

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OVERVIEW

Our history traces back to January 2003 when Zhejiang Beta Pharma Inc. (浙江貝達藥業有限公司), our predecessor, was established in Hangzhou, Zhejiang Province, the PRC by Dr. DING and certain institutional investors. For the background and experience of Dr. DING, see “Directors and Senior Management” in this document.

After years of development, we have become a key player in the field of innovative drug in China, having evolved from a biotech company focused solely on drug R&D to a benchmark, profitable biopharmaceutical company. On August 29, 2013, Zhejiang Beta Pharma Inc. was converted into a joint-stock limited company and was renamed as Betta Pharmaceuticals Co., Ltd. (貝達藥業股份有限公司). Since November 7, 2016, our A Shares have been listed on the ChiNext market of the Shenzhen Stock Exchange (stock code: 300558). See “— Corporate Development — 4. Initial Public Offering of A Shares and Listing on the Shenzhen Stock Exchange in 2016” for more details.

BUSINESS MILESTONES

The following table sets forth certain key corporate and business development milestones of our Group.

Year	Milestone
2003	• Zhejiang Beta Pharma Inc., our predecessor, was established.
2006	• Icotinib obtained the IND approval from NMPA to conduct Phase I clinical trial.
2007	• Our Company merged our subsidiary Hangzhou Renchuntang Pharmaceuticals Limited (杭州仁春堂藥業有限公司) and commenced design and renovation of workshops, warehouses and equipment for the production of icotinib based on the production sites of Hangzhou Renchuntang Pharmaceuticals Limited.
2008	• Icotinib obtained the IND approval from NMPA to conduct Phase II and Phase III clinical trials.
2011	• Icotinib (Conmana®/凯美纳®) was approved for commercialization by NMPA, making it the first domestically developed small molecular targeted cancer drug in China.
2012	• The project of Icotinib-related patent has been awarded the Gold Medal at the 14th China Patent Award.
2013	• Zhejiang Beta Pharma Inc. was converted into a joint-stock limited company and was renamed as Betta Pharmaceuticals Co., Ltd.
	• Results of Phase III clinical trial (ICOGN) of icotinib were published on <i>The Lancet Oncology</i> . Icotinib became the first Chinese innovative drug the clinical trial results of which were published on <i>The Lancet Oncology</i> .
2014	• We established Betta Investment as an investment platform for overseas expansion.
	• We acquired 19.84% equity interests in Xcovery Holding Company LLC (the predecessor of Xcovery Holdings) and obtained an exclusive license to develop, manufacture and commercialize ensartinib in Greater China (including Hong Kong, Macau and Taiwan).
	• Icotinib obtained the NDA approval from NMPA to treat first-line NSCLC with EGFR mutations.
	• The project of Icotinib Hydrochloride and Its Preparation Method, Crystal Form, Pharmaceutical Composition, and Applications has been awarded the Gold Medal at the 16th China Patent Awards.
2016	• The research, development and commercialization of icotinib won the First Prize of PRC National Science and Technology Progress Award 2015.
	• We completed the initial public offering of our A Shares which were listed on the Shenzhen Stock Exchange.
	• Icotinib won “Chinese Industry Award” which was the highest award in Chinese industries.
	• The annual sales revenue of icotinib reached RMB1 billion for the first time.

