convened by the Audit Committee or the shareholders itself/themselves, the Board of Directors and its secretary shall offer cooperation, and the Board shall provide a register of members as of the date of record.

For the shareholders' meetings convened by the Audit Committee or shareholders on their own, the Company shall bear the necessary expenses for the meetings.

Proposals and Notices of Shareholders' Meetings

The content of proposals of the shareholders' meeting shall fall within the functions and powers of the shareholders' meeting, have clear topics for discussion and specific matters to be resolved and comply with relevant provisions of the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Where the Company convenes a shareholders' meeting, the Board, the Audit Committee, and shareholders individually or jointly holding 1% or more shares of the Company shall have the right to make proposals to the Company.

Shareholders severally or jointly holding 1% or more shares of the Company may raise temporary proposals and submit them to the convener in writing 10 days before the shareholders' meeting is held. The convener shall, within two days after receipt of the temporary proposals, issue a supplementary notice of shareholders' meeting announcing the content of such proposals, and submit such proposals to the shareholders' meeting for deliberation. If the shareholders' meeting is required to be postponed due to the issuance of a supplementary notice of such meeting in accordance with the securities regulatory rules of the place where the Company's shares are listed, the convening of the shareholders' meeting shall be postponed in accordance with such securities regulatory rules, unless the temporary proposals are in violation of any laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association or fall outside the scope of functions and powers of the shareholders' meeting.

Save as specified in the preceding paragraph, the convener, after issuing the notice of the shareholders' meeting, shall neither revise the proposals stated in the notice of shareholders' meetings nor add new proposals.

The shareholders' meeting shall not vote or resolve on any proposals which are not stated in a notice of the shareholders' meeting or are not in compliance with the Articles of Association.

The convener shall notify shareholders of the annual shareholders' meeting in writing (including by announcement) 21 days prior to the meeting. For an extraordinary shareholders' meeting, shareholders shall be notified in writing (including by announcement) 15 days prior to the meeting.

In calculating the aforesaid "21-day" and "15-day" periods, the date of issue of notice of the meeting and the date of the meeting shall be excluded. If the laws, administrative regulations, the listing rules and the securities regulatory authorities of the place where the Company's shares are listed have special provisions, such provisions shall apply.

The notice of a shareholders' meeting shall specify:

(I) time, venue and duration of the meeting;

(II) matters and proposals submitted for consideration at the meeting;

(III) a clear statement that all ordinary shareholders are entitled to attend the shareholders' meeting and appoint proxies in writing to attend and vote at such meeting and that such proxies need not be shareholders of the Company;

(IV) the date of registration of equity entitlements for shareholders having the right to attend the shareholders' meeting;

(V) the name and telephone number of the contact person for the meeting;

(VI) the timing and procedures for voting by Internet or other means.

Notices or supplementary notices of shareholders' meetings shall adequately and completely disclose the specific contents of all proposals.

The time to start voting via internet or by other mean at the shareholders' meeting shall not be earlier than 3:00 p.m. on the day before the physical shareholders' meeting is held or later than 9:30 a.m. on the day the physical shareholders' meeting is held, and its end time shall not be earlier than 3:00 p.m. on the day the physical shareholders' meeting ends.

The interval between the date of record and the date of the meeting shall not be more than seven working days. The date of record shall not be changed once confirmed.

Where the elections of directors are proposed to be discussed at the shareholders' meeting, the notice of the shareholders' meeting shall sufficiently disclose the particulars of the candidates for directors, and shall include at least the following content:

(I) personal particulars, including educational background, work experience, and part-time jobs;

(II) whether there is any related party relation with the Company or its controlling shareholders and actual controllers;

(III) the number of shares of the Company held;

(IV) whether he/she has been punished by the CSRC or any other relevant authority or reprimanded by the stock exchange;

(V) whether he/she meets the qualification requirements stipulated by the securities regulatory rules of the place where the Company's shares are listed.

Unless a director is elected via the cumulative voting system, each candidate for director shall be proposed via a single proposal.

After the notice of the shareholders' meeting is issued, such meeting shall not be postponed or cancelled and the proposals set out in the notice shall not be cancelled without proper reasons. In the case of any postponement or cancellation of the meeting, the convener shall make an announcement and give the reasons therefor at least two working days before the original date of the shareholders' meeting.

Holding of Shareholders' Meetings

All the ordinary shareholders recorded in the register of members on the date of record or their proxies shall be entitled to attend the shareholders' meetings and exercise their voting rights according to relevant laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association (unless individual shareholders are required to abstain from voting on specific matters according to the securities regulatory rules of the place where the Company's shares are listed).

Shareholders may attend shareholders' meetings in person or appoint one or more persons as proxies to attend and vote at the meeting on their behalf. Such proxy need not be a shareholder of the Company.

The shareholders' meetings shall be presided over by the chairman of the Board of Directors. Where the chairman cannot or does not fulfill the duty thereof, a simple majority of the directors may jointly elect a director to preside over the meeting.

A shareholders' meeting convened by the Audit Committee itself shall be presided over by the convener of the Audit Committee. When the convener of the Audit Committee is unable to perform or fails to perform his/her duties, one member of the Audit Committee jointly recommended by a simple majority of the members of the Audit Committee shall preside over the meeting.

A shareholders' meeting convened by the shareholders themselves shall be presided over by the convener or a representative recommended by the convener.

When a shareholders' meeting is held and the presider violates the rules of procedure, which makes it difficult for the shareholders' meeting to continue, a person may be elected at the shareholders' meeting to act as the presider to carry on with the meeting, subject to the approval of a simple majority of the attending shareholders with voting rights.

The Company shall formulate rules of procedure for shareholders' meetings which shall specify in detail the convening, holding and voting procedures of shareholders' meetings, covering notification, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of meeting resolutions, meeting minutes and their signing, announcements and other contents, and the principles of authorization to the Board of Directors at the shareholders' meeting. The authorization shall be clear and specific. The rules of procedure for shareholders' meetings shall be annexed to the Articles of Association, and shall be prepared by the Board of Directors and approved by the shareholders' meeting.

Resolutions and Voting at Shareholders' Meetings

Resolutions of the shareholders' meeting are classified into ordinary resolutions and special resolutions.

Ordinary resolutions of the shareholders' meeting shall be passed by votes representing more than half of the voting rights held by shareholders attending the shareholders' meeting.

Special resolutions of the shareholders' meeting shall be passed by votes representing more than two thirds of the voting rights held by shareholders attending the shareholders' meeting.

The following matters shall be passed through ordinary resolutions at the shareholders' meeting:

(I) work reports of the Board of Directors;

(II) profit distribution plans and loss recovery plans formulated by the Board;

(III) the appointment or removal of members of the Board of Directors and their remuneration and payment methods;

(IV) matters other than those which shall be passed by special resolutions as specified by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

The following matters shall be passed through special resolutions at the shareholders' meeting:

(I) increase or decrease of the registered capital of the Company;

(II) division, spin-off, merger, dissolution and liquidation of the Company;

(III) amendment to the Articles of Association;

(IV) the purchase or disposal of material assets or provision of guarantee by the Company within a year with aggregate value exceeding 30% of the latest audited total assets of the Company;

(V) equity incentive schemes;

(VI) other matters stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association, as well as other matters which are determined by the shareholders' meeting via ordinary resolution to have a material impact on the Company and therefore require approval by special resolution.

Shareholders shall exercise their voting rights according to the number of voting shares they represent, with each share carrying one vote, except for class shareholders. In voting, shareholders (including proxies thereof) entitled to two or more votes need not cast all their votes as affirmative, negative or abstention votes.

Where any major matter that has an impact on the interests of minority investors is considered at a shareholders' meeting, the votes cast by minority investors shall be counted separately. The separate counting results shall be disclosed responsively and publicly.

Shares of the Company held by the Company shall carry no voting rights, and shall be excluded from the total number of voting shares at a shareholders' meeting. Where any shareholder is required to abstain from voting on any particular resolution or restricted to voting only for (or only against) any particular resolution according to applicable laws and regulations and the Hong Kong Listing Rules, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted into the total number of voting shares.

If a shareholder purchases any voting shares of the Company in violation of paragraphs 1 and 2 of Article 63 of the Securities Law, voting rights of the shares exceeding the prescribed percentage shall not be exercisable within 36 months after the purchase, and such shares shall not be counted in the total number of voting shares at the shareholders' meeting.

The Board of Directors, independent directors, shareholders holding more than 1% of voting shares, or investor protection institutions established in accordance with laws, administrative regulations, or the securities regulatory rules of the place where the Company's shares are listed, may publicly solicit shareholder voting rights. When soliciting shareholder voting rights, the solicitor shall fully disclose specific voting intentions and other relevant information to the solicited parties. It is prohibited to solicit voting rights from shareholders by way of consideration or through disguised compensation. Save for statutory conditions, the Company shall not impose any minimum shareholding limitation for soliciting voting rights.

When the shareholders' meeting considers related party transactions, the related shareholders shall not participate in voting, and the number of voting shares represented by them shall not be included in the total number of valid votes. Such related party transactions shall be voted on by the non-related shareholders present at the meeting, and shall be considered passed if they receive approval from more than half of the valid voting rights. If the transaction falls within the scope of

special resolutions, it shall be valid only if it is approved by more than two thirds of the voting rights held by the non-related shareholders present at the shareholders' meeting. The announcement of the resolution of the shareholders' meeting shall fully disclose the votes of the non-related shareholders.

The list of candidates for directors shall be submitted for voting at the shareholders' meetings by way of proposal.

The Company may adopt a cumulative voting system for the election of directors. The election of independent directors and non-independent directors shall be conducted separately.

A shareholder attending any shareholders' meeting shall vote for or against or abstain from voting on each proposal submitted to the meeting for voting. The securities registration and clearing organization shall be the nominal holder of shares under the Mainland China and Hong Kong Stock Connect scheme, except where a declaration is made in accordance with the actual holder's intent.

Blank, wrong, illegible or uncast votes shall be deemed as the voters' waiver of their voting rights, and the voting results representing the shares held by such voters shall be counted as "abstentions".

