longbio

天 辰 生 物

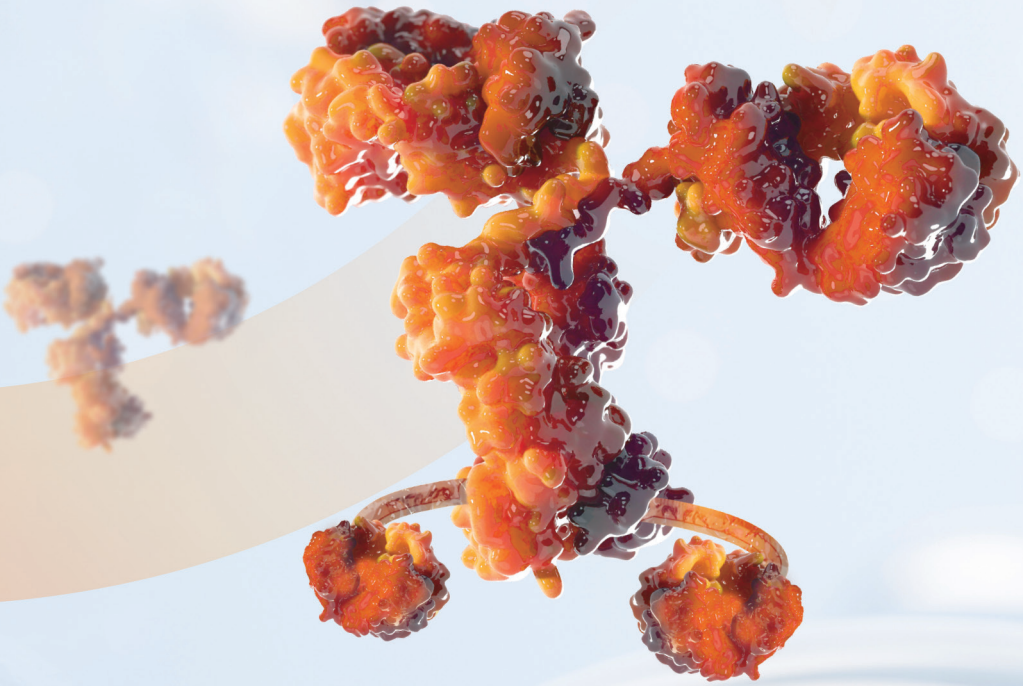
天辰生物醫藥（蘇州）股份有限公司

LongBio Pharma (Suzhou) Co., Ltd.

(A joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code : 01779

GLOBAL OFFERING



Sole Sponsor, Sole Sponsor-Overall Coordinator, Overall Coordinator, Joint Global Coordinator, Joint Bookrunner, Joint Lead Manager

國金證券(香港)有限公司
SINOLINK SECURITIES (HK) CO. LTD.

Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

广发证券 GF SECURITIES　ABCI 農銀國際　建银国际 CCB International　山證國際 SHANXI SECURITIES INTERNATIONAL　TradeGo Markets

IMPORTANT: If you are in any doubt about any of the contents of this prospectus, you should obtain professional independent advice.

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LongBio Pharma (Suzhou) Co., Ltd.

天辰生物醫藥（蘇州）股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	**:**	**14,193,150 H Shares (subject to the Over-allotment Option)**
Number of Hong Kong Offer Shares	**:**	**1,419,350 H Shares (subject to reallocation)**
Number of International Offer Shares	**:**	**12,773,800 H Shares (subject to reallocation and the Over-allotment Option)**
Offer Price	**:**	**HK$96.06 per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Hong Kong Stock Exchange trading fee of 0.00565% (payable in full on application in Hong Kong dollars and subject to refund)**
Nominal value	**:**	**RMB1.00 per H Share**
Stock code	**:**	**01779**

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A copy of this prospectus, having attached thereto the documents specified in "Documents Delivered to the Registrar of Companies in Hong Kong" in Appendix VII to this prospectus, has been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this prospectus or any other documents referred to above.

The Offer Price will be HK$96.06 per Offer Share, unless otherwise announced. Applicants for Hong Kong Offer Shares may be required to pay, on application (subject to application channels), the Offer Price of HK$96.06 for each Hong Kong Offer Share together with a brokerage fee of 1.0%, a SFC transaction levy of 0.0027%, a Stock Exchange trading fee of 0.00565% and an AFRC transaction levy of 0.00015%.

The Sole Sponsor-Overall Coordinator (for itself and on behalf of the Underwriters) may, with our consent, reduce the number of Offer Shares being offered under the Global Offering and/or the Offer Price below that stated in this prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such case, an announcement will be published on the websites of the Stock Exchange at www.hkexnews.hk and our Company at www.longbio.com not later than the morning of the last day for lodging applications under the Hong Kong Public Offering. Details of the arrangement will then be announced by us as soon as practicable. For further information, see "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this prospectus.

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement are subject to termination by the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters) if certain events occur prior to 8:00 a.m. on the Listing Date. See "Underwriting" in this prospectus.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered, sold, pledged or transferred within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act or in accordance with any applicable U.S. state securities law. The Offer Shares are offered and sold only outside the United States in offshore transactions in reliance on Regulation S.

ATTENTION

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this prospectus to the public in relation to the Hong Kong Public Offering.

This prospectus is available at the website of the Hong Kong Stock Exchange at www.hkexnews.hk and our website at www.longbio.com. If you require a printed copy of this prospectus, you may download and print from the websites above.

May 28, 2026

IMPORTANT NOTICE TO INVESTORS: FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide any printed copies of this prospectus to the public in relation to the Hong Kong Public Offering.

This prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the "*HKEXnews* > *New Listings* > *New Listing Information*" section, and our website at www.longbio.com. If you require a printed copy of this prospectus, you may download and print from the website addresses above.

To apply for the Hong Kong Offer Shares, you may:

(1) apply online through the **HK eIPO White Form** service at **www.hkeipo.hk**; or

(2) apply electronically through the **HKSCC EIPO** channel and cause HKSCC Nominees to apply on your behalf by instructing your **broker** or **custodian** who is a HKSCC Participant to give **electronic application instructions** via HKSCC's FINI system to apply for the Hong Kong Offer Shares on your behalf.

We will not provide any physical channels to accept any application for the Hong Kong Offer Shares by the public. The contents of the electronic version of this prospectus are identical to the prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

If you are an **intermediary**, **broker** or **agent**, please remind your customers, clients or principals, as applicable, that this prospectus is available online at the website addresses stated above.

See the section headed "How to Apply for Hong Kong Offer Shares" in this prospectus for further details of the procedures through which you can apply for the Hong Kong Offer Shares electronically.

Your application through the **HK eIPO White Form** service or the **HKSCC EIPO** channel must be for a minimum of 50 Hong Kong Offer Shares and in one of the numbers set out in the table.

If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of Hong Kong Offer Shares you have selected. You must pay the respective amount payable on application in full upon application for Hong Kong Offer Shares.

If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to pre-fund your application in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for.

