
BUSINESS

OVERVIEW

Who We Are

We are a commercial-stage biotechnology company focused on oncology and autoimmune diseases, dedicated to translating scientific discoveries into innovative and accessible therapies for patients. Harnessing innovation as our edge and commercialization as our engine, we aim to become a sustainable and fully integrated biopharmaceutical company with end-to-end life-cycle capabilities, transforming scientific advances into meaningful patient benefits. Within these therapeutic areas, we strategically focus on developing oral small-molecule drug candidates targeting a broader and differentiated scope of indications than our competitors to address significant prevalence in hematologic malignancies and autoimmune diseases. Enabled by our highly selective small-molecule drug discovery platform and our molecular glue discovery platform, we have established a pipeline that includes an NMPA-approved drug candidate (bezacitinib), one registrational clinical stage candidate (CX1440), and five preclinical stage candidates (CX03, CX12, CX13, CX15 and CX16).

According to Frost & Sullivan, as of the Latest Practicable Date, our Core Product, bezacitinib, is one of the first three domestically developed JAK inhibitors to have been approved in China for the treatment of myelofibrosis (MF). In terms of clinical progress, bezacitinib ranks as the first JAK inhibitor in China for polycythemia vera (PV), and the first globally for essential thrombocythemia (ET). Our another Core Product, CX1440, is one of the first three BTK inhibitors in terms of clinical progress for immune thrombocytopenia (ITP) and one of the first two BTK inhibitors globally in terms of clinical progress for each of chronic urticaria (CU) and autoimmune hemolytic anemia (AIHA).

Our R&D Strategy

Differentiated Molecular R&D Strategy

Leveraging our deep understanding of disease biology and competitive landscapes, we proactively avoid areas where we lack clear differentiation or where competition has become highly crowded, and instead focus on targeted indications with significant unmet clinical needs where the intrinsic characteristics of our molecules can deliver meaningful therapeutic advantages. To maximize value of our molecules, we pursue a multi-indication development approach. Through this strategically planned indication expansion pathway, we enhance both the probability of development success and the commercial potential of our pipeline assets.

Our Core Product, bezacitinib, primarily targets myeloproliferative neoplasms (MPNs), including MF, PV and ET, positioned as the JAK inhibitor with multiple indication coverage and the development progress ahead of the industry average in MPNs. According to Frost & Sullivan, the global market size for MPNs is forecasted to expand continuously, which is projected to reach USD12.5 billion in 2030, with a CAGR of 7.5% from 2025 to 2030, and further reach USD19.2 billion in 2035, representing a CAGR of 9.0% from 2030 to 2035. This reflects a sizeable market opportunity with a favorable competitive landscape.

In parallel, our another Core Product, CX1440, is primarily focused on autoimmune diseases, allowing us to avoid the more intensive competition of BTK inhibitors in oncology space. Although multiple BTK inhibitors have been approved globally and six have been approved in China, including ibrutinib, their approved indications are currently concentrated in oncology, rather than in autoimmune diseases. We believe this indication selection strategy positions CX1440 to address significant unmet clinical needs in autoimmune diseases within a relatively moderate competitive environment.

BUSINESS

Balanced Portfolio-Building Strategy

To establish a balanced portfolio, we focus on certainty while actively exploring new opportunities. At the early stage of development of our Company’s drug candidates, we prioritize programs based on validated targets with well-defined translational pathways, primarily through iterative innovation of molecular structure design. This approach reduces development risk inherent to innovative drugs, enabling us to build integrated drug development capabilities. It also allows a more efficient path from early discovery toward commercialization, thereby providing us with a solid financial foundation for future development. These programs include our Core Products, bezacitinib and CX1440.

At the same time, we continue to cultivate programs based on targets with global mechanisms of action that require further clinical validation. By closely monitoring scientific advances, and through rigorous scientific evaluation and disciplined decision making, we discover and advance drug candidates with high potential and manageable risk profiles. These programs are designed to build a sustainable pipeline with long term value. For example, leveraging our molecular glue discovery platform, we have successfully developed CX15, a covalent allosteric molecular glue that combines covalent modification with allosteric regulation to achieve selective degradation of target proteins, as well as CX16, which induces CRBN to recognize neosubstrate and expands the mechanistic scope of molecular glue mediated protein degradation. Through this balanced development strategy, we aim to manage risk and return, align near term return with long term innovation, and balance the probability of success with the breadth of innovation.

Our Platform

We have established two in-house drug discovery platforms: a highly selective small-molecule drug discovery platform and a molecular glue drug discovery platform. Together, these platforms form the cornerstone of our drug R&D capabilities and have enabled the design and optimization of our pipeline assets with demonstrated clinical and commercial potential.

Our small-molecule drug discovery platform, anchored in AI-enabled structure-based drug design (SBDD), integrates deep structural biology insights with advanced medicinal chemistry experience to systematically enhance target selectivity and de-risk early-stage development. The platform has successfully generated multiple candidates with high target selectivity and favorable safety profiles, including bezacitinib and CX1440. These outcomes highlight the platform’s strengths in rational molecular design, integrated multi-parameter optimization, and early mitigation of off-target risks.

Our molecular glue drug discovery platform, guided by a forward-looking target assessment framework and a chemistry-first, mechanism-driven rational design philosophy, integrates ternary-complex-based rational molecule design, off-target risk prediction, and systematic optimization of the drug-like properties of degraders. Leveraging these capabilities, the platform has achieved key breakthroughs in the rational design of molecular glues with novel mechanisms of action, and has successfully advanced candidates such as CX15 and CX16 into preclinical translational development, each representing a distinct new mode of action. This progress validates the platform’s capability to translate first-in-mechanism concepts into rapid advancement, and underscores our differentiated positioning in this emerging field.

Experienced and Diversified R&D Team and Development Capabilities across Stages

Our R&D team is composed of highly experienced scientists with deep expertise across drug discovery, preclinical evaluation, clinical development, quality management, pharmacovigilance, and medical affairs. The team brings over 20 years of cumulative R&D experience. As of the Latest Practicable Date, our R&D team comprised 72 personnel, the majority of whom hold master’s degrees or above in disciplines such as biology, chemistry, pharmacology, or medicine. Key R&D leaders have previously held positions at multinational pharmaceutical companies and major domestic pharmaceutical enterprises, accumulating extensive experience across the entire drug development value chain.

BUSINESS

We have established a systematic and integrated R&D management framework that covers the full spectrum of drug development activities, from early-stage research and proof-of-concept, through process development and preclinical studies, to clinical trials. We believe that our holistic R&D capabilities enable the continuous translation of scientific research into clinical applications and provides a sustainable engine for long-term innovation and value creation.

Experienced Commercialization Team

We have built an experienced commercialization leadership team with deep industry knowledge and proven execution capabilities. Our Chairman, Mr. Li Bangliang, and our Head of Sales, Mr. Li Yuedong, have both deeply engaged in the pharmaceutical industry for many years and possess extensive sales and commercialization experience. Both of them played key roles in the development of Huadong Medicine Co., Ltd.’s prescription drug commercialization platform.

We are proactively building our commercialization capabilities to support the future launch of our pipeline products, with an initial focus on bezacitinib. We have initiated key preparatory activities, including pharmacoeconomic evaluation, pricing and reimbursement planning, and planning for inclusion in clinical practice guidelines, alongside early academic engagement with key opinion leaders to enhance market readiness. We plan to progressively expand our in-house commercial team and sales network, with a commercialization strategy centered on securing access to leading tertiary hospitals nationwide. This phased approach is designed to enable efficient market entry, strengthen engagement with frontline clinicians, and support post-launch sales and marketing.

BUSINESS

Our Pipeline

The table below summarizes the development status of our drug candidates as of the Latest Practicable Date.

Compound	R&D Model	Target	Indication	Line(s) of Treatment	Regimen	Route of Administration	Preclinical	IND	Phase I	Phase II	Phase III	NDA	Approval	Achieved or Upcoming Milestones	Commercial Rights
Bezacitinib (OB756) ★	Acquired ⁽¹⁾	JAK2	MF	1L	Mono	Oral	<div></div>			<div></div>	<div></div>	Approved by the NMPA in China ⁽²⁾		Received NDA approval from the NMPA in April 2026	Global
			PV	2L	Mono	Oral	<div></div>			<div></div>	<div></div>	China (NMPA) ⁽²⁾		Phase III clinical trial completed in May 2026; expect to submit the NDA in Q3 2026	
			ET	2L	Mono	Oral	<div></div>			<div></div>	<div></div>	China (NMPA) ⁽²⁾		EOPI meeting with the CDE in January 2027; expect to initiate the Phase III clinical trial in Q4 2026	
			GVHD	2L	Mono	Oral	<div></div>	<div></div>	<div></div>	<div></div>				Received IND approval in October 2021; expect to initiate Phase II clinical trial in Q2 2027	
			Selected autoimmune indications	2L	Mono	Oral	<div></div>	<div></div>	<div></div>	<div></div>				To be determined	
CX1440 ★	Acquired ⁽¹⁾	BTK	ITP	2L	Mono	Oral	<div></div>			<div></div>	<div></div>	China (NMPA) ⁽²⁾		EOPI meeting with the CDE in June 2024; expect to submit the NDA in Q4 2027	Global
			CU	2L	Mono	Oral	<div></div>			<div></div>	<div></div>	China (NMPA) ⁽²⁾		Received IND approval in September 2022; expect to complete Phase II in Q4 2026	
			AIHA	2L	Mono	Oral	<div></div>	<div></div>	<div></div>	<div></div>				Received IND approval in August 2025; expect to initiate Phase Ib/II clinical trial in Q3 2026	
			cGVHD	2L	Mono	Oral	<div></div>	<div></div>	<div></div>	<div></div>				Received IND approval in August 2022; expect to initiate Phase Ib/II clinical trial in Q2 2027	
			Selected autoimmune indications	2L	Mono	Oral	<div></div>	<div></div>	<div></div>	<div></div>				To be determined	
CX03	Self-developed	PI3K	MF	/	Combo	Oral	<div></div>							Expect to submit IND in Q4 2027	Global
CX12	Self-developed	METTL3	Solid tumors	/	Mono/ combo	Oral	<div></div>							Expect to submit IND in Q4 2027	Global
CX13	Self-developed	PPARG	Solid tumors	/	Mono	Oral	<div></div>							Expect to submit IND in Q3 2027	Global
CX15 (Molecular Glue)	Self-developed	KEAP1	Solid tumors	/	Mono/ combo	Oral	<div></div>							Expect to submit IND in Q3 2027	Global
CX16 (Molecular Glue)	Self-developed	VAV1	RA, IBD, MS	/	Mono	Oral	<div></div>	<div></div>						Expect to submit IND in Q1 2027	Global
Core Product															

Abbreviations: MF refers to myelofibrosis; PV refers to polycythemia vera; ET refers to essential thrombocythemia; GVHD refers to graft-versus-host disease; ITP refers to immune thrombocytopenia; CU refers to chronic urticaria; AIHA refers to autoimmune hemolytic anemia; cGVHD refers to chronic graft-versus-host disease; RA refers to rheumatoid arthritis; IBD refers to inflammatory bowel disease; MS refers to multiple sclerosis; mono refers to monotherapy; combo refers to combination therapy; IND refers to Investigational New Drug application; NDA refers to New Drug Application; NMPA refers to National Medical Products Administration of China; Q2 refers to the second quarter of the year indicated; Q3 refers to the third quarter of the year indicated; Q4 refers to the fourth quarter of the year indicated.

Notes:

1 The discovery of bezacitinib and CX1440 was led by Dr. Lyu Yubin, currently our executive Director and general manager and Dr. Yin Jianming, currently our Chief Scientific Officer during their respective tenures at the Research Institute and Aojin Bio. Dr. Lyu Yubin served as director and general manager of the Research Institute from 2009 to 2020. Aojin Bio was wholly owned by Dr. Yin Jianming and has ceased all substantive operating activities since 2020 following Dr. Yin's joining our Company. Other key R&D team members involved in the discovery and preclinical development of our Core Products are also currently with our Company. For details of the transfer history of technology and data, see “Business — Intellectual Property.”

BUSINESS

2 For bezacitinib and CX1440, the Phase I clinical trials in healthy adult volunteers were completed in January 2020 and March 2022, respectively. The safety, tolerability and pharmacokinetic data generated from the respective completed Phase I trials have been leveraged to support subsequent patient clinical trials for the relevant indications. Accordingly, the relevant patient studies for bezacitinib in GVHD and other selected autoimmune indications commenced, or are expected to commence, directly from Phase Ib/II dose-escalation and dose-expansion studies, without conducting a separate Phase I healthy volunteer study for each such indication. Similarly, the relevant patient studies for CX1440 in CU, AHA, cGVHD and other selected autoimmune indications commenced, or are expected to commence, directly from Phase Ib/II dose-escalation and dose-expansion studies, without conducting a separate Phase I healthy volunteer study for each such indication. Such clinical development arrangements are based on the completed Phase I data, the proposed patient clinical trial protocols and the relevant IND approvals from the NMPA, and are subject to compliance with applicable PRC regulatory requirements, including communications with the CDE before commencing registrational studies, where applicable.

3 CX16 is currently undergoing IND-enabling studies. As of the Latest Practicable Date, we had not submitted an IND application for CX16. We expect to submit the IND application for CX16 in the first quarter of 2027.

BUSINESS

Bezacitinib (Core Product)

Bezacitinib, our Core Product, is a selective JAK2 inhibitor for the treatment of myeloproliferative neoplasms (MPNs), with broader indication coverage than existing therapies and clinical progress ahead of the industry average. It is one of the first three domestically developed JAK inhibitors approved for MF in China. In terms of clinical progress, bezacitinib ranks as the first JAK inhibitor in China for PV, and the first JAK inhibitor globally for ET, underscoring its therapeutic potential and ability to address the needs of approximately 553.9 thousand patients with MPNs in China. According to Frost & Sullivan, the China MPN drug market reached USD1.0 billion in 2025 and is expected to increase to USD1.5 billion in 2030.

While most JAK inhibitors target autoimmune diseases, we have focused on developing bezacitinib for MPNs, where clinical needs remain significant and treatment options are limited. Our clinical trials in MF, PV, and ET have shown bezacitinib’s favorable efficacy and safety, supporting its competitive profile among JAK inhibitors. Since our inception, we have been devoted to facilitating the clinical development of bezacitinib for MF, PV and ET as well as the IND application for GVHD, systemic lupus erythematosus (SLE) and ulcerative colitis (UC). Specifically, we have finished the Phase Ib/II and Phase II/III clinical trials for MF in May 2021 and November 2023, respectively. In August 2024, we submitted our first NDA to the CDE for the treatment of MF, and received NDA approval in April 2026. We completed the Phase Ib/II trial for PV in June 2023 and completed the Phase III clinical trial in May 2026, respectively. We also initiated the Phase Ib/II clinical trial for ET in November 2020. As of the Latest Practicable Date, we are communicating with the regulatory authorities as to the clinical trial designs for the Phase III registrational study for ET. We obtained IND approvals for SLE and GVHD in January 2022 and October 2021, respectively. Beyond MPNs, bezacitinib may have further development potential in other diseases driven by aberrant activation of the JAK-STAT signaling pathway, including indications with significant unmet medical needs such as GVHD. For further details about our clinical development plan for bezacitinib, see “Our Pipeline — Bezacitinib, our Core Product — Clinical Development Plan.”

CX1440 (Core Product)

CX1440, our Core Product, is a Phase III-stage BTK inhibitor. It is one of the first three BTK inhibitors globally in terms of clinical progress for ITP and one of the first two BTK inhibitors globally in terms of clinical progress for each of CU and AIHA. In 2025, the prevalence of ITP has reached 216.4 thousand in China, while the ITP drug market is projected to grow from approximately USD0.9 billion in 2025 to approximately USD3.6 billion in 2035, alongside expansion of the CU drug market from approximately USD3.0 billion to approximately USD10.9 billion and the AIHA drug market from approximately USD164.5 million to approximately USD339.8 million over the same period.

CX1440 is an orally administered, highly selective and potent BTK inhibitor primarily developed for the treatment of autoimmune diseases. BTK inhibitors are small molecule compounds that covalently bind to BTK, thereby inhibiting its activity, and have been used in the treatment of B-cell lymphoma as well as B-cell mediated autoimmune diseases.

While many marketed and late clinical stage BTK inhibitors have focused on their development for B cell lymphoma, we have strategically prioritized the development of CX1440 in autoimmune diseases, based on its molecular characteristics and differentiated selectivity profile. To date, we have initiated clinical studies of CX1440 across four autoimmune diseases, with development programs in ITP, CU and AIHA ranking ahead of the average. Since our inception, we have been devoted to facilitating the clinical development of CX1440. We initiated the Phase III clinical trial of CX1440 for ITP in September 2025, and we expect to submit an NDA for this indication in the fourth quarter of 2027. We initiated the Phase Ib/II clinical trial for CU in September 2025 and plan to initiate Phase Ib/II clinical trial for AIHA in the third quarter of 2026, respectively. We obtained the IND approvals for MS, GVHD and SLE in October 2021, August 2022, and November 2022. For further details about our clinical development plan for CX1440, see “Our Pipeline — CX1440, our Core Product — Clinical Development Plan.”

BUSINESS

Other Drug Candidates

In addition, our current pipeline includes selected preclinical assets, including CX03, CX12, CX13, CX15 and CX16:

- CX03 is a highly selective PIM1 inhibitor intended for use in combination with bezacitinib to treat MF and other hematologic malignancies characterized by resistance to JAK2 inhibitors. Preclinical studies have shown that combining CX03 with bezacitinib significantly prolongs survival compared with bezacitinib monotherapy. CX03 is currently being evaluated in preclinical studies, and we plan to submit IND in the fourth quarter of 2027.
- CX12 is a METTL3 inhibitor that has demonstrated antitumor activity in animal models when combined with PD-1 inhibitors. It is being developed as a combination therapy with PD-1 inhibitors for patients with locally advanced unresectable or metastatic solid tumors who have progressed on anti-PD-1/L1 monotherapy or anti-PD-1/L1 drug plus chemotherapy. CX12 is currently being evaluated in preclinical studies, and we plan to submit IND in the fourth quarter of 2027.
- CX13 is a highly active PPARG inverse agonist designed to target aberrant PPARG activation in advanced urothelial carcinoma. In preclinical studies, CX13 has shown strong antitumor activity in relevant tumor models. We plan to submit IND in the third quarter of 2027.
- CX15 is a covalent allosteric molecular glue degrader targeting KEAP1, intended for the treatment of solid tumors with constitutive NRF2 activation. CX15 has demonstrated antitumor effects in preclinical tumor models, supporting its therapeutic potential for solid tumors harboring KEAP1/NRF2-driven pathogenic mutations. CX15 is currently being evaluated in preclinical studies, and we plan to advance submit IND in the third quarter of 2027.
- CX16 is a selective molecular glue degrader of VAV1 being developed for the treatment of autoimmune and inflammatory diseases. CX16 has exhibited target selectivity, degradation activity, and favorable pharmacokinetic properties in multiple preclinical autoimmune disease models. Based on its multifaceted mechanism of action and strong *in vitro* and *in vivo* activity and safety profile, CX16 has broad therapeutic potential across a range of autoimmune and inflammatory disorders. A candidate compound has been selected, and we expect to submit an IND application to the CDE in the first quarter of 2027.

OUR STRENGTHS

Diversified Drug Candidates Portfolio in Oncology and Autoimmune Diseases Targeting Growing Prevalence, with Multiple Indications at Pivotal or NDA Stages

We are a China-based innovator focused on the discovery and development of oral small-molecule therapeutics, with selective JAK2 and BTK inhibitors at the core of our pipeline. Our candidates address a range of oncology and autoimmune diseases with significant unmet medical needs including MF, PV, ET, ITP, CU, and AIHA.

Our Core Products’ target indications represent large and growing markets. In the MPN space, MF had a global prevalence of 994.9 thousand in 2025, expected to reach 1,288.7 thousand by 2035, with the drug market projected to grow from USD3.1 billion in 2025 to USD6.3 billion in 2035; PV had a global prevalence of 2,624.0 thousand in 2025, expected to reach 4,067.8 thousand by 2035, with the drug market projected to grow from USD2.9 billion in 2025 to USD6.5 billion in 2035; and ET had a global prevalence of 2,459.7 thousand in 2025, expected to reach 3,186.0 thousand by

BUSINESS

2035, with the drug market projected to grow from USD2.7 billion in 2025 to USD6.0 billion in 2035. The autoimmune disease market also presents significant potential in China: ITP had a prevalence of 216.4 thousand in 2025, expected to reach 223.4 thousand by 2035, with the drug market projected to grow from USD0.9 billion in 2025 to USD3.6 billion in 2035; CU had a prevalence of 39.6 million in 2025, expected to reach 42.2 million by 2035, with the drug market projected to grow from USD3.0 billion in 2025 to USD10.9 billion in 2035; and AIHA had a prevalence of 138.6 thousand in 2025, expected to reach 141.5 thousand by 2035, with the drug market projected to grow from USD164.5 million in 2025 to USD339.8 million in 2035.

According to Frost & Sullivan, as of the Latest Practicable Date, our Core Product, bezacitinib, is one of the first three domestically developed JAK inhibitors to have been approved in China for the treatment of MF. In terms of clinical progress, bezacitinib ranks as the first JAK inhibitor in China for PV, and the first JAK inhibitor globally for ET. Our other Core Product, CX1440, is one of the first three BTK inhibitors globally in terms of clinical progress for ITP and one of the first two BTK inhibitors globally in terms of clinical progress for each of CU and AIHA.

Enabled by our integrated small-molecule discovery engine, we are specialized in rational, mechanism-driven drug design with a strong emphasis on selectivity, safety and translational efficiency, supporting the generation of differentiated candidates and expanding druggability beyond traditional small-molecule approaches. Together, we are capable to capture opportunities in the large and expanding drug market for oncology and autoimmune diseases.

Bezacitinib: A Selective JAK2 Inhibitor with Demonstrated Therapeutic Potential, Clinical Progress ahead of the Industry Average and Multiple Coverage for MPNs

Bezacitinib, one of our Core Products, is a selective JAK2 inhibitor being evaluated in clinical trials for MF, PV, and ET — broader indication coverages for MPNs than other JAK inhibitors approved or under development in China. By comparison, ruxolitinib and other JAK inhibitors approved in China are indicated only for MF.

Differentiated Selectivity and Pharmacokinetic Profile. Bezacitinib demonstrates high JAK2 inhibitory potency with 5 to 55-fold of selectivity for JAK2 over other JAK family kinases, supporting its therapeutic activity with a narrower adverse event profile. Its pharmacokinetic (PK) properties further distinguish it from approved JAK inhibitors: bezacitinib is primarily excreted unchanged via the kidneys and does not undergo CYP metabolism, eliminating CYP-mediated drug-drug interaction (DDI) risks. This is particularly advantageous for elderly patients, patients with comorbidities, and patients on polypharmacy regimens — populations where certain CYP-related DDIs frequently complicate treatment. In contrast, ruxolitinib and other approved JAK inhibitors rely on CYP pathways and carry associated DDI risks when co-administered with CYP substrates, inhibitors, or inducers.

Demonstrated Safety Profile. To date, bezacitinib has shown minimal off-target toxicities in clinical studies. Observed adverse events primarily include anemia and thrombocytopenia, commonly seen in JAK inhibitors. Most treatment-related adverse events were Grade 1/2 and manageable, with no unexpected safety signals observed so far.

Efficacy Observed Across Indications. In the pivotal Phase II/III MF trial, bezacitinib achieved a 24-week SVR35 of 62.8%, with a 48.5% outcome difference between treatment and control group — the largest between-group difference reported for selective JAK2 inhibitors, based on the publicly available data and according to Frost & Sullivan. In the Phase Ib/II PV study, bezacitinib achieved a 24-week CHR of 38.9% and SVR35 of 56.3%. In the Phase Ib/II trial in ET, at week 24, the CHR was 22% based on intention-to-treat analysis. Among evaluable patients, the HR rate reached 65.8%. At week 24, 94.7% of ET patients experienced spleen volume reduction, with 50.0% achieving $\geq 35\%$ reduction.

BUSINESS

Indication Expansion and Combination Potential. Beyond hematologic malignancies, bezacitinib’s selective modulation of JAK2-driven cytokine pathways — while preserving JAK1-dependent immune function — provides a mechanistic rationale for expansion into GVHD and other cytokine-mediated inflammatory or autoimmune diseases. Bezacitinib has demonstrated synergistic effects in combination regimens. In combination with PIM inhibitors, it offers a potential option for MF patients who fail standard therapy or are resistant/intolerant to JAK inhibitors. The combination of a BTK inhibitors and bezacitinib can result in markedly enhanced *in vivo* efficacy in GVHD models, demonstrating strong potential in significantly improving survival outcomes and offering benefit for patients resistant to either JAK or BTK monotherapy.

Convenient Dosing and Pharmaceutical Advantages. Bezacitinib requires only 20 mg BID for MF — comparable to ruxolitinib (approximately 20 mg BID) but substantially lower than other JAK-class agents (ranging from 100 to 400 mg BID). This low pill burden supports patient compliance and reduces manufacturing costs.

CX1440: A Highly Selective BTK Inhibitor with a Differentiated Safety Profile and Clinical Progress ahead of the Industry Average for Multiple Autoimmune Diseases

CX1440, one of our Core Products, is a highly selective BTK inhibitor targeting ITP, CU, and AIHA. It is one of the first three BTK inhibitors globally in terms of clinical progress for ITP, and one of the first two BTK inhibitors globally for each of CU and AIHA, according to Frost & Sullivan.

High Selectivity and Potency. CX1440 exhibits potent BTK inhibition with stronger activity against B-cell activation than ibrutinib. Importantly, it demonstrates minimal off-target activity against kinases commonly implicated in BTK inhibitor-related toxicities. In a 217-kinase screening assay, CX1440 at 1 μ M showed high BTK selectivity, outperforming ibrutinib.

Favorable Safety Profile. CX1440 demonstrates a low cardiac risk, with its hERG IC₅₀ approximately 650 times higher than the estimated unbound C_{max} at the recommended clinical dose. Repeat-dose toxicology studies confirmed a wide safety margin. In clinical studies, common BTK inhibitor-associated adverse events such as diarrhea, nausea, and fatigue were rarely observed with CX1440. No serious adverse reactions or deaths have occurred to date. This favorable profile translated from the high selectivity supports the long-term use of CX1440 across autoimmune diseases.

Clinical Efficacy in ITP. In our Phase Ib/II study of primary ITP, CX1440 demonstrated strong platelet-raising efficacy, comparable to or exceeding the efficacy of peer BTK inhibitors according to their publicly reported data. At the target dose of 100 mg BID, the primary platelet response rate — defined as achieving platelet counts $\geq 50 \times 10^9/L$ in at least four of the last six visits within 24 weeks without rescue therapy — was 41.2%. These durability data indicate that CX1440 may provide sustained long-term platelet control for the treatment of ITP, enabling a large portion of treated patients to achieve sustained platelet stabilization, which may reduce the need for repeated or rescue therapies.

Indication Expansion and Combination Potential. CX1440 has also demonstrated consistent efficacy across multiple autoimmune disease models, including CU, AIHA and cGVHD, positioning it as a versatile therapeutic candidate. For complex autoimmune diseases such as GVHD and SLE, we plan to combine CX1440 with bezacitinib, our JAK2 inhibitor currently at the NDA stage. This combination engages multiple signaling pathways synergistically, offering potential advantages in efficacy compared with single-agent BTK or JAK inhibitors. In preclinical GVHD and SLE models, the combination of CX1440 and bezacitinib demonstrated notable synergistic effects.

BUSINESS

Comprehensive Drug Development Engine Built on Our In-house Developed Discovery Platforms and Clinical Capabilities

We have built a comprehensive drug development engine that built on our two in-house developed technology platforms, including our small-molecule drug discovery platform and our molecular glue discovery platform, together with our clinical development capabilities. Together, these capabilities form our R&D engine that enables efficient end-to-end progression from target identification and molecular design to clinical development towards commercialization. This integrated architecture allows us to efficiently advance our drug development process and drive continuous innovation.

