THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Qyuns Therapeutics Co., Ltd.**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Qyuns Therapeutics Co., Ltd.
江蘇荃信生物醫藥股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2509)

(1) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE REVISION OF ANNUAL CAPS FOR THE QX001S FRAMEWORK AGREEMENT; (2) PROPOSED APPOINTMENT OF DIRECTOR AND DETERMINATION OF THE DIRECTOR'S REMUNERATION; AND (3) NOTICE OF THE 2026 FIRST EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to
The Independent Board Committee and Independent Shareholders

Ignite Capital

Capitalised terms used in the lower portion of this cover page shall have the same respective meanings as those defined in the section headed "Definitions" of this circular.

The notice convening the EGM of Qyuns Therapeutics Co., Ltd. to be held at Room 1809, Tower A, The Place, No.100 Zunyi Rd., Changning Dist., Shanghai, the PRC on Friday, November 13, 2026 at 2:00 p.m. is set out in this circular. A form of proxy for use at the EGM is enclosed herewith and also published on both the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.qyuns.net).

If you intend to appoint a proxy to attend the meeting, you are requested to complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the meeting (i.e. not later than 2:00 p.m. on Thursday, November 12, 2026 (Hong Kong time)) or any adjournment thereof (as the case may be). Completion, signing and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof.

References to time and dates in this circular are to Hong Kong time and dates.

October 28, 2026

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NOTICE OF THE 2026 FIRST EXTRAORDINARY GENERAL MEETING EGM-1

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

"associate(s)"	has the meanings ascribed to them under the Listing Rules (as modified by the Stock Exchange from time to time)
"Board"	the board of Directors of the Company
"Cellularforce"	Jiangsu Cellularforce Biopharma Co., Ltd. (江蘇賽孚士生物技術有限公司), a company established in the PRC with limited liability on August 2, 2018 and a wholly owned subsidiary of our Company
"Company"	Qyuns Therapeutics Co., Ltd. (江蘇荃信生物醫藥股份有限公司) (stock code: 2509) (formerly known as Qyuns Therapeutics Co., Ltd. (江蘇荃信生物醫藥有限公司)), a company established in the PRC with limited liability on June 16, 2015 which was converted into a joint stock company with limited liability on September 30, 2021
"connected person(s)"	has the meanings ascribed to them under the Listing Rules (as modified by the Stock Exchange from time to time)
"Continuing Connected Transactions"	the Product Supply and the Profit Sharing pursuant to the terms of the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements
"Director(s)"	the director(s) of the Company
"EGM"	the 2026 first extraordinary general meeting of the Company to be held at Room 1809, Tower A, The Place, No.100 Zunyi Rd., Changning Dist., Shanghai, the PRC on Friday, November 13, 2026 at 2:00 p.m. for the Independent Shareholders to consider and, if thought fit, approve (i) the revision of the Existing Annual Caps for the three financial years from 2026 to 2028 for the Continuing Connected Transactions under the QX001S Framework Agreement, (ii) the proposed appointment of the new Director and the determination of the Director's remuneration
"Existing Annual Caps"	The annual caps (i) for 2024 and 2025 in respect of the Continuing Connected Transactions as disclosed in the Company's announcement of September 12, 2024, and (ii) for 2026, 2027 and 2028 in respect of the Continuing Connected Transactions as disclosed in the Company's circular of December 4, 2025

"GMP"	good manufacturing practice, regulations and procedures that provide for proper design, monitoring, and control of manufacturing processes and facilities
"Group"	the Company and its subsidiaries
"H Share(s)"	shares of our Company for which an application has been made for listing and permission to trade on the Stock Exchange
"Hangzhou Quanyi"	Hangzhou Quanyi Investment Management Partnership (General Partnership) (杭州荃毅投資管理合夥企業(普通合夥)), a general partnership established in the PRC on May 15, 2015 and one of our Controlling Shareholders, which is owned as to 50% by Mr. Qiu and 50% by Mr. Yu Guo'an, both as its general partners acting in concert
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Huadong Investment"	Huadong Medicine Investment Holding (Hong Kong) Limited (華東醫藥投資控股(香港)有限公司), a company incorporated in Hong Kong with limited liability and one of our cornerstone investors, a wholly-owned subsidiary of Huadong Medicine
"Huadong Medicine"	Huadong Medicine Co., Ltd. (華東醫藥股份有限公司), a pharmaceutical company whose shares are listed on the Shenzhen Stock Exchange (stock code: 000963.SZ)
"Independent Financial Adviser" or "Ignite Capital"	Ignite Capital (Asia Pacific) Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), which has been appointed as the independent financial adviser of the Company to advise the independent board committee and the Independent Shareholders in connection with the Revised Annual Caps
"Independent Shareholders"	Shareholders of the Company other than Zhongmei Huadong and Huadong Investment
"Latest Practicable Date"	October 19, 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange

"MAH"	marketing authorization holder
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
"PRC" or "China"	the People's Republic of China and for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
"Prospectus"	the prospectus published by the Company on March 12, 2024 in connection with the global offering of 12,046,400 H Shares and listing of the H Shares on the Main Board as described in the Prospectus
"QX001S Framework Agreement"	the collaboration agreement and the supplemental agreement to the collaboration agreement entered into between the Company and Zhongmei Huadong on August 14, 2020 and December 7, 2023, respectively
"QX001S Supply Agreement"	the Ustekinumab Entrusted Production Agreement first entered into between Zhongmei Huadong and Cellularforce on September 28, 2022 and re-entered into on March 9, 2023 to update the name of the production line only with all other contents remaining the same
"Revised Annual Caps"	the revised annual caps for the three financial years from 2026 to 2028 based on the terms of the QX001S Framework Agreement in respect of the Continuing Connected Transactions as disclosed in the Company's announcement of September 22, 2026
"RMB"	Renminbi, the lawful currency of the PRC
"Shanghai Quanyou"	Shanghai Quanyou Fanyue Investment Management Partnership (Limited Partnership) (上海荃友凡悦投資管理合夥企業(有限合夥)), a limited partnership established in the PRC on November 2, 2015 and one of our Controlling Shareholders
"Share(s)"	ordinary share(s) with par value RMB1.00 each in the share capital of the Company
"Shareholder(s)"	holder(s) of our Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Supplemental Agreements"	including the supplemental agreements to the QX001S Supply Agreement entered into between Zhongmei Huadong and Cellularforce on September 12, 2024, and November 11, 2025
"Xinfu Tongxin"	Taizhou Xinfu Tongxin Enterprise Management Partnership (Limited Partnership) (泰州信孚同心企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on August 19, 2021, is one of our employee share incentive platforms and one of our Controlling Shareholders
"Zhongmei Huadong"	Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd. (杭州中美華東製藥有限公司), a company established in the PRC with limited liability on December 31, 1992 and a substantial shareholder of the Company, a wholly-owned subsidiary of Huadong Medicine
"%"	per cent

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江蘇荃信生物醫藥股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
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Executive Directors:
Mr. Qiu Jiwan *(Chairman)*
Mr. Wu Yiliang
Mr. Lin Weidong

Non-executive Director:
Mr. Wu Zhiqiang

Independent Non-executive Directors:
Mr. Fung Che Wai, Anthony
Dr. Zou Zhongmei
Dr. Ling Jianqun

Registered office and headquarter in the PRC:
Room 1310, Building 1
No. 907 Yaocheng Avenue
Taizhou, Jiangsu
PRC

Principal Place of Business in Hong Kong:
Room 1912, 19/F
Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

October 28, 2026

To the Shareholders

Dear Sir or Madam,

(1) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE REVISION OF ANNUAL CAPS FOR THE QX001S FRAMEWORK AGREEMENT; (2) PROPOSED APPOINTMENT OF DIRECTOR AND DETERMINATION OF THE DIRECTOR'S REMUNERATION; AND (3) NOTICE OF THE 2026 FIRST EXTRAORDINARY GENERAL MEETING

I. INTRODUCTION

References are made to the announcement of the Company dated November 11, 2025 and the circular of the Company dated December 4, 2025 in relation to the renewal of the Existing Annual Caps for the three financial years ending 2026 to 2028 and the announcement of the Company dated September 22, 2026 in relation to the revision of Existing Annual Caps for the three financial years ending 2026 to 2028 pursuant to the term of the QX001S Framework Agreement in respect of the Continuing Connected Transactions.

Reference is also made to the announcement of the Company dated September 22, 2026 in relation to the proposed appointment of Director and determination of the Director's remuneration.

The purpose of this circular is to provide you with further information including, inter alia, (i) information about the Revised Annual Caps, (ii) a letter from the independent board committee containing its recommendations to the Independent Shareholders, (iii) a letter from the Independent Financial Adviser containing its advice to the independent board committee and the Independent Shareholders in connection with the Revised Annual Caps (including the transactions contemplated thereunder), (iv) the proposed appointment of Director and determination of the Director's remuneration, and (v) notice of the EGM.

II. MATTER TO BE RESOLVED AT THE EGM

Background

References are made to the Prospectus and the Company's announcement dated September 12, 2024. As disclosed in the Prospectus, the Company and Zhongmei Huadong entered into the QX001S Framework Agreement, pursuant to which the parties agreed to conduct joint development and exclusive commercialization of SAILEXIN/SAIJIENING (QX001S) for the diagnosis, prevention and treatment of human diseases, including but not limited to, psoriasis, active psoriatic arthritis, Crohn's disease and ulcerative colitis, in China. The QX001S Framework Agreement has a term of 15 years until August 13, 2035, which can be automatically renewed for a term of five years unless terminated earlier in accordance with the terms of the QX001S Framework Agreement.

Based on the principles provided in the QX001S Framework Agreement, Zhongmei Huadong and Cellularforce entered into the QX001S Supply Agreement in respect of entrusted processing under the QX001S Framework Agreement after amicable negotiation. Under the QX001S Supply Agreement, as the MAH of QX001S, Zhongmei Huadong may place production orders of QX001S with Cellularforce after Zhongmei Huadong completes the onsite assessment and verification of Cellularforce's manufacturing facility and obtains approval for the Product Supply as required by the relevant regulatory authorities. Cellularforce shall provide certain designated manufacturing facility, quality control lab and storage center for the Product Supply to Zhongmei Huadong as specified in the QX001S Supply Agreement. Zhongmei Huadong shall be responsible for the commercialization of final products, and Cellularforce shall ensure that the Product Supply is in compliance with GMP requirements and other regulatory requirements. Zhongmei Huadong is entitled to examine the production and inspection process of Cellularforce from time to time and request Cellularforce to immediately terminate production or take remedial or rectification measures in the event of Cellularforce's breach or violation of the QX001S Supply Agreement, GMP requirements or operation procedures. The initial term of the QX001S Supply Agreement is one year from the first batch of commercial production and may be renewed automatically for another year if the parties agree which has been further extended for another five years to August 31, 2030 pursuant to the supplement agreement entered into on November 11, 2025.