Resolutions of the shareholders' meeting shall be announced in due time. The announcement shall specify the number of attending shareholders and their proxies, the total number of voting shares they represent and the proportion of these shares to the total number of the voting shares of the Company, the voting method, the voting result for every proposal, the resolutions passed, and the detailed content required to be announced in accordance with the provisions of the Hong Kong Listing Rules.

If a proposal is not adopted or if the current shareholders' meeting amends a resolution of a previous shareholders' meeting, a special notice shall be included in the announcement of the shareholders' meeting resolution.

When the shareholders' meeting passes a proposal regarding the election of directors, the term of office for the newly elected directors shall commence on the date on which the resolution is adopted.

If the shareholders' meeting passes a proposal concerning cash dividends, bonus share issues, or capital reserve conversion into share capital, the Company shall implement the specific plan within two months after the conclusion of the shareholders' meeting. If the specific plan cannot be carried out within two months due to legal and regulatory requirements or the securities regulatory rules of the place where the Company's shares are listed, the implementation date of the specific plan may be adjusted accordingly based on such provisions and the actual circumstances.

Cumulative Voting System

Cumulative voting refers to a system used in the election of directors at a shareholders' meeting, where each share carries the same number of voting rights as the number of directors to be elected, and the shareholders' voting rights may be used in a concentrated manner. The number of votes each shareholder holds is equal to the number of shares they own multiplied by the number of directors they are entitled to elect. Each shareholder may cast all of their votes for a single candidate or distribute them among all the director candidates they are entitled to elect. Candidates who receive the highest number of votes shall be elected.

Before voting on director candidates at the shareholders' meeting, the meeting presider shall clearly inform the attending shareholders that cumulative voting will be applied for the election of directors.

BOARD OF DIRECTORS

Director(s)

Directors of the Company include executive directors, non-executive directors, and independent directors. A non-executive director refers to a director who does not hold management positions within the Company. The term "independent director" has the same meaning as "independent non-executive director" under the Hong Kong Listing Rules. Directors of the Company are natural persons.

Directors are elected or replaced by the shareholders' meeting and may be removed by an ordinary resolution of the shareholders' meeting before the expiration of their term. However, such removal shall not affect the director's right to claim damages under any contract. The term of office for directors is three years. Upon the expiration of a director's term, they may be re-elected for consecutive terms in accordance with the securities regulatory rules of the place where the Company's shares are listed.

The term of a director shall start from the date on which the said director assumes office to the expiry of the current Board of Directors. If the term of office of a director expires but reelection is not made responsively, the said director shall continue fulfilling the duties as director pursuant to laws, administrative regulations, department rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association until a new director is elected.

A director appointed by the Board of Directors to fill a temporary vacancy on the Board or to increase the size of the Board shall hold office for a term commencing on the date of assumption of office and ending at the shareholders' meeting at which a successor director is elected following such appointment (provided that such term shall in no event extend beyond the first annual shareholders' meeting after such appointment), and shall be eligible for re-election at such meeting. If the relevant securities regulatory rules of the place where the Company's shares are listed impose specific provisions regarding the re-election of directors, such provisions shall prevail.

Directors may concurrently serve as senior management members. However, the total number of directors who concurrently hold senior management positions, together with directors who are employee representatives, shall not exceed one-half of the total number of directors of the Company.

Directors shall observe laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, act in good faith towards the Company, take measures to avoid conflicts between personal interests and the interests of the Company, and refrain from exploiting his/her position for improper gain.

Directors shall fulfill the following obligations of loyalty to the Company:

(I) not to expropriate the property or embezzle monies of the Company;

(II) not to open in their own names or in others' names any bank account for the purpose of depositing any of the Company's monies;

(III) not to abuse their official powers to offer bribes or accept other unlawful income;

(IV) not to conclude any contract or conduct any transaction directly or indirectly with the Company, unless he/she has reported it to the Board of Directors or the shareholders' meeting and the contract or transaction has been approved by a resolution of the Board of Directors or the shareholders' meeting in accordance with the Articles of Association;

(V) not to take advantage of his/her position to secure, for himself/herself or for any other person, any business opportunity that rightfully belongs to the Company, unless: the matter has been reported to the Board of Directors or the shareholders' meeting and approved by a resolution of the shareholders' meeting, or the Company is unable to exploit the opportunity under applicable laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association;

(VI) not to operate, either on their own account or for others, businesses of the same kind as those of the Company where they serve, unless the matter has been reported to the Board of Directors or the shareholders' meeting and approved by a resolution of the shareholders' meeting;

(VII) not to take as their own any commission for any transaction between the Company and others;

(VIII) not to disclose any secret of the Company without permission;

(IX) not to use their related party relations to damage the interests of the Company;

(X) to fulfill other duties of loyalty specified by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Any income obtained by a director in violation of this article shall be surrendered to the Company; if losses are caused to the Company, the director shall be liable for compensation.

The provisions of item (IV) of paragraph 2 of this article shall apply when a close relative of a director or senior management member, an enterprise directly or indirectly controlled by a director, senior management member or their close relatives, or an affiliated person having other affiliated relationships with a director or senior management member enters into a contract or conducts a transaction with the Company.

Directors shall comply with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association. They owe a duty of diligence to the Company and shall exercise reasonable care, as typically expected of a manager, in performing their duties to act in the best interests of the Company.

Directors shall fulfill the following obligations of diligence to the Company:

(I) to exercise the rights conferred by the Company with due discretion, care and diligence to ensure the business operations of the Company comply with State laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and economic policies, and do not go beyond the business scope specified in the business license of the Company;

(II) to treat all shareholders impartially;

(III) to keep informed of the business operations and management of the Company;

(IV) to sign written confirmations of the regular reports issued by the Company and to ensure the information disclosed by the Company is true, accurate and complete;

(V) to honestly provide the Audit Committee with relevant information and materials, and not to prevent the Audit Committee from exercising its functions and powers;

(VI) to fulfill other duties of diligence specified by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

If any director fails to attend Board meetings in person or by proxy for two consecutive times, the said director shall be deemed incapable of performing his/her duties, and the Board of Directors shall suggest that the shareholders' meeting dismiss the said director.

A director may resign before the expiration of his/her term. The resignation of a director shall be submitted to the Board of Directors in the form of a written resignation report. The resignation shall take effect on the date the Company receives the resignation report, and the Company shall disclose the relevant information within two trading days. If the resignation of a director causes the number of members of the Company's Board of Directors to fall below the statutory minimum, or if the resignation of an independent director results in the proportion of independent directors in the Company's Board of Directors or its special committees failing to comply with laws and regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association, or if there is no independent director with accounting or financial expertise, the resigning director shall continue to perform the duties of a director in accordance with the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association until the newly elected directors assume office.

The Company establishes a director resignation management system that specifies safeguard measures for pursuing liability and compensation regarding unfulfilled public commitments and other outstanding matters. Upon the effective date of a director's resignation or the expiration of his/her term, the director shall complete all handover procedures with the Board of Directors. The fiduciary duty owed to the Company and its shareholders does not automatically terminate upon the end of the term; rather, it shall remain valid for twelve months following the conclusion of the term. The liability of a director for actions performed in the execution of his/her duties during the term of office shall not be exempted or terminated upon his/her departure.

The shareholders' meeting may resolve to remove a director, and the removal shall take effect on the date the resolution is adopted. If a director is removed prior to the expiration of his/her term without just cause, the director may require the Company to provide compensation.

Save as specified in the Articles of Association or legally authorized by the Board, no director shall act on behalf of the Company or the Board in his/her personal name. If a director acts in his/her own name but a third party may reasonably think the said director is acting on behalf of the Company or the Board, the said director shall make a prior statement of his/her standpoint and capacity.

When a director, in the performance of his/her duties for the Company, causes damage to any other party, the Company shall bear the liability for compensation. If the director is found to have acted with intent or gross negligence, he/she shall also be liable for compensation.

If any director violates the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association in fulfilling his/her duties, thereby incurring any loss of the Company, the said director shall be liable for compensation.

BOARD OF DIRECTORS

The Company shall have a Board of Directors consisting of 8 directors, including 1 chairman, 1 employee director, and 4 independent directors. The chairman shall be the director representing the Company in executing corporate affairs and shall be elected by a majority vote of all the directors of the Board of Directors.

The Board of Directors shall exercise the following functions and powers:

(I) to convene shareholders' meetings and report its work to the shareholders' meeting;

(II) to implement the resolutions passed at the shareholders' meeting;

(III) to decide on the Company's business plans and investment plans;

(IV) to formulate the profit distribution plan and loss makeup plan of the Company;

(V) to formulate the proposals for increase or decrease of the Company's registered capital, and proposals for issuance of bonds or other securities and listing plans;

(VI) to formulate proposals for material acquisitions, purchase of shares of the Company, merger, division, dissolution or change in corporate form;

(VII) to decide on external investment, acquisition and disposal of assets, asset mortgage, external guarantee, consigned financial management, connected transactions, external donations, etc. of the Company within the authority granted by the shareholders' meeting;

(VIII) to resolve on the Company's internal management setup;

(IX) to appoint or dismiss the Company's general manager, Board secretary or other senior management members and determine their remunerations, rewards and punishments, and, based on nomination by the general manager, to appoint or dismiss the Company's deputy general manager, chief financial officer and other senior management members and determine their remunerations, rewards and punishments;

(X) to set up the basic management system of the Company;

(XI) to formulate the proposals for any amendment to the Articles of Association;

(XII) to manage information disclosure of the Company;

(XIII) to propose to the shareholders' meeting to appoint or replace the accounting firm which audits the Company's accounts;

(XIV) to hear the work report and inspect the work of the Company's general manager;

(XV) to decide on matters concerning the provision of financial assistance by the Company as stipulated in the Articles of Association;

(XVI) to decide on the repurchase of the Company's own shares under the circumstances specified in the Articles of Association;

(XVII) to perform other functions and powers specified by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

The chairman shall exercise the following powers and functions:

(I) to preside over shareholders' meetings and convene and preside over Board meetings;

(II) to supervise and inspect the implementation of resolutions passed by the Board;

(III) to exercise other functions and powers conferred by the Board.

