

## APPENDIX I

## ACCOUNTANTS’ REPORT

*[To insert the firm’s letterhead]*

### ACCOUNTANTS’ REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF PROTELIGHT PHARMACEUTICALS (JIANGSU) CO., LTD. AND [CITIC SECURITIES (HONG KONG) LIMITED]

#### Introduction

We report on the historical financial information of ProteLight Pharmaceuticals (Jiangsu) Co., Ltd. (the “**Company**”) and its subsidiaries (together, the “**Group**”) set out on pages I-3 to I-[•], which comprises the consolidated statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended 31 December 2024 and 2025 and the six months ended 30 June 2026 (the “**Relevant Periods**”), and the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2024 and 2025 and 30 June 2026 and material accounting policy information and other explanatory information (together, the “**Historical Financial Information**”). The Historical Financial Information set out on pages I-3 to I-[•] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [Date] (the “**Document**”) in connection with the [REDACTED] of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

#### Directors’ responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

#### Reporting accountants’ responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants’ Reports on Historical Financial Information in Investment Circulars* as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants’ judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity’s preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants’ report, a true and fair view of the financial position of the Group and the Company as at 31 December 2024 and 2025 and 30 June 2026 and of the financial performance and cash flows of the Group for each of the Relevant Periods in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

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### Review of interim comparative financial information

We have reviewed the interim comparative financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six months ended 30 June 2025 and other explanatory information (the “**Interim Comparative Financial Information**”). The directors of the Company are responsible for the preparation and presentation of the Interim Comparative Financial Information in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Interim Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity as issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Interim Comparative Financial Information, for the purposes of the accountants’ report, is not prepared, in all material respects, in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

### Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

#### Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page [•] have been made.

#### Dividends

We refer to note 12 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods.

[•]  
*Certified Public Accountants*  
Hong Kong  
[•]

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### I. HISTORICAL FINANCIAL INFORMATION

#### Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants’ report.

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing as issued by the HKICPA (the “**Underlying Financial Statements**”).

The Historical Financial Information is presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

#### CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

|                                                                                                           | Notes | Year ended 31 December |                  | Six months ended 30 June |                 |
|-----------------------------------------------------------------------------------------------------------|-------|------------------------|------------------|--------------------------|-----------------|
|                                                                                                           |       | 2024                   | 2025             | 2025                     | 2026            |
|                                                                                                           |       | RMB’000                | RMB’000          | RMB’000<br>(Unaudited)   | RMB’000         |
| Revenue . . . . .                                                                                         | 5     | 5,194                  | 3,332            | 1,428                    | 2,192           |
| Cost of sales . . . . .                                                                                   |       | (3,020)                | (2,024)          | (840)                    | (1,142)         |
| Gross profit . . . . .                                                                                    |       | 2,174                  | 1,308            | 588                      | 1,050           |
| Other income and gains. . . . .                                                                           | 6     | 11,627                 | 14,193           | 2,135                    | 3,047           |
| Research and development expenses . . . . .                                                               |       | (80,725)               | (57,215)         | (25,713)                 | (24,412)        |
| Administrative expenses . . . . .                                                                         |       | (26,253)               | (32,126)         | (10,863)                 | (21,448)        |
| Selling and distribution expenses . . . . .                                                               |       | (5,876)                | (4,607)          | (2,799)                  | (2,540)         |
| Finance costs. . . . .                                                                                    | 8     | (58,432)               | (62,463)         | (29,307)                 | (40,135)        |
| Impairment loss on financial assets, net . . . . .                                                        |       | (297)                  | (510)            | (341)                    | (784)           |
| Other expenses. . . . .                                                                                   | 6     | (555)                  | (144)            | (13)                     | (18)            |
| LOSS BEFORE TAX . . . . .                                                                                 | 7     | (158,337)              | (141,564)        | (66,313)                 | (85,240)        |
| Income tax expenses . . . . .                                                                             | 11    | —                      | —                | —                        | —               |
| LOSS FOR THE YEAR/PERIOD . . . . .                                                                        |       | <u>(158,337)</u>       | <u>(141,564)</u> | <u>(66,313)</u>          | <u>(85,240)</u> |
| Attributable to:                                                                                          |       |                        |                  |                          |                 |
| Owners of the parent . . . . .                                                                            |       | <u>(158,337)</u>       | <u>(141,564)</u> | <u>(66,313)</u>          | <u>(85,240)</u> |
| LOSS PER SHARE ATTRIBUTABLE TO<br>ORDINARY EQUITY HOLDERS OF THE<br>PARENT. . . . .                       | 13    |                        |                  |                          |                 |
| Basic and diluted (RMB) . . . . .                                                                         |       | <u>(3.38)</u>          | <u>(2.98)</u>    | <u>(1.41)</u>            | <u>(1.65)</u>   |
| LOSS FOR THE YEAR/PERIOD . . . . .                                                                        |       | <u>(158,337)</u>       | <u>(141,564)</u> | <u>(66,313)</u>          | <u>(85,240)</u> |
| OTHER COMPREHENSIVE (LOSS)/INCOME .                                                                       |       |                        |                  |                          |                 |
| Other comprehensive (loss)/income that may be<br>reclassified to profit or loss in subsequent<br>periods: |       |                        |                  |                          |                 |
| Exchange differences on translation of foreign<br>operations . . . . .                                    |       | (18)                   | (29)             | 97                       | (36)            |
| OTHER COMPREHENSIVE (LOSS)/INCOME<br>FOR THE YEAR/PERIOD, NET OF TAX. . .                                 |       | <u>(18)</u>            | <u>(29)</u>      | <u>97</u>                | <u>(36)</u>     |
| TOTAL COMPREHENSIVE LOSS FOR THE<br>YEAR/PERIOD . . . . .                                                 |       | <u>(158,355)</u>       | <u>(141,593)</u> | <u>(66,216)</u>          | <u>(85,276)</u> |
| Attributable to:                                                                                          |       |                        |                  |                          |                 |
| Owners of the parent . . . . .                                                                            |       | <u>(158,355)</u>       | <u>(141,593)</u> | <u>(66,216)</u>          | <u>(85,276)</u> |

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### CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

|                                                                 |       | As at 31 December |           | As at 30 June |
|-----------------------------------------------------------------|-------|-------------------|-----------|---------------|
|                                                                 | Notes | 2024              | 2025      | 2026          |
|                                                                 |       | RMB'000           | RMB'000   | RMB'000       |
| NON-CURRENT ASSETS                                              |       |                   |           |               |
| Property, plant and equipment . . . . .                         | 14    | 113,466           | 107,330   | 104,433       |
| Right-of-use assets . . . . .                                   | 15    | 24,194            | 21,843    | 38,245        |
| Intangible assets . . . . .                                     | 16    | 67                | 429       | 560           |
| Prepayments, other receivables and other assets . . . . .       | 20    | 9,448             | 13,206    | 14,562        |
| Time deposits . . . . .                                         | 22    | 31,125            | —         | —             |
| Total non-current assets . . . . .                              |       | 178,300           | 142,808   | 157,800       |
| CURRENT ASSETS                                                  |       |                   |           |               |
| Inventories . . . . .                                           | 18    | 5,965             | 4,101     | 4,709         |
| Trade and bill receivables . . . . .                            | 19    | 2,466             | 1,608     | 1,629         |
| Prepayments, other receivables and other assets . . . . .       | 20    | 4,484             | 7,631     | 7,265         |
| Financial assets at fair value through profit or loss . . . . . | 21    | 10,048            | 147,555   | 42,037        |
| Pledged deposits . . . . .                                      | 22    | —                 | 160       | 3,192         |
| Time deposits . . . . .                                         | 22    | —                 | 31,996    | 32,437        |
| Cash and cash equivalents . . . . .                             | 22    | 31,738            | 63,091    | 34,050        |
| Total current assets . . . . .                                  |       | 54,701            | 256,142   | 125,319       |
| CURRENT LIABILITIES                                             |       |                   |           |               |
| Trade and bills payables . . . . .                              | 23    | 11,294            | 6,663     | 10,677        |
| Other payables and accruals . . . . .                           | 24    | 8,054             | 10,554    | 5,454         |
| Interest-bearing bank borrowings . . . . .                      | 25    | 39,920            | 70,047    | —             |
| Redemption liabilities on equity interests . . . . .            | 27    | 756,909           | 1,042,460 | 1,082,119     |
| Deferred income . . . . .                                       |       | —                 | 200       | 200           |
| Lease liabilities . . . . .                                     | 15    | 1,557             | 1,121     | 1,030         |
| Total current liabilities . . . . .                             |       | 817,734           | 1,131,045 | 1,099,480     |
| NET CURRENT LIABILITIES . . . . .                               |       | (763,033)         | (874,903) | (974,161)     |
| TOTAL ASSETS LESS CURRENT LIABILITIES . . . . .                 |       |                   |           |               |
|                                                                 |       | (584,733)         | (732,095) | (816,361)     |
| NON-CURRENT LIABILITIES . . . . .                               |       |                   |           |               |
| Deferred income . . . . .                                       |       | —                 | 1,517     | 1,417         |
| Lease liabilities . . . . .                                     | 15    | 3,166             | 1,603     | 1,081         |
| Total non-current liabilities . . . . .                         |       | 3,166             | 3,120     | 2,498         |
| Net liabilities . . . . .                                       |       | (587,899)         | (735,215) | (818,859)     |
| DEFICITS                                                        |       |                   |           |               |
| Deficits attributable to owners of the parent                   |       |                   |           |               |
| Paid-in capital/Share capital . . . . .                         | 28    | 46,905            | 51,534    | 51,534        |
| Deficits . . . . .                                              | 29    | (634,804)         | (786,749) | (870,393)     |
| Total deficits . . . . .                                        |       | (587,899)         | (735,215) | (818,859)     |

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### CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

#### Year ended 31 December 2024

|                                                                     | Paid-in capital | Capital reserve* | Share-based payment reserve* | Other reserve* | Exchange fluctuation reserve* | Accumulated losses* | Total deficits |
|---------------------------------------------------------------------|-----------------|------------------|------------------------------|----------------|-------------------------------|---------------------|----------------|
|                                                                     | RMB'000         | RMB'000          | RMB'000                      | RMB'000        | RMB'000                       | RMB'000             | RMB'000        |
| At 1 January 2024 . . . . .                                         | 46,905          | 569,667          | 10,108                       | (557,287)      | —                             | (503,264)           | (433,871)      |
| Loss for the year . . . . .                                         | —               | —                | —                            | —              | —                             | (158,337)           | (158,337)      |
| Other comprehensive loss for the year                               |                 |                  |                              |                |                               |                     |                |
| Exchange differences on translation of foreign operations . . . . . | —               | —                | —                            | —              | (18)                          | —                   | (18)           |
| Total comprehensive loss for the year . . . . .                     | —               | —                | —                            | —              | (18)                          | (158,337)           | (158,355)      |
| Equity-settled share-based payment (note 30) . . . . .              | —               | —                | 4,327                        | —              | —                             | —                   | 4,327          |
| At 31 December 2024 . . . . .                                       | 46,905          | 569,667          | 14,435                       | (557,287)      | (18)                          | (661,601)           | (587,899)      |

#### Year ended 31 December 2025

|                                                                     | Paid-in capital | Capital reserve* | Share-based payment reserve* | Other reserve* | Exchange fluctuation reserve* | Accumulated losses* | Total deficits |
|---------------------------------------------------------------------|-----------------|------------------|------------------------------|----------------|-------------------------------|---------------------|----------------|
|                                                                     | RMB'000         | RMB'000          | RMB'000                      | RMB'000        | RMB'000                       | RMB'000             | RMB'000        |
| At 1 January 2025 . . . . .                                         | 46,905          | 569,667          | 14,435                       | (557,287)      | (18)                          | (661,601)           | (587,899)      |
| Loss for the year . . . . .                                         | —               | —                | —                            | —              | —                             | (141,564)           | (141,564)      |
| Other comprehensive loss for the year                               |                 |                  |                              |                |                               |                     |                |
| Exchange differences on translation of foreign operations . . . . . | —               | —                | —                            | —              | (29)                          | —                   | (29)           |
| Total comprehensive loss for the year                               | —               | —                | —                            | —              | (29)                          | (141,564)           | (141,593)      |
| Capital injection from shareholders . .                             | 4,629           | 220,371          | —                            | —              | —                             | —                   | 225,000        |
| Share issue expenses . . . . .                                      | —               | (9,361)          | —                            | —              | —                             | —                   | (9,361)        |
| Redemption liabilities on equity interests (note 27) . . . . .      | —               | —                | —                            | (225,000)      | —                             | —                   | (225,000)      |
| Equity-settled share-based payment (note 30) . . . . .              | —               | —                | 3,638                        | —              | —                             | —                   | 3,638          |
| At 31 December 2025 . . . . .                                       | 51,534          | 780,677          | 18,073                       | (782,287)      | (47)                          | (803,165)           | (735,215)      |

#### Six months ended 30 June 2025 (unaudited)

|                                                                           | Paid-in capital | Capital reserve | Share-based payment reserve | Other reserve | Exchange fluctuation reserve | Accumulated losses | Total deficits |
|---------------------------------------------------------------------------|-----------------|-----------------|-----------------------------|---------------|------------------------------|--------------------|----------------|
|                                                                           | RMB'000         | RMB'000         | RMB'000                     | RMB'000       | RMB'000                      | RMB'000            | RMB'000        |
| At 1 January 2025 . . . . .                                               | 46,905          | 569,667         | 14,435                      | (557,287)     | (18)                         | (661,601)          | (587,899)      |
| Loss for the period (unaudited) . . . .                                   | —               | —               | —                           | —             | —                            | (66,313)           | (66,313)       |
| Other comprehensive income for the period (unaudited)                     |                 |                 |                             |               |                              |                    |                |
| Exchange differences on translation of foreign operations (unaudited) . . | —               | —               | —                           | —             | 97                           | —                  | 97             |
| Total comprehensive loss for the period (unaudited) . . . . .             | —               | —               | —                           | —             | 97                           | (66,313)           | (66,216)       |
| Equity-settled share-based payment (note 30) (unaudited) . . . . .        | —               | —               | 2,387                       | —             | —                            | —                  | 2,387          |
| At 30 June 2025 (unaudited) . . . . .                                     | 46,905          | 569,667         | 16,822                      | (557,287)     | 79                           | (727,914)          | (651,728)      |

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### Six months ended 30 June 2026

|                                                                        | Paid-in<br>capital/Share<br>capital | Capital<br>reserve/Share<br>premium* | Share-based<br>payment<br>reserve* | Other reserve*   | Exchange<br>fluctuation<br>reserve* | Accumulated<br>losses* | Total deficits   |
|------------------------------------------------------------------------|-------------------------------------|--------------------------------------|------------------------------------|------------------|-------------------------------------|------------------------|------------------|
|                                                                        | <i>RMB'000</i>                      | <i>RMB'000</i>                       | <i>RMB'000</i>                     | <i>RMB'000</i>   | <i>RMB'000</i>                      | <i>RMB'000</i>         | <i>RMB'000</i>   |
| At 1 January 2026 . . . . .                                            | 51,534                              | 780,677                              | 18,073                             | (782,287)        | (47)                                | (803,165)              | (735,215)        |
| Loss for the period. . . . .                                           | —                                   | —                                    | —                                  | —                | —                                   | (85,240)               | (85,240)         |
| Other comprehensive loss for<br>the period                             |                                     |                                      |                                    |                  |                                     |                        |                  |
| Exchange differences on translation<br>of foreign operations . . . . . | —                                   | —                                    | —                                  | —                | (36)                                | —                      | (36)             |
| Total comprehensive loss for<br>the period . . . . .                   | —                                   | —                                    | —                                  | —                | (36)                                | (85,240)               | (85,276)         |
| Equity-settled share-based payment<br>(note 30) . . . . .              | —                                   | —                                    | 1,632                              | —                | —                                   | —                      | 1,632            |
| At 30 June 2026 . . . . .                                              | <u>51,534</u>                       | <u>780,677</u>                       | <u>19,705</u>                      | <u>(782,287)</u> | <u>(83)</u>                         | <u>(888,405)</u>       | <u>(818,859)</u> |

\* These deficit accounts comprise the consolidated deficits of RMB634,804,000, RMB786,749,000 and RMB870,393,000 as at 31 December 2024 and 2025 and 30 June 2026, respectively.