No. of Hong Kong Offer Shares applied for	Amount payable[(2)] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[(2)] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[(2)] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[(2)] on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
50	4,851.44	800	77,623.01	7,000	679,201.36	100,000	9,702,876.51
100	9,702.87	900	87,325.88	8,000	776,230.12	200,000	19,405,753.02
150	14,554.31	1,000	97,028.76	9,000	873,258.89	300,000	29,108,629.54
200	19,405.76	1,500	145,543.15	10,000	970,287.65	400,000	38,811,506.05
250	24,257.20	2,000	194,057.53	20,000	1,940,575.30	500,000	48,514,382.56
300	29,108.63	2,500	242,571.91	30,000	2,910,862.95	600,000	58,217,259.05
350	33,960.07	3,000	291,086.29	40,000	3,881,150.60	709,650[(1)]	68,856,463.15
400	38,811.51	3,500	339,600.68	50,000	4,851,438.25		
450	43,662.94	4,000	388,115.06	60,000	5,821,725.91		
500	48,514.38	4,500	436,629.44	70,000	6,792,013.56		
600	58,217.27	5,000	485,143.83	80,000	7,762,301.21		
700	67,920.14	6,000	582,172.58	90,000	8,732,588.87		

(1) Maximum number of Hong Kong Offer Shares you may apply for and this is approximately 50% of the Hong Kong Offer Shares initially offered.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

No application for any other number of Hong Kong Offer Shares will be considered and such an application is liable to be rejected.

*If there is any change in the following expected timetable of the Hong Kong Public Offering, we will issue an announcement in Hong Kong to be published on our Company's website at **www.longbio.com** and the website of the Stock Exchange at **www.hkexnews.hk**.*

Hong Kong Public Offering commences . . . . . .9:00 a.m. on Thursday, May 28, 2026

Latest time for completing electronic applications under the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk**[2] . . . . . .11:30 a.m. on Tuesday, June 2, 2026

Application lists of the Hong Kong Public Offering open[3] . . . . . .11:45 a.m. on Tuesday, June 2, 2026

Latest time for (a) completing payment of **HK eIPO White Form** applications by effecting internet banking transfer(s) or PPS payment transfer(s) and (b) giving **electronic application instructions** to HKSCC[4] . . . . . .12:00 noon on Tuesday, June 2, 2026

If you are instructing your **broker** or **custodian** who is a HKSCC Participant to submit **HKSCC EIPO** applications on your behalf through HKSCC's FINI system, you are advised to contact your **broker** or **custodian** for the latest time for giving such instructions which may be different from the latest time as stated above.

Application lists of the Hong Kong Public Offering close[3] . . . . . .12:00 noon on Tuesday, June 2, 2026

Announcement of:

- the level of indications of interest in the International Offering;
- the level of applications in the Hong Kong Public Offering; and
- the basis of allocation of the Hong Kong Offer Shares

to be published on the websites of the Stock Exchange at **www.hkexnews.hk** and our Company at **www.longbio.com**[5] . . . . . at or before 11:00 p.m. on Thursday, June 4, 2026

Results of allocations in the Hong Kong Public Offering (with successful applicants' identification documents numbers, where appropriate) to be available through a variety of channels, including:

- in the announcement to be posted on our Company's website at **www.longbio.com** and the Stock Exchange's website at **www.hkexnews.hk** respectively ..... at or before 11:00 p.m. on Thursday, June 4, 2026

- at the "Allotment Results" page from the designated results of allocation website at **www.hkeipo.hk/IPOResult** or **www.tricor.com.hk/ipo/result** with a "search by ID" function from ..... 11:00 p.m. on Thursday, June 4, 2026 to 12:00 midnight on Wednesday, June 10, 2026

- from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from ..... Friday, June 5, 2026 to Wednesday, June 10, 2026 on a business day

Dispatch of H Share certificates or deposit of H Share certificates in respect of wholly or partially successful application under the Hong Kong Public Offering on or before[6][8] .....Thursday, June 4, 2026

HK eIPO White Form e-Auto Refund payment instructions/refund cheques in respect of wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering to be dispatched on or before[7][8] .....Friday, June 5, 2026

Dealings in the H Shares on the Stock Exchange expected to commence at .....9:00 a.m. on Friday, June 5, 2026

Notes:

(1) All dates and times refer to Hong Kong local dates and time, except as otherwise stated.

(2) You will not be permitted to submit your application under the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk** after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the designated website prior to 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.

(3) If there is/are a tropical cyclone warning signal number 8 or above, a "black" rainstorm warning and/or Extreme Conditions in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Tuesday, June 2, 2026, the application lists will not open or close on that day. See "How to Apply for Hong Kong Offer Shares — E. Severe Weather Arrangements".

(4) Applicants who apply for Hong Kong Offer Shares by instructing your **broker** or **custodian** to apply on your behalf via **HKSCC EIPO** channel should refer to the section headed "How to Apply for Hong Kong Offer Shares — A. Application for Hong Kong Offer Shares — 2. Application Channels".

(5) None of the websites set out in this section or any of the information contained on the websites forms part of this Prospectus.

(6) No temporary document of title will be issued in respect of the Offer Shares. H Share certificates will only become valid evidence of title at 8:00 a.m. on the Listing Date provided that the Global Offering has become unconditional in all respects and neither of the Underwriting Agreements has been terminated in accordance with their respective terms at or before that time. Investors who trade H Shares on the basis of publicly available allocation details or prior to the receipt of H Share certificates or the H Share certificates becoming valid evidence of title do so entirely at their own risk.

(7) **HK eIPO White Form** e-Auto Refund payment instructions/refund cheques will be issued in respect of wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering. Part of the applicant's identification document number, or, if the application is made by joint applicants, part of the identification document number of the first-named applicant, provided by the applicant(s) may be printed on the refund cheques, if any. Such data would also be transferred to a third party for refund purposes. Banks may require verification of an applicant's identification document number before encashment of the refund cheque. Inaccurate completion of an applicant's identification document number may invalidate or delay encashment of the refund cheque.

(8) Applicants who have applied for Hong Kong Offer Shares through **HKSCC EIPO** channel should refer to the section headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies" for details.

Applicants who have applied through the **HK eIPO White Form** service and paid their applications monies through single bank accounts may have refund monies (if any) dispatched to the bank account in the form of **HK eIPO White Form** e-Auto Refund payment instructions. Applicants who have applied through the **HK eIPO White Form** service and paid their application monies through multiple bank accounts may have refund monies (if any) dispatched to the address as specified in their application instructions in the form of refund cheque(s) in favour of the applicant (or, in the case of joint applications, the first-named applicant) by ordinary post at their own risk.

Further information is set out in section headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies".

The above expected timetable is a summary only. For details of the structure of the Global Offering, including its conditions, and the procedures for applications for Hong Kong Offer Shares, please refer to "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares", respectively.

If the Global Offering does not become unconditional or is terminated in accordance with its terms, the Global Offering will not proceed. In such a case, we will publish an announcement as soon as practicable thereafter.

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IMPORTANT NOTICE TO INVESTORS

This prospectus is issued by us solely in connection with the Hong Kong Public Offering and does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Hong Kong Offer Shares offered by this prospectus pursuant to the Hong Kong Public Offering. This prospectus may not be used for the purpose of, and does not constitute, an offer or a solicitation of an offer to subscribe for or buy, any security in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Offer Shares or the distribution of this prospectus in any jurisdiction other than Hong Kong. The distribution of this prospectus and the offering and sale of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

*You should rely only on the information contained in this prospectus to make your investment decision. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information or representation not made in this prospectus must not be relied on by you as having been authorized by us, the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers, the Capital Market Intermediaries, any of the Underwriters, any of our or their respective directors, officers or representatives, or any other person or party involved in the Global Offering. Information contained on our website (**www.longbio.com**), does not form part of this prospectus.*

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CONTENTS

This summary aims to give you an overview of the information contained in this prospectus and is qualified in its entirety by, and should be read in conjunction with, the more detailed information and financial information appearing elsewhere in this prospectus. As this is a summary, it does not contain all the information that may be important to you and we urge you to read the entire prospectus carefully before making your investment decision. There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed "Risk Factors" in this prospectus. You should read that section carefully before you decide to invest in the Offer Shares. In particular, we are a biotechnology company seeking to list on the Main Board of the Stock Exchange under Chapter 18A of the Listing Rules on the basis that we are unable to meet the requirements under Rule 8.05 (1), (2) or (3) of the Listing Rules. There are unique challenges, risks and uncertainties associated with investing in companies like ours. Your investment decision should be made in light of these considerations. Our Core Product is the product for the purpose of satisfying the eligibility requirements under Chapter 18A of the Listing Rules and Chapter 2.3 of the Guide for New Listing Applicants. We may continue to incur substantial costs and expenses in relation to research and development activities for the Core Product, and the Core Product may not be successfully developed or marketed.