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Year	Milestone
2017	<ul style="list-style-type: none"> • Icotinib was included in the National Reimbursement Drug List (2017 Edition). • We obtained an exclusive, sub-licensable and perpetual license to develop, manufacture and commercialize MIL60 in Greater China (including Hong Kong, Macau and Taiwan). • We subscribed for Series D preferred shares issued by Xcovery Holding Company LLC and increased our shareholding to approximately 86.24%⁽¹⁾. • We acquired Anew Pharmaceuticals and obtained the right to develop, manufacture and commercialize CM082 (a small molecule VEGFR/PDGFR inhibitor) in Greater China (including Hong Kong, Macau and Taiwan).
2018	<ul style="list-style-type: none"> • Icotinib was included in the list of anti-cancer targeted therapies under the National Essential Drug List (2018 Edition). • We reached a collaboration with InventisBio Co., Ltd. to acquire all its intellectual property rights in Chinese Mainland, Hong Kong, and Taiwan related to befortertinib (third-generation EGFR TKI), and obtained the exclusive right to develop, manufacture and commercialize it in Chinese Mainland, Hong Kong, and Taiwan. • We established a strategic collaboration with Merus N.V. and obtained an exclusive license in Chinese Mainland, Hong Kong and Macau to develop and commercialize MCLA-129 (EGFR/c-MET bispecific antibody).
2019	<ul style="list-style-type: none"> • Icotinib was included in the National Reimbursement Drug List (2019 Edition).
2020	<ul style="list-style-type: none"> • NMPA accepted our NDA of MIL60 (our biosimilar to bevacizumab (Avastin®)) for the treatment of metastatic or relapsed NSCLC and metastatic colorectal cancer in combination with chemotherapy. • Our Company was ranked first on the list of 2020 China Pharmaceutical Emerging Power (2020年中國醫藥新銳創新力量). • Icotinib's NDA submitted for the postoperative adjuvant treatment of early stage NSCLC patients was accepted by the NMPA, and received priority review status in October. • Ensartinib (Ensacove®/贝美纳®) was approved for marketing by the NMPA. It is the first Category 1 innovative drug independently developed by a Chinese company for the treatment of advanced NSCLC with ALK mutation. • We were awarded the Quality Innovation Prize by the People's Government of Zhejiang Province (浙江省人民政府質量創新獎).
2021	<ul style="list-style-type: none"> • Ensartinib was shortlisted for the 13th China Annual Health Forum — Top 10 New Drugs (Domestic) (第十三屆健康中國年度論壇•十大新藥(國內)榜單). • Results of dynamic ctDNA analysis of ensartinib Phase II was published on the <i>Journal of Thoracic Oncology</i>. • Icotinib's NDA submission for the postoperative adjuvant treatment of early stage NSCLC patients was approved by NMPA. • Results from EVIDENCE trial were published on <i>The Lancet Respiratory Medicine</i>. • Our Company was ranked No. 1 on the list of 2021 China Pharmaceutical Emerging Power (2021年中國醫藥新銳創新力量). • The results from eXalt3 trial cut off at July 1, 2020 were published on <i>JAMA Oncology</i>. • Icotinib and ensartinib were represented at the National 13th Five-Year Plan Science and Technology Innovation Achievement Exhibition (國家“十三五”科技創新成就展).
2022	<ul style="list-style-type: none"> • Ensartinib was awarded the Special Prize for Science and Technology by the Zhejiang Pharmaceutical Association (浙江省藥學會).

Note:

- (1) As of the Latest Practicable Date, our shareholding in Xcovery Holdings increased to approximately 98.44% by subscribing for their Series E preferred shares and Series F preferred shares.

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Year	Milestone
2023	<ul style="list-style-type: none"> • Ensartinib was approved for the first-line treatment of NSCLC in China. • Ensartinib was awarded the First Prize for Scientific and Technological Progress in Zhejiang Province. • Befotertinib (Surmana[®]/赛美纳[®]) received marketing approval for its second-and first-line indications in China. • Vorolanib (伏美纳[®]) was approved for commercialization in combination with everolimus for the treatment of patients with advanced RCC in China. • The results of the first-line clinical study of befotertinib were published in full in <i>The Lancet Respiratory Medicine</i>.
2024	<ul style="list-style-type: none"> • The NDA for tibremciclib (康美纳[®]) was officially accepted by the NMPA. • The Company was recognized as a leading enterprise in high-quality development by the Zhejiang Provincial Government. • Ensartinib received marketing approval for its first-line indication from the FDA in the United States.
2025	<ul style="list-style-type: none"> • Tibremciclib was approved in combination with fulvestrant for the treatment of adult patients with HR+/HER2- locally advanced or metastatic breast cancer who had progressed on prior endocrine therapy in China. • Ensartinib was approved for marketing in Macau. • Phase I of Betta Pharmaceuticals’ Innovative Drug Industrialization Base in Shengzhou (貝達藥業(嵊州)創新藥產業化基地一期項目) was completed and successfully passed the acceptance inspection under NDRC’s special program for supporting the development of advanced manufacturing and modern service industries. • We entered into a comprehensive collaboration with BioRay with a “trastuzumab-pertuzumab combo” framework. • HY1001/奧福民[®], a plant-derived recombinant human albumin product developed under our Betta Ecosystem, received marketing approval. • The first prescription for ensartinib was issued in the United States.
2026	<ul style="list-style-type: none"> • We completed a strategic investment in Hangzhou Zhixing Pharmaceutical Co., Ltd. (杭州知興製藥有限公司) and are jointly advancing the research and development and regulatory filings of high-end inhalation formulation pipelines. • Pertuzumab injection (貝澤汀[®]) in-licensed from BioRay Biopharmaceutical Co., Ltd. (浙江博銳生物製藥股份有限公司) received marketing approval from the NMPA for the treatment of early-stage breast cancer and metastatic breast cancer and may be used in combination with trastuzumab injection (Anruize[®]/安瑞澤[®]) for the treatment of breast cancer. • Our strategic partner, Hangzhou Gensciences Biopharmaceutical Co.,Ltd. (杭州晟斯生物製藥有限公司), submitted an NDA for FRSW117 (its first once-weekly ultra-long-acting PEGylated recombinant FVIII fusion protein candidate) to the NMPA in April 2026. We hold the exclusive distribution rights for FRSW117 in Greater China. • Our subsidiary, Xcovery Holdings, entered into a collaboration with Eversana, a global provider of commercialization services, to support the commercialization of ensartinib in the U.S. • Bevacizumab was newly included in the National Essential Drug List (2026 Edition) (《國家基本藥物目錄(2026年版)》), while icotinib and trastuzumab continued to be included in the list. • The study results of ensartinib as adjuvant treatment for patients with stage IB–IIIB (T3N2M0) ALK-positive NSCLC were published in The New England Journal of Medicine.