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### CONSOLIDATED STATEMENTS OF CASH FLOWS

|                                                                                     |       | Year ended 31 December |            | Six months ended 30 June |            |
|-------------------------------------------------------------------------------------|-------|------------------------|------------|--------------------------|------------|
|                                                                                     |       | 2024                   | 2025       | 2025                     | 2026       |
|                                                                                     | Notes | RMB'000                | RMB'000    | RMB'000<br>(Unaudited)   | RMB'000    |
| CASH FLOWS FROM OPERATING ACTIVITIES                                                |       |                        |            |                          |            |
| ACTIVITIES                                                                          |       |                        |            |                          |            |
| Loss before tax                                                                     |       | (158,337)              | (141,564)  | (66,313)                 | (85,240)   |
| Adjustments for:                                                                    |       |                        |            |                          |            |
| Finance costs                                                                       | 8     | 58,432                 | 62,463     | 29,307                   | 40,135     |
| Foreign exchange differences, net                                                   | 6     | 421                    | (142)      | (13)                     | (33)       |
| Interest income                                                                     | 6     | (1,141)                | (989)      | (460)                    | (654)      |
| Gains on lease early termination                                                    | 6     | —                      | (53)       | —                        | —          |
| Fair value gains on financial assets at fair value through profit or loss (“FVTPL”) | 6     | (1,252)                | (301)      | (40)                     | (672)      |
| Equity-settled share-based payment                                                  | 30    | 4,327                  | 3,638      | 2,387                    | 1,632      |
| Depreciation of property, plant and equipment                                       | 14    | 6,666                  | 6,981      | 3,520                    | 3,490      |
| Depreciation of right-of-use assets                                                 | 15    | 1,822                  | 1,762      | 911                      | 963        |
| Amortisation of intangible assets                                                   | 16    | 66                     | 52         | 22                       | 55         |
| Amortisation of deferred income                                                     |       | —                      | —          | —                        | (100)      |
| Decrease/(increase) in inventories                                                  |       | 238                    | 1,864      | 567                      | (608)      |
| Decrease/(increase) in trade receivables                                            |       | 26                     | 858        | 822                      | (21)       |
| (Increase)/decrease in prepayments, other receivables and other assets              |       | (17)                   | (7,045)    | (513)                    | 931        |
| (Decrease)/increase in trade and bills payables                                     |       | (5,432)                | (4,631)    | (975)                    | 4,014      |
| Increase/(decrease) in other payables and accruals                                  |       | 1,301                  | 2,537      | (5,822)                  | (3,364)    |
| Increase in deferred income                                                         |       | —                      | 1,717      | —                        | —          |
| Placement of pledged deposits                                                       |       | —                      | (160)      | —                        | (1,347)    |
| Net cash flows used in operating activities                                         |       | (92,880)               | (73,013)   | (36,600)                 | (40,819)   |
| CASH FLOWS FROM INVESTING ACTIVITIES                                                |       |                        |            |                          |            |
| ACTIVITIES                                                                          |       |                        |            |                          |            |
| Purchase of intangible assets                                                       |       | —                      | (414)      | —                        | (186)      |
| Purchase of property, plant and equipment                                           |       | (12,373)               | (1,003)    | (104)                    | (593)      |
| Purchase of land use right                                                          |       | —                      | —          | —                        | (17,365)   |
| Purchase of financial assets at FVTPL                                               |       | —                      | (373,500)  | (35,000)                 | (224,000)  |
| Redemption of financial assets at FVTPL                                             |       | 76,360                 | 236,246    | 45,088                   | 330,190    |
| Placement of pledged deposits                                                       |       | —                      | —          | —                        | (1,685)    |
| Net cash flows from investing activities                                            |       | 63,987                 | (138,671)  | 9,984                    | 86,361     |
| CASH FLOWS FROM FINANCING ACTIVITIES                                                |       |                        |            |                          |            |
| ACTIVITIES                                                                          |       |                        |            |                          |            |
| Capital injection from shareholders                                                 |       | —                      | 225,000    | —                        | —          |
| Share issue expenses                                                                |       | —                      | (9,361)    | —                        | —          |
| New bank borrowings                                                                 |       | 39,890                 | 69,990     | 40,000                   | 10,000     |
| Repayment of bank borrowings                                                        |       | —                      | (39,890)   | (19,990)                 | (80,047)   |
| Interest paid                                                                       |       | (526)                  | (1,736)    | (707)                    | (421)      |
| Payment for [REDACTED] expense                                                      |       | [REDACTED]             | [REDACTED] | [REDACTED]               | [REDACTED] |
| Payment for lease liabilities                                                       |       | (1,407)                | (1,506)    | (852)                    | (668)      |
| Net cash flows from/(used in) financing activities                                  |       | 37,957                 | 242,497    | 18,451                   | (74,766)   |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS                                |       |                        |            |                          |            |
|                                                                                     |       | 9,064                  | 30,813     | (8,165)                  | (29,224)   |
| Cash and cash equivalents at the beginning of year/period                           |       | 23,114                 | 31,738     | 31,738                   | 63,091     |
| Effect of foreign exchange rate changes, net                                        |       | (440)                  | 540        | 36                       | 183        |
| CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD                                     | 22    | 31,738                 | 63,091     | 23,609                   | 34,050     |

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### STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

|                                                                 | Notes | As at 31 December |           | As at 30 June |
|-----------------------------------------------------------------|-------|-------------------|-----------|---------------|
|                                                                 |       | 2024              | 2025      | 2026          |
|                                                                 |       | RMB'000           | RMB'000   | RMB'000       |
| NON-CURRENT ASSETS                                              |       |                   |           |               |
| Property, plant and equipment . . . . .                         | 14    | 106,841           | 102,121   | 99,596        |
| Right-of-use assets . . . . .                                   | 15    | 19,161            | 18,707    | 18,480        |
| Intangible assets . . . . .                                     | 16    | 67                | 429       | 517           |
| Investments in subsidiaries . . . . .                           | 17    | 48,819            | 168,919   | 168,938       |
| Prepayments, deposits and other receivables . . . . .           | 20    | 8,847             | 12,912    | 14,444        |
| Time deposits . . . . .                                         | 22    | 31,125            | —         | —             |
| Total non-current assets . . . . .                              |       | 214,860           | 303,088   | 301,975       |
| CURRENT ASSETS                                                  |       |                   |           |               |
| Inventories . . . . .                                           | 18    | 3,061             | 1,582     | 2,189         |
| Trade and bill receivables . . . . .                            | 19    | 511               | —         | —             |
| Prepayments, other receivables and other assets . . . . .       | 20    | 22,952            | 32,445    | 35,182        |
| Financial assets at fair value through profit or loss . . . . . | 21    | 10,048            | 97,553    | 42,037        |
| Pledged deposits . . . . .                                      | 22    | —                 | 160       | 1,507         |
| Time deposits . . . . .                                         | 22    | —                 | 31,996    | 32,437        |
| Cash and cash equivalents . . . . .                             | 22    | 27,539            | 18,085    | 20,076        |
| Total current assets . . . . .                                  |       | 64,111            | 181,821   | 133,428       |
| CURRENT LIABILITIES                                             |       |                   |           |               |
| Trade and bills payables . . . . .                              | 23    | 17,662            | 19,383    | 15,260        |
| Other payables and accruals . . . . .                           | 24    | 5,819             | 47,349    | 111,745       |
| Interest-bearing bank borrowings . . . . .                      | 25    | 39,920            | 70,047    | —             |
| Redemption liabilities on equity interest . . . . .             | 27    | 756,909           | 1,042,460 | 1,082,119     |
| Deferred income . . . . .                                       |       | —                 | 200       | 200           |
| Total current liabilities . . . . .                             |       | 820,310           | 1,179,439 | 1,209,324     |
| NET CURRENT LIABILITIES . . . . .                               |       | (756,199)         | (997,618) | (1,075,896)   |
| TOTAL ASSETS LESS CURRENT LIABILITIES . . . . .                 |       |                   |           |               |
|                                                                 |       | (541,339)         | (694,530) | (773,921)     |
| NON-CURRENT LIABILITIES . . . . .                               |       |                   |           |               |
| Deferred income . . . . .                                       |       | —                 | 1,517     | 1,417         |
| Total non-current liabilities . . . . .                         |       | —                 | 1,517     | 1,417         |
| Net liabilities . . . . .                                       |       | (541,339)         | (696,047) | (775,338)     |
| DEFICITS                                                        |       |                   |           |               |
| Paid-in capital/Share capital . . . . .                         | 28    | 46,905            | 51,534    | 51,534        |
| Deficits . . . . .                                              | 29    | (588,244)         | (747,581) | (826,872)     |
| Total deficits . . . . .                                        |       | (541,339)         | (696,047) | (775,338)     |

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### NOTES TO THE HISTORICAL FINANCIAL INFORMATION

#### 1. CORPORATE INFORMATION

ProteLight Pharmaceuticals (Jiangsu) Co., Ltd. (the “**Company**”) was a limited company registered in the People’s Republic of China (the “**PRC**”) on 8 April 2009. The registered office address of the Company is No. 1, Anquan Road, Chengdong Sub-district, Jiangyin High-tech Industrial Development Zone, Jiangyin, Jiangsu, the PRC. The Company was converted into to a joint stock company on 29 January 2026.

During the Relevant Periods, the Company and its subsidiaries were principally engaged in the research and development, manufacture and sale of pharmaceutical products.

As at the date of this report, the Company had direct and indirect interests in its subsidiaries, all of which are private limited liability companies. The subsidiaries are as follows:

| Name                                                                                     | Place and date of registration/incorporation and place of operations | Issued ordinary share/registered share capital | Percentage of equity attributable to the Company |          | Principal activities                                               |
|------------------------------------------------------------------------------------------|----------------------------------------------------------------------|------------------------------------------------|--------------------------------------------------|----------|--------------------------------------------------------------------|
|                                                                                          |                                                                      |                                                | Direct                                           | Indirect |                                                                    |
| Changchun ProteLight Pharmaceutical & Biotechnology Co., Ltd.* (長春普萊醫藥生物技術有限公司) (note a) | PRC/Chinese mainland<br>27 September 2006                            | RMB9,400,000                                   | 100.00%                                          | —        | Research and development of pharmaceutical products                |
| Jiangsu Putai Pharmaceutical Technology Co., Ltd.* (江蘇普肽醫藥技術有限公司) (note a)               | PRC/Chinese mainland<br>14 July 2020                                 | RMB10,000,000                                  | 100.00%                                          | —        | Production and sale of daily-care products                         |
| Nanjing Denovo Pharmaceutical Technology Co., Ltd.* (南京蒂諾維醫藥科技有限公司) (note a)             | PRC/Chinese mainland<br>26 May 2020                                  | RMB10,000,000                                  | 100.00%                                          | —        | Research and development of pharmaceutical products                |
| Wuxi Ruiyi Pharmaceutical Co., Ltd.* (無錫銳益醫藥有限公司) (note b)                               | PRC/Chinese mainland<br>3 August 2020                                | RMB1,000,000                                   | —                                                | 100.00%  | Sale of daily-care products                                        |
| ProteLight Medicine Holdings (Hong Kong) Co., Limited. (普萊醫學控股(香港)有限公司) (note b)         | Hong Kong<br>10 February 2021                                        | Hong Kong dollar (“ <b>HKD</b> ”) 36,000,000   | 100.00%                                          | —        | Investing holding                                                  |
| ProteLight Pharmaceuticals (Australia) Pty Ltd. (note b)                                 | Australia<br>5 July 2021                                             | Australian Dollar (“ <b>AUD</b> ”) 6,000,000   | —                                                | 100.00%  | Research and development of pharmaceutical products                |
| Hangzhou Fuertai Biotechnology Co., Ltd.* (杭州孚爾泰生物科技股份有限公司) (note b)                     | PRC/Chinese mainland<br>25 November 2024                             | RMB500,000                                     | —                                                | 100.00%  | Sale of daily-care products                                        |
| UltraPep Biopharma (Zhejiang) Co., Ltd. * (臻泰生物製藥(浙江)有限公司) (note b)                      | PRC/Chinese mainland<br>15 October 2025                              | RMB130,000,000                                 | 100.00%                                          | —        | Production and research and development of pharmaceutical products |

*Notes:*

- (a) The statutory financial statements of these entities for the years ended 31 December 2024 and 2025 prepared in accordance with PRC Generally Accepted Accounting Principles were audited by Wuxi Dehengfang Certified Public Accountants Co., Ltd.
- (b) No audited statutory financial statements have been prepared for these entities since their incorporation/registration.
- \* The English names of the companies registered in the PRC referred to above in this note represent management’s best effort in translating the Chinese names of those companies as no English names have been registered or are available.

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### 2.1 BASIS OF PREPARATION

The Historical Financial Information have been prepared in accordance with HKFRS Accounting Standards which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations as issued by the HKICPA. All HKFRS Accounting Standards effective for the accounting period commencing from 1 January 2026, together with the relevant transitional provisions, have been consistently applied by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods and in the period covered by the Interim Comparative Financial Information.

The Historical Financial Information has been prepared under the historical cost convention, except for certain investments in financial products which have been measured at fair value through profit or loss. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

The Group incurred losses continually during the Relevant Periods and the six months ended 30 June 2025 due to the pre-revenue stage of its new drug research and development businesses. The Group recorded net current liabilities of RMB974,161,000 and net liabilities of RMB818,859,000 as at 30 June 2026, primarily due to the significant amount of the redemption liabilities on equity interests of RMB1,082,119,000 arising from the financing with redemption features from pre-[REDACTED] investors. The redemption liabilities on equity interests will not result in future cash payments within the next twelve months from 30 June 2026 because as set out in the paragraph headed “Special rights granted to the Pre-[REDACTED] Investors” in the document, pursuant to a supplemental agreement entered into by the Company, the redemption features ceased to be exercisable on the date immediately prior to the first submission of the [REDACTED] application to the Stock Exchange until the earlier of the following events: (i) the failure to obtain the [REDACTED] approval within 24 months after the first submission of the [REDACTED] application by the Company to the Stock Exchange; (ii) the rejection or return of the [REDACTED] application by the Stock Exchange or relevant regulatory authorities; (iii) the withdrawal of the [REDACTED] application; or (iv) the failure to consummate the [REDACTED] within the validity period of the [REDACTED] approval granted by the Stock Exchange. In this regard, the directors of the Company are of the opinion that the redemption liabilities on equity interests are not expected to be settled within the next twelve months from 30 June 2026.

The directors of the Company further assessed whether the Group has sufficient working capital to meet its present obligations, taking into account the financial resources available to the Group.

The Company has prudently prepared a backbone budget plan to advance all necessary Research & Development activities for its core products assuming the Company is unable to raise [REDACTED] from the [REDACTED]. Based on the rigorous review of the budget under the backbone scenario, the directors of the Company are satisfied that the Group would have sufficient working capital to meet its present obligations, taking into account the financial resources available to the Group for the next twelve months from 30 June 2026.

Based on the above factors, as well as the Group’s historical performance and management’s operating and financing plans, the directors of the Company concluded that it is appropriate to prepare the Historical Financial Information on a going concern basis, which contemplates the realisation of assets and settlement of liabilities in the normal course of business.

#### Basis of consolidation

The Historical Financial Information includes the financial statements of the Company and its subsidiaries for the Relevant Periods. A subsidiary is an entity, directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, and any non-controlling interest; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group’s share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

### 2.2 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended HKFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and amended HKFRS Accounting Standards, if applicable, when they become effective.

|                                    |                                                                                                          |
|------------------------------------|----------------------------------------------------------------------------------------------------------|
| HKFRS 18                           | <i>Presentation and Disclosure in Financial Statements<sup>1</sup></i>                                   |
| HKFRS 19 and its amendments        | <i>Subsidiaries without Public Accountability: Disclosures<sup>1</sup></i>                               |
| Amendments to HKFRS 10 and HKAS 28 | <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>3</sup></i> |
| Amendments to HKAS 21              | <i>Translation to a Hyperinflationary Presentation Currency<sup>1</sup></i>                              |
| HKFRS 20                           | <i>Regulatory Assets and Regulatory Liabilities<sup>2</sup></i>                                          |

<sup>1</sup> Effective for annual/reporting periods beginning on or after 1 January 2027

<sup>2</sup> Effective for annual/reporting periods beginning on or after 1 January 2029

<sup>3</sup> No mandatory effective date yet determined but available for adoption

Further information about those HKFRS Accounting Standards that are expected to be applicable to the Group is described below.

HKFRS 18 replaces HKAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss and other comprehensive income, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss and other comprehensive income into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements

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previously included in HKAS 1 are moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as HKAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 *Statement of Cash Flows*, HKAS 33 *Earnings per Share* and HKAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The application of HKFRS 18 is not expected to have a material impact on the financial position of the Group but is expected to affect the presentation of the statement of profit or loss and other comprehensive income and statement of cash flows and additional disclosure will be included in the financial statements. Except for HKFRS 18, the directors of the Company anticipate that the application of these new and amended HKFRS Accounting Standards will have no material impact on the Group’s financial performance and financial position in the foreseeable future.

### 2.3 MATERIAL ACCOUNTING POLICY INFORMATION

#### Fair value measurement

The Group measures its wealth management products at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- |         |   |                                                                                                                                                               |
|---------|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Level 1 | — | based on quoted prices (unadjusted) in active markets for identical assets or liabilities                                                                     |
| Level 2 | — | based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly |
| Level 3 | — | based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable                              |

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets and financial assets), the asset’s recoverable amount is estimated. An asset’s recoverable amount is the higher of the asset’s or cash-generating unit’s value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset

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does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

### Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
  - (i) the entity and the Group are members of the same group;
  - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
  - (iii) the entity and the Group are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

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### Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The estimated useful lives of property, plant and equipment are as follows:

| Category                | Estimated useful lives                                                      |
|-------------------------|-----------------------------------------------------------------------------|
| Buildings               | 30 years                                                                    |
| Machinery and equipment | 3 to 10 years                                                               |
| Motor vehicles          | 5 years                                                                     |
| Office equipment        | 3 to 5 years                                                                |
| Leasehold improvements  | Over the shorter of the estimated useful life of the assets and lease terms |

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

### Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed to be finite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

#### *Software*

Purchased software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 3 years to 10 years.