Small-molecule Drug Discovery Platform

We have established an integrated highly selective small-molecule drug discovery platform that combines medicinal chemistry expertise, structural biology and AI to enable rational, selectivity-driven molecular design. Anchored by AI-enabled structure-based drug design (SBDD), the platform applies advanced computational methods to prospectively optimize activity, selectivity, pharmacokinetics and safety through multiparametric optimization. A defining advantage of the platform is the precise engineering and rigorous validation of selectivity, which substantially reduces off-target risks of molecules at the earliest stages of discovery. In addition, the deep integration of ADMET prediction into the early design process enables proactive assessment of metabolic stability, toxicity risks and other developability parameters before synthesis, allowing potential developability issues to be identified and mitigated in advance. These capabilities together form a closed-loop design-optimize-validate workflow that simultaneously enhances potency, selectivity and safety, while significantly reducing downstream development risks. Leveraging this platform, we have generated competitive proprietary small-molecule candidates, including bezacitinib and CX1440, demonstrating its robustness and ability to deliver high-quality, highly selective therapeutic agents.

Molecular Glue Discovery Platform

We have established an innovative molecular glue discovery platform to address the fundamental limitations of traditional small molecule drug discovery, particularly the inability to modulate many disease-relevant proteins through conventional inhibition or binding strategies. Molecular glues offer a differentiated solution by inducing proximity-based protein degradation, thereby addressing historically undruggable targets and offering therapeutic mechanisms that are not accessible through traditional modalities. Guided by a forward-looking target assessment framework and a chemistry-first, mechanism-driven rational molecule design philosophy, our platform integrates rational molecule design based on ternary-complex, off-target risk prediction and optimization of the drug-like properties of degraders. Supported by a multidimensional evaluation system covering degradation efficiency, selectivity, pharmacokinetics and safety, this framework transforms molecular glue discovery from serendipity into a predictive and designable process. Leveraging this platform, we have advanced high-potential programs such as CX15, a covalent allosteric molecular glue degrader, and CX16, a CRBN-recruiting degrader now in IND-enabling studies, demonstrating the platform's ability to mechanistic innovation into clinically meaningful therapeutic candidates.

In-house Clinical Development Capabilities

In addition to our discovery platforms, we have established in-house clinical development capabilities with core strengths across four dimensions. First, our translational-medicine-driven clinical strategy substantively integrates target biology, preclinical pharmacology and biomarker research, enabling mechanism-guided indication expansion. For example, our deep understanding of the JAK2-STAT pathway allowed us to strategically design one single Phase Ib/II trial of bezacitinib that supports registrational trials across three MPN indications. Second, our end-to-end clinical management system covers the full development cycle from protocol design through regulatory submission, enabling the fast progression of bezacitinib from ethics approval of its Phase

BUSINESS

I trial for MF to completion of patient enrollment of its Phase III trial within approximately two years and ten months, compared with approximately five years for other JAK inhibitors for the same indication. Third, our clinical operations team conducts most key operational activities in-house through a nationwide execution network, maintaining greater flexibility, more efficient trial management and improved cost efficiency compared with heavy reliance on external CROs. Fourth, our pipeline concentration in oncology and autoimmune diseases enables deep therapeutic-area expertise and strong, long-term collaborations with leading clinical centers and principal investigators nationwide, creating a foundation for future commercialization activities including academic promotion and clinical education.

Management Team with Experience in Drug Innovation and Commercialization, Backed by Institutional Investors

We have an experienced management team with a global perspective, combining deep expertise in research and development with proven commercialization capabilities.

Mr. Li Bangliang, our chairman of the Board of Directors, has over five decades of experience in the pharmaceutical industry and corporate management and is a recognized leader in drug commercialization in China. He previously served as the chairman of Huadong Medicine Co., Ltd. (華東醫藥股份有限公司, SZSE: 000963), where he led that company’s transformation from a regional enterprise into a nationwide, fully integrated pharmaceutical group. During his tenure, he built a predominantly self-operated national marketing system with a professional sales force of nearly 6,000 people, successfully driving large-scale commercialization of multiple products. Under his leadership, Bailing Capsules (fermented *Cordyceps sinensis* powder) and Kabopin (acarbose tablets) each grew into multi-billion-RMB blockbuster products. Mr. Li has received numerous honors, including “Best CEO of China’s Listed Companies in 2009” (Forbes China), “Top 10 Entrepreneurial Leaders of China’s Listed Companies in 2018,” and recognition as a “Pharmaceutical Industry Meritorious Figure in 40 Years of Reform and Opening-Up.”

Dr. Lyu Yubin, our executive Director and general manager, has over 20 years of healthcare industry experience, combining strong academic credentials with proven R&D leadership and operational management capabilities. He has long been committed to developing and industrializing innovative and high-end generic drugs, with a strong track record of translating R&D achievements into commercial products. As a former director of the Hangzhou Huadong Medicine Group Pharmaceutical Research Institute Co., Ltd. (杭州華東醫藥集團新藥研究院有限公司), Dr. Lyu oversaw development and approval of dozens of innovative and first-generic products across oncology, metabolic diseases, and infectious diseases, with projects supported by major national programs including the “Major New Drug Innovation” initiative (國家科技重大專案「重大新藥創制」). Dr. Lyu led development of mifanertinib maleate tablets, recognized as an important achievement under the national “Major New Drug Innovation” program and approved by the NMPA in October 2025 for first-line treatment of NSCLC. He is a selected talent under Zhejiang Province’s “Ten-Thousand Talents Program,” and a recipient of the First Prize of Zhejiang Provincial Science and Technology Progress Award (浙江省科學技術進步獎).

Mr. Li Yuedong, our Head of Commercial Operations, has over 30 years of experience in the biopharmaceutical industry, focusing on corporate operations, market strategy, product commercialization, and industry investment. Mr. Li has demonstrated strong leadership across the full commercialization lifecycle from market access to scaled market expansion. He previously served in senior management roles including deputy general manager and general manager, at Huadong Medicine Co., Ltd., where he played a core role in building the company’s prescription drug commercialization system. He contributed to the establishment of a nationwide, predominantly self-operated professional marketing network and effectively integrated academic promotion, channel management, and terminal execution resources, significantly enhancing market penetration and sales performance of key products. With deep understanding of reimbursement policy, hospital procurement policy, and competitive market dynamics, Mr. Li successfully drove rapid volume expansion and market share growth for multiple products, achieving steady sales growth even under normalized volume-based procurement and reimbursement negotiations.

BUSINESS

Dr. Yin Jianming, our Chief Scientific Officer, brings more than 25 years of world-class new drug R&D experience. Dr. Yin previously served at PharmaMar S.A., a renowned Spanish biopharmaceutical company, where he deeply participated in the global development of multiple innovative oncology drugs. He led or played a pivotal role in advancing several candidates to FDA and EMA clinical approvals. Three compounds he contributed to, Yondelis[®] (trabectedin), Zepzelca[™] (lurbinectedin), and Aplidin[®] (plitidepsin), have been approved in the United States, the European Union, and multiple other jurisdictions. Dr. Yin is a member of the American Association for Cancer Research (AACR) and of the American Diabetes Association[®] (ADA). Dr. Yin also served as Principal Investigator leading key national projects under the Ministry of Science and Technology and the National Health Commission, including major projects of the 12th Five-Year Plan under the “Major New Drug Innovation” program. Dr. Yin is the inventor of 18 granted foreign patents and 14 granted Chinese patents. Under his leadership, mifanertinib maleate tablet, of which he is the inventor of the compound patent, has received the marketing approval from the NMPA.

Our R&D team demonstrates strong capabilities across the drug R&D cycle — from disease mechanism research and target validation through lead optimization, preclinical evaluation, CMC, clinical development, and regulatory filing. Our commercial team brings drug commercialization expertise and experience, and sales channel management capabilities from leading pharmaceutical enterprises.

Backed by the global commercial potential of our platform and pipeline, we have raised approximately RMB800 million from the Series A round to date. Our investors include well-known institutional and strategic investors such as SCGC, Puhua Capital (普華資本), Delta Capital (達泰資本), Soochow Innovation Capital (東吳創新資本), Westlake Innovation Investment (西湖創新投資), Huarui Investment (華睿投資), Huiding Investment (匯鼎投資), Binhai Industry Fund (濱海產業基金), and Yuhang State-owned Capital (餘杭國投), among others. We have established long-term, value creation-oriented partnerships with our investors, who not only provide funding but also contribute strategic resources to accelerate our development. The synergy of talent and capital lays a solid foundation for our continued innovation, sustainable growth, and long-term value creation for shareholders.

OUR STRATEGIES

Continue to Advance the Clinical Development and Commercialization of Our Core Products across Multiple Hematologic Malignancies and Autoimmune Diseases

We are committed to advancing the clinical development and regulatory approvals of our Core Products bezacitinib and CX1440. We adopt a systematic clinical development strategy that begins with generating clear mechanistic evidence at an early stage and progressively expands into additional indications at later stages. We expect to obtain regulatory approvals and commercialize our Core Products for most of the intended indications in hematologic oncology and autoimmune areas, such as PV, ET, ITP and CU, over the next five years.

For bezacitinib, we submitted the NDA for MF in August 2024 and received NDA approval in April 2026. For PV, we completed the Phase III clinical trial in May 2026 and expect to submit an NDA to the NMPA in the third quarter of 2026. For ET, we plan to initiate the Phase III clinical trial in the fourth quarter of 2026. For CX1440, we commenced the Phase III clinical trial for ITP in September 2025 and expect to file the NDA in the fourth quarter of 2027; we initiated the Phase I/II clinical trial for CU in September 2025 and expect to complete this trial in the fourth quarter of 2026; and we expect to initiate the Phase Ib/II clinical trial for AIHA in the third quarter of 2026.

Beyond our Core Products, we are also advancing other drug candidates into clinical development. For example, we expect to submit an IND application for CX16 in the first quarter of 2027. We believe continuous progress across our broader pipeline will not only further strengthen our R&D foundation but also enhance the long-term growth of our business portfolio.

BUSINESS

Enrich Our Differentiated Pipeline in Oncology and Autoimmune Diseases

We are committed to building and expanding a differentiated portfolio to address major disease burdens and unmet medical needs in oncology and autoimmune diseases, with growth strategy operating along three dimensions. First, we pursue multi-indication development by conducting MoA-driven preclinical studies to explore indication expansion potential based on broad biological relevance, as demonstrated by our ongoing clinical trials across multiple indications for both bezacitinib and CX1440. Second, we systematically develop combination therapies by investigating disease mechanisms and resistance pathways. For example, we are exploring the combination of bezacitinib and CX1440 in animal models for complex autoimmune diseases such as SLE and GVHD, while also developing CX03, a PIM1 inhibitor, for combination with bezacitinib to establish a comprehensive disease-management strategy. Third, we drive continuous innovation through our drug discovery platforms by leveraging database-driven bioinformatics analysis to explore new pathogenic genes and resistance mechanisms, advancing candidates such as CX12 and CX13 for solid tumors addressing immune-resistance and driver mutation mechanisms, and pioneering molecular glue therapies targeting traditionally “undruggable” pathways, with CX16 progressing into IND-enabling studies.

To support these efforts, we plan to further strengthen our technology platforms to optimize efficiencies across the drug development activities and to expand our R&D team by recruiting top talents across multidisciplinary fields, enhancing our capabilities from drug discovery through clinical development.

Establish Our Own Commercial Team and Nationwide Sales Network, and Build GMP-Compliant Manufacturing Facilities

We have established a core commercial team to facilitate the commercialization of our drug candidates upon their approvals. In 2026, we plan to expand this team to several dozen professionals focused on critical preparatory work ahead of bezacitinib’s commercialization, including (i) planning inclusion in clinical practice guidelines, (ii) conducting pharmacoeconomic assessments, (iii) supporting pricing and reimbursement strategies such as securing inclusion in NRDL negotiations, and (iv) building an academic promotion network anchored by key opinion leaders and supported by early medical-affairs engagement. Over the next three years, we plan to further scale the team to several hundred personnel, with a market coverage strategy focused on securing access to the top 300 hospitals nationwide to ensure efficient and high-quality commercialization following product launch.

To support the clinical development and commercialization of our pipeline, we are also building in-house manufacturing capabilities to complement our existing CMO and CDMO partnerships. We have acquired a parcel of land of near 33,000 sq.m. in the Binhai New Area of Shaoxing, Zhejiang Province and commenced construction in October 2024 of GMP-compliant formulation manufacturing facilities with a planned gross floor area of approximately 50,000 sq.m. This project will include three modern manufacturing workshops, warehousing facilities and comprehensive supporting infrastructure. The establishment of the Shaoxing manufacturing base will significantly enhance our supply chain controllability, ensuring that our Core Products meet the stringent requirements of regulatory authorities across clinical development, regulatory submission and commercial supply.

Seek Strategic Collaboration with Large Pharmaceutical Companies

We are developing a scalable and efficient global development and partnering framework to maximize product value while prudently managing development, regulatory and execution risks. Leveraging our business development capabilities, we plan to establish long-term collaborations with leading global pharmaceutical companies, allowing us to share development, marketing and distribution costs while benefiting from their expertise and established networks.

BUSINESS

For our Core Products, we plan to out-license ex-China rights (including but not limited to the U.S., Europe, Asia-Pacific, Southeast Asia, the Middle East and Russia) to partners with overseas clinical development and commercialization capabilities, supplementing our funding and accelerating global market access. As of the Latest Practicable Date, we had not entered into any definitive agreement for the out-licensing of the ex-China rights of our Core Products, nor had we identified any overseas partner or developed any concrete timeline, milestone or licensing structure in this regard. For key preclinical assets with high potential, such as CX15 and CX16, we plan to pursue strategic collaborations with multinational pharmaceutical or leading biotechnology companies through co-development, co-commercialization or out-licensing arrangements, enabling the sharing of resources, capabilities and development risks while establishing a foundation for broader commercialization cooperation as these candidates progress toward later-stage development.

Attract, Develop and Retain Top Talents through a People-Centric Culture to Ensure Sustainable Long-Term Growth

Talent is critical to our business success. We are committed to fostering a people-centric ecosystem that attracts, develops and retains top talents. We seek partners instead of recruiting employees, looking for those who share our mission, empowering and incentivizing them to jointly address the most challenging medical needs in oncology and autoimmune diseases while sharing the rewards of success. We have implemented systematic training programs, performance-based reward mechanisms and long-term equity-based incentive plans to cultivate a culture of excellence and dedication. We continue to expand teams across early-stage R&D, clinical development, commercialization and corporate functions to support pipeline advancement and expansion, as well as commercialization, aiming to ensure our sustained growth.

OUR PIPELINE

As of the Latest Practicable Date, we had self-developed a pipeline comprised of seven small-molecule drug candidates, with a therapeutic focus on hematologic malignancies and autoimmune diseases. Our drug candidates comprise (i) one candidate receiving NDA approval from NMPA, namely bezacitinib, our Core Product, a selective JAK2 inhibitor; (ii) one clinical state candidate, namely CX1440, our Core Product, a second-generation, highly selective BTK inhibitor; and (iii) five selected preclinical candidates, including CX03, CX12, CX13, CX15, and CX16. The pipeline chart below summarizes the development status of our drug candidates as of the Latest Practicable Date:

BUSINESS

Compound	R&D Model	Target	Indication	Line(s) of Treatment	Regimen	Route of Administration	Preclinical	IND	Phase I	Phase II	Phase III	NDA	Approval	Achieved or Upcoming Milestones	Commercial Rights
Bezacitinib (OB756)★	Acquired ⁽¹⁾	JAK2	MF	1L	Mono	Oral	<div></div>			<div></div>	<div></div>			Received NDA approval from the NMPA in April 2026	Global
			PV	2L	Mono	Oral	<div></div>			<div></div>	<div></div>			Phase III clinical trial completed in May 2026; expect to submit the NDA in Q3 2026	
			ET	2L	Mono	Oral	<div></div>			<div></div>	<div></div>			EOPI meeting with the CDE in January 2022; expect to initiate the Phase III clinical trial in Q4 2026	
			GVHD	2L	Mono	Oral	<div></div>	<div></div>	<div></div>					Received IND approval in October 2021; expect to initiate Phase II clinical trial in Q2 2027	
			Selected autoimmune indications	2L	Mono	Oral	<div></div>	<div></div>	<div></div>					To be determined	
CX1440★	Acquired ⁽¹⁾	BTK	ITP	2L	Mono	Oral	<div></div>			<div></div>	<div></div>			EOPI meeting with the CDE in June 2024; expect to submit the NDA in Q4 2027	Global
			CU	2L	Mono	Oral	<div></div>			<div></div>	<div></div>			Received IND approval in September 2022; expect to complete Phase II in Q4 2026	
			AIHA	2L	Mono	Oral	<div></div>	<div></div>	<div></div>					Received IND approval in August 2025; expect to initiate Phase Ib/II clinical trial in Q3 2026	
			cGVHD	2L	Mono	Oral	<div></div>	<div></div>	<div></div>					Received IND approval in August 2022; expect to initiate Phase Ib/II clinical trial in Q2 2027	
			Selected autoimmune indications	2L	Mono	Oral	<div></div>	<div></div>	<div></div>					To be determined	
CX03	Self-developed	PI3K	MF	/	Combo	Oral	<div></div>							Expect to submit IND in Q4 2027	Global
CX12	Self-developed	METTL3	Solid tumors	/	Mono/ combo	Oral	<div></div>							Expect to submit IND in Q4 2027	Global
CX13	Self-developed	PPARG	Solid tumors	/	Mono	Oral	<div></div>							Expect to submit IND in Q3 2027	Global
CX15 (Molecular Glue)	Self-developed	KEAP1	Solid tumors	/	Mono/ combo	Oral	<div></div>							Expect to submit IND in Q3 2027	Global
CX16 (Molecular Glue)	Self-developed	VAV1	RA, IBD, MS	/	Mono	Oral	<div></div>	<div></div>						Expect to submit IND in Q1 2027	Global
<div><div>Core Product</div><div>★</div><div>Pipeline in Tumor</div><div>Pipeline in Autoimmune Diseases</div></div>															

Abbreviations: MF refers to myelofibrosis; PV refers to polycythemia vera; ET refers to essential thrombocythemia; GVHD refers to graft-versus-host disease; ITP refers to immune thrombocytopenia; CU refers to chronic urticaria; AIHA refers to autoimmune hemolytic anemia; cGVHD refers to chronic graft-versus-host disease; RA refers to rheumatoid arthritis; IBD refers to inflammatory bowel disease; MS refers to multiple sclerosis; mono refers to monotherapy; combo refers to combination therapy; IND refers to Investigational New Drug application; NDA refers to New Drug Application; NMPA refers to National Medical Products Administration of China; Q2 refers to the second quarter of the year indicated; Q3 refers to the third quarter of the year indicated; Q4 refers to the fourth quarter of the year indicated.

Notes:

- 1

The discovery of bezacitinib and CX1440 was led by Dr. Lyu Yubin, currently our executive Director and general manager and Dr. Yin Jianming, currently our Chief Scientific Officer during their respective tenures at the Research Institute and Aojin Bio. Dr. Lyu Yubin served as director and general manager of the Research Institute from 2009 to 2020. Aojin Bio was wholly owned by Dr. Yin Jianming and has ceased all substantive operating activities since 2020 following Dr. Yin's joining our Company. Other key R&D team members involved in the discovery and preclinical development of our Core Products are also currently with our Company. For details of the transfer history of technology and data, see “Business — Intellectual Property.”
- 2

For bezacitinib and CX1440, the Phase I clinical trials in healthy adult volunteers were completed in January 2020 and March 2022, respectively. The safety, tolerability and pharmacokinetic data generated from the respective completed Phase I trials have been leveraged to support subsequent patient clinical trials for the relevant indications. Accordingly, the relevant patient studies for bezacitinib in GVHD and other selected autoimmune indications commenced, or are expected to commence, directly from Phase Ib/II dose-escalation and dose-expansion studies, without conducting a separate Phase I healthy volunteer study for each such indication. Similarly, the relevant patient studies for CX1440 in CU, AIHA, cGVHD and other selected autoimmune indications commenced, or are expected to commence, directly from Phase Ib/II dose-escalation and dose-expansion studies, without conducting a separate Phase I healthy volunteer study for each such indication. Such clinical development arrangements are based on the completed Phase I data, the proposed patient clinical trial protocols and the relevant IND approvals from the NMPA, and are subject to compliance with applicable PRC regulatory requirements, including communications with the CDE before commencing registrational studies, where applicable.
- 3

CX16 is currently undergoing IND-enabling studies. As of the Latest Practicable Date, we had not submitted an IND application for CX16. We expect to submit the IND application for CX16 in the first quarter of 2027.

BUSINESS

Bezacitinib, our Core Product

Overview

Bezacitinib, our Core Product, is a selective JAK2 inhibitor for the treatment of myeloproliferative neoplasms (MPNs), including MF, PV, and ET, and GVHD. Bezacitinib is designed to provide enhanced selectivity for JAK2 over JAK1, JAK3 and TYK2, thereby reducing off-target inhibition of other JAK family members and minimizing treatment-related toxicities. Clinical data suggest that this high-selectivity profile is associated with an improved cardiovascular safety profile, including a lower incidence of thrombotic events, and reduced non-selective toxicities.

Bezacitinib has shown promising efficacy and safety outcomes across clinical trials in patients with MF, PV and ET. In the Phase II/III MF study, approximately 62.8% of patients treated with bezacitinib achieved a $\geq 35\%$ reduction in spleen volume (SVR35), compared with 14.3% in the control arm of hydroxyurea-treated patients, demonstrating a treatment difference of nearly 48.5% with durable symptom improvement and a favorable hematologic safety profile. For the treatment of PV, bezacitinib achieved 100% hematocrit control in 18 patients in our Phase Ib/II trial, with 38.9% complete hematologic response (CHR) and 56.3% of patients achieving SVR35. For the treatment of ET, the CHR was 22% at week 24, based on intention-to-treat analysis. Among evaluable patients, the HR rate reached 65.8% at week 24. At week 24, 94.7% of patients experienced spleen volume reduction, with 50.0% achieving SVR35. Across these studies, bezacitinib demonstrated a favorable cardiovascular safety profile.

We submitted the first NDA of bezacitinib for MF to the NMPA in August 2024, with marketing approval received in April 2026. We completed the Phase III clinical trial for PV in May 2026 and are currently preparing the NDA submission package. We expect to submit the NDA to the NMPA in the third quarter of 2026. Furthermore, we will continue to advance the Phase Ib/II clinical trial of bezacitinib in patients with ET and plan to initiate a Phase III trial in the fourth quarter of 2026. With these clinical advancements, bezacitinib is one of the first three domestically developed JAK inhibitors in China approved for MF. In terms of clinical progress, bezacitinib ranks as the first JAK inhibitor in China for PV, and the first JAK inhibitor globally for ET. In addition, we evaluated bezacitinib in a Phase I clinical trial in graft-versus-host disease (GVHD), exploring its broader potential for the treatment of autoimmune diseases with unmet medical needs. We expect to initiate the Phase II clinical trial for GVHD in the second quarter of 2027.

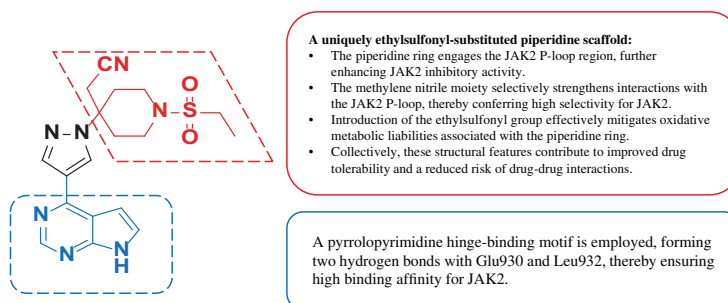
Drug Design and Mechanism of Action

The JAK family is a group of non-transmembrane tyrosine kinases that mediate cytokine-stimulated signal transduction through the JAK-STAT signaling pathway, a key pathway regulating hematopoiesis, immune responses, and inflammation. The family comprises four main members, including JAK1, JAK2, JAK3, and TYK2, which share a high degree of structural homology but differ in functional roles. Among them, JAK2 plays a particularly critical role in hematopoietic and immune signaling, mediating cytokine-driven processes such as erythropoiesis, thrombopoiesis, and immune cell activation.

Upon cytokine-receptor binding, the ligand induces conformational changes that activate the associated JAKs, leading to trans-phosphorylation and phosphorylation of tyrosine residues on the receptor's intracellular tail. This phosphorylation creates docking sites for signal transducers and activators of transcription (STATs), which are subsequently phosphorylated, dimerized, and translocated into the nucleus, where they bind to specific DNA sequences and regulate gene transcription. Through this cascade, JAK2 transmits critical growth and survival signals to hematopoietic and immune cells. Mutations in JAK2-V617F, CALR, and MPL represent the most common driver mutations in MPNs, occurring in approximately 87-100% of patients with primary myelofibrosis (PMF), 98% in PV, and 85-92% in ET. These mutations result in constitutive activation of the JAK-STAT pathway, independent of cytokine stimulation, thereby driving uncontrolled cell proliferation, aberrant myeloid differentiation, and malignant transformation.

BUSINESS

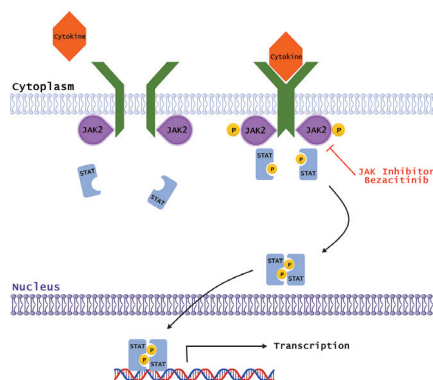
Bezacitinib is a JAK2 kinase selective inhibitor with sub-nanomolar inhibitory potency against both wild-type JAK2 and mutant JAK2-V617F. The diagram below illustrated the structure of this molecule:



Source: Company data

Bezacitinib robustly suppresses STAT phosphorylation within the JAK-STAT signaling cascade, thereby blocking downstream transcriptional activation of proliferation-related genes. Through potent inhibition of JAK2 and mutant JAK2-V617F kinase activity and effective suppression of JAK-STAT pathway signaling, bezacitinib inhibits tumor-cell proliferation driven by JAK2-V617F, CALR, and MPL mutations across MF, PV, and ET. Importantly, bezacitinib combines broad coverage of key MPN driver mutations with high target selectivity, enabling effective pathway inhibition while reducing the risk of treatment-related adverse events. This differentiated pharmacological profile supports sustained cytoreductive control and long-term treatment needs in PV and ET patients. In contrast, other JAK inhibitors either suffer from limited safety margins due to non-selective JAK inhibition or exhibit insufficient inhibitory intensity as a result of dispersed dual-target activity, rendering them unable to adequately control myeloproliferation in PV and ET. As a result, their clinical benefit has largely been confined to MF, with limited applicability across other MPN subtypes.

Mechanism of Action of Bezacitinib



Source: Company data

BUSINESS

Market Opportunity and Competition

MF

MF is a rare MPN characterized by progressive bone marrow fibrosis, which displaces normal hematopoietic tissue and contributes to hematopoietic failure. It may present as primary MF or secondary MF, the latter evolving from PV or ET. In 2025, the China MF drug market was valued at approximately USD0.3 billion. It is expected to grow to USD0.4 billion by 2030 and USD0.5 billion by 2035.

As of the Latest Practicable Date, there were four approved JAK inhibitors for the treatment of MF in overseas markets and four JAK inhibitors had been approved in China for this indication. As of the Latest Practicable Date, there were no clinical-stage JAK inhibitor drug candidates under development for the treatment of MF in overseas markets, whereas one clinical-stage JAK inhibitor drug candidate was being developed for MF in China. For more details, please see “Industry Overview — Overview of Oncology Drug Market — JAK Inhibitors — Major Indications for JAK Inhibitors in Hematologic Malignancies — Myelofibrosis.”

PV

PV is a MPN characterized by sustained erythrocytosis, often accompanied by leukocytosis and thrombocytosis, and is predominantly driven by activating JAK2 mutations. In China, the PV drug market was valued at approximately USD0.3 billion in 2025, and is projected to expand to USD0.6 billion by 2030 and USD1.1 billion by 2035.