OVERVIEW

We are a clinical-stage biopharmaceutical company. Established in 2020 and located in Shanghai and Changshu, Suzhou, China, we primarily focus on in-house discovery and development of biopharmaceuticals targeting allergic and autoimmune diseases. We have (i) one Core Product, LP-003, an anti-IgE antibody with the primary function of blocking free IgE in blood and tissues, and thus inhibiting the occurrence of IgE-driven allergic reactions, which is targeted to treat allergic diseases, including seasonal allergic rhinitis (AR), chronic spontaneous urticaria (CSU), allergic asthma and other allergic diseases; and (ii) one Key Product, LP-005, a bi-functional antibody fusion protein targeting C5 and C3b complement, which is targeted for the treatment of related renal and hematologic indications.

THERE IS NO ASSURANCE THAT THE COMPANY WILL ULTIMATELY BE ABLE TO DEVELOP AND MARKET ITS CORE PRODUCT OR ANY OF ITS PIPELINE PRODUCTS SUCCESSFULLY.

Our near-term commercialization strategy targets the Chinese market, which presents significant growth opportunities in both the autoimmune and allergic disease sectors. The global autoimmune disease drug market is estimated to increase from US$138.9 billion in 2024 to US$176.7 billion in 2030, with a CAGR of 4.1%. The market size in China is estimated to grow from US$5.1 billion in 2024 to US$19.0 billion in 2030, with a CAGR of 24.5%. The allergic disease drugs market in China has grown from US$3.8 billion in 2018 to US$8.1 billion by 2024, at a CAGR of 13.3%, and is estimated to reach US$22.9 billion by 2030, at a CAGR of 19.8% during this period.

The following pipeline chart summarizes the development status of our selected drug candidates as of the Latest Practicable Date:

	Product	Target/ Mechanism	Indication	Pre-clinical/ IND Enabling	Phase I	Phase II	Phase III	BLA	Key Regulatory Authorities	Rights	Upcoming Milestones
Allergic diseases	LP-003★	IgE	Seasonal AR (moderate to severe)			(180 patients enrolled)	(546 patients enrolled)		NMPA	Global	Phase III clinical trial completion: 1st half of 2026 BLA submission: in or before 3rd quarter of 2026
			CSU (no severity restriction)			(202 patients enrolled)			NMPA		Phase II clinical trial completion: 1st half of 2026
			Allergic asthma (moderate to severe)			(one patient enrolled)			NMPA		Phase II clinical trial completion: in or before 4th quarter of 2027
			CRSwNP (no severity restriction)			(150 patients to be enrolled)			NMPA		Phase II clinical trial commencement: in or before 4th quarter of 2026
			Other allergic diseases(1) (no severity restriction)						NMPA		Phase II clinical trial commencement: in or before 4th quarter of 2026
Autoimmune diseases	LP-005☆(3)	C5xC3b	PNH						NMPA	Global	Phase II clinical trial completion: in or before 4th quarter of 2028
			Complement-mediated kidney diseases						NMPA		Phase II clinical trial commencement: in or before 4th quarter of 2026
			Other complement related indications(2)						NMPA		Phase II clinical trial commencement: in or before 4th quarter of 2026

★ Our Core Product

☆ Our Key Product

Abbreviations: IgE = immunoglobulin E; AR = allergic rhinitis; CSU = chronic spontaneous urticaria; CRSwNP = chronic rhinosinusitis with nasal polyps; PNH = paroxysmal nocturnal hemoglobinuria.

Notes:

(1) As of the Latest Practicable Date, we have also obtained IND approvals for LP-003 for other indications including atopic dermatitis, allergic bronchopulmonary aspergillosis ("**ABPA**") and food allergy.

(2) As of the Latest Practicable Date, we have also obtained IND approvals for LP-005 for other indications that are driven by the complement system, including gMG, a rare autoimmune disorder that creates a fluctuating weakness of the voluntary muscles due to disrupted neuromuscular transmission where a major drive of gMG pathology is represented by complement activation; MAG-PN, a condition where the immune system mistakenly attacks the nerves, leading to weakness and numbness and the complement activation is involved in the pathogenesis in MAG-PN; ALS, a progressive neurodegenerative disease that affects motor neurons in the brain and spinal cord, leading to muscle weakness, atrophy, and eventually loss of voluntary movement, in which components of the complement system contribute to the onset and progression of its motor phenotypes; and periodontitis, a serious gum infection that damages the soft tissue and bone supporting the teeth, often resulting from untreated gingivitis.

(3) As of the Latest Practicable Date, we have an out-licensing agreement ongoing for LP-005. For details, please refer to "Business — Research and Development — Collaboration with Third Parties — Out-license arrangement with Party A".

(4) Based on our Bi-functional Antibody Development Platform, we have also developed LP-00A, a bi-functional antibody targeting allergic diseases, LP-00C, a bi-functional antibody or fusion protein targeting B-cell mediated autoimmune diseases, and LP-00D, a bi-functional antibody or fusion protein complement inhibitor optimized for specific tissues/organs and indications. For details, see "— Our Other Drug Candidates — LP-00A — Novel Bi-functional Autoimmune Antibody," "— LP-00C — Novel Bi-functional B-cell Inhibitor" and "LP-00D — Bi-functional Complement Inhibitor optimized for specific tissues/organs and indications."

(5) We have developed LP-001, a long-acting cytokine drug for treatment of various types of anemia, and completed Phase I clinical trial in healthy subjects. Its safety profile has been confirmed. As part of our strategic planning, LP-001 is regarded as a non-pipeline product and will be developed on a deferred basis.

(6) All drug candidates were developed internally by us, and we retain all commercial rights to these pipeline product candidates.

(7) For the Phase I clinical trial (dose escalation) of LP-003, a total of 60 healthy subjects had been enrolled, and the clinical trial was completed in March 2024. For the Phase I clinical trial (single administration) of LP-003, a total of twelve healthy subjects have been enrolled.

Our Core Product, LP-003, is an anti-IgE antibody with novel sequencing. LP-003 is targeted to treat allergic diseases, including seasonal AR, CSU, allergic asthma and other allergic diseases. Our Key Product, LP-005, is a bi-functional antibody fusion protein targeting C5 and C3b complement used for paroxysmal nocturnal hemoglobinuria (PNH), complement-mediated kidney diseases, which includes IgA nephropathy (IgAN), C3 glomerulopathy (C3G) and lupus nephritis (LN), as well as generalized myasthenia gravis (gMG), anti-MAG peripheral neuropathy (MAG-PN), amyotrophic lateral sclerosis (ALS). Both our Core Product LP-003 and our Key Product LP-005 are under clinical development with IND approvals from CDE. For LP-003, we have obtained IND approvals and/or initiated clinical trials in China for various indications, including seasonal AR, CSU, allergic asthma, chronic rhinosinusitis with nasal polyps (CRSwNP) and food allergy. Currently, the seasonal AR indication is undergoing Phase III clinical trial in China and we plan to submit BLA to the NMPA in or before the third quarter of 2026. For CSU, we are conducting Phase II clinical trial in China, which is designed to be a head-to-head comparison with omalizumab. We expect to complete Phase II and commence Phase III clinical trial in or before the second quarter of 2026. We are conducting Phase II clinical trials for allergic asthma and CRSwNP, and expect to initiate Phase II clinical trials for other allergic diseases in the fourth quarter of 2026. For LP-005, we obtained IND approval for various indications, including PNH, complement-mediated kidney diseases (including but not limited to IgAN, C3G and LN), and other complement related indications. We are currently conducting several Phase II clinical trials in China to evaluate the efficacy of LP-005 in the treatment for PNH and complement-mediated kidney diseases. It is expected that we will further explore the application of LP-005 in other complement-related diseases, including but not limited to gMG, MAG-PN and ALS.