### *Research and development costs*

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset

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will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

### Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### *Group as a lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### *(a) Right-of-use assets*

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

|                 |              |
|-----------------|--------------|
| Buildings       | 5 to 8 years |
| Leasehold lands | 50 years     |

##### *(b) Lease liabilities*

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

The Group’s lease liabilities are presented as a separate line item on the consolidated statements of financial position.

##### *(c) Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases of buildings and machinery (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

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### Investments and other financial assets

#### *Initial recognition and measurement*

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Group’s business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for “Revenue recognition” below.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are solely payments of principal and interest (“**SPPI**”) on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

#### *Subsequent measurement*

The subsequent measurement of financial assets depends on their classification as follows:

##### *Financial assets at amortised cost (debt instruments)*

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

##### *Financial assets measured at fair value through profit or loss*

Financial assets measured at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

### Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group’s consolidated statements of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group’s continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### **Impairment of financial assets**

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

### ***General approach***

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

- |         |   |                                                                                                                                                                                                                                      |
|---------|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Stage 1 | — | Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs                                               |
| Stage 2 | — | Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs |

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- Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

### *Simplified approach*

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

### **Financial liabilities**

#### *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group’s financial liabilities include trade and bills payables, other payables and accruals, and interest-bearing bank borrowings and redemption liabilities on equity interests.

#### *Subsequent measurement*

The subsequent measurement of financial liabilities depends on their classification as follows:

#### *Financial liabilities at amortised cost*

After initial recognition, trade and other payables, interest-bearing bank borrowings and redemption liabilities on equity interests are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

### **Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

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### Redemption liabilities on equity interests

For the redemption liabilities on equity interests issued by the Company as detailed in note 27, financial liabilities are measured at amortised cost and are initially recognised at the present value of the redemption amount with a corresponding amount debited to equity. Changes in the amortised cost during the Relevant Periods and the six months ended 30 June 2025 were recognised in profit or loss.

### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

### Cash and cash equivalents

Cash and cash equivalents in the statements of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statements of cash flows, cash and cash equivalents comprise cash on hand and at banks.

### Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released profit or loss by way of a reduced depreciation charge.

### Revenue recognition

#### *Revenue from contracts with customers*

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

#### *Sale of products*

Revenue from the sale of goods is recognised at the point in time when control of the assets is transferred to the customer, generally on receipt of the goods by the customer or upon the confirmation by the customer. For consignment sales, the consignment sales partners obtain goods from the Group at the same time as they complete the sales transaction with end-customers. Revenue is recognised upon sales to end-consumers by consignment sales partners.

#### *Other income*

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

### Share-based payments

The Company operates a restricted share incentive plan (“**Employee Incentive Scheme**”). Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments (“**equity-settled transactions**”). The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer, further details of which are given in note 30.

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The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group’s best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

### **Other employee benefits**

#### ***Pension scheme***

The employees of the Group’s subsidiaries which operate in the Chinese mainland are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries operating in the Chinese mainland are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

### **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### **Foreign currencies**

The Historical Financial Information is presented in RMB, which is the Company’s functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that is measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the

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fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of certain overseas subsidiaries are currencies other than the RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve.

### Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update non-adjusting disclosures that relate to those conditions in light of the new information. For events after the reporting period, the Group will not change the amounts recognised in its financial statement, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group’s Historical Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

#### Judgements

In the process of applying the Group’s accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the Historical Financial Information:

#### *Research and development costs*

All research costs are charged to profit or loss as incurred. Expenses incurred on each pipeline to develop new products are only capitalised and deferred in accordance with the accounting policy for research and development expenses as set out in note 2.3. Determining the amounts to be capitalised requires management to make judgements on the technical feasibility of existing pipelines being successfully commercialised and bringing economic benefits to the Group.

#### *Deferred tax assets*

Deferred tax assets are recognised in respect of deductible temporary differences and unused tax losses to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and the losses can be utilised. Significant management judgement is required to assess the probability of future taxable profits. Management’s assessment is revised as necessary and additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax assets to be recovered.

#### Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

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### *Share-based payment*

The Group estimates the number of shares when determining the share-based payment expenses, which depends on the achievement of certain non-market performance targets of the Group under the Employee Incentive Scheme. This requires an estimation of the performance targets to be achieved by the Group, including completion of [REDACTED]. The fair value of the restricted shares granted to employees was determined on the grant date using the equity value allocation method.

### *Useful lives and depreciation methods of property, plant and equipment*

Based on a comprehensive assessment of various factors, the Group has determined the period over which property, plant and equipment can generate economic benefits for the Group. At the end of the reporting period, the Group reviews the useful lives and depreciation methods of property, plant and equipment. If the useful lives, depreciation methods of property, plant and equipment are different from previous estimates, the depreciation period and method are adjusted accordingly.

### *Impairment of non-financial assets (other than goodwill)*

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than financial assets), the asset’s recoverable amount is estimated. An asset’s recoverable amount is the higher of the asset’s or cash-generating unit’s value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

Notwithstanding that the Group recorded a losses for the years ended 31 December 2024 and 2025 and the six months ended 30 June 2026, no indicators of the impairment of non-financial assets were identified as of 31 December 2024 and 2025 and 30 June 2026, since (i) the assets’ value has not declined significantly; (ii) the assets are not obsolete or physically damaged; and (iii) the progress of the Research and development costs remains in line with expectations.

## **4. OPERATING SEGMENT INFORMATION**

### **Operating segment information**

The Group is engaged in the research and development of antimicrobial peptides research and development, which is regarded as a single reportable segment in a manner consistent with the way in which information is reported internally to the Group’s senior management for purposes of resource allocation and performance assessment. Therefore, no further operating segment analysis thereof is presented.

### **Geographical information**

During the Relevant Periods and the six months ended 30 June 2025, the Group’s revenue was derived from the customers located in the Chinese mainland and all of the Group’s non-current assets were located in the Chinese mainland; therefore, no geographical segment information in accordance with HKFRS 8 *Operating Segments* is presented.

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### Information about major customers

Revenue derived from sales to customers that individually amounted to more than 10% of the Group’s revenue for the Relevant Periods and the six months ended 30 June 2025 is as follows:

|                      | Year ended 31 December |         | Six months ended 30 June |         |
|----------------------|------------------------|---------|--------------------------|---------|
|                      | 2024                   | 2025    | 2025                     | 2026    |
|                      | RMB’000                | RMB’000 | RMB’000<br>(Unaudited)   | RMB’000 |
| Customer A . . . . . | 597                    | *       | *                        | *       |
| Customer B . . . . . | 588                    | *       | *                        | *       |
| Customer C . . . . . | *                      | 449     | 372                      | 236     |
| Total . . . . .      | 1,185                  | 449     | 372                      | 236     |

\* The corresponding revenue did not account for more than 10% of the total revenue of the Group during that particular year/period.

### 5. REVENUE

An analysis of revenue is as follows:

|                                                 | Year ended 31 December |         | Six months ended 30 June |         |
|-------------------------------------------------|------------------------|---------|--------------------------|---------|
|                                                 | 2024                   | 2025    | 2025                     | 2026    |
|                                                 | RMB’000                | RMB’000 | RMB’000<br>(Unaudited)   | RMB’000 |
| Revenue from contracts with customers . . . . . | 5,194                  | 3,332   | 1,428                    | 2,192   |

### Revenue from contracts with customers

#### (a) Disaggregated revenue information

|                                       | Year ended 31 December |         | Six months ended 30 June |         |
|---------------------------------------|------------------------|---------|--------------------------|---------|
|                                       | 2024                   | 2025    | 2025                     | 2026    |
|                                       | RMB’000                | RMB’000 | RMB’000<br>(Unaudited)   | RMB’000 |
| Types of goods                        |                        |         |                          |         |
| Sale of daily-care products . . . . . | 5,194                  | 3,332   | 1,428                    | 2,192   |
| Geographical market                   |                        |         |                          |         |
| Chinese mainland . . . . .            | 5,194                  | 3,332   | 1,428                    | 2,192   |
| Timing of revenue Recognition         |                        |         |                          |         |
| At a point in time . . . . .          | 5,194                  | 3,332   | 1,428                    | 2,192   |

All the revenue from contracts with customers is derived from external customers.

#### (b) Performance obligation

Information about the Group’s performance obligation is summarised below:

#### *Sale of daily-care products*

The performance obligation is satisfied upon delivery of the daily-care products and payment is generally due 30 to 60 days after delivery.

For the above contracts with customers, they are rendered over a short period of time, generally less than one year, and the Group has elected the practical expedient not to disclose the remaining performance obligations for these types of contracts.

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### 6. OTHER INCOME AND GAINS AND OTHER EXPENSES

|                                     | Year ended 31 December |               | Six months ended 30 June |              |
|-------------------------------------|------------------------|---------------|--------------------------|--------------|
|                                     | 2024                   | 2025          | 2025                     | 2026         |
|                                     | RMB'000                | RMB'000       | RMB'000<br>(Unaudited)   | RMB'000      |
| <b>Other income</b>                 |                        |               |                          |              |
| Government grants*                  | 9,185                  | 12,558        | 1,564                    | 1,579        |
| Interest income                     | 1,141                  | 989           | 460                      | 654          |
| Others                              | 49                     | 150           | 58                       | 109          |
|                                     | <u>10,375</u>          | <u>13,697</u> | <u>2,082</u>             | <u>2,342</u> |
| <b>Gains</b>                        |                        |               |                          |              |
| Gain on financial assets as FVTPL   | 1,252                  | 301           | 40                       | 672          |
| Foreign exchange differences, net   | —                      | 142           | 13                       | 33           |
| Others                              | —                      | 53            | —                        | —            |
|                                     | <u>1,252</u>           | <u>496</u>    | <u>53</u>                | <u>705</u>   |
| <b>Total other income and gains</b> | <u>11,627</u>          | <u>14,193</u> | <u>2,135</u>             | <u>3,047</u> |

\* The Group received certain government grants to support the operating activities of certain subsidiaries.

|                              | Year ended 31 December |            | Six months ended 30 June |           |
|------------------------------|------------------------|------------|--------------------------|-----------|
|                              | 2024                   | 2025       | 2025                     | 2026      |
|                              | RMB'000                | RMB'000    | RMB'000<br>(Unaudited)   | RMB'000   |
| <b>Other expenses</b>        |                        |            |                          |           |
| Foreign exchange losses, net | 421                    | —          | —                        | —         |
| Others                       | 134                    | 144        | 13                       | 18        |
| <b>Total</b>                 | <u>555</u>             | <u>144</u> | <u>13</u>                | <u>18</u> |

### 7. LOSS BEFORE TAX

The Group’s loss before tax is arrived at after charging/(crediting):

|                                                                                                                                                   | Notes | Year ended 31 December |               | Six months ended 30 June |               |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-------|------------------------|---------------|--------------------------|---------------|
|                                                                                                                                                   |       | 2024                   | 2025          | 2025                     | 2026          |
|                                                                                                                                                   |       | RMB'000                | RMB'000       | RMB'000<br>(Unaudited)   | RMB'000       |
| Cost of inventories sold                                                                                                                          |       | 3,020                  | 2,024         | 840                      | 1,142         |
| Depreciation of property,<br>plant and equipment                                                                                                  | 14    | 6,666                  | 6,981         | 3,520                    | 3,490         |
| Depreciation of right-of-use assets                                                                                                               | 15    | 1,822                  | 1,762         | 911                      | 963           |
| Amortisation of intangible assets                                                                                                                 | 16    | 66                     | 52            | 22                       | 55            |
| Research and development expenses                                                                                                                 |       | 80,725                 | 57,215        | 25,713                   | 24,412        |
| Government grants                                                                                                                                 | 6     | 9,185                  | 12,558        | 1,564                    | 1,579         |
| Lease payments not included in the<br>measurement of lease liabilities                                                                            | 15    | 615                    | 729           | 359                      | 323           |
| Interest on lease liabilities                                                                                                                     | 15    | 241                    | 149           | 99                       | 55            |
| [REDACTED] expense                                                                                                                                |       | [REDACTED]             | [REDACTED]    | [REDACTED]               | [REDACTED]    |
| Employee benefit expense (excluding director<br>and supervisors’ remuneration (note 9));<br>Salaries, bonuses, allowances and benefits in<br>kind |       | 24,204                 | 24,195        | 12,826                   | 10,494        |
| Equity-settled share-based payments                                                                                                               |       | 4,119                  | 3,410         | 2,283                    | 742           |
| Pension scheme contributions                                                                                                                      |       | 4,834                  | 4,693         | 2,744                    | 2,422         |
| <b>Subtotal</b>                                                                                                                                   |       | <u>33,157</u>          | <u>32,298</u> | <u>17,853</u>            | <u>13,658</u> |
| Gain on financial assets measured at FVTPL,<br>net                                                                                                |       | (1,252)                | (301)         | (40)                     | (672)         |
| Interest income                                                                                                                                   |       | (1,141)                | (989)         | (460)                    | (654)         |

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| Notes                                                            | Year ended 31 December |         | Six months ended 30 June |         |
|------------------------------------------------------------------|------------------------|---------|--------------------------|---------|
|                                                                  | 2024                   | 2025    | 2025                     | 2026    |
|                                                                  | RMB'000                | RMB'000 | RMB'000<br>(Unaudited)   | RMB'000 |
| Interest on redemption liabilities on equity interests . . . . . | 57,635                 | 60,551  | 28,503                   | 39,659  |
| Foreign exchange differences, net . . . . .                      | 421                    | (142)   | (13)                     | (33)    |

Cost of inventories sold and research and development costs include expenses relating to depreciation of property, plant and equipment, depreciation of right-of-use assets and employee benefit expense, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

### 8. FINANCE COSTS

An analysis of finance costs is as follows:

|                                                                  | Year ended 31 December |         | Six months ended 30 June |         |
|------------------------------------------------------------------|------------------------|---------|--------------------------|---------|
|                                                                  | 2024                   | 2025    | 2025                     | 2026    |
|                                                                  | RMB'000                | RMB'000 | RMB'000<br>(Unaudited)   | RMB'000 |
| Interest on redemption liabilities on equity interests . . . . . | 57,635                 | 60,551  | 28,503                   | 39,659  |
| Interest on bank borrowings . . . . .                            | 556                    | 1,763   | 705                      | 421     |
| Interest on lease liabilities . . . . .                          | 241                    | 149     | 99                       | 55      |
| Total . . . . .                                                  | 58,432                 | 62,463  | 29,307                   | 40,135  |

### 9. DIRECTORS’, CHIEF EXECUTIVE’S AND SUPERVISORS’ REMUNERATION

Directors’, chief executive’s and supervisors’ remuneration for the Relevant Periods and the six months ended 30 June 2025, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

|                                                              | Year ended 31 December |         | Six months ended 30 June |         |
|--------------------------------------------------------------|------------------------|---------|--------------------------|---------|
|                                                              | 2024                   | 2025    | 2025                     | 2026    |
|                                                              | RMB'000                | RMB'000 | RMB'000<br>(Unaudited)   | RMB'000 |
| Other emoluments:                                            |                        |         |                          |         |
| Salaries, bonuses, allowances and benefits in kind . . . . . | 2,367                  | 3,165   | 1,208                    | 2,402   |
| Pension scheme contributions and social welfare . . . . .    | 165                    | 165     | 82                       | 224     |
| Equity-settled share-based payment . . . . .                 | 208                    | 228     | 104                      | 890     |
| Total . . . . .                                              | 2,740                  | 3,558   | 1,394                    | 3,516   |

#### (a) Independent non-executive directors

Dr. SHI Wei, Mr. QIAN Junfeng, and Dr. XU Aimin were appointed as directors on 25 December 2025.