As disclosed in the Company's announcement dated September 12, 2024, Zhongmei Huadong and Cellularforce entered into the Supplemental Agreements to supplement and adjust certain terms of the QX001S Supply Agreement in respect of procurement of raw, auxiliary and packaging materials, placing of orders, settlement of entrusted production costs, sampling and testing of QX001S, stability study fees and other related matters. The Board also approved the Existing Annual Caps for 2024 and 2025 in respect of the Continuing Connected Transactions.

As disclosed in the Company's announcement dated November 11, 2025, based on the business scale, expected growth and capacity of Cellularforce and Zhongmei Huadong and their business needs and operating conditions and the general economic outlook of the industry, the Board approved the Existing Annual Caps for the three financial years from 2026 to 2028 based on the terms of the QX001S Framework Agreement in respect of the Continuing Connected Transactions.

Further details of the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements are disclosed in the Prospectus and the Company's announcement dated September 12, 2024 and November 11, 2025.

As disclosed in the announcement of the Company dated May 21, 2026, Zhongmei Huadong received the Drug Registration Certificate and the Notice of Approval of Supplemental Application for Drugs from the National Medical Products Administration (NMPA), and the marketing authorisation application and supplemental application for Ustekinumab Injection (Intravenous Infusion) (trade name: SAIJIENING) and Ustekinumab Injection (trade name: SAILEXIN) for use in Crohn's disease were approved. The Board has considered the business needs following the commercialization of SAILEXIN/SAIJIENING and proposes to revise the Existing Annual Caps to the Revised Annual Caps for the three financial years from 2026 to 2028 pursuant to the term of the QX001S Framework Agreement in respect of the Continuing Connected Transactions.

Annual Caps for the Continuing Connected Transactions under the QX001S Framework Agreement

Pursuant to the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements, the Group and Zhongmei Huadong have been conducting the following Continuing Connected Transactions:

(i) Product Supply

During the term of the QX001S Framework Agreement, the Group will exclusively manufacture and supply QX001S to Zhongmei Huadong in the PRC (the "**Product Supply**") and be responsible for relevant quality control. Except when Cellularforce is unable to meet the manufacturing demand, Zhongmei Huadong cannot engage other manufacturers. Cellularforce shall supply QX001S to Zhongmei Huadong at a unit supply price which will be determined by taking into account our actual costs expected to be incurred for manufacturing of QX001S and a cost-plus margin of 25% for such manufacturing (the "**Markup**"), and on a priority basis. As disclosed in the Prospectus, Cellularforce as our CMC-focused subsidiary, charged the fees under the CDMO related transactions and testing services determined on a cost-plus basis, with the cost-plus margin ranging from approximately 5% to 30% of the cost depending on the nature, scope and complexity of services and testing services to be provided, and the expected cost and expenses for provision of the required services and the prevailing market price for similar services. The parties adopted the same basis to determine the fee mechanism when entered into the QX001S Framework Agreement and the QX001S Supply Agreement.

Matters related to Product Supply have covered the renting of Cellularforce's laboratory premises, materials, reagents and equipments for sampling and testing of QX001S by Zhongmei Huadong, as well as the need to carry out a three-year long-term stability study on no less than one batch of QX001S drug substance and injections each year as required by Zhongmei Huadong to continuously monitor the stability of the products in order to comply with the relevant GMP requirements.

(ii) Profit Sharing

The parties agree that the accumulative pre-tax profit generated from sales of QX001S in China (as calculated pursuant to the QX001S Framework Agreement), after setting off the accumulative losses attributable to the commercialization of QX001S incurred in prior years (if any), shall be shared by the two parties on a 50:50 basis, provided that 50% of the Markup for the manufacturing of QX001S will be further deducted from our portion of the pre-tax profit receivable and attributed to Zhongmei Huadong's portion instead (the "**Profit Sharing**"). As disclosed in the Prospectus, the Directors are of the view that the basis of the profit sharing ratio, having taken into account various factors, including but not limited to the expenses incurred and to be incurred for the development of QX001S borne by both parties, expected prospects of the development and commercialization of QX001S in the PRC, rights and obligations of both parties under the QX001S Framework Agreement and the reasons and benefits of the transactions contemplated under the QX001S Framework Agreement, is fair and reasonable.

According to the QX001S Framework Agreement and the QX001S Supply Agreement, for Product Supply, after products ordered by Zhongmei Huadong are delivered, Cellularforce will issue invoice and other payment documents to Zhongmei Huadong. Should Zhongmei Huadong receive the aforementioned documents by the 25th of the current month, payment shall be made in the following month. Should Zhongmei Huadong receive the aforementioned documents after the 25th of the current month, payment shall be made in the month after next. For Profit Sharing, the Company will confirm the financial information with Zhongmei Huadong 30 days after the end of the financial year and the amount to be paid to the Company, and the payment will be settled within 10 days.

The Existing Annual Caps and Historical Figures for the Continuing Connected Transactions

The Existing Annual Caps and the actual figures for the years ended December 31, 2024, December 31, 2025 and the eight months ended August 31, 2026 for the continuing connected transactions under the QX001S Framework Agreement are as follows:

	Existing Annual Caps			**Historical Figures**		
(RMB'000)	**2024**	**2025**	**2026**	**For the year ended December 31, 2024**	**For year ended December 31, 2025**	**For eight months ended August 31, 2026**
Product Supply (payment to be received by the Group from Zhongmei Huadong under the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements)	10,000	15,000	25,000	2,142	11,138	10,597 *(Note 1)*
Profit Sharing (payment to be received by the Group from Zhongmei Huadong under the QX001S Framework Agreement)	5,000	38,000	55,000	0 *(Note 1)*	0 *(Note 1)*	48,680 *(Note 2)*

Notes:

1. The figure is unaudited.

2. The figure is estimated by Zhongmei Huadong.

Revision of the Existing Annual Caps to the Revised Annual Caps for 2026 to 2028

Based on the business scale, expected growth and capacity of Cellularforce and Zhongmei Huadong and their business needs and operating conditions and the general economic outlook of the industry, the Board proposes setting the Revised Annual Caps for the three financial years from 2026 to 2028 based on the terms of the QX001S Framework Agreement in respect of the Continuing Connected Transactions as follows:

	Revised Annual Caps		
(RMB'000)	**2026**	**2027**	**2028**
Product Supply (payment to be received by the Group from Zhongmei Huadong under the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements)	25,000	42,000	57,000
Profit Sharing (payment to be received by the Group from Zhongmei Huadong under the QX001S Framework Agreement)	120,000	210,000	310,000

In determining the revised annual caps for Product Supply, the Directors primarily relied on the actual sales for the eight months ended August 31, 2026 and the sales forecast of QX001S from 2026 to 2028 as provided by Zhongmei Huadong to the Company, the expected production costs of QX001S in the coming years and the historical transaction amounts of revenue from supply of products for the eight months ended August 31, 2026 under the QX001S Supply Agreement, where the trends in the quantity of supply of products are slightly higher than the projections made for 2026. After taking into account the following factors, the Directors consider the sales forecast provided by Zhongmei Huadong to be reasonable:

(i) the Company expects that the supply volume to Zhongmei Huadong and the expected demand for the products will continue to grow, primarily based on (a) the increasing hospital penetration and distribution channels of Zhongmei Huadong, with prescriptions for QX001S issued in over 1,200 hospitals by the end of the first half of 2025 and in more than 2,000 hospitals by the end of the first half of 2026, achieving an annual growth rate of 67%, demonstrating robust hospital coverage capabilities, and the projected patient volume is expected to achieve a compound annual growth rate of approximately 47.2% from 2026 to 2028, driven by the continuous expansion of hospital coverage; (b) the current expanding sales and marketing situation of QX001S, which corroborates the growth brought about by the rapid hospital coverage, in particular that the product supply revenue for the eight months ended August 31, 2026 increased by 172% year-on-year and has already reached 95% of the supply revenue for the whole year of 2025, prescriptions for QX001S had been issued in over 2,000 hospitals nationwide, giving QX001S the potential to reach a broader patient base and further consolidate the expectation of achieving the product supply targets for 2027 and 2028;

(ii) as a reference, the Company referred to the historical sales data of Stelara® in the PRC market as shown in the Menet database. 2020 was the first full year of domestic sales for Stelara®. Its domestic sales for the years ended December 31, 2020, 2021, 2022 and 2023 were RMB172.1 million, RMB344.1 million, RMB764.2 million and RMB1.1 billion, respectively, with year-on-year growth rates of 99.9%, 122.1% and 44.8%, respectively. Such sales ramp-up speeds serve as a reference for forecasting the sales growth rate of approximately 65.4% (on a compound annual basis) and potential market demand of QX001S from 2025, the first full year of domestic sales for QX001S, to 2028;

(iii) the production costs (including raw material costs, energy costs and labor costs, etc.) expected to be incurred by Cellularforce in the supply of QX001S, which are expected to remain relatively stable;

(iv) costs for the sample testing categories, testing frequency and estimated workload of sample testing increasing proportionally with the increase in the quantity of product supplied;

(v) the relatively stable expenses on the workload and consumption of reagents and consumables arising from the three-year long-term stability study on no less than one batch of QX001S drug substance and injections each year as required; and

(vi) buffer of approximately 20% for unforeseeable circumstances.

Based on the above factors, the Directors arrived at the revised annual caps for Product Supply.

In determining the revised annual caps for Profit Sharing, the Directors have made references to the profit sharing formula as stipulated in the QX001S Framework Agreement, namely that the estimated cumulative profit before tax generated from the sales of QX001S in China for the eight months ended August 31, 2026 and the cumulative profit before tax expected to be generated from sales in 2027 and 2028 as provided by Zhongmei Huadong to the Company, after offsetting the cumulative losses attributable to the commercialization of QX001S (if any) incurred in prior years, shall be shared between the parties on a 50:50 basis after deducting 50% of the Markup, with an anticipated year-on-year growth rate of the revised annual caps for each financial year ranges from 47% to 75%. The substantial increase in the revised annual cap for Profit Sharing for 2026 was primarily due to a significant decrease in the proportion of selling expenses and marketing expenses to sales revenue of QX001S compared with the forecast for 2025. This was mainly because 2025 was the first year of commercial launch, requiring higher upfront investments in physician education, channel establishment and brand promotion. In 2026, with brand awareness established, Zhongmei Huadong optimized marketing efficiency through refined key opinion leader management and precise resource allocation, effectively lowering the promotion expense ratio, benefitting from mature products' growth and the dilution of new customer acquisition costs. Furthermore, the amount of Profit Sharing for eight months ended August 31, 2026 was RMB48.7 million, representing 88.5% of the existing annual cap of RMB55.0 million. Accordingly, the Directors considered further revising the annual caps for Profit Sharing. After taking into account the following factors, the Directors consider the net income forecast from Profit Sharing to be reasonable:

(i) the hospital penetration and distribution channels of Zhongmei Huadong, with prescriptions for QX001S issued in over 1,200 hospitals by the end of the first half of 2025 and in more than 2,000 hospitals by the end of the first half of 2026, achieving an annual growth rate of 67%, and the sales of QX001S for the first half of 2026 (inclusive of VAT) have exceeded its total sales for the whole year of 2025 with a year-on-year growth rate exceeding 100%, demonstrating robust hospital coverage capabilities and patient reach capabilities;

