INNOCARE
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InnoCare Pharma Limited
諾誠健華醫藥有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 9969)

UPDATE IN USE OF PROCEEDS OF RMB SHARE ISSUE

References are made to the announcements made by InnoCare Pharma Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated 11 March 2021, 26 May 2021, 13 September 2021, 13 April 2022, 11 May 2022, 1 June 2022, 5 August 2022, 22 August 2022, 1 September 2022, 8 September 2022, 16 September 2022, 20 September 2022 and 27 March 2025 and the Company's circulars dated 3 June 2021, 18 May 2022, supplemental circular dated 6 June 2022 and 28 April 2025 (the "**Circulars**") in relation to, among others, the RMB Share Issue. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Circulars.

UPDATE IN USE OF PROCEEDS

Net Proceeds from the RMB Share Issue

On 21 September 2022, the RMB Shares were listed on the STAR Market. The gross proceeds amounted to approximately RMB2,919.07 million. After deducting issuance expenses of RMB140.25 million in accordance with the related requirements, the net proceeds amounted to approximately RMB2,778.82 million (collectively, the "**Net Proceeds**").

As of the date of this announcement, the Board has resolved to change the use of the unutilised Net Proceeds in the manner as specified in the announcement titled "InnoCare Pharma Limited Announcement on Adjusting the Internal Investment Structure of Fundraising Projects" published by the Company on the Shanghai Stock Exchange, the content of which is attached. In case of any discrepancies between the English and Chinese versions, the Chinese version shall prevail.

As the update in use of the Net Proceeds merely involves internal adjustments within the categories of use of proceeds as disclosed in the Circulars, and the total committed investment amount from the Net Proceeds of the Company remain unchanged, the Board considers that the development direction of the Company is still in line with the disclosures in the Circulars. The Board believes that the adjustments in use of idle Net Proceeds will not affect the intended use of the Net Proceeds, and the Company will use the remaining Net Proceeds for the purpose as disclosed in the Circulars. The Board will continuously assess the plan for the use of the unutilized Net Proceeds and may revise or amend such plan where necessary to cope with the changing market conditions and strive for better business performance of the Group.

By order of the Board
InnoCare Pharma Limited
Dr. Jisong Cui
Chairperson and Executive Director

Hong Kong, 25 March 2026

As at the date of this announcement, the Board of Directors of the Company comprises Dr. Jisong Cui as Chairperson and executive Director, Dr. Renbin Zhao as executive Director, Dr. Yigong Shi and Mr. Ronggang Xie as non-executive Directors, and Ms. Lan Hu, Dr. Dandan Dong and Prof. Kunliang Guan as independent non-executive Directors.

A-Share Code: 688428 A-Share Abbreviation: InnoCare Announcement No.: 2026-007

H-Share Code: 09969 H-Share Abbreviation: InnoCare

InnoCare Pharma Limited

Announcement on Adjusting the Internal Investment Structure of Fundraising Projects

The Board of Directors and all directors of the Company warrant that this announcement contains no false records, misleading statements, or material omissions, and shall bear legal liabilities for the authenticity, accuracy, and completeness of its content in accordance with the law.

Key Highlights:

- In order to improve the efficiency of the use of raised funds, InnoCare Pharma Limited (hereinafter referred to as "InnoCare" or the "Company") intends to adjust the sub-projects and investment amounts under the fundraising projects for its initial public offering of RMB ordinary shares (A-shares) (hereinafter referred to as the "Fundraising Investment Projects" or "Fundraising Projects"). These adjustments will involve the "New Drug R&D Projects", "Upgrade of drug R&D platform", and "Construction of IT system" (hereinafter referred to as "this Adjustment"). After this Adjustment, the total committed investment of the Company's raised funds will remain unchanged.
- On 25 March 2026, the Company convened a Board meeting and approved the proposal on Adjusting the Internal Investment Structure of A-share Fundraising Projects. The sponsor has issued a verification opinion on this matter. This proposal is subject to the consideration by the general shareholders' meeting of the Company.