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## ACCOUNTANTS’ REPORT

The fees paid to independent non-executive directors during the Relevant Periods and the six months ended 30 June 2025 were as follows:

|                            | Year ended 31 December |         | Six months ended 30 June |         |
|----------------------------|------------------------|---------|--------------------------|---------|
|                            | 2024                   | 2025    | 2025                     | 2026    |
|                            | RMB'000                | RMB'000 | RMB'000<br>(Unaudited)   | RMB'000 |
| Dr. SHI Wei . . . . .      | —                      | —       | —                        | 75      |
| Mr. QIAN Junfeng . . . . . | —                      | —       | —                        | 50      |
| Dr. XU Aimin . . . . .     | —                      | —       | —                        | 50      |
| Total . . . . .            | —                      | —       | —                        | 175     |

### (b) Executive directors, supervisors and the chief executive

|                                         | Salaries, bonuses,<br>allowances and<br>benefits in kind | Pension scheme<br>contributions and<br>social welfare | Equity-settled<br>share-based<br>payment | Total   |
|-----------------------------------------|----------------------------------------------------------|-------------------------------------------------------|------------------------------------------|---------|
|                                         | RMB'000                                                  | RMB'000                                               | RMB'000                                  | RMB'000 |
| <b>Year ended 31 December 2024</b>      |                                                          |                                                       |                                          |         |
| Chief executive and executive director: |                                                          |                                                       |                                          |         |
| Mr. CHEN YUXIN . . . . .                | 1,953                                                    | 74                                                    | —                                        | 2,027   |
| Supervisors:                            |                                                          |                                                       |                                          |         |
| Ms. FANG Xiaoting (note (i)) . . . . .  | 229                                                      | 51                                                    | 113                                      | 393     |
| Mr. LI Junchao (note (i)) . . . . .     | 185                                                      | 40                                                    | 95                                       | 320     |
| Subtotal . . . . .                      | 414                                                      | 91                                                    | 208                                      | 713     |
| Total . . . . .                         | 2,367                                                    | 165                                                   | 208                                      | 2,740   |
| <b>Year ended 31 December 2025</b>      |                                                          |                                                       |                                          |         |
| Chief executive and executive director: |                                                          |                                                       |                                          |         |
| Mr. CHEN YUXIN . . . . .                | 2,700                                                    | 74                                                    | —                                        | 2,774   |
| Executive directors: . . . . .          |                                                          |                                                       |                                          |         |
| Mr. ZHANG Wendong (note (ii)) . . . . . | —                                                        | —                                                     | —                                        | —       |
| Mr. ZHOU Peng (note (ii)) . . . . .     | —                                                        | —                                                     | —                                        | —       |
| Ms. CHEN Mingxia (note (ii)) . . . . .  | —                                                        | —                                                     | —                                        | —       |
| Mr. FENG Shangbin (note (ii)) . . . . . | —                                                        | —                                                     | —                                        | —       |
| Mr. DONG Hu (note (ii)) . . . . .       | —                                                        | —                                                     | —                                        | —       |
| Subtotal . . . . .                      | —                                                        | —                                                     | —                                        | —       |
| Supervisors:                            |                                                          |                                                       |                                          |         |
| Ms. FANG Xiaoting (note (i)) . . . . .  | 280                                                      | 51                                                    | 113                                      | 444     |
| Mr. LI Junchao (note (i)) . . . . .     | 185                                                      | 40                                                    | 115                                      | 340     |
| Subtotal . . . . .                      | 465                                                      | 91                                                    | 228                                      | 784     |
| Total . . . . .                         | 3,165                                                    | 165                                                   | 228                                      | 3,558   |

## APPENDIX I

## ACCOUNTANTS’ REPORT

|                                                  | Salaries, bonuses,<br>allowances and<br>benefits in kind | Pension scheme<br>contributions and<br>social welfare | Equity-settled<br>share-based<br>payment | Total   |
|--------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|------------------------------------------|---------|
|                                                  | RMB'000                                                  | RMB'000                                               | RMB'000                                  | RMB'000 |
| <b>Six months ended 30 June 2025 (unaudited)</b> |                                                          |                                                       |                                          |         |
| Chief executive and executive director:          |                                                          |                                                       |                                          |         |
| Mr. CHEN YUXIN . . . . .                         | 977                                                      | 37                                                    | —                                        | 1,014   |
| Supervisors:                                     |                                                          |                                                       |                                          |         |
| Ms. FANG Xiaoting (note (i)) . . . . .           | 138                                                      | 25                                                    | 56                                       | 219     |
| Mr. LI Junchao (note (i)) . . . . .              | 93                                                       | 20                                                    | 48                                       | 161     |
| Subtotal . . . . .                               | 231                                                      | 45                                                    | 104                                      | 380     |
| Total (unaudited) . . . . .                      | 1,208                                                    | 82                                                    | 104                                      | 1,394   |
|                                                  |                                                          |                                                       |                                          |         |
|                                                  | Salaries, bonuses,<br>allowances and<br>benefits in kind | Pension scheme<br>contributions and<br>social welfare | Equity-settled<br>share-based<br>payment | Total   |
|                                                  | RMB'000                                                  | RMB'000                                               | RMB'000                                  | RMB'000 |
| <b>Six months ended 30 June 2026</b>             |                                                          |                                                       |                                          |         |
| Chief executive and executive director:          |                                                          |                                                       |                                          |         |
| Mr. CHEN YUXIN . . . . .                         | 1,037                                                    | 37                                                    | —                                        | 1,074   |
| Executive directors:                             |                                                          |                                                       |                                          |         |
| Mr. ZHANG Wendong (note (ii)) . . . . .          | 248                                                      | 37                                                    | 150                                      | 435     |
| Mr. ZHOU Peng (note (ii)) . . . . .              | 264                                                      | 37                                                    | 120                                      | 421     |
| Ms. CHEN Mingxia (note (ii)) . . . . .           | 370                                                      | 37                                                    | 429                                      | 836     |
| Mr. FENG Shangbin (note (ii)) . . . . .          | 232                                                      | 37                                                    | 110                                      | 379     |
| Mr. DONG Hu (note (ii)) . . . . .                | 204                                                      | 31                                                    | 60                                       | 295     |
| Subtotal . . . . .                               | 1,318                                                    | 179                                                   | 869                                      | 2,366   |
| Supervisors:                                     |                                                          |                                                       |                                          |         |
| Ms. FANG Xiaoting (note (i)) . . . . .           | 19                                                       | 3                                                     | 9                                        | 31      |
| Mr. LI Junchao (note (i)) . . . . .              | 28                                                       | 5                                                     | 12                                       | 45      |
| Subtotal . . . . .                               | 47                                                       | 8                                                     | 21                                       | 76      |
| Total . . . . .                                  | 2,402                                                    | 224                                                   | 890                                      | 3,516   |

*Notes:*

- (i) Ms. FANG Xiaoting and Mr. LI Junchao were appointed as supervisors of the Company in January 2023. Ms. FANG Xiaoting and Mr. LI Junchao resigned as supervisors of the Company in January 2026, but have remained in the employment of the Company in other capacities.
- (ii) Mr. ZHANG Wendong, Mr. ZHOU Peng, Ms. CHEN Mingxia, Mr. FENG Shangbin and Mr. DONG Hu were appointed as directors on 25 December 2025 and the remuneration received by them from the date of appointment until the end of 2025 was immaterial.

During the Relevant Periods and the six months ended 30 June 2025, certain directors and supervisors were granted share awards, in respect of their services to the Group, under the share incentive plan of the Company, further details of which are set out in note 30. The fair values of such share awards, which have been recognised in profit or loss over the vesting periods, were determined as at the dates of grant and the amounts included in the Historical Financial Information for the Relevant Periods and the six months ended 30 June 2025 are included in the above directors’, supervisors’ and chief executive’s remuneration disclosures.

There was no arrangement under which a director, supervisor or the chief executive waived or agreed to waive any remuneration during the Relevant Periods and the six months ended 30 June 2025.

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### 10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year ended 2024 and 2025 and the six months ended 30 June 2025 and 2026 included one director, one director, one director and two directors, respectively, details of whose remuneration are set out in note 9 above. Details of the remuneration of the remaining four, four, four and three highest paid employees who are neither a director nor chief executive of the Company are as follows:

|                                                          | Year ended 31 December |              | Six months ended 30 June |              |
|----------------------------------------------------------|------------------------|--------------|--------------------------|--------------|
|                                                          | 2024                   | 2025         | 2025                     | 2026         |
|                                                          | RMB'000                | RMB'000      | RMB'000<br>(Unaudited)   | RMB'000      |
| Salaries, bonuses and allowances. . . . .                | 3,724                  | 3,589        | 1,816                    | 1,247        |
| Pension scheme contributions and social welfare. . . . . | 424                    | 431          | 213                      | 111          |
| Equity-settled share-based payment . . . . .             | 1,596                  | 1,559        | 787                      | 170          |
| Total . . . . .                                          | <u>5,744</u>           | <u>5,579</u> | <u>2,816</u>             | <u>1,528</u> |

The numbers of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands are as follows:

|                                        | Year ended 31 December |          | Six months ended 30 June |          |
|----------------------------------------|------------------------|----------|--------------------------|----------|
|                                        | 2024                   | 2025     | 2025                     | 2026     |
|                                        |                        |          | (Unaudited)              |          |
| Nil to HKD1,000,000 . . . . .          | —                      | 1        | 4                        | 3        |
| HKD1,000,001 to HKD1,500,000 . . . . . | 2                      | 1        | —                        | —        |
| HKD1,500,001 to HKD2,000,000 . . . . . | 1                      | 1        | —                        | —        |
| HKD2,000,001 to HKD2,500,000 . . . . . | 1                      | 1        | —                        | —        |
| Total . . . . .                        | <u>4</u>               | <u>4</u> | <u>4</u>                 | <u>3</u> |

During the Relevant Periods and the six months ended 30 June 2025, certain non-director and non-chief executive highest paid employees were granted share awards, in respect of their services to the Group, under the share incentive plan of the Group, further details of which are set out in note 30. The fair value of such share awards, which has been recognised in profit or loss over the vesting periods, was determined as at the dates of grant and the amounts included in the Historical Financial Information for the Relevant Periods and the six months ended 30 June 2025 are included in the above non-director and non-chief executive highest paid employees’ remuneration disclosures.

### 11. INCOME TAX

#### Chinese mainland

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”), the subsidiaries which operate in the Chinese mainland are subject to Enterprise Income Tax (“**EIT**”) at a rate of 25% on the taxable income during the Relevant Periods and the six months ended 30 June 2025.

ProteLight Pharmaceuticals (Jiangsu) Co., Ltd. was accredited as a “High and New Technology Enterprise” under the relevant tax rules and regulations in 2023 and the qualification will expire in 2026. Accordingly, the Company was entitled to a reduced preferential EIT rate of 15% during the years ended 31 December 2024 and 2025 and the six months ended 30 June 2025.

Certain of the Group’s PRC subsidiaries are qualified as Small and Low-Profit Enterprises. During the Relevant Periods and the six months ended 30 June 2025, Small and Low-Profit Enterprises were subject to the policy. For the portion of taxable income not exceeding RMB1,000,000, it was included in the taxable income at a reduced rate of 12.5% and income tax was levied at a tax rate of 20%. For the portion of taxable income exceeding RMB1,000,000 but not exceeding RMB3,000,000, it was included at a reduced rate of 25%, and income tax was levied at a tax rate of 20%.

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## ACCOUNTANTS’ REPORT

### Australia

The subsidiary incorporated in Australia is subject to income tax at the rate of 30% on the estimated assessable profits arising in Australia during the Relevant Periods and the six months ended 30 June 2025.

### Hong Kong

The subsidiary incorporated in Hong Kong is subject to income tax under the two-tiered profits tax rates regime on the estimated assessable profits arising in Hong Kong during the Relevant Periods and the six months ended 30 June 2025. The first HKD 2.0 million of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

|                                                | Year ended 31 December |         | Six months ended 30 June |         |
|------------------------------------------------|------------------------|---------|--------------------------|---------|
|                                                | 2024                   | 2025    | 2025                     | 2026    |
|                                                | RMB'000                | RMB'000 | RMB'000<br>(Unaudited)   | RMB'000 |
| Current income tax . . . . .                   | —                      | —       | —                        | —       |
| Deferred income tax . . . . .                  | —                      | —       | —                        | —       |
| Total tax charge for the year/period . . . . . | —                      | —       | —                        | —       |

A reconciliation of the tax credit applicable to loss before tax at the statutory tax rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled and/or operate to the tax expense at the effective tax rate, is as follows:

|                                                                                              | Year ended 31 December |           | Six months ended 30 June |          |
|----------------------------------------------------------------------------------------------|------------------------|-----------|--------------------------|----------|
|                                                                                              | 2024                   | 2025      | 2025                     | 2026     |
|                                                                                              | RMB'000                | RMB'000   | RMB'000<br>(Unaudited)   | RMB'000  |
| Loss before tax . . . . .                                                                    | (158,337)              | (141,564) | (66,313)                 | (85,240) |
| Tax at the income tax rate of 25% . . . . .                                                  | (39,584)               | (35,391)  | (16,578)                 | (21,310) |
| Effect of different tax rates of the lower tax rate enacted by<br>local authority . . . . .  | 16,533                 | 14,854    | 6,926                    | 497      |
| Additional deductible allowance for qualified research and<br>development expenses . . . . . | (8,922)                | (6,482)   | (3,325)                  | (4,411)  |
| Expenses not deductible for tax purposes . . . . .                                           | 9,389                  | 9,582     | 4,622                    | 10,288   |
| Tax losses utilised from previous periods . . . . .                                          | —                      | (554)     | (116)                    | —        |
| Tax losses and temporary differences not recognised . . . . .                                | 22,584                 | 17,991    | 8,471                    | 14,936   |
| Tax charge at the Group’s effective rate . . . . .                                           | —                      | —         | —                        | —        |

The Group has accumulated tax losses in the Chinese mainland of RMB640,502,336, RMB760,092,000 and RMB821,462,000 as at 31 December 2024 and 2025 and 30 June 2026, respectively, which will expire in one to ten years for offsetting against future taxable profits of the companies in which the losses arose.

The Group has accumulated tax losses in Australia and Hong Kong of RMB15,646,460, RMB13,603,495 and RMB15,039,000 as at 31 December 2024 and 2025 and 30 June 2026, respectively, that can be carried forward indefinitely to offset against future taxable profits of the company in which the losses were incurred.

Deferred tax assets have not been recognised in respect of these losses as the Company and its subsidiaries have been loss-making for some time and it is not considered probable that taxable profits in foreseeable future will be available against which the tax losses can be utilised.

## 12. DIVIDENDS

No dividend was paid or declared by the Company during the Relevant Periods and the six months ended 30 June 2025.

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## ACCOUNTANTS’ REPORT

### 13. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss attributable to ordinary equity holders of the parent, and the weighted average numbers of ordinary shares outstanding during the Relevant Periods and the six months ended 30 June 2025, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

The weighted average numbers of ordinary shares outstanding during the Relevant Periods and the six months ended 30 June 2025 were determined assuming that the Company’s conversion into a joint stock company, as disclosed in note 28, had taken place on 1 January 2024.

No adjustment was made to the basic loss per share amounts presented for the Relevant Periods and the six months ended 30 June 2025 in respect of a dilution as the impact of the redemption liabilities on equity interest and share-based payment had an anti-dilutive effect on the basic loss per share amounts presented.