Going forward, we plan to develop our pipeline toward commercialization and improve our drug development processes. We will continue to manage the R&D and clinical activities of our drug candidates. Additionally, efforts will be made to optimize our R&D platforms and create new technologies to support the R&D of our drug candidates for different indications.

Our Pipeline

LP-003 is an anti-IgE antibody with novel sequencing. LP-003 is targeted to treat allergic diseases, including seasonal AR, CSU, allergic asthma, CRSwNP and food allergy. The primary function of LP-003 is to block free IgE in blood and tissues, and thus inhibiting the occurrence of IgE-driven allergic reactions. LP-003 has the capability to bind free IgE and prohibit those free and excessive IgEs from binding to the high-affinity IgE receptor, FcεRI. As at the Latest Practicable Date, we have initiated eight clinical trials in China for LP-003, of which two have been completed

and the other six are still ongoing. In the topline results of the Phase II clinical trial for CSU, LP-003 demonstrated promising efficacy (fast onset of action, good efficacy and long-acting) compared to omalizumab in the treatment of CSU. In addition, LP-003 showed favorable efficacy and safety profile in its Phase II clinical trial in China for moderate-to-severe seasonal AR that is inadequately controlled by standard treatment. A Phase III clinical trial for the treatment of seasonal AR is currently underway in China.

The following table outlines the key R&D milestones for LP-003:

	Seasonal AR	CSU	Allergic Asthma
IND approval	Obtained IND approval in March 2023	Obtained IND approval in March 2022	Obtained IND approval in February 2024
Phase I Clinical Trial	• Enrolled the first healthy subject in a Phase I dose-escalation trial in China in July 2022 and such dose-escalation trial has been completed in March 2024 • Enrolled the first healthy subject in a single-dose, single-administration study in China in October 2024. As of the Latest Practicable Date, 12 healthy subjects have been enrolled, achieving the research enrollment target. We expect to complete the clinical trial in or before the second quarter of 2026		
Phase II Clinical Trial	Enrolled the first patient in July 2023, was completed in August 2024	Enrolled the first patient in January 2024, with 202 patients being enrolled, achieving the research enrollment target	Enrolled the first patient in January 2025
Phase III Clinical Trial	Enrolled the first patient in July 2024. As of the Latest Practicable Date, 546 patients being enrolled, achieving the research enrollment target	/	/

Source: NMPA Drug Clinical Trial Registration and Information Disclosure Platform; Company's data

As the first product of our Bi-functional Antibody Development Platform, our Key Product, LP-005, is a bi-functional antibody fusion protein targeting C5 and C3b complement. The development trend of multi-target complement inhibitors showing efficacy potential compared to single-target ones is becoming increasingly clear — by acting on multiple key nodes in the complement cascade simultaneously, they can more comprehensively block the complex pathological mechanisms of diseases. We have obtained IND approvals in China for various indications, including PNH, complement-mediated kidney diseases (including but not limited to IgAN, C3G and LN), and other complement related indications. We are currently conducting several clinical trials of LP-005 for PNH and complement-mediated kidney diseases in China. From the data collected from the ongoing Phase II clinical trial (CTR20242478), LP-005 has shown encouraging efficacy in PNH patients, including two PNH patients who were previously treated with omalizumab but inadequately controlled, still have benefitted continuously from LP-005 treatment throughout the trial period. LP-005 demonstrated favorable safety and tolerability in the Phase I study in China involving healthy subjects. For details of the key milestone events of our clinical trials of LP-005 for different indications, see "Business — Our Pipeline — Our Key Product: Bi-functional antibody fusion protein targeting C5 and C3b complement (LP-005)."

In addition to our Core Product and Key Product, we are developing LP-00A, a bi-functional autoimmune antibody targeting allergic diseases, LP-00C, a bi-functional B-cell inhibitor targeting B-cell mediated autoimmune diseases and LP-00D, a bi-functional antibody or fusion protein complement inhibitor optimized for specific tissues/organs and indications. For details, please see "Business — Our Pipeline".

The global allergic disease drugs market has grown from US$42.8 billion in 2018 to US$68.8 billion by 2024, at a CAGR of 8.2%, and is estimated to reach US$111.4 billion by 2030, at a CAGR of 8.4% during this period. The allergic disease drugs market in China grew from US$3.8 billion in 2018 to US$8.1 billion by 2024, at a CAGR of 13.3%, and is estimated to reach US$22.9 billion by 2030, at a CAGR of 19.0% during this period.

The global autoimmune disease drug market increased from US$116.9 billion in 2019 to US$138.9 billion in 2024. It is forecasted to reach US$176.7 billion in 2030. The market size of the autoimmune disease drug market in China increased from US$2.4 billion in 2019 to US$5.1 billion in 2024. It is expected to reach US$19.0 billion in 2030.

Our R&D Platforms

Our integrated in-house R&D capabilities and drug discovery expertise are propelled by our two proprietary technology platforms, which are proprietary processes and systematic methodologies with standardized workflows for discovering and developing new drugs, namely (i) High-Affinity Antibody Discovery Platform, on which we have developed LP-003 and other high-affinity antibodies and (ii) Bi-functional Antibody Development Platform, on which we have developed LP-005, LP-00A, LP-00C and LP-00D. Our R&D platform covers all key functions for the development of biologics, enabling us to identify and address potential clinical and manufacturing issues at an early stage of the development process. Therefore, we can focus our efforts on drug candidates that have the greatest potential to become clinically effective, cost-effective, and commercially viable drugs. Our Bi-functional Antibody Development Platform offers structural flexibility, broad applicability, and high druggability, extending beyond traditional antibody formats. Our High-affinity Antibody Discovery Platform produces antibodies with significantly improved affinities that surpass traditional methods. Supported by our core platforms, we are able to continuously discover and enrich our pipeline candidates targeting allergic and autoimmune diseases. For details, please see "Business — Research and Development — R&D Platforms".

OUR COMPETITIVE STRENGTHS

We believe the following competitive strengths have differentiated us from our competitors: (i) Core Product LP-003: an anti-IgE antibody demonstrating promising efficacy in the treatment of CSU through head-to-head clinical studies, currently leading in clinical development progress; (ii) Key Product LP-005, first candidate discovered and developed from our unique platform, is a bi-functional complement antibody fusion protein; (iii) our proprietary Bi-functional Antibody Development Platform, featuring proprietary processes and systematic methodologies that streamline the drug discovery process and facilitate the development of our differentiated bi-functional antibody biologics; and (iv) a forward-looking leadership team backed by renowned shareholders. For details, see "Business — Our Competitive Strengths."