The matters mentioned above exclude those that, according to the Company Law and other relevant laws and regulations as well as the securities regulatory rules of the place where the Company's shares are listed, must be reviewed and approved by the Board of Directors or the shareholders' meeting.

If the chairman is unable or fails to perform his/her duties, a director shall be elected jointly by more than half of the directors to perform such duties.

The Board of Directors shall meet at least four times each year, typically once per quarter. Meetings shall be convened by the chairman, and written notice shall be given to all directors at least 14 days prior to the scheduled meeting.

Shareholders representing one-tenth or more of the voting rights, one-third or more of the directors, a majority of the independent directors, or the Audit Committee may propose the convening of an interim meeting of the Board of Directors. The chairman shall convene and preside over a Board meeting within 10 days after receipt of the proposal.

Notice for convening an interim meeting of the Board of Directors shall be given in writing at least five days in advance. However, in cases where participating directors raise no objection or the matter is urgent, the above notice period may be waived, and the meeting may be convened at any time with appropriate notice.

A Board meeting shall be attended by more than half of the directors. Resolutions made by the Board shall be approved by more than half of all the directors.

Resolutions of the Board shall be voted on as per "one person, one vote" system.

If any director has a connection with the enterprise or an individual involved in the resolution made at a Board meeting, the said director shall timely provide a written report to the Board of Directors. The connected director shall not vote on such resolution, nor shall he/she act as a proxy for other directors to vote. A Board meeting may be held when more than half of the non-connected directors attend the meeting. The resolution made at the Board meeting shall be passed by more than half of the non-connected directors. If the number of non-connected directors attending the meetings is less than three, the issue shall be submitted to the shareholders' meeting for deliberation. If any laws, regulations, or the securities regulatory rules of the place where the Company's shares are listed impose additional restrictions on the participation of directors in Board meetings or on voting, such provisions shall prevail.

Voting at Board meetings may be conducted by open ballot or by a show of hands. Interim Board meetings may be held and resolutions may be adopted through electronic communication methods such as telephone, video conference, fax, email, or online platforms, provided that directors are ensured a full opportunity to express their opinions, and the participating directors shall sign the resolutions.

Directors shall attend Board meetings in person. If any director cannot attend the meeting for any reason, he/she may issue a written power of attorney to authorize another director to attend on behalf thereof, which power of attorney shall specify the name of the proxy, the matters to be handled in proxy, scope of authorization and validity period, and shall bear the signature or seal of the principal.

The director attending the meeting on behalf of another director shall exercise the rights of a director within the scope of authorization. If a director fails to attend a Board meeting and does not appoint a proxy to act on his/her behalf, the said director shall be deemed as having waived his/her right to vote at the meeting.

The Board shall prepare minutes for the decisions made on matters discussed at the meeting, which shall be signed by the attending directors.

The minutes of Board meetings shall be kept as archives of the Company for at least 10 years.

The directors shall be responsible for the resolutions passed at Board meetings. Where a resolution of the Board is in violation of any laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, the Articles of Association, or resolutions of the shareholders' meeting and thereby causes any serious loss to the Company, the directors who adopt the resolution shall be liable for compensation. However, if a director has been proved as having expressed dissenting opinions on the resolution during the voting and such opinions are recorded in the meeting minutes, he/she may be exempt from liability.

Independent Directors

Independent directors shall, in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association, diligently perform their duties, play a role in participating in decision-making, exercising oversight and checks and balances, and providing professional advice within the Board of Directors, safeguard the overall interests of the Company, and protect the legitimate rights and interests of minority shareholders. The Company shall have independent directors, with the number of independent directors being no less than three and constituting at least one-third of the Board of Directors. Independent directors must meet the independence requirements stipulated by the securities regulatory rules of the place where the Company's shares are listed.

As members of the Board of Directors, independent directors owe fiduciary duties and duties of diligence to the Company and all shareholders, and shall prudently perform the following duties:

(I) participate in Board decision-making and express clear opinions on matters under discussion;

(II) supervise potential major conflicts of interest between the Company and its controlling shareholders, actual controllers, directors, or senior management members, and protect the legitimate rights and interests of minority shareholders;

(III) provide professional and objective advice on the Company's business development to enhance the quality of Board decision-making;

(IV) perform other duties as stipulated by the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Independent directors shall exercise the following special powers and functions:

(I) independently engage intermediary institutions to conduct audits, consultations, or verification regarding specific matters of the Company;

(II) propose to the Board of Directors the convening of an extraordinary shareholders' meeting;

(III) propose the convening of a Board meeting;

(IV) solicit shareholders' rights from shareholders openly and in accordance with the law;

(V) express independent opinions on matters that may harm the interests of the Company or minority shareholders;

(VI) exercise other powers and functions as stipulated by the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

If an independent director exercises the powers and functions listed in items (I) to (III) of the preceding paragraph, such exercise shall be approved by a majority of all independent directors.

When an independent director exercises the powers and functions specified in the first paragraph, the Company shall disclose the matter in a timely manner. If the above-mentioned powers and functions cannot be exercised normally, the Company shall disclose the specific circumstances and reasons.

The following matters shall be submitted to the Board of Directors for deliberation only after obtaining approval by a majority of all independent directors of the Company:

(I) disclosable connected transactions;

(II) plans for the modification or waiver of commitments by the Company and relevant parties;

(III) decisions and measures taken by the board of directors of an acquired listed company in response to the acquisition;

(IV) other matters as stipulated by the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Special Committees under the Board

The Board of Directors of the Company has established an Audit Committee, which shall exercise the powers of the Board of Supervisors as prescribed under the Company Law.

The Audit Committee shall consist of five 5 members, all of whom are directors who do not hold senior management positions in the Company, including 3 independent directors. An independent director with accounting expertise shall serve as the convener of the Audit Committee.

The Audit Committee shall be responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating internal and external audit work and internal controls. The following matters shall be submitted to the Board of Directors for consideration only after being approved by a majority of all members of the Audit Committee:

(I) the disclosure of financial information in financial accounting reports and periodic reports, and internal control evaluation reports;

(II) the engagement or dismissal of the accounting firm undertaking the Company's audit services;

(III) the appointment or dismissal of the Company's chief financial officer;

(IV) changes in accounting policies or accounting estimates, or corrections of material accounting errors, for reasons other than changes in accounting standards;

(V) other matters as required by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

The Board of Directors has also established other special committees, including the Strategy Committee, the Nomination Committee, and the Remuneration and Appraisal Committee, which shall perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors. Proposals of the special committees shall be submitted to the Board of Directors for deliberation and decision. The working rules of the special committees shall be formulated by the Board of Directors.

The Nomination Committee shall be responsible for formulating the selection criteria and procedures for directors and senior management members, selecting and reviewing candidates for directors and senior management members and their qualifications, and making recommendations to the Board of Directors on the following matters:

(I) the nomination or removal of directors;

(II) the appointment or dismissal of senior management members;

(III) other matters as required by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Where the Board of Directors does not adopt or does not fully adopt the recommendations of the Nomination Committee, it shall record the opinions of the Nomination Committee and the specific reasons for non-adoption in the Board resolutions and make disclosure thereof.

The Remuneration and Appraisal Committee shall be responsible for formulating assessment standards for directors and senior management members and conducting assessments, formulating and reviewing remuneration decision-making mechanisms, decision-making procedures, payment and clawback arrangements, and other remuneration policies and plans for directors and senior management members, and making recommendations to the Board of Directors on the following matters:

(I) remuneration of directors and senior management members;

(II) the formulation or modification of equity incentive plans and employee stock ownership plans, and the granting and satisfaction of conditions for the exercise of equity interests by incentive recipients;

(III) shareholding arrangements for directors and senior management members in proposed spin-off subsidiary arrangements;

(IV) other matters as required by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Where the Board of Directors does not adopt or does not fully adopt the recommendations of the Remuneration and Appraisal Committee, it shall record the opinions of the Remuneration and Appraisal Committee and the specific reasons for non-adoption in the Board resolutions and make disclosure thereof.

Senior Management

The Company shall have one general manager, who shall be appointed or dismissed by the Board of Directors. The Company shall also have deputy general managers, a chief financial officer, and a Board secretary. The deputy general managers and the chief financial officer shall be nominated by the general manager, and the Board secretary shall be nominated by the chairman of the Board; all shall be appointed or dismissed by the Board of Directors.

The term of office of the general manager shall be three years, and he/she may be reappointed upon re-election.

The general manager shall be accountable to the Board of Directors and shall exercise the following powers:

(I) presiding over the Company's production, operation and management, organizing the implementation of Board resolutions, and reporting to the Board of Directors;

(II) organizing the implementation of the Company's annual operating plans and investment proposals;

(III) proposing plans for the establishment of the Company's internal management structure;

(IV) proposing the Company's basic management systems;

(V) formulating the Company's specific rules and regulations;

(VI) proposing to the Board of Directors the appointment or dismissal of the Company's deputy general managers and chief financial officer;

(VII) deciding on the appointment or dismissal of management personnel other than those whose appointment or dismissal shall be decided by the Board of Directors;

(VIII) other powers not vested in the shareholders' meeting or the Board of Directors by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

The general manager shall attend meetings of the Board of Directors as a non-voting attendee.

The deputy general managers shall assist the general manager in his/her work, be accountable to the general manager, and, upon authorization by the general manager, be responsible for specific areas of work and execute relevant business documents within the scope of their duties. Where the general manager is unable to perform his/her powers, a deputy general manager may, upon authorization by the general manager, act on behalf of the general manager.

The Company shall have a Board secretary, who shall be responsible for the preparation of meetings of the shareholders' meetings and the Board of Directors, custody of documents, management of shareholders' information, handling information disclosure matters, and other related affairs.

The Board secretary shall comply with the relevant provisions of laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Financial Accounting System

The Company shall formulate its financial accounting system in accordance with laws, administrative regulations and the provisions of the relevant state authorities.

In addition to the statutory accounting books, the Company shall not establish any other accounting books. The Company's funds shall not be deposited in accounts opened in the name of any individual.

When distributing its after-tax profits for the year, the Company shall appropriate 10% of such profits to be included in the Company's statutory reserve fund. Where the cumulative amount of the Company's statutory reserve fund has reached 50% or more of the Company's registered capital, further appropriation may cease.