As of the Latest Practicable Date, ruxolitinib remained the only approved JAK inhibitor for the treatment of PV in overseas markets and was not marketed in China. As of the same date, there were two clinical-stage JAK inhibitor drug candidates under development for the treatment of PV in overseas markets and two in China. Among these, bezacitinib was the most clinically advanced candidate, having completed its Phase III clinical trial. For more details, please see “Industry Overview — Overview of Oncology Drug Market — JAK Inhibitors — Major Indications for JAK Inhibitors in Hematologic Malignancies — Polycythemia Vera.”

ET

ET is a chronic myeloproliferative neoplasm characterized by persistent thrombocytosis (platelet count $\geq 450 \times 10^9/L$), absence of BCR-ABL1, and bone marrow proliferation of large, mature megakaryocytes. In 2025, the China ET drug market was valued at approximately USD0.3 billion. It is expected to expand to USD0.6 billion by 2030 and USD1.1 billion by 2035.

As of the Latest Practicable Date, no JAK inhibitor had been approved for the treatment of ET either in overseas markets or in China. As of the same date, bezacitinib remained the only clinical-stage JAK inhibitor drug candidate under development for ET in overseas markets and in China, respectively. For more details, please see “Industry Overview — Overview of Oncology Drug Market — JAK Inhibitors — Major Indications for JAK Inhibitors in Hematologic Malignancies — Essential Thrombocythemia.”

Key Advantages

Highly Selective and potent JAK2 Inhibitor with an Optimized Pharmacokinetic profile and without Drug-Drug Interaction

Bezacitinib is a highly selective and potent JAK2 kinase inhibitor with its molecular structure optimized to achieve potent inhibition of JAK2 while minimizing off-target effects on other JAK family members. From a structural chemistry perspective, bezacitinib is designed as an optimized pyrrolopyrimidine-based JAK inhibitor, with targeted modifications to the molecular moieties

BUSINESS

engaging the P-loop region. Its distinctive ethylsulfonyl-substituted piperidine ring enables bezacitinib to retain key hydrogen-bond interactions with Glu930 and Leu932 in the JAK2 hinge region, while additionally forming a hydrogen bond with Gly858 in the JAK2 P-loop. These interactions collectively enhance JAK2 inhibitory potency. Importantly, while achieving robust inhibition of JAK2, bezacitinib minimizes off-target activity against other JAK family members, thereby improving selectivity.

Unlike first-generation JAK inhibitors that concurrently inhibit JAK1 and JAK2, bezacitinib precisely targets the catalytic domain of JAK2, effectively blocking the disease-driving JAK2-STAT signaling cascade while preserving normal cytokine and immune signaling mediated by JAK1 and JAK3. Preclinical kinase assays demonstrated sub-nanomolar potency (IC_{50} = 0.49 nM for JAK2; 0.58 nM for JAK2-V617F) and markedly weaker inhibition of JAK1, JAK3, and TYK2 (IC_{50} = 2.7, 27, and 7.3 nM, respectively), confirming a 5-55-fold selectivity window in favor of JAK2. By selectively inhibiting JAK2, bezacitinib can achieve strong anti-tumor activity while reducing off-target toxicities, particularly for patients with JAK2-V617F, CALR, and MPL mutations which are recognized as key pathogenic drivers of MPNs.

Furthermore, bezacitinib demonstrates distinct pharmacokinetic advantages among JAK inhibitors. Many pyrrolopyrimidine-based JAK inhibitors are susceptible to oxidative metabolism at sites adjacent to nitrogen atoms, which can lead to rapid drug breakdown and reduced exposure. Bezacitinib was rationally designed to address this limitation by incorporating a sterically hindered substituent on the piperidine nitrogen, thereby reducing its basicity and susceptibility to oxidative metabolism. This design results in improved metabolic stability *in vivo*. Clinical data support this mechanism, showing that bezacitinib is predominantly eliminated unchanged via urine and feces, accounting for 78.68% of the administered dose, while oxidative and hydrogenation-related metabolites together represent only a small proportion of the dose (approximately 0.47% to 4.08%).

These pharmacokinetic advantages are further reflected in bezacitinib's metabolic pathway profile, particularly its minimal dependence on Cytochrome P450 (CYP). CYP enzymes are a major family of liver enzymes responsible for metabolizing many commonly used medications, among which CYP3A4 is the most clinically relevant isoform and accounts for the metabolism of a substantial proportion of approved drugs. Drugs that rely heavily on CYP3A4-mediated metabolism are susceptible to drug-drug interactions when co-administered with CYP3A4 inducers, inhibitors, or other CYP3A4-metabolized agents, often resulting in altered drug exposure or reduced therapeutic effect. Bezacitinib's metabolism is predominantly driven by the minimal dependence on CYP enzymes, such as CYP3A4. As a result, the risk of CYP-mediated drug-drug interactions is extremely low. This leads to a more predictable pharmacokinetic profile and reduces the likelihood that concomitant medications will affect drug levels. These characteristics make bezacitinib a safer and more suitable treatment option for patients receiving multiple concomitant medications, particularly elderly patients with MPNs who often require complex treatment regimens. Such patients commonly present with comorbid chronic conditions, including hyperlipidemia, infections and gastrointestinal disorders, and therefore frequently receive concomitant therapies such as statins, proton pump inhibitors and antifungal agents. Many of these medications are substrates, inhibitors or inducers of CYP3A4, and MPN therapies that rely on CYP3A4-mediated metabolism may substantially restrict concomitant medication options. In contrast, several marketed JAK inhibitors undergo extensive CYP-mediated metabolism, which increases the risk of drug-drug interactions and imposes clinically meaningful limitations on their use.

Strong Efficacy Demonstrated for MPNs

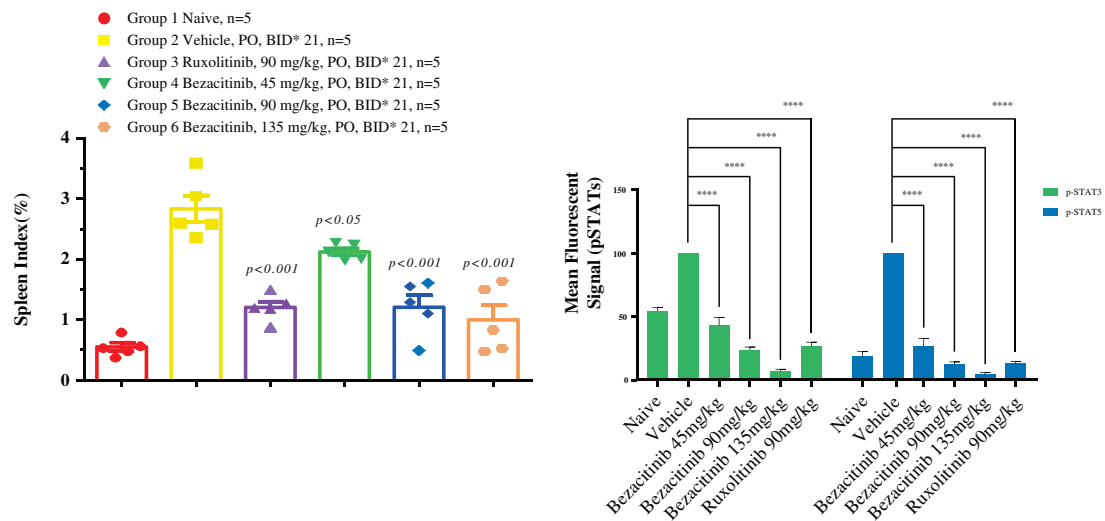
Based on its optimized molecular design, bezacitinib has demonstrated strong anti-tumor activity in both preclinical and clinical studies. Preclinical biochemical assays confirmed that bezacitinib strongly inhibited STAT phosphorylation within the JAK-STAT signaling cascade, showing concentration-dependent suppression of p-STAT3 in human PBMCs, human whole blood,

BUSINESS

and rat whole blood, with IC₅₀ values of 130 nM, 315 nM, and 169 nM, respectively. In cellular assays, bezacitinib displayed a potent anti-proliferative effect in the Ba/F3-EpoR-JAK2-V617F MPN cell model, with an IC₅₀ of 77.2 nM, and showed comparable inhibition of cell proliferation relative to ruxolitinib.

In JAK2-V617F tumor-bearing mouse models (as shown in the diagrams below), bezacitinib treatment markedly prolonged survival, reduced splenomegaly, and inhibited p-STAT3 and p-STAT5 expression in spleen tissue, while reducing infiltration of MPN cells and lowering plasma IL-6 and TNF-α levels, demonstrating a strong correlation between dose and therapeutic outcome.

Efficacy of Bezacitinib in Attenuating Disease Progression in JAK2-V617F Tumor-Bearing Mice



Source: Company data

Note: * indicates the statistical significance level.

Consistent with its preclinical findings, bezacitinib has demonstrated a favorable efficacy profile for the treatment of MF in our clinical trials. We have completed a Phase II/III clinical trial in China evaluating bezacitinib in patients with MF compared with hydroxyurea, the first-line standard of care. Among 128 evaluable patients with MF in this trial, 54 of 86 patients (62.8%) in the bezacitinib group achieved SVR35 at Week 24, compared with 6 of 42 patients (14.3%) in the hydroxyurea control group ($p < 0.0001$), representing an absolute improvement of 48.5%. Notably, the best observed SVR35 rate reached 74.4% in the bezacitinib group, versus 23.8% in the control group, further highlighting the superior spleen-reducing efficacy of bezacitinib. In addition, bezacitinib treatment led to clinically meaningful symptom improvement, with 51.2% of patients achieving a $\geq 50\%$ reduction in total symptom score (TSS) at week 24, compared with 31.0% of patients in the control group ($p = 0.0310$). All of these indicate bezacitinib's favorable efficacy profile in this patient population.

For the treatment of PV, bezacitinib achieved a high hematocrit (HCT) control rate of 100% (defined as $HCT \leq 45\%$) in 18 PV patients in our Phase Ib/II trial, as well as meaningful clinical responses, including complete hematologic response (CHR) of 38.9%, SVR35 of 56.3% at Week 24. For reference, publicly available data from two separate large-sample-size, controlled Phase III trials of ruxolitinib in PV reported HCT control rates of 60.0% to 62.2%, CHR rates of 23.0% to 23.6%, SVR35 rate of 38.2% at the end of 28 or 32 weeks of treatment. While these results were generated from independent, non-head-to-head trials, we believe they suggest that bezacitinib may have robust HCT-lowering activity in PV.

BUSINESS

For the treatment of ET, our clinical study was designed to address patients who were resistant to or intolerant of hydroxyurea, as well as those intolerant of interferon, a population with significant unmet medical needs and limited treatment options under current standard of care therapies. Despite these stringent enrollment criteria, clinically meaningful efficacy was observed, particularly with respect to hematologic responses (HR) and spleen volume reduction. At week 24, the CHR rate was 22.0% (11 of 50 patients). Among evaluable patients, the HR rate reached 65.8% (25 of 38 patients) at the same time point. In addition, 94.7% of patients experienced a reduction in spleen volume, with 50.0% achieving SVR35. Clinically meaningful symptom improvement was also observed, with 74.2% of patients achieving a reduction of at least 50% in total symptom score as assessed by the Myeloproliferative Neoplasm Symptom Assessment Form (MPN-SAF). At the molecular level, among evaluable patients, 84.6% demonstrated a reduction in JAK2-V617F allele burden following treatment.

Favorable Safety Profile Demonstrated in Clinical Trials

Bezacitinib has consistently demonstrated a well-tolerated safety profile across clinical trials. In our Phase II/III study comparing bezacitinib to hydroxyurea in patients with MF, the rates of treatment interruption or dose reduction (43.0% vs. 45.2%) and permanent discontinuation (1.2% vs. 7.1%) were lower in the bezacitinib group compared with the hydroxyurea group, while the incidence of grade ≥ 3 AEs was comparable between the two groups (62.8% vs. 71.4%).

Across clinical trials for MPNs (including MF, PV and ET) to date, the AE profile of bezacitinib has been generally consistent with the known class effects of JAK inhibitors, primarily including anemia and thrombocytopenia, and no novel or drug-specific toxicities have been identified. Notably, no clear signals of contusion, hemorrhagic events, or neurological abnormalities such as dizziness or headache were observed. In addition, the incidence of key non-hematologic AEs, including diarrhea, nausea, and bruising, was lower, suggesting a potentially improved treatment experience and better long-term treatment adherence. From a cardiovascular safety perspective, the incidence of hypertension was low, supporting its potential suitability for patients with myelofibrosis who require long-term therapy. Importantly, no treatment-related thrombotic events were observed in patients with ET. While long-term safety continues to be evaluated in ongoing and future studies, the available data support bezacitinib's favorable and relatively narrow safety profile, which is consistent with its high selectivity for JAK2 and minimal off-target activity.

Clinical Safety and Efficacy Observed in Broader Patient Populations

Through rational molecular design and optimized pharmacologic properties, bezacitinib demonstrates potent, pathway-specific JAK2 inhibition while maintaining hematologic stability, translating into strong efficacy even in patients with high disease burden and complex clinical profile. Its clinical safety and efficacy observed across broader and more challenging patient populations with MPNs suggest potentially broad real-world applicability, supporting bezacitinib's competitive positioning among currently approved and late-stage JAK inhibitors.

BUSINESS

MF

For MF, bezacitinib has been evaluated in a broader and more clinically challenging patient population than those typically enrolled in pivotal studies of approved JAK inhibitors, as evidenced by substantially greater baseline spleen volume. In the Phase II/III registrational study, patients treated with bezacitinib presented with more severe splenomegaly at baseline, with a mean spleen volume of 2,196.5 cm³ and with platelet counts as low as $\geq 50 \times 10^9/L$ and without a minimum baseline hemoglobin requirement. Accordingly, patients enrolled in bezacitinib trials exhibited more severe baseline hematologic and molecular risk profiles, including lower platelet counts, more severe anemia, a higher prevalence of poor prognostic JAK2-V617F mutations, and a lower prevalence of favorable CALR mutations, compared with patients enrolled in pivotal studies of other approved JAK inhibitors.

The Phase II/III trial of bezacitinib enrolled a substantially higher proportion of patients with advanced baseline cytopenias, including 12.8% with baseline platelet counts below $100 \times 10^9/L$ and 74.4% with baseline hemoglobin levels below 100 g/L for the bezacitinib group. Nonetheless, bezacitinib achieved a spleen volume reduction of at least 35% (SVR35) in 62.8% of patients at Week 24, compared with 14.3% in the control arm. Notably, among patients with baseline platelet counts below $100 \times 10^9/L$, bezacitinib continued to demonstrate efficacy, with an SVR35 rate of 63.6%. Across prespecified subgroup analyses, bezacitinib consistently demonstrated clinically meaningful spleen volume reduction in patients with poor prognostic features, including severe anemia, marked splenomegaly, and baseline thrombocytopenia, with efficacy superior to hydroxyurea across these subgroups. Collectively, these findings suggest that bezacitinib may offer an effective and reliable treatment option for MF patients with limited therapeutic alternatives and more advanced disease.

These results suggest that bezacitinib maintains efficacy in patients with high disease burden and cytopenias, a group in whom dose reductions required to manage adverse events often led to reduced treatment response as seen with other JAK inhibitors. Notably, bezacitinib is the first JAK2 inhibitor in China to prospectively include MF patients with platelet counts $<100 \times 10^9/L$ in a registrational trial, addressing a clinically high-risk and underserved population.

PV

In PV, bezacitinib has demonstrated superior efficacy in spleen volume reduction and symptom improvement compared with currently available therapies, including hydroxyurea and short-acting or long-acting interferons, thereby addressing key limitations of existing treatments and contributing to a meaningful improvement in patients' quality of life. Moreover, bezacitinib has shown encouraging clinical activity even in patients with high hematocrit (HCT) levels, who are typically more difficult to treat. PV is a chronic blood cancer characterized by excess red blood cell production, leading to an elevated HCT level and increases in risks of serious and other complications. In pivotal trials of approved JAK2 inhibitors (such as ruxolitinib) in PV, patients were generally required to have a baseline HCT level below 45% prior to treatment, and were permitted at least one phlebotomy (a procedure removing blood out of the body) during early treatment to maintain HCT levels.

To reflect real-world clinical practice and include a broader patient population, our Phase Ib/II clinical study of bezacitinib did not require pre-treatment HCT control for PV patients, and a proportion of enrolled patients had baseline HCT levels above 45%. Moreover, phlebotomy and apheresis (another procedure to reduce red blood cells) were not permitted during treatment, meaning that HCT control relied on study drug alone. Despite this more challenging setting, bezacitinib achieved a high HCT control rate of 100% in PV patients in this Phase Ib/II trial at week 24, along with meaningful clinical responses, including complete hematologic response (CHR) rate of 38.9%, SVR35 rate of 56.3%. Bezacitinib also exhibited a good tolerability in PV patients, with AEs predominantly Grade 1/2 and resolving quickly with or without intervention. These results suggest that bezacitinib may provide robust HCT control and clinical benefits to a broader and more clinically complex PV population, and supported advancement into the Phase III trial, which was completed in May 2026.

BUSINESS

ET

The bezacitinib study evaluated a broader and more clinically relevant ET patient population by including patients intolerant of both hydroxyurea and interferon. Notwithstanding this more challenging clinical context, bezacitinib demonstrated consistent therapeutic activity, with a Week 24 hematologic response rate of 65.8% and an SVR35 rate of 50.0%, together with a favorable safety profile and no treatment-related thrombotic events observed in the study, supporting its differentiated clinical positioning for ET patients with limited treatment options.

Clinical Progress ahead of the Industry Average across MPNs and Selected Autoimmune Disease, with Indication Expansion and Combination Potential

We are currently focused on developing bezacitinib for various hematologic cancers, including three major MPN subtypes driven by aberrant JAK2 activation. With continued clinical progress, bezacitinib is among the first three JAK inhibitors to have submitted an NDA for MF in China, the first to have entered into Phase III clinical development for PV in China, and the first to have entered into ongoing clinical development for ET worldwide.

Beyond hematologic cancers, bezacitinib’s selective modulation of JAK2-driven cytokine signaling, while sparing JAK1-dependent immune function, positions it for potential expansion into autoimmune diseases such as GVHD and other cytokine-mediated inflammatory disorders. Bezacitinib has demonstrated a range of immunomodulatory effects relevant to the treatment of GVHD. It improved survival and attenuated inflammatory tissue injury in GVHD animal models, supporting its potential as a promising therapeutic approach for GVHD and other immune-mediated inflammatory diseases. Consistent with these preclinical findings, the Phase Ib/II trial of bezacitinib in GVHD showed encouraging clinical activity, with all five evaluable patients achieving partial response at Week 4 (100% ORR).

In addition to use as monotherapy, bezacitinib exhibits strong synergistic potential when combined with our other pipeline assets, such as CX03 (PIM inhibitor) and CX1440 (BTK inhibitor), in our preclinical studies. Preclinical data have shown that the combination of bezacitinib with CX03 produces synergistic anti-proliferative effects in animal tumor models, suggesting potential efficacy in MF patients refractory or resistant to JAK2 inhibitor or other standard therapies. Similarly, co-administration with the CX1440 has extended survival and improved overall outcomes in GVHD animal models. These results illustrate bezacitinib’s combination potential to offer enhanced therapeutic benefits across MPNs and immune-related indications. In addition to GVHD, we have also received IND approvals for multiple autoimmune diseases, including RA, SLE, UC and atopic dermatitis (AD).

This diversified development approach allows us to maximize the clinical and commercial values of bezacitinib by addressing multiple high-value therapeutic areas. With an advanced clinical development stage, and a comprehensive strategy for indication and combination expansion, bezacitinib is well-positioned to establish its competitive differentiation and achieve long-term growth prospects.

Summary of Clinical Trials

MF, PV and ET

Completed Phase I trial of bezacitinib in healthy adult volunteers in China

The Phase I clinical trial of bezacitinib was completed prior to the transfer of the intellectual property rights relating to bezacitinib to the Company. 100% of the intellectual property rights in China and 50% of the intellectual property rights outside China relating to bezacitinib were transferred from entities controlled by the Research Institute, and the remaining 50% of the intellectual property rights outside China were transferred from Aojin Bio. For details of the transfer history of technology and data, see “Business — Intellectual Property.” The clinical trial was conducted and completed by Hangzhou Guangliang Biopharmaceutical Co., Ltd. (杭州廣良生物醫藥有限公司, “Guangliang”, previously named as 杭州華東醫藥集團生物醫藥有限公司).

BUSINESS

We are the sole owner of all intellectual property rights and clinical data relating to bezacitinib after the technology transfer. All intellectual property rights and clinical data relating to bezacitinib previously held by the Research Institute and its controlled entities have been transferred to us pursuant to the technology transfer agreements. The scope of such transfers encompassed all patent rights, patent application rights, technical materials and data generated throughout the R&D process, and all relevant regulatory approvals and filings. Following the completion of the technology transfers in 2020, all clinical trial costs have since been borne by us, all clinical work has been conducted by us, and all data generated and intellectual property arising therefrom are owned by us. The intellectual property rights and R&D data held by Aojin Bio have also been transferred to us pursuant to the agreement.

The core R&D personnel involved in the Phase I clinical trial, namely Ms. Lu Jian (our Executive Director and deputy general manager), Ms. Jiao Yu (our head of medical affairs) and Mr. Ruan Yajun (our head of clinical operations), have all joined our Company and continued to participate in the subsequent phases of clinical development. Each of them has remained employed by us throughout the Track Record Period and up to the Latest Practicable Date, with no adverse impact on the continuity of the bezacitinib clinical program.

Trial Design. This was a first-in-human, single-center, randomized, double-blind, placebo-controlled, single-ascending-dose study conducted in healthy volunteers. The trial evaluated oral single doses of bezacitinib across multiple dose levels, including 1 mg, 2 mg, 4 mg, 8 mg, 16 mg, 28 mg, and 40 mg. Subjects were randomized to receive either bezacitinib or placebo within each dose cohort and were admitted for inpatient observation from Day 1 to Day 4, followed by a safety follow-up visit on Day 7. The primary objectives of the study were to assess the safety and tolerability of single oral doses of bezacitinib.

Trial Status. A Phase I trial of bezacitinib was initiated in June 2019 in healthy adult volunteers. A total of 56 healthy adult volunteers were enrolled. The study was completed in January 2020.

Safety Results. Bezacitinib was generally well tolerated across all evaluated dose levels. Treatment-emergent adverse events (TEAEs) were predominantly mild to moderate in severity and reversible. No dose-limiting toxicities, serious adverse events (SAEs), or deaths were reported. No clinically meaningful abnormalities were observed in vital signs, electrocardiograms, or physical examinations.

Conclusion. The Phase I single-ascending-dose trial of bezacitinib in healthy volunteers demonstrated a favorable safety and tolerability profile. This result supported further clinical development of bezacitinib.

Completed Phase Ib/II trials of bezacitinib in patients with MF and PV, and ongoing Phase Ib/II trial in patients with ET in China

Trial Design. This study comprises two parts: a Phase Ib portion and a Phase II portion. The Phase Ib part is a non-randomized, open-label, single- and multiple-dose dose-escalation trial designed to evaluate the safety, tolerability, pharmacokinetics (PK), pharmacodynamics (PD), and preliminary efficacy of bezacitinib in patients with intermediate- or high-risk MF, and to determine the maximum tolerated dose (MTD) and recommended Phase II dose (RP2D). Six dose cohorts — 8mg, 16mg, 24mg, 32mg, 40mg, and 48 mg, administered orally BID under fasting conditions — are planned for evaluation. For the Phase II part, the selected MTD/RP2D will be evaluated in patients with intermediate- or high-risk MF, PV, and ET in the subsequent dose-expansion phase. The study population included both first-line and second-line patients.

BUSINESS

Trial Status. We sponsor and conduct this trial, bear all clinical trial costs and own all clinical data generated and all resulting intellectual property rights. We commenced the Phase Ib/II trial of bezacitinib in patients with MF, PV and ET in November 2020 in China. We completed the MF and PV cohorts of this trial in May 2021 and June 2023, respectively. As of April 28, 2026, a total of 276 patients had been enrolled in the study, comprising 102 patients with MF, 67 patients with PV and 107 patients with ET⁽¹⁾⁽²⁾.

Safety Results. As of April 28, 2026, among the 276 patients included in the safety analysis set, a total of 2,591 adverse reactions, or ARs, were reported in 234 patients, including 193 Grade 3/4 ARs reported in 87 patients. The most frequently reported ARs, each with an incidence of at least 10%, were anemia (60.14%), elevated alanine aminotransferase, or ALT (31.52%), elevated aspartate aminotransferase, or AST (29.71%), increased blood creatinine (23.55%), elevated gamma-glutamyl transferase, or GGT (20.65%), weight gain (20.65%), decreased blood fibrinogen (20.65%), decreased platelet count (19.20%), decreased white blood cell count (17.75%), hypertriglyceridemia (15.94%), hyperuricemia (12.68%), decreased neutrophil count (12.32%) and decreased lymphocyte count (10.87%).

As of the same date, a total of 21 serious adverse reactions, or SARs, were reported in 20 patients, including herpes zoster, bacterial pneumonia, pulmonary tuberculosis, infectious pneumonia, upper gastrointestinal hemorrhage, pneumonia, post-traumatic infection, cytomegalovirus pneumonia, fever, pulmonary cryptococcosis, pulmonary infection, infectious gastroenteritis, acute bronchitis, thrombocytopenia, gastrointestinal bleeding, hepatitis B virus reactivation and endometrial tuberculosis. By indication, ten SARs were reported in nine patients with MF, four SARs were reported in four patients with PV, and seven SARs were reported in seven patients with ET. Overall, bezacitinib demonstrated a manageable safety profile, with ARs generally consistent with the known pharmacological and safety profile of JAK2 inhibitors.

Notes:

- 1 The relatively longer duration of this ongoing Phase Ib/II trial was primarily attributable to our overall clinical development strategy, the trial design and the extended follow-up requirements. We strategically prioritized the clinical development of bezacitinib in MF and PV at the earlier stage, and accordingly allocated more R&D and clinical development resources to these two indications. As a result, the ET trial was initiated later, which affected its overall development timeline. In addition, this trial is a non-randomized, open-label, sequential, multi-dose expansion study, under which dose selection and expansion are conducted based on the PK/PD, safety and tolerability data generated during the dose-escalation part. The trial also covers both first-line ET patients and second-line ET patients who are resistant or intolerant to hydroxyurea or interferon, resulting in more complex patient stratification. To better define the target patient population and stratified endpoints for the subsequent Phase III clinical trial, we continued enrollment to supplement the sample size rather than closing enrollment early. Based on interim data analysis, the efficacy of bezacitinib in ET patients tended to stabilize after 48 weeks of treatment. Accordingly, we amended the protocol to include long-term safety follow-up after completion of the 48-week follow-up, which further extended the overall observation period of this trial.
- 2 In June 2025, during its review of the NDA for bezacitinib for the treatment of MF, the CDE recommended that we consider further updating the overall safety database for bezacitinib by incorporating additional patient exposure data at the recommended and higher dose levels. As the recommendation was expressed by reference to patient exposure at certain dose levels rather than by disease indication, safety data from PV or ET patients treated at those dose levels could also be included. This recommendation was made solely to obtain more comprehensive clinical safety information and did not question the adequacy of the existing safety data.

In response, and given that the Phase Ib/II trial in ET patients remained ongoing with continued enrollment, we, together with the relevant principal investigators and with the approval of the applicable ethics committees, proceeded with additional enrollment of patients with MF and PV. The extra enrollment served only to update the overall safety database and did not alter the completed status of MF and PV cohorts, change any protocol-specified endpoints, or modify the efficacy analyses. We subsequently submitted the updated safety data to the CDE in December 2025, and the NMPA approved our NDA for the treatment of MF in April 2026.

BUSINESS

Efficacy Results.