OUR DEVELOPMENT STRATEGIES

We intend to capitalize on our competitive strengths by pursuing the following development strategies: (i) accelerating the clinical trial development of our Core Product LP-003 to achieve timely regulatory approval while expanding into additional indications; (ii) advance the clinical trials of our Key Product LP-005 steadily; (iii) continuously enhance our R&D capabilities and enrich our pipeline based on our unique platforms; (iv) explore international market potential through partnership; and (v) continue to retain and recruiting top talents. For details, see "Business — Our Development Strategies."

RESEARCH AND DEVELOPMENT

We are committed to pooling resources into our R&D, which we believe is the backbone of our success. Our research and development costs for the years ended December 31, 2024 and 2025 amounted to RMB98.1 million and RMB126.6 million, respectively. In particular, research and development costs attributable to our Core Product for the years ended December 31, 2024 and 2025 were RMB57.5 million and RMB99.0 million, accounting for 58.7% and 78.2% of total research and development costs, and accounting for 52.6% and 61.1% of our total operating expenses (i.e. research and development costs, selling and distribution expenses and administrative expenses), respectively, for the corresponding periods. We expect that our research and development costs will increase in line with the future growth of our business. During the Track Record Period and up to the Latest Practicable Date, there had been no legal claims or proceedings that may have an influence on the R&D for our Core Product and Key Product.

Our in-house R&D capabilities are built on our proprietary technology platforms and supported by our R&D centers in Shanghai and Suzhou. We believe that our integrated R&D capabilities give us the flexibility in formulating our streamlined strategies for discovery of drugs, product optimization, clinical trials, and registration, enabling us to capture rapidly changing market demands, improve pipeline feasibility at lower costs, and accelerate product development cycles.

We have established a senior R&D management team with extensive industry experience and a track record of success in drug discovery, clinical development and registration process. Our senior R&D management team consists of our head of new drug discovery, who is responsible for supervising the new drug discovery department and managing our patents and intellectual properties; our head of production process, who is responsible for managing the development of production processes; our head of analysis and formulation, who is responsible for supervising the analysis and formulation department; and our head of clinical department, who is responsible for the management of clinical trials. As of the Latest Practicable Date, most of our core R&D personnel involved in the development of our Core Product and Key Product remained in employment with us. As of the Latest Practicable Date, our R&D team consisted of 72 members, and more than half of them hold master's or doctoral degrees. Our R&D team is extensively involved in all stages of our drug development, including drug discovery, pre-clinical drug research, drug manufacturing and formulation development, clinical research, and regulatory and/or registration submissions. During the Track Record Period, we had seven core R&D personnel involved in the R&D of the Core Product, namely, our co-founders Dr. Sun and Dr. Liu, who established our self-developed R&D technology platforms; Mr. Ma Haili, the Head of New Drug Discovery Department, who was responsible for pre-clinical developments and project initiation; Mr. Yang Jie, the Head of Clinical Department, who oversaw clinical developments; Ms. Xu Linfeng, the Head of Analysis and Formulation Department, who managed regulatory submissions; Mr. Xu Weitao, the Head of Production Process Department, who was involved in managing production and quality control; and the Director of Medical Affairs responsible for overseeing the clinical trials of the Core Product. As of the Latest Practicable Date, one of our core R&D personnel, the Director of Medical Affairs who was responsible for organization and execution of clinical trials for LP-003, left the Group to attend to personal matters, as he considered that he would no longer be able to devote adequate time and attention to his duties. Mr. Yang Jie, the Head of the Clinical Department, has since taken over these responsibilities, as such the departure did not have any material impact on our R&D of the Core Product. For details of our R&D capabilities, see "Business — Research and Development".

COMMERCIALIZATION

As at the Latest Practicable Date, we have no plans to enter into any collaboration or out-licensing arrangements for LP-003 in the short term. Based on the expected approval timeline for LP-003, we anticipate submitting a BLA for the treatment of seasonal AR to the NMPA in or before the third quarter of 2026. We plan to start building an in-house sales and marketing team before the launch of LP-003.

Considering the costs of building in-house sales and marketing capabilities, we do not plan to establish a full-scale commercialization team. We will build a lean but efficient sales and marketing team with medical and scientific backgrounds to maximize our product coverage and accelerate the market acceptance in China. Additionally, we may engage CSOs or established pharmaceutical companies with strong sales capabilities in the fields of respiratory, rhinitis and allergies to leverage their sales and marketing expertise, as well as their well-developed networks and resources. In terms of our selection criteria for these CSOs and/or pharmaceutical companies, the ideal partners should be able to demonstrate strategic alignment with LP-003, including a proven track record and dedicated focus in the allergy and/or autoimmune therapeutic fields. They should also possess a robust commercial infrastructure capable of nationwide hospital coverage, market access, and distribution. Furthermore, we expect these partners to have a strong history of regulatory compliance and effective risk management systems.

Leveraging our accumulated expertise, industry connections, and resources, our in-house team will promote LP-003 through physician-targeted marketing strategies, focusing on direct interactions with KOLs and physicians to drive its clinical adoption. These efforts are expected to begin several months before LP-003's commercial launch. We aim to identify hospitals, clinics, and physicians specializing in or renowned for treating seasonal AR, and plan to conduct in-person pre-launch training and communications with these physicians. We will also support leading experts in presenting their research findings at national conferences, symposiums, and other significant events, positioning our brand at the forefront of the industry and promote our LP-003 to be included in the guidelines for allergic treatment.

We have allocated approximately 13.0% of the estimated net proceeds from the Global Offering (approximately HK$163.1 million) to the commercialization of LP-003 for seasonal AR indication in China. We expect this amount to be sufficient to cover relevant expenses for at least the first six months after the establishment of our small-scale in-house team.

OUR COMPETITIVE LANDSCAPE

We mainly compete with established biopharmaceutical and specialty pharmaceutical companies developing or commercializing drugs for the same indications as our candidates, particularly those working on anti-IgE antibodies and bi-functional antibody fusion proteins. The level of competition that we face is high and we believe the following aspects are critical for us to stay competitive and relevant in this dynamic environment: (i) our Core Product LP-003: an anti-IgE antibody, with head-to-head clinical study showing promising efficacy in the treatment of CSU, fast onset of action, good efficacy, long-acting and lower dosage, (ii) we are well positioned in the anti-allergic field with significant unmet medical needs coupled with a favorable competitive landscape; (iii) LP-005, as the first candidate discovered and developed from our Bi-functional Antibody Development Platform, is a bi-functional complement antibody fusion protein targeting complement-mediated autoimmune diseases, showing encouraging clinical results; (iv) supported by our Bi-functional Antibody Development Platform, we are able to continuously enrich our pipeline and sustain our long-term development, and (v) a forward-looking leadership team backed by renowned Shareholders. See also "Business — Our Competitive Strengths."

INTELLECTUAL PROPERTY

Intellectual property, particularly patents and trade secrets, is of critical importance to our business. We endeavour to ensure that our global patent portfolio is implemented effectively to protect our drug candidates and product development technologies. As of the Latest Practicable Date, we owned eight granted patents, including five in the Chinese mainland, one in the United States, one in Japan and one in Taiwan region. We also have 29 patent applications, including eight in the Chinese mainland, six in the United States, 14 in other jurisdictions and one patent application under the PCT, relating to certain of our drug candidates and product development technologies. As of the Latest Practicable Date, for our Core Product LP-003, we had three material patents granted and four pending patent applications, including one granted and one application in China, one granted in Taiwan China, one granted in Japan, one application in the United States, and two applications in other jurisdictions. The patents granted to, or under application by, our Company cover all material aspects of our Core Product. For details, please see "Business — Intellectual Properties."