Where the statutory reserve fund of the Company is insufficient to cover losses of previous years, such losses shall be made up out of the current year's profits before any appropriation to the statutory reserve fund in accordance with the preceding paragraph.

After appropriating the statutory reserve fund from after-tax profits, the Company may, upon a resolution of the shareholders' meeting, also appropriate a discretionary reserve fund from after-tax profits.

The remaining after-tax profits after making up losses and appropriating reserve funds shall be distributed in proportion to the shares held by the shareholders.

Where the shareholders' meeting distributes profits to shareholders in violation of the Company Law, the shareholders shall return the profits distributed in violation of the law to the Company; where losses are caused to the Company, the shareholders and the responsible directors and senior management members shall bear compensation liability.

Shares of the Company held by the Company itself shall not participate in profit distribution.

Where the ending balance of the Company's accumulated undistributed profits is positive, the distributable profits for the current period (i.e., the after-tax profits remaining after the Company has made up losses and appropriated reserve funds) are positive, and the Company's cash flow is sufficient to meet the needs of its normal operations and sustainable development, the Company shall, in principle, distribute profits in cash at least once each year after making up losses and fully appropriating statutory and discretionary reserve funds. The cumulative profits distributed in cash by the Company over the most recent three years shall not be less than 30% of the average annual distributable profits realized over the most recent three years.

The Board of Directors shall comprehensively consider factors including the characteristics of the industry in which the Company operates, its stage of development, its business model, profitability, debt repayment capacity, whether there are material capital expenditure arrangements, and investor returns, distinguish among the following circumstances, and, in accordance with the procedures set forth in the Articles of Association, propose differentiated cash dividend policies:

(1) where the Company is in a mature stage of development and has no material capital expenditure arrangements, the proportion of cash dividends in the current profit distribution shall be not less than 80%;

(2) where the Company is in a mature stage of development and has material capital expenditure arrangements, the proportion of cash dividends in the current profit distribution shall be not less than 40%;

(3) where the Company is in a growth stage of development and has material capital expenditure arrangements, the proportion of cash dividends in the current profit distribution shall be not less than 20%;

Where the Company's stage of development is difficult to determine but there are material capital expenditure arrangements, the Board of Directors shall, based on the specific circumstances, apply by reference the provisions of item (3) of the preceding paragraph. The proportion of cash dividends in the current profit distribution shall be calculated as cash dividends divided by the sum of cash dividends and stock dividends.

For the purposes hereof, "material capital expenditure arrangements" refer to any of the following circumstances:

(1) the Company's cumulative proposed expenditures on external investments, asset acquisitions or equipment purchases within the next twelve months reach or exceed 50% of the Company's most recently audited net assets, or exceed RMB50 million;

(2) the Company's cumulative proposed expenditures on external investments, asset acquisitions or equipment purchases within the next twelve months reach or exceed 30% of the Company's most recently audited total assets.

Internal Audit

The Company shall implement an internal audit system, specifying the leadership structure, duties and authorities, staffing, funding safeguards, utilization of audit results, and accountability mechanisms for internal audit work.

The Company's internal audit system shall be implemented upon approval by the Board of Directors and shall be disclosed externally.

The internal audit institution shall supervise and inspect matters including the Company's business activities, risk management, internal controls and financial information.

The internal audit institution shall be accountable to the Board of Directors.

The specific organization and implementation of the evaluation of the Company's internal controls shall be undertaken by the internal audit institution. Based on the evaluation report issued by the internal audit institution and reviewed by the Audit Committee, together with relevant materials, the Company shall issue its annual internal control evaluation report.

Engagement of Accounting Firms

The Company shall engage an accounting firm that meets the requirements of the Securities Law to conduct audits of accounting statements, verification of net assets, and other related consulting services. The term of engagement shall be one year, commencing from the conclusion of the current annual general meeting of the Company and ending at the conclusion of the next annual general meeting, and may be renewed.

The engagement or dismissal of an accounting firm by the Company shall be decided by the shareholders' meeting. The Board of Directors shall not appoint an accounting firm prior to a decision of the shareholders' meeting.

The audit fees of the accounting firm shall be determined by the shareholders' meeting.

NOTICES AND ANNOUNCEMENTS

Notices

The Company's notices shall be issued in the following forms:

(I) delivery by hand;

(II) delivery by mail;

(III) publication by way of announcement;

(IV) other forms as required by the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Where notices issued by the Company are made by way of announcement, once such announcement is made, it shall be deemed that all relevant persons have received the notice.

Notices of meetings of the shareholders' meeting convened by the Company shall be made by way of announcement.

Notices of meetings of the Board of Directors convened by the Company shall be delivered by hand, by mail, by electronic mail, by facsimile, or by way of announcement.

Announcements

The Company shall select designated media and websites that comply with the regulations of the China Securities Regulatory Commission and the securities regulatory rules of the place where the Company's shares are listed for the publication of Company announcements and other information required to be disclosed (including the HKEXnews website (www.hkexnews.hk)).

MERGER, DIVISION, INCREASE AND REDUCTION OF CAPITAL, DISSOLUTION, AND LIQUIDATION

Merger, Division, Increase and Reduction of Capital

The Company may merge by way of absorption or by the establishment of a new company.

Where one company absorbs another, it shall be an absorption merger, and the absorbed company shall be dissolved. Where two or more companies merge to establish a new company, it shall be a newly established merger, and all merging parties shall be dissolved.

Where the consideration paid for a merger by the Company does not exceed 10% of the Company's net assets, such merger may be effected without a resolution of the shareholders' meeting, unless otherwise provided in the Articles of Association.

Where a merger is effected without a resolution of the shareholders' meeting pursuant to the preceding paragraph, it shall be approved by a resolution of the Board of Directors.

In the case of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days from the date of the merger resolution, and make an announcement within 30 days in newspapers, on the National Enterprise Credit Information Publicity System, and on the HKEXnews website (www.hkexnews.hk). Creditors may, within 30 days from the date of receipt of such notice, or within 45 days from the date of the announcement if no notice is received, require the Company to repay the debts or provide corresponding guarantees.

Upon a merger of the Company, the claims and debts of the merging parties shall be assumed by the surviving company or the newly established company after the merger.

In the event of a division of the Company, its assets shall be divided accordingly.

In the case of a division, the Company shall prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days from the date of the division resolution, and make an announcement within 30 days in newspapers, or on the National Enterprise Credit Information Publicity System and the HKEXnews website (www.hkexnews.hk).

Debts incurred by the Company prior to the division shall be jointly and severally borne by the companies after the division, unless otherwise agreed in writing between the Company and its creditors prior to the division with respect to debt repayment.

When the Company reduces its registered capital, it shall prepare balance sheets and inventories of assets.

The Company shall notify its creditors within 10 days from the date on which the shareholders' meeting adopts a resolution on the reduction of registered capital, and make an announcement within 30 days in newspapers, or on the National Enterprise Credit Information Publicity System and the HKEXnews website (www.hkexnews.hk). Creditors may, within 30 days from the date of receipt of such notice, or within 45 days from the date of the announcement if no notice is received, require the Company to repay the debts or provide corresponding guarantees.

Upon a reduction of registered capital, the Company shall proportionally reduce the capital contributions or shares in accordance with the shareholding ratios of the shareholders, unless otherwise provided by law or the Articles of Association.

Where the Company issues new shares to increase its registered capital, shareholders shall not have pre-emptive subscription rights, unless otherwise provided in the Articles of Association or unless the shareholders' meeting resolves to grant shareholders pre-emptive subscription rights.

Dissolution and Liquidation

The Company shall be dissolved for any of the following reasons:

(I) the occurrence of any cause of dissolution as stipulated in the Articles of Association;

(II) a resolution of the shareholders' meeting to dissolve the Company;

(III) dissolution required due to a merger or division of the Company;

(IV) revocation of the business license, an order to close down, or revocation in accordance with law;

(V) where serious difficulties arise in the Company's operation and management such that the continued existence of the Company would cause significant losses to shareholders' interests and no other means are available to resolve such difficulties, shareholders holding more than 10% of the total voting rights of all shareholders of the Company may request the people's court to dissolve the Company.

Where any of the causes of dissolution set forth in the preceding paragraph occurs, the Company shall, within 10 days, disclose the cause of dissolution through the National Enterprise Credit Information Publicity System.

Where the Company is dissolved under any of the circumstances set out in items (I), (II), (IV), or (V) above, the Company shall undergo liquidation. The directors shall be the liquidation obligors of the Company and shall, within 15 days from the date on which the cause of dissolution occurs, establish a liquidation committee to carry out the liquidation.

The liquidation committee shall be composed of the directors, unless otherwise provided in the Articles of Association or unless the shareholders' meeting resolves to appoint other persons.

Where the liquidation obligors fail to perform the liquidation obligations in a timely manner, causing losses to the Company or its creditors, they shall bear compensation liability.

During the liquidation period, the liquidation committee shall exercise the following powers:

(I) to clean up the Company's assets and prepare a balance sheet and an inventory of assets;

(II) to notify and make announcements to creditors;

(III) to handle the Company's unfinished business relating to the liquidation;

(IV) to pay taxes owed and taxes arising during the liquidation process;

(V) to clean up claims and debts;

(VI) to distribute the remaining assets of the Company after settlement of debts;

(VII) to represent the Company in civil litigation activities.

The liquidation committee shall notify creditors within 10 days from the date of its establishment, and make an announcement within 60 days in newspapers, or on the National Enterprise Credit Information Publicity System and the HKEXnews website (www.hkexnews.hk). Creditors shall, within 30 days from the date of receipt of such notice, or within 45 days from the date of the announcement if no notice is received, declare their claims to the liquidation committee.

When declaring their claims, creditors shall specify the relevant particulars of their claims and provide supporting materials. The liquidation committee shall register such claims.

During the period for declaration of claims, the liquidation committee shall not make any settlement to creditors.

After cleaning up the Company's assets and preparing the balance sheet and the inventory of assets, the liquidation committee shall formulate a liquidation plan and submit it to the shareholders' meeting or the people's court for confirmation.