(ii) the historical transaction amounts of revenue from sharing of net profits from the sales revenue of the relevant products under QX001S Supply Agreement with reference to the historical average selling price of QX001S to customers and the estimated quantities of QX001S to be supplied by Cellularforce under the Product Supply in each of the financial year of 2026 to 2028, and the Company expects that the product supply of QX001S from 2026 to 2028 will continue to grow based on the number of hospitals covered by Zhongmei Huadong;

(iii) the expected amount of the QX001S to be sold during the period from 2026 to 2028. The respective estimated growth rates adopted from 2026 to 2028 has taken into account of the historical sales data of Stelara® in the PRC market as shown in the Menet database. 2020 was the first full year of domestic sales for Stelara®. Its domestic sales for the years ended December 31, 2020, 2021, 2022 and 2023 were RMB172.1 million, RMB344.1 million, RMB764.2 million and RMB1.1 billion, respectively, with year-on-year growth rates of 99.9%, 122.1% and 44.8%, respectively. Such sales ramp-up speeds serve as a reference for forecasting the sales growth rate of approximately 65.4% (on a compound annual basis) and potential market demand of QX001S from 2025, the first full year of domestic sales for QX001S, to 2028;

(iv) applying the mark-up of 25% under the Product Supply and Zhongmei Huadong will maintain a flexible pricing strategy for QX001S for end-user sales to continuously strengthen its competitive edge in the market as two competing products were approved in May 2026 and competition in the sales market gradually emerges. Having a competitive price after the commercialization of QX001S also facilitates its continued market expansion;

(v) the costs involved are mainly consisted of product supply expenses and sales and marketing expenses, including but not limited to human resource costs, travel expenses, promotional expenses, market research expenses, post-marketing clinical research expenses, and other operating expenses. The product supply expenses will vary in proportion to the sales volume change while the sales and marketing expenses will not change in proportion to the sales volume change. The aggregate expenses associated with the sales incurred based on (i) will not increase in proportion to the sales volume and therefore when the total sales revenue increases and the number of hospitals served grows steadily, the average aggregate expenses per unit of QX001S will gradually decrease, thereby creating greater profit margins; and

(vi) buffer of approximately 20% for unforeseeable circumstances.

Based on the above factors, the Directors arrived at the revised annual caps for Profit Sharing. For the avoidance of doubt, the annual cap amounts have excluded 50% of the Markup for the manufacturing of QX001S under the Product Supply corresponding to the sales of QX001S by Zhongmei Huadong.

Reasons for Revision of the Existing Annual Caps to the Revised Annual Caps

As disclosed in the Company's 2026 interim report, QX001S was approved by the NMPA in October 2024 as China's first approved ustekinumab biosimilar and our Company's first commercialised product. In March 2025, QX001S received the Notice of Approval for the supplemental application to add the new indication of pediatric plaque psoriasis. In April and May 2026, the supplemental application and marketing authorisation application for QX001S for use in Crohn's disease were approved. In the first half of 2026, the domestic sales of QX001S (inclusive of VAT) had reached more than RMB300 million.

Prior to listing, Zhongmei Huadong had entrusted the Group to carry out the process development and production and processing of drugs, and the two parties entered into the QX001S Framework Agreement and the QX001S Supply Agreement in relation to the entrusted processing. Zhongmei Huadong is wholly owned by Huadong Medicine, a leading PRC pharmaceutical company with over 30 years of experience covering the whole pharmaceutical industrial chain and strong research and development and commercialization capabilities at a national level. Cellularforce, an indirect wholly owned subsidiary of the Company, is actively expanding its entrusted production business in China and overseas. We believe that the continued cooperation between the two parties in matters relating to entrusted processing will fully realize the resource sharing and complementary advantages of both parties. The Board believes that it is in the interest of the Group to continue the collaboration with Zhongmei Huadong and therefore it is essential to set the Revised Annual Caps for the QX001S Framework Agreement in order to ensure smooth execution of the QX001S Framework Agreement and the QX001S Supply Agreement.

Confirmation By The Board

The Board considers that the Continuing Connected Transactions contemplated under the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements have been entered into on normal commercial terms, in the ordinary and usual course of business of the Group, and together with the Revised Annual Caps, are fair and reasonable and in the interests of the Company and its Shareholders as a whole; and the Board is not aware of any disadvantages brought by the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements. None of the Directors has a material interest on the transactions contemplated under the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements, and none of them was required under the Listing Rules to abstain from voting on the board resolution approving the Revised Annual Caps.

III. IMPLICATIONS UNDER CHAPTER 14A OF THE LISTING RULES

As at the date of Latest Practicable Date, Zhongmei Huadong is our substantial Shareholder holding 15.81% of the issued share capital of the Company and is therefore a connected person of the Company as defined under the Listing Rules. Accordingly, the transactions under the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements constitute continuing connected transactions under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratios (other than profit ratio) of the Revised Annual Caps exceed 5%, the Revised Annual Caps is subject to reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

IV. INTERNAL CONTROL PROCEDURES

The Company has formulated internal control measures and procedures to manage the Continuing Connected Transactions and annual caps under the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements, the details of which are set out as follows:

(i) the finance head and the board secretary office of the Company conduct regular checks on a monthly basis to review and assess the volume of Product Supply and that the transactions of the Product Supply are conducted in accordance with the terms of the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements;

(ii) the Company obtains and reviews the biannual financial reports of QX001S provided by Zhongmei Huadong for 2026, and conducts online and offline communications with Zhongmei Huadong quarterly to understand the pre-tax profit range of QX001S (including their revenues and expenses);

(iii) the finance department reports transaction amounts to the finance head and board secretary office on a monthly basis for Product Supply and on quarterly basis for Profit Sharing, and the risk of exceeding the relevant abovementioned annual caps will be evaluated based on such transaction amounts. If the estimated annual transaction amounts which are calculated based on the historical transaction amounts and the estimated transaction amounts for the remaining months of the same year for Product Supply and Profit Sharing respectively are expected to exceed the relevant abovementioned annual caps, the finance head and board secretary office will initiate an approval application process in relation to the revision of annual caps in order to comply with all applicable requirements under the Group's internal control policy as well as under the Listing Rules; and

(iv) the Company conducts regular monitoring of the payment terms and settlement status of the transactions. The finance department reviews payment timeliness on a monthly basis and maintains a payment ageing record. In case of any delay, the finance department will remind the business department contact person to follow up with Zhongmei Huadong to expedite payment, and any irregularities in payment cycles will be escalated to the finance head for further handling.

(v) the audit committee, independent non-executive Directors and auditors of the Company will conduct annual review on the actual execution of the Continuing Connected Transactions contemplated under the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements and provide annual confirmations to ensure that the transactions contemplated thereunder have been conducted pursuant to the requirements of the Listing Rules and have fulfilled the relevant disclosure requirements.

V. WAIVER IN RESPECT OF DOCUMENTS ON DISPLAY

In respect of the Supplemental Agreements, the Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 14A.70(13) and paragraph 43(2)(c) of Appendix D1B to the Listing Rules (the "**Waiver**"), such that certain sensitive information in the Supplemental Agreements may be redacted to be published on the websites of the Stock Exchange and the Company. The Stock Exchange has granted the Waiver to the Company, which allows the Company to redact the sensitive information therein relating to the production cost of QX001S, namely (i) the processing fee and stability study fee; (ii) cost of raw materials; (iii) passing rate; and (iv) charges for sample testing (collectively, the "**Redacted Information**").

The Redacted Information is highly and commercially sensitive and confidential to the parties to the Supplemental Agreements which, if disclosed, will result in negative impacts on the Company and not in the interest of the Company and the Shareholders as a whole. Moreover, the redacted version of the Supplemental Agreements is unlikely to mislead the Shareholders regarding to the facts and circumstances, knowledge of which is essential for the informed assessment of the revision of the Existing Annual Caps, and the Directors are of the view that the disclosure set out in this circular will sufficiently inform the Shareholders, allowing them to make properly informed assessment and voting decision.

Accordingly, only the redacted versions of the Supplemental Agreements will be published on the website of the Stock Exchange and the Company, as documents on display, for a period of 14 days from the date of this circular.

VI. INFORMATION OF THE PARTIES

The Company

The Company is a biotech company exclusively focused on biologic therapies for autoimmune and allergic diseases, with a self-developed drug pipeline and an established commercial-scale in-house manufacturing capability.

Zhongmei Huadong

Zhongmei Huadong is a company established in the PRC, and a substantial shareholder of the Company, a wholly-owned subsidiary of Huadong Medicine, a company listed on the Shenzhen Stock Exchange. Zhongmei Huadong principally engaged in the development, manufacturing and sales of pharmaceutical products. Zhongmei Huadong is our commercialization partner for joint development and exclusive commercialization of SAILEXIN/SAIJIENING, one of the Company's key products in China since August 2020.

Cellularforce

Jiangsu Cellularforce Biopharma Co., Ltd. (江蘇賽孚士生物技術有限公司), a company established in the PRC with limited liability on August 2, 2018 and a wholly owned subsidiary of the Company.

VII. PROPOSED APPOINTMENT OF DIRECTOR AND DETERMINATION OF THE DIRECTOR'S REMUNERATION

Reference is made to the announcement of the Company dated September 22, 2026 in relation to the resignation of Director and the proposed appointment of Director and determination of the Director's remuneration. Following the resignation of Mr. Yu Xi, a non-executive Director of the Company, the Board has resolved to nominate Dr. Ji Juan to be a non-executive Director for a term commencing from the date on which the relevant resolution is considered and approved at the EGM of the Company to the end of the second session of the Board, in respect of which an ordinary resolution will be proposed at the EGM for the consideration and approval of the Shareholders, and Dr. Ji Juan shall be eligible for re-election upon expiry of her terms of office. The biographical details of Dr. Ji Juan are set out below:

Dr. Ji Juan (季娟), aged 40, has extensive professional experience in business development, consulting and investment in the biopharmaceutical industry. From June 2012 to May 2014, Dr. Ji Juan was a therapeutic area physician at Xi'an Janssen Pharmaceutical Co., Ltd. (西安楊森製藥有限公司), a pharmaceutical company which is the subsidiary of Johnson & Johnson whose shares are listed on the New York Stock Exchange (stock code: JNJ). From May 2014 to December 2015, she was the head of clinical affairs at Beijing Novartis Pharma Co., Ltd. (北京諾華製藥有限公司), a pharmaceutical company which is the subsidiary of Novartis AG whose shares are listed on the SIX Swiss Exchange (stock code: NOVN) and the New York Stock Exchange (stock code: NVS). From January 2016 to August 2020, she served as the vice president of Lilly Asia Ventures (禮來亞洲基金). From August 2020 to April 2024, she was the director of business development in Greater China of MSD (China) Investment Co., Ltd. (默沙東(中國)投資有限公司), a pharmaceutical company which is the subsidiary of Merck & Co., Inc. whose shares are listed on the New York Stock Exchange (stock code: MRK). From April 2024 to July 2026, she was the principal at RTW Investments, LP, where she was responsible for investment strategy and business development. Since July 2026, she has been serving as the general manager of strategic marketing at Huadong Medicine, a pharmaceutical company whose shares are listed on the Shenzhen Stock Exchange (stock code: 000963) and the parent company of Zhongmei Huadong which is our substantial shareholder, where she is primarily responsible for department affairs.