- **MF.** In patients with MF, bezacitinib demonstrated clinically meaningful efficacy across dose-escalation and expansion cohorts. In the dose-escalation phase (N=9), at Week 24, the SVR35 was 42.9%, with five patients achieving clinical improvement despite small cohort sizes. In the dose-expansion Cohort A, which included JAK inhibitor-naïve patients predominantly receiving the 20 mg BID regimen, the SVR35 reached 77.3%, or 65.4% when spleen volume data were imputed using the last observation carried forward (LOCF) method, indicating robust spleen volume reduction. In contrast, Cohort B, consisting of patients previously treated with ruxolitinib, showed limited efficacy, and further exploration was discontinued after reaching prespecified futility criteria. In the third part of the study, the 24-week SVR35 was 54.8% (or 47.5% by LOCF analysis). Across cohorts, bezacitinib treatment resulted in varying degrees of improvement in MF-related constitutional symptoms.
- **PV.** In PV patients, bezacitinib achieved a clinical hematologic response rate of approximately 90% as of January 19, 2025, with rapid onset and durable efficacy in the dose-expansion Cohort A. The complete hematologic response (CHR) rates in the third part of the study were lower than those observed in Cohort A, though both cohorts demonstrated notable improvement in constitutional symptoms. Based on the full analysis set (FAS) and responder set (RES), the mean ($\pm$ SD) percentage change in spleen volume from baseline at Week 24 was $-35.79 \pm 16.55\%$ in Cohort A and $-40.47 \pm 16.39\%$ in the third part, confirming a marked spleen volume reduction following bezacitinib treatment.
- **ET.** In ET patients, bezacitinib demonstrated favorable and sustained hematologic responses as of April 28, 2026. In the dose-expansion Cohort A, hematologic response rates were 55.9% at Week 12, 69.0% at Week 24, and 79.2% at Week 48, while complete hematologic response rates were 25.0%, 25.9%, and 29.2%, respectively. The median time to first hematologic response was 1.1 months for the 16 mg group, 0.7 months for the 20 mg group, and 0.7 months overall. In the third part, the hematologic response rate at Week 24 was 50.0%, with a complete response rate of 25.0% and a median time to first response of 0.5 months. Across cohorts, patients reported stable and sustained improvement in constitutional symptom scores, with no significant difference between dose levels.

Overall, treatment with bezacitinib resulted in meaningful spleen volume reduction and symptomatic improvement in MF, as well as significant hematologic responses and spleen volume reduction in PV and ET, confirming its broad therapeutic efficacy across MPNs.

Conclusion. The clinical data from the Phase Ib/II trial of bezacitinib with MF, PV and ET has demonstrated promising safety and efficacy profile, and supports continued development.

Completed Phase II/III Trial of Bezacitinib in Patients with MF in China*

Trial design. This trial is a multicenter, randomized, double-blind, double-dummy, parallel-controlled Phase II/III clinical trial designed to evaluate the efficacy and safety of bezacitinib compared with hydroxyurea (HU) in patients with intermediate- or high-risk MF. Eligible patients will be randomized in a 2:1 ratio to receive either bezacitinib (20 mg twice daily, BID) or hydroxyurea tablets (0.5 g twice daily, BID). Randomization will be stratified according to the Dynamic International Prognostic Scoring System (DIPSS) classification, with strata defined as intermediate-2 risk and high risk.

* Instead of a separate Phase III clinical trial, we adopted a Phase II/III clinical trial of which the Phase II portion formed part of the pre-specified adaptive registrational design and accumulated efficacy and safety data, enabling the trial to proceed seamlessly into Phase III under the same protocol.

BUSINESS

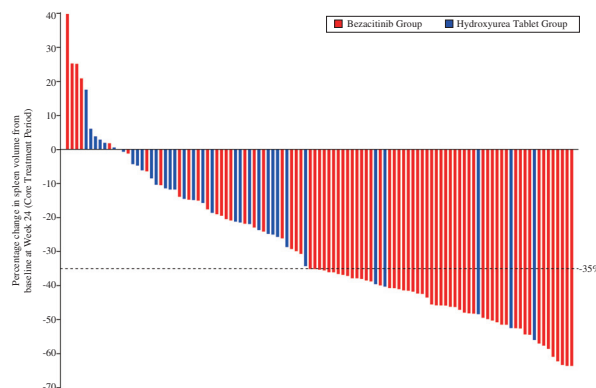
The primary objective of this study is to evaluate the efficacy of bezacitinib in reducing spleen volume in patients with intermediate- or high-risk MF. The secondary objectives are to assess spleen response, and improvement in MF-related symptoms in patients receiving bezacitinib treatment, as well as to evaluate the safety and tolerability of bezacitinib in this patient population. The primary endpoint of efficacy is the proportion of patients achieving a $\geq 35\%$ reduction in spleen volume from baseline at Week 24 as assessed by the Independent Review Committee (IRC). For patients with missing spleen volume data at Week 24, the response will be imputed as non-evaluable and considered non-responders for the primary efficacy analysis. The safety endpoints include the incidence and severity of adverse events (AEs) and adverse drug reactions (ADRs) occurring from the first administration of the study drug until 28 days after treatment discontinuation (or until the day before initiation of new anti-MF therapy if started within 28 days post-discontinuation).

Trial Status. We sponsored and conducted this trial, bear all clinical trial costs and own all clinical data generated and all resulting intellectual property rights. We commenced the Phase II/III trial of bezacitinib in patients with MF in September 2021 in China. A total of 128 patients with intermediate- or high-risk myelofibrosis were enrolled in this study, including 86 patients in the bezacitinib group and 42 patients in the hydroxyurea group. Among them, 27 patients from the hydroxyurea group crossed over to receive bezacitinib treatment during the extension phase. We completed this trial in November 2023 and submitted NDA to NMPA in August 2024. We received NDA approval from the NMPA in April 2026.

Safety results. During the core treatment period (within 24 weeks of treatment initiation), the incidence of adverse events (AEs) was 96.5% in the bezacitinib group and 100.0% in the HU group, with treatment-related AEs reported in 90.7% and 95.2% of patients, respectively. Grade ≥ 3 AEs occurred in 62.8% of patients in the bezacitinib group and 71.4% in the HU group. The incidence of serious adverse events (SAEs) was 19.8% in the bezacitinib group and 21.4% in the HU group. Dose reductions or treatment interruptions due to AEs occurred in 43.0% of patients in the bezacitinib group compared with 45.2% in the HU group, while permanent discontinuation due to AEs occurred in 1.2% and 7.1% of patients, respectively.

Efficacy results. In this trial, the proportion of patients achieving SVR35 at Week 24 was 62.8% in the bezacitinib group and 14.3% in the hydroxyurea group, with a rate difference of 48.5% (95% CI: 33.6%, 63.4%), demonstrating statistically and clinically significant superiority of bezacitinib over hydroxyurea. Bezacitinib also produced sustained improvement in MF-related symptoms, with the proportion of patients achieving a $\geq 50\%$ reduction in total symptom score increasing from 31.4% at Week 6 to 51.2% at Week 24, compared with a stable 31.0% in the hydroxyurea group. Overall, bezacitinib demonstrated rapid, durable, and clinically meaningful efficacy in patients with intermediate- or high-risk myelofibrosis, with superior spleen volume and symptom response compared with hydroxyurea. This figure below presents the distribution of percent change in spleen volume from baseline at Week 24 for each patient, highlighting spleen-volume reductions and the proportion achieving the $\geq 35\%$ threshold for bezacitinib and hydroxyurea.

Waterfall Plot of Percent Change in Spleen Volume From Baseline at Week 24



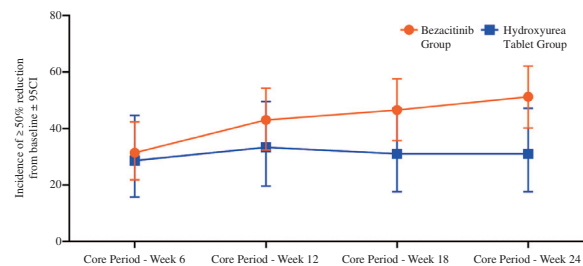
BUSINESS

Source: Company data

Note: The figure shows the percent change in spleen volume from baseline for each patient at Week 24 (bezacitinib: n=76; hydroxyurea: n=33). Patients who did not complete 24 weeks of randomized treatment and had their last spleen-volume assessment before Week 24 (bezacitinib: n=10; hydroxyurea: n=9) were not included.

The figure below shows that a consistently higher proportion of patients in the bezacitinib group achieved a $\geq 50\%$ reduction in MPN-SAF TSS throughout the core treatment period, indicating greater and progressively accumulating symptom improvement compared with hydroxyurea.

Proportion of Patients Achieving $\geq 50\%$ Reduction From Baseline in MPN-SAF TSS Over Time



Source: Company data

Note: The between-group difference in the proportion of patients achieving a $\geq 50\%$ reduction was calculated at each visit using the Clopper — Pearson exact method to derive the two-sided 95% confidence interval.

Conclusion. Bezacitinib demonstrated superior efficacy, favorable safety, and a narrow adverse event profile among JAK inhibitors for the treatment of MF, supporting its NDA submission.

Completed Phase III Trial of Bezacitinib in Patients with PV in China

Trial design. This trial is an open-label, randomized, controlled, multicenter Phase III clinical study designed to evaluate the efficacy and safety of bezacitinib compared with best available therapy in patients with hydroxyurea-resistant or hydroxyurea-intolerant PV. A total of 104 patients is planned to be enrolled. Eligible patients will be randomized to receive either bezacitinib tablets or best available therapy. The primary objective of this study is to evaluate the efficacy of bezacitinib in this patient population, and the secondary objectives are to assess the durability of response and safety. The primary efficacy endpoint is the proportion of patients achieving complete hematologic response and at least a 35% reduction in spleen volume from baseline at Week 28, as assessed based on central laboratory results and IRC review. Safety endpoints include the incidence and severity of adverse events and adverse drug reactions from the first administration of the study drug until 28 days after the end of treatment.

Trial status. We sponsor and conduct this trial, bear all clinical trial costs and own all clinical data generated and all resulting intellectual property rights. Initiated in China in June 2024, this trial had enrolled a total of 104 patients with hydroxyurea-resistant or hydroxyurea-intolerant PV by October 2025, when patient enrollment was completed. The Phase III trial was completed in May 2026, with the data readout expected in September 2026. We are concurrently preparing the NDA submission package and expect to submit it to the NMPA in the third quarter of 2026.

BUSINESS

Ongoing Phase Ib/II Trial of Bezacitinib in Patients with GVHD in China

Trial design. This trial is an open-label, non-randomized Phase Ib/II clinical study designed to evaluate the safety, tolerability, PK/PD profile and preliminary efficacy of bezacitinib in patients with aGVHD and cGVHD. The study consists of a dose-escalation part and a dose-expansion part. In the dose-escalation part, approximately three to six patients are planned to be enrolled for each of aGVHD and cGVHD, with an initial dose of 16 mg BID. Based on the results from the dose-escalation part, one or more appropriate doses will be selected for the dose-expansion part, which consists of two cohorts for aGVHD and cGVHD, respectively, with approximately 52 patients planned for each cohort. The primary efficacy endpoint is ORR at Week 4 for aGVHD and Week 24 for cGVHD. Safety endpoints include the incidence and severity of adverse events and adverse drug reactions during the study.

Trial status. We initiated this trial in June 2022. As of August 11, 2026, this trial remained at the Phase Ib dose-escalation stage, and five patients had been enrolled.⁽¹⁾

Safety Results. As of August 11, 2026, among the five patients included in the safety analysis, four experienced Grade 3 or above treatment-related adverse events and one experienced a treatment-related serious adverse event. No dose-limiting toxicities or deaths were reported, and no adverse event resulted in discontinuation or interruption of study treatment.

Efficacy results. As of August 11, 2026, all five evaluable patients achieved a partial response (PR) at Week 4, representing an ORR of 100.0%. At Week 2, one patient achieved a mixed response (MR) and four achieved PR; at Week 8, among four evaluable patients, one achieved a complete response (CR) and three achieved PR.

Clinical Development Plan

Following the NDA approval for MF from the NMPA in April 2026, we plan to advance our program through a staged, indication-expansion strategy, developing the candidate as a monotherapy for MPNs, with PV as lead indication, and subsequently extending into ET and selected immune-mediated diseases such as GVHD. This sequential approach is designed to build on established clinical and regulatory foundations, address significant unmet medical needs, and support broader development across hematologic and immune-related disorders. The table below sets forth details of our clinical development plan for bezacitinib:

Indication	Mono/ Combination	Clinical Trial Stage	Location	The Next Milestone
PV	Mono	NDA preparation	China	NDA submission expected in the third quarter of 2026
ET	Mono	Phase Ib/II	China	Phase III trial expected to commence in the fourth quarter of 2026
GVHD	Mono	Phase Ib	China	Phase II part of the ongoing Phase Ib/II clinical trial expected to commence in the second quarter of 2027

Note:

1. Patient enrollment in the Phase Ib clinical trial of bezacitinib for GVHD has progressed over an extended period, primarily reflecting our decision, following a review of our pipeline priorities and resource allocation, to prioritize the allocation of our clinical and financial resources to the more advanced MF, PV and ET programs. The enrollment timeline was not attributable to any identified safety or efficacy concerns or any regulatory action.

BUSINESS

As illustrated in the above table, we are primarily developing bezacitinib for two major types of MPNs and a selected autoimmune disease:

- PV: We completed the Phase III clinical trial in May 2026 and are currently preparing the NDA submission package. We expect to submit the NDA to the NMPA in the third quarter of 2026.
- ET: We have consolidated the efficacy and safety data from the Phase Ib/II ET study and plan to engage in regulatory communication with the CDE in early 2026 in preparation for the initiation of a registrational clinical trial. We expect to commence the Phase III clinical trial in the fourth quarter of 2026.
- GVHD: We are pursuing a differentiated clinical positioning strategy. Ruxolitinib is currently primarily used in the second- or third-line treatment setting following failure of corticosteroid therapy, whereas bezacitinib is being explored for potential use in earlier lines of treatment and/or in the prophylactic setting.

License, Rights and Obligations

We own the global rights to develop and commercialize bezacitinib.

Material Communications with Competent Authorities

The following table provides a summary of material communications with regulatory authorities regarding bezacitinib:

Milestone/Stage	Timeline
NDA approval for MF from NMPA	April 2026
Receipt of a supplemental information notice from the CDE for the MF NDA ⁽¹⁾	June 2025
Submission of NDA for MF to NMPA ⁽²⁾	August 2024
Pre-NDA meeting with the CDE for MF ⁽³⁾	February 2024
EOP2 meeting with the CDE for PV ⁽⁴⁾	June 2023
EOP1 meeting with the CDE for PV and ET ⁽⁵⁾	January 2022
IND approval for GVHD ⁽⁶⁾	October 2021
EOP2 meeting with the CDE for MF ⁽⁷⁾	May 2021
IND approval for MF, PV, ET ⁽⁸⁾	June 2020

Notes:

- (1) In June 2025, during its review of the NDA for bezacitinib for the treatment of MF, the CDE recommended that we consider further updating the overall safety database for bezacitinib by incorporating additional patient exposure data at the recommended and higher dose levels. This recommendation was made solely to obtain more comprehensive clinical safety information and did not question the adequacy of the existing safety data. We subsequently submitted the relevant updated safety data in December 2025.
- (2) In connection with the NDA submission for MF, we submitted the NDA application package for bezacitinib in MF to the NMPA, including relevant clinical, non-clinical and CMC materials.
- (3) In connection with the pre-NDA meeting with the CDE for bezacitinib in MF, we submitted relevant materials and communicated with the CDE regarding the proposed NDA submission. We reached substantial alignment with the CDE on the matters relating to the proposed NDA submission and subsequently submitted the NDA in August 2024.
- (4) In connection with the EOP2 communications with the CDE for PV, we submitted meeting packages and supporting materials relating to the proposed Phase III clinical trial protocol for bezacitinib in PV. We and the CDE substantially aligned on the key aspects of the proposed Phase III clinical trial protocol.

BUSINESS

- (5) In connection with the EOP1 meeting with the CDE for PV and ET, we submitted meeting packages and supporting materials relating to the proposed Phase Ib/II clinical trial protocols for bezacitinib in PV and ET. We and the CDE were substantially aligned on the matters relating to the proposed Phase Ib/II clinical trial and the protocols.
- (6) In connection with the IND approval for GVHD, we submitted the relevant IND application package, including preclinical study data, CMC materials and the proposed clinical trial protocol. The NMPA approved and permitted the commencement of the relevant clinical trial.
- (7) In connection with the EOP2 communications with the CDE for MF, we submitted meeting packages and supporting materials relating to the proposed Phase II/III clinical trial protocol for bezacitinib in MF. We and the CDE were substantially aligned on the matters relating to the Phase II/III clinical trial and the protocol.
- (8) In connection with the IND approval for MF, PV and ET, we submitted the relevant IND application package, including preclinical study data, CMC materials and proposed clinical trial protocols. The NMPA permitted the commencement of the relevant clinical trials.

The IND approval obtained from the NMPA for bezacitinib in the treatment of MF, PV and ET is an umbrella IND approval, as it covers the clinical development of bezacitinib for multiple indications within MPNs under one clinical trial approval. In this context, “umbrella” refers to the fact that the same IND approval covers multiple indications within MPNs, namely MF, PV and ET. In terms of scope, such IND approval does not, by its terms, prescribe or limit the clinical investigation to any specific clinical phase. Accordingly, it supports the conduct of clinical studies of bezacitinib for the covered indications across different stages of clinical development, including early-stage dose-escalation and dose-expansion studies, Phase II/III registrational studies and Phase III registrational studies, subject to compliance with applicable regulatory requirements and communications with the CDE prior to the commencement of pivotal or registrational studies. Since initiating the Phase Ib/II dose-escalation and dose-expansion studies, we have not received any material objection from the NMPA on the commencement or progress of this study. Under Measures for the Administration of Drug Registration (《藥品註冊管理辦法》) in China and our IND from the NMPA, we are required in principle to consult the CDE before commencing pivotal or registrational studies, which we had duly fulfilled such requirement through EOP2 meetings with the CDE held in May 2021 and June 2023, respectively, prior to the initiation of the Phase II/III registrational clinical trials of bezacitinib for MF and PV in China. Based on the Company’s communications with the CDE, the CDE has raised no objection to the Company proceeding with the relevant registrational clinical trials before completion of the entire Phase Ib/II trial. Separately, we obtained an IND approval for bezacitinib in the treatment of GVHD. Similar to the IND approval for MF, PV and ET, such approval is not limited to a specific clinical phase and supports the clinical development of bezacitinib for GVHD across applicable clinical stages, subject to compliance with applicable regulatory requirements and further communications with the CDE before commencing registrational studies. For GVHD, following the completion of the Phase I clinical trial of bezacitinib in healthy adult volunteers, we submitted the IND application package, including preclinical study data, CMC materials and proposed clinical trial protocols. Under the PRC regulatory framework governing drug clinical trials, a clinical trial may be initiated in accordance with the protocol submitted by the applicant following (i) the CDE’s technical review and the NMPA’s approval or deemed approval of the relevant IND application and (ii) approval of the clinical trial protocol by the relevant ethics committee, provided that the submitted data package supports the proposed clinical trial design. Based on the completed Phase I data, the proposed patient clinical trial protocol and the overall data package submitted with our IND application, we received IND approval from the NMPA for bezacitinib for GVHD in October 2021. Accordingly, our clinical development of bezacitinib for GVHD has proceeded directly to patient studies without conducting a separate Phase I healthy volunteer study for GVHD. As of the Latest Practicable Date, we had not received any concerns or objections from any regulatory authority regarding our ongoing or completed clinical trials of bezacitinib or our clinical development plans, nor had there been any material unexpected or adverse changes since the date of issue of the relevant regulatory approval for bezacitinib.

BUSINESS

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET BEZACITINIB IN OTHER CLINICALLY RELEVANT INDICATIONS SUCCESSFULLY.

CX1440, our Core Product

Overview

CX1440 is a highly selective and potent BTK inhibitor being developed for the treatment of autoimmune diseases. By covalently and irreversibly binding to the active site of BTK, CX1440 inhibits BTK activity and blocks downstream B-cell receptor (BCR), Fc receptor (FcR), and Toll-like receptor (TLR) and CXCR signaling pathways. Through the suppression of these BTK-mediated pathways, CX1440 suppresses B-cell proliferation, differentiation and activation, reduces the production and release of pathogenic antibodies and inflammatory cytokines, attenuates FcγR-mediated phagocytosis, and modulates immune cell adhesion and trafficking, thereby regulating pathogenic immune responses.

CX1440 is currently being evaluated in a Phase III clinical trial for ITP and a Phase I/II clinical trial for CU, and has received IND approvals from the NMPA for SLE, MS and NMOSD. In the Phase Ib/II trial for ITP, CX1440 achieved the primary platelet response of 40.6%. CX1440 was well tolerated in this trial, with a manageable safety profile characterized by mostly mild laboratory or gastrointestinal/infectious adverse reactions, rare Grade ≥3 ARs, no treatment-related discontinuations, and no reports of atrial fibrillation, hepatic injury, hypertension or bleeding events.

We have adopted a differentiated development strategy for CX1440 that prioritizes autoimmune indications with significant unmet need, including ITP, CU, and AIHA. Our clinical development programs for ITP, CU and AIHA rank among the top three globally in terms of development progress. The Phase III trial of CX1440 for ITP has been initiated with NDA submission expected in the fourth quarter of 2027, while the Phase II trial for CU is expected to be completed in the fourth quarter of 2026 and the Phase Ib/II trial for AIHA is expected to be initiated in the third quarter of 2026.

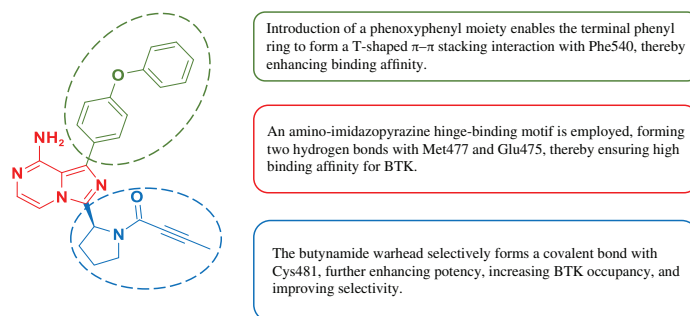
Drug Design and Mechanism of Action

BTK, a member of the TEC family of non-receptor tyrosine kinases, is selectively expressed in B lymphocytes and myeloid cells. BTK plays a central role in the signal transduction of the BCR and FcR pathways, regulating key immune processes including B-cell activation, proliferation, differentiation, antibody and cytokine production, phagocytosis, and immune-cell adhesion and trafficking. In addition, BTK participates in Toll-like receptor (TLR) and chemokine receptor signaling. Owing to its pivotal role in B-cell mediated humoral immune response and myeloid cell mediated innate immune response, BTK has become an established therapeutic target in both B-cell lymphoma and autoimmune diseases, with multiple BTK inhibitors already approved for clinical use.

BTK is a central mediator of multiple immune signaling pathways. In the BCR signaling pathway, antigen binding activates LYN and SYK, leading to PI3K activation and PIP3 generation, which recruits and activates BTK at the plasma membrane. Activated BTK forms a signaling complex with BLNK and PLCγ2, triggering downstream pathways that regulate B-cell activation, proliferation, differentiation, and apoptosis. In the FcR pathway, BTK is activated through Src and SYK kinases following Fc receptor engagement and plays a critical role in FcγR-mediated phagocytosis and FcεR-mediated inflammatory mediator release. BTK also functions downstream of TLR signaling via the MYD88 complex, promoting cell proliferation, antibody secretion, and pro-inflammatory cytokine production. In addition, BTK participates in chemokine receptor signaling, where CXCL12-CXCR4 activation stimulates BTK to support B-cell homing and migration.

BUSINESS

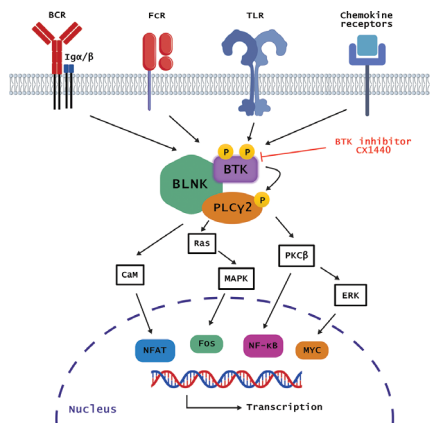
CX1440 is a highly selective and potent BTK inhibitor ($IC_{50} = 4.6$ nM) that covalently and irreversibly binds to the active site of BTK, thereby blocking BTK-dependent signaling across BCR, FcR, TLR, and chemokine pathways. The diagram below illustrated the structure of this molecule:



Source: Company data

By inhibiting BTK activation, CX1440 suppresses B-cell proliferation, differentiation, and activation; reduces the production and release of pathogenic antibodies and inflammatory cytokines; attenuates Fc γ R-mediated phagocytosis; and modulates immune-cell adhesion and trafficking. CX1440 has demonstrated robust preclinical efficacy across multiple autoimmune disease models, including ITP, as well as favorable safety and pharmacologic profiles, supporting its potential as a differentiated BTK-targeted therapy for a broad range of immune-mediated disorders.

Mechanism of Action of CX1440



Source: Company data

Market Opportunity and Competition

ITP

ITP is an autoimmune disorder characterized by persistently low platelet counts resulting from antibody- and T-cell-mediated platelet destruction and impaired platelet production. In 2025, the ITP drug market in China was valued at approximately US\$0.9 billion. The China ITP drug market is estimated to grow to approximately US\$1.7 billion by 2030 and further to approximately US\$3.6 billion by 2035. As of the Latest Practicable Date, one BTK inhibitor drug was approved for the treatment of ITP in overseas markets and no BTK inhibitor drug had been approved in China for this indication. As of the Latest Practicable Date, pirtobrutinib remained the only clinical-stage

BUSINESS

BTK inhibitor drug candidate under development for ITP in overseas markets. In China, six clinical-stage BTK inhibitor drug candidates were under development for ITP. For more details, please see “Industry Overview — Overview of Autoimmune Diseases — BTK Inhibitors — Major Indications for BTK Inhibitors in Autoimmune Diseases — Immunologic Thrombocytopenic Purpura.”

CU

CU is a common allergic skin disorder characterized by recurrent, intensely pruritic wheals that are transient and may be accompanied by angioedema. In 2025, the CU drug market in China was valued at approximately US\$3.0 billion. The China CU drug market is estimated to grow to approximately US\$6.7 billion by 2030 and further to approximately US\$10.9 billion by 2035. As of the Latest Practicable Date, one BTK inhibitor drug was approved for the treatment of CU (including CSU and CIU) in overseas markets with one approved BTK inhibitor in China. As of the same date, there were five clinical-stage BTK inhibitor drug candidates under development for CU (including CSU and CIU) in China. For more details, please see “Industry Overview — Overview of Autoimmune Diseases — BTK Inhibitors — Major Indications for BTK Inhibitors in Autoimmune Diseases — Chronic Urticaria.”

AIHA

AIHA is an acquired autoimmune disorder characterized by autoantibody-mediated destruction of red blood cells that exceeds the bone marrow’s compensatory capacity, resulting in anemia. In 2025, the AIHA drug market in China was valued at approximately US\$164.5 million. The China AIHA drug market is estimated to grow to approximately US\$219.8 million by 2030 and further to approximately US\$339.8 million by 2035. As of the Latest Practicable Date, there were no approved BTK inhibitor drug for the treatment of AIHA in overseas market and in China. As of the same date, there was one clinical-stage BTK inhibitor drug candidate under development for the treatment of AIHA in overseas markets and two clinical-stage BTK inhibitor drug candidates under development for the treatment of AIHA in China. For more details, please see “Industry Overview — Overview of Autoimmune Diseases — BTK Inhibitors — Major Indications for BTK Inhibitors in Autoimmune Diseases — Autoimmune Hemolytic Anemia.”

Key Advantages

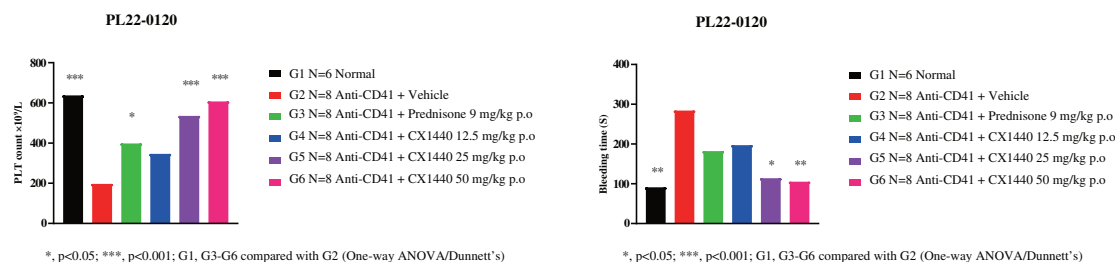
Demonstrated Preclinical and Clinical Efficacy Supporting CX1440’s Therapeutic Potential

CX1440 has demonstrated consistent efficacy across both preclinical and clinical settings, supporting its therapeutic potential in autoimmune diseases. Preclinical biochemical assays confirmed that CX1440 exhibits strong biochemical inhibition of BTK kinase ($IC_{50} = 4.8$ nM) and shows superior suppression of B-cell activation compared with ibrutinib, the first covalent BTK inhibitor approved globally (IC_{50} 4.2 nM vs. 22.7 nM). These data indicate a higher functional potency and greater ability to control pathogenic immune responses.