After the Company's assets are applied to pay liquidation expenses, employees' wages, social insurance premiums and statutory compensation, taxes owed, and the Company's debts, the remaining assets shall be distributed by the Company in proportion to the shares held by the shareholders.

During the liquidation period, the Company shall continue to exist, but shall not carry out any business activities unrelated to the liquidation. Before the Company's assets are settled in accordance with the preceding paragraph, they shall not be distributed to shareholders.

Where, after cleaning up the Company's assets and preparing the balance sheet and the inventory of assets, the liquidation committee discovers that the Company's assets are insufficient to repay its debts, it shall apply to the people's court for a declaration of bankruptcy liquidation.

After the people's court accepts the bankruptcy application, the liquidation committee shall transfer the liquidation matters to the bankruptcy administrator designated by the people's court.

Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report, submit it to the shareholders' meeting or the people's court for confirmation, and file it with the company registration authority to apply for deregistration of the Company.

Members of the liquidation committee, in performing their liquidation duties, shall owe duties of loyalty and diligence. Where members of the liquidation committee fail to diligently perform their liquidation duties, causing losses to the Company, they shall bear compensation liability; where losses are caused to creditors due to intentional misconduct or gross negligence, they shall bear compensation liability.

Amendments to the Articles of Association

The Company shall amend the Articles of Association under any of the following circumstances:

(I) where, following amendments to the Company Law or relevant laws, administrative regulations, or the securities regulatory rules of the place where the Company's shares are listed, the matters stipulated in the Articles of Association conflict with the amended laws, administrative regulations or securities regulatory rules of the place where the Company's shares are listed;

(II) where changes occur in the Company's circumstances that are inconsistent with the matters recorded in the Articles of Association;

(III) where the shareholders' meeting resolves to amend the Articles of Association.

Where matters relating to amendments to the Articles of Association as approved by a resolution of the shareholders' meeting are subject to approval by the competent authorities, such matters shall be submitted to the competent authorities for approval; where such amendments involve matters of company registration, change registration shall be completed in accordance with the law.

The Board of Directors shall amend the Articles of Association in accordance with the resolution of the shareholders' meeting on the amendments to the Articles of Association and the approval opinions of the relevant competent authorities.

Where matters relating to amendments to the Articles of Association constitute information required to be disclosed under laws, regulations and the securities regulatory rules of the place where the Company's shares are listed, such information shall be announced in accordance with the relevant provisions.

FURTHER INFORMATION ABOUT OUR GROUP

Incorporation of Our Company

Our Company was incorporated in the PRC on October 27, 2017, and was converted into a joint stock limited liability company on September 8, 2020. Our Company completed the listing of our A Shares on the SSE STAR Market (stock code: 688192.SH) on December 10, 2021.

Our Company's registered address is located at Rooms 404, 405, and 416, Building C, Huirong Business Plaza, No. 26 Hefeng Road, Xinwu District, Wuxi, Jiangsu Province, PRC. Our Company's corporate structure and Articles of Association are governed by PRC laws and regulations.

The relevant PRC laws and regulations and a summary of the Articles of Association are set out in "Appendix IV — Summary of Principal Laws and Regulatory Provisions" and "Appendix V — Summary of the Articles of Association" to this document, respectively.

Our principal place of business in Hong Kong is at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong. Our Company is registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance on January 23, 2026. Ms. Tsui Ka Yan (崔嘉欣) has been appointed as the authorized representative of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong. The address for the service of process is the same as our principal place of business in Hong Kong.

Changes in the Share Capital of Our Company

Save as disclosed below and in the section headed "History and Corporate Structure", there has been no alteration in our share capital within two years immediately preceding the date of this document,

(1) In April 2026, our Company issued 532,500 A Shares for the vesting of Restricted Stocks under the 2022 Share Incentive Scheme. Upon completion of this issuance, our Company's total issued share capital increased from 464,633,342 to 465,165,842;

(2) In January 2026, our Company issued 614,375 A Shares for the vesting of Restricted Stocks under the 2022 Share Incentive Scheme. Upon completion of this issuance, our Company's total issued share capital increased from 464,018,967 to 464,633,342;

(3) In January 2026, our Company issued 2,831,073 A Shares for the vesting of Restricted Stocks under the 2022 Share Incentive Scheme. Upon completion of this issuance, our Company's total issued share capital increased from 461,187,894 to 464,018,967;

(4) In November 2025, our Company issued 1,775,000 A Shares for the vesting of Restricted Stocks under the 2022 Share Incentive Scheme. Upon completion of this issuance, our Company's total issued share capital increased from 459,412,894 to 461,187,894; and

(5) In December 2024, our Company issued 1,994,966 A Shares for the vesting of Restricted Stocks under the 2022 Share Incentive Scheme. Upon completion of this issuance, our Company's total issued share capital increased from 415,653,120 to 417,648,086.

Changes in the Share Capital of Our Subsidiaries

No alteration in the registered capital of our Subsidiaries has taken place within the two years preceding the date of this document.

Shareholders' Resolutions

At the general meeting of our Company held on January 9, 2026, the following resolutions were passed by the Shareholders:

(i) the issuance of H Shares with a nominal value of RMB1.00 each by our Company and such H Shares be [**REDACTED**] on the Hong Kong Stock Exchange;

(ii) the number of H Shares to be issued pursuant to the [**REDACTED**] before the exercise of the [**REDACTED**] shall not exceed [**REDACTED**]% of the enlarged share capital of our Company upon completion of the [**REDACTED**], and the [**REDACTED**] shall not exceed [**REDACTED**]% of the above number of H Shares to be issued;

(iii) subject to the completion of the [**REDACTED**], the Articles of Association to become effective on the [**REDACTED**] shall be conditionally adopted, and the Board and its authorized person have been authorized to amend the Articles of Association in accordance with any comments from the relevant regulatory authorities; and

(iv) authorization of the Board and its authorized person to handle relevant matters relating to, among other things, the [**REDACTED**], the issue and [**REDACTED**] of the H Shares.

FURTHER INFORMATION ABOUT OUR BUSINESS

Summary of Material Contract

The following contract (not being contract entered into in the ordinary course of business) has been entered into by members of our Group within the two years preceding the date of this document and is or may be material:

(i) [**REDACTED**].

Intellectual Property Rights

Trademarks

a. Registered Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Place of Registration	Registered Owner	Class	Registration Number	Expiry Date
1 . . .	Dizal 迪哲	USA	Our Company	42	7566752	November 11, 2034
2 . . .	Dizal 迪哲	USA	Our Company	42	7566751	November 11, 2034
3 . . .	Dizal 迪哲	USA	Our Company	5	7566357	November 11, 2034
4 . . .	ZEGFROVY	USA	Our Company	5	7654958	January 13, 2035
5 . .	Dizal 迪哲	HK	Our Company	5	306191172	March 12, 2033
6 . .	Dizal 迪哲	HK	Our Company	42	306197329	March 16, 2033
7 . .	Dizal 迪哲	HK	Our Company	35	306197310	March 16, 2033
8 . . .	高瑞哲	PRC	Our Company	5	75915960	June 20, 2034
9 . . .	舒沃哲	PRC	Our Company	5	73393316	February 13, 2034

No.	Trademark	Place of Registration	Registered Owner	Class	Registration Number	Expiry Date
10 . .		PRC	Our Company	5	70445832	September 27, 2033
11 . .		PRC	Our Company	5	69284872	July 13, 2033
12 . .		PRC	Our Company	5	69287418	July 13, 2033
13 . .	高瑞哲	PRC	Our Company	5	68046096	May 6, 2033
14 . .	迪哲	PRC	Our Company	42	67072502	February 27, 2033
15 . .	迪哲	PRC	Our Company	35	65515093	December 6, 2032
16 . .	Dizal	PRC	Our Company	5	65488771	December 6, 2032
17 . .	舒沃哲	PRC	Our Company	5	64133829	October 13, 2032
18 . .	舒立哲	PRC	Our Company	5	64082371	October 13, 2032
19 . .	舒瑞哲	PRC	Our Company	5	64092945	November 6, 2032
20 . .	舒沃哲	PRC	Our Company	5	63030907	August 20, 2032
21 . .	迪哲	PRC	Our Company	42	61774197	July 6, 2032
22 . .	Dizal	PRC	Our Company	42	61774210	July 6, 2032
23 . .	迪哲医药	PRC	Our Company	5	59210396	October 13, 2032
24 . .	迪哲医药	PRC	Our Company	5	59226819	October 13, 2032
25 . .	Dizal	PRC	Our Company	5	34537582	September 27, 2029
26 . .	Dizal	PRC	Our Company	35	34537583	September 27, 2029
27 . .	迪哲	PRC	Our Company	5	27951001	November 27, 2028
28 . .		PRC	Our Company, Gewu Bio	40	83738455A	October 6, 2035
29 . .	WUKOMNI	USA	Our Company	5	8141387	September 6, 2035

Patents

a. Registered Patents

As of the Latest Practicable Date, we had registered the following patents which we consider to be or may be material to our business:

No.	Patent	Type of patent	Place of Registration	Grant Number	Owner	Application Date
1. . .	Compounds and Methods for Inhibiting JAK (用於抑制JAK的化合物和方法)	Invention	PRC	CN108368091B	Our Company	September 22, 2016
2. . .	Compounds and Methods for Inhibiting JAK (用於抑制JAK的化合物和方法)	Invention	PRC	CN111606893B	Our Company	September 22, 2016
3. . .	Compounds and Methods for Inhibiting JAK (用於抑制JAK的化合物和方法)	Invention	PRC	CN111646980B	Our Company	September 22, 2016
4. . .	Compounds and Methods for Inhibiting JAK (用於抑制JAK的化合物和方法)	Invention	PRC	CN111848586B	Our Company	September 22, 2016
5. . .	Compounds and methods for inhibiting JAK	Invention	USA	US9714236B2	Our Company	September 22, 2016
6. . .	Compounds and methods for inhibiting JAK	Invention	USA	US10167276B2	Our Company	September 22, 2016
7. . .	Compounds and methods for inhibiting JAK	Invention	USA	US10654835B2	Our Company	September 22, 2016
8. . .	Compounds and methods for inhibiting JAK	Invention	USA	US11247983B2	Our Company	September 22, 2016
9. . .	Compounds and methods for inhibiting JAK	Invention	USA	US12319670B2	Our Company	September 22, 2016
10 . .	BTK Inhibitors (BTK抑制劑)	Invention	PRC	CN114945574B	Our Company	December 29, 2020
11 . .	BTK INHIBITORS	Invention	USA	US12624039B2	Our Company	December 29, 2020

b. Patent under Application

As of the Latest Practicable Date, we had applied for the registration of the following patents which we consider to be or may be material to our business:

No.	Patent	Type of patent	Place of Registration	Application Number	Applicant	Application Date
1. . .	EGFR inhibitors and uses thereof	Invention	PRC	CN202380062433.7	Our Company	August 25, 2023
2. . .	EGFR inhibitors and uses thereof	Invention	USA	US19/107192	Our Company	August 25, 2023
3. . .	BTK Inhibitors (BTK抑制劑)	Invention	PRC	CN202510077904.2	Our Company	December 29, 2020
4. . .	BTK inhibitors	Invention	USA	US19/641532	Our Company	December 29, 2020

Copyrights

As of the Latest Practicable Date, we had registered the following copyrights which we consider to be or may be material to our business:

No.	Name of Software	Place of Registration	Registered Owner	Registration Number	First Published Date
1 . . .	Compound and Reagent Management System V1.0 (化合物和試劑管理系統V1.0)	PRC	Our Company	2020SR0422480	Unpublished
2 . . .	Animal Culture and Inventory System V1.0 (動物培養和庫存管理系統V1.0)	PRC	Our Company	2020SR0421707	Unpublished
3 . . .	Primary Cell Bank Management and Process Control Database System V1.0 (原代細胞庫管理和流程控制數據庫系統V1.0)	PRC	Our Company	2020SR0422514	Unpublished
4 . . .	In Vivo Cell Bank Management and Process Control Database System V1.0 (體內細胞庫管理和流程控制數據庫系統V1.0)	PRC	Our Company	2020SR0422508	Unpublished
5 . . .	Tissue Microarray Workflow Management Database System V1.0 (組織微陣列流程管理數據庫系統V1.0)	PRC	Our Company	2020SR0422520	Unpublished

Domain Name

As of the Latest Practicable Date, we owned the following domain name, which we consider to be or may be material to our business:

No.	Domain Name	Registration Owner	Expiry Date
1. . .	dizalpharma.com	Our Company	October 25, 2027

Save as aforesaid, as of the Latest Practicable Date, there were no other trade or service marks, patents, intellectual or industrial property rights that were material in relation to our business.

FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Disclosure of Interests of Directors and Chief Executive

To the best knowledge of our Directors, saved as disclosed below, immediately following the completion of the [**REDACTED**] (assuming (i) the [**REDACTED**] is not exercised and (ii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [**REDACTED**]), none of our Directors or chief executive has any interests or short positions in the Shares, underlying Shares and debentures of our Company or any associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register

referred to therein or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules (for this purpose, the relevant provisions of the SFO will be interpreted as if they apply to the Supervisors).

Interests in Shares of our Company

Name	Position	Nature of Interest	Number and description of Shares	Approximate % of the issued Shares immediately after the [REDACTED][(1)(3)]
Dr. Zhang Xiaolin (張小林)[(2)] . . .	Chairperson of the Board, executive Director and Chief Executive Officer	Beneficial interest	9,033,972 A Shares	[**REDACTED**]%
		Interest in controlled corporation; Interests held jointly with another person	62,619,071 A Shares	[**REDACTED**]%
Ms. Kang Xiaojing (康曉靜) . .	Executive Director	Beneficial interest	17,000 A Shares	[**REDACTED**]%

Notes:

(1) Assuming (i) the [**REDACTED**] is not exercised and (ii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [**REDACTED**].

(2) For details of the interest held by Dr. Zhang, see "Substantial Shareholders."

(3) The percentage shareholding shown above has been rounded to two decimal places. As a result of such rounding, shareholdings of less than 0.01% are presented as 0.01%.

Particulars of Service Contracts

Our Company [has entered] into a service agreement with each of the Directors which contains provisions in relation to, among other things, compliance of relevant laws and regulations, observations of Articles of Association and provisions on arbitration.

The principal particulars of these service agreements are: (a) each of the agreements is for a term of [3] years following his/her respective effective date of appointment; (b) each of the agreements is subject to termination in accordance with their respective terms.

Save as disclosed above, our Company has not entered, and does not propose to enter, into any service contracts with any of the Directors in their respective capacities as Directors (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

Directors' remuneration

For details of the Directors' remuneration, see "Directors and Senior Management — Remuneration of Directors, Supervisors and Five Highest Paid Individuals" and Note 10 to the Accountants' Report as set out in Appendix I.

Interests of Substantial Shareholders

Interests in the Shares of our Company

For information on the persons (other than our Directors or chief executive of our Company) who will, immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), having or be deemed or taken to have beneficial interests or short position in our Shares or underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or directly or indirectly be interested in 10% or more of the issued voting shares of our Company, see "Substantial Shareholders" of this document.

Save as disclosed in the section headed "Substantial Shareholders" in this document, as of the Latest Practicable Date, our Directors were not aware of any persons who would, immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), having or be deemed or taken to the beneficial interests or short position in our Shares or underlying Shares which would fall to be disclosed to our Company under the provisions of 2 and 3 of Part XV of the SFO, or directly or indirectly be interested in 10% or more of the issued voting shares of our Company or had options in respect of such capital.

Interests in our Company's subsidiaries

As of the Latest Practicable Date, to the best knowledge of our Directors, the following persons (other than members of our Group, the Directors or chief executive of our Company) were interested in 10% or more of the voting rights at general meetings of our subsidiaries:

Members of our Group	Name of substantial shareholder	Approximate % held by the substantial shareholder
Gewu Bio	Wuxi High-tech Zone New Force Industry Development Fund (Limited Partnership) (無錫高新區新動能產業發展基金(有限合夥))[(1)]	12.50%

Note:

(1) As of the Latest Practicable Date, Gewu Bio was owned as to 87.50% by the Company and 12.50% by Wuxi High-tech Zone New Force Industry Development Fund (Limited Partnership) (無錫高新區新動能產業發展基金(有限合夥)) (the "**Wuxi NewForce Fund**", a limited partnership established in the PRC, which is owned as to (a) 0.63% by its general partner, Wuxi Xintou Jinshi Venture Capital Management Co., Ltd. (無錫新投金石創業投資管理有限公司); (b) 74.37% and 25% by Wuxi High-tech Zone Venture Capital Holding Group Co., Ltd. (無錫市高新區創業投資控股集團有限公司) and Wuxi Yungang Venture Capital Co., Ltd. (無錫市雲港創業投資有限公司) as limited partners, respectively. The partners of Wuxi NewForce Fund are all wholly owned by Wuxi Gaofa Investment Development Group Co., Ltd. (無錫市高發投資發展集團有限公司), which is in turn wholly owned by the People's Government of Xinwu District of Wuxi (無錫市新吳區人民政府).

Disclaimers

Save as disclosed herein:

(i) none of our Directors or the chief executive of our Company has any interest or short position in the shares, underlying shares or debentures of our Company or any of its associated corporation (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to our Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers once the H Shares are [**REDACTED**];

(ii) none of our Directors or any of the experts referred to under the paragraph headed "— 5. Other Information — E. Qualification of Experts" has any direct or indirect interest in the promotion of our Company, or in any assets which have within the two years immediately preceding the date of this document been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;

(iii) none of our Directors is materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to the business of our Group taken as a whole;

(iv) none of our Directors has any existing or proposed service contracts with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation));

(v) so far as is known to our Directors, no person (not being a Director or chief executive of our Company or any member of our Group) will, immediately following the completion of the [**REDACTED**], have an interest or short position in the Shares or underlying Shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of SFO or be interested, directly or indirectly, in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group; and

(vi) none of our Directors or their respective close associates (as defined under the Listing Rules) or our Shareholders who are interested in more than 5% of the issued share capital of our Company has any interest in the five largest customers or the five largest suppliers of our Group.

SHARE INCENTIVE SCHEME

2022 Share Incentive Scheme

The following is a summary of the principal terms of the restricted stock incentive plan of our Company adopted in 2022 ("**2022 Share Incentive Scheme**"). The terms of the 2022 Share Incentive Scheme are not subject to the provisions of Chapter 17 of the Listing Rules as no stock will be granted under the 2022 Share Incentive Scheme after the [**REDACTED**].

A. Purpose

The purpose of the 2022 Share Incentive Scheme is to enhance our Company's long-term incentive mechanism, to attract and retain outstanding talent, to fully engage our core employees, and to align the interests of shareholders, our Company and key team members for a focus on long-term development.

B. Participants

Eligible participants in the 2022 Share Incentive Scheme include Directors, members of senior management, core technical personnel, core business personnel, and other employees. The initial grant of restricted stock Restricted Stocks were awarded to 70 participants, while the participants of the reserved grant portion will be determined within 12 months after the 2022 Share Incentive Scheme is approved.

All participants maintain an employment or labor relationship with the Company or its subsidiaries at the time Restricted Stocks are granted and throughout the assessment period specified in the 2022 Share Incentive Scheme.

C. Source and Maximum Number of Shares

The underlying Shares for the Restricted Stocks are new A Shares to be issued by our Company. Subject to the adjustment mechanisms set out in paragraph J below, the maximum number of Restricted Stocks initially available to be granted under the 2022 Share Incentive Scheme is 14,146,409 Shares, which includes an initial grant of 11,480,931 Shares, representing 81.16% of the total Restricted Stocks available to be granted under 2022 Share Incentive Scheme; and 2,665,478 reserved Shares, representing 18.84% of the total Restricted Stocks available to be granted under 2022 Share Incentive Scheme.

D. Term of the 2022 Share Incentive Scheme and Date of Grant

Validity Period

Commence from the grant date and end upon the completion of the vesting or invalidation of all restricted shares under the 2022 Share Incentive Scheme, with a maximum duration not exceeding 72 months.