Dr. Ji Juan graduated from Peking University with a bachelor's degree and a doctoral degree in clinical medicine in July 2010 and June 2012, respectively.

Subject to the Shareholders approving the proposed appointment of Dr. Ji Juan as a non-executive director at the EGM, the Company will enter into a service contract with Dr. Ji Juan. Dr. Ji Juan's term of office will commence from the date on which her appointment is approved at the EGM and continue until the expiry of the current term of the Board, and she will be eligible for re-election upon the expiry of her term of office. It is proposed by the Board that the benchmark for the remuneration of Dr. Ji Juan as a non-executive Director is HK$300,000 per year (before tax), which will be in line with the relevant policies of the Company and the authorization from the general meeting (if necessary). Dr. Ji Juan's specific remuneration will also be disclosed in the annual report of the Company, which will be determined by the Board with reference to the recommendation from the remuneration committee of the Company, having taken into account Dr. Ji Juan's duties and responsibilities with the Company and prevailing market conditions.

Save as disclosed above, as at the Latest Practicable Date, Dr. Ji Juan (i) does not hold any position within the Company or any other member of the Group; (ii) has not held any directorship in any public company listed on any securities market in Hong Kong or abroad during the past three years; (iii) does not have any relationship with any director, member of the senior management, substantial shareholder or controlling shareholder of the Company; and (iv) does not have any interest or short position in any shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed above, there is no other information relating to the proposed appointment of Dr. Ji Juan that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the shareholders.

VIII. THE EGM AND VOTING METHOD

A notice convening the EGM is set out on pages EGM-1 to EGM-2 of this circular, at which 1 ordinary resolution will be proposed for the Independent Shareholders to consider and, if thought fit, to approve the revision of the Existing Annual Caps and 1 ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, approve the proposed appointment of Director. The EGM will be convened at Room 1809, Tower A, The Place, No.100 Zunyi Rd., Changning Dist., Shanghai, the PRC on Friday, November 13, 2026 at 2:00 p.m..

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to read the notice of EGM and to complete the form of proxy enclosed in this circular in accordance with the instructions printed thereon and return the same to the Company's H share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Therefore, the resolutions set out in the notice of EGM shall be voted by poll. Voting by the Shareholders may be given either personally or by proxy.

As at the Latest Practicable Date, Zhongmei Huadong controls the voting rights in respect of 35,900,000 shares of the Company, representing approximately 15.81% of the issued share capital of the Company, will abstain from voting on the resolution to approve the Revised Annual Caps at the EGM.

As far as the Directors are aware, having made all reasonable enquiries, save for Zhongmei Huadong and its associate Huadong Investment, no other Shareholders are required to abstain from voting on the resolutions referred to above at the EGM.

The Independent Board Committee comprising Mr. Fung Che Wai, Anthony, Dr. Zou Zhongmei and Dr. Ling Jianqun, being all the independent non-executive Directors, has been established to advise the Independent Shareholders in connection with the Revised Annual Caps. Ignite Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. The letter from the Independent Board Committee to the Independent Shareholders is set out on page 21 of this circular. The letter from Ignite Capital to the Independent Board Committee and the Independent Shareholders is set out on pages 22 to 39 of this circular.

IX. RECORD DATE

The record date for entitlement to attend and vote at the EGM is Friday, November 13, 2026.

The register of members of H shares of the Company will be closed from Tuesday, November 10, 2026 to Friday, November 13, 2026 (both days inclusive), during which period no transfer of H Shares will be effected. In order to qualify for attending and voting at the EGM, all unregistered holders of H shares of the Company shall lodge transfer documents accompanied by the relevant share certificates with the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration before 4:30 p.m. on Monday, November 9, 2026.

X. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would render any statement herein or this circular misleading.

XI. RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on page 21 of this circular and (ii) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 22 to 39 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in respect of the Revised Annual Caps.

Having considered the principal factors and reasons stated in the letter of advice from the Independent Financial Adviser, the Independent Board Committee considers that the Revised Annual Caps are fair and reasonable and on normal commercial terms or better, and such transactions are conducted in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Revised Annual Caps.

The Directors believe that the proposed appointment of new Director and determination of the Director's remuneration, is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the resolution to be proposed at the EGM.

XII. ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
Qyuns Therapeutics Co., Ltd.
Mr. Qiu Jiwan
Chairman of the Board and Executive Director

Qyuns Therapeutics Co., Ltd.
江蘇荃信生物醫藥股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2509)

October 28, 2026

To the Independent Shareholders

Dear Sir/Madam,

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE REVISION OF ANNUAL CAPS FOR THE QX001S FRAMEWORK AGREEMENT

We refer to the circular of the Company dated October 28, 2026 (the "**Circular**") of which this letter forms part. Unless the context otherwise requires, terms defined in the Circular shall have the same meanings when used herein.

We have been appointed by the Board as the members of the Independent Board Committee to consider and to advise the independent Shareholders in respect of the approval of the Revised Annual Caps. Ignite Capital has been appointed as the Independent Financial Adviser in this regard.

We wish to draw your attention to the "Letter from the Board" and the "Letter from the Independent Financial Adviser" as set out in the Circular. Having considered the principal factors and reasons considered by, and the advice of, the Independent Financial Adviser as set out in their letter of advice, we consider the Revised Annual Caps are on normal commercial terms and in the ordinary and usual course of business of the Group, fair and reasonable, and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend that the independent Shareholders vote in favour of the resolution in relation to the Revised Annual Caps at the EGM.

Yours faithfully,
For and on behalf of the Independent Board Committee of
Qyuns Therapeutics Co., Ltd.

Mr. Fung Che Wai, Anthony	**Dr. Zou Zhongmei**	**Dr. Ling Jianqun**
Independent non-executive director	*Independent non-executive director*	*Independent non-executive director*

The following is the full text of the letter of advice from Ignite Capital to the Independent Board Committee and the Independent Shareholders in relation to the Revision of Annual Caps, which has been prepared for the purpose of inclusion in the Circular.



Unit A, 15th Floor, CMA Building
64-66 Connaught Road Central
Central, Hong Kong

28 October 2026

To: The Independent Board Committee and the Independent Shareholders of Qyuns Therapeutics Co., Ltd.

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE REVISION OF ANNUAL CAPS FOR THE QX001S FRAMEWORK AGREEMENT

INTRODUCTION

We refer to our appointment by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the revision of the Existing Annual Caps for the Continuing Connected Transactions under the QX001S Framework Agreement (the "**Revision of Annual Caps**"), details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular of the Company dated 28 October 2026 (the "**Circular**"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

References are made to the Prospectus dated 12 March 2024 published by the Company in relation to the QX001S Framework Agreement entered into between the Company and Zhongmei Huadong and the Company's announcements dated 12 September 2024 and 11 November 2025.

The Board has considered the business needs following the commercialization of QX001S and proposes to revise the Existing Annual Caps to the Revised Annual Caps for the three financial years from 2026 to 2028 pursuant to the terms of the QX001S Framework Agreement in respect of the Continuing Connected Transactions.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, Zhongmei Huadong is a substantial Shareholder holding 15.81% of the issued share capital of the Company and is therefore a connected person of the Company as defined under the Listing Rules. Accordingly, the transactions under the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements constitute continuing connected transactions under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (other than the profit ratio) exceeds 5%, the Revised Annual Caps are subject to reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, as at the Latest Practicable Date, Zhongmei Huadong holds 15.81% of the issued share capital of the Company. Accordingly, Zhongmei Huadong and its associates are required to abstain from voting on the resolutions to approve the revision of the Existing Annual Caps at the EGM. As far as the Directors are aware, having made all reasonable enquiries, save for Zhongmei Huadong and its associate Huadong Investment, no other Shareholders are required to abstain from voting on the resolutions referred to above at the EGM.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising Mr. Fung Che Wai, Anthony, Dr. Zou Zhongmei and Dr. Ling Jianqun, being all the independent non-executive Directors, was established to consider and to advise the Independent Shareholders on the Revised Annual Caps. We, Ignite Capital, have been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

OUR INDEPENDENCE

In the last two years immediately preceding the Latest Practicable Date, save for our appointment as the Independent Financial Adviser to provide our independent advice on the connected transaction as set out in the circular dated 4 December 2025 (the "**Previous Circular**"), as at the Latest Practicable Date, Ignite Capital did not have any other relationship or connection, financial or otherwise, with or any interests in the Company, Zhongmei Huadong, the Directors, the chief executive or substantial Shareholders of the Company or any of their respective associates that could reasonably be regarded as relevant to our independence.

In the last two years immediately preceding the Latest Practicable Date, save for the appointment as the Independent Financial Adviser in connection with the Previous Circular, there have been no other engagements between the Group and Ignite Capital. Apart from normal professional fees paid or payable to us in connection with this appointment, no arrangement exists whereby we have received or will receive any fees or benefits from the Group, Zhongmei Huadong, the Directors, chief executive or substantial Shareholders of the Company or any of their respective associates. Notwithstanding the aforesaid engagement, we are not aware of the existence of or change in any circumstances that would be reasonably regarded as hindrance to affect our independence. Accordingly, we consider that we are eligible to give independent advice on the Revision of Annual Caps under Rule 13.84 of the Listing Rules.

Having considered the above and that (i) none of the circumstances as set out under the Rule 13.84 of the Listing Rules existed as at the Latest Practicable Date; and (ii) the aforesaid past engagement was only independent financial adviser engagement and will not affect our independence to act as the Independent Financial Adviser, we are of the view that we are independent to act as the Independent Financial Adviser.

BASIS OF OUR OPINION

In formulating our advice and recommendation to the Independent Board Committee and the Independent Shareholders, we have reviewed, amongst other things:

(i) QX001S Framework Agreement;

(ii) QX001S Supply Agreement;

(iii) Supplemental Agreements;

(iv) the Company's annual report for the year ended 31 December ("**FY**") 2025 (the "**2025 Annual Report**");

(v) the Company's interim report for the six months ended 30 June ("**HY**") 2026 (the "**2026 Interim Report**");

(vi) the Company's announcement dated 22 September 2026 (the "**Announcement Date**"); and

(vii) other information as set out in the Circular.

We have relied on the truth, accuracy and completeness of the statements, information, opinions and representations contained or referred to in the Circular and the information and representations made to us by the Company, the Directors and the management of the Group (collectively, the "**Management**"). We have assumed that all information and representations contained or referred to in the Circular and provided to us by the Management, for which they are solely and wholly responsible, are true, accurate and complete in all respects and not misleading or deceptive at the time when they were provided or made and will continue to be so up to the Latest Practicable Date. Shareholders will be notified of material changes as soon as possible, if any, to the information and representations provided and made to us after the Latest Practicable Date and up to and including the date of the EGM.