The calculation of basic loss per share is based on:

|                                                                                                                                                      | Year ended 31 December |           | Six months ended 30 June |          |
|------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-----------|--------------------------|----------|
|                                                                                                                                                      | 2024                   | 2025      | 2025                     | 2026     |
|                                                                                                                                                      |                        |           | (Unaudited)              |          |
| <b>Loss</b>                                                                                                                                          |                        |           |                          |          |
| Loss attributable to ordinary equity holders of the parent<br>(RMB’000) . . . . .                                                                    | (158,337)              | (141,564) | (66,313)                 | (85,240) |
| <b>Shares</b>                                                                                                                                        |                        |           |                          |          |
| Weighted average number of ordinary shares in issue during the<br>year/period used in the basic loss per share calculation<br>(Shares’000) . . . . . | 46,905                 | 47,524    | 46,905                   | 51,534   |
| Loss per share (basic and diluted) (RMB) . . . . .                                                                                                   | (3.38)                 | (2.98)    | (1.41)                   | (1.65)   |

### 14. PROPERTY, PLANT AND EQUIPMENT

#### The Group

|                                                                   | Buildings | Machinery and<br>equipment | Motor vehicles | Office equipment | Leasehold<br>improvements | Total    |
|-------------------------------------------------------------------|-----------|----------------------------|----------------|------------------|---------------------------|----------|
|                                                                   | RMB’000   | RMB’000                    | RMB’000        | RMB’000          | RMB’000                   | RMB’000  |
| <b>As at 31 December 2024</b>                                     |           |                            |                |                  |                           |          |
| At 1 January 2024:                                                |           |                            |                |                  |                           |          |
| Cost . . . . .                                                    | 107,765   | 21,306                     | 1,440          | 3,255            | 2,561                     | 136,327  |
| Accumulated depreciation . . . . .                                | (15,185)  | (8,501)                    | (960)          | (2,741)          | (1,290)                   | (28,677) |
| Net carrying amount . . . . .                                     | 92,580    | 12,805                     | 480            | 514              | 1,271                     | 107,650  |
| At 1 January 2024, net of accumulated depreciation .              | 92,580    | 12,805                     | 480            | 514              | 1,271                     | 107,650  |
| Additions . . . . .                                               | 2,783     | 9,575                      | —              | 124              | —                         | 12,482   |
| Depreciation provided during<br>the year . . . . .                | (3,531)   | (2,137)                    | (156)          | (257)            | (585)                     | (6,666)  |
| At 31 December 2024, net of accumulated<br>depreciation . . . . . | 91,832    | 20,243                     | 324            | 381              | 686                       | 113,466  |
| <b>As at 31 December 2024:</b>                                    |           |                            |                |                  |                           |          |
| Cost . . . . .                                                    | 110,548   | 30,881                     | 1,440          | 3,379            | 2,561                     | 148,809  |
| Accumulated depreciation . . . . .                                | (18,716)  | (10,638)                   | (1,116)        | (2,998)          | (1,875)                   | (35,343) |
| Net carrying amount . . . . .                                     | 91,832    | 20,243                     | 324            | 381              | 686                       | 113,466  |

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## ACCOUNTANTS’ REPORT

|                                                                | Buildings | Machinery and equipment | Motor vehicles | Office equipment | Leasehold improvements | Total                   |          |
|----------------------------------------------------------------|-----------|-------------------------|----------------|------------------|------------------------|-------------------------|----------|
|                                                                | RMB'000   | RMB'000                 | RMB'000        | RMB'000          | RMB'000                | RMB'000                 |          |
| As at 31 December 2025                                         |           |                         |                |                  |                        |                         |          |
| At 1 January 2025:                                             |           |                         |                |                  |                        |                         |          |
| Cost . . . . .                                                 | 110,548   | 30,881                  | 1,440          | 3,379            | 2,561                  | 148,809                 |          |
| Accumulated depreciation . . . . .                             | (18,716)  | (10,638)                | (1,116)        | (2,998)          | (1,875)                | (35,343)                |          |
| Net carrying amount . . . . .                                  | 91,832    | 20,243                  | 324            | 381              | 686                    | 113,466                 |          |
| At 1 January 2025, net of accumulated depreciation .           | 91,832    | 20,243                  | 324            | 381              | 686                    | 113,466                 |          |
| Additions . . . . .                                            | —         | 1,018                   | —              | 88               | —                      | 1,106                   |          |
| Disposals . . . . .                                            | —         | (256)                   | —              | (5)              | —                      | (261)                   |          |
| Depreciation provided during the year . . . . .                | (3,593)   | (2,678)                 | (126)          | (118)            | (466)                  | (6,981)                 |          |
| At 31 December 2025, net of accumulated depreciation . . . . . | 88,239    | 18,327                  | 198            | 346              | 220                    | 107,330                 |          |
| As at 31 December 2025:                                        |           |                         |                |                  |                        |                         |          |
| Cost . . . . .                                                 | 110,548   | 31,475                  | 1,440          | 3,390            | 2,561                  | 149,414                 |          |
| Accumulated depreciation . . . . .                             | (22,309)  | (13,148)                | (1,242)        | (3,044)          | (2,341)                | (42,084)                |          |
| Net carrying amount . . . . .                                  | 88,239    | 18,327                  | 198            | 346              | 220                    | 107,330                 |          |
|                                                                |           |                         |                |                  |                        |                         |          |
|                                                                | Buildings | Machinery and equipment | Motor vehicles | Office equipment | Leasehold improvements | Construction In process | Total    |
|                                                                | RMB'000   | RMB'000                 | RMB'000        | RMB'000          | RMB'000                | RMB'000                 | RMB'000  |
| As at 30 June 2026                                             |           |                         |                |                  |                        |                         |          |
| At 1 January 2026:                                             |           |                         |                |                  |                        |                         |          |
| Cost . . . . .                                                 | 110,548   | 31,475                  | 1,440          | 3,390            | 2,561                  | —                       | 149,414  |
| Accumulated depreciation . . . . .                             | (22,309)  | (13,148)                | (1,242)        | (3,044)          | (2,341)                | —                       | (42,084) |
| Net carrying amount . . . . .                                  | 88,239    | 18,327                  | 198            | 346              | 220                    | —                       | 107,330  |
| At 1 January 2026, net of accumulated depreciation . . . . .   | 88,239    | 18,327                  | 198            | 346              | 220                    | —                       | 107,330  |
| Additions . . . . .                                            | —         | 228                     | —              | 127              | —                      | 238                     | 593      |
| Depreciation provided during the period . . . . .              | (1,795)   | (1,377)                 | (63)           | (67)             | (188)                  | —                       | (3,490)  |
| At 30 June 2026, net of accumulated depreciation . . . . .     | 86,444    | 17,178                  | 135            | 406              | 32                     | 238                     | 104,433  |
| As at 30 June 2026:                                            |           |                         |                |                  |                        |                         |          |
| Cost . . . . .                                                 | 110,548   | 31,703                  | 1,440          | 3,517            | 2,561                  | 238                     | 150,007  |
| Accumulated depreciation . . . . .                             | (24,104)  | (14,525)                | (1,305)        | (3,111)          | (2,529)                | —                       | (45,574) |
| Net carrying amount . . . . .                                  | 86,444    | 17,178                  | 135            | 406              | 32                     | 238                     | 104,433  |

As at 31 December 2024 and 2025 and 30 June 2026, the carrying amounts of the pledged property, plant and equipment were nil, RMB88,239,000 and nil, respectively, as set out in note 25.

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## ACCOUNTANTS’ REPORT

### The Company

|                                                                   | Buildings | Machinery and<br>equipment | Motor vehicles | Office equipment | Leasehold<br>improvements | Total    |
|-------------------------------------------------------------------|-----------|----------------------------|----------------|------------------|---------------------------|----------|
|                                                                   | RMB'000   | RMB'000                    | RMB'000        | RMB'000          | RMB'000                   | RMB'000  |
| <b>As at 31 December 2024</b>                                     |           |                            |                |                  |                           |          |
| At 1 January 2024:                                                |           |                            |                |                  |                           |          |
| Cost . . . . .                                                    | 107,765   | 11,142                     | 1,440          | 2,851            | 982                       | 124,180  |
| Accumulated depreciation . . . . .                                | (15,185)  | (4,153)                    | (960)          | (2,459)          | (921)                     | (23,678) |
| Net carrying amount . . . . .                                     | 92,580    | 6,989                      | 480            | 392              | 61                        | 100,502  |
| At 1 January 2024, net of accumulated depreciation .              | 92,580    | 6,989                      | 480            | 392              | 61                        | 100,502  |
| Additions . . . . .                                               | 2,783     | 8,753                      | —              | 86               | —                         | 11,622   |
| Depreciation provided during the year . . . . .                   | (3,531)   | (1,328)                    | (156)          | (207)            | (61)                      | (5,283)  |
| At 31 December 2024, net of accumulated<br>depreciation . . . . . | 91,832    | 14,414                     | 324            | 271              | —                         | 106,841  |
| As at 31 December 2024:                                           |           |                            |                |                  |                           |          |
| Cost . . . . .                                                    | 110,548   | 19,894                     | 1,440          | 2,921            | 982                       | 135,785  |
| Accumulated depreciation . . . . .                                | (18,716)  | (5,480)                    | (1,116)        | (2,650)          | (982)                     | (28,944) |
| Net carrying amount . . . . .                                     | 91,832    | 14,414                     | 324            | 271              | —                         | 106,841  |
|                                                                   | Buildings | Machinery and<br>equipment | Motor vehicles | Office equipment | Leasehold<br>improvements | Total    |
|                                                                   | RMB'000   | RMB'000                    | RMB'000        | RMB'000          | RMB'000                   | RMB'000  |
| <b>As at 31 December 2025</b>                                     |           |                            |                |                  |                           |          |
| At 1 January 2025:                                                |           |                            |                |                  |                           |          |
| Cost . . . . .                                                    | 110,548   | 19,894                     | 1,440          | 2,921            | 982                       | 135,785  |
| Accumulated depreciation . . . . .                                | (18,716)  | (5,480)                    | (1,116)        | (2,650)          | (982)                     | (28,944) |
| Net carrying amount . . . . .                                     | 91,832    | 14,414                     | 324            | 271              | —                         | 106,841  |
| At 1 January 2025, net of accumulated depreciation .              | 91,832    | 14,414                     | 324            | 271              | —                         | 106,841  |
| Additions . . . . .                                               | —         | 1,011                      | —              | 88               | —                         | 1,099    |
| Disposals . . . . .                                               | —         | (174)                      | —              | (1)              | —                         | (175)    |
| Depreciation provided during<br>the year . . . . .                | (3,593)   | (1,859)                    | (126)          | (66)             | —                         | (5,644)  |
| At 31 December 2025, net of accumulated<br>depreciation . . . . . | 88,239    | 13,392                     | 198            | 292              | —                         | 102,121  |
| As at 31 December 2025:                                           |           |                            |                |                  |                           |          |
| Cost . . . . .                                                    | 110,548   | 20,742                     | 1,440          | 3,053            | 982                       | 136,765  |
| Accumulated depreciation . . . . .                                | (22,309)  | (7,350)                    | (1,242)        | (2,761)          | (982)                     | (34,644) |
| Net carrying amount . . . . .                                     | 88,239    | 13,392                     | 198            | 292              | —                         | 102,121  |

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## ACCOUNTANTS’ REPORT

|                                                      | Buildings | Machinery and equipment | Motor vehicles | Office equipment | Leasehold improvements | Total    |
|------------------------------------------------------|-----------|-------------------------|----------------|------------------|------------------------|----------|
|                                                      | RMB'000   | RMB'000                 | RMB'000        | RMB'000          | RMB'000                | RMB'000  |
| <b>As at 30 June 2026</b>                            |           |                         |                |                  |                        |          |
| At 1 January 2026:                                   |           |                         |                |                  |                        |          |
| Cost . . . . .                                       | 110,548   | 20,742                  | 1,440          | 3,053            | 982                    | 136,765  |
| Accumulated depreciation . . . . .                   | (22,309)  | (7,350)                 | (1,242)        | (2,761)          | (982)                  | (34,644) |
| Net carrying amount. . . . .                         | 88,239    | 13,392                  | 198            | 292              | —                      | 102,121  |
| At 1 January 2026, net of accumulated depreciation . | 88,239    | 13,392                  | 198            | 292              | —                      | 102,121  |
| Additions . . . . .                                  | —         | 228                     | —              | 127              | —                      | 355      |
| Depreciation provided during the period. . . . .     | (1,795)   | (971)                   | (63)           | (51)             | —                      | (2,880)  |
| At 30 June 2026, net of accumulated depreciation . . | 86,444    | 12,649                  | 135            | 368              | —                      | 99,596   |
| <b>As at 30 June 2026:</b>                           |           |                         |                |                  |                        |          |
| Cost . . . . .                                       | 110,548   | 20,970                  | 1,440          | 3,180            | 982                    | 137,120  |
| Accumulated depreciation . . . . .                   | (24,104)  | (8,321)                 | (1,305)        | (2,812)          | (982)                  | (37,524) |
| Net carrying amount. . . . .                         | 86,444    | 12,649                  | 135            | 368              | —                      | 99,596   |

As at 31 December 2024 and 2025 and 30 June 2026, the carrying amounts of the pledged property, plant and equipment were nil, RMB88,239,000 and nil, respectively, as set out in note 25.

### 15. LEASES

#### The Group as a lessee

The Group has lease contracts for various buildings and land used in its operations. Lump sum payments were made upfront to acquire the leasehold land from the owners with lease periods of 50 years, and no ongoing payments will be made under the terms of this leasehold land. Leases of buildings generally have lease terms of 5 to 8 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group. Other rental agreements generally have lease terms of 12 months or less.

#### (a) Right-of-use assets

The carrying amounts of the Group’s right-of-use assets and the movements during the Relevant Periods are as follows:

|                                            | Buildings | Leasehold land | Total   |
|--------------------------------------------|-----------|----------------|---------|
|                                            | RMB'000   | RMB'000        | RMB'000 |
| As at 1 January 2024 . . . . .             | 6,402     | 19,614         | 26,016  |
| Depreciation charge . . . . .              | (1,368)   | (454)          | (1,822) |
| As at 31 December 2024. . . . .            | 5,034     | 19,160         | 24,194  |
| As at 31 December 2024 and 1 January 2025. | 5,034     | 19,160         | 24,194  |
| Termination of a lease term. . . . .       | (589)     | —              | (589)   |
| Depreciation charge . . . . .              | (1,308)   | (454)          | (1,762) |
| As at 31 December 2025. . . . .            | 3,137     | 18,706         | 21,843  |
| As at 31 December 2025 and 1 January 2026. | 3,137     | 18,706         | 21,843  |
| Addition. . . . .                          | —         | 17,365         | 17,365  |
| Depreciation charge . . . . .              | (562)     | (401)          | (963)   |
| As at 30 June 2026. . . . .                | 2,575     | 35,670         | 38,245  |

As at 31 December 2024 and 2025 and 30 June 2026, the carrying amount of the pledged leasehold land were nil, RMB18,706,000 and nil, respectively, as set out in note 25.

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## ACCOUNTANTS’ REPORT

### (b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the Relevant Periods are as follows:

|                                                                   | Year ended 31 December |              | Six months ended 30 June |
|-------------------------------------------------------------------|------------------------|--------------|--------------------------|
|                                                                   | 2024                   | 2025         | 2026                     |
|                                                                   | RMB'000                | RMB'000      | RMB'000                  |
| Carrying amount at 1 January . . . . .                            | 5,889                  | 4,723        | 2,724                    |
| Accretion of interest recognised during the year/period . . . . . | 241                    | 149          | 55                       |
| Termination of a lease term . . . . .                             | —                      | (642)        | —                        |
| Payments . . . . .                                                | (1,407)                | (1,506)      | (668)                    |
| Carrying amount at the end of the year/period . . . . .           | <u>4,723</u>           | <u>2,724</u> | <u>2,111</u>             |
| Analysed into:                                                    |                        |              |                          |
| Current portion . . . . .                                         | 1,557                  | 1,121        | 1,030                    |
| Non-current portion . . . . .                                     | 3,166                  | 1,603        | 1,081                    |

The maturity analysis of lease liabilities is set out in note 36.

### (c) The amounts recognised in profit or loss in relation to leases are as follows:

|                                                      | Year ended 31 December |              | Six months ended 30 June |              |
|------------------------------------------------------|------------------------|--------------|--------------------------|--------------|
|                                                      | 2024                   | 2025         | 2025                     | 2026         |
|                                                      | RMB'000                | RMB'000      | RMB'000<br>(Unaudited)   | RMB'000      |
| Interest on lease liabilities . . . . .              | 241                    | 149          | 99                       | 55           |
| Depreciation charge of right-of-use assets . . . . . | 1,822                  | 1,762        | 911                      | 963          |
| Expense relating to short-term leases . . . . .      | 615                    | 729          | 359                      | 323          |
| Total amount recognised in profit or loss . . . . .  | <u>2,678</u>           | <u>2,640</u> | <u>1,369</u>             | <u>1,341</u> |

### (d) The total cash outflow for leases is set out in note 31.

### The Company as a lessee

The Company has leasehold land used in its operations. Lump sum payments were made upfront to acquire the leasehold land from the owners with lease periods of 50 years, and no ongoing payments will be made under the terms of this leasehold land.

### (a) Right-of-use assets

The Group’s right-of-use assets included the leasehold land of the Company, which is located in Wuxi, Chinese mainland, with ending balances amounting to RMB19,160,000, RMB18,706,000 and RMB18,480,000, as at 31 December 2024 and 2025 and 30 June 2026, respectively. The carrying amounts of the Company’s pledged leasehold land were nil, RMB18,706,000, and nil, respectively, as set out in note 25 as at 31 December 2024 and 2025 and 30 June 2026.