SUMMARY OF KEY FINANCIAL INFORMATION

The summary of the key financial information set forth below have been derived from and should be read in conjunction with our consolidated financial statements, including the accompanying notes, set forth in the Accountants' Report in Appendix I to this prospectus, as well as the information set forth in the section headed "Financial Information."

Summary of Consolidated Statements of Profit or Loss

As we are a pre-revenue biotech company, we did not generate any revenue or incur any cost of revenue during the Track Record Period. We incurred net losses during the Track Record Period as we invested significant capital into the R&D of our pipeline, and other capabilities to complement and support our business. For the years ended December 31, 2024 and 2025, we had total comprehensive loss of RMB137.3 million and RMB175.6 million, respectively.

The following table sets forth the summary of our consolidated statements of profit or loss and other comprehensive income for the periods indicated:

	Year ended December 31,	
	2024	**2025**
	RMB'000	*RMB'000*
Other income and gains	3,070	5,586
Research and development costs	(98,081)	(126,622)
Selling and distribution expenses	–	(484)
Administrative expenses	(11,266)	(34,797)
Other expenses	(51)	(2,408)
Finance costs	(30,993)	(16,858)

	Year ended December 31,	
	2024	2025
	RMB'000	*RMB'000*
LOSS BEFORE TAX	(137,321)	(175,583)
Income tax expense	–	–
LOSS AND TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(137,321)	(175,583)
Attributable to:		
Owners of the parent	(137,321)	(175,583)

Summary of Consolidated Statements of Financial Position

The following table sets forth a summary of our consolidated statements of financial position as of the dates indicated:

	As of December 31,	
	2024	2025
	(RMB'000)	*(RMB'000)*
Total non-current assets	25,507	25,483
Total current assets	123,402	202,074
Total current liabilities	94,734	83,451
Net current assets	28,668	118,623
Total assets less current liabilities	54,175	144,106
Total non-current liabilities	384,459	3,591
Net (liabilities)/assets	(330,284)	140,515

Net (Liabilities)/Assets

We recorded net liabilities of RMB330.3 million as of December 31, 2024 and net assets of RMB140.5 million as of December 31, 2025, respectively. The turn from net liabilities as of December 31, 2024 to net assets as of December 31, 2025 was primarily attributable to loss and total comprehensive loss for the year of RMB175.6 million and recognition of redemption liabilities on equity shares of RMB223.8 million, partially offset by termination of redemption rights of RMB597.5 million, capital contributions by shareholders of RMB263.8 million and recognition of share-based payment expenses of RMB8.8 million.

Net Current Assets

We had net current assets during the Track Record Period. As of December 31, 2024 and 2025 and April 30, 2026, our net current assets amounted to RMB28.7 million, RMB118.6 million and RMB50.8 million, respectively.

Our net current assets largely increased by 313.8% from RMB28.7 million as of December 31, 2024 to RMB118.6 million as of December 31, 2025, primarily due to (i) an increase in cash and cash equivalents of RMB28.4 million, (ii) increased purchases of structured deposits during the year, and (iii) a decrease in redemption liabilities on a subsidiary's shares of RMB23.6 million, partially offset by (iv) an increase in trade and other payables of RMB18.7 million.

Our net current assets further decreased by 57.2% from RMB118.6 million as of December 31, 2025 to RMB50.8 million as of April 30, 2026, primarily due to (i) a decrease in financial assets at FVTPL of RMB35.1 million, (ii) an increase in trade and other payables of RMB18.0 million, and (iii) an increase in interest-bearing bank borrowings of RMB17.5 million, partially offset by (iv) an increase in prepayments, other receivables and other assets of RMB2.7 million.

Summary of Consolidated Statements of Cash Flows

The following table sets forth the components of our consolidated statements of cash flows for the periods indicated:

	For the year ended December 31,	
	2024	2025
	RMB'000	*RMB'000*
Net cash flows used in operating activities	(104,122)	(121,039)
Net cash flows used in investing activities	(45,556)	(57,141)
Net cash flows from financing activities	99,113	208,526
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(50,565)**	**30,346**
Cash and cash equivalents at beginning of year	117,226	66,624
Effect of foreign exchange rate changes, net	(37)	(1,919)
CASH AND CASH EQUIVALENTS AT END OF YEAR	**66,624**	**95,051**

We recorded net cash flows used in operating activities of RMB104.1 million and RMB121.0 million for the years ended December 31, 2024 and 2025, respectively. During the Track Record Period and up to the Latest Practicable Date, we have primarily funded our working capital requirements through equity financing and debt financing. Our management closely monitors use of cash and cash equivalents and strives to maintain a healthy liquidity for our operations. Going forward, we anticipate that our liquidity needs will be met through a combination of net proceeds from the Global Offering and cash flow generated by our operations. As of April 30, 2026, the latest practicable date for determining our indebtedness, we had cash and cash equivalents of RMB93.6 million, financial assets at FVTPL of RMB60.1 million and restricted cash of RMB2.3 million.

The negative operating cash flows we experienced during the Track Record Period primarily resulted from our increased investment in R&D activities as we progress with our various drug candidates' pipelines. We will continue to implement comprehensive measures to effectively control operating costs and optimize the use of idle cash. We will also continue to enforce rigorous budget controls at both the project and business department levels.

Key Financial Ratios

The following table set forth our key financial ratios[(1)] as of the dates indicated:

	For the year ended December 31,	
	2024	2025
Liquidity ratios		
Current ratio (times)	1.3	2.4

Note:

(1) For details, see "Financial Information — Key Financial Ratios".

Cash Operating Costs

The following table provides information regarding our cash operating costs for the periods indicated:

	Year ended December 31,	
	2024	2025
	RMB'000	*RMB'000*
Research and development costs for our Core Product (LP-003)		
Clinical trial expense	32,956	31,633
Employee benefit expense	5,597	11,171
Non-clinical studies and CMC costs	14,991	29,293
Raw material and consumables	5,749	2,025
Others[(1)]	467	658
Subtotal	**59,760**	**74,780**

	Year ended December 31,	
	2024	2025
	RMB'000	*RMB'000*
Research and development costs for our Key Product (LP-005)		
Clinical trial expense	3,097	2,124
Employee benefit expense	3,350	3,661
Non-clinical studies and CMC costs	12,384	377
Raw material and consumables	5,158	961
Others[(1)]	303	546
Subtotal	**24,292**	**7,669**
Research and development costs for our other drug candidates		
Clinical trial expenses	3,039	323
Employee benefit expense	4,019	5,259
Non-clinical studies and CMC costs	2,122	2,960
Raw material and consumables	923	842
Others[(1)]	407	347
Subtotal	**10,510**	**9,731**
Total research and development costs	**94,562**	**92,180**
Other costs		
Employee benefit expense[(2)]	2,208	5,915
Others[(3)]	7,457	19,041
Subtotal	**9,665**	**24,956**
Total	**104,227**	**117,136**

Notes:

(1) Others primarily represent utilities and other miscellaneous expenses.

(2) Employee benefit expense represents total non-R&D personnel costs mainly including salaries and benefits.

(3) Others primarily include professional service fees, general office expense and other miscellaneous expenses.