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CORPORATE DEVELOPMENT

The following sets forth the major corporate development and shareholding changes of our Company.

1. Establishment of our Company in 2003

Our predecessor, Zhejiang Beta Pharma Inc. (浙江貝達藥業有限公司) (“**Zhejiang Beta**”), was established in January 2003 with a registered capital of RMB10,000,000.

Upon establishment, the shareholding structure of Zhejiang Beta was as follows:

Name of Shareholder	Capital Contribution (RMB)	Shareholding Percentage
Dr. DING	2,500,000	25.00%
BETA ⁽¹⁾	5,000,000	50.00%
Hangzhou Jihe Science and Technology Investment Limited (杭州濟和科技投資有限公司) (“ Hangzhou Jihe ”) ⁽²⁾	2,500,000	25.00%
Total	<u>10,000,000</u>	<u>100%</u>

Notes:

- (1) To the knowledge of our Company, at the time of its investment in the Company, BETA was controlled by Mr. Don Xiaodong ZHANG, who was the legal representative and the chairman of the board of directors of Zhejiang Beta from its establishment to 2008 and the vice chairman of the board of directors from 2008 to 2013 before our Company was converted into a joint-stock limited company.
- (2) Hangzhou Jihe subsequently transferred all the Shares held by it to Jihe Venture Capital in 2011. Both Hangzhou Jihe and Jihe Venture Capital were controlled by Mr. WANG Xuechao (王學超) (“**Mr. Wang**”). Mr. Wang had been acquainted with Dr. DING before the establishment of our Company, and decided to invest in our Company after learning about the prospects of EGFR TKI. As of the Latest Practicable Date, Mr. Wang remained as a substantial shareholder of our Company.

2. Capital Increases and Equity Transfers between 2003 and 2013

After several capital increases and equity transfers between 2003 and 2013, Zhejiang Beta’s issued share capital increased to RMB150,000,000. The increased share capital was subscribed by a number of investors, including several institutional investors with extensive investment experience in pharmaceutical industry such as Lilly Asia Ventures (through LAV Equity (Hong Kong) Co., Limited) and Sequoia Capital China (through Sequoia Capital China GFII (HK) Limited).

3. Conversion into a Joint-stock Limited Company in 2013 and Subsequent Capital Increase in 2014

In August 2013, Zhejiang Beta was converted into a joint-stock limited company with an issued share capital of RMB150,000,000 and was renamed as Betta Pharmaceuticals Co., Ltd. (貝達藥業股份有限公司).

In September 2014, our issued share capital was increased to RMB360,000,000 by capitalizing our Company’s share premium and unpaid dividend.

4. Initial Public Offering of A Shares and Listing on the Shenzhen Stock Exchange in 2016

Our Company completed the initial public offering of 41 million A Shares and was listed on the ChiNext Market of the Shenzhen Stock Exchange under the stock code of 300558 on November 7, 2016. The net proceeds raised from the initial public offering of A Shares were approximately RMB657.35 million and had been fully utilized as of June 30, 2019.

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Upon completion of the initial public offering of A Shares, our issued share capital was increased to RMB401,000,000 comprising 401,000,000 A Shares, and the shareholding structure of our Company was as follows.

Name of Shareholder	Number of A Shares held	Shareholding percentage
Kaiming Investment	80,064,000	19.97%
Jihe Venture Capital	57,456,000	14.33%
Ningbo Meishan Bonded Port Area Teruixichuang Investment Partnership (Limited Partnership) (寧 波梅山保稅港區特瑞西創投資合夥企業(有限合 夥) ⁽¹⁾	38,520,000	9.61%
BETA	28,644,840	7.14%
Beicheng Investment	27,000,000	6.73%
Dr. Yinxiang WANG	23,425,560	5.84%
LAV Equity (Hong Kong) Co., Limited (“LAV HK”)	21,600,000	5.39%
Hangzhou Beichang Investment Management Partnership (Limited Partnership) (杭州貝昌投資管 理合夥企業(有限合夥))	21,240,000	5.30%
Sequoia Capital China GFII (HK) Limited	17,088,120	4.26%
Chengdu Guangkong Century Healthcare Venture Capital Company Limited (成都光控世紀醫療健康 創業投資有限公司)	11,412,000	2.85%
Mr. Hancheng ZHANG	11,229,480	2.80%
Ningbo Meiyu Equity Investment Partnership (Limited Partnership) (寧波美域股權投資合夥企業 (有限合夥))	10,800,000	2.69%
Hangzhou Jinyan Ruicheng Qihan Investment Management Partnership (杭州金研睿成啟漢投資 管理合夥企業(有限合夥))	7,200,000	1.80%
Dr. Fenlai TAN	4,320,000	1.08%
Other A Share Holders	41,000,000	10.22%
Total	401,000,000	100.00%

Note:

- (1) Ningbo Meishan Bonded Port Area Teruixichuang Investment Partnership (Limited Partnership) (寧波梅山保稅港區特瑞西創投資合夥企業(有限合夥)) changed its name to Wenzhou Teruixichuang Enterprise Management Partnership (Limited Partnership) (溫州特瑞西創企業管理合夥企業(有限合夥)) in March 2020, and further changed to Hangzhou Teruixichuang in July 2022.