In multiple validated disease models, CX1440 produced significant improvements in key pharmacodynamic and disease-relevant endpoints. For example, as shown in the diagrams below, CX1440 restored platelet counts in an anti-CD41-induced primary ITP model, directly addressing the key efficacy endpoint for ITP. It also demonstrated a clear dose-dependent improvement, indicating that the pharmacologic effect is both robust and controllable, with the 50 mg/kg group showing the strongest platelet recovery. In parallel, CX1440 significantly reduced bleeding time in this preclinical study, which represents the most critical clinical need for ITP patients. Overall, its efficacy was comparable to, and at the higher dose even exceeded, that of prednisone, the standard first-line treatment for ITP.

BUSINESS

Pharmacodynamic Assessment in an Anti-CD41-Induced Primary ITP Animal Model



Source: Company data

Clinical results further validate the therapeutic potential of CX1440. In Phase Ib/II studies conducted in ITP patients, CX1440 achieved high BTK target engagement, with BTK occupancy exceeding 80% across all dose levels and remaining consistently elevated throughout the dosing interval. This sustained and substantial level of target engagement confirms that CX1440 effectively binds to and inhibits BTK *in vivo*, ensuring continuous suppression of BTK-dependent signaling pathways without pharmacodynamic gaps between doses. Given that BTK drives common pathogenic mechanisms across multiple autoimmune diseases, including B-cell activation, antibody production, and Fc-mediated phagocytosis, this durable target inhibition provides a mechanistic foundation for stable and lasting clinical responses not only in ITP but also across other BTK-mediated autoimmune conditions. Moreover, in efficacy-evaluable patients, at week 12, CX1440 demonstrated a primary platelet response of 40.6% (13 of 32 patients) and an improved primary platelet response of 61.5% (8 of 13 patients) in patients who had responded to corticosteroid therapy, the standard first-line treatment for ITP. Response rates were consistent across dose cohorts.

A Safety Profile Characterized by High Selectivity and Minimal Off-Target Activity as well as Low Cardiac Safety Risk

According to our preclinical studies, CX1440 demonstrates a superior safety profile driven by its highly selective inhibition of BTK and minimal off-target activity across kinases commonly associated with systemic toxicity in first-generation BTK inhibitors. In a kinase selectivity panel covering 15 off-target kinases frequently inhibited by ibrutinib and other covalent BTK inhibitors, including most of HER family, TEC family, and SRC family members, CX1440 showed markedly weaker off-target inhibition, with fold-selectivity ratios ranging from >2,083× (JAK3, ITK, SYK) to ~1,000× (HER2) and 80–120× (SRC, LYN, HER4, EGFR) compared with BTK.

Moreover, cardiac safety is an important concern with first-generation BTK inhibitors, particularly in autoimmune diseases that require long-term treatment. CX1440 shows a low potential for cardiac risk in our preclinical studies: its hERG (human Ether-à-go-go-Related Gene) inhibition threshold is more than 650 times higher than the drug levels reached in patients at the recommended clinical dose, indicating a wide safety margin before the drug would affect the ion channels that control the heart's electrical rhythm. As a result, CX1440 is unlikely to cause QT prolongation, an abnormal lengthening of the heart's electrical reset interval, or other rhythm disturbances, reflecting its low cardiac safety risk and supporting its suitability for chronic administration.

BUSINESS

Synergistic Potential with Our JAK2 Inhibitor Bezacitinib, Enabling Differentiated Combination Strategies for Complex Immune-Mediated Diseases

CX1440 demonstrates a robust synergistic effect when used in combination with our JAK2 inhibitor bezacitinib, offering a differentiated dual-pathway immunomodulatory approach for complex immune-mediated disorders, such as GVHD and SLE. Preclinical studies have shown that the combination of CX1440 and bezacitinib produces additive and, in certain models, synergistic suppression of pathogenic T- and B-cell signaling pathways, resulting in enhanced reductions in pro-inflammatory cytokines, improved immune homeostasis, and superior disease-modifying activity compared with either monotherapy.

In models of GVHD, the combination significantly prolonged survival, reduced tissue inflammation, and improved histopathological scores, exceeding the efficacy observed with JAK or BTK inhibitor alone. In myeloproliferative neoplasms and autoimmune models, concurrent BTK and JAK2 blockade demonstrated amplified inhibition of aberrant cytokine signaling and immune cell activation, supporting its potential application in diseases driven by both lymphoid and myeloid dysregulation, such as GVHD, SLE, and immune-driven cytopenias. This synergistic profile provides CX1440 with a unique strategic advantage over other BTK inhibitor programs, enabling a combination development pathway leveraging our internally developed bezacitinib.

A Differentiated Indication Portfolio Targeting High-Unmet-Need Autoimmune Diseases

Compared with the crowded competitive landscape of BTK inhibitors targeting B-cell lymphoma, we have adopted a differentiated development strategy for CX1440 that prioritizes autoimmune indications with significant unmet medical needs, including ITP, CU, and AIHA. This focused portfolio strategy is designed to address underserved patient populations through differentiated clinical positioning and innovative trial designs. Reflecting this approach, our clinical development programs for ITP, CU, and AIHA rank among the top three globally in terms of development progress.

Within this portfolio, each indication is pursued with a tailored development strategy aligned with its specific clinical unmet need. In ITP, the registrational clinical trial has been innovatively designed to permit the continued use of thrombopoietin receptor agonists (TPO-RAs) as background therapy at baseline, departing from the conventional restrictive approach to concomitant treatments. Given the increasing adoption of TPO-RAs in routine clinical practice, this design more closely reflects real-world treatment paradigms. By allowing patients to remain on their existing effective therapies, the study enhances patient safety while enabling a more precise evaluation of the additive efficacy and combination tolerability of BTK inhibition, thereby generating high-quality evidence to inform treatment decisions in clinically complex cases.

In CU, we have pursued a differentiated indication strategy by submitting a single investigational application covering both CSU and CIU, enabling a comprehensive evaluation across the two major clinical subtypes. CSU represents the predominant form of CU and encompasses a large patient population with persistent symptoms despite existing therapies, while CIU, a distinct subtype triggered by specific physical stimuli, remains an area of significant unmet clinical need with limited treatment options. Building on this dual-subtype framework, we plan to intensify development efforts in CIU at a later stage, reflecting a targeted recognition of this therapeutic gap and positioning us to potentially become the second domestic BTK inhibitor program to advance into registrational studies for this indication.

BUSINESS

Summary of Clinical Trials

Completed Phase I trial of CX1440 in healthy volunteers in China

Trial Design. The study consisted of two parts: (i) a randomized, double-blind, placebo-controlled, dose-escalation study, and (ii) a randomized, open-label, two-period crossover study to evaluate the effect of food on the pharmacokinetics of the study drug. The primary objectives of the study were to evaluate the safety and tolerability of CX1440 following single and multiple dosing in healthy subjects, and to assess the effect of food on the pharmacokinetic profile of CX1440.

Trial Status. We sponsored and conducted this trial, bear all clinical trial costs and own all clinical data generated and all resulting intellectual property rights. We commenced a Phase I clinical trial of CX1440 in healthy adult volunteers in China in November 2021. A total of 24 subjects were enrolled in the dose-escalation study, and 24 subjects were enrolled in the food-effect study. The trial was completed in March 2022.

Safety Results. CX1440 was generally well tolerated across the evaluated dose levels. Treatment-emergent adverse events were predominantly mild to moderate in severity and reversible. No dose-limiting toxicities, drug-related serious adverse events or deaths were reported. No clinically meaningful abnormalities were observed in vital signs, electrocardiograms or physical examinations.

Conclusion. The Phase I clinical trial of CX1440 in healthy volunteers demonstrated a favorable safety and tolerability profile. The clinical data generated from this study support the advancement of CX1440 into subsequent clinical trials.

Completed Phase Ib/II trial of CX1440 in patients with ITP in China

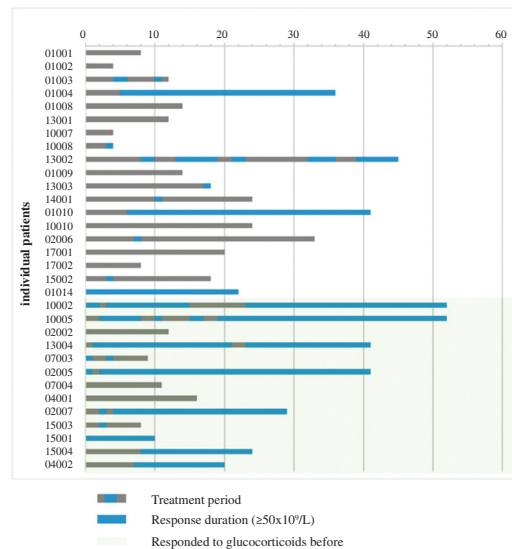
Trial design. We commenced the Phase Ib/II trial of CX1440 in patients with ITP in February 2023 in China. This multicenter, randomized, open-label Phase Ib/II study enrolled adult patients with ITP who were refractory to or intolerant of standard therapies. Eligible patients were randomized to receive CX1440 at doses of 50 mg, 75 mg, or 100 mg administered twice daily for a treatment duration of 24 weeks. The primary endpoint was the proportion of patients achieving a platelet count of at least $50 \times 10^9/\text{L}$ for a minimum of two consecutive weeks during the treatment period. Key secondary efficacy endpoints included sustained platelet response, defined as the proportion of patients achieving at least four platelet counts of $\geq 50 \times 10^9/\text{L}$ across the final six scheduled assessments within the 24-week period in the absence of rescue medication use. Safety was assessed throughout the study through comprehensive monitoring of adverse events, physical examinations, and bleeding risk evaluations. In addition, the pharmacokinetic and pharmacodynamic profiles of CX1440 were characterized to support dose selection and further clinical development.

Trial Status. We sponsored and conducted this trial, bear all clinical trial costs and own all clinical data generated and all resulting intellectual property rights. The first participant was enrolled in February 2023, and enrollment of all 32 participants was completed in January 2024. We have completed this trial in March 2025.

Safety results. The overall AE incidence was 93.8%, with similar rates across dose cohorts. ARs occurred in 62.5% of patients. Eight patients (25.0%) experienced Grade ≥ 3 AEs, with only one Grade ≥ 3 AR reported in the 50 mg cohort. Six patients (18.8%) experienced seven SAEs, and no SARs occurred. No AEs led to dose escalation or reduction. Two ARs resulted in temporary treatment interruption in two patients. Three patients discontinued due to AEs, and no discontinuations were attributed to ARs. Most ARs were laboratory abnormalities, with occasional mild gastrointestinal or infectious symptoms, all generally manageable. Grade ≥ 3 ARs were rare. The safety profile was consistent with that of BTK inhibitors, and no atrial fibrillation, hepatic injury, hypertension, or bleeding events were reported. Overall, CX1440 demonstrated a manageable safety profile at the evaluated doses.

BUSINESS

Efficacy results. Among the 32 subjects enrolled in the study, 13 (40.6%) achieved the primary endpoint. By dose cohort, 1 of 2 subjects (50.0%) in the 50 mg group, 6 of 15 subjects (40.0%) in the 75 mg group, and 6 of 15 subjects (40.0%) in the 100 mg group achieved the primary endpoint. Among the 13 responders, the sustained platelet response rate was 84.6% (11 patients). Higher response rates were observed in the subgroup of patients with a prior response to glucocorticoids, with a primary platelet response rate of 61.5% (8 of 13 patients) and a sustained platelet response rate of 53.8% (7 of 13 patients). The median cumulative duration of response was 22 weeks (interquartile range, 12 to 31 weeks). The median time to first achievement of a platelet count of at least $50 \times 10^9/L$ was 4.13 weeks (range, 0.71 to 17.94 weeks). The diagram below shows the duration of platelet responses ($\geq 50 \times 10^9/L$) for each patient (blue bars), with green backgrounds indicating patients who had previously responded to glucocorticoid therapy.



Source: Company data

Conclusion. The clinical data from the Phase Ib/II trial of CX1440 with ITP has demonstrated promising safety and efficacy profile, and supports continued development.

Ongoing Phase I/II Trial of CX1440 in Patients with CU in China

Trial design. We initiated the Phase I/II trial of CX1440 in patients with chronic urticaria, or CU, in September 2025 in China. This randomized, open-label, single-arm Phase I/II study is designed to evaluate the safety, tolerability and recommended Phase II dose, or RP2D, of CX1440 capsules in adult patients with CU. Eligible patients are adults aged 18 to 75 years with CU diagnosed according to the 2022 Chinese guidelines for the diagnosis and treatment of urticaria, including patients with chronic spontaneous urticaria and chronic inducible urticaria inadequately controlled by H1 antihistamines. Eligible patients will receive CX1440 capsules administered orally twice daily under fasting conditions for a planned treatment duration of 24 weeks, with dosing adjusted in accordance with the trial protocol. The primary endpoints are safety and tolerability, including the number and proportion of patients experiencing adverse events and serious adverse events, as well as the nature, frequency, duration and severity of such events, laboratory tests, electrocardiogram results and vital signs. Secondary objectives include evaluating the pharmacokinetic profile of CX1440, the drug-drug interaction between CX1440 and loratadine, and the efficacy of CX1440 in patients with CU.

BUSINESS

Trial status. We sponsor and conduct this trial, bear all clinical trial costs and own all clinical data generated and all resulting intellectual property rights. As of August 11, 2026, 21 patients had been enrolled.

Ongoing Phase III Trial of CX1440 in Patients with ITP in China

Trial design. We initiated this trial in September 2025 in China. This trial is a randomized, double-blind, placebo-controlled, multicenter Phase III clinical study designed to evaluate the efficacy and safety of CX1440 compared with placebo in adult patients with chronic primary immune thrombocytopenia, or ITP. A total of approximately 195 patients is planned to be enrolled. Eligible patients will be randomized at a 2:1 ratio to receive either CX1440 capsules at 100 mg BID or placebo. The study includes a screening period, a 24-week double-blind treatment period and a 28-week open-label extension treatment period. The primary objective of this study is to evaluate the sustained efficacy of CX1440 in this patient population, and the secondary objectives are to further assess its efficacy, safety and tolerability, impact on quality of life, and PK/PD profile. The primary efficacy endpoint is sustained response rate, defined as the proportion of patients achieving platelet counts of $\geq 50 \times 10^9/L$ in at least four of the last six visits during the 24-week double-blind treatment period without rescue therapy within the preceding four weeks. Safety endpoints include, among others, the incidence of adverse events, electrocardiogram results and laboratory test results during the study.

Trial status. We sponsor and conduct this trial, bear all clinical trial costs and own all clinical data generated and all resulting intellectual property rights. As of July 14, 2026, 35 patients had been enrolled.

Clinical Development Plan

The table below sets forth details of our further clinical development plan for CX1440:

Indication	Mono/ Combination	Clinical Trial Stage	Location	The Next Milestone
ITP	Mono	Phase III	China	NDA submission in the fourth quarter of 2027
CU	Mono	Phase I/II	China	Phase II part of the ongoing Phase Ib/II clinical trial completed in the fourth quarter of 2026
AIHA	Mono	Phase I	China	Phase Ib/II clinical trial initiated in the third quarter of 2026
cGVHD	Mono	Phase I	China	Phase Ib/II clinical trial initiated in the second quarter of 2027

License, Rights and Obligations

We own the global rights to develop and commercialize CX1440.

BUSINESS

Material Communications with Competent Authorities

The following table provides a summary of material communications with regulatory authorities regarding CX1440:

Milestone/Stage	Timeline
IND approval from the NMPA for AIHA ⁽¹⁾	August 2025
EOP2 meeting with the CDE for ITP ⁽²⁾	June 2024
IND approval from the NMPA for CU ⁽³⁾	September 2022
IND approvals from the NMPA for ITP and GVHD ⁽⁴⁾	August 2022

Notes:

- (1) In connection with the IND approval for AIHA, we submitted the relevant IND application package, including preclinical study data, CMC materials and the proposed clinical trial protocol. The NMPA permitted the commencement of the relevant clinical trial.
- (2) In connection with the EOP2 communications with the CDE for ITP, we submitted meeting packages and supporting materials relating to the proposed Phase III clinical trial protocol for CX1440 in ITP. We communicated with the CDE and substantially aligned with the CDE on the design of the proposed Phase III clinical trial protocol.
- (3) In connection with the IND approval for CU, we submitted the relevant IND application package, including preclinical study data, CMC materials and the proposed clinical trial protocol. The NMPA permitted the commencement of the relevant clinical trial.
- (4) In connection with the IND approval for GVHD, we submitted the relevant IND application package, including preclinical study data, CMC materials and the proposed clinical trial protocol. The NMPA permitted the commencement of the relevant clinical trial.

The NMPA has granted separate IND approvals for CX1440 in the treatment of ITP, CU, AIHA and GVHD, respectively. Such IND approvals do not specify or limit the clinical investigation to any particular phase of clinical trial and therefore permit the conduct of clinical trials for CX1440 in the relevant indications across applicable clinical stages, subject to compliance with applicable regulatory requirements. Pursuant to the Measures for the Administration of Drug Registration (《藥品註冊管理辦法》) in China and the requirements under our IND approvals from the NMPA, we are required to communicate with the CDE before commencing pivotal or registrational studies. We duly fulfilled this requirement through an EOP2 meeting in June 2024 before initiating the Phase III clinical trial of CX1440 for ITP in China.

Following the completion of the Phase I clinical trial of CX1440 in healthy adult volunteers in China, we leveraged the safety, tolerability and pharmacokinetic data generated from such completed Phase I trial to support subsequent patient studies for autoimmune indications, including ITP, CU, AIHA and cGVHD. Under the PRC regulatory framework governing drug clinical trials, a clinical trial may be initiated in accordance with the protocol submitted by the applicant following (i) the CDE’s technical review and the NMPA’s approval or deemed approval of the relevant IND application and (ii) approval of the clinical trial protocol by the relevant ethics committee, provided that the submitted data package supports the proposed clinical trial design. Based on the completed Phase I data, the proposed patient clinical trial protocols and the overall data packages submitted with the relevant IND applications, the relevant patient studies for CX1440 commenced, or are expected to commence, directly from Phase Ib/II dose-escalation and dose-expansion studies without conducting a separate Phase I healthy volunteer study for each indication. We will communicate with the CDE before commencing pivotal or registrational studies where required under applicable PRC regulatory requirements.

We had not received any regulatory agency’s concerns or objections to our ongoing and completed trials of CX1440 and clinical development plans as of the Latest Practicable Date.

BUSINESS

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET CX1440 SUCCESSFULLY.

CX03 (PIM1 Inhibitor)

CX03 is a small-molecule, orally administered PIM1 kinase inhibitor for use in combination therapy in the treatment of MF. By precisely modulating PIM signaling that is regulated by inflammatory cytokines and growth factors through the JAK-STAT and PI3K-AKT pathways, CX03 aims to deliver durable control of disease activity. Ongoing development efforts are focused on combination regimens with bezacitinib, supported by preclinical evidence demonstrating enhanced efficacy in disease models, positioning CX03 as a complementary agent to existing JAK inhibitor-based therapies.

Currently approved JAK inhibitors provide symptomatic relief in MF by reducing inflammation and extramedullary hematopoiesis; however, their SVR35 rate remains around 30%, meaningful reversal of bone marrow fibrosis is rare, and treatment is often associated with cytopenias and increased infection risk, leading to substantial early discontinuation. PIM1 is overexpressed in hematopoietic stem and progenitor cells in MF, and early studies of PIM1 inhibitors have shown reductions in pro-inflammatory cytokines, increases in anti-inflammatory adiponectin, and symptom improvement. Given its interaction with the JAK-STAT, PI3K-AKT, and NF- κ B pathways, PIM1 inhibition may complement JAK inhibition and represents a promising strategy, particularly in JAK-resistant settings and combination therapy.

CX03 is a selective PIM1 inhibitor, which is intended to effectively disrupt MF progression while minimizing the hematologic toxicities that may be associated with non-selective (pan-PIM) inhibitors. Further, CX03 has been optimized for convenient oral dosing with steady exposure, while early safety engineering focuses on limiting heart-ion-channel interactions and avoiding broad off-target kinase effects. This highly selective PIM1 profile is designed to support use both as a monotherapy and in combination with JAK inhibitors such as ruxolitinib, with the goal of achieving greater reductions in spleen volume and symptom burden, as well as the potential for meaningful improvements in bone-marrow fibrosis.

In a Ba/F3-EpoR-JAK2-V617F orthotopic mouse model, CX03 demonstrated robust in vivo antitumor activity, significantly reducing spleen index and spleen weight versus vehicle controls. Combination treatment with CX03 and bezacitinib produced a synergistic spleen-reducing effect, achieving a 98.1% spleen volume reduction compared with bezacitinib monotherapy and prolonging median survival from 29.5 to 44.0 days. In a JAK2 inhibitor-resistant Ba/F3-EpoR-JAK2-V617F-L983F model, CX03 monotherapy showed superior spleen inhibition compared with bezacitinib (83.6% vs. 50.0%), while the combination therapy achieved the highest inhibition rate (92.1%) and extended median survival to 33 days, indicating enhanced efficacy of dual-pathway inhibition.

We expect to submit an IND application for CX03 for the combination therapy of MF in the fourth quarter of 2027.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET CX03 SUCCESSFULLY.

CX12 (METTL3 Inhibitor)

CX12 is an oral, small-molecule METTL3 inhibitor, and is being developed for solid tumors, with a focus on immuno-oncology settings where PD-1/PD-L1 checkpoint inhibitors show limited efficacy or acquired resistance, such as colorectal cancer and other hard-to-treat solid tumors. By modulating epigenetic RNA signaling that governs cancer cell survival and immune escape, CX12 is positioned as a combination partner for checkpoint blockade.

BUSINESS

METTL3 is frequently overexpressed in multiple cancers, including acute myeloid leukemia, hepatocellular carcinoma, gastric cancer, and colorectal cancer, and is often associated with poor prognosis. By installing m⁶A modifications on RNAs regulating cell growth, survival, metabolism, and stress responses, METTL3 promotes tumor progression and treatment resistance. Elevated METTL3 activity also suppresses interferon signaling, reduces CD8+ T-cell and NK-cell infiltration, and contributes to resistance to PD-1/PD-L1 therapies. Inhibiting METTL3 may therefore both impair tumor cell fitness and enhance antitumor immunity, providing a strong rationale for combination with PD-1/PD-L1 inhibitors to improve response rates and durability, particularly in patients with primary or acquired resistance to checkpoint therapy.

CX12 is designed to selectively lower METTL3's m⁶A-writing activity, essentially “turning down” pro-tumor messages within cancer cells while helping the immune system better recognize and attack tumors. In preclinical studies, CX12 demonstrated potent enzyme inhibition and antiproliferative activity across multiple tumor cell lines, along with favorable oral exposure in rodents and dogs. In an MC38 mouse colorectal cancer model, CX12 combined with an anti-PD-1 antibody induced deep tumor regressions, with most tumors shrinking to undetectable levels and only rare late relapses after treatment cessation. Early animal safety studies have not identified unexpected toxicity signals. Together, these findings support CX12 as an oral epigenetic therapy designed to enhance checkpoint inhibitor responses and achieve durable tumor control in solid tumors.

We expect to submit an IND application for CX12, in combination with anti-PD-1 therapy, for the treatment of advanced unresectable or metastatic solid tumors in the fourth quarter of 2027.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET CX12 SUCCESSFULLY.

CX13 (PPARG)

CX13 is an inverse agonist of PPARG being developed for the treatment of advanced urothelial carcinoma characterized by aberrant PPARG activation. In preclinical studies, CX13 has demonstrated potent inhibitory activity against PPARG and exhibited antitumor effects in tumor cell and CDX models harboring PPARG mutations. CX13 has also shown favorable pharmacokinetic properties in animal PK studies.

PPARG is a key regulator of glucose and lipid metabolism and an essential transcription factor controlling cellular differentiation. It is expressed in multiple cell types, including immune cells and adipocytes, where it regulates energy metabolism, immune function, and adipocyte differentiation. In urothelial carcinoma (UC), PPARG is a critical transcription factor maintaining luminal differentiation. Approximately 30% of UC tumors harbor mutations in PPARG or RXRA, which are associated with loss of luminal characteristics, increased metastatic potential, and tumor progression. Therapeutically targeting PPARG may restore luminal differentiation and inhibit tumor initiation and progression through multiple mechanisms.

CX13 demonstrated potent and selective inhibition of PPARG and showed strong antitumor activity in a clonogenic assay using HT1197 bladder cancer cells. CX13 also exhibited favorable pharmacokinetic properties. Consistent with these findings, CX13 demonstrated meaningful antitumor efficacy in an HT1197 bladder cancer CDX model, with a clear dose-response relationship and tumor regression observed in the high-dose (1 mg/kg) group.

We expect to submit an IND application for CX13 for the treatment of solid tumors characterized by aberrant PPARG activation in the third quarter of 2027.

BUSINESS

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET CX13 SUCCESSFULLY.

CX15 (KEAP1 Activator)

CX15 is a covalent allosteric molecular glue degrader targeting KEAP1, intended for the treatment of solid tumors with constitutive NRF2 activation. CX15 has demonstrated antitumor effects in preclinical tumor models, supporting its potential application in solid tumors harboring KEAP1/NRF2-driven pathogenic mutations.

KEAP1 activators suppress NRF2 signaling by enhancing the activity of KEAP1, the substrate adaptor of the KEAP1-CUL3-RBX1 E3 ubiquitin ligase complex, thereby promoting NRF2 ubiquitination and proteasomal degradation and reducing NRF2-dependent cytoprotective and metabolic gene expression. Through sustained attenuation of NRF2 signaling, KEAP1 activators counteract aberrant NRF2 activation in certain cancers and reduce tumor stress tolerance and survival advantages. CX15 covalently binds to a cysteine residue in KEAP1, inducing conformational changes that stabilize the KEAP1-CUL3 E3 ligase complex and enhance NRF2 ubiquitination and degradation. By suppressing NRF2 signaling, CX15 may inhibit tumor drug resistance, antioxidant defense, immune evasion, and metabolic reprogramming.

In preclinical studies, CX15 demonstrated potent NRF2 degradation activity, with a DC_{50} below 1 nM and near-complete target degradation (D_{max} of 98%). In an HCC95 lung squamous cell carcinoma CDX mouse model, CX15 achieved tumor growth inhibition (TGI) exceeding 100%. Consistent efficacy was also observed in a Lu6407 squamous NSCLC PDX model, where CX15 achieved TGI greater than 100%, with complete tumor regression in 60% of treated animals at the end of dosing and sustained complete regression in 80% during the post-treatment observation period.

We expect to submit an IND application for CX15 for the treatment of solid tumors harboring KEAP1/NRF2-related mutations that result in constitutive NRF2 in the third quarter of 2027.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET CX15 SUCCESSFULLY.

CX16 (VAV1 molecular glue degrader)

CX16 is a selective molecular glue degrader of VAV1, currently in preclinical development for autoimmune and inflammatory diseases. It is designed as a therapy with the potential to be developed for the treatment of multiple autoimmune and inflammatory indications, including RA, IBD, and MS.