We have also assumed that all statements of belief, opinion, expectation and intention made by the Management in the Circular were reasonably made after due enquiries and careful consideration and there are no other material facts not contained in the Circular, the omission of which would make any such statement contained in the Circular misleading. We have no reason to suspect that any relevant information has been withheld, or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Management, which have been provided to us.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. However, we have not carried out any independent verification of the information provided by the Management, nor have we conducted any independent investigation into the business, financial condition and affairs of the Group or its future prospects.

The Directors jointly and severally accept full responsibility for the accuracy of the information disclosed and confirm, having made all reasonable enquiries that to the best of their knowledge and belief, there are no other facts not contained in this letter, the omission of which would make any statement therein misleading.

This letter is issued to the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Revised Annual Caps, and except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Revised Annual Caps, we have taken into consideration the following principal factors and reasons:

1. Information of the Parties

The Company

With reference to the Letter from the Board, the Company is a biotech company exclusively focused on biologic therapies for autoimmune and allergic diseases, with a self-developed drug pipeline and an established commercial-scale in-house manufacturing capability.

Zhongmei Huadong

With reference to the Letter from the Board, Zhongmei Huadong is a company established in the PRC, and a substantial Shareholder and a wholly-owned subsidiary of Huadong Medicine. Zhongmei Huadong is principally engaged in the development, manufacturing and sales of pharmaceutical products. Zhongmei Huadong is the Group's commercialization partner for the joint development and exclusive commercialization of QX001S, one of the Company's key products in China since August 2020.

Cellularforce

With reference to the Letter from the Board, Jiangsu Cellularforce Biopharma Co., Ltd. (江蘇賽孚士生物技術有限公司), is a company established in the PRC with limited liability on 2 August 2018 and a wholly-owned subsidiary of the Company.

2. Reasons for and benefits of the Revision of the Annual Caps

With reference to the Letter from the Board, prior to listing, Zhongmei Huadong had entrusted the Group to carry out the process development and production and processing of drugs, and the two parties entered into the QX001S Framework Agreement and the QX001S Supply Agreement in relation to the entrusted processing. Zhongmei Huadong is wholly-owned by Huadong Medicine, a leading PRC pharmaceutical company with over 30 years of experience covering the whole pharmaceutical industrial chain and strong research and development and commercialization capabilities at a national level. Cellularforce, an indirect wholly-owned subsidiary of the Company, is actively expanding its entrusted production business in China and overseas. The Management believes that the continued cooperation between the two parties in matters relating to entrusted processing will fully realise the resource sharing and complementary advantages of both parties. The Board believes that it is in the interest of the Group to continue the collaboration with Zhongmei Huadong and therefore it is essential to set the Revised Annual Caps for the QX001S Framework Agreement in order to ensure smooth execution of the QX001S Framework Agreement and the QX001S Supply Agreement.

As disclosed in the 2026 Interim Report, QX001S was approved by the NMPA in October 2024 (the "**Approval**") as China's first approved ustekinumab biosimilar and the Company's first commercialised product. In March 2025, QX001S received the Notice of Approval for the supplemental application to add the new indication of pediatric plaque psoriasis. In April and May 2026, the supplemental application and marketing authorisation application for QX001S for use in Crohn's disease were approved. In HY2026, the domestic sales of QX001S (including value-added tax) had reached more than RMB300 million.

The Company and Zhongmei Huadong entered into the QX001S Framework Agreement on 14 August 2020 (as supplemented on 7 December 2023) with respect to the joint development and exclusive commercialization of QX001S in the PRC. Pursuant to the QX001S Framework Agreement, the Company granted Zhongmei Huadong joint clinical development, manufacturing and exclusive commercialization rights of QX001S in the PRC. Zhongmei Huadong shall be the marketing authorization holder of QX001S in the PRC to exclusively conduct marketing activities and commercialization of QX001S, who shall make commercially reasonable efforts to promote such commercialization. Cellularforce shall be solely responsible for the commercial production of QX001S in the PRC. The Company and Zhongmei Huadong shall be the co-owners of any intellectual property (including trade secrets) associated with QX001S that are developed since the date of the QX001S Framework Agreement. As advised by the Management, Zhongmei Huadong invested more than RMB150 million in the joint clinical development of and regulatory communication and registration for QX001S.

As disclosed in the Prospectus, as the Group is at an early stage of preparation for future commercialization of its drug candidates, building a large commercialization team would be time-consuming and expensive, which would increase its commercial risk and distract the Group from its research and development efforts. To address this conundrum, the Group strategically chooses to cooperate with established pharmaceutical companies to quickly and cost-effectively commercialise selected products.

Furthermore, we note from the Prospectus that Huadong Medicine is a leading PRC pharmaceutical company, whose business covers the whole pharmaceutical industrial chain, integrating research and development, manufacturing and sales of medicine. Huadong Medicine is experienced in chronic disease management and has strong sales networks for autoimmune and allergic drugs. As disclosed in Huadong Medicine's annual report for FY2025, Huadong Medicine has a sales team of more than 12,000 personnel, and its sales network covers more than 30 provinces (autonomous regions and municipalities) nationwide, establishing a multi-channel, wide-coverage presence with strong competitive advantages. As a significant proportion of autoimmune and allergic disease patients (including plaque psoriasis patients) in the PRC initially receive treatment in local hospitals across vast and geographically dispersed regions, the Company considers that its collaboration with Huadong Medicine (including Zhongmei Huadong) would enable the Group to leverage Huadong Medicine's market access, nationwide sales and marketing network targeting the autoimmune and allergic disease field as well as its extensive experience in chronic disease management, which will be crucial to support rapid commercialization of QX001S.

Having considered the above, we consider that it is reasonable for the Company to set the Revised Annual Caps so as to enable the Group to realise the potential growth in the Continuing Connected Transactions if achieved, and we are of the view that the Continuing Connected Transactions (including the Revised Annual Caps) are in the interests of the Company and the Shareholders as a whole.

3. Principal terms of the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements

Set out below are the key terms of the Continuing Connected Transactions as contained in the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements, details of which are set out under the section headed "II. MATTER TO BE RESOLVED AT THE EGM" of the Letter from the Board.

Agreement date

14 August 2020 and 7 December 2023 (as supplemented by Supplemental Agreements dated 12 September 2024 and 11 November 2025)

Parties

The Group and Zhongmei Huadong

Nature of the transaction

Pursuant to the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements, the Group and Zhongmei Huadong have been conducting the following Continuing Connected Transactions:

(i) Product Supply

During the term of the QX001S Framework Agreement, the Group will exclusively manufacture and supply QX001S to Zhongmei Huadong in the PRC (i.e. the Product Supply) and be responsible for relevant quality control. Except when Cellularforce is unable to meet the manufacturing demand, Zhongmei Huadong cannot engage other manufacturers. Cellularforce shall supply QX001S to Zhongmei Huadong at a unit supply price which will be determined by taking into account the Group's actual costs expected to be incurred for manufacturing of QX001S and a cost-plus margin of 25% for such manufacturing (i.e. the Markup), and on a priority basis. As disclosed in the Prospectus, Cellularforce as the Group's CMC-focused subsidiary, charged the fees under the CDMO related transactions and testing services determined on a cost-plus basis, with the cost-plus margin ranging from approximately 5% to 30% of the cost depending on the nature, scope and complexity of services and testing services to be provided, and the expected cost and expenses for provision of the required services and the prevailing market price for similar services. The parties adopted the same basis to determine the fee mechanism when entering into the QX001S Framework Agreement and the QX001S Supply Agreement.

Matters related to Product Supply have covered the renting of Cellularforce's laboratory premises, materials, reagents and equipment for sampling and testing of QX001S by Zhongmei Huadong, as well as the need to carry out a three-year long-term stability study on no less than one batch of QX001S drug substance and injections each year as required by Zhongmei Huadong to continuously monitor the stability of the products in order to comply with the relevant GMP requirements.

(ii) Profit Sharing

The parties agree that the accumulative pre-tax profit generated from sales of QX001S in China (as calculated pursuant to the QX001S Framework Agreement), after setting off the accumulative losses attributable to the commercialization of QX001S incurred in prior years (if any), shall be shared by the two parties on a 50:50 basis, provided that 50% of the Markup for the manufacturing of QX001S will be further deducted from the Group's portion of the pre-tax profit receivable and attributed to Zhongmei Huadong's portion instead (i.e. the Profit Sharing). As disclosed in the Prospectus, the Directors are of the view that the basis of the profit sharing ratio, having taken into account various factors, including but not limited to the expenses incurred and to be incurred for the development of QX001S borne by both parties, expected prospects of the development and commercialization of QX001S in the PRC, rights and obligations of both parties under the QX001S Framework Agreement and the reasons and benefits of the transactions contemplated under the QX001S Framework Agreement, is fair and reasonable.

4. Revised Annual Caps

4.1. The Existing Annual Caps and historical transaction amounts

As set out in the Letter from the Board, the table below sets out (i) the historical transaction amounts of Continuing Connected Transactions (the "**Historical Transaction Amounts**") for FY2024, FY2025 and the eight months ended 31 August 2026 ("**8M2026**"); (ii) the Existing Annual Caps; and (iii) the respective utilisation rates:

Table 1: The Historical Transaction Amounts and the Existing Annual Caps for FY2024, FY2025 and 8M2026

	FY2024	**FY2025**	**8M2026**
Product Supply		*(RMB'000)*	
Historical Transaction Amounts	2,142	11,138	10,597
Existing Annual Caps	10,000	15,000	25,000
Utilisation rates	21.4%	74.3%	42.4% *Note 1*
	FY2024	**FY2025**	**8M2026**
Profit Sharing		*(RMB'000)*	
Historical Transaction Amounts	Nil	Nil	48,680 *Note 2*
Existing Annual Caps	5,000	38,000	55,000
Utilisation rates	0.0%	0.0%	88.5% *Note 1*

Notes:

1. The utilisation rate for 8M2026 was calculated based on the Historical Transaction Amount of the Company for 8M2026 and the historical approved annual cap for FY2026.

2. With reference to the Letter from the Board, the figure was estimated by Zhongmei Huadong.

As illustrated above, (i) the Historical Transaction Amounts for Product Supply amounted to approximately RMB2.1 million, RMB11.1 million and RMB10.6 million for FY2024, FY2025 and 8M2026, respectively, representing utilisation rates of approximately 21.4%, 74.3% and 42.4%, respectively; and (ii) the Historical Transaction Amounts for Profit Sharing were nil, nil and approximately RMB48.7 million for FY2024, FY2025 and 8M2026, respectively, representing utilisation rates of nil, nil and approximately 88.5%, respectively.

We understand from the Management that the low utilisation rate recorded for FY2024 was mainly attributable to the fact that QX001S was approved at the end of October 2024 and still at an early stage of commercialization and, in particular for the Profit Sharing, the comparatively higher expense level relative to sales during such early stage of commercialization. The higher utilisation rates recorded for Product Supply in FY2025 and 8M2026 were mainly attributable to the satisfactory commercialization progress after Approval. We understand from the Management that transaction amounts under the Profit Sharing arrangement only started to be generated in 2026, mainly attributable to (1) the increase in the sales of QX001S stated above; and (2) a decrease in the proportion of selling expenses and marketing expenses of QX001S incurred during 8M2026.