5. Non-public Placing of A Shares in 2020

In September 2020, our issued share capital was further increased to RMB403,024,292 due to the exercise of certain options granted by the Company under the 2018 Second Tranche Share Option Incentive Scheme adopted by our Company in 2018 (“**2018 Share Option Incentive Scheme**”).

In order to fund our research and development of innovative drugs and improve our financial structure, our Company placed 10,138,621 A Shares to 14 placees, and such A Shares were listed on the Shenzhen Stock Exchange on December 17, 2020. The net proceeds raised from the non-public placing of A Shares were RMB995.4 million and was intended to be used for funding the development of new pharmaceutical products, upgrade research and development equipment, and supplement working capital. As of the Latest Practicable Date, approximately 79.91% of the net proceeds had been utilized.

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As of December 29, 2021, our issued share capital was increased to RMB415,388,667 comprising 415,388,667 A Shares as a result of the exercise of certain options granted under the 2018 Share Option Incentive Scheme, and the shareholding structure of our Company was as follows:

Name of Shareholder	Number of A Shares held	Shareholding percentage
Kaiming Investment ⁽¹⁾⁽⁷⁾	80,064,000	19.28%
Jihe Venture Capital ⁽²⁾	54,324,000	13.08%
Hangzhou Teruixichuang ⁽²⁾	28,797,061	6.93%
Dr. Yinxian WANG ⁽⁶⁾	16,436,112	3.96%
Beicheng Investment ⁽³⁾⁽⁷⁾	14,713,531	3.54%
HKSCC ⁽⁴⁾	14,018,129	3.37%
LAV HK	10,800,000	2.60%
National Social Security Fund – 102 (全國社保基金 一零二組合, “NSSF-102”) ⁽⁵⁾	5,822,775	1.40%
Mr. Hancheng ZHANG ⁽⁶⁾	4,554,007	1.10%
BETA	4,550,015	1.10%
Other A Share Holders	181,284,173	43.64%
Total	415,363,803	100.00%

Notes:

- (1) As of the Latest Practicable Date, its general partner was Dr. DING with 33.33% capital contribution, and its limited partner was Mr. DING Shizhe (our executive Director) with 66.67% capital contribution, respectively.
- (2) As of the Latest Practicable Date, to the knowledge of our Directors, (i) Mr. Wang controlled (directly and indirectly) 95% equity interest in Jihe Venture Capital, and (ii) as confirmed by Hangzhou Teruixichuang, AVIC Trust Co., Ltd. (中航信託股份有限公司), the limited partner of Hangzhou Teruixichuang, was acting as (i) the trustee of Mr. Wang’s family trust (in which Mr. Wang acted as the settlor and beneficiary) with approximately 93.78% capital contribution, and (ii) the trustee of the other two family trusts (being (i) the family trust of Ms. JIN Hong (金虹) (“Ms. Jin”) with approximately 1.12% capital contribution and (ii) the family trust of Ms. SHEN Qifen (沈其芬) (“Ms. Shen”) with approximately 5.00% capital contribution, both of which were Independent Third Parties). Ms. CHEN Xiangli (陳香莉), the general partner of Hangzhou Teruixichuang, Ms. Jin and Ms. Shen have confirmed that Mr. Wang was the de facto controller of Hangzhou Teruixichuang. Other than that, to the best knowledge of our Company, Mr. Wang, Ms. Jin and Ms. Shen are independent from each other.
- (3) Beicheng Investment is an employee share incentive platform of our Group. As of the Latest Practicable Date, its general partner was Dr. DING with 59.43% capital contribution, and its 36 limited partners were former and existing employees of our Group each with less than 3% capital contribution.
- (4) HKSCC, as the trustee, held shares on behalf of investors in Hong Kong and other overseas jurisdictions pursuant to the rules of the Shenzhen-Hong Kong Stock Connect.
- (5) NSSF-102 is a fund managed by National Council for Social Security Fund of the PRC (全國社會保障基金理事會). Bosera Asset Management Co., Ltd. (博時基金管理有限公司), a fund management company incorporated in the PRC, was appointed as the investment manager of NSSF-102. Each of National Council for Social Security Fund of the PRC and Bosera Asset Management Co., Ltd. is an Independent Third Party.
- (6) Each of Dr. Yinxian WANG and Mr. Hancheng ZHANG is an Independent Third Party.
- (7) According to the partnership agreements of Kaiming Investment and Beicheng Investment, the general partner is exclusively vested with power to manage, control and operate the partnership, whereas the limited partners can only exercise limited customary protective rights as a limited partner as required by the Partnership Enterprise Law of the PRC. Therefore, Dr. DING is considered as having control over Kaiming Investment and Beicheng Investment and Mr. DING Shizhe is not regarded as a member of our Single Largest Group of Shareholders under Listing Rules. See “— Our Single Largest Group of Shareholders” below in this section for further details.