Grant Date

The grant date of Restricted Stocks shall be determined by the Board after the approval of the 2022 Share Incentive Scheme by the Shareholders at a general meeting and must be a trading day of the Shanghai Stock Exchange. The grant of Restricted Stocks is subject to the approval of the Board and shall be announced within 60 days after the approval of the 2022 Share Incentive Scheme at a general meeting.

E. Vesting Schedule

The initial grant will be made to one participant from the First Class and 69 participants from the Second Class. The vesting schedule for the initial grant of Restricted Stocks is as follows:

Vesting Period (Initial Grant)	Vesting Date	Vesting Percentage
	First Class Grantee	
First Vesting Period	From the first trading day after 12 months from the date of initial grant to the last trading day within 24 months	50%
Second Vesting Period	From the first trading day after 24 months from the date of initial grant to the last trading day within 36 months	25%
Third Vesting Period	From the first trading day after 36 months from the date of initial grant to the last trading day within 48 months	25%
	Second Class Grantees	
First Vesting Period	From the first trading day after 24 months from the date of initial grant to the last trading day within 36 months	50%

Vesting Period (Initial Grant)	Vesting Date	Vesting Percentage
Second Vesting Period	From the first trading day after 36 months from the date of initial grant to the last trading day within 48 months	25%
Third Vesting Period	From the first trading day after 48 months from the date of initial grant to the last trading day within 60 months	25%

If the reserved Restricted Stocks are granted in 2022, the vesting schedule of the reserved Restricted Stocks will be the same as that of the initial Restricted Stocks for second class grantees as specified above; or if the reserved Restricted Stocks are granted in 2023, the vesting schedule for the reserved Restricted Stocks is as follows:

Vesting Period (Reserved)	Vesting Date	Vesting Percentage
First Vesting Period	From the first trading day after 24 months from the date of reserved grant to the last trading day within 36 months	50%
Second Vesting Period	From the first trading day after 36 months from the date of reserved grant to the last trading day within 48 months	50%

F. Lock-up Arrangements

Restricted Stocks granted under the 2022 Share Incentive Scheme will not be subject to a lock-up period after vesting. However, grantees who are Directors or members of senior management of our Company must comply with the lock-up period and restriction requirements set forth by applicable laws and regulations.

(i) if the grantee is a Director or a senior management of our Company, the Restricted Stocks to be transferred each year during his or her tenure shall not exceed 25% of the total Restricted Stocks he or she holds. No Restricted Stocks held by such Director or senior management may be transferred within six months after termination of his or her employment;

(ii) if the grantee is a Director or senior management of our Company, income gained through sale of Restricted Stocks of our Company within six months of the purchase or repurchase of Restricted Stocks of our Company within six months of the sale, shall belong to our Company and be reclaimed by the Board; and

(iii) if there is any change in the applicable laws and regulations or the relevant provisions of the Articles of Association on the foregoing lock-up requirements within the term of the 2022 Share Incentive Scheme, the grantee shall comply with the amended laws and regulations and the Articles of Association.

G. Grant price

The grant price under the 2022 Share Incentive Scheme is set at RMB9.61 per share. Once the granting and vesting conditions are met, grantees may purchase A Shares issued by our Company at this price.

H. Conditions to the Grant of Restricted Stocks

Restricted Stocks will only be granted to eligible participants if the following conditions are fulfilled:

(i) With respect to our Company, none of the following circumstances having occurred:

1) an audit report with an adverse opinion or a disclaimer of opinion has been issued by the certified public accountant with respect to our accountant's report for the most recent fiscal year;

2) an audit report with an adverse opinion or a disclaimer of opinion has been issued by the certified public accountant with respect to the internal control report contained in accountant's report for the most recent fiscal year;

3) our Company has failed to distribute profits in accordance with the laws and regulations, our Articles of Association or our public commitment within the last 36 months after its listing on the Shanghai Stock Exchange;

4) implementation of any share incentive plan is prohibited under applicable laws and regulations; or

5) any other circumstances determined by the CSRC.

(ii) With respect to a grantee, none of the following circumstances having occurred:

1) he or she has been regarded as an inappropriate participant by a stock exchange within the last 12 months;

2) he or she has been regarded as an inappropriate participant by the CSRC or its local office within the last 12 months;

3) he or she has been punished or prohibited from entering into the securities market by the CSRC or its local office due to material non-compliance of laws and regulations within the last 12 months;

4) he or she is not qualified to serve as a director or senior management according to the PRC Company Law;

5) he or she is prohibited from participating in any share incentive plans of listed companies according to applicable laws and regulations; or

6) any other circumstances determined by the CSRC.

I. Vesting of Restricted Stocks

The Restricted Stocks will be vested when (i) the conditions outlined in paragraph H above are fulfilled; (ii) the grantees have completed more than 12 months of tenure prior to the vesting of each batch of granted Restricted Stocks; and (iii) the performance targets for both our Company and the grantees under the 2022 Share Incentive Scheme are achieved. The performance targets are set out as follows:

Performance Targets to the Company

Vesting Period	Assessment Year	Performance Targets	Company Level Vesting Ratio
First Vesting Period	2023	Cumulative positive results from two Phase 3 clinical trials/registration trials	50%
		Completion of one major external collaboration transaction	20%
		Market capitalization growth rate of our Company(1)	30%
Second Vesting Period	2024	Cumulative applications of two new drug applications (including different indications and countries/regions)	35%
		Obtaining new drug approval in one major market	35%
		Market capitalization growth rate of our Company(1)	30%
Third Vesting Period	2025	Cumulative approvals of two new drugs (including different indications and countries/regions)	40%
		Achievement of operating revenue of RMB300 million	30%
		Market capitalization growth rate of our Company(1)	30%

Note:

(1) The weight for the vesting conditions will be calculated based on the Company's market capitalization as of the board's approval date and the market capitalization of comparable biopharmaceutical companies in the SSE STAR Market Biomedical Index (000683), measured by the growth rate of the company's market capitalization up to the day before the board reviews the vesting conditions:

- Weight of 1.0 if the company's market value growth rate is at the 75th percentile or above.
- Weight equal to the market capitalization growth rate's percentile if the growth rate is between the 51st and 74th percentiles.
- Weight of 0.5 if the growth rate is at the 50th percentile.
- Weight of 0 if the growth rate is below the 50th percentile.

If the reserved Restricted Stocks are granted in 2022, the performance targets to our Company of the reserved Restricted Stocks will be the same as that of the initial Restricted Stocks as specified above; or

If the reserved Restricted Stocks are granted in 2023, the performance targets to our Company of the reserved Restricted Stocks will be the same as the performance targets for 2024 and 2025 that of the initial Restricted Stocks as specified above.

Performance requirements to the Grantees

If a Participant receives a personal assessment result of Level 2 (or an equivalent rating under any other evaluation system approved by the company) or lower during the relevant period, the Restricted Stocks scheduled to vest during that period will automatically become invalid and will be canceled by the company.

J. Adjustments

The number and/or consideration of granted and/or vested Restricted Stocks may be adjusted upon the occurrence of certain events from the date of the announcement of the 2022 Share Incentive Scheme to the completion of relevant registration or vesting by the grantees. These events include, as the case may be, (i) capitalisation of reserves, (ii) distribution of stock dividends, (iii) share subdivision, (iv) share issuance and (v) share consolidation.

K. Outstanding Restricted Stocks granted

As at the Latest Practicable Date, there are a total of 76 grantees under the 2022 Share Incentive Scheme with 2,082,072 Restricted Stocks remained unexercised and outstanding, representing approximately [**REDACTED**]% of the total issued share capital of our Company immediately following the completion of the [**REDACTED**], respectively (assuming (i) the [**REDACTED**] is not exercised and (ii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [**REDACTED**]).

The following table sets forth the details of outstanding Restricted Stocks granted under the 2022 Share Incentive Scheme to the Directors, members of the senior management and other connected person of the Company under the 2022 Share Incentive Scheme as at the Latest Practicable Date.

Name of Grantees	Position in our Group	Address	Number of outstanding Restricted Stocks	Approximate percentage of issued Restricted Stocks immediately after the [REDACTED][(1)(2)(3)]
Senior management members				
Wu Qingyi (吳清漪) . . .	Deputy general manager and chief commercial officer	Room 403, Building 1, No. 591, Longhua West Road, Xuhui District, Shanghai, PRC	798,208	[**REDACTED**]%
Yang Zhenfan (楊振帆) . . .	Deputy general manager and chief medical officer	Room 912, Zhu Qiao Ju Apartment, No. 178, Baiye Road Pudong New Area, Shanghai, PRC	239,375	[**REDACTED**]%
Chen Suqin (陳素勤) . . .	Deputy general manager and senior vice president of clinical operation	Room 3-704, No. 1-2 Lane 271, Guoshoujing Road Pudong New Area Shanghai, PRC	50,000	[**REDACTED**]%

Name of Grantees	Position in our Group	Address	Number of outstanding Restricted Stocks	Approximate percentage of issued Restricted Stocks immediately after the [REDACTED][(1)(2)(3)]
Lyu Hongbin (吕洪斌) . . .	Chief financial officer	Room 302, Block 55, Lane 1296, Gaosi Road, Pudong New Area, Shanghai, PRC	185,000	[**REDACTED**]%
Tsui Honchung (徐漢忠) . . .	Deputy general manager, senior vice president, and head of medicinal chemistry	Room 403, No. 23, Lane 691, Yishan Road, Xuhui District, Shanghai, PRC	70,000	[**REDACTED**]%
Zeng Qingbei (曾慶北) . . .	Deputy general manager, senior vice president and chief scientist	Room 1201, No. 170 Lane 667, Ziwei Road Pudong New Area, Shanghai, PRC	70,000	[**REDACTED**]%
Chang Shih-Ying (張世英) . . .	Deputy general manager, vice president, and head of chemical manufacturing control	Room 201, No. 6, Lane 100, Yinxiao Road, Pudong New Area, Shanghai, PRC	14,000	[**REDACTED**]%
Zhang Zhiwei (張知為) . . .	Deputy general manager, vice president, and head of operation	Room 209, Building 3, No. 3000 Longdong Avenue, Pudong New Area, Shanghai, PRC	10,000	[**REDACTED**]%
Other connected person				
Sun Zhijian (孫志堅).	Director of Dizal Wuxi, a subsidiary of our Company	Room 1002, Unit 1, Block 14, Jiacheng Garden, No. 85 Xinghan Street, Suzhou Industrial Park, Jiangsu, PRC	9,125	[**REDACTED**]%

Notes:

(1) Assuming (i) the [**REDACTED**] is not exercised and (ii) no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [**REDACTED**].