I. Basic Information on Fundraising

(1) Basic Information on the Fundraising through Initial Public Offering of RMB Ordinary Shares (A-shares)

The Company's registration application for the initial public offering (IPO) of shares and listing on the STAR Market was approved by the China Securities Regulatory Commission (CSRC) on 15 July 2022 (CSRC Approval [2022] No. 1524, Approval on the Registration of InnoCare Pharma Limited's Initial Public Offering of Shares). Based on this approval, the Company publicly issued a total of 264,648,217 shares through a combination of strategic investor placement, offline inquiry-based allocation to qualified investors, and online pricing issuance to the general public investors holding non-restricted A-shares and non-restricted depositary receipts in the Shanghai market. The issue price per share was RMB11.03, and the total amount of funds raised was RMB2,919,069,800. After deducting the IPO issuance expenses (excluding value-added tax), the net amount of raised funds was RMB2,778,815,600. Ernst & Young Hua Ming LLP conducted a verification of the funds raised from this public offering and issued the Capital Verification Report (Ernst & Young Hua Ming [2022] Verification No. 61576403_B01) on 16 September 2022.

(2) Usage of Raised Funds before This Adjustment

According to the Company's Prospectus for the Initial Public Offering and Listing on the STAR Market of InnoCare, the Announcement on Adjusting the Amount of Funds to Be Invested in Fundraising Investment Projects of InnoCare Pharma Limited (Announcement No.: 2022-001) and the Announcement on Adjusting the Internal Investment Structure of Fundraising Projects and Adding A New Implementing Entity for Certain Fundraising Projects of InnoCare Pharma Limited (Announcement No.: 2025-011), the details of the Company's Fundraising Investment Projects and the utilization status of raised funds for each Fundraising Project as of 31 December 2025 are as follows:

Unit: RMB'0,000

No.	Project Name	Total Investment	Proposed Investment of Raised Funds Before Adjustment	Proposed Investment of Raised Funds After Adjustment	Raised Funds Already Used
1	New Drug R&D Projects	215,087.40	149,422.06	149,422.06	59,796.21
2	Upgrade of drug R&D platform	16,718.87	11,614.66	11,614.66	9,737.15
3	Construction of marketing network	39,419.88	27,385.14	27,385.14	16,653.46
4	Construction of IT system	8,773.85	6,095.23	6,095.23	4,022.21
5	Replenishment of cash flow	120,000.00	83,364.47	83,364.47	78,644.13
Total		400,000.00	277,881.56	277,881.56	168,853.16

Note: Any discrepancies between the total shown and the sum of individual items listed in this table are due to rounding (the same applies below).

II. Details and Reasons for Adjusting the Internal Investment Structure of Fundraising Projects

(1) Details of This Adjustment

This Adjustment involves only internal adjustments among Fundraising Projects, and the total committed investment amount from the raised funds of the Company remains unchanged.

1. The Company plans to make the following adjustments to the proposed investment amounts for the sub-projects under the "New Drug R&D Projects":

The proposed investment amount for sub-project "ICP-192" will be adjusted from RMB74.8572 million to RMB56.8572 million. The proposed investment amount for sub-project "ICP-189" will be adjusted from RMB57.3131 million to RMB42.3131 million. The proposed investment amount for sub-project “ICP-248” will be adjusted from RMB57.3131 million to RMB112.3131 million. The proposed investment amount for sub-project “Clinical Sample Production Costs” will be adjusted from RMB48.4111 million to RMB26.4111 million.

The investment amounts for each sub-project under the “New Drug R&D Projects” before and after this Adjustment are as follows:

Unit: RMB’0,000

No.	Sub-project Name	Proposed Investment of Raised Funds		
		Before Adjustment	Adjustment Amount	After Adjustment
1	ICP-022	41,230.66		41,230.66
2	ICP-192	7,485.72	-1,800.00	5,685.72
3	ICP-723	12,504.67		12,504.67
4	ICP-332	6,947.04		6,947.04
5	ICP-033	2,078.66		2,078.66
6	ICP-189	5,731.31	-1,500.00	4,231.31
7	ICP-488	15,491.89		15,491.89
8	ICP-490	5,786.88		5,786.88
9	ICP-248	5,731.31	5,500.00	11,231.31
10	ICP-B794	10,000.00		10,000.00
11	Preclinical Molecule	28,662.93		28,662.93
12	Clinical Sample Production Costs	4,841.11	-2,200.00	2,641.11
13	Basic Contingency	2,929.88		2,929.88
Total		149,422.06	-	149,422.06

Note: The proposed investment amounts for each sub-project and the total investment amount in the above table may be further adjusted based on the Company’s strategic plans.