6. Exercise of Options under the 2018 Share Option Incentive Scheme and Restricted Shares Issued under the A Share Incentive Schemes

From April 2021 to December 2022, our issued share capital was increased to RMB417,467,045 comprising 417,467,045 A Shares due to the exercise of certain options granted by the Company under the 2018 Share Option Incentive Scheme.

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In 2023, our issued share capital was increased to RMB418,485,885 comprising 418,485,885 A Shares due to the issue of Shares upon vesting of certain restricted Shares granted by the Company under the 2021 Restricted Share Incentive Scheme.

In 2025, our issued share capital was increased to RMB420,733,843 comprising 420,733,843 A Shares due to the issue of Shares upon vesting of certain restricted Shares granted by the Company under the 2023 Restricted Share Incentive Scheme.

As of the Latest Practicable Date, our issued share capital was increased to RMB423,331,685 comprising 423,331,685 A Shares due to the issue of Shares upon vesting of certain restricted Shares granted by the Company under the 2023 Restricted Share Incentive Scheme.

For details of the 2021 Restricted Share Incentive Scheme and the 2023 Restricted Share Incentive Scheme, see “Appendix V — Statutory and General Information — 4. A Share Incentive Schemes. For shareholding structure of the Company as of the Latest Practicable Date, see “— Shareholding Structure Prior to the [REDACTED]” in this section.

MAJOR ACQUISITIONS AND DISPOSALS

During the Track Record Period and up to the Latest Practicable Date, we did not conduct any acquisition, disposal or merger material to us or which would fall within the scope of Rule 4.05A of the Listing Rules.

OUR PRINCIPAL SUBSIDIARIES

We have carried out our business through our subsidiaries across different geographical locations. As of the Latest Practicable Date, we had eleven PRC subsidiaries and six overseas subsidiaries. We consider the following subsidiaries as our principal subsidiaries taking into account, among other things, financial contribution and strategic importance of those subsidiaries:

Name of subsidiary	Place of incorporation	Date of establishment and commencement of business	Equity interest held by the Company or subsidiary	Principal business activities
Betta Investment . . .	Hong Kong	October 14, 2014	100%	Investment holding
Xcovery Holdings . .	Delaware	December 29, 2017	98.44%	Pharmaceutical development, production and sales
Betta Shengzhou . . .	PRC	October 26, 2020	100%	Pharmaceutical production
Betta Dream Works (Zhejiang) pharmaceutical Co., Ltd. (貝達夢工場(浙江)醫藥控股有限公司).	PRC	August 18, 2020	100%	Provision of operational support services to incubated enterprises

* Details of our subsidiaries are set out in Note 17 to the Accountants’ Report as set out in Appendix I to this document.

OUR LISTING ON THE SHENZHEN STOCK EXCHANGE, AND PREVIOUS [REDACTED] ATTEMPT AND REASONS FOR [REDACTED] ON THE HONG KONG STOCK EXCHANGE

Our A Shares have been listed on the Shenzhen Stock Exchange since November 2016. Our Directors have confirmed that the Company has no instance of material non-compliance with the rules of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC in any material respect since the A Share Listing, and, to the best knowledge of our Directors after having made all reasonable enquiries, there is no material matter that should be brought to investors’ attention in relation to our compliance record on the Shenzhen Stock Exchange. Based on the filings on the website of the Shenzhen Stock Exchange and the information available in the

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public domain, our PRC Legal Adviser is of the view that during the Track Record Period and up to the Latest Practicable Date, the Company has not been subject to any material administrative penalties or regulatory measures imposed by PRC securities regulatory authorities. Based on the independent due diligence conducted by the Sole Sponsor and our PRC Legal Adviser’s view as set out above, nothing has come to the Sole Sponsor’s attention that would cause it to have reasonable doubt about our Directors’ confirmation with regard to the compliance record of the Company on the Shenzhen Stock Exchange in all material respects.

The Company submitted an initial [REDACTED] to the Hong Kong Stock Exchange for the [REDACTED] of its H Shares and the [REDACTED] on February 8, 2021 (the “**Previous [REDACTED] Attempt**”). In relation to such [REDACTED], a hearing by the Listing Committee was held on May 27, 2021 and the Company received the post-hearing letter issued by the Hong Kong Stock Exchange on May 28, 2021. In December 2021, the Company refiled its [REDACTED] to the Hong Kong Stock Exchange. However, considering the fluctuations in the capital markets condition at that time, the Company voluntarily suspended the Previous [REDACTED] Attempt in June 2022 following the lapse of such [REDACTED].