WORKING CAPITAL CONFIRMATION AND CASH BURNOUT RATE

Our Directors are of the view that our liquidity requirements will be mainly satisfied by using funds from a combination of cash and cash equivalents, financial assets at FVTPL, and the estimated net proceeds from the Global Offering. Our Directors also confirm that our Group is able to maintain its financial viability and working capital sufficiency upon the repayment of loan to PharMab in August 2025. As of April 30, 2026, the latest practicable date for determining our indebtedness, we had cash and cash equivalents of RMB93.6 million, financial assets at FVTPL of RMB60.1 million and restricted cash of RMB2.3 million. Taking into account of the above, along with the estimated net proceeds from this Global Offering, the Directors are of the opinion, and the Sole Sponsor concurs, that we have sufficient working capital to cover at least 125% of our costs, including research and development costs, administrative expenses, finance costs and other operating costs, for at least the next 12 months from the date of this prospectus.

Our cash burn rate refers to average monthly amount of net cash used in operating activities, capital expenditures and lease payments. We had cash and cash equivalents, restricted cash and financial assets at FVTPL, totalling RMB191.1 million as of December 31, 2025. We estimate that we will receive net proceeds of approximately HK$1,254.9 million in the Global Offering, at an Offer Price of HK$96.06 per H Share, being the indicative Offer Price stated in this prospectus. Assuming an average cash burn rate going forward of 1.3 times the level in the year ended December 31, 2025, we estimate that (i) our cash and cash equivalents, restricted cash and financial assets at FVTPL as of December 31, 2025 will be able to maintain our financial viability for over 13 months from December 31, 2025, (ii) if we take into account 10.0% of the estimated net proceeds from the Global Offering (namely, the portion allocated for our working capital and other general corporate purposes), 21 months, and (iii) if we take into account 100.0% of the estimated net proceeds from the Global Offering, 91 months. Our Directors and our management team will continue to monitor our working capital, cash flows and our business development status and expect to raise our next round of financing if needed, no earlier than 12 months after the completion of the Global Offering.

In addition to the cash and cash equivalents, restricted cash and financial assets at FVTPL, totaling RMB191.1 million as of December 31, 2025, we will fund our working capital through debt financing and equity financing if the Global Offering does not take place as scheduled or is subjected to any delay. Going forward, we believe our liquidity requirement will be satisfied by a combination of debt financing and cash generated from our operations after the commercialization of our drug candidates.

SUMMARY OF MATERIAL RISK FACTORS

Our business faces risks including those set out in the section headed "Risk Factors." As different investors may have different interpretations and criteria when determining the significance of a risk, you should read the "Risk Factors" section in its entirety before you decide to invest in our Company. Some of the major risks that we face include: (i) our drug candidates face intense market competition, and the potential for competitors to discover, develop, or commercialize competing drugs more quickly or effectively may adversely impact our ability to successfully commercialize our own drug candidates; (ii) our business and future financial performance are heavily reliant on the successful development of our drug. We may be unable to complete clinical development, secure regulatory approvals, or commercialize these candidates, or may face significant delays in these processes; (iii) we dedicate significant resources to R&D for our drug candidates and technology improvements. Our allocation of these resources to specific drug candidates, formulations, or indications may prevent us from capitalizing on other opportunities; (iv) developing drugs through clinical trials is a long and costly process with uncertain results. Outcomes from earlier studies may not accurately predict future trial results. We may also face unforeseen challenges in conducting our clinical trials and commercializing our drug candidates in a timely manner; (v) if we face challenges or setbacks in recruiting appropriate participants for our clinical trials, our clinical development timeline may be extended or our progress could be adversely affected; (vi) the occurrence of adverse events or unfavorable side effects related to our investigational drugs may interrupt or prolong clinical development, delay regulatory authorization, restrict approved product labeling, or result in significant post-approval complications; (vii) our drug development relies on collaborations with third-party partners, including those providing pre-clinical study and clinical trial support. Failure of these partners to fulfill their contractual obligations could impede our ability to secure regulatory approvals and commercialize our drug candidates; (viii) the successful development and commercialization of our drug candidates is heavily reliant on obtaining and maintaining adequate global intellectual property protection. Should our intellectual property rights be inadequate in scope, competitors could directly challenge our market position, thereby imposing a material adverse effect on the development and commercialization of our products; (ix) the success of our patent applications is not guaranteed. Any patent rights granted to us or our licensing partners are subject to potential challenges and subsequent invalidation which could impact our ability to commercialize our products and technologies; (x) our ability to secure and maintain patent protection hinges on adherence to numerous procedural requirements, including timely document submissions and fee payments, mandated by governmental patent agencies. Failure to comply with these requirements could result in the reduction or loss of our patent protection; (xi) our drug candidates' future commercial success depends on gaining market acceptance within the medical community, including physicians, patients and other stakeholders; and (xii) our expansion strategy and business activities in the Chinese mainland may be influenced by the interests of our Taiwanese Shareholders, who may need to obtain approval from the DIR for investments in the Chinese mainland.

According to the Approval of Investment Regulations, any Taiwanese individual or any entity incorporated in Taiwan must obtain approval from the DIR for investing in the Chinese mainland in advance or within the prescribed time limit. For details, please refer to "Regulatory Overview – Approval of Investment Regulations" of this prospectus. Our Taiwanese Shareholders have failed to obtain prior approval from the DIR for their direct interest and indirect interest in PRC entities. For details, please refer to "Relationship with our Controlling Shareholders – Non-compliance incidents concerning our Controlling Shareholders – Taiwan Investment Incidents". We cannot assure that the current practices and policies of the DIR will remain unchanged in the future. Any modifications to these practices or policies may impact prospects of our Taiwanese Shareholders, including Dr. Sun and Ms. Chow, to obtain approval from the DIR. If the Company undertakes any equity capital increase and any Taiwanese Shareholder intends to subscribe, such Taiwanese Shareholder may be unable to subscribe on a pro rata basis if such subscription would cause Taiwanese Shareholder to exceed the Annual Investment Quota, or if any Taiwanese Shareholder is unable to secure approval from the DIR, which may result in a reduction of their shareholding percentage in the Company. This may have an adverse effect on the stability of our long-term equity structure.

Pursuant to the Act Governing Relations between the People of the Taiwan Area and the Mainland Area (台灣地區與大陸地區人民關係條例), only the Taiwanese Shareholders would be subject to penalties, while our Group would not be penalized. Any penalties for violation of the Approval of Investment Regulations for our Taiwanese Shareholders' investments in our Company would be directed at the violating Taiwanese Shareholder(s), and any penalties for such breach will be more than NTD50,000 but less than NTD25 million. Any non-compliance with the Original Quota or Annual Investment Quota by our Taiwanese Shareholders, or failure by our Taiwanese Shareholder(s) to secure approval from the DIR for their investment in our Company, may result in a need to consider alternative methods for implementing our expansion plan. This process could require additional time and may have an impact on business operations. Any future change of practices and policies of the DIR may affect our Taiwanese Shareholders' investment in China.

SUPPLIERS

During the Track Record Period, our key suppliers mainly included (i) suppliers of raw materials and consumables used in drug development; and (ii) third-party contractors such as CROs, SMOs and CDMOs. In 2024 and 2025, our purchases from our five largest suppliers in each year during the Track Record Period in the aggregate accounted for 51.65% and 41.15% of our total purchases in the respective year, respectively, and purchases from our largest supplier in each year during the Track Record Period alone accounted for 25.99% and 15.45% of our total purchases in the respective year, respectively. To the best of knowledge of our Directors, all of our five largest suppliers in each year during the Track Record Period are Independent Third Parties. None of our Directors, their respective associates nor any shareholder who, to the best knowledge of our Directors, owned more than 5% of our issued share capital as of the Latest Practicable Date, has any interest in any of our five largest suppliers in each year during the Track Record Period.