2. The Company plans to make the following adjustments to the proposed investment amounts for the sub-projects under the “Upgrade of drug R&D platform”:

The proposed investment amount for the sub-project "Equipment Investment" will be adjusted from RMB72.8086 million to RMB81.7586 million. The proposed investment amount for the sub-project "Personnel Compensation" will be adjusted from RMB13.4247 million to RMB6.5247 million. The proposed investment amount for the sub-project "Other Expenses" will be adjusted from RMB2.8775 million to RMB827,500.

The investment amounts for each sub-project under the "Upgrade of drug R&D platform" before and after this Adjustment are as follows:

Unit: RMB'0,000

No.	Sub-project Name	Proposed Investment of Raised Funds		
		Before Adjustment	**Adjustment Amount**	**After Adjustment**
1	Site Leasing and Renovation	2,475.84		2,475.84
2	Equipment Investment	7,280.86	895.00	8,175.86
3	Personnel Compensation	1,342.47	-690.00	652.47
4	Other Expenses	287.75	-205.00	82.75
5	Basic Contingency	227.74		227.74
Total		11,614.66		11,614.66

Note: The proposed investment amounts for each sub-project and the total investment amount in the above table may be further adjusted based on the Company's strategic plans.

3. The Company plans to make the following adjustments to the proposed investment amounts for the sub-projects under the "Construction of IT system":

The proposed investment amount for the sub-project "Hardware Purchase Fees" will be adjusted from RMB18.4930 million to RMB7.4930 million. The proposed investment amount for the sub-project "Software Purchase Fees" will be adjusted from RMB30.7760 million to RMB44.2760 million. The proposed investment amount for the sub-project "Other Expenses" will be adjusted from RMB2.5010 million to RMB1,000.

The investment amounts for each sub-project under the "Construction of IT system" before and after this Adjustment are as follows:

Unit: RMB'0,000

No.	Sub-project Name	Proposed Investment of Raised Funds		
		Before Adjustment	Adjustment Amount	After Adjustment
1	Site Leasing	0.00		0.00
2	Equipment Investment	4,281.46	250.00	4,531.46
2.1	Hardware Purchase Fees	1,849.30	-1,100.00	749.30
2.2	Software Purchase Fees	3,077.60	1,350.00	4,427.60
3	Personnel Compensation	874.55		874.55
4	Other Expenses	250.10	-250.00	0.10
5	Basic Contingency	43.68		43.68
Total		6,095.23		6,095.23

(2) Reasons for This Adjustment

1. New Drug R&D Projects

During the new drug R&D process, the Company has continuously strengthened the refined management over all links of R&D investment. By improving budget control, enhancing process supervision and boosting resource allocation efficiency, it has effectively improved capital utilization efficiency and reasonably controlled overall expenditures. Based on the Company's overall development strategy and actual operational needs, and in light of the dynamic changes in the clinical progress, competitive landscape and market potential of each ongoing research project, the Company plans to optimize and adjust the capital investment structure of certain fund-raising subsidiary projects. Among them, the subsidiary project "ICP-248", the

Company's key next-generation BCL-2 inhibitor (mesutoclax), has further deepened the Company's long-term layout and enhanced its competitiveness in the hematological tumor sector on the basis of its existing product portfolio. Five clinical studies have been initiated for this project, including three registrational clinical trials covering multiple key areas with unmet medical needs, including: (1) a Phase III therapy regimen in combination with orelabrutinib for the fixed-duration treatment of 1L CLL/SLL; (2) a registrational clinical study in MCL patients previously treated with BTK inhibitors; (3) a Phase III registrational trial in relapsed or refractory MCL. Meanwhile, the global clinical development of mesutoclax for acute myeloid leukemia (AML) and myelodysplastic syndromes (MDS) is progressing steadily in China, the United States and other regions, demonstrating favorable international development potential and broader market space. Given that the "ICP-248" project imposes higher capital requirements in terms of clinical advancement speed, breadth of indication expansion and global development layout, the Company intends to increase investment in this project to ensure the smooth implementation of its key clinical trials and accelerate the global development process. By contrast, the investment urgency and priority of the subsidiary projects "ICP-192" and "ICP-189" have decreased due to factors such as changes in the industry competitive landscape and market space expectations. Going forward, the Company will advance relevant research in an orderly manner in accordance with clinical development progress based on actual project implementation status, and fulfill its information disclosure obligations in compliance with applicable regulations. In addition, driven by the Company's overall optimization of clinical development pace and dynamic adjustment of sample production plans, the phased demand for investment related to "Clinical Sample Production Costs" has declined. In line with the principles of optimizing resource allocation and improving the efficiency of raised fund utilization, the Company plans to appropriately reduce the capital investment scale of projects related to "ICP-192", "ICP-189" and "Clinical Sample Production Costs", so as to better support the advancement of key projects and maximize the overall value of the R&D pipeline.