To the best of the Directors’ knowledge and belief, the Directors are not aware of any material matter concerning the Previous [REDACTED] Attempt that would adversely affect the Company’s suitability for [REDACTED] on the Hong Kong Stock Exchange or other material matters that need to be brought to the attention of the Stock Exchange, the Shareholders or potential [REDACTED]. Based on the independent due diligence performed by the Sole Sponsor, the Sole Sponsor confirms that they are not aware of any matters that may cause them to disagree with the Directors’ view above.

Our Directors believe that the [REDACTED] of its H Shares on the Hong Kong Stock Exchange will be in the interests of our Group’s business development strategies, and would be beneficial to us and our Shareholders as a whole for the following reasons: (i) the [REDACTED] will provide an additional fund raising platform for our Company and give us the access to a wider pool of finance for our future expansion. For more details, see “Business” and “Future Plans and [REDACTED]”; and (ii) a [REDACTED] status on the Hong Kong Stock Exchange will further strengthen our business profile and global presence, and help us to recruit, motivate and retain talents to support our long-term and sustainable growth.

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Our Single Largest Group of Shareholders comprises Dr. DING, Kaiming Investment and Beicheng Investment. As of the Latest Practicable Date, Dr. DING, our founder of the Group, chairman of our Board, general manager, chief executive officer and executive Director, was able to exercise approximately 21.50% of the voting rights in our Company through: (i) 1,024,238 Shares directly held by himself, (ii) 80,064,000 Shares held by Kaiming Investment and (iii) 9,924,563 Shares held by Beicheng Investment. Both Kaiming Investment and Beicheng Investment are limited partnerships incorporated in the PRC of which their respective executive partner is Dr. DING.

Dr. DING is considered as having control over Kaiming Investment and Beicheng Investment and Dr. DING is regarded as our *de facto* controller (實際控制人) under the applicable PRC laws, regulations and rules.

SHARE INCENTIVE PLANS OF THE COMPANY

In order to enhance our Company’s competitiveness in the talent market, comprehensively address our growing needs for talent and build a high-quality workforce, we have adopted the 2018 A Share Option Incentive Scheme, the 2021 Restricted Share Incentive Scheme and the 2023 Restricted Share Incentive Scheme.

Pursuant to the 2018 A Share Option Incentive Scheme, our Company granted an aggregate of 6,328,424 Shares to 632 grantees, including Directors, senior management and other employees of the Company. As of the Latest Practicable Date, the 2018 A Share Option Incentive Scheme has been completed, and there are no outstanding options to be granted under the 2018 A Share Option Incentive Scheme, and all share options under the 2018 A Share Option Incentive Scheme have either been exercised or cancelled.

For details of the 2021 Restricted Share Incentive Scheme and the 2023 Restricted Share Incentive Scheme, see “Appendix V — Statutory and General Information — 4. A Share Incentive Schemes.”

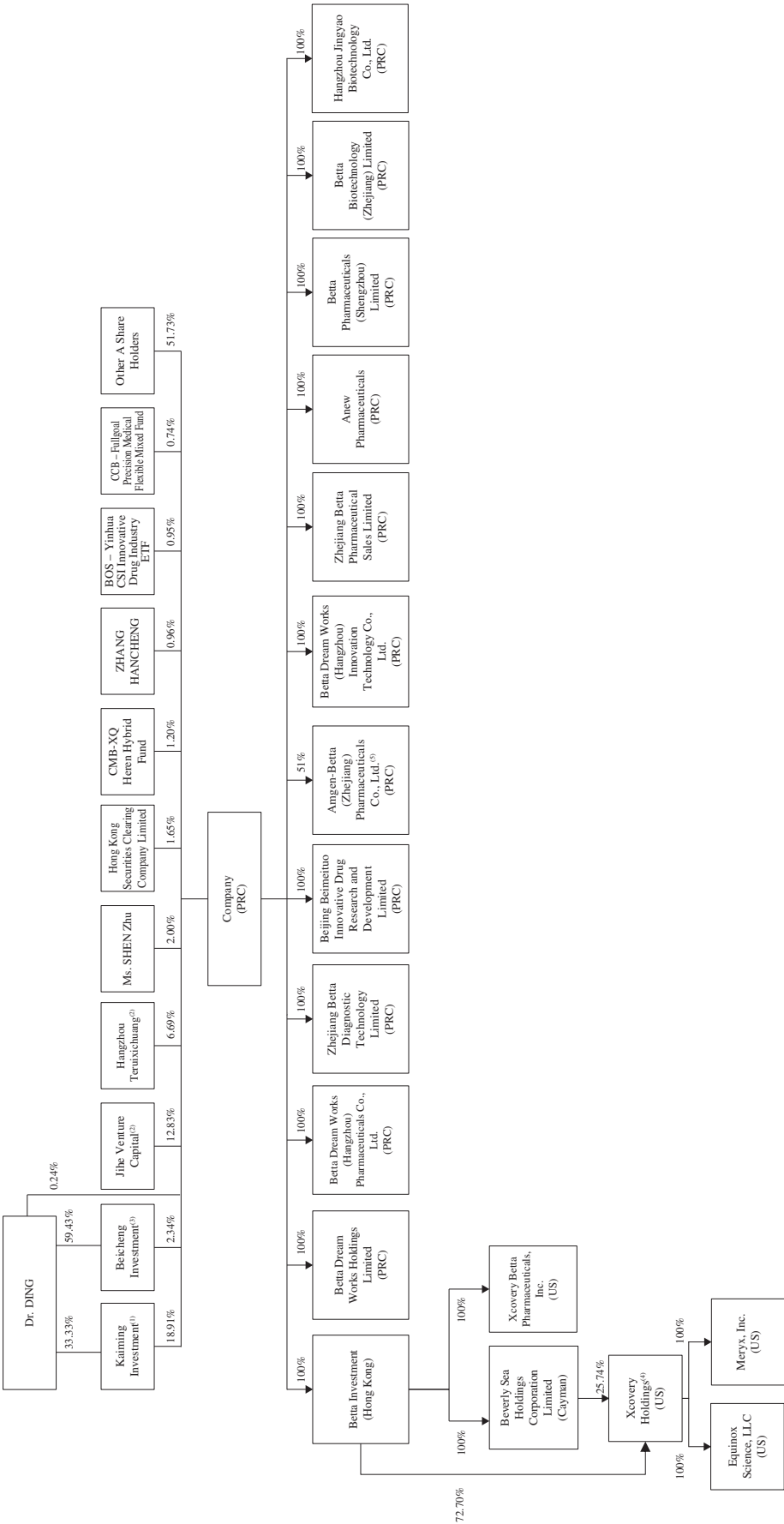
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[REDACTED]