4.2. The Revised Annual Caps

The table below sets out the Revised Annual Caps:

Table 2: The Revised Annual Caps

	FY2026	**FY2027**	**FY2028**
		(RMB'000)	
Revised Annual Caps for Product Supply	25,000	42,000	57,000
Revised Annual Caps for Profit Sharing	120,000	210,000	310,000

The Revised Annual Caps for Product Supply

As stated in the Letter from the Board, the Directors have considered the actual sales for 8M2026 and the sales forecast of QX001S from 2026 to 2028 provided by Zhongmei Huadong and the expected production costs of QX001S in the coming years. For further details, please refer to the section headed "**Revision of the Existing Annual Caps to the Revised Annual Caps for 2026 to 2028**" in the Circular.

Our assessment

We noted that (i) the Revised Annual Cap for Product Supply for FY2026 is maintained at RMB25.0 million; and (ii) the Revised Annual Caps for Product Supply for FY2027 and FY2028 represent year-on-year increases of approximately 68.0% and approximately 35.7% (the "**Implied Growth Rate**"), respectively, as compared with the annual caps for the previous financial years.

We note that the actual transaction amount for Product Supply for 8M2026 amounted to approximately RMB10.6 million, implying an annualised transaction amount of approximately RMB15.9 million (i.e. RMB10.6 million/8 * 12 = RMB15.9 million) for FY2026. Such annualised transaction amount for FY2026 represents (1) an increase of approximately 42.7% as compared to the Historical Transaction Amount of approximately RMB11.1 million recorded in FY2025; and (2) a compound annual growth rate of approximately 172.4% from FY2024 to FY2026. We further note that, as stated in the Letter from the Board, the actual transaction amount for Product Supply for 8M2026 increased by approximately 172% as compared with the corresponding period in 2025. Accordingly, we consider the Implied Growth Rate to be commercially justifiable.

Furthermore, as the transaction amount for Product Supply is primarily dependent on the sales and commercialization plan of Zhongmei Huadong, we have reviewed relevant email correspondence between the Group and Zhongmei Huadong and note that Zhongmei Huadong endorsed the estimated transaction amount for the Product Supply for FY2026, FY2027 and FY2028.

Having considered the above, we are of the view that the Revised Annual Caps for Product Supply are fair and reasonable.

The Revised Annual Caps for Profit Sharing

As stated in the Letter from the Board, in determining the revised annual caps for Profit Sharing, the Directors have made reference to the profit sharing formula as stipulated in the QX001S Framework Agreement to calculate the respective profits with Zhongmei Huadong on a 50:50 basis and deducting 50% of the Markup and the projected profit before tax expected to be generated by Zhongmei Huadong from the sales of QX001S after deducting the relevant costs, with an anticipated growth rate ranging from 47% to 75%. For further details, please refer to the section headed "**Revision of the Existing Annual Caps to the Revised Annual Caps for 2026 to 2028**" in the Circular.

As set out in the Prospectus, the payment to be received by the Group from Zhongmei Huadong for the Profit Sharing pursuant to the QX001S Framework Agreement will be determined in accordance with the following formula (the "**Formula**"):

Amount of pre-tax profit receivable by the Group under the Profit Sharing	=	((A) Net sales revenue of QX001S by Zhongmei Huadong [Note 1] – (B) amount received and receivable by the Group under the Product Supply corresponding to the sales of QX001S by Zhongmei Huadong – (C) marketing and sales and other operating costs of QX001S by Zhongmei Huadong – taxes and surcharges incurred by Zhongmei Huadong for the sale of QX001S [Note 2]) × 50% – (D) the markup for the manufacturing of QX001S under the Product Supply corresponding to the sales of QX001S by Zhongmei Huadong × 50%

Notes:

1. Net sales revenue shall be the results of gross sales (net of value-added taxes) minus sales returns, allowances and discounts.

2. Such taxes and surcharges include but not limited to consumption tax, urban maintenance and construction tax, urban land use tax, resource tax, education surcharge, real estate tax, land use tax, vehicle and vessel tax and stamp duty (if applicable).

Our assessment

In assessing the fairness and reasonableness of the Revised Annual Caps for Profit Sharing, we have discussed with the Management the basis and underlying assumptions for the purpose of setting the Revised Annual Caps for Profit Sharing. We have also obtained from the Management and reviewed the computation worksheets for the Revised Annual Caps including the relevant breakdown (the "**Caps Computation**") for Profit Sharing.

We note from the Caps Computation that the calculation of the Revised Annual Caps for Profit Sharing is in line with the Formula, which comprises the following components of (A) the projected sales revenue of QX001S by Zhongmei Huadong; (B) amount receivable by the Group under the Product Supply; (C) marketing and sales and other operating costs of QX001S incurred by Zhongmei Huadong; (D) Markup for the manufacturing of QX001S under the Product Supply; and (E) buffer of approximately 19.1% to approximately 19.8% for unforeseeable circumstances. The detailed bases for determining the above components of the Revised Annual Caps for Profit Sharing are set out below:

(A) Projected sales revenue of QX001S by Zhongmei Huadong

We obtained sales management reports provided by Zhongmei Huadong for HY2026 (the "**HY2026 Sales Management Report**") and noted that the projected sales revenue of QX001S by Zhongmei Huadong for FY2026 is lower than the simple annualised sales revenue for FY2026 based on the actual data for 6M2026. On this basis, we consider that the projected sales revenue of QX001S by Zhongmei Huadong for FY2026 has not been set at an excessive level and is reasonable.

For FY2027 and FY2028, we noted from the Caps Computation that the projected sales revenue of QX001S by Zhongmei Huadong represent year-on-year growth rates of approximately 60.3% and approximately 28.2%, respectively. In assessing the reasonableness of such estimated growth rates, we have considered that the estimated quantities of QX001S to be supplied under the Product Supply are associated with the expected growth in sales of QX001S.

As advised by the Management, in recent years, Zhongmei Huadong is implementing a structured marketing strategy centred on hospital formulary inclusion* (准入), with a particular focus on QX001S. The key focus is on achieving formulary inclusion in more targeted hospitals. This initiative will be spearheaded by Zhongmei Huadong's provincial general managers, who are tasked with leading sales teams. According to Huadong Medicine's quarterly report for the three months ended 31 March 2025 and interim report for HY2026, (i) prescriptions for QX001S had been issued in over 2,000 hospitals in the PRC as at 30 June 2026, compared with approximately 800 hospitals as at 31 March 2025, representing an annual growth rate of approximately 108.1% (the "**Network Growth Rate**"); and (ii) the sales revenue of QX001S in the PRC recorded year-on-year growth rate of over 100% (the "**Product Growth Rate**"). We noted that the aforesaid implied growth rates for FY2027 and FY2028 are lower than both the Network Growth Rate and the Product Growth Rate. Therefore, we consider that the estimated quantities of QX001S to be supplied for FY2027 and FY2028 are justifiable. Accordingly, we are of the view that the estimated quantities of QX001S to be supplied by Cellularforce to Zhongmei Huadong for FY2026 to FY2028 are reasonable.

(B) Amount receivable by the Group under the Product Supply

As advised by the Management and according to the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements, the amount received and receivable by the Group under the Product Supply is calculated based on (i) the Unit Cost; and (ii) the estimated quantities of QX001S to be supplied under the Product Supply. We obtained the actual quantities of QX001S supplied under the Product Supply for 8M2026 and noted that the estimated quantities of QX001S to be supplied for FY2026 are lower than the simple annualised quantities for FY2026 based on the actual quantities for 8M2026. On this basis, we consider that the estimated quantities of QX001S to be supplied for FY2026 have not been set at an excessive level and is reasonable.

For FY2027 and FY2028, we noted from the Caps Computation that the estimated quantities of QX001S to be supplied represent year-on-year growth rates of approximately 83.9% and approximately 30.5%, respectively. In assessing the reasonableness of such estimated growth rates, we have considered that (i) the estimated quantities of QX001S to be supplied under the Product Supply are associated with the expected growth in sales of QX001S; and (ii) the aforesaid implied growth rates for FY2027 and FY2028 are lower than both the Network Growth Rate and the Product Growth Rate. Having considered the above, we consider that the estimated amounts receivable by the Group under the Product Supply for FY2027 and FY2028 are justifiable. Accordingly, we are of the view that the estimated amounts receivable by the Group under the Product Supply for FY2026 to FY2028 are reasonable.

(C) Marketing and sales and other operating costs incurred by Zhongmei Huadong

We obtained the HY2026 Sales Management Report and noted that the estimated marketing and sales and other operating costs incurred by Zhongmei Huadong for FY2026 are lower than the simple annualised costs for FY2026 based on the actual data for HY2026. On this basis, we consider that the estimated marketing and sales and other operating costs incurred by Zhongmei Huadong for FY2026 have not been set at an excessive level and is reasonable.

As advised by the Management, the estimated marketing and sales and other operating costs incurred by Zhongmei Huadong for FY2027 and FY2028 were estimated as a percentage of the projected sales revenue of QX001S by Zhongmei Huadong (the "**Aggregate Expense Percentage**") (which were in the range of approximately 50% to 60%). As an additional reference, we conducted independent research on companies listed on the Stock Exchange which (i) are principally engaged in the development and commercialization of biopharmaceutical products in the PRC (i.e. derived more than 50% of their revenue from such businesses in aggregate for their latest financial year); and (ii) had commercialised more than three biosimilar products based on the latest interim/annual report. Based on the above selection criteria, six reference companies (the "**Reference Companies**") were identified on an exhaustive basis. Details of our findings are as follows:

Company name (stock code)	Relevant revenue contribution for the latest financial year	Number of commercialized biosimilar products based on the latest interim/annual report	Selling, marketing and other relevant expense ratios for the latest financial year
Shanghai Henlius Biotech, Inc. (2696.HK)	100.0%	7	33.0%
Sino Biopharmaceutical Limited (1177.HK)	98.2%	8	34.3%
Shandong Boan Biotechnology Co., Ltd (6955.HK)	93.5%	5	43.4%
Innovent Biologics, Inc. (1801.HK)	91.2%	3	43.8%
Mabpharm Limited (2181.HK)	92.6%	5	62.0%
CSPC Pharmaceutical Group Limited (1093.HK)	93.1%	3	24.9%

We consider the Reference Companies to be fair and representative for comparison purposes as (i) they are all listed companies subject to comparable disclosure requirements; (ii) they are principally engaged in the development and commercialization of biopharmaceutical products in the PRC, which is broadly comparable to the business activities relevant to QX001S; and (iii) each of them had commercialised more than three biosimilar products as at the end of its latest financial year, indicating established commercialization capabilities and sales networks and therefore provide a meaningful reference for assessing the commercialization-related expense profile of biosimilar products. Based on our review of the latest available annual reports of the Reference Companies for the latest financial year, we calculated the respective selling, marketing and other relevant expense ratios of the Reference Companies by dividing such expenses by their respective revenue and obtained the range of approximately 24.9% to approximately 62.0%. We noted that such percentages were within the range of the Aggregate Expense Percentage (which were in the range of approximately 50% to approximately 60%) adopted by the Management in determining the Revised Annual Caps. With reference to the Formula, the transaction amount under the Product Supply is calculated after deducting the relevant marketing and sales and other operating costs, the adoption of a higher Aggregate Expense Percentage would result in a lower estimated transaction amount. Accordingly, we consider that the Management's assumption was adopted on a prudent and conservative basis.