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## ACCOUNTANTS’ REPORT

### 16. INTANGIBLE ASSETS

The Group and the Company

|                                                                   | <u>Software</u> |
|-------------------------------------------------------------------|-----------------|
|                                                                   | <i>RMB'000</i>  |
| 31 December 2024                                                  |                 |
| At 1 January 2024:                                                |                 |
| Cost . . . . .                                                    | 585             |
| Accumulated amortisation . . . . .                                | (452)           |
| Net carrying amount . . . . .                                     | <u>133</u>      |
| Cost at 1 January 2024, net of accumulated amortisation . . . . . | 133             |
| Amortisation provided during the year . . . . .                   | (66)            |
| At 31 December 2024. . . . .                                      | <u>67</u>       |
| At 31 December 2024:                                              |                 |
| Cost . . . . .                                                    | 585             |
| Accumulated amortisation . . . . .                                | (518)           |
| Net carrying amount . . . . .                                     | <u>67</u>       |
|                                                                   | <u>Software</u> |
|                                                                   | <i>RMB'000</i>  |
| 31 December 2025                                                  |                 |
| At 1 January 2025:                                                |                 |
| Cost . . . . .                                                    | 585             |
| Accumulated amortisation . . . . .                                | (518)           |
| Net carrying amount . . . . .                                     | <u>67</u>       |
| Cost at 1 January 2025, net of accumulated amortisation . . . . . | 67              |
| Additions . . . . .                                               | 414             |
| Amortisation provided during the year . . . . .                   | (52)            |
| At 31 December 2025. . . . .                                      | <u>429</u>      |
| At 31 December 2025:                                              |                 |
| Cost . . . . .                                                    | 999             |
| Accumulated amortisation . . . . .                                | (570)           |
| Net carrying amount . . . . .                                     | <u>429</u>      |

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## ACCOUNTANTS’ REPORT

### The Group

|                                                                   | <b>Software</b> |
|-------------------------------------------------------------------|-----------------|
|                                                                   | <i>RMB’000</i>  |
| 30 June 2026                                                      |                 |
| At 1 January 2026:                                                |                 |
| Cost . . . . .                                                    | 999             |
| Accumulated amortisation . . . . .                                | (570)           |
| Net carrying amount . . . . .                                     | 429             |
| Cost at 1 January 2026, net of accumulated amortisation . . . . . | 429             |
| Additions . . . . .                                               | 186             |
| Amortisation provided during the period. . . . .                  | (55)            |
| At 30 June 2026. . . . .                                          | 560             |
| At 30 June 2026:                                                  |                 |
| Cost . . . . .                                                    | 1,185           |
| Accumulated amortisation . . . . .                                | (625)           |
| Net carrying amount . . . . .                                     | 560             |

### The Company

|                                                                   | <b>Software</b> |
|-------------------------------------------------------------------|-----------------|
|                                                                   | <i>RMB’000</i>  |
| 30 June 2026                                                      |                 |
| At 1 January 2026:                                                |                 |
| Cost . . . . .                                                    | 999             |
| Accumulated amortisation . . . . .                                | (570)           |
| Net carrying amount . . . . .                                     | 429             |
| Cost at 1 January 2026, net of accumulated amortisation . . . . . | 429             |
| Additions . . . . .                                               | 138             |
| Amortisation provided during the period. . . . .                  | (50)            |
| At 30 June 2026. . . . .                                          | 517             |
| At 30 June 2026:                                                  |                 |
| Cost . . . . .                                                    | 1,137           |
| Accumulated amortisation . . . . .                                | (620)           |
| Net carrying amount . . . . .                                     | 517             |

## 17. INVESTMENTS IN SUBSIDIARIES

### The Company

|                                       | <b>As at 31 December</b> |                | <b>As at 30 June</b> |
|---------------------------------------|--------------------------|----------------|----------------------|
|                                       | <b>2024</b>              | <b>2025</b>    | <b>2026</b>          |
|                                       | <i>RMB’000</i>           | <i>RMB’000</i> | <i>RMB’000</i>       |
| Investments in subsidiaries . . . . . | 48,819                   | 178,319        | 178,338              |
| Less: Impairment . . . . .            | —                        | 9,400          | 9,400                |
| Total . . . . .                       | 48,819                   | 168,919        | 168,938              |

The subsidiaries of the Company are set out in note 1.

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## ACCOUNTANTS’ REPORT

The Group had made full impairment in relation to the investments in Changchun ProteLight Pharmaceutical & Biotechnology Co., Ltd. Its business will be transferred to another subsidiary of the Company. Impairment analysis is performed at each reporting date. In the opinion of the Company’s directors, no other impairment should be considered in respect of its investments in subsidiaries as at 31 December 2024 and 2025 and 30 June 2026.

### 18. INVENTORIES

#### The Group

|                          | As at 31 December |              | As at 30 June |
|--------------------------|-------------------|--------------|---------------|
|                          | 2024              | 2025         | 2026          |
|                          | RMB'000           | RMB'000      | RMB'000       |
| Raw materials . . . . .  | 4,697             | 3,097        | 3,636         |
| Finished goods . . . . . | 1,268             | 1,004        | 1,073         |
| Total . . . . .          | <u>5,965</u>      | <u>4,101</u> | <u>4,709</u>  |

#### The Company

|                         | As at 31 December |              | As at 30 June |
|-------------------------|-------------------|--------------|---------------|
|                         | 2024              | 2025         | 2026          |
|                         | RMB'000           | RMB'000      | RMB'000       |
| Raw materials . . . . . | <u>3,061</u>      | <u>1,582</u> | <u>2,189</u>  |

### 19. TRADE AND BILLS RECEIVABLES

#### The Group

|                             | As at 31 December |              | As at 30 June |
|-----------------------------|-------------------|--------------|---------------|
|                             | 2024              | 2025         | 2026          |
|                             | RMB'000           | RMB'000      | RMB'000       |
| Trade receivables . . . . . | 1,903             | 1,416        | 1,498         |
| Bills receivable . . . . .  | 563               | 192          | 131           |
| Carrying amount. . . . .    | <u>2,466</u>      | <u>1,608</u> | <u>1,629</u>  |

#### The Company

|                             | As at 31 December |          | As at 30 June |
|-----------------------------|-------------------|----------|---------------|
|                             | 2024              | 2025     | 2026          |
|                             | RMB'000           | RMB'000  | RMB'000       |
| Trade receivables . . . . . | <u>511</u>        | <u>—</u> | <u>—</u>      |

The Group’s trading terms with its customers mainly require payment within 30 to 60 days after delivery. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group’s trade and bills receivables relate to diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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An ageing analysis of the trade and bills receivables as at the end of each of the Relevant Periods, based on the transaction dates and net of loss allowance, is as follows:

### The Group

|                         | As at 31 December |         | As at 30 June |
|-------------------------|-------------------|---------|---------------|
|                         | 2024              | 2025    | 2026          |
|                         | RMB'000           | RMB'000 | RMB'000       |
| Within 1 year . . . . . | 2,466             | 1,608   | 1,629         |

### The Company

|                         | As at 31 December |         | As at 30 June |
|-------------------------|-------------------|---------|---------------|
|                         | 2024              | 2025    | 2026          |
|                         | RMB'000           | RMB'000 | RMB'000       |
| Within 1 year . . . . . | 511               | —       | —             |

The Group has established a provision matrix that is based on its historical credit loss experience, or by reference to the credit loss experience of similar companies in the market where the Group has not had sufficient credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The directors of the Company are of the opinion that the ECLs in respect of trade receivables are minimal.

## 20. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

### The Group

|                                                        | As at 31 December |            | As at 30 June |
|--------------------------------------------------------|-------------------|------------|---------------|
|                                                        | 2024              | 2025       | 2026          |
|                                                        | RMB'000           | RMB'000    | RMB'000       |
| Non-current:                                           |                   |            |               |
| Deductible value-added tax . . . . .                   | 9,308             | 13,206     | 14,562        |
| Prepayment for property, plant and equipment . . . . . | 140               | —          | —             |
| Non-current portion . . . . .                          | 9,448             | 13,206     | 14,562        |
| Current:                                               |                   |            |               |
| Deposits and other receivables . . . . .               | 2,863             | 5,498      | 2,608         |
| Prepayments . . . . .                                  | 1,615             | 1,071      | 2,418         |
| Deductible value-added tax . . . . .                   | 449               | —          | —             |
| [REDACTED] expenses . . . . .                          | [REDACTED]        | [REDACTED] | [REDACTED]    |
| Impairment allowance . . . . .                         | (443)             | (647)      | (1,391)       |
| Current portion . . . . .                              | 4,484             | 7,631      | 7,265         |
| Total . . . . .                                        | 13,932            | 20,837     | 21,827        |

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## ACCOUNTANTS’ REPORT

### The Company

|                                                        | As at 31 December |            | As at 30 June |
|--------------------------------------------------------|-------------------|------------|---------------|
|                                                        | 2024              | 2025       | 2026          |
|                                                        | RMB'000           | RMB'000    | RMB'000       |
| Non-current:                                           |                   |            |               |
| Deductible value-added tax . . . . .                   | 8,707             | 12,912     | 14,444        |
| Prepayment for property, plant and equipment . . . . . | 140               | —          | —             |
| Non-current portion . . . . .                          | 8,847             | 12,912     | 14,444        |
| Current:                                               |                   |            |               |
| Prepayments . . . . .                                  | 916               | 276        | 1,679         |
| Deposits and other receivables . . . . .               | 214               | 557        | 817           |
| Deductible value-added tax . . . . .                   | 322               | —          | —             |
| [REDACTED] expenses . . . . .                          | [REDACTED]        | [REDACTED] | [REDACTED]    |
| Amount due from subsidiaries . . . . .                 | 21,500            | 29,915     | 29,090        |
| Impairment allowance . . . . .                         | —                 | (12)       | (34)          |
| Current portion . . . . .                              | 22,952            | 32,445     | 35,182        |
| Total . . . . .                                        | 31,799            | 45,357     | 49,626        |

The balances are interest-free and are not secured with collateral.

The Group has assessed the impairment of other receivables using the expected credit loss method. As at the end of each of the Relevant Periods, the Group assessed and recognised a provision for impairment of other receivables amounting to RMB443,000, RMB647,000, and RMB1,391,000, respectively.

### 21. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

#### The Group

|                                      | As at 31 December |         | As at 30 June |
|--------------------------------------|-------------------|---------|---------------|
|                                      | 2024              | 2025    | 2026          |
|                                      | RMB'000           | RMB'000 | RMB'000       |
| Wealth management products . . . . . | 10,048            | 147,555 | 42,037        |

#### The Company

|                                      | As at 31 December |         | As at 30 June |
|--------------------------------------|-------------------|---------|---------------|
|                                      | 2024              | 2025    | 2026          |
|                                      | RMB'000           | RMB'000 | RMB'000       |
| Wealth management products . . . . . | 10,048            | 97,553  | 42,037        |

The wealth management products were purchased from creditworthy commercial banks in the Chinese mainland. They were mandatorily classified as financial assets measured at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

The fair values are based on cash flows discounted using the expected yield rate and are within Level 2 of the fair value hierarchy.

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## ACCOUNTANTS’ REPORT

### 22. CASH AND BANK BALANCES

#### The Group

|                                                         | As at 31 December |         | As at 30 June |
|---------------------------------------------------------|-------------------|---------|---------------|
|                                                         | 2024              | 2025    | 2026          |
|                                                         | RMB'000           | RMB'000 | RMB'000       |
| Cash and bank balances . . . . .                        | 31,738            | 63,091  | 34,050        |
| Time deposits . . . . .                                 | 31,125            | 31,996  | 32,437        |
| Pledged deposits . . . . .                              | —                 | 160     | 3,192         |
|                                                         | 62,863            | 95,247  | 69,679        |
| Less:                                                   |                   |         |               |
| Time deposits over three months — current . .           | —                 | 31,996  | 32,437        |
| Time deposits over three months — non-current . . . . . | 31,125            | —       | —             |
| Pledged deposits . . . . .                              | —                 | 160     | 3,192         |
| Cash and cash equivalents . . . . .                     | 31,738            | 63,091  | 34,050        |
| Denominated in RMB . . . . .                            | 30,024            | 58,436  | 30,249        |
| AUD . . . . .                                           | 1,714             | 4,655   | 3,801         |

#### The Company

|                                                         | As at 31 December |         | As at 30 June |
|---------------------------------------------------------|-------------------|---------|---------------|
|                                                         | 2024              | 2025    | 2026          |
|                                                         | RMB'000           | RMB'000 | RMB'000       |
| Cash and bank balances . . . . .                        | 27,539            | 18,085  | 20,076        |
| Time deposits . . . . .                                 | 31,125            | 31,996  | 32,437        |
| Pledged deposits . . . . .                              | —                 | 160     | 1,507         |
|                                                         | 58,664            | 50,241  | 54,020        |
| Less:                                                   |                   |         |               |
| Time deposits over three months — current . .           | —                 | 31,996  | 32,437        |
| Time deposits over three months — non-current . . . . . | 31,125            | —       | —             |
| Pledged deposits . . . . .                              | —                 | 160     | 1,507         |
| Cash and cash equivalents . . . . .                     | 27,539            | 18,085  | 20,076        |
| Denominated in RMB . . . . .                            | 27,539            | 18,085  | 20,076        |

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

As at 31 December 2025, the pledged deposits were pledged for bills payable of RMB160,000. As at 30 June 2026, the pledged deposits were pledged for bills payable of RMB1,507,000 and letters of guarantee of RMB1,685,000.

The RMB is not freely convertible into other currencies, however, under the Chinese mainland’s Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

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## ACCOUNTANTS’ REPORT

### 23. TRADE AND BILLS PAYABLES

#### The Group

|                          | As at 31 December |         | As at 30 June |
|--------------------------|-------------------|---------|---------------|
|                          | 2024              | 2025    | 2026          |
|                          | RMB'000           | RMB'000 | RMB'000       |
| Trade payables . . . . . | 11,294            | 6,503   | 9,170         |
| Bills payable . . . . .  | —                 | 160     | 1,507         |
| Total . . . . .          | 11,294            | 6,663   | 10,677        |

#### The Company

|                                           | As at 31 December |         | As at 30 June |
|-------------------------------------------|-------------------|---------|---------------|
|                                           | 2024              | 2025    | 2026          |
|                                           | RMB'000           | RMB'000 | RMB'000       |
| Trade payables to third parties . . . . . | 10,864            | 6,367   | 8,985         |
| Bills payable . . . . .                   | —                 | 160     | 1,507         |
| Trade payables to subsidiaries . . . . .  | 6,798             | 12,856  | 4,768         |
| Total . . . . .                           | 17,662            | 19,383  | 15,260        |

An ageing analysis of the trade and bills payables as at the end of each of the Relevant Periods is as follows:

#### The Group

|                         | As at 31 December |         | As at 30 June |
|-------------------------|-------------------|---------|---------------|
|                         | 2024              | 2025    | 2026          |
|                         | RMB'000           | RMB'000 | RMB'000       |
| Within 1 year . . . . . | 11,294            | 6,663   | 10,677        |

#### The Company

|                         | As at 31 December |         | As at 30 June |
|-------------------------|-------------------|---------|---------------|
|                         | 2024              | 2025    | 2026          |
|                         | RMB'000           | RMB'000 | RMB'000       |
| Within 1 year . . . . . | 17,662            | 19,383  | 15,260        |

Trade and bills payables are non-interest-bearing and are normally settled on terms of 30 to 90 days.

### 24. OTHER PAYABLES AND ACCRUALS

#### The Group

|                                                                 | As at 31 December |         | As at 30 June |
|-----------------------------------------------------------------|-------------------|---------|---------------|
|                                                                 | 2024              | 2025    | 2026          |
|                                                                 | RMB'000           | RMB'000 | RMB'000       |
| Current:                                                        |                   |         |               |
| Payroll payable . . . . .                                       | 5,287             | 5,272   | 3,371         |
| Payable for purchase of property, plant and equipment . . . . . | 834               | 797     | 750           |
| Accrued expense . . . . .                                       | —                 | 2,136   | 406           |
| Other payables . . . . .                                        | 1,933             | 2,349   | 927           |
| Total . . . . .                                                 | 8,054             | 10,554  | 5,454         |

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## ACCOUNTANTS’ REPORT

### The Company

|                                                                 | As at 31 December |         | As at 30 June |
|-----------------------------------------------------------------|-------------------|---------|---------------|
|                                                                 | 2024              | 2025    | 2026          |
|                                                                 | RMB'000           | RMB'000 | RMB'000       |
| Current:                                                        |                   |         |               |
| Payroll payable . . . . .                                       | 4,107             | 4,408   | 2,816         |
| Payable for purchase of property, plant and equipment . . . . . | 790               | 760     | 713           |
| Accrued expense . . . . .                                       | —                 | 2,136   | 314           |
| Amount due to subsidiaries . . . . .                            | —                 | 38,315  | 107,415       |
| Other payables . . . . .                                        | 922               | 1,730   | 487           |
| Total . . . . .                                                 | 5,819             | 47,349  | 111,745       |

### 25. INTEREST-BEARING BANK BORROWINGS

#### The Group and the Company

|                                        | As at 31 December 2024      |          |         | As at 31 December 2025      |          |         | As at 30 June 2026          |          |         |
|----------------------------------------|-----------------------------|----------|---------|-----------------------------|----------|---------|-----------------------------|----------|---------|
|                                        | Effective interest rate (%) | Maturity | RMB'000 | Effective interest rate (%) | Maturity | RMB'000 | Effective interest rate (%) | Maturity | RMB'000 |
| Current                                |                             |          |         |                             |          |         |                             |          |         |
| Bank loans — secured (i) . . . . .     | —                           | —        | —       | 3-3.1                       | 2026     | 40,033  | —                           | —        | —       |
| Bank loans — guaranteed (ii) . . . . . | 3-3.1                       | 2025     | 30,013  | 2.7-2.8                     | 2026     | 20,016  | —                           | —        | —       |
| Bank loans — unsecured . . . . .       | 2.8                         | 2025     | 9,907   | 2.7                         | 2026     | 9,998   | —                           | —        | —       |
| Total . . . . .                        |                             |          | 39,920  |                             |          | 70,047  |                             |          | —       |

#### Notes:

- (i) Certain of the Group’s bank loans are secured by:
- mortgages over the Group’s buildings, which had an aggregate carrying value of RMB88,239,000 as at 31 December 2025; and
  - mortgages over the Group’s leasehold land, which had an aggregate carrying value of RMB18,706,000 as at 31 December 2025.
- (ii) The Group’s bank loans, amounting to RMB29,990,000 and RMB20,000,000, were guaranteed by Dr. Chen as at 31 December 2024 and 2025, respectively. The guaranteed bank loans were repaid in January 2026, and the guarantees provided by Dr. Chen were released accordingly.