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SHAREHOLDING STRUCTURE PRIOR TO THE [REDACTED]

The following diagram illustrates our simplified shareholding structure and subsidiaries as of the Latest Practicable Date.



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Notes:

(1)-(3) Please refer to Notes (1) to (3) to the table under the paragraph headed “— Corporate Development — 5. Non-public Placing of A Shares in 2020” in this section.

To the best knowledge of our Directors, as of the Latest Practicable Date, 49,408,500 A Shares (representing approximately 11.67% of the total issued share capital of our Company as of the Latest Practicable Date) held by Kaiming Investment had been pledged to several PRC financial institutions regulated by National Financial Regulatory Administration of the PRC (中華人民共和國國家金融監督管理總局) and/or CSRC, including Guoyuan Securities Co., Ltd. (國元證券股份有限公司), Shandong International Trust Corp (山東省國際信託股份有限公司), Hangzhou Industrial & Commercial Trust Co., Ltd. (杭州工商信託股份有限公司), Zheshang Securities Co., Ltd. (浙商證券股份有限公司), Tibet Trust Corporation Limited (西藏信託有限公司) and Hangzhou Bank Co., Ltd. Technology Branch (杭州銀行股份有限公司科技支行). The latest expiry date of these pledges is September 26, 2027. Dr. Ding is the general partner of Kaiming Investment. To the best knowledge of our Directors and having made all reasonable enquiries, there has not been any adverse credit records against Kaiming Investment or Dr. Ding in respect of any breach of repayment obligations under their indebtedness. Kaiming Investment has confirmed that, if there is a risk of default or other circumstances that may give rise to the enforcement of the pledged A Shares, Kaiming Investment shall take all necessary actions, such as provision of additional collaterals and repayment of loans, to avoid such enforcement. Further, based on the value of the major assets and investments owned by Dr. Ding, as supported by the relevant documentation, the valuation of such assets and investments is sufficient to cover the outstanding amounts under the relevant financing arrangements. Accordingly, the Directors are of the view that the risk of enforcement of the Share Pledge is low, and that Dr. Ding has sufficient financial resources to settle the relevant financing arrangements. The PRC Legal Adviser is of the view that, based on the due diligence they conducted, all pledge agreement of the Pledged Shares are valid, and there have been no instances of the pledgees exercising their rights, and that Dr. Ding has sufficient financial resources to settle the relevant financing arrangements. Therefore, the risk of foreclosure on the Pledged Shares is considered low. Based on the independent due diligence conducted by the Sole Sponsor, the Sole Sponsor concurs with the views of the Directors and the PRC Legal Adviser that Dr. Ding has sufficient financial resources to settle the relevant financing arrangement and that the risk of enforcement of the Share Pledges is low.