Accordingly, we are of the view that the marketing and sales and other operating costs incurred by Zhongmei Huadong for FY2026 to FY2028 are reasonable.

(D) Markup for the manufacturing of QX001S under the Product Supply

We note from the Caps Computation that a markup of 25% was adopted, which is in line with the Markup under the Product Supply.

(E) Buffer

Based on our review of the Caps Computation, we note that a buffer level of approximately 19.1% to approximately 19.8% was adopted in determining the Revised Annual Caps for the Profit Sharing. We understand from the Management that the buffer was set to cope with any unforeseeable circumstances. We conducted research on circulars relating to continuing connected transactions published by Hong Kong listed companies during the period from 22 June 2026 to the Announcement Date (being the three months prior to and including the Announcement Date). Among the 28 exhaustively identified circulars that included a buffer in the proposed annual caps, 5 adopted buffer levels of 0% to 10%, 22 adopted buffer levels of 10% to 20%, while one sample adopted a buffer range of 7% to 12%, which overlaps both categories above. Having considered (i) a 10% to 20% buffer in proposed annual caps is adopted in the majority of the sampled circulars; (ii) the period of three months is a commonly adopted period to cover sufficient samples for our analysis; (iii) the 28 samples were identified on an exhaustive basis using objective selection criteria and no qualifying sample was excluded from our analysis, we consider the buffer level of approximately 19.1% to 19.8% (which falls within the aforesaid range) to be acceptable and the 28 samples are fair and representative.

In light of the above, we are of the view that the Revised Annual Caps for Profit Sharing are fair and reasonable.

Nevertheless, Independent Shareholders should be aware that the Revised Annual Caps have been determined based on a number of assumptions and estimates, and the actual transaction amounts may vary from the Revised Annual Caps. The Revised Annual Caps do not represent a forecast of revenue to be generated from the Continuing Connected Transactions. Consequently, we express no opinion as to how closely the actual transaction amounts will correspond to the Revised Annual Caps.

5. Internal control procedures

As set out in the Letter from the Board, the Company has formulated internal control measures and procedures to manage the Continuing Connected Transactions and annual caps under the QX001S Framework Agreement, the QX001S Supply Agreement and the Supplemental Agreements. For further details, please refer to the section headed "**IV. INTERNAL CONTROL PROCEDURES**" in the Circular.

The independent non-executive Directors will conduct an annual review of the continuing connected transactions, and confirm the matters required under Rule 14A.55 of the Listing Rules in the Company's subsequent annual reports. Further, the Company will engage external auditors to conduct an annual review of its continuing connected transactions, and to report to the Board on matters required under Rule 14A.56 of the Listing Rules.

To assess the effectiveness of the internal control procedures for Product Supply, in particular the pricing mechanism and the monitoring of the monthly transaction amounts, we requested the Company to provide (i) all invoices of the Product Supply (the "**Invoices**"); and (ii) all monthly records for the monitoring of the quantities supplied and the transaction amounts of Product Supply (the "**Monthly Monitoring Records**") for the period from October 2025 to August 2026 (the "**Sampling Period**") (being the period from the date of Previous Circular to the Announcement Date). After reviewing the Invoices and the Monthly Monitoring Records, we noted that (i) all Invoices demonstrate a cost-plus margin of 25% for manufacturing, which is in line with the Markup; and (ii) the Group performed monthly monitoring of both the quantities supplied and the actual transaction amounts to ensure that the Product Supply did not exceed the relevant annual caps. In addition, regarding payment, we reviewed the corresponding payment records of the Invoices and noted that payments were made on a timely basis.

In relation to Profit Sharing, we understand from the Management that, in accordance with the Group's internal control policy for the Sampling Period, the Company obtained and reviewed the sales management reports provided by Zhongmei Huadong on a bi-annual basis. Accordingly, we obtained and reviewed the two sales management reports provided by Zhongmei Huadong for (a) FY2025; and (b) HY2026 and noted that the profit-sharing mechanism reflected in such reports was consistent with the Formula.

In view of the above, nothing has come to our attention that would cast doubt on the effectiveness of the implementation of the internal control measures.

OPINION AND RECOMMENDATION

Having considered the principal factors and reasons as discussed above, we are of the view that the Revision of Annual Caps is on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to vote in favour of the relevant resolutions in respect of the Revision of Annual Caps and the adoption of the Revised Annual Caps to be proposed at the EGM.

Yours faithfully,
For and on behalf of
Ignite Capital (Asia Pacific) Limited

Li Lan	**Tin Ming Kit**
Managing Director	*Director*

Mr. Li Lan is a Managing Director of Ignite Capital and is licensed under the SFO as a Responsible Officer to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. Mr. Li has over 20 years of corporate finance experience in Hong Kong and has participated in and completed various financial advisory and independent financial advisory transactions.

Mr. Tin Ming Kit is a Director of Ignite Capital and is licensed under the SFO as a licensed person to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. Mr. Tin has over 20 years of investment banking and corporate finance experience in Hong Kong and has participated in and completed various initial public offerings, corporate financial advisory and independent financial advisory transactions.

1. DISCLOSURE OF INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES

As at the Latest Practicable Date, interests of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were deemed or taken to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange were as follows:

Interest in the shares of the Company

Name	Nature of interest	Type of Shares	Number of Shares[(1)]	Approximate percentage of shareholding in the total issued share capital[(6)]
Mr. Qiu[(2)(3)(4)(5)]	Beneficial owner	H Shares	10,000,000 (L)	30.86%
	Interest in controlled corporations	H Shares	60,082,400 (L)	

Notes:

(1) The letter "L" denotes the person's long position in our Shares.

(2) Hangzhou Quanyi is owned as to 50% by Mr. Qiu and 50% by Mr. Yu Guo'an, both being its general partners acting in concert pursuant to the supplemental partnership agreement of Hangzhou Quanyi. By virtue of the SFO, each of Mr. Qiu and Mr. Yu Guo'an is deemed to be interested in the H Shares held by Hangzhou Quanyi.

(3) Mr. Qiu is the general partner who holds approximately 9.82% interest in Xinfu Tongxin. By virtue of the SFO, Mr. Qiu is deemed to be interested in the H Shares held by Xinfu Tongxin.

(4) Mr. Qiu is the general partner who holds approximately 45.71% interest in Shanghai Quanyou. By virtue of the SFO, Mr. Qiu is deemed to be interested in the H Shares held by Shanghai Quanyou.

(5) Mr. Qiu directly holds 10,000,000 H Shares representing approximately 4.40% of our H Shares in issue.

(6) As of the Latest Practicable Date, our Company has 227,071,600 total issued Shares.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

2. SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITION IN SHARES AND UNDERLYING SHARES

As of the Latest Practicable Date, so far as was known to the Directors, the following persons/entities (other than the Directors or chief executive of our Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by our Company under the SFO were as follows:

Long Positions in Shares of our Company

Name of Shareholder	Nature of interest	Type of Shares	Number[1]	Percentage of shareholding in the total issued share capital[9] *(approx.)*
Hangzhou Quanyi[2]	Beneficial owner	H Shares	40,000,000 (L)	17.62%
Xinfu Tongxin[3]	Beneficial owner	H Shares	15,082,400 (L)	6.64%
Mr. Qiu[2][3]	Beneficial owner	H Shares	10,000,000 (L)	30.86%
	Interest in controlled corporations	H Shares	60,082,400 (L)	
Ms. Xu Qiu[4]	Interest of spouse	H Shares	70,082,400 (L)	30.86%
Mr. Yu Guo'an[2]	Interest in a controlled corporation	H Shares	40,000,000 (L)	17.62%
Ms. Zhu Jing[5]	Interest of spouse	H Shares	40,000,000 (L)	17.62%
Zhongmei Huadong[6]	Beneficial owner	H Shares	35,900,000 (L)	15.81%
Huadong Medicine[6]	Interest in a controlled corporation	H Shares	37,876,800 (L)	16.68%
China Grand Enterprises Incorporation ("**China Grand**")[6]	Interest in controlled corporations	H Shares	37,876,800 (L)	16.68%
Beijing Grand Huachuang Investment Group Co., Ltd. ("**Beijing Grand**")[6]	Interest in controlled corporations	H Shares	37,876,800 (L)	16.68%
Mr. Hu Kaijun (胡凱軍)[6]	Interest in controlled corporations	H Shares	37,876,800 (L)	16.68%
Taizhou Medical New and High-tech Industrial Development Zone Huayin Finance Investment Co., Ltd. ("**Taizhou Huayin**")[7][8]	Interest in controlled corporations	H Shares	16,661,800 (L)	7.34%
Taizhou Medical High-tech Industry Investment Development Co., Ltd. ("**Taizhou Medical High-tech**")[7][8]	Interest in controlled corporations	H Shares	16,661,800 (L)	7.34%
Taizhou Medicine City Holding Group Co., Ltd. ("**Taizhou Medicine**")[7][8]	Interest in controlled corporations	H Shares	26,494,600 (L)	11.66%

Notes:

(1) The letter "L" denotes the person's long position in our Shares.

(2) Hangzhou Quanyi is owned as to 50% by Mr. Qiu and 50% by Mr. Yu Guo'an, both being its general partners acting in concert pursuant to the supplemental partnership agreement of Hangzhou Quanyi. By virtue of the SFO, each of Mr. Qiu and Mr. Yu Guo'an is deemed to be interested in the Shares held by Hangzhou Quanyi.

(3) Mr. Qiu is the general partner who holds approximately 9.82% interest in Xinfu Tongxin. By virtue of the SFO, Mr. Qiu is deemed to be interested in the Shares held by Xinfu Tongxin.

(4) Ms. Xu Qiu is the spouse of Mr. Qiu. By virtue of the SFO, Ms. Xu Qiu is deemed to be interested in the Shares held by Mr. Qiu.

(5) Ms. Zhu Jing is the spouse of Mr. Yu Guo'an. By virtue of the SFO, Ms. Zhu Jing is deemed to be interested in the Shares held by Mr. Yu Guo'an.

(6) Zhongmei Huadong is wholly owned by Huadong Medicine. Huadong Medicine is owned as to approximately 41.68% by China Grand as its controlling shareholder. China Grand is owned as to approximately 92.97% by Beijing Grand, which is wholly owned by Mr. Hu Kaijun. By virtue of the SFO, each of Huadong Medicine, China Grand, Beijing Grand and Mr. Hu Kaijun is deemed to be interested in the Shares held by Zhongmei Huadong.