### 26. DEFERRED TAX

The movements in deferred tax assets and liabilities during the Relevant Periods are as follows:

#### Deferred tax liabilities

|                                                                                 | Right-of-use assets |
|---------------------------------------------------------------------------------|---------------------|
|                                                                                 | RMB'000             |
| At 1 January 2024 . . . . .                                                     | 1,554               |
| Deferred tax credited to profit or loss during the year . . . . .               | (555)               |
| Gross deferred tax liabilities at 31 December 2024 and 1 January 2025 . . . . . | 999                 |
| Deferred tax charged to profit or loss during the year . . . . .                | (215)               |
| Gross deferred tax liabilities at 31 December 2025 and 1 January 2026 . . . . . | 784                 |
| Deferred tax charged to profit or loss during the period . . . . .              | (141)               |
| Gross deferred tax liabilities at 30 June 2026 . . . . .                        | 643                 |

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## ACCOUNTANTS’ REPORT

### Deferred tax assets

|                                                                            | Lease liabilities | Others         | Total          |
|----------------------------------------------------------------------------|-------------------|----------------|----------------|
|                                                                            | <i>RMB'000</i>    | <i>RMB'000</i> | <i>RMB'000</i> |
| At 1 January 2024 . . . . .                                                | 1,170             | 384            | 1,554          |
| Deferred tax charged to profit or loss during the year . . . . .           | (378)             | (177)          | (555)          |
| Gross deferred tax assets at 31 December 2024 and 1 January 2025 . . . . . | 792               | 207            | 999            |
| Deferred tax charged to profit or loss during the year . . . . .           | (111)             | (104)          | (215)          |
| Gross deferred tax assets at 31 December 2025 and 1 January 2026 . . . . . | 681               | 103            | 784            |
| Deferred tax charged to profit or loss during the period . . . . .         | (153)             | 12             | (141)          |
| Gross deferred tax assets at 30 June 2026 . . . . .                        | 528               | 115            | 643            |

For presentation purposes, deferred tax assets and liabilities have been offset in the statements of financial position.

### 27. REDEMPTION LIABILITIES ON EQUITY INTERESTS

In September 2018, the Company issued 6,537,247 equity interests in aggregate to the Series B investors of the Company for a total consideration of RMB133,000,000, of which 5,898,268 equity interests with redemption rights were recorded as Series B Redemption Liabilities on Equity Interests (“Series B”).

In November 2021, the Company issued 1,111,912 equity interests in aggregate to the Series C investors of the Company (“Series C”) for a total consideration of RMB33,330,883.

On 4 January 2021, certain Series C investors additionally purchased 4,718,614 equity interests from another then shareholder and these equity interests were entitled to redemption rights, together with 1,111,912 Series C Preferred Equity Interests with redemption rights, which were recorded as Series C Redemption Liabilities on Equity Interest (“Series C”).

In December 2022, the Company issued 5,760,223 equity interests in aggregate to the Series D investors of the Company (“Series D”) for a total consideration of RMB279,999,832.

In November 2025, the Company issued 4,628,752 equity interests in aggregate to the Series D+ investors of the Company (“Series D+”) for a total consideration of RMB224,999,900.

Significant terms of the equity interests above that will impact the accounting treatment of the Group are outlined below:

#### Redemption feature

Equity interests with preferential rights shall be redeemable by the Company and/or the founder of the Company upon the occurrence of the following circumstances (the “Repurchase Event”): (i) the Company fails to complete [REDACTED] by a specific date; (ii) the Company commits material violations of laws or regulations; (iii) the Company or its de facto controller engages in serious acts of bad faith; or (iv) changes to the Company’s controlling shareholder.

Pursuant to a supplemental agreement entered into by the Company with, among others, the shareholders of the Company dated 29 November 2025, the redemption features ceased to be exercisable immediately prior to the date of the first submission of the [REDACTED] application to the Stock Exchange (being 13 February 2026).

According to the supplemental agreement, equity interests with preferential rights shall be redeemable by the Company and/or the founder of the Company upon the occurrence of the following circumstances (the “Repurchase Event”): (i) the failure to obtain the [REDACTED] approval within 24

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## ACCOUNTANTS’ REPORT

months after the first submission of the [REDACTED] application by the Company to the Stock Exchange; (ii) the rejection or return of the [REDACTED] application by the Stock Exchange or relevant regulatory authorities; (iii) the withdrawal of the [REDACTED] application; or (iv) the failure to consummate the [REDACTED] within the validity period of the [REDACTED] approval granted by the Stock Exchange.

The repurchase price is the aggregate of the original issue price for the respective series plus an annual return of 10% on the investment (deducting the dividends paid).

### Liquidation preference

In the event of liquidation or sale of the Company, the distribution order of the remaining assets (or sale consideration) after paying liquidation expenses, employee debts and taxes according to law is as follows: (i) the investors of Series D+ and Series D have the priority to obtain the aggregate of the original issue price for the respective series plus an annual return of 10% on the investment funds and accumulated undistributed dividends (deducting the dividends paid); (ii) Series C investors and one of the Series B investors shall receive 100% of their investment and accumulated undistributed dividends in turn; (iii) other shareholders shall receive 100% of the investment and accumulated undistributed dividends in the reverse order of the time of acquisition. If the property is insufficient, the same order shall apply and distribution shall be made according to the shareholding ratio, and the difference shall be made up by the founder. If there is still any surplus, it shall be distributed according to the shareholding ratio of all shareholders.

### Anti-dilution right

If the Company increases its share capital at a price lower than the price paid by the investors for their investments on a per paid-in capital basis prior to a qualified [REDACTED], the investors have a right to require that: (i) the founder transfer to the investors the equity required for adjustment at zero or de minimis consideration (or at the minimum price permitted by law), (ii) the founder compensate the investors in cash, (iii) the Company issue additional shares to the investors, or (iv) the Company compensate the investors in cash, provided that the specific method shall be selected by the investor in its sole discretion, so that the total amount paid by the investors divided by the total amount of share capital obtained is equal to the price per share capital in the new issuance.

### Presentation and classification

The Group had consistently recognised the equity interests as redemption liabilities on equity interests measured at amortised cost.

As Series Pre-A and Series A pre-[REDACTED] investors were not entitled with redemption rights, the Company does not have an obligation i) to deliver cash or other financial assets to the holders of Series Pre-A and Series A equity interests; ii) to exchange financial assets or financial liabilities with the holders of Series Pre-A and Series A equity interests that are potentially unfavourable to the Company; and iii) to deliver a variable number of the Company’s own equity interests. Hence, Series Pre-A and Series A equity interests are recognised as equity in accordance with the relevant HKFRS Accounting Standard.

Total redemption liabilities on equity interests of the Group and the Company are set out below:

|                                                              | As at 31 December |           | As at 30 June |
|--------------------------------------------------------------|-------------------|-----------|---------------|
|                                                              | 2024              | 2025      | 2026          |
|                                                              | RMB'000           | RMB'000   | RMB'000       |
| Series B . . . . .                                           | 114,102           | 114,102   | 114,102       |
| Series C . . . . .                                           | 168,946           | 168,946   | 168,946       |
| Series D . . . . .                                           | 274,240           | 274,240   | 274,240       |
| Series D+ . . . . .                                          | —                 | 225,000   | 225,000       |
| Interest payable related to redemption liabilities . . . . . | 199,621           | 260,172   | 299,831       |
| Total . . . . .                                              | 756,909           | 1,042,460 | 1,082,119     |

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The movements of the redemption liabilities on equity interests as at the end of each of the Relevant Periods are set out below:

|                                               | As at 31 December |                  | As at 30 June    |
|-----------------------------------------------|-------------------|------------------|------------------|
|                                               | 2024              | 2025             | 2026             |
|                                               | RMB'000           | RMB'000          | RMB'000          |
| At the beginning of the year/period . . . . . | 699,274           | 756,909          | 1,042,460        |
| Series D+ . . . . .                           | —                 | 225,000          | —                |
| Interest expense . . . . .                    | 57,635            | 60,551           | 39,659           |
| Total . . . . .                               | <u>756,909</u>    | <u>1,042,460</u> | <u>1,082,119</u> |

### 28. PAID-IN CAPITAL/SHARE CAPITAL

#### The Group and the Company

##### Share capital

|                                                     | Number of shares in issue | Share capital |
|-----------------------------------------------------|---------------------------|---------------|
|                                                     |                           | RMB'000       |
| As at 31 December 2025 and 1 January 2026 . . . . . | —                         | —             |
| Conversion into a joint stock company . . . . .     | 51,533,475                | 51,534        |
| As at 30 June 2026 . . . . .                        | <u>51,533,475</u>         | <u>51,534</u> |

##### Paid-in capital

|                                                  | Paid-in capital |
|--------------------------------------------------|-----------------|
|                                                  | RMB'000         |
| At 1 January 2024 . . . . .                      | 46,905          |
| At 31 December 2024 and 1 January 2025 . . . . . | 46,905          |
| Issuance of Series D+ equity interests . . . . . | 4,629           |
| At 31 December 2025 and 1 January 2026 . . . . . | 51,534          |
| Conversion into a joint stock company . . . . .  | (51,534)        |
| At 30 June 2026 . . . . .                        | <u>—</u>        |

On 29 January 2026, the Company was converted into a joint stock company with limited liability. The conversion was made with reference to the net asset value of the Company as of 30 November 2025, of which RMB51,533,475 was converted into 51,533,475 shares with a nominal value of RMB1.00 per share, as subscribed by the shareholders in proportion to their respective equity interests in the Company immediately before the joint stock conversion.

### 29. DEFICITS

#### The Group

The amounts of the Group’s deficits and the movements therein are presented in the consolidated statements of changes in equity of the Historical Financial Information.

##### Capital reserve/Share premium

The Capital reserve/Share premium represents the difference between the paid-in capital and the consideration received.

##### Other reserve

The other reserve represents liabilities arising on recognition of redemption liabilities on equity interests as set out in note 27.

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### Share-based payment reserve

The share-based payment reserve represents the equity-settled share-based payment transaction as set out in note 30.

### The Company

|                                                        | Capital reserve/<br>Share premium | Share-based<br>payment reserve | Accumulated losses | Other reserve | Total     |
|--------------------------------------------------------|-----------------------------------|--------------------------------|--------------------|---------------|-----------|
|                                                        | RMB'000                           | RMB'000                        | RMB'000            | RMB'000       | RMB'000   |
| At 1 January 2024. . . . .                             | 569,667                           | 10,108                         | (462,527)          | (557,287)     | (440,039) |
| Loss for the year . . . . .                            | —                                 | —                              | (152,532)          | —             | (152,532) |
| Equity-settled share-based<br>payment . . . . .        | —                                 | 4,327                          | —                  | —             | 4,327     |
| At 31 December 2024 and<br>1 January 2025 . . . . .    | 569,667                           | 14,435                         | (615,059)          | (557,287)     | (588,244) |
| Loss for the year . . . . .                            | —                                 | —                              | (147,951)          | —             | (147,951) |
| Issue of equity interests . . . . .                    | 220,371                           | —                              | —                  | —             | 220,371   |
| Share issue expense. . . . .                           | (9,361)                           | —                              | —                  | —             | (9,361)   |
| Redemption liabilities on equity<br>interests. . . . . | —                                 | —                              | —                  | (225,000)     | (225,000) |
| Equity-settled share-based<br>payment . . . . .        | —                                 | 2,604                          | —                  | —             | 2,604     |
| At 31 December 2025 and<br>1 January 2026 . . . . .    | 780,677                           | 17,039                         | (763,010)          | (782,287)     | (747,581) |
| Loss for the period . . . . .                          | —                                 | —                              | (80,687)           | —             | (80,687)  |
| Equity-settled share-based<br>payment . . . . .        | —                                 | 1,396                          | —                  | —             | 1,396     |
| At 30 June 2026 . . . . .                              | 780,677                           | 18,435                         | (843,697)          | (782,287)     | (826,872) |

### 30. SHARE-BASED PAYMENT

The Company established an employee incentive platform for the purpose of providing incentives and rewards to eligible employees who contribute to the success of the Group’s operations. Eligible participants of the Employee Incentive Scheme include the Company’s directors and other employees of the Group who have made significant contributions to the development of the Group. Jiangyin Puyuan Enterprise Management Partnership (Limited Partnership) (江陰普源企業管理合夥企業(有限合夥)) (“**Jiangyin Puyuan**”) was used as a restricted share platform to facilitate the administration of the Employee Incentive Scheme.

#### 2022 Employee Incentive Scheme

On 23 August 2022, the shareholders of the Company approved a resolution to adopt a restricted share plan.

The eligible employees and directors shall subscribe for partnership interests in Jiangyin Puyuan as partners according to 4,004,003 shares granted at the subscription price of RMB7.77 or RMB8.16 per share. Each share represented RMB1 of paid-in capital of the Company.

Subject to the terms and conditions as set out in the Employee Incentive Scheme, if eligible employees resign prior to the date falling four years after the completion of the [REDACTED] (the “**Target Date**”), Dr. Chen or parties designated by Dr. Chen have the right to repurchase and the resigned employees have to sell the restricted shares granted and vested at the subscription price. Therefore, the period from the grant date to the Target Date constitutes an implied service period. The Group does not bear the obligation to settle the restricted shares for employees. The Employee Incentive Scheme was accounted for as an equity-settled plan.

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Set out below are details of the movements of the restricted shares granted under the Employee Incentive Scheme during the Relevant Periods:

|                                                     | Number of<br>restricted shares<br>granted |
|-----------------------------------------------------|-------------------------------------------|
| As at 1 January 2024 . . . . .                      | 3,345,848                                 |
| Granted during the year . . . . .                   | 658,155                                   |
| As at 31 December 2024 and 1 January 2025 . . . . . | 4,004,003                                 |
| Forfeited during the year. . . . .                  | (309,996)                                 |
| As at 31 December 2025 and 1 January 2026 . . . . . | 3,694,007                                 |
| Forfeited during the period . . . . .               | (65,000)                                  |
| As at 30 June 2026 . . . . .                        | 3,629,007                                 |

The following restricted shares were outstanding under the Employee Incentive Scheme as of 30 June 2026:

| Date of grant        | Number of<br>restricted shares<br>granted | Subscription<br>price per share | Fair value at<br>grant date<br>per share | Vesting schedule                                                                                                            |
|----------------------|-------------------------------------------|---------------------------------|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
|                      |                                           | RMB                             | RMB                                      |                                                                                                                             |
| March 2023 . . . . . | 3,194,107                                 | 7.77                            | 17.40                                    | The restricted shares granted will be released in equal 25% over a period of four years after the completion of [REDACTED]. |
| May 2024 . . . . .   | 434,900                                   | 8.16                            | 20.33                                    |                                                                                                                             |
| Total. . . . .       | 3,629,007                                 |                                 |                                          |                                                                                                                             |

During the Relevant Periods, share-based payment compensation expenses of RMB4,327,000, RMB3,638,000, RMB2,387,000 (unaudited) and RMB1,632,000 were charged to profit or loss for the year ended 31 December 2024 and 2025 and the six months ended 30 June 2025 and 2026, respectively.

The fair values of the restricted shares granted to the employees were estimated as at the date of grant using the equity value allocation method based on the most recent valuation, taking into account the terms and conditions upon which the restricted shares were granted. The following table lists the inputs to the model used:

|                                       | March 2023 | May 2024 |
|---------------------------------------|------------|----------|
| Expected Volatility (%) . . . . .     | 52.76      | 49.56    |
| Risk-free interest rate (%) . . . . . | 2.44       | 1.79     |
| Dividend yield (%) . . . . .          | —          | —        |

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may, not necessarily be the actual outcome.