VAV1 is a key component of antigen receptor signaling complexes and plays an important regulatory role in both T-cell receptor (TCR) and B-cell receptor (BCR) signaling pathways. It also functions as a guanine nucleotide exchange factor (GEF) that regulates actin polymerization. Through its coordinated control of immune signaling and cytoskeletal dynamics, VAV1 regulates multiple immune cell processes, including proliferation, differentiation, activation, cytokine production, antibody generation, immune synapse formation, migration, and adhesion, thereby contributing to immune-mediated disease mechanisms. CX16 is a molecular glue degrader that promotes the formation of a ternary complex between CRBN and the target protein VAV1, which is recruited as a neosubstrate of CRBN. This interaction leads to ubiquitination of VAV1 and its subsequent degradation via the proteasome. Unlike traditional protein inhibitors, CX16 does not rely on a classical binding pocket to induce target engagement, thereby enabling the targeted degradation of otherwise “undruggable” proteins such as VAV1.

In preclinical studies, CX16 demonstrated sub-nanomolar degradation potency (VAV1 DC_{50} <1 nM) with near-complete target degradation (D_{max} ~98%), broad suppression of human T- and B-cell functional responses, favorable ADMET properties, and a clean proteomic selectivity profile. Consistent immunomodulatory efficacy was observed across multiple autoimmune disease models. In the collagen-induced arthritis (CIA) model, CX16 significantly reduced arthritis scores, and in

BUSINESS

the IBD model, treated animals showed substantial improvements in Disease Activity Index (DAI) scores. These findings support the broad anti-inflammatory and disease-modifying potential of CX16 across multiple autoimmune indications.

We expect to submit IND applications of CX16 for the treatment of rheumatoid arthritis, inflammatory bowel disease and multiple sclerosis in the first quarter of 2027.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET CX16 SUCCESSFULLY.

RESEARCH AND DEVELOPMENT

In-house R&D Team

Our key R&D team consists of Dr. Lyu Yubin (呂裕斌), Dr. Yin Jianming (殷建明), Ms. Lu Jian (盧建), Dr. Zheng Mei (鄭鵬) and Ms. Qing Yali (卿亞麗). For details of the experience and qualifications of Dr. Lyu, Dr. Yin, Ms. Lu, Dr. Zheng and Ms. Qing, see “Directors and Senior Management” and “Business — Our Strengths,” as applicable.

Our R&D team has extensive expertise in target discovery, clinical operations, quality management, and medical affairs, supported by years of work in new drug development, and is further guided by our experienced management and experts with diversified backgrounds of our R&D team, who bring profound industry knowledge and leadership experience. As of the Latest Practicable Date, our in-house R&D team consisted of 72 members, of whom 34, or 47.2%, held a master’s degree or above, including five with doctoral degrees and 29 with master’s degrees. Our core R&D team members, particularly those involved in the development of our Core Products prior to and during the Track Record Period, have an average of approximately 20 years of relevant pharmaceutical industry experience.

We have established a comprehensive R&D management framework covering the full development lifecycle, from early-stage research and project initiation to proof of concept, process development, preclinical studies, and clinical trials, designed to optimize resource allocation, accelerate development timelines, and enhance the probability of success across our pipeline. During the Track Record Period and up to the Latest Practicable Date, substantially all key R&D personnel involved in the development of our Core Products, bezacitinib and CX1440, remained employed by us.

Our Platform

We have established two competitive, in-house drug discovery platforms: a highly selective small-molecule drug discovery platform and a molecular glue discovery platform.

Highly selective small-molecule drug discovery platform

We have developed a rational small-molecule drug discovery platform with high selectivity as its core design objective. The platform deeply integrates medicinal chemistry expertise, structural biology insights, and artificial-intelligence technologies to establish an AI-enabled structure-based drug design (SBDD) framework. Through this framework, molecular activity, target selectivity, pharmacokinetic properties, and safety profiles are optimized in a multi-parameter and forward-looking manner.

A key differentiating feature of this platform is its source-level control of off-target risk. By systematically analyzing structural differences among homologous proteins and leveraging predictive models, the platform enables precise optimization and validation of selectivity at the earliest stages of discovery. This approach allows us to significantly reduce off-target liabilities at the mechanistic level, thereby improving the safety potential of drug candidates.

BUSINESS

Leveraging the platform’s integrated capabilities, we have achieved meaningful progress across multiple development programs. Our core product, bezacitinib, a selective JAK2 inhibitor, demonstrates clearly differentiated inhibitory activity among JAK family members. This selectivity confers therapeutic advantages in JAK2-driven diseases such as PV, ET, and MF, while substantially reducing off-target toxicities commonly associated with non-selective JAK inhibition. These differentiated characteristics have translated into favorable efficacy and safety outcomes in clinical studies, validating the platform’s effectiveness in developing high-selectivity small-molecule therapeutics.

Our second core product, CX1440, is a highly selective BTK inhibitor. Compared with first-generation BTK inhibitors, CX1440 exhibits markedly improved kinase selectivity in *in vitro* assays covering 15 kinases commonly associated with BTK inhibitor off-target activity, particularly within the HER, TEC, and SRC kinase families. Benefiting from its precise inhibition of BTK and minimal off-target activity, CX1440 has demonstrated a favorable safety profile in clinical studies, further underscoring the platform’s capability to consistently generate low-risk, high-selectivity drug candidates.

Our highly selective small-molecule drug discovery platform covers all critical stages of early drug discovery, including protein structure prediction, binding-site identification, AI-enabled virtual screening, and ADMET property prediction: (1) protein structure prediction models efficiently generate three-dimensional target conformations to support structure-driven design; (2) binding-site identification accurately defines potential small-molecule interaction regions, forming the structural basis for selectivity optimization; (3) AI-enabled virtual screening combined with molecular docking is capable to rapidly identify candidates with high affinity and selectivity; and (4) ADMET prediction is embedded early in molecular design, enabling forward evaluation of metabolic stability and toxicity risks before synthesis.

These modules operate in an integrated “design-optimization-validation” closed loop, allowing us to enhance molecular potency while continuously refining selectivity and safety, thereby significantly reducing downstream development risk.

Innovative Molecular Glue Discovery Platform

In parallel, we have established a molecular glue discovery platform as a new approach to overcome the structural and mechanistic limitations of traditional small-molecule drugs. Built upon a forward-looking target-assessment framework and guided by a “chemistry-first” philosophy, the platform integrates rational design based on ternary complex, off-target effect prediction, and degrader-specific developability optimization into a unified, systematic strategy. This integrated approach enables molecular glue discovery to move beyond serendipitous screening toward predictable and designable development, while supporting the creation of candidates with innovative mechanisms of action. We have also established a multi-dimensional evaluation system covering degradation efficiency, selectivity, pharmacokinetics, and safety, forming a closed-loop workflow from design to evaluation to optimization.

Using this platform, we have successfully developed CX15, a covalent allosteric molecular glue that achieves selective target protein degradation through the combined mechanisms of covalent modification and allosteric regulation, as well as CX16, which induces cereblon (CRBN) to recognize neosubstrate, thereby expanding the mechanistic scope of molecular glue therapeutics. These advances demonstrate the platform’s ability not only to efficiently advance molecular glue programs, such as CX16, which has entered the IND stage, but also to deliver innovation at the mechanistic level, providing new solutions for traditionally “undruggable” targets.

BUSINESS

The core strength of our molecular glue platform lies in its focus on mechanism-driven discovery and rational design, addressing two fundamental limitations of conventional molecular glue approaches: restricted target space and limited degradation mechanisms. By systematically overcoming these barriers, the platform significantly expands the addressable landscape of previously undruggable targets. Key advantages of the platform include: (1) a mechanism-driven target-assessment framework integrating structural biology and protein-protein interaction data to ensure intrinsic developability from the outset; (2) a proprietary rational design strategy combining rational design based on ternary complex, off-target prediction, and degrader-specific property optimization; (3) a dedicated developability evaluation system enabling multi-parameter assessment of degradation efficiency and selectivity; and (4) a closed-loop iterative optimization process to continuously refine molecular properties.

Compared with conventional platforms that rely primarily on large-scale empirical screening, our highly integrated and rationalized approach enables the directed design of molecular glue candidates with balanced physicochemical properties and *in vivo* performance. The successful advancement of CX16 to the IND stage demonstrates the platform’s efficiency in translating mechanistic innovation into clinical development and reinforces our differentiated technological leadership in this field.

Our R&D Facilities

Our R&D activities were primarily conducted in China. Our Hangzhou facility serves as the core of our research operations, housing our key technology platforms and state-of-the-art laboratories that support every stage of our drug discovery, preclinical research, and clinical development.

Our R&D Process

We focus our R&D efforts on oncology and autoimmune indications with significant unmet medical needs and market potential. Through integrated capabilities in preclinical research, pharmaceutical development and manufacturing, and clinical studies, we have built a pipeline comprising two clinical-stage candidates and five preclinical-stage candidates. The key steps of our R&D process are outlined below: (1) Target identification/validation and drug discovery. Our R&D process begins with the identification and selection of disease-related targets; (2) Preclinical research and translational medicine. during the preclinical stage, we leverage our small-molecule drug discovery platform to design and synthesize novel molecular entities, develop and optimize synthetic routes, produce samples for preclinical evaluation, and conduct *in vitro* and *in vivo* studies, including assessments of biological activity, pharmacokinetics and toxicity, to identify candidates suitable for clinical development; (3) Clinical development. upon entering the clinical stage, we further optimize manufacturing processes and formulations, establish quality standards and, through Phase I to Phase III trials, evaluate and confirm the safety, efficacy, dosage and therapeutic value of our drug candidates; and (4) CMC and quality management. upon obtaining marketing authorization, we will continue to fulfill our obligations as the MAH and support product promotion and commercialization.

Our Collaboration with CROs and SMOs

In line with industry best practices, we engage reputable Contract Research Organizations (CROs) and Site Management Organizations (SMOs) to support the management and execution of our preclinical studies and clinical trials. These partners are selected through a comprehensive evaluation process based on qualifications, technical expertise, experience, reputation, and cost-effectiveness, with each engagement tailored to the specific needs of the relevant project. Under our close supervision, CROs and SMOs provide services including clinical research coordinator (CRC) support, data management, and statistical analysis. During the Track Record Period, we collaborated with over 20 CROs and SMOs. In 2024 and 2025 and the six months ended June 30, 2026, we paid RMB17.2 million, RMB18.2 million and RMB8.6 million to our

BUSINESS

collaborated CROs, and RMB3.1 million, RMB6.7 million and RMB2.4 million to our collaborated SMOs. Our clinical studies are overseen by our in-house clinical team responsible for clinical medicine, operations, and quality control, while SMOs provide CRC services at each clinical site and CROs support data management and statistical analysis. Prior to initiating new clinical projects, we define key project parameters and budgets and conduct qualification reviews and price negotiations with selected CROs and SMOs. Key terms of our agreements that we typically enter into with our CROs are set forth below:

Key terms	Description
Services	CROs and SMOs provide clinical trial-related services, including clinical research coordination, project management, site management, data management and statistical analysis services.
Term	The term of each agreement is generally project-specific, and the relevant CRO or SMO is required to complete the agreed services within the timeframe specified in the relevant work order, statement of work or service agreement.
Fees and Payment Terms	Service fees are determined based on the scope of services to be provided and are generally payable in stages in accordance with agreed milestones or payment schedules.
Intellectual Property Rights	We retain ownership of intellectual property rights arising from the services performed within the agreed scope of work.
Confidentiality	CROs and SMOs are subject to confidentiality obligations with respect to technical materials, research reports, clinical trial data and other confidential information obtained during the course of providing services. Such obligations generally survive the termination or expiration of the relevant agreement for a specified period or indefinitely.
Liability and Indemnification	Each party generally bears liability for losses arising from its breach of contract, negligence, wilful misconduct or violation of applicable laws and regulations, and indemnifies the other party against losses attributable to its own fault.

CMC AND MANUFACTURING

Our CMC Team

Our CMC team provides strong support on drug supply and pharmaceutical research throughout the drug development process. The team is mainly responsible for drug synthesis, formulation, and quality research, as well as for formulating project plans for the company’s pharmaceutical R&D and advancing pharmaceutical development according to the plan. As of the Latest Practicable Date, our CMC team comprised 18 members.

BUSINESS

Our CMC activities and capabilities

CMC refers to the activities that define the methods for manufacturing processes, product characteristics and testing, as well as product storage and release for clinical use, ensuring that a pharmaceutical product is safe, effective, and consistent across batches. Our CMC function is responsible for (i) API process development and optimization, including designing synthetic routes for preclinical candidates and refining manufacturing processes during clinical development to ensure reliable API supply; (ii) dosage form selection and formulation development, where we determine appropriate dosage forms, design formulations based on the physicochemical properties of each compound, and optimize manufacturing processes to meet batch size and quality requirements across preclinical, clinical, and commercial stages; and (iii) analytical method development and quality standard establishment, including developing and validating analytical methods for in-process control and release testing and setting material and product specifications to ensure consistent quality throughout the manufacturing lifecycle.

Our manufacturing facilities

At present, we do not own or operate manufacturing facilities and primarily rely on reputable CDMOs for the production of our clinical-stage products. We adopt a phased approach to commercial manufacturing to ensure our ability to meet market demand and maintain a stable supply following potential product launch. In the near term, we expect to continue collaborating with CDMOs for initial commercial-scale manufacturing. As our products progress toward commercialization, we plan to establish our own manufacturing facilities to gradually develop in-house production capabilities.

Our collaboration with CDMOs

During the Track Record Period, we outsourced the manufacture of active pharmaceutical ingredients (APIs) and drug products to industry-recognized CDMOs in China to support the preclinical studies and clinical trials of our drug candidates. For the years ended December 31, 2024 and 2025 and the six months ended June 30, 2026, we incurred CDMO service fees of RMB4.1 million, RMB5.7 million and RMB5.6 million, respectively. For GMP production of clinical-stage products, we adopt the MAH model, under which qualified CDMOs with GMP certification manufacture clinical samples pursuant to production service agreements. We have entered into quality and contract manufacturing agreements with these partners to ensure product quality and regulatory compliance. We select CDMOs through a rigorous evaluation process based on qualifications, technical expertise, production capacity, geographic proximity, reputation, and cost-effectiveness. To ensure compliance and quality, we have established procedures to verify that each CDMO’s qualifications, facilities, and manufacturing processes meet applicable regulatory requirements and our internal quality standards. Key terms of our agreements that we typically enter into with our CDMOs are set forth below:

Key terms	Description
Services	CDMOs provide process development, manufacturing, packaging, testing and other outsourced manufacturing services in accordance with agreed specifications, quality standards and timelines.
Quality Assurance and Quality Control	CDMOs are required to manufacture products in compliance with applicable GMP requirements, agreed quality standards and applicable regulatory requirements, and to provide quality documentation, including certificates of analysis and batch records where applicable.

BUSINESS

Key terms	Description
Term	The term of each agreement is generally project-specific and may be extended upon mutual agreement of the parties.
Fees and Payment Terms	Fees are generally determined based on the scope of manufacturing services and are payable in stages upon the achievement of agreed deliverables or milestones.
Intellectual Property Rights	We retain ownership of product-related intellectual property rights and know-how arising from or relating to the outsourced manufacturing activities.
Confidentiality	CDMOs are subject to confidentiality obligations with respect to technical information, manufacturing processes, product specifications, research reports, clinical data and other confidential information obtained in connection with the services.
Liability and Indemnification	Each party generally bears liability for losses arising from its breach of contract, negligence, wilful misconduct or violation of applicable laws and regulations, and indemnifies the other party against losses attributable to its own fault.

QUALITY CONTROL AND ASSURANCE

We operate a comprehensive quality control system that spans all critical stages of our R&D and manufacturing processes. This system has been meticulously established and continuously refined in accordance with stringent regulations and guidelines in China, the United States, and Europe. As of June 30, 2026, we have built an experienced quality management team comprised eight members. Our quality management team ensures that the quality system encompasses all key stages of drug development, including R&D and manufacturing.

We have established comprehensive quality control and assurance procedures to ensure compliance with applicable regulatory requirements and our internal standards. We carefully select qualified suppliers and personnel and regularly audit CDMOs to verify that their processes, facilities, and equipment meet our quality and regulatory requirements. Our manufacturing processes incorporate robust in-process controls, while raw materials undergo stringent inspection and controlled storage supported by quarantine procedures and supplier qualification programs. Our quality control system is further supported by validated analytical methods to ensure reliable testing, and strict cleaning validation procedures are implemented in shared facilities to prevent cross-contamination.

COMMERCIALIZATION

We obtained marketing approval from the NMPA for bezacitinib for the treatment of MF in April 2026. Following such approval, and as our other pipeline drug candidates continue to advance through clinical development, we have been further developing our commercial planning and portfolio management capabilities. In anticipation of submitting NDAs for bezacitinib for PV and ET and CX1440 for ITP over the next few years, we plan to maximize the value of our product portfolio by further strengthening our in-house commercialization capabilities, facilitating the market launch of our Core Products, and establishing our formulation manufacturing base.

BUSINESS

Over the next three years, we plan to further expand our marketing team to several hundred personnel. In particular, by the end of 2027, we plan to recruit approximately 100 sales and marketing personnel, targeting coverage of 300 leading hospitals in China. This sales and marketing team will be primarily responsible for marketing strategy, product positioning, market access, market penetration, promotional activities and patient support. We expect this team to work synergistically with our partners to facilitate effective market penetration and drive adoption of our products across key markets.

We plan to expand into major international markets for our Core Products by entering into licensing agreements with qualified partners, with a primary initial focus on China. Our comprehensive marketing strategy primarily based on self-operation, supplemented by cooperation with external organizations. Backed by favorable efficacy and safety data, long-acting advantages, and alignment with current clinical needs, bezacitinib and CX1440 have significant potential to be included in expert consensus and treatment guidelines, which will accelerate its adoption in hospitals. We will continue to focus on major cities and tertiary hospitals in China and establish academic leadership to increase the penetration of bezacitinib and CX1440 and other future drug candidates upon approval. Our commercialization strategy in the Chinese Mainland will initially focus on Guangdong, Beijing and Jiangsu, which we have identified as key launch markets given their concentration of medical resources and sizeable MPN patient populations. We intend to progressively expand our commercial coverage to other major provinces and municipalities, including Shanghai, Zhejiang, Shandong, Sichuan and Hubei, with a view to covering major MPN treatment centers nationwide.

In particular, our commercialization strategy in China is expected to focus on facilitating patient access to our Core Products through reimbursement coverage, hospital access, inclusion into clinical diagnostic guidance and academic promotion. Following regulatory approval, we intend to apply for inclusion of our Core Products in NRDL, subject to the applicable review and negotiation procedures, with the aim of improving affordability and accessibility of our Core Products for eligible patients. We also plan to seek inclusion of the Core Products in the formularies of major tertiary hospitals, hematology specialty hospitals and regional medical centers through the relevant hospital review and procurement processes. In addition, following the inclusion of bezacitinib as a recommended treatment for ET and MF in the clinical guidelines issued by the Chinese Society of Clinical Oncology (CSCO) on April 25, 2026, we intend to continue supporting the generation and dissemination of clinical evidence and engaging with healthcare professionals and the broader medical community to promote the evidence-based clinical adoption of our Core Products. To support market adoption following launch, and in compliance with applicable laws and regulations relating to pharmaceutical promotion, anti-bribery and industry compliance, we plan to conduct academic promotion activities, including national and regional academic conferences, departmental seminars and online educational programs, to communicate clinical data and product information to healthcare professionals.

We plan to implement an integrated commercialization strategy combining provincial-level channel development with hospital-based engagement to support the broad adoption of our products. We intend to establish regional offices and a coordinated hospital coverage network to strengthen market access and streamline product inclusion at key hospitals. In parallel, we will advance medical education and academic promotion through national and regional conferences, expert forums and evidence-based communication initiatives. To further reinforce clinical confidence and accelerate uptake, we will continuously generate real-world evidence (RWE) in collaboration with leading hospitals and academic institutions, enabling us to demonstrate the clinical value of our products in real-world settings and support ongoing market penetration efforts.

BUSINESS

In determining the pricing strategy for our Core Products, we take into consideration a number of factors, including the competitive landscape, supply and demand dynamics and health economic analysis, potential reimbursement outcomes and expected budget impact, among others. We are currently transitioning from the research and development stage to the commercialization stage, and in the future aim to develop into an innovative biopharmaceutical company. We plan to formulate detailed pricing strategies for our Core Products as they progress towards commercialization. We intend to seek inclusion of our Core Products in the NRDL and other government-sponsored medical insurance programs at appropriate pricing levels following regulatory approval and commercial launch.

As of the Latest Practicable Date, our Core Products had not been included in the NRDL. Based on the general timetable of the annual NRDL adjustment process in recent years, the relevant process is typically initiated around July, followed by expert review around August to September, price negotiation around November, publication of the selected products around late November to early December, and implementation from January 1 of the following year. We have commenced cost-effectiveness analysis (CEA) and budget impact analysis (BIA) studies and expert review and consultation work to support future NRDL applications. According to Frost & Sullivan, from an industry perspective, inclusion in the NRDL is generally assessed based on factors such as clinical value, unmet medical needs, pharmacoeconomic evidence and budget impact. In practice, innovative therapies for hematologic diseases have demonstrated a pathway from regulatory approval to NRDL inclusion following price negotiation. For example, ruxolitinib, a JAK1/2 inhibitor indicated for MPNs including MF, was approved in China in 2017 and was subsequently included in the NRDL in 2019 following price negotiation. In light of such reimbursement precedents for therapies targeting similar indications and mechanisms of action, together with the differentiated efficacy and safety profiles demonstrated by our Core Products based on currently available clinical data, our Core Products may have a basis to be considered for NRDL inclusion upon approval, subject to regulatory review and negotiation outcomes. We currently expect to submit an NRDL application after product approval and participate in the annual NRDL price negotiation subject to regulatory approval and the progress of commercialization.

Potential NRDL inclusion may have a material impact on the pricing of our Core Products. Based on historical NRDL negotiation practice, successful inclusion in the NRDL may require significant price concessions, and the negotiated price would generally form a unified national medical insurance payment standard. Accordingly, in formulating our pricing strategy, we expect to take into account the anticipated NRDL negotiation framework, target reimbursement price, competitive landscape, pharmacoeconomic evidence and budget impact. Based on the clinical data generated to date, we believe our Core Products demonstrate differentiated efficacy and safety profiles, which may support their competitiveness in future reimbursement assessment. However, inclusion in the NRDL, CHIIDL or any other reimbursement or pricing scheme, as well as the timing, likelihood and pricing outcome of any such inclusion, are subject to review and determination by the relevant government authorities, and there can be no assurance that our products will be included on favorable terms or at all. We may also consider other pricing or market access arrangements, including other insurance reimbursement schemes or procurement programs, depending on the product profile, competitive landscape and applicable regulatory requirements at the relevant time.

OUR TECHNOLOGY TRANSFER ARRANGEMENTS

Technology Transfer Agreements with Guangliang and Hangzhou Sanyintai Pharmaceutical Technology Co., Ltd.

In June 2020, we entered into two technology transfer agreements, one with Guangliang in relation to bezacitinib and the other with Hangzhou Sanyintai Pharmaceutical Technology Co., Ltd. (杭州三因泰醫藥科技有限公司, “Sanyintai”) in relation to CX1440. Pursuant to these agreements, the respective transferors agreed to transfer to us all patent rights they own relating to bezacitinib and CX1440, respectively, together with the related technical packages, including pre-clinical

BUSINESS

research and development materials, clinical trial application and approval materials, clinical trial approval notices and other government approval documents, patent certificates and supporting documents generated in the course of development. The total consideration for the bezacitinib transfer was RMB10.5 million, payable in two instalments, comprising RMB2.1 million within six months after the agreement became effective and RMB8.4 million within 30 working days upon completion of the clinical trial approval, patent assignment registration and handover of the relevant technical materials, both of which were fully paid in November 2020 and January 2021, respectively. The total consideration for the CX1440 transfer was RMB9.0 million, payable in two instalments, comprising RMB1.8 million within six months after the agreement became effective and RMB7.2 million within 30 working days upon completion of the clinical trial approval, patent assignment registration and handover of the relevant technical materials, both of which were fully paid in November 2020 and January 2021, respectively. In addition, each of the technology transfer agreements provides that it may only be terminated in the event of force majeure or by mutual agreement of the parties. The agreements further provide that any dispute arising from or in connection with the performance of the agreements shall first be resolved through consultation or mediation, and if such consultation or mediation fails, the dispute shall be submitted to the Hangzhou Arbitration Commission for arbitration.

Agreement with Aojin Bio and Dr. Yin regarding bezacitinib and CX1440

In December 2022, we, Aojin Bio and Dr. Yin entered into an agreement in relation to bezacitinib and CX1440, pursuant to which Aojin Bio and Dr. Yin irrevocably agreed to waive and transfer to the Company, without consideration, the remaining 50% of the patent rights relating to bezacitinib and CX1440 outside China. In addition, the parties confirmed that, from the effective date of the agreement, we shall exclusively own the relevant technologies and all derivative rights arising therefrom, and neither Aojin Bio nor Dr. Yin may, without the Company’s prior consent, conduct any further research and development or extended development based on these drug candidates. The parties also confirmed that they had no dispute in respect of the Company’s prior use of the relevant technologies, and that Aojin Bio and Dr. Yin would assist the Company in completing the relevant patent ownership and application changes, where applicable. The agreement became effective on December 5, 2022.

For further details regarding the technology transfer of bezacitinib and CX1440, please refer to “Business — Intellectual Property”.

INTELLECTUAL PROPERTY

We have a global portfolio of patents to protect our drug candidates and technologies. As of the Latest Practicable Date, we owned (i) 18 issued patents in China, (ii) two issued patents in the U.S., (iii) eight issued patents in other jurisdictions, and (iv) 22 patent applications, including 14 in China, three under the PCT, and five in other jurisdictions. As of the Latest Practicable Date, with respect to our two Core Products, bezacitinib and CX1440, we had three issued patents in the PRC, two issued patents in the U.S., and eight issued patents in other jurisdictions, as well as three pending patent applications in the PRC. Specifically:

- **Bezacitinib.** As of the Latest Practicable Date, we owned two issued patents in the PRC relating to bezacitinib, which are expected to expire on January 25, 2037 and October 29, 2041, separately; we had two pending patent applications relating to bezacitinib in the PRC. The patents that may be issued from the currently pending patent application are expected to expire within the period from December 28, 2041 to December 31, 2044, without taking into account any possible patent term adjustments or extensions and assuming payment of all appropriate maintenance, renewal, annuity and other government fees will be timely made.

BUSINESS

- **CX1440.** As of the Latest Practicable Date, we owned one issued patent in the PRC relating to CX1440, which are expected to expire on June 30, 2037; we had one pending patent application relating to CX1440 in the PRC. The patent that may be issued from the currently pending patent application are expected to expire on February 23, 2042, without taking into account any possible patent term adjustments or extensions and assuming payment of all appropriate maintenance, renewal, annuity and other government fees will be timely made.

The following table summarizes the details of the material granted patents and patent applications related to our Core Products as of the Latest Practicable Date.