(7) Taizhou Jianxin is an investment fund company managed by Taizhou Huaxin, a company owned as to approximately 91.25% by Taizhou Huayin. Taizhou Huayin is owned as to approximately 41.76% by Taizhou Medical High-tech, 31.50% by Taizhou Oriental (a company owned as to 93.94% by Taizhou Medicine), and 10.50% by Taizhou Huacheng (a company wholly owned by Taizhou Medicine). By virtue of the SFO, each of Taizhou Huaxin, Taizhou Huayin, Taizhou Medical High-tech and Taizhou Medicine is deemed to be interested in the Shares held by Taizhou Jianxin.

(8) Rongjianda is an investment fund company managed by Rongjianda VC, which is owned as to 81% by Taizhou Huayin. Rongjianda is owned as to approximately 33.33% by Taizhou High-tech Industry Investment Development Co., Ltd. (泰州市高新產業投資有限公司) ("**Taizhou High-tech**"), 33.33% by Taizhou Huayin and 32.33% by Taizhou Huajian, a company wholly owned by Taizhou Huayin. Taizhou High-tech is a wholly owned subsidiary of Taizhou Financial Holding Group Co., Ltd. (泰州市金融控股集團有限公司) ("**Taizhou Financial**"), a company owned as to approximately 65.08% by Taizhou People's Municipal Government State-owned Assets Supervision and Administration Commission (泰州市人民政府國有資產監督管理委員會). Taizhou Huayin is owned as to approximately 41.76% by Taizhou Medical High-tech, 31.50% by Taizhou Oriental (a company owned as to 93.94% by Taizhou Medicine), and 10.50% by Taizhou Huacheng (a company wholly owned by Taizhou Medicine). By virtue of the SFO, each of Rongjianda VC, Taizhou High-tech, Taizhou Financial, Taizhou Huayin, Taizhou Medical High-tech and Taizhou Medicine is deemed to be interested in the Shares held by Rongjianda.

(9) As of the Latest Practicable Date, our Company has 227,071,600 total issued Shares.

Save as disclosed above, as of the Latest Practicable Date, the Directors were not aware of any other persons/entities (other than the Directors and chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under the SFO.

3. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, the Directors confirmed that there was no material adverse change in the financial or trading position of the Group since December 31, 2025, being the date to which the latest published audited consolidated financial statements of our Group were made up.

4. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, a non-executive Director held management role or directorship in some companies which are principally engaged in production and sales of pharmaceutical products. Mr. Wu Zhiqiang, our non-executive Director, was nominated by Taizhou Jianxin Venture Capital Co., Ltd. (泰州健鑫創業投資有限公司) and Taizhou China Medical City Rongjianda Venture Capital Co., Ltd. (泰州中國醫藥城融健達創業投資有限公司), two of our Pre-IPO Investors, to be their representative in our Board. He is currently serving as a director of Jiangsu Yingke Biopharmaceutical Co., Ltd. (江蘇盈科生物製藥有限公司) ("**Jiangsu Yingke**") (a company engaged in the research and development and production of fat emulsion formulations), a director of Jiangsu Hongyun Pharmaceutical Co., Ltd. (江蘇紅雲製藥有限公司) ("**Jiangsu Hongyun**") (a company engaged in the research and development of small molecule oncology drugs) and a director of Jiangsu Genscend Biopharma Co., Ltd. (江蘇景行生物醫藥有限公司) ("**Jiangsu Genscend**") (a company engaged in the research and development of biosimilars).

Our Directors are of the view that there is no material competition between each of Jiangsu Hongyun, Jiangsu Yingke and Jiangsu Genscend, and our Group arising from Mr. Wu Zhiqiang's management role or directorship for the following reasons:

(a) we are a biotech company exclusively focused on biologic therapies for autoimmune and allergic diseases. In comparison, (i) Jiangsu Hongyun principally engaged in the research and development of small molecule oncology drugs; (ii) Jiangsu Yingke principally engaged in development and production of fat emulsion formulations and (iii) Jiangsu Genscend principally engaged in the research and development of biosimilars;

(b) the management and operational decisions of our Group are made by our executive Directors and senior management. As our non-executive Director, Mr. Wu Zhiqiang is not and will not be involved in the daily management and operation of our Group;

(c) our independent non-executive Directors constitute more than one third of our Board upon Listing and none of them has any relationship with Mr. Wu Zhiqiang or his respective associates. We believe that our independent non-executive Directors will bring independent judgment to the decision-making process of our Board and possess relevant experience to allow the proper functioning of our Board; and

(d) in case of conflict of interest between our Group and each of Jiangsu Hongyun, Jiangsu Yingke and Jiangsu Genscend, Mr. Wu Zhiqiang will exercise his duties in accordance with relevant constitutional documents, applicable laws and regulations and corporate governance measures adopted by our Group.

Save as disclosed above, each of our Directors confirms that as of the Latest Practicable Date, he/she did not have any interest in a business, apart from the business of our Group, which competes or is likely to compete, either directly or indirectly, with our business, which would require disclosure under Rule 8.10 of the Listing Rules.

5. DIRECTORS' INTEREST IN ASSETS AND CONTRACTS

As at the Latest Practicable Date, no contract or arrangement of significance in relation to our Group's business to which our Group or any of its subsidiaries was a party and in which any of the Directors had a material interest, whether directly or indirectly, subsisted as at the Latest Practicable Date.

None of the Directors has any direct or indirect interests in any assets which had been acquired or disposed of by or leased to, or which are proposed to be acquired or disposed of by or lease to, the group or any of its subsidiaries during the period since December 31, 2025, being the date to which the latest audited financial statements of our Group were made up, up to and including the Latest Practicable Date.

6. DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

Each of our Directors has entered into a service agreement or letter of appointment in relation to their appointment as the Company's director with the Company. The principal particulars of these service agreements and letters of appointment comprise (a) the term of the service; (b) termination provisions; and (c) dispute resolution provision. The service agreements and letters of appointment may be renewed in accordance with our Articles of Association and the applicable laws, rules and regulations from time to time.

Save as disclosed above, none of our Directors has or is proposed to have a service agreement with any member of our Group (other than contracts expiring or determinable by the relevant employer within one year without the payment of compensation (other than statutory compensation)).

7. LITIGATION

As far as the Directors were aware, none of the members of the Group was engaged in any litigation or arbitration or claim of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group as at the Latest Practicable Date.

8. EXPERT'S CONSENT AND QUALIFICATIONS

Ignite Capital, which is the expert having given its opinion and/or advice which are contained in this circular, has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which it appears.

The following are the name and qualifications of the expert:

Name	Qualifications
Ignite Capital (Asia Pacific) Limited	A licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO, the Independent Financial Adviser.

9. EXPERT'S INTEREST

As at the Latest Practicable Date, Ignite Capital, which is the expert having given its opinion and/or advice which are contained in this circular, did not have any direct or indirect interest in any asset which had been acquired, or disposed of by, or leased to any member of our Group since December 31, 2025, being the date to which the latest audited financial statements of our Group were made up, or was proposed to be acquired, or disposed of by, or leased to any member of our Group, and was not beneficially interested in the shares of any member of our Group and did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

10. MISCELLANEOUS

The Company's H share registrar is Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

The joint company secretaries of the Company are Mr. Hu Yanbao and Ms. Tang King Yin. Mr. Hu is our Board secretary while Ms. Tang is a Chartered Secretary, a Chartered Governance Professional and an Associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, respectively.

The English text of this circular and the accompanying form of proxy shall prevail over the Chinese text in the case of any inconsistency.

11. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the respective websites of the Stock Exchange (https://www.hkexnews.hk) and the Company (https://www.qyuns.net) for a period of 14 days from the date of this circular:

(a) the QX001S Framework Agreement;

(b) the QX001S Supply Agreement;

(c) the Supplemental Agreements; and

(d) the expert consent letter issued by the Independent Financial Adviser.

Qyuns Therapeutics Co., Ltd.
江蘇荃信生物醫藥股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2509)

NOTICE OF THE 2026 FIRST EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the EGM of Qyuns Therapeutics Co., Ltd. (the "**Company**") will be held at Room 1809, Tower A, The Place, No.100 Zunyi Rd., Changning Dist., Shanghai, the PRC on Friday, November 13, 2026 at 2:00 p.m. for the purpose of considering and, if thought fit, approving the following resolutions. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the circular of the Company dated October 28, 2026 (the "**Circular**").

ORDINARY RESOLUTIONS

1. To consider and, if thought fit, approve the Revised Annual Caps for the three financial years from 2026 to 2028 as set out in the Circular for the Continuing Connected Transactions under the QX001S Framework Agreement; and to authorize any Director to exercise all powers which they consider necessary and do such other acts and things and execute such other documents which in their opinion may be necessary or desirable to implement the transactions contemplated under the QX001S Framework Agreement.

2. To consider and, if thought fit, approve the appointment of Dr. Ji Juan as a non-executive Director of the second session of the Board and the remuneration proposed by the Board.

By Order of the Board
Qyuns Therapeutics Co., Ltd.
Mr. Qiu Jiwan
Chairman of the Board and Executive Director

Hong Kong, October 28, 2026

As at the date of this notice, the board of directors of the Company comprises Mr. Qiu Jiwan as chairman and executive director, Mr. Wu Yiliang and Mr. Lin Weidong as executive directors, Mr. Wu Zhiqiang as non-executive director, and Mr. Fung Che Wai, Anthony, Dr. Zou Zhongmei and Dr. Ling Jianqun as independent non-executive directors.

Notes:

1. The resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the articles of association of the Company and the Listing Rules. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.

2. In order to be eligible to attend and vote at the EGM, holders of the H shares whose transfers have not been registered shall deposit all transfer documents accompanied by the relevant share certificates at the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, November 9, 2026 (Hong Kong time) for registration.

3. A shareholder entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on his behalf. A proxy need not be a shareholder of the Company. Where a shareholder appoints more than one proxy, his proxies can only vote on a poll.

4. The instrument appointing a proxy must be in writing under the hand of a shareholder or his attorney duly authorized. If the shareholder is a corporation, that instrument must be either under its common seal or under the hand of its director(s) or duly authorized attorney(ies). If that instrument is signed by an attorney of a shareholder, the power of attorney or other document authorising that attorney to sign must be notarized.

5. In order to be valid, the form of proxy together with the notarized power of attorney or other authorization document (if any) must be deposited at the H share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 24 hours before the time fixed for the meeting (i.e. not later than 2:00 p.m. on Thursday, November 12, 2026 (Hong Kong time)).

6. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or loss of capacity of the appointer, or the revocation of the proxy or of the authority under which the form of proxy was signed, or the transfer of shares in respect of which the proxy is given, provided that no notice in writing of these matters shall have been received by the Company prior to the commencement of the EGM.

7. In accordance with the Company's articles of association, where two or more persons are registered as the joint holders of any share, only the person whose name appears first in the register of members shall be entitled to receive this notice, and this notice, when served on such person, shall be deemed to have be given to all joint holders of such share.

8. Shareholders or their proxies shall produce their identification documents for inspection when attending the EGM.