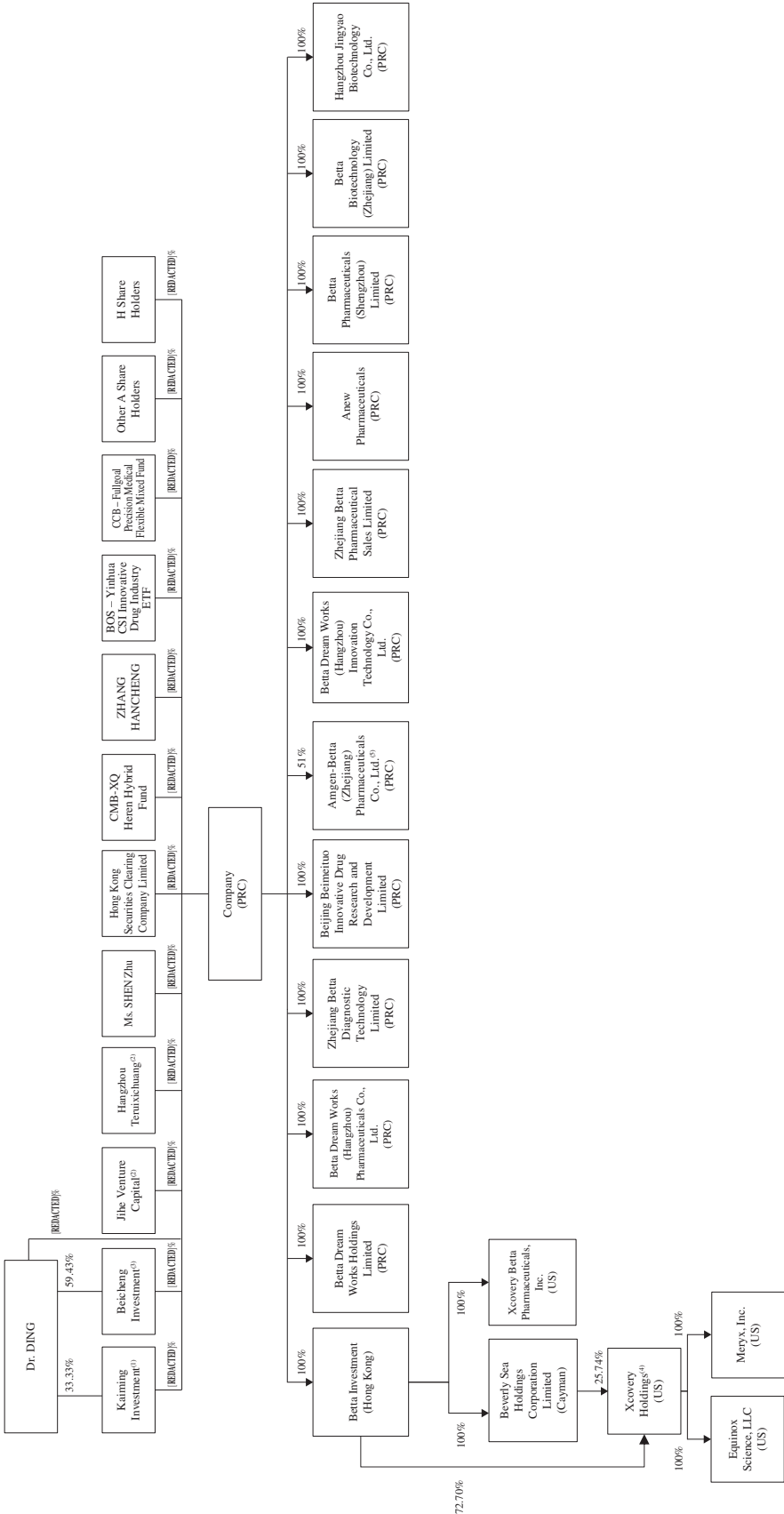
(4) As of the Latest Practicable Date, the remaining 1.56% equity interest in Xcovery Holdings was held by 19 minority shareholders including investors and former employees of Xcovery Holdings. All the minority shareholders of Xcovery Holdings were Independent Third Parties as of the Latest Practicable Date. As of the Latest Practicable Date, 15 individuals including current and former employees and advisors of Xcovery Holdings had been granted outstanding stock options to purchase an aggregate of 2,311,983 shares of Xcovery Holdings, representing approximately 3.51% of the issued share capital of Xcovery Holdings. Among these grantees, Mr. SANG Lin (a director of Xcovery Holdings) and Mr. DING Shizhe (our executive Director) had been granted outstanding stock options to purchase 100,000 and 30,000 shares of Xcovery Holdings, representing approximately 0.15% and 0.046% of the issued share capital of Xcovery Holdings, respectively.

(5) As of the Latest Practicable Date, the remaining 49% equity interest in Amgen-Betta (Zhejiang) Pharmaceuticals Co., Ltd. (貝達安進(浙江)製藥有限公司) was held by Amgen Asia Holding Limited which was an Independent Third Party.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

SHAREHOLDING STRUCTURE IMMEDIATELY FOLLOWING THE COMPLETION OF [REDACTED]

The following diagram illustrates our simplified shareholding structure and subsidiaries immediately following the completion of the [REDACTED], assuming (i) there has not been any change in the shareholding of holders of A Shares since the Latest Practicable Date, and (ii) neither the [REDACTED] nor any outstanding A Share Options are exercised.



Note: Please refer to Notes (1) to (5) to the diagram under the paragraph “— Shareholding Structure Prior to the [REDACTED]” of this section.