2. Upgrade of drug R&D platform

As the construction of the R&D platform upgrade project nears completion, the number of personnel required for the project has gradually decreased. At the same time, since the pharmaceutical manufacturing industry in which the Company operates is a typical technology-intensive sector with high demands on a company's R&D capabilities, research quality, and efficiency, a professional R&D environment and equipment and facilities are crucial foundations for the smooth progress of research activities. In recent years, the Company has focused on improving the R&D environment by providing adequate research space. As a result, the investment in the sub-projects "Personnel Compensation" and "Other Expenses" has been adjusted to the sub-project "Equipment Investment", which will help enhance the R&D hardware facilities and improve the efficiency of drug development.

3. Construction of IT system

The Company continues to invest in the construction of IT systems. Currently, the available space meets the daily operational needs of the IT platform. At the same time, to enhance its data processing, integration, and analysis capabilities in the drug discovery process, the Company plans to continually introduce relevant software systems and platforms, build a specialized talent team, accelerate drug discovery, optimize research and development processes, and improve operational efficiency. The Company will transfer the investment in the sub-projects "Other Expenses" and "Equipment Investment - Hardware Purchase Fees" to the sub-project "Equipment Investment - Software Purchase Fees", which will benefit the Company's future drug development efforts, improve operational and research efficiency, attract specialized talent, and enhance new drug development capabilities and core competitiveness.

III. Impact of Adjusting the Internal Investment Structure of Fundraising Projects on the Company's Operations

The adjustment of the internal investment structure of Fundraising Projects by the Company is a prudent decision made in line with the Company's actual situation and development strategy. This Adjustment is beneficial for improving the efficiency of fundraising capital utilization, optimizing resource allocation, and ensuring the smooth implementation of Fundraising Investment Projects. This Adjustment aligns with the strategic requirements for the Company's future development and is in the long-term interests of the Company and all of its shareholders.

IV. Risk Disclaimer

Due to the high-tech, high-risk, and high-value nature of new drug development, the early-stage research and development of drugs, as well as the long and complex process from development, clinical research, and production to commercialization, are subject to various uncertainties. These processes face risks including, but not limited to, clinical trial results not meeting expectations, the possibility that products under development may fail to obtain regulatory approval or experience delays in the registration process, the potential lack of market recognition for products under development, and the possibility that confirmatory clinical trials after conditional approval may not meet the requirements for full approval. Therefore, during the implementation of the Company's Fundraising Investment Projects, the Company may be affected by the aforementioned uncertainties as well as other currently unforeseeable factors. Investors are advised to exercise caution in relation to the potential investment risks.

V. Review Procedures

The Company's Board of Directors held a meeting on 25 March 2026 and considered and approved the Proposal on Adjusting the Internal Investment Structure of A-share Fundraising Projects, authorizing the Company to adjust the internal investment structure of its Fundraising Projects. This proposal is still subject to consideration and approval by the general shareholders' meeting of the Company.

VI. Sponsor's Opinion

Upon verification, the sponsor believes that this Adjustment of the internal investment structure of Fundraising Projects have been reviewed and approved by the Company's Board of Directors, fulfilling the necessary procedures, and are still subject to consideration and approval by the general shareholders' meeting of the Company. This Adjustment complies with relevant laws and regulations, including the Administrative Measures for the Sponsorship Business of the Issuance and Listing of Securities, the Regulatory Guidance for Listed Companies No. 2 – Regulatory Requirements for the Administration and Use of Proceeds of the Listed Companies, the Rules Governing the Listing of Stocks on the STAR Market of Shanghai Stock Exchange, and the Guideline No. 1 – Self-regulatory Rules for Companies Listed on the STAR Market of the Shanghai Stock Exchange – Standardized Operation. There are no circumstances that harm the interests of the Company or its shareholders. The sponsor has no objections to the Company's adjustment of the internal investment structure of Fundraising Projects.

VII. Appendix to the Announcement

The Verification Opinion of China International Capital Corporation Limited on the Adjustment of the Internal Investment Structure of Fundraising Projects by InnoCare Pharma Limited.

This is an official announcement.

Board of Directors of InnoCare Pharma Limited

26 March 2026