Drug Candidate*	Title of Invention	Publication Number	Patent Holder/ Applicant	Jurisdiction	Application Date	Status	Estimated Expiration Date**
Bezacitinib . . .	Pyrrolopyrimidine five-membered azacyclic derivatives and application thereof	CN106905322A	The Company	CN	2017-01-25	Granted	2037-01-25
Bezacitinib . . .	Pyrrolopyrimidine five-membered azacyclic derivatives and application thereof	US20190040068A1	The Company	US	2017-01-25	Granted	2037-01-25
Bezacitinib . . .	Pyrrolopyrimidine five-membered azacyclic derivatives and application thereof	JP2019503395A	The Company	JP	2017-01-25	Granted	2037-01-25
Bezacitinib . . .	Pyrrolo pyrimidine five-membered nitrogen heterocyclic derivatives and use thereof	EP3409673A1	The Company, Yin Jianming	EP***	2017-01-25	Granted	2037-01-25
Bezacitinib . . .	Crystalline forms of pyrrolopyrimidine five-membered azacyclic compounds	CN114437079A	The Company	CN	2021-10-29	Granted	2041-10-29
Bezacitinib . . .	Compounds useful in the treatment of lupus erythematosus	CN114681461A	The Company	CN	2021-12-28	Pending	N.A.
Bezacitinib . . .	Compounds for the prevention and treatment of diabetes	N.A.	The Company	CN	2024-12-31	Pending	N.A.
CX1440	Imidazopyrazinamine phenyl derivative and use thereof	CN107556317A	The Company	CN	2017-06-30	Granted	2037-06-30
CX1440	Imidazopyrazinamine phenyl derivative and use thereof	US20190211023A1	The Company	US	2017-06-29	Granted	2037-06-29
CX1440	Imidazopyrazinamine phenyl derivative and use thereof	EP3480199A1	Hangzhou Bangshun Pharmaceutical Co., Ltd; Yin, Jianming	EP***	2017-06-29	Granted	2037-06-29
CX1440	Imidazopyrazinamine phenyl derivative and use thereof	AU2017287553A1	Hangzhou Bangshun Pharmaceutical Co., Ltd; Yin, Jianming	AU***	2017-06-29	Granted	2037-06-29

BUSINESS

Drug Candidate*	Title of Invention	Publication Number	Patent Holder/ Applicant	Jurisdiction	Application Date	Status	Estimated Expiration Date**
CX1440	Imidazopyrazinamine phenyl derivative and use thereof	CA3032795A1	Hangzhou Bangshun Pharmaceutical Co., Ltd; Yin, Jianming	CA***	2017-06-29	Granted	2037-06-29
CX1440	Imidazopyrazinamine phenyl derivative and use thereof	JP2019524699A	The Company	JP	2017-06-29	Granted	2037-06-29
CX1440	Imidazopyrazinamine phenyl derivative and use thereof	KR1020190033538A	Hangzhou Bangshun Pharmaceutical Co., Ltd; Yin, Jianming	KR***	2017-06-29	Granted	2037-06-29
CX1440	Imidazopyrazinamine phenyl derivative and use thereof	HK40004090A	The Company	HK	2017-06-29	Granted	2037-06-29
CX1440	Compounds useful in the treatment of demyelinating disorders of the central nervous system	CN114984017A	The Company	CN	2022-02-23	Pending	N.A.

Note:

- * The patent rights related to our Core Products, bezacitinib and CX1440, were acquired through assignments in June 2020 from (i) Guangliang and Sanyintai, each an entity controlled by the Research Institute, and together with its controlled entities, the “**Research Institute Group**”) and (ii) Aojin Bio.

The Research Institute is owned as to 95% by Hangzhou Huasheng Pharmaceutical Group Co., Ltd. (杭州華昇醫藥集團有限公司), which is wholly owned by Hangzhou Wanyuhe and ultimately controlled by Mr. Li Bangliang. It is principally engaged in generic drug CRO services in metabolic disorders, cancer and autoimmune diseases, and had briefly explored innovative drug development outside its principal generic drug business, which led to the co-development with Aojin Bio that resulted in the discovery of bezacitinib and CX1440. Dr. Lyu, currently our executive Director and general manager, served as the director and general manager of the Research Institute from March 2009 to July 2020, after which he departed and established our Company. Dr. Lyu also indirectly holds a 0.2% equity interest in the Research Institute.

Guangliang and Sanyintai were established to hold and develop intellectual property rights relating to innovative drug candidates in cancer and autoimmune diseases transferred from the Research Institute, and are both controlled by the Research Institute through nominee shareholding arrangements. The nominee arrangements were adopted to minimize any potential misunderstanding among the Research Institute’s existing clients regarding its continued focus on its principal generic drug CRO business that could arise from its direct holding, and were at all times capable of being unwound. Upon the establishment of Guangliang, Dr. Lyu held a 4% equity interest in Guangliang through a family member as nominee, which was later unwound and is now directly held by Dr. Lyu. In Sanyintai, Dr. Lyu holds a 5% equity interest and Ms. Lu Jian holds a 1% equity interest, each through a family member as nominee. Through such shareholding arrangement, the Research Institute and the innovative drug development team leaders can share both the risks and potential rewards of the innovative drug development.

Aojin Bio was wholly owned by Dr. Yin Jianming, currently our Chief Scientific Officer, and was principally engaged in innovative drug development in areas of cancer and autoimmune diseases. Dr. Yin does not directly hold any equity interest in the Company and is not deemed to be interested in any shares of the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO. Dr. Yin holds approximately 14.88% of the registered capital of Hangzhou Jiuyin, which in turn holds 27.76% of the shares of the Company.

In April 2015 and February 2017, the Research Institute and Aojin Bio entered into co-development agreements to jointly develop innovative drug candidates. Pursuant to these co-development agreements, several molecules were developed by 2017, including bezacitinib and CX1440. Pursuant to the agreements, the Research Institute was entitled to 100% of the patent rights in China and 50% of the patent rights outside China, while Aojin Bio was entitled to the remaining 50% of the patent rights outside China. The discovery of Bezacitinib and CX1440 was led by Dr. Lyu and Dr. Yin (together, the “**Principal Inventors**”) during their respective tenures at the Research Institute Group and Aojin Bio. In February 2018 and December 2018, the Research Institute entered into technology transfer agreements with Guangliang and Sanyintai, respectively, pursuant to which the Research Institute assigned all of its rights relating to bezacitinib and CX1440 (in each case, comprising 100% of the rights in China and 50% of the rights outside China) to Guangliang and Sanyintai, respectively. As at the time of these transfers from the Research Institute to Guangliang and Sanyintai, bezacitinib was at the preclinical stage, with no IND application having been filed, while CX1440 was at the IND-enabling stage. Prior to these transfers, the Research Institute had, in collaboration with Aojin Bio, conducted preclinical molecular discovery and preliminary preclinical studies for both Core Products.

BUSINESS

In June 2020, we entered into technology transfer agreements to acquire the 100% patent rights in China and 50% of the patent rights outside China related to our Core Products from Guangliang and Sanyintai on arm’s length terms. As at the time of these transfers from Guangliang and Sanyintai to us, in respect of bezacitinib, the Phase I trial had been completed and the Phase Ib/II trial had not yet commenced, while in respect of CX1440, IND approval had been obtained but no clinical trial had yet commenced. Prior to these transfers, in respect of bezacitinib, the Research Institute Group had completed the IND-enabling studies for the RA indication, filed the IND application, obtained IND approval and completed a Phase I clinical trial in healthy volunteers; it had also filed the IND application for the MPN indications, including MF, PV and ET, which was filed before, but approved after, these transfers. In respect of CX1440, the Research Institute Group had completed the IND-enabling studies, filed the IND application and obtained IND approval. The Research Institute Group decided to transfer its patent rights related to bezacitinib and CX1440 to us, in order to focus on its generic drug business and to recover its research and development costs on such early-stage assets which bore inherent development risks. The Research Institute Group has since fully focused on generic drug development following such transfers. When the Research Institute resolved to discontinue its innovative drug business and refocus on its principal generic drug operations, Dr. Lyu, who remained of the view that certain assets including bezacitinib and CX1440 held significant clinical and commercial potential, decided to redirect his career towards innovative drug development. Dr. Lyu therefore established the Company together with Mr. Li and departed from the Research Institute, to pursue the continued development and commercialization of the Core Products. At the time of the June 2020 transfers, given the Core Products’ early development stage, our focus on clinical development in China and the absence of finalized overseas plans, we did not consider it necessary to acquire Aojin Bio’s remaining 50% interest in the patent rights outside China. The existing arrangement did not adversely affect our operations or China-focused development. As our clinical programs advanced and global plans became clearer, we acquired the remaining interest in December 2022 to facilitate global development and commercialization. In December 2022, Aojin Bio, Dr. Yin Jianming, and our Company entered into an agreement pursuant to which the remaining 50% of the patent rights outside China were transferred to our Company for nil consideration, and Dr. Yin waived all of his related rights. As at the time of this transfer, we had, in respect of bezacitinib, independently completed the MF cohort of the Phase Ib/II trial, with the Phase II/III trial for MF then ongoing; and, in respect of CX1440, independently completed the Phase I clinical trial and was preparing to commence the Phase Ib/II trial. Dr. Yin, who serves as both our indirect shareholder and Chief Scientific Officer, agreed to transfer all overseas rights and waive all related rights held by Aojin Bio on a nil consideration basis, as his economic interests in the future success of the Core Products could be adequately aligned through his equity participation in our Company.

Following the completion of the technology transfers in June 2020, the Research Institute Group ceased all innovative drug development activities and has since focused exclusively on its principal generic drug business. Prior to the transfers to us, the IND applicants and holders were Guangliang and Aojin Bio for bezacitinib, and Sanyintai and Aojin Bio for CX1440. The IND approvals for both bezacitinib and CX1440 were transferred to our Company in full in accordance with the terms of the respective technology transfer agreements in June 2020, and such transfers took legal effect from the effective date of the relevant agreements. We have also completed the IND transfer registration with the NMPA in August 2020. Thus, upon these transfers in June 2020, we became the IND holder of each Core Product. We have since actually been the sole clinical trial sponsor for all clinical trials of the Core Products, and independently conducted and completed the clinical trials. None of Guangliang, Sanyintai or Aojin Bio acts as a sponsor of any such trial. As the trial sponsor, we have been responsible for, among other things, the design, initiation, management, financing and overall conduct of the clinical trials, including all communications with the CDE. Neither the Research Institute Group nor Aojin Bio in fact bears any of the foregoing roles or responsibilities. We have full control over the research and development of each of the Core Products, including full discretion to determine the design, strategic direction and all other aspects of the clinical trials. We will be the marketing authorisation holder for each of the Core Products, as exemplified by bezacitinib, which was recently approved and in respect of which we are the sole marketing authorisation holder.

As shown on the public clinical trial disclosure platform in China (www.chinadrugtrials.org.cn), the Research Institute Group (namely Guangliang and Sanyintai) and Aojin Bio are each still shown as a co-sponsor of certain relevant clinical trials. The Research Institute Group continues to be so shown because, under the current administrative practice, the sponsor recorded on the platform does not automatically change to follow changes in the holder of the IND approval. Aojin Bio continues to be so shown because, our Company agreed to name it as a co-sponsor in accordance with the relevant contractual arrangements. However, neither the Research Institute Group nor Aojin Bio is an actual sponsor of the clinical trials, and neither has participated in, or funded, any clinical trial. Guangliang and Sanyintai have also ceased all business operations since then. Aojin Bio has ceased all business operations since Dr. Yin’s joining our Company in 2020. Guangliang, Sanyintai and Aojin Bio are expected to be deregistered in the near term. None of the Research Institute, Aojin Bio, Sanyintai and Guangliang has been involved in any material non-compliance incident during the periods relevant to the Technology Transfers or at any time thereafter up to the Latest Practicable Date.

All consideration payable under these agreements has been duly paid and supported by independent third-party valuation analyses. The consideration for each of these transfers was determined through arm’s length negotiations, supported by the respective independent valuation reports. Each valuation adopted the cost approach using the replacement cost method, under which the value of an asset is estimated as the current cost of recreating or replacing that asset at the valuation date, less deductions for functional and economic obsolescence. The cost approach was selected over the income approach and the market approach because (i) the historical R&D expenditure records for the relevant products were clearly documented and the relevant cost parameters were obtainable through publicly available data; and (ii) at the time of transfer, the products were at an early development stage, such that their future economic benefits could not be reliably predicted. The resulting considerations fall within the typical pricing range for early-development-stage patent transfers in the oncology and autoimmune disease fields, according to Frost & Sullivan.

BUSINESS

Registrations of patent holder changes in all major jurisdictions material to the Company, including China and the U.S., have been completed. In respect of the patent assignment registrations in China, (i) for bezacitinib, the transfer from the Research Institute to Guangliang was registered on August 7, 2020, and the transfer from Guangliang to our Company was registered in October 2020; and (ii) for CX1440, the transfer from the Research Institute to Sanyintai was registered in July 2019, and the transfer from Sanyintai to our Company was registered in September 2020. These CNIPA registration dates are generally later than the dates of the respective transfer agreements, reflecting the administrative processing time required to complete the registration.

We currently wholly own all rights to patents and patent applications related to bezacitinib and CX1440, including all patent families, in all of these major jurisdictions. Our legal adviser as to intellectual property, Hiways Law Firm, is of opinion that, following the proper transfer of the relevant intellectual property rights, we retain independent rights, control and ownership of each of the Core Products across all indications and major jurisdictions. In certain less important jurisdictions, the registration process remains ongoing due to time-consuming administrative procedures. Our legal adviser as to intellectual property confirms that there are no expected impediments to the completion of such registrations. Following the acquisition of the patent rights related to our Core Products in China in June 2020, we have made significant progress in the clinical development. For bezacitinib, we commenced Phase Ib/II clinical trials in November 2020 and have since completed Phase Ib/II trial in MF in May 2021, and Phase II/III trial in MF by November 2023. For CX1440, we commenced a Phase I clinical trial in healthy adult volunteers in November 2021, completed such trial in March 2022, and subsequently commenced and completed a Phase Ib/II trial by March 2025.

The Principal Inventors have held our key management or R&D positions and served as important leaders of our R&D team since our Company’s inception. Other key R&D team members involved in the discovery and preclinical development of our Core Products are also currently with our Company. The other relevant team members include (i) Dr. Zheng Mei, our Deputy General Manager. Dr. Zheng is responsible for the design and management of the preclinical development programs for the Company’s Core Products; (ii) Ms. Huang Xuehui, our Chief Chemistry Officer. Ms. Huang holds a master’s degree in Chemistry from Zhejiang University. She is responsible for pharmaceutical research during the preclinical stage of bezacitinib and CX1440, including synthesis and formulation process development, as well as quality standards and analytical method development; (iii) Ms. Zhuge Dingjuan, our Senior Director of Innovative Drug Pharmacology Evaluation. Ms. Zhuge holds a master’s degree in Pharmacology. She is responsible for non-clinical pharmacology and toxicology studies for the bezacitinib program; (iv) Ms. Jiang Shanling, our Director of Innovative Drug Pharmacology Evaluation. Ms. Jiang holds a master’s degree in Pharmacology. She is responsible for non-clinical pharmacology and toxicology studies for the CX1440 program; (v) Mr. Liu Ke, our R&D Director of the CMC Center. Mr. Liu holds a doctoral degree in Pharmacognosy from China Pharmaceutical University. He is responsible for drug analytical method development and quality standard development for the bezacitinib and CX1440 programs during the preclinical stage; (vi) Mr. Chen Nanyu, our R&D Manager of Drug Discovery. Mr. Chen holds a master’s degree in Chemical Engineering. He is responsible for synthesis process development and sample preparation for the bezacitinib program during the preclinical stage; and (vii) Ms. Zhao Mengjia, our Formulation Department Manager. Ms. Zhao holds a master’s degree in Pharmaceutics. She is responsible for formulation research, prescription development and sample preparation for the bezacitinib and CX1440 programs during the preclinical stage. Accordingly, we believe our Company possesses the full capability and necessary know-how for the continued research and development of our Core Products.

** Patent expiration date does not include any applicable patent term extensions.

*** As at the Latest Practicable Date, the registration of the transfer of the patent rights of the Core Products had been completed in most jurisdictions outside the PRC, the United States and Japan, including Australia, South Korea, Germany, the United Kingdom, Canada and France. For the remaining jurisdictions, namely Italy and Spain, the transfer is expected to be completed by the fourth quarter of 2026. Dr. Yin remains recorded as a co-owner of certain patent rights of the Core Products in certain jurisdictions solely because those patents are registered in jurisdictions outside the PRC, for which the registration of the transfer is pending completion as described above.

The grant of our pending patent applications is not a prerequisite for our future R&D or commercial activities. We believe that we will still be able to commercialize our Core Product in China and the U.S. even if certain patent applications are not granted, and therefore the pending status of these applications is not expected to prevent commercialization. The protection afforded by a patent varies depending on the scope of its claims and the jurisdiction, and is influenced by factors such as patent type, coverage, potential term extensions, available legal remedies, and the validity and enforceability of the patent. We cannot assure that any of our pending or future patent applications will be granted, or that any issued patents will effectively protect our drug candidates or manufacturing methods. See “Risk Factors — Risks Relating to Our Intellectual Property Rights” for further details.

As advised by our PRC Legal Adviser, based on its review of our R&D, clinical trial, CRO/SMO/CDMO, commercialisation-related agreements, intellectual property documents and relevant regulatory filings/approvals, our Group has full and independent control over the R&D and commercialisation of our Core Products in the PRC.

BUSINESS

Moreover, based on the results of the Freedom-to-Operate (“FTO”) analysis, our IP Legal Adviser and Directors are of the opinion that, in relation to the chemical molecular structures currently being developed for our Core Products, no third-party patents exist in the PRC or the U.S. that would reasonably be expected to impede the commercialization of such products, and that we have not infringed any valid and enforceable patents or other intellectual property rights of any third party.

We conduct our business under the brand name “Biosun” (“邦順藥業”). As of the Latest Practicable Date, we had (i) 12 registered trademarks in the PRC, and (ii) one trademark application in Hong Kong. We are also the registered owner of one domain name. During the Track Record Period and up to the Latest Practicable Date, (i) we were not involved in any legal, arbitral or administrative proceedings in respect of, nor had we received notice of any material claims of infringement, misappropriation or other violations of third-party intellectual property; and (ii) we were not involved in any proceedings in respect of any intellectual property rights that may be threatened or pending and that may have an influence on the research and development for any of our drug candidates in which we may be a claimant or a respondent.

DATA PRIVACY AND PROTECTION

We routinely receive, collect, generate, store, process, transmit and maintain medical data, treatment records and other personal details of the subjects enrolled in our clinical trials. During our clinical development activities, we primarily collect and process data generated from subjects participating in our clinical trials, including outpatient medical records, medical imaging results and laboratory test results relating to biological samples. Such data are de-identified and, upon the relevant subjects’ informed consent, entered into our EDC system solely for analysis and clinical trial management purposes. The EDC database is stored on network servers provided by a third-party vendor and maintained by its data management team. All such data are owned by us, and any use, processing, transfer or deletion of such data is subject to our authorization. As such, we are subject to laws, administrative regulations, departmental rules and relevant standards that apply to the collection, use, retention, protection, disclosure, transfer and other processing of personal data in the various jurisdictions in which we operate and conduct our clinical trials, as well as contractual obligations.

We have established and implemented comprehensive internal control policies and procedures to safeguard data security and ensure that the collection, use, storage and processing of medical and other business data comply with applicable laws and prevailing industry practices. These policies include a detailed data management plan tailored to each clinical project. Our Operations Management Center, through its IT Manager, is responsible for formulating and maintaining key internal policies, such as Management of Clinical Trial Data, Information Data Backup and Recovery Management System, Enterprise Information Security Management System, Standard Operating Procedures for Access and Ongoing Assessment of Third-Party Suppliers, Data Security Emergency Response Plan and other relevant documents. These policies and procedures set out clear requirements on organizational roles and responsibilities, backup strategies, operational procedures, data management, recovery mechanisms, and supervision and inspection. Our corporate data includes business data relating to research and development, production, sales and finance stored in the databases of our information systems, as well as decentralized electronic documents stored on office computers and portable storage devices. We classify our data into four levels based on factors such as data value, sensitivity of content, scope of impact and distribution range, namely Public-external, Public-internal, General Commercial Confidential, Core Commercial Confidential, and the department responsible for each category of data serves as the data owner for such data. In our clinical trials and operations, the collection of personal data is primarily conducted by hospitals. Subjects enrolled in our clinical trials are anonymized through assigned subject numbers, and any datasets transferred to us are identified only by such subject numbers rather than the individuals’ actual identities. As a result, we do not have access to patients’ personally identifiable information, such as their names, identity card numbers, phone numbers or home addresses.

BUSINESS

Furthermore, we require all internal employees, as well as hospitals and third-party contractors such as CROs involved in our clinical trials, to adhere to strict confidentiality obligations. Compliance with Good Clinical Practice (“GCP”) and relevant rules ensures that only approved personnel can access clinical trial data. Data utilization is strictly confined to the use consented to by the patients, which is in line with the Informed Consent Form (“ICF”). We ensure to obtain further consent from patients for any data usage that extends beyond the ICF’s scope. We also conduct regular training to ensure compliance with these standards, reinforcing our commitment to maintaining the highest levels of data security and patient confidentiality. This comprehensive approach not only fulfills regulatory requirements but also fosters trust among participants and stakeholders engaged in our clinical processes. During the Track Record Period and up to the Latest Practicable Date, we did not experience any incident of data leakage or material data losses.

We have a number of ongoing or planned clinical studies in China. Any data transfer related to our product development initiatives and regulatory communications must adhere to relevant local data protection and privacy laws. Accordingly, we have implemented a series of control measures and structures. Despite the evolving nature of these laws and our potential clinical trials, we have not encountered significant issues with data transfers so far. We believe our practices related to transferring clinical trial data conform to industry standards. During the Track Record Period and up to the Latest Practicable Date, we had not engaged in any cross-border transmission of personal information or important data from the PRC to overseas jurisdictions, or vice versa. During the Track Record Period and up to the Latest Practicable Date, we had complied with laws and regulations related to data security and privacy with our products, services and operations in all material aspects, and we had neither incurred any related administrative penalties nor received any related administrative inquiry notice. Our legal advisor as to data compliance law of the PRC, Allbright Law Offices, is of the view that, during the Track Record Period and up to the Latest Practicable Date, we had complied with all applicable laws and regulations concerning data privacy, cybersecurity and data security in the PRC during the Track Record Period and up to the Latest Practicable Date in view that we had not incurred any administrative penalties related to data security, cybersecurity and data privacy. For more details of laws and regulations regarding data privacy and protection, please see the section headed “Regulatory Overview — Overview of Laws and Regulations in the PRC — Other Significant PRC Regulations Affecting Our Business Activities in the PRC — Regulations Relating to Information Security and Data Privacy.”

SUPPLIERS AND PROCUREMENT

During the Track Record Period, our suppliers primarily consisted of laboratory equipment, reagents, consumables and maintenance and repair services, and technical equipment and service providers. Purchases from our five largest suppliers for the years ended December 31, 2024 and 2025 and June 30, 2026 were RMB7.2 million, RMB12.7 million and RMB9.4 million, respectively, representing 23.5%, 28.5% and 35.7% of our total purchases for the same periods. Purchases from our single largest supplier for the years ended December 31, 2024 and 2025 and June 30, 2026 were RMB1.9 million, RMB4.8 million and RMB2.7 million, respectively, representing 6.1%, 10.7% and 10.1% of our total purchases for the same periods. Our supplier selection process primarily considers the following factors: supplier qualifications, quality, cost, industry reputation, and compliance with mutually agreed delivery standards and methods. We maintain stable partnerships with key suppliers. During the Track Record Period, we have not experienced major disputes, encountered difficulties in procuring raw materials or services, faced operational disruptions due to shortages or delayed supplies, or experienced significant price fluctuations for raw materials or services. The following table sets forth details of our five largest suppliers during the Track Record Period:

BUSINESS

Supplier	Supplier background	Service purchased	Credit periods	Payment method	Length of business relationship	Purchase amount (RMB'000)	% of total purchases
For the year ended December 31, 2024							
Supplier A	A company incorporated in 2015 in China primarily engaged in R&D manufacturing and sales of medical device	R&D services	Within 5 days	Bank transfer	Since 2023	1,888.0	6.1%
Supplier B	A company incorporated in 2010 in China primarily providing research services	R&D services	Within 30 days	Bank transfer	Since 2022	1,600.0	5.2%
Supplier C	A company incorporated in 2006 in China primarily providing CRO services, listed on the Shenzhen Stock Exchange	R&D and manufacturing services	Within 60 days	Bank transfer	Since 2022	1,475.0	4.8%
Supplier D	A company incorporated in 2011 in China primarily providing research services	R&D services	Within 30 days	Bank transfer	Since 2021	1,187.0	3.9%
Supplier E	A company incorporated in 2000 in China primarily providing CRO services, listed on both the Stock Exchange and the Shanghai Stock Exchange	R&D and manufacturing services	Within 30 Days	Bank transfer	Since 2020	1,069.0	3.5%
Total						7,219.0	23.5%
For the year ended December 31, 2025							
Supplier C	A company incorporated in 2006 in China primarily providing CRO services, listed on the Shenzhen Stock Exchange	R&D and manufacturing services	Within 60 days	Bank transfer	Since 2022	4,759	10.7%
Supplier E	A company incorporated in 2000 in China primarily providing CRO services, listed on both the Stock Exchange and the Shanghai Stock Exchange	R&D and manufacturing services	Within 30 days	Bank transfer	Since 2020	2,622	5.9%
Supplier F	A company incorporated in 2023 in China primarily providing research services	R&D services	Within 30 days	Bank transfer	Since 2025	1,800	4.0%
Supplier D	A company incorporated in 2011 in China primarily providing research services	R&D services	Within 30 days	Bank transfer	Since 2021	1,799	4.0%
Supplier G	A company incorporated in 1998 in China primarily providing research services.	R&D services	Within 10 days	Bank transfer	Since 2021	1,745	3.9%
Total						12,725	28.5%

BUSINESS

Supplier	Supplier background	Service purchased	Credit periods	Payment method	Length of business relationship	Purchase amount (RMB'000)	% of total purchases
<i>For the six months ended June 30, 2026</i>							
Supplier C	A company incorporated in 2006 in China primarily providing CRO services, listed on the Shenzhen Stock Exchange	R&D and manufacturing services	Within 60 days	Bank transfer	Since 2022	2,656	10.1%
Supplier H	A company incorporated in 2011 in China primarily providing SMO services, a wholly owned subsidiary of a listed company on the Shenzhen Stock Exchange	R&D services	Within 30-60 days	Bank transfer	Since 2024	2,460	9.4%
Supplier B	A company incorporated in 2010 in China primarily providing research services	R&D services	Within 30 days	Bank transfer	Since 2022	1,600	6.1%
Supplier D	A company incorporated in 2011 in China primarily providing research services	R&D services	Within 30 days	Bank transfer	Since 2021	1,346	5.1%
Supplier E	A company incorporated in 2000 in China primarily providing CRO services, listed on both the Stock Exchange and the Shanghai Stock Exchange	R&D and manufacturing services	Within 30 days	Bank transfer	Since 2020	1,326	5.0%
Total						9,388	35.7%

To monitor the quality of supplies, we implement rigorous supplier qualification and selection standards. We verify the qualifications, licenses and permits of our suppliers each time before entering into procurement agreements. For suppliers of raw materials and key equipment, we also conduct rigorous audits prior to procurement. We maintain a list of qualified key suppliers, which is subject to regular review and update. To the best of our knowledge, (i) all of our five largest suppliers for each period during the Track Record Period are 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 as of the Latest Practicable Date has any interest in any of our five largest suppliers for each period during the Track Record Period.

BUSINESS

CUSTOMER

During the Track Record Period, our revenue was primarily derived from technology transfer related to a preclinical program. Revenue from the technology transfer is recognized at the point in time when control of the services is transferred to the customer, generally when the performance obligation is satisfied. For further details, see “Financial Information — Description of Selected Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income — Revenue.” During the Track Record Period, we had only one customer. For the years ended December 31, 2024 and 2025 and for the six months ended June 30, 2026, revenue generated from this customer for each period amounted to RMB0.9 million, RMB0.5 million and nil, representing approximately 100.0%, 100.0% and nil of our total revenue for the same period, respectively. The following table sets forth details of our customer during the Track Record Period:

Customer	Customer background	Product sold	Credit periods	Payment method	Length of business relationship	Revenue contribution (RMB'000)	% of total revenue
<i>For the year ended December 31, 2024</i>							
Customer A . . .	A company incorporated in 2020 in China primarily engaged in R&D manufacturing, with a registered capital of RMB50 million	Technology transfer	Within 15 days	Bank transfer	Since 2024	943.0	100.0%
Total . . .						943.0	100.0%
<i>For the year ended December 31, 2025</i>							
Customer A . . .	A company incorporated in 2020 in China primarily engaged in R&D manufacturing, with a registered capital of RMB50 million	Technology transfer	Within 15 days	Bank transfer	Since 2024	509.0	100.0%
Total . . .						509.0	100.0%

To the best of our knowledge, (i) all of our five largest customers for each period during the Track Record Period are 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 as of the Latest Practicable Date has any interest in any of our five largest customers for each period during the Track Record Period.

COMPETITION

The biopharmaceutical market is dynamic and highly competitive. While we believe our R&D capabilities position us favorably, we face competition from international and domestic biopharmaceutical companies, specialty pharmaceutical and biotechnology firms, as well as academic and research institutions. Key competitive factors include the efficacy and safety of drug candidates, manufacturing efficiency, and commercialization capabilities. Competition is expected to intensify as additional players enter the market, and any products we develop will compete with existing and future therapies. For insights into the potential impact of market competition, please see “Risk Factors — Key Risks Relating to Our Business, Business Operations, Intellectual Property Rights and Financial Prospects — We face substantial competition and our competitors may discover, develop or commercialize competing drugs faster or more successfully than we do.”