(2) No grantees have been granted Restricted Stocks in excess of 1% of the issued Shares of our Company immediately after the [**REDACTED**] on a stand-alone basis.

(3) The percentage shareholding shown above has been rounded to two decimal places. As a result of such rounding, shareholdings of less than 0.01% are presented as 0.01%.

Rule 17.02(1)(b) of the Listing Rules requires a new applicant to disclose, among others, the details of all outstanding options and their potential dilution effect on the shareholdings upon [**REDACTED**]. As of the Latest Practicable Date, 67 grantees who are not Directors, members of our senior management or other connected persons of the Company held an aggregate of 636,364 Restricted Stocks that were still outstanding and unexercised. Such outstanding and unexercised Restricted Stocks granted under the 2022 Share Incentive Scheme will have potential dilution effect on the shareholding of our Company's Shareholders. Therefore, we set forth below the information on the outstanding and unexercised Restricted Stocks granted under the 2022 Share Incentive Scheme as of the Latest Practicable Date to enable potential [**REDACTED**] to assess the potential dilution effect on their shareholding by these outstanding and unexercised Restricted Stocks.

Range of outstanding Restricted Stocks granted	Total number of grantees	Total Number of Restricted Stocks underlying the outstanding 2022 Share Incentive Scheme as of the Latest Practicable Date	Approximate percentage of issued Restricted Stocks immediately after the [REDACTED] (1)
100,001 and above	2	244,250	[**REDACTED**]%
10,001-100,000	8	168,875	[**REDACTED**]%
5,001-10,000	14	107,489	[**REDACTED**]%
2,001-5,000	27	92,875	[**REDACTED**]%
1-2,000	16	22,875	[**REDACTED**]%
Total	**67**	**636,364**	[**REDACTED**]**%**

Notes:

(1) Assuming (i) the [**REDACTED**] is not exercised and (ii) no other changes are made to the total issued share capital of our Company between the Latest Practicable Date and the [**REDACTED**].

(2) No employee grantee has been granted Restricted Stocks in excess of 1% of the issued Shares of our Company immediately after the [**REDACTED**] on a stand-alone basis.

OTHER INFORMATION

Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries.

Litigation

As of the Latest Practicable Date, we were not aware of any litigation or arbitration proceedings of material importance pending or threatened against any member of our Group that could have a material adverse effect on our financial condition or results of operations.

Joint Sponsors

The Joint Sponsors have applied to the Stock Exchange for the [**REDACTED**] of, and permission to [**REDACTED**], our H Shares to be issued pursuant to the [**REDACTED**]. All necessary arrangements have been made enabling the H Shares to be admitted into [**REDACTED**].

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

Each of the Joint Sponsors will be paid by our Company a fee of US$500,000 to act as Sponsors to our Company in connection with the [**REDACTED**].

Compliance Advisor

Our Company has appointed First Shanghai Securities Limited as our Compliance Advisor in compliance with Rule 3A.19 of the Listing Rules.

Preliminary Expenses

We have not incurred any material preliminary expenses in relation to the incorporation of our Company.

Taxation of Holder of H Shares

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty if such sale, purchase and transfer are effected on the H Share register of members of our Company, including in circumstances where such transaction is effected on the Stock Exchange. The current rate of Hong Kong stamp duty for such sale, purchase and transfer is 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred. For further information in relation to taxation, see "Appendix III — Taxation and Foreign Exchange."

Potential [**REDACTED**] in the [**REDACTED**] are urged to consult their professional tax advisors if they are in any doubt as to the taxation implications of [**REDACTED**] for, purchasing, holding or disposing of or [**REDACTED**] our H Shares (or exercising rights attached to them). None of our Company, our Directors, the Joint Sponsors, the [**REDACTED**], the [**REDACTED**], the [**REDACTED**], the [**REDACTED**], the [**REDACTED**], the [**REDACTED**], or any other person or party involved in the [**REDACTED**] accept responsibility for any tax effects on, or lawful liabilities of, any person, resulting from the [**REDACTED**], purchase, holding or disposal of, [**REDACTED**] or the exercise of any rights in relation to our H Shares.

Consents of Experts

The following experts have each given and have not withdrawn their respective written consents to the issue of this document with copies of their reports, letters, opinions or summaries of opinions (as the case may be) and the references to their names included herein in the form and context in which they are respectively included.

Name	Qualification
Goldman Sachs (Asia) L.L.C. . .	A licensed corporation under the SFO to conduct type 1 (dealing in securities), type 4 (advising on securities), type 5 (advising on futures contracts), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO
Huatai Financial Holdings (Hong Kong) Limited	A licensed corporation under the SFO for carrying on type 1 (dealing in securities), type 2 (dealing in futures contracts), type 3 (leveraged foreign exchange trading), type 4 (advising on securities), type 6 (advising on corporate finance), type 7 (providing automated trading services) and type 9 (asset management) regulated activities under the SFO
Zhong Lun Law Firm	PRC legal advisers to our Company
China Insights Industry Consultancy Limited	Independent industry consultant
BDO Limited	Certified Public Accountants under Professional Accountant Ordinance (Chapter 50 of the Laws of Hong Kong) and Registered Public Interest Entity Auditor under Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)

As of the Latest Practicable Date, save as disclosed in "— Other Information — Joint Sponsors", none of the experts named above had any shareholding interest in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

Promoters

The promoters of our Company are as follows:

No.	Name of promoters of our Company
1	FIIF
2	AZAB
3	ZYTZ
4	Wuxi Dizhe
5	LAV Dizal Hong Kong Limited
6	Suzhou Likang Equity Investment Center (Limited Partnership) (蘇州禮康股權投資中心(有限合夥))
7	Suzhou Lirui Equity Investment Center (Limited Partnership) (蘇州禮瑞股權投資中心(有限合夥))
8	Imagination V (HK) Limited
9	Wuxi High-tech Zone New Force Industry Development Fund (Limited Partnership) (無錫高新區新動能產業發展基金(有限合夥))
10	Trinity Zhongzhi (Tianjin) Venture Capital Partnership (Limited Partnership) (三一眾志(天津)創業投資中心(有限合夥))
11	Trinity Uppsala Limited

Within the two years immediately preceding the date of this document, no cash, securities, amount or benefit has been paid, allotted or given, or has been proposed to be paid, allotted or given, to any of the promoters named above in connection with the [**REDACTED**] or the related transactions described in this document.

Bilingual Document

The English language and Chinese language versions of this document are being published separately in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

Binding Effect

This document shall have the effect, if an application is made in pursuance of this document, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in so far as applicable.

No Material Adverse Change

Our Directors confirm that there has been no material adverse change in our financial, business position or prospects since June 30, 2026, being the date of our consolidated financial statements as set out in the Accountants' Report as set out in Appendix I to this document, and up to the date of this document.

Miscellaneous

Save as disclosed in the section headed "Financial Information" and this Appendix, in connection with the [**REDACTED**] or otherwise waived from disclosure pursuant to the section headed "Waivers and Exemption",

(i) within the two years immediately preceding the date of this document, to the best of our knowledge,

(a) neither our Company nor any of our Subsidiaries has issued or agreed to issue any share or loan capital fully or partly paid up either for cash or for a consideration other than cash; and

(b) no commissions, discounts, brokerage fee or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of our Subsidiaries;

(ii) no share or loan capital of our Company or any of the Subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

(iii) there are no arrangements under which future dividends are waived or agreed to be waived;

(iv) there have been no interruptions in our business which may have or have had a significant effect on our financial position in the 12 months preceding the date of this document;

(v) our Company has no outstanding convertible debt securities or debentures; and

(vi) no founder, management or deferred shares of the Company or any of its subsidiary have been issued or have been agreed to be issued.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this document and delivered to the Registrar of Companies in Hong Kong for registration were, among other documents:

(a) the written consents referred to in "Appendix VI — Statutory and General Information — Other Information — Consents of Experts;" and

(b) a copy of the material contract referred to in "Appendix VI — Statutory and General Information — Further Information about Our Business — Summary of Material Contract."

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the Stock Exchange's website at **www.hkexnews.hk** and our Company's website at **www.dizalpharma.com** during a period of 14 days from the date of this document:

(a) the Articles of Association;

(b) the Accountants' Report from BDO Limited, the text of which is set out in Appendix I to this document;

(c) the audited financial statements of our Group for the three years ended December 31, 2025 and the six months ended June 30, 2026;

(d) the report on unaudited [**REDACTED**] financial information of our Group from BDO Limited, the text of which is set out in Appendix II to this document;

(e) the legal opinions issued by Zhong Lun Law Firm, our PRC Legal Advisors in respect of certain matters of our Group in the PRC;

(f) the industry report prepared by CIC, the summary of which is set forth in "Industry Overview;"

(g) a copy of each of the PRC Company Law, the PRC Securities Law, the Guidelines on the Bylaws of Listed Companies (2025 Revision) together with their unofficial English translations;

(h) the material contract referred to in "Appendix VI — Statutory and General Information — Further Information about Our Business — Summary of Material Contract;"

(i) the written consents referred to in "Appendix VI — Statutory and General Information — Other Information — Consents of Experts;"

(j) the service contracts referred to in "Appendix VI — Statutory and General Information — Further Information about Our Directors and Substantial Shareholders — Particulars of Service Contracts;"

(k) the terms of the 2022 Share Incentive Scheme.

DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the full list of all the grantees under the 2022 Share Incentive Scheme, containing all the details as required under Rule 17.02(1)(b) of and paragraph 27 of Appendix D1A to the Listing Rules and paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, will be available for inspection at the office of Kirkland & Ellis, 26/F, Gloucester Tower, The Landmark, 15 Queen's Road Central, Hong Kong during normal business hours up to and including the date which is 14 days from the date of this document.