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### 31. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

#### (a) Changes in liabilities arising from financing activities

|                                                                            | Redemption<br>liabilities on<br>equity interests | Interest-bearing<br>bank loans | Lease liabilities | Accrued<br>[REDACTED]<br>expenses | Total      |
|----------------------------------------------------------------------------|--------------------------------------------------|--------------------------------|-------------------|-----------------------------------|------------|
|                                                                            | RMB'000                                          | RMB'000                        | RMB'000           | RMB'000                           | RMB'000    |
| At 1 January 2024. . . . .                                                 | 699,274                                          | —                              | 5,889             | [REDACTED]                        | 705,163    |
| Accretion of interest recognised during the<br>year. . . . .               | 57,635                                           | 556                            | 241               | [REDACTED]                        | 58,432     |
| Changes from financing cash flows. . . . .                                 | —                                                | 39,364                         | (1,407)           | [REDACTED]                        | 37,957     |
| At 31 December 2024 and<br>1 January 2025. . . . .                         | 756,909                                          | 39,920                         | 4,723             | [REDACTED]                        | 801,552    |
| Accretion of interest recognised during the<br>year. . . . .               | 60,551                                           | 1,763                          | 149               | [REDACTED]                        | 62,463     |
| Revision of a lease term arising from a change. . . . .                    | —                                                | —                              | (642)             | [REDACTED]                        | (642)      |
| Accrued [REDACTED] expenses. . . . .                                       | [REDACTED]                                       | [REDACTED]                     | [REDACTED]        | [REDACTED]                        | [REDACTED] |
| Deferred [REDACTED] expenses. . . . .                                      | [REDACTED]                                       | [REDACTED]                     | [REDACTED]        | [REDACTED]                        | [REDACTED] |
| Changes from operating cash flows. . . . .                                 | —                                                | —                              | —                 | [REDACTED]                        | (4,503)    |
| Changes from financing cash flows. . . . .                                 | 225,000                                          | 28,364                         | (1,506)           | [REDACTED]                        | 251,858    |
| At 31 December 2025 and 1 January 2026 . . . . .                           | 1,042,460                                        | 70,047                         | 2,724             | [REDACTED]                        | 1,116,920  |
| Accretion of interest recognised during the<br>period. . . . .             | 39,659                                           | 421                            | 55                | [REDACTED]                        | 40,135     |
| Accrued [REDACTED] expenses. . . . .                                       | [REDACTED]                                       | [REDACTED]                     | [REDACTED]        | [REDACTED]                        | [REDACTED] |
| Deferred [REDACTED] expenses. . . . .                                      | [REDACTED]                                       | [REDACTED]                     | [REDACTED]        | [REDACTED]                        | [REDACTED] |
| Changes from operating cash flows. . . . .                                 | —                                                | —                              | —                 | [REDACTED]                        | (9,211)    |
| Changes from financing cash flows. . . . .                                 | —                                                | (70,468)                       | (668)             | [REDACTED]                        | (74,766)   |
| At 30 June 2026. . . . .                                                   | 1,082,119                                        | —                              | 2,111             | [REDACTED]                        | 1,084,230  |
| At 1 January 2025. . . . .                                                 | 756,909                                          | 39,920                         | 4,723             | [REDACTED]                        | 801,552    |
| Accretion of interest recognised during the<br>period (unaudited). . . . . | 28,503                                           | 705                            | 99                | [REDACTED]                        | 29,307     |
| Changes from financing cash flows (unaudited). . . . .                     | —                                                | 19,303                         | (852)             | [REDACTED]                        | 18,451     |
| At 30 June 2025 (unaudited). . . . .                                       | 785,412                                          | 59,928                         | 3,970             | [REDACTED]                        | 849,310    |

#### (b) Total cash outflow for leases

The total cash outflow for leases included in the consolidated statements of cash flows is as follows:

|                                       | Year ended 31 December |         | Six months ended 30 June |         |
|---------------------------------------|------------------------|---------|--------------------------|---------|
|                                       | 2024                   | 2025    | 2025                     | 2026    |
|                                       | RMB'000                | RMB'000 | RMB'000<br>(Unaudited)   | RMB'000 |
| Within operating activities . . . . . | 615                    | 729     | 359                      | 323     |
| Within financing activities . . . . . | 1,407                  | 1,506   | 852                      | 668     |
| Total . . . . .                       | 2,022                  | 2,235   | 1,211                    | 991     |

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### 32. COMMITMENTS

Capital expenditure contracted for at the end of each of the Relevant Periods but not yet incurred is as follows:

|                                          | As at 31 December |         | As at 30 June |
|------------------------------------------|-------------------|---------|---------------|
|                                          | 2024              | 2025    | 2026          |
|                                          | RMB'000           | RMB'000 | RMB'000       |
| Contracted but not provided for. . . . . | —                 | 20,380  | 7,968         |

In order to support the expected commercialisation and the research and development, on 15 December 2025, UltraPep Biopharma (Zhejiang) Co., Ltd., a subsidiary of the Group, entered into a land-use-rights transfer agreement with Taizhou Natural Resources and Planning Bureau. The capital expenditure contracted was mainly for the acquisition of land use rights and the construction of the new factory.

### 33. RELATED PARTY TRANSACTIONS

#### (a) Guarantees

Dr. Chen has guaranteed certain bank loans made to the Group up to RMB29,990,000, RMB20,000,000, nil as at 31 December 2024 and 2025 and 30 June 2026, respectively, as set out in note 25.

#### (b) Compensation of key management personnel of the Group

|                                                              | Year ended 31 December |         | Six months ended 30 June |         |
|--------------------------------------------------------------|------------------------|---------|--------------------------|---------|
|                                                              | 2024                   | 2025    | 2025                     | 2026    |
|                                                              | RMB'000                | RMB'000 | RMB'000<br>(Unaudited)   | RMB'000 |
| Salaries, bonuses and allowances. . . . .                    | 3,581                  | 5,339   | 2,268                    | 2,912   |
| Pension scheme contributions and social welfare. . . . .     | 311                    | 455     | 225                      | 254     |
| Equity-settled share-based payment . . . . .                 | 726                    | 1,626   | 883                      | 950     |
| Total compensation paid to key management personnel. . . . . | 4,618                  | 7,420   | 3,376                    | 4,116   |

### 34. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of the categories of financial instruments as at the end of each of the Relevant Periods are as follows:

#### The Group

##### Financial assets

|                                                                                       | As at 31 December |         | As at 30 June |
|---------------------------------------------------------------------------------------|-------------------|---------|---------------|
|                                                                                       | 2024              | 2025    | 2026          |
|                                                                                       | RMB'000           | RMB'000 | RMB'000       |
| <i>Financial assets at fair value:</i>                                                |                   |         |               |
| Financial assets at fair value through profit or loss . . . . .                       | 10,048            | 147,555 | 42,037        |
| <i>Financial assets measured at amortised cost:</i>                                   |                   |         |               |
| Trade and bill receivables . . . . .                                                  | 2,466             | 1,608   | 1,629         |
| Financial assets included in prepayments, other receivables and other assets. . . . . | 2,420             | 4,851   | 1,217         |
| Pledged deposits. . . . .                                                             | —                 | 160     | 3,192         |
| Time deposits. . . . .                                                                | 31,125            | 31,996  | 32,437        |
| Cash and cash equivalents. . . . .                                                    | 31,738            | 63,091  | 34,050        |
| Total . . . . .                                                                       | 77,797            | 249,261 | 114,562       |

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## ACCOUNTANTS’ REPORT

### *Financial liabilities*

|                                                                                  | As at 31 December |           | As at 30 June |
|----------------------------------------------------------------------------------|-------------------|-----------|---------------|
|                                                                                  | 2024              | 2025      | 2026          |
|                                                                                  | RMB'000           | RMB'000   | RMB'000       |
| <i>Financial liabilities measured at amortised cost:</i>                         |                   |           |               |
| Trade and bills payables . . . . .                                               | 11,294            | 6,663     | 10,677        |
| Redemption liabilities on equity interest . . . .                                | 756,909           | 1,042,460 | 1,082,119     |
| Financial liabilities included in other payables and accruals (note 24). . . . . | 2,767             | 3,146     | 1,677         |
| Interest-bearing bank borrowings . . . . .                                       | 39,920            | 70,047    | —             |
| Total . . . . .                                                                  | 810,890           | 1,122,316 | 1,094,473     |

### 35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, time deposits, pledged deposits, trade and bills receivables, financial assets included in prepayments, other receivables and other assets, trade and bills payables, financial liabilities included in other payables and accruals and interest-bearing bank borrowings approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group’s finance department headed by the financial controller is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The directors review the results of the fair value measurement of financial instruments periodically for financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The Group invests in wealth management products, which represent wealth management products issued by banks. The Group has estimated the fair value of these investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

The fair values of the time deposits have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

The Group’s own non-performance risk for interest-bearing bank borrowings at 31 December 2024, 31 December 2025 and 30 June 2026 was assessed to be insignificant.

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## ACCOUNTANTS’ REPORT

An analysis of the fair value measurement of financial instruments as at the end of each of the Relevant Periods is as follows:

### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group’s financial instruments:

Assets measured at fair value:

|                                                                            | Fair value measurement using       |                                     |                                       | Total   |
|----------------------------------------------------------------------------|------------------------------------|-------------------------------------|---------------------------------------|---------|
|                                                                            | Quoted prices in<br>active markets | Significant<br>observable<br>inputs | Significant<br>unobservable<br>inputs |         |
|                                                                            | (Level 1)                          | (Level 2)                           | (Level 3)                             |         |
|                                                                            | RMB’000                            | RMB’000                             | RMB’000                               | RMB’000 |
| <b>As at 31 December 2024</b>                                              |                                    |                                     |                                       |         |
| Financial assets measured at fair value<br>through profit or loss. . . . . | —                                  | 10,048                              | —                                     | 10,048  |
| <b>As at 31 December 2025</b>                                              |                                    |                                     |                                       |         |
| Financial assets measured at fair value<br>through profit or loss. . . . . | —                                  | 147,555                             | —                                     | 147,555 |
| <b>As at 30 June 2026</b>                                                  |                                    |                                     |                                       |         |
| Financial assets measured at fair value<br>through profit or loss. . . . . | —                                  | 42,037                              | —                                     | 42,037  |

During the Relevant Periods, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets.

### 36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group’s principal financial instruments comprise cash and cash equivalents, time deposits, pledged deposits, financial assets at fair value through profit or loss, redemption liabilities on equity interests and interest-bearing bank borrowings. The main purpose of these financial instruments is to raise finance for the Group’s operations. The Group has various financial assets and liabilities such as trade and bills receivables, financial assets included in prepayments, other receivables and other assets, trade and bills payables, and financial liabilities included in other payables and accruals, which arise directly from its operations.

The main risks arising from the Group’s financial instruments are interest rate risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

#### Interest rate risk

Except for bank savings which earn interest at floating rates, the Group has no significant interest-bearing assets. The Group’s income and operating cash flows are substantially independent of changes in market interest rates.

The Group’s interest rate risk arises from borrowings. The management of the Group is of the opinion that there is no significant interest rate risk, as the Group’s borrowings are generally with fixed interest rates. The Group’s bank balances are exposed to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate. The management of the Company considers that the Group’s exposure to interest rate risk in respect of bank balances is not significant.

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### Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group’s policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group’s exposure to bad debts is not significant.

#### *Maximum exposure and year-end staging*

The tables below show the credit quality and the maximum exposure to credit risk based on the Group’s credit policy, which is mainly based on ageing information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December 2024, 31 December 2025 and 30 June 2026. The amount presented is gross carrying amount for financial assets.

### The Group

#### *As at 31 December 2024*

|                                                                                         | 12-month ECLs | Lifetime ECLs |         |                     |         |
|-----------------------------------------------------------------------------------------|---------------|---------------|---------|---------------------|---------|
|                                                                                         | Stage 1       | Stage 2       | Stage 3 | Simplified approach | Total   |
|                                                                                         | RMB’000       | RMB’000       | RMB’000 | RMB’000             | RMB’000 |
| Trade receivables*                                                                      | —             | —             | —       | 1,903               | 1,903   |
| Bills receivable**                                                                      | 563           | —             | —       | —                   | 563     |
| Financial assets included in prepayments, other receivables and other assets — Normal** | 2,863         | —             | —       | —                   | 2,863   |
| Time deposits                                                                           | 31,125        | —             | —       | —                   | 31,125  |
| Cash and cash equivalents                                                               | 31,738        | —             | —       | —                   | 31,738  |
| Total                                                                                   | 66,289        | —             | —       | 1,903               | 68,192  |

#### *As at 31 December 2025*

|                                                                              | 12-month ECLs | Lifetime ECLs |         |                     |         |
|------------------------------------------------------------------------------|---------------|---------------|---------|---------------------|---------|
|                                                                              | Stage 1       | Stage 2       | Stage 3 | Simplified approach | Total   |
|                                                                              | RMB’000       | RMB’000       | RMB’000 | RMB’000             | RMB’000 |
| Trade receivables*                                                           | —             | —             | —       | 1,416               | 1,416   |
| Bills receivable**                                                           | 192           | —             | —       | —                   | 192     |
| Financial assets included in prepayments, other receivables and other assets |               |               |         |                     |         |
| — Normal**                                                                   | 4,288         | —             | —       | —                   | 4,288   |
| — Doubtful**                                                                 | —             | 1,210         | —       | —                   | 1,210   |
| Pledged deposits                                                             | 160           | —             | —       | —                   | 160     |
| Time deposits                                                                | 31,996        | —             | —       | —                   | 31,996  |
| Cash and cash equivalents                                                    | 63,091        | —             | —       | —                   | 63,091  |
| Total                                                                        | 99,727        | 1,210         | —       | 1,416               | 102,353 |

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## ACCOUNTANTS’ REPORT

As at 30 June 2026

|                                                                              | 12-month ECLs | Lifetime ECLs |         |                     | Total   |
|------------------------------------------------------------------------------|---------------|---------------|---------|---------------------|---------|
|                                                                              | Stage 1       | Stage 2       | Stage 3 | Simplified approach |         |
|                                                                              | RMB'000       | RMB'000       | RMB'000 | RMB'000             | RMB'000 |
| Trade receivables*                                                           | —             | —             | —       | 1,498               | 1,498   |
| Bills receivable**                                                           | 131           | —             | —       | —                   | 131     |
| Financial assets included in prepayments, other receivables and other assets |               |               |         |                     |         |
| — Normal**                                                                   | 1,400         | —             | —       | —                   | 1,400   |
| — Doubtful**                                                                 | —             | —             | 1,208   | —                   | 1,208   |
| Pledged deposits                                                             | 3,192         | —             | —       | —                   | 3,192   |
| Time deposits                                                                | 32,437        | —             | —       | —                   | 32,437  |
| Cash and cash equivalents                                                    | 34,050        | —             | —       | —                   | 34,050  |
| Total                                                                        | 71,210        | —             | 1,208   | 1,498               | 73,916  |

\* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in notes 19 to the financial statements.

\*\* The credit quality of the financial assets included in prepayments, other receivables and other assets, and bills receivable is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

### Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the operations and mitigate the effects of fluctuations in cash flows.

The maturity profile of the Group’s financial liabilities and lease liabilities as at the end of each of the Relevant Periods, based on the contractual undiscounted payments, is as follows:

### The Group

| As at 31 December 2024                                        |                               |              |         |
|---------------------------------------------------------------|-------------------------------|--------------|---------|
|                                                               | Less than 1 year or on demand | 1 to 5 years | Total   |
|                                                               | RMB'000                       | RMB'000      | RMB'000 |
| Trade and bill payables                                       | 11,294                        | —            | 11,294  |
| Financial liabilities included in other payables and accruals | 2,767                         | —            | 2,767   |
| Interest-bearing bank borrowings                              | 40,546                        | —            | 40,546  |
| Lease liabilities                                             | 1,684                         | 3,334        | 5,018   |
| Redemption liabilities on equity interests                    | 756,909                       | —            | 756,909 |
| Total                                                         | 813,200                       | 3,334        | 816,534 |

  

| As at 31 December 2025                                        |                               |              |           |
|---------------------------------------------------------------|-------------------------------|--------------|-----------|
|                                                               | Less than 1 year or on demand | 1 to 5 years | Total     |
|                                                               | RMB'000                       | RMB'000      | RMB'000   |
| Trade and bills payables                                      | 6,663                         | —            | 6,663     |
| Financial liabilities included in other payables and accruals | 3,146                         | —            | 3,146     |
| Interest-bearing bank borrowings                              | 70,614                        | —            | 70,614    |
| Lease liabilities                                             | 1,137                         | 1,625        | 2,762     |
| Redemption liabilities on equity interests                    | 1,042,460                     | —            | 1,042,460 |
| Total                                                         | 1,124,020                     | 1,625        | 1,125,645 |

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|                                                                            | As at 30 June 2026                  |              |           |
|----------------------------------------------------------------------------|-------------------------------------|--------------|-----------|
|                                                                            | Less than<br>1 year or on<br>demand | 1 to 5 years | Total     |
|                                                                            | RMB'000                             | RMB'000      | RMB'000   |
| Trade and bills payables . . . . .                                         | 10,677                              | —            | 10,677    |
| Financial liabilities included in other<br>payables and accruals . . . . . | 1,677                               | —            | 1,677     |
| Lease liabilities . . . . .                                                | 1,079                               | 1,106        | 2,185     |
| Redemption liabilities on equity interests . . . . .                       | 1,082,119                           | —            | 1,082,119 |
| Total . . . . .                                                            | 1,095,552                           | 1,106        | 1,096,658 |

### Capital management

The primary objectives of the Group’s capital management are to safeguard the Group’s ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders’ value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

The current ratio as at the end of each reporting period is as follows:

|                                        | As at 31 December |           | As at 30 June |
|----------------------------------------|-------------------|-----------|---------------|
|                                        | 2024              | 2025      | 2026          |
|                                        | RMB'000           | RMB'000   | RMB'000       |
| Current assets. . . . .                | 54,701            | 256,142   | 125,319       |
| Current liabilities . . . . .          | 817,734           | 1,131,045 | 1,099,480     |
| Current ratio ( <i>note</i> ). . . . . | 0.07              | 0.23      | 0.11          |

*Note:* Current ratio is calculated by dividing current assets by current liabilities.

### 37. SUBSEQUENT EVENTS

There were no material subsequent events after the end of the Relevant Periods that required additional disclosure or adjustments.

### 38. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any period subsequent to 30 June 2026.