BUSINESS

EMPLOYEES

As of the Latest Practicable Date, we had a total of 156 full-time employees, all of whom were based in China. The following table sets forth a breakdown of our employees categorized by function as of the Latest Practicable Date:

Function	Number	Percentage
Research and development	72	46.2%
Sales and Marketing	57	36.5%
Manufacturing and Quality Management	12	7.7%
General and Administrative	15	9.6%
Total	156	100.0%

Relationship with employees

Our success depends significantly on the expertise and contributions of our employees. We recruit talent primarily through online platforms and recruiting websites, focusing on highly engaged and motivated professionals committed to advancing innovative therapies in oncology and autoimmune diseases. We continue to expand our talent pool to support future development and believe that the departure of any single key management or R&D personnel would not materially or adversely affect our operations. In compliance with PRC labor laws, we enter into standard labor and confidentiality agreements with our employees covering matters such as compensation, benefits, workplace safety, confidentiality, non-compete obligations, work product assignment, and termination. These agreements require employees to safeguard our commercial and technical secrets, and any intellectual property developed during employment—or within one year after departure and related to their duties—belongs to us. We maintain high standards in talent selection and provide competitive compensation packages, including salary, bonuses based on performance reviews, share incentives, and promotion opportunities. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material labor disputes or strikes that had a material adverse effect on our business, financial condition, or results of operations.

Training and development

We provide our employees with diverse professional development opportunities and foster a performance-driven environment to promote retention and engagement. Given our emphasis on integrated in-house R&D capabilities, we place significant importance on developing internal talent. To maintain and enhance the knowledge and skill levels of our workforce, we offer continuing education and training programs covering technical, professional, and management capabilities, as well as periodic training to ensure compliance with our policies and procedures.

Employee benefits

We are committed to providing safe working conditions and treating all employees with care and respect. We offer competitive compensation packages and participate in government-mandated employee benefit plans, including pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing provident fund contributions.

During the Track Record Period, we engaged a third-party human resources agency to make social insurance and housing provident fund contributions on our behalf for certain employees, primarily because such employees preferred to have their contributions made at their respective places of residence for the convenience of accessing the relevant benefits locally. The aggregate social insurance and housing provident fund contributions made through the agency amounted to RMB0.9 million, RMB0.6 million and RMB26 thousand in each period during the Track Record Period. Pursuant to our arrangement with the agency, the agency was required to make the relevant contributions in full and on time. Based on the relevant payment records and the confirmation provided by the agency, all such contributions were made in full and on time during the Track Record Period and until we ceased the arrangement in April 2026.

BUSINESS

As advised by our PRC Legal Adviser, applicable PRC laws and regulations require an employer to complete the requisite social insurance registration and housing provident fund contribution registration and account establishment procedures for its employees, and to make the relevant contributions in its own name and under its own accounts. Accordingly, the engagement of the third-party human resources agency to make such contributions did not strictly comply with applicable PRC laws and regulations. Our PRC Legal Adviser has further advised us that PRC laws and regulations at the national level do not expressly prescribe any standalone administrative penalty solely for an employer's engagement of a third-party agency to make such contributions. However, if the competent authorities were to regard the arrangement as our failure to complete the requisite registrations or establish the relevant accounts in our own name, we could be ordered to rectify such non-compliance within a prescribed period. If we failed to do so, we could be subject to a fine ranging from one to three times the amount of social insurance contributions payable in respect of the failure to complete social insurance registration. Based on the amount of the relevant social insurance and housing provident fund contributions, the maximum aggregate amount of administrative fines that could be imposed on us under the foregoing provisions would be approximately RMB3.1 million as of June 30, 2026. Our PRC Legal Adviser has confirmed that no applicable local laws or regulations impose any additional administrative penalty in connection with the arrangement.

In April 2026, we ceased the arrangement and have since made social insurance and housing provident fund contributions directly for all relevant employees in our own name and under our own accounts. As of the Latest Practicable Date, we had not received any notice, order or request for rectification, supplementary contribution, late payment surcharge or penalty from the competent authorities, had not been subject to any administrative penalty in connection with the arrangement, and were not aware of any complaint, arbitration, litigation or other material dispute raised by any relevant employee in connection with the arrangement. In view of (i) all relevant contributions having been made in full and on time, (ii) the absence of any employee complaint or governmental notice, order or penalty, and (iii) the cessation of the arrangement, our PRC Legal Adviser is of the view that the likelihood of us being subject to any material administrative penalty in connection with the arrangement is remote.

In addition, we did not make social insurance and housing provident fund contributions for one foreign employee, for whom we instead purchased commercial insurance in the PRC. As of June 30, 2026, the aggregate contribution shortfall amounted to approximately RMB0.7 million. As advised by our PRC Legal Adviser, PRC laws and regulations do not prescribe a fixed rectification period; any such period would be specified by the competent authority in a rectification order. As of the Latest Practicable Date, we had not received any such order and, accordingly, no rectification period had commenced and no late payment surcharge or administrative fine had been imposed on us. If we are ordered to rectify the shortfall, we may be required to pay a late payment surcharge at 0.05% per day on the outstanding social insurance contributions from their respective due dates. If we make the required payment within the period specified in the rectification order, no administrative fine will be imposed; otherwise, the maximum administrative fine would be three times the outstanding social insurance contributions, amounting to approximately RMB1.2 million. As of the Latest Practicable Date, no administrative actions, fines, or penalties have been imposed on us in relation to this matter. As of the Latest Practicable Date, we had not made provision for the contribution shortfall, potential late payment surcharge and the potential administrative fine as (i) we have ceased the engagement of third-party human resources agency for the contribution payment since April 2026 and made such contribution in full amount on our own, (ii) no rectification order had been received, and (iii) our PRC Legal Adviser considers the likelihood of such fine being imposed remote.

Save as disclosed above, we made adequate social insurance and housing fund contributions for all employees during the Track Record Period. During the Track Record Period, the Directors are of the view, and the PRC Legal Adviser agrees, that the relevant arrangements did not constitute any material non-compliance and would not have a material adverse impact on the Company's business operations or financial performance.

BUSINESS

INSURANCE

We maintain insurance policies that we believe are consistent with market practice and adequate for our business. These include all-risk property insurance and employer injury insurance covering adverse events in clinical trials and employee injuries during work hours, as well as medical mutual aid insurance for our employees. We also maintain social insurance for substantially all employees in accordance with applicable PRC laws and regulations. Our Directors believe that, and our industry consultant concurs, our insurance coverage adequately protects our key assets, facilities, and liabilities and is in line with industry practice in the PRC. According to Frost & Sullivan, biotechnology companies in the PRC typically maintain insurance coverage relating to property risks and employee-related risks, such as property insurance and employer injury or work-related injury insurance, together with social insurance for employees in accordance with relevant PRC laws and regulations. According to Frost & Sullivan, based on publicly available information and industry practice in the PRC, our insurance coverage is generally in line with industry practice.

SOCIAL, HEALTH, WORK SAFETY AND ENVIRONMENTAL MATTERS

We recognize our responsibilities in environmental protection and social governance and are mindful of environmental, energy, climate-related, and workplace safety issues that may affect our operations. We are committed to complying with ESG reporting requirements upon [REDACTED]. Our Board has overall responsibility for overseeing and assessing ESG and climate-related risks and opportunities, setting ESG-related targets, adopting relevant policies, and reviewing the Group’s ESG performance.

ESG Oversight

We have established an ESG working group to coordinate and oversee ESG-related matters and formulated corresponding working rules to guide our ESG management and sustainable development practices. The ESG working group is responsible for, among other things, (i) regularly communicating with and reporting to the Board and senior management on ESG risk management, objectives, plans and implementation progress; (ii) formulating and reviewing our environmental, social and governance framework, strategies, policies and procedures, and facilitating the implementation of ESG policies approved by the Board; (iii) organizing and coordinating the implementation of ESG-related initiatives and periodically assessing ESG-related risks and the effectiveness of our internal control systems; (iv) coordinating with external professional advisers in the preparation and review of our ESG reports to ensure the timeliness, completeness and accuracy of ESG-related disclosures; (v) conducting materiality assessments in relation to ESG matters and providing recommendations to the Board on improvements to our ESG policies and practices; (vi) supervising and guiding various departments in implementing ESG policies and conducting performance assessments in relation to ESG management; and (vii) promoting ESG-related initiatives within the Company, including environmental protection, emissions reduction and community engagement activities.

The ESG Working Group convenes on a semi-annual basis to review our ESG performance, policies and established targets and assess emerging risks. ESG performance is monitored through a dashboard of key performance indicators, with any material deviations promptly escalated to responsible departments for timely remediation. Reports on ESG progress are submitted to the Board at least annually. In setting ESG targets, we take into account historical performance baselines, applicable regulatory requirements, industry peer benchmarks, and internationally recognized standards. We may also engage external ESG consultants periodically to provide independent assessments and benchmarking support to ensure continued alignment with best practices.

BUSINESS

ESG-related Risk Assessment and Management

We routinely conduct materiality assessment internally to identify potential ESG issues that are applicable to our Group. We also communicate with external stakeholders from time to time, including regulatory agencies, Shareholders, and customers and suppliers. We assess the materiality of ESG issues by considering factors including regulatory frameworks, stakeholder priorities, and the impact of such issues on our business operations, financial performance and development sustainability. The results of the assessment are presented to the Board for review and confirmation. We are subject to ESG-related risks. See “Risk Factors — Risks Relating to Our Operations”.

During the Track Record Period, we were not involved in any manufacturing activities. We conducted our R&D activities in our Hangzhou facility. During the Track Record Period and up to the Latest Practicable Date, we have not received any fines or penalties associated with the breach of any environmental laws or regulations. To the best knowledge and belief of our Directors, we are not subject to material environmental liability risk and will not incur material compliance costs in the future. To promote sustainable development, we have identified potential physical risks and transition risks from climate change. Acute physical risk can arise from extreme weather conditions such as storms and flooding, which may have potential financial implications for us due to direct damage of assets, delay of our drug pipeline R&D progress, disruption of operations, or even threaten the personal safety of employees. Meanwhile, sustained elevated temperature resulting from chronic physical risk may increase the electricity consumption and thus the operating expenditure. In order to prevent these situations in advance, we always pay attention to catastrophic weather, strengthen our contingency plans for extreme weather, and make timely adjustments according to temperature and weather conditions to ensure smooth transportation. Also, we adopted an array of measures in managing our energy consumption. During the Track Record Period, we were not affected by the above risks and our exposure to these potential risks is relatively low based on our analysis.

We will adopt various strategies and measures to identify, assess, manage and mitigate environmental, social and climate-related risks, including but not limited to: reviewing and assessing the ESG reports of similar companies in the industry to ensure that all relevant ESG-related risks are identified on a timely basis; discussing among management from time to time to ensure all the material ESG areas are recognized and reported; discussing with key stakeholders on key ESG principles and practices to ensure that the significant aspects are covered; and organising a specific ESG risk management process to identify and consider ESG risks and opportunities separate from other business risks and opportunities.

Environmental Protection

We currently rely on CDMOs to manufacture certain drug candidates for research and development purposes, resulting in minimal air emissions, wastewater, biological solid waste, or other hazardous waste. To ensure compliance with applicable environmental laws and standards, we have established internal policies for environmental risk prevention, including strict adherence to GMP requirements and pollutant emission standards, as well as periodic environmental assessments covering exhaust gas emissions, hazardous waste disposal, noise, and wastewater emissions.

When selecting our third-party contractors, including CROs and CDMOs, and determining whether to renew the collaboration we assess their procedures for handling hazardous materials and wastes. Our assessment includes evaluating their environmental compliance history and existing hazardous material management systems. Our collaborated CDMOs and CROs maintain internal policies and procedures governing the handling, use, storage, treatment and disposal of hazardous materials and waste generated in the course of research, testing and manufacturing activities. Hazardous waste generated in the course of our preclinical and clinical development activities conducted by these service providers is handled and disposed of in accordance with applicable environmental laws and regulations. Such service providers are required to engage licensed hazardous waste disposal service providers holding the relevant hazardous waste operation permits issued by competent environmental authorities. Hazardous waste generated during research, testing

BUSINESS

and manufacturing activities is subject to classification, collection and temporary storage in designated facilities before being transferred to qualified third-party disposal providers for centralized treatment. The storage, transfer and disposal of hazardous waste are recorded and reported through applicable environmental supervision systems, and personnel involved in the handling, storage and transportation of hazardous waste are required to receive appropriate safety training and adopt necessary occupational protection measures.

- Wastewater treatment: Wastewater generated from equipment cleaning, purified water preparation, condensate, etc., is pretreated at our self-built sewage treatment plant before being combined with domestic wastewater for further treatment. Waste liquids from quality testing are classified as hazardous waste and are collected and disposed of by qualified units.
- Solid waste and other hazardous waste treatment: Household waste is collected and disposed of by sanitation services. Hazardous waste is collected and then entrusted to qualified units for disposal.
- Air pollution treatment: Air pollution undergoes alkali scrubbing and activated carbon adsorption at our self-built emission treatment facilities before being discharged into the atmosphere at high altitude.

During the Track Record Period and up to the Latest Practicable Date, we had not received any fines or penalties associated with the breach of any environmental laws or regulations. To the best knowledge and belief of our Directors, we are not subject to material environmental liability risk and will not incur material compliance costs in the future.

Resource Consumption

In pursuit of our sustainable development objectives, we rigorously oversee our environmental protection performance across various domains, including resource efficiency and energy consumption. We closely monitor our electricity and water consumption levels and actively implement strategies to enhance energy efficiency and promote water conservation.

	Year Ended December 31,		Six Months Ended June 30,
	2024	2025	2026
Resource consumption			
Electricity (<i>MWh</i>)			
– Total amount	405.1	464.1	208.9
Water (<i>ton</i>)			
– Total amount	1,178	1,288	944
Emission			
Hazardous solid waste (<i>ton</i>)			
– Total amount	1.5	1.3	0.5
Hazardous water waste (<i>ton</i>)			
– Total amount	1	2.2	0.4

Following the ESG evaluation system standards in the PRC and the prevailing market practice adopted by industry pioneers, we aim to avoid or reduce the adverse environmental impacts arising from our operations. Upon [REDACTED], our Board will, at the beginning of each financial year, set targets for material ESG KPIs in accordance with the disclosure requirements under Appendix C2 to the Listing Rules and other applicable rules and regulations, including relevant national and industry environmental standards. Such KPI targets will be reviewed on an annual basis under the direct supervision of our Directors and senior management to ensure that they remain appropriate and aligned with the operational needs of our Company. In formulating these ESG-related KPI targets, we have taken into account our historical levels of resource consumption and waste

BUSINESS

discharge during the Track Record Period and have prudently considered our expected business expansion plans, with a view to striking an appropriate balance between business growth and environmental protection. We will continue to devote efforts to achieving our target of reducing our electricity and water consumption, as well as hazardous waste discharge, per thousand dollars of total manufacturing costs by 5% over the next three years.

Climate change

We believe that our business is not materially susceptible to the effects of climate change, and we do not expect potential climate-related regulatory changes in the PRC to adversely affect our operations. Nevertheless, we remain attentive to climate-related risks and have formulated contingency plans to mitigate the impact of extreme weather events such as hurricanes and rainstorms. As of the Latest Practicable Date, climate change or extreme weather conditions had not had a material impact on our business operations or financial performance.

Preclinical and Clinical Study

We have implemented a series of measures to enhance laboratory and clinical trial safety while ensuring compliance with applicable regulations. These include establishing internal policies and procedures covering the full lifecycle of drug development, from preclinical studies to clinical trials; implementing guidelines on employee health and safety, environmental protection, and laboratory operational safety; monitoring and recording adverse events (AEs) during clinical trials; analyzing collected AEs to assess safety risks; and reporting serious adverse events (SAEs) and potential safety concerns in accordance with regulatory requirements.

Animal Welfare and Patient Safety

Ethics form an essential component of our pharmaceutical R&D management framework. We strictly comply with applicable laws, regulations and ethical standards, including the World Medical Association's Declaration of Helsinki and the Regulations for the Administration of Laboratory Animals. Our objective is to protect the legitimate rights and interests of human subjects and to ensure the welfare of laboratory animals. We comprehensively safeguard the rights of clinical trial participants, including their rights to informed consent, privacy and drug-use safety. All clinical trials are conducted in accordance with applicable regulatory requirements and based on informed consent from the participants. Meanwhile, we fully consider the welfare of laboratory animals involved in our experiments. We typically engage CROs to conduct animal studies, and the CROs we engaged have obtained certification from the Association for Assessment and Accreditation of Laboratory Animal Care. This certification promotes compliance with key regulations regarding animal welfare, including the humane treatment of all animals, the promotion of psychological well-being, access to adequate veterinary care, ethical reviews of research protocols, proper training for personnel involved in animal care, and ongoing compliance monitoring to uphold high standards of animal welfare throughout the research process.

Workplace Safety

We are committed to maintaining a safe and healthy working environment for our employees and clinical trial participants. We have implemented a series of rules, standard operating procedures, and safety measures, including those required under GMP standards, to promote workplace safety and employee well-being. Our policies emphasize safe practices, accident prevention, and incident reporting, and we ensure that clinical trial participants are adequately informed of safety matters throughout their participation. During the Track Record Period and up to the Latest Practicable Date, we did not experience any major workplace accidents. We have established laboratory safety guidelines covering the handling, storage, treatment, and disposal of hazardous materials; provide regular safety training, including fire safety sessions; maintain employee health records and conduct occupational health examinations where applicable; and carry out routine fire safety inspections, maintain firefighting equipment, and organize emergency drills to enhance preparedness.

BUSINESS

Workplace Diversity

Within our Company, we are steadfast in our commitment to fostering an open and inclusive workplace that champions equality. We adhere to a corporate policy of hiring employees based solely on their merits, offering equal opportunities regardless of gender, age, race, religion, or any other social or personal characteristics. As of the Latest Practicable Date, 51.9% of our total employees were female. Our employee management system operates on principles of fairness and transparency, and we actively work to enhance gender and age diversity within our workforce.

PROPERTIES

We are headquartered in Hangzhou, Zhejiang Province. We own properties in Shaoxing, Zhejiang Province and we lease properties in Hangzhou, Changsha, Zhengzhou and Shaoxing.

The Property Valuation Report from Jones Lang LaSalle Corporate Appraisal and Advisory Limited (“JLL”) set out in Appendix III to this document, sets out details of our selective property interest as of June 30, 2026. JLL valued this property interest at an amount of RMB85.9 million as of June 30, 2026. Except for the property interest set forth in the property valuation report from JLL, no single property interest that forms part of our non-property activities had a carrying amount representing 15% or more of our total assets as of June 30, 2026.

Owned Properties

As of the Latest Practicable Date, we owned one land use right of one parcel of land in Shaoxing, Zhejiang Province with a site area of 33,461 sq.m. We intend to use this premise as our manufacturing facility for pharmaceuticals. We expect to complete the construction of our manufacturing facility by 2027 and to commence production by 2029. As of the Latest Practicable Date, we had obtained the relevant construction land planning permit (建設用地規劃許可證), construction planning permit (建設工程規劃許可證) and construction permit (建築工程施工許可證) from the government authorities for such property under construction. Based on the foregoing, our PRC Legal Advisors are of the view that as of the Latest Practicable Date, we have obtained the necessary construction permits and approvals for our ongoing projects in PRC.

Leased Properties

As of the Latest Practicable Date, we leased 4 property with an aggregate GFA of approximately 5,347.83 sq.m. from Independent Third Parties as our office, R&D centers and correspondence premises in the PRC. The relevant lease agreements provide a duration of up to 5 years. The following table sets forth the details of our leased properties as of the Latest Practicable Date:

Location	Usage	GFA (sq.m.)	Lease Term
Hangzhou, the PRC	Offices and R&D	5,114.24	March 1, 2026 – March 31, 2027
Changsha, the PRC	Correspondence	58.97	June 7, 2026 – June 6, 2028
Zhengzhou, the PRC	Correspondence	85.16	May 14, 2026 – May 13, 2028
Shaoxing, the PRC	Correspondence	89.46	August 1, 2026 – July 31, 2027

BUSINESS

AWARDS AND RECOGNITION

The table below sets forth a summary of the major awards and recognition we received.

Year(s) of Grant	Award/Recognition	Issuing Authority
2026	Hangzhou “New Eaglet” Enterprise (杭州市「新雛鷹」企業)	Hangzhou Municipal Bureau of Science and Technology (杭州市科學技術局)
2025-2026	Zhejiang Provincial Specialized, Refined, Distinctive and Innovative Small and Medium-sized Enterprise (浙江省專精特新中小企業)	Department of Economy and Information Technology of Zhejiang Province
2025	Zhejiang Province “Rising Tech Dragon” Enterprise (浙江省「科技新小龍」企業)	Zhejiang High-Tech Enterprise Association, Zhejiang Venture Capital Association, Zhejiang Business Magazine, Zhejiang Science and Technology Publicity and Education Center, Zhejiang Bureau of Xinhua News Agency’s News Information Center, Zhejiang Bankers Association, Zhejiang Branch of Xinhua Net Co., Ltd., and Zhejiang Alliance for the Commercialization of Scientific and Technological Achievements
2025-2026	Top 100 Future Unicorn Enterprises in Zhejiang (浙江未來獨角獸企業TOP100)	All Blossom Conference (萬物生長大會組委會)
2022-2026	Quasi-Unicorn Enterprises in Hangzhou (杭州市準獨角獸企業)	Hangzhou Venture Capital Association (杭州市創業投資協會) and WeLink (微鏈)
2024	Hangzhou Municipal Enterprise High and New Technology Research and Development Center (杭州市企業高新技術研究開發中心)	The Bureau of Science and Technology of Yuhang District, Hangzhou (杭州市餘杭區科學技術局)
2022	Hangzhou “Young Eagle Program” Enterprise (杭州市「雛鷹計劃」企業)	Hangzhou Municipal Bureau of Science and Technology (杭州市科學技術局)

BUSINESS

LICENSES, PERMITS AND APPROVALS

During the Track Record Period and up to the Latest Practicable Date, as advised by our PRC Legal Advisor, we had obtained all material licenses and permits required for our business operations in the PRC, and such business licenses had remained in full effect. For more details regarding the laws and regulations to which we are subject, see “Regulatory Overview” in this document. We had not experienced any material difficulty in renewing such licenses, permits, approvals and certificates during the Track Record Period and up to the Latest Practicable Date, and we currently do not expect to have any material difficulty in renewing them when they expire, if applicable. During the Track Record Period and up to the Latest Practicable Date, no material unexpected or adverse changes that could adversely affect the maintenance and renewal of our material licenses, permits, approvals and certificates had occurred since the dates of issue of the relevant regulatory approvals for our business operation. The following table sets forth details of selected material licenses and permits obtained by our Group as of the Latest Practicable Date:

License/Permit	Holder	Date of Grant	Expiry Date
Drug Registration Approvals for Bezacitinib Tablets (4 mg and 16 mg)	Our Company	April 29, 2026	April 28, 2031
Drug Manufacturing License . . .	Our Company	November 28, 2025	May 21, 2029
Record of Purchase for Precursor Chemicals for Explosives	Our Company	N/A	N/A
Record of Purchase for Precursor Chemicals for Narcotics	Our Company	N/A	N/A
Business Registration Certificate	Our Company	December 10, 2025	N/A

LEGAL PROCEEDING AND COMPLIANCE

As of the Latest Practicable Date, there was no litigation, arbitration or administrative proceedings pending or threatened against the Company or any of our Directors which could have a material and adverse effect on the research and development of our drug candidates, our financial condition or results of operations. Potential future litigation or any other legal or administrative proceeding, regardless of the merit or outcome, is likely to result in substantial costs, diversion of our resources, and have a negative impact on our reputation and brand image, which in turn, would have negative impact on our business, financial condition, and results of operations.

We are committed to maintaining the highest standards of regulatory compliance in accordance with applicable laws and regulations governing our business operations. We are of the view that, during the Track Record Period and up to the Latest Practicable Date, we had complied, in all material respects, with all relevant laws and regulations in the jurisdictions we operate in, our Directors confirmed that, during the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any 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 Group’s business operations.

RISK MANAGEMENT AND INTERNAL CONTROL

We are committed to developing and maintaining a comprehensive risk management and internal control framework, supported by policies and procedures tailored to our business operations. We remain dedicated to continuously strengthening these systems to ensure their ongoing effectiveness.

BUSINESS

Risk Management

Effective risk management is fundamental to our business operations. Key operational risks include changes in market conditions and the regulatory environment for the biopharmaceutical industry, our ability to develop, manufacture, and commercialize drug candidates, and competition from other biopharmaceutical companies. We are also exposed to market risks, particularly credit and liquidity risks arising in the ordinary course of business. See “Risk Factors” and “Financial Information — Market Risk Disclosure” for further details. We have implemented comprehensive risk management policies to identify, assess, and monitor key risks in alignment with our strategic objectives. Management evaluates risks based on their likelihood and potential impact and implements mitigation measures as appropriate, with significant risks reported to our Directors. Our Board oversees the implementation of these risk management policies. The following key principles outline our Group’s approach to risk management and internal control we plan to implement:

- Our Audit Committee will oversee, evaluate and enhance our internal control system, including: (i) reviewing internal control and risk management policies and providing recommendations for improvement; (ii) engaging in discussions with management to assess the effectiveness of these policies and ensuring that management properly discharges its responsibilities in establishing effective controls; (iii) considering material internal control findings and evaluating the remediation measures taken by management; and (iv) monitoring potential employee misconduct relating to internal control and establishing procedures for investigating and addressing internal control-related complaints within the Company.
- Our Board will be responsible for: (i) formulating our risk management policy and reviewing major risk management matters of our Company; (ii) providing guidance to the relevant teams on our risk management approach; (iii) reviewing reports from the relevant teams on key risks and providing feedback; and (iv) overseeing the implementation of our risk management measures by the relevant teams.
- Our Risk Control and Management team bear responsibility for (i) establishing, operating, and supervising our risk management system; (ii) organizing and conducting risk assessment, summarizing and analyzing the assessment results, and compiling relevant risk information; (iii) organizing and coordinating cross-departmental risk management matters, and urging each department to take corresponding control activities for identified risks; and (iv) assisting relevant departments in formulating major risk response plans.

We consider that our Directors and members of our senior management possess the necessary knowledge and experience in providing good corporate governance oversight in connection with risk management and internal control.

Internal Control

Our Board is responsible for establishing our internal control system and reviewing its effectiveness. We have engaged an internal control consultant (the “**Internal Control Consultant**”) to perform certain agreed-upon procedures (the “**Internal Control Review**”) in connection with the internal control of our Company and our Shaoxing subsidiary in certain aspects, including entity-level controls of our Company, asset management, human resources and payroll management, general controls of IT system and other procedures of our operations. The Internal Control Consultant performed the Internal Control Review in November 2025, identified internal control deficiencies and provided recommendation accordingly. We have adopted the corresponding remediation actions to improve the effectiveness of internal control system. The Internal Control Consultant performed a follow-up review with regard to those actions taken by us and there are no

BUSINESS

further material findings identified in the process of the follow up review. 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 adopted various measures and procedures regarding each aspect of our business operation, such as related party transaction, risk management, environmental protection and occupational health and safety. For more information, see “— Social, Health, Work Safety and Environmental Matters” in this section. We provide periodic training about these measures and procedures to our employees as part of our employee training program.
- We provide a range of training programs to ensure that our employees remain informed about applicable laws, regulations and policies. New employees are required to attend compliance training shortly after joining the Company and must pass assessments designed to evaluate their understanding of the compliance matters covered. In addition, all employees are required to participate in regular on-site and online training sessions to stay updated on relevant legal and regulatory developments.
- We have established an audit committee which: (i) makes recommendations to our Directors on the appointment and removal of external auditors; and (ii) reviews our financial statements, advises on financial reporting matters and oversees the internal control procedures of our Group.
- We maintain strict anti-corruption policies and believe that, as a result, we will be less adversely affected by the increasingly stringent measures adopted by the PRC government to address corrupt practices in the biopharmaceutical industry.