OUR CONTROLLING SHAREHOLDERS

Our Controlling Shareholders comprise Dr. Liu, Dr. Sun, Ms. Chow, Suzhou Taiwu, Shanghai Rising Suns and PharMab. As of the Latest Practicable Date, our Controlling Shareholders were collectively interested in approximately 44.16% of our total issued Shares. Immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised), our Controlling Shareholders will together control approximately 35.71% of our total issued Shares.

Pursuant to an acting-in-concert agreement dated August 23, 2023 (the "**AIC Agreement**"), entered into by and amongst Dr. Liu, Dr. Sun, Ms. Chow, Suzhou Taiwu and Shanghai Rising Suns (together, the "**Concert Parties**"), the Concert Parties agreed, among others, to maintain the concert party relationship as and when they remain as our Shareholders and act in concert with Dr. Liu on matters relating to the material operation of our Company during the term of the AIC Agreement until five years after the date of the initial public offering of our Shares on any stock exchange (including the Stock Exchange) in China and shall be automatically renewed for another five years unless terminated by the Concert Parties in accordance with the AIC Agreement. For details of the AIC Agreement, please refer to the paragraph headed "Relationship with Our Controlling Shareholders — Our Controlling Shareholders — Acting in Concert Arrangement" in this prospectus.

In November 2024, PharMab became our Shareholder in the Series B2 Financing. Despite that PharMab is not a party to AIC Agreement, PharMab should be regarded as a party acting-in-concert with the Concert Parties. For details and reasons of regarding PharMab as a party acting-in-concert with the Concert Parties, see "Relationship with Our Controlling Shareholders" in this prospectus.

NON-COMPLIANCE INCIDENTS CONCERNING OUR CONTROLLING SHAREHOLDERS

Dr. Sun (the co-founder and executive Director of the Company, and one of the Controlling Shareholders) and Ms. Chow (spouse of Dr. Sun, and one of the Controlling Shareholders) are Chinese Taiwan citizens who hold U.S. passports. They have committed inadvertent non-compliance as follows:

Taiwan Investment Incidents

1. Historical investments in PRC entities

As advised by the Taiwan Legal Advisor, our Shareholders and ultimate shareholders of our Company who are Taiwanese (the "**Taiwanese Shareholders**"), namely Dr. Sun, Ms. Chow, Ruey-Shyan LIOU (劉瑞賢), Teresa CHOU (周立芸), Cherie Chih-yun SUNG (周稚芸) and Dylan I-Ping CHANG (章一平), did not obtain DIR approval in advance, or within the prescribed time

limit, for their direct or indirect interests in PRC entities. As a result, those investments did not fully comply the Approval of Investment Regulations. For details, please refer to the paragraph headed "Relationship with Our Controlling Shareholders — Non-Compliance Incidents Concerning Our Controlling Shareholders — Taiwan Investment Incidents — 1. Historical investments in PRC entities" in this prospectus.

2. PharMab Equity Transfer

In October 2025, Lee-Hwei King SUN (金宜慧), who then held 16% of the equity interests in PharMab, transferred 4.8% of the equity interests in PharMab to Dr. Sun and 11.2% of the equity interests in PharMab to Ms. Chow (the "**PharMab Equity Transfer**"). Ms. Chow's cumulative investment in PharMab after the PharMab Equity Transfer was determined to have exceeded the threshold of US$1 million, with the result that prior approval, rather than post-transaction filing, should have been obtained for her acquisition. For details of the filing with the DIR for the PharMab Equity Transfer, please refer to the paragraph headed "Relationship with Our Controlling Shareholders — Non-Compliance Incidents Concerning Our Controlling Shareholders — Taiwan Investment Incidents — 2. PharMab Equity Transfer" in this prospectus.

In light of the latest development, and the Taiwan Legal Advisor's view that the completion of the corrective reports itself is sufficient to remedy the above non-compliance incidents relating to the historical investments in PRC entities and the PharMab Equity Transfer, there should have no impact or legal effect on the shareholding structure and ownership of our Company. For details and the relevant basis, please refer to the paragraph headed "Relationship with Our Controlling Shareholders — Non-Compliance Incidents Concerning Our Controlling Shareholders — Taiwan Investment Incidents" in this prospectus.

U.S. Tax Incidents

During the preparation for the Listing, the Company engaged a U.S. tax advisor (the "**U.S. Tax Advisor**") to conduct due diligence regarding their tax compliance status. It was revealed that during the period from 2019 to 2024, Dr. Sun and Ms. Chow failed to report certain income derived in China (the "**Taxable Income**") and omitted some of their financial accounts from their U.S. federal income tax returns inadvertently, in violation of the relevant U.S. laws and regulations.

Dr. Sun and Ms. Chow have participated in the Streamlined Foreign Offshore Procedures ("**SFOP**"), a voluntary disclosure program established by the IRS, to voluntarily amend their tax returns, file the required information returns, and pay all associated tax and interest. As of the Latest Practicable Date, Dr. Sun and Ms. Chow have completed the filings and paid all tax and interest in the amount of approximately US$948,000 pursuant to SFOP (the "**Tax Payment Amount**").

As advised by the U.S. Tax Advisor, the participation in SFOP and the settlement of Tax Payment Amount should be sufficient to rectify the U.S. Tax Incidents. While the decision whether to impose penalties rest within the discretion of the U.S. tax authority, the U.S. Tax Advisor is of the view that the U.S. tax authority or other U.S. governmental authorities are unlikely to impose penalties with respect to the U.S. Tax Incidents after Dr. Sun and Ms. Chow complete the filings and payments under the SFOP.

Based on its due diligence, the Sole Sponsor is of the view that the aforementioned non-compliance incidents will not affect Dr. Sun's suitability to act as a Director under Rule 3.09 of the Listing Rules. For further details, please refer to the section headed "Relationship with our Controlling Shareholders — Non-compliance Incidents Concerning our Controlling Shareholders" in this prospectus.

PRE-IPO INVESTORS

Our Company obtained seven rounds of Pre-IPO Investments of an aggregate investment sum of RMB521.5 million. Among our Pre-IPO Investors, Oriental Fortune Capital, which held 7.08% of our total issued Shares as of the Latest Practicable Date, is a Sophisticated Investor who has made meaningful investment in our Company in accordance with Chapter 2.3 of the Guide for New Listing Applicants issued by the Stock Exchange. Oriental Fortune Capital will hold 5.73% of our issued Shares immediately upon completion of the Global Offering, assuming the Over-allotment Option is not exercised. For details of our Pre-IPO Investments, see "History, Development and Corporate Structure — Pre-IPO Investments" in this prospectus.

DIVIDEND

We did not declare or pay any dividend during the Track Record Period. We do not currently have a formal dividend policy or a pre-determined dividend payout ratio. We currently intend to retain all available funds and earnings, if any, to fund the development and expansion of our business and we do not anticipate paying any cash dividends in the foreseeable future. Investors should not purchase our H Shares with the expectation of receiving cash dividends. Any future determination to pay dividends will be made at the discretion of our Directors taking into account factors that our Directors may deem relevant and will be subject to applicable PRC laws and regulations. See "Financial Information — Dividend" for details. As confirmed by our PRC Legal Advisor, capital reserves can be used to cover accumulated losses in accordance with applicable PRC laws. Therefore, unless and until we have distributable profits after covering all accumulated losses and making statutory reserve appropriations in accordance with applicable PRC laws, we are not eligible to declare or pay dividends, in light of our accumulated losses as disclosed in this prospectus, it is unlikely that we will be eligible to pay dividends out of our profits in the foreseeable future.

OFFERING STATISTICS[1]

	Based on an Offer Price of HK$96.06
Market capitalization of our H Shares[2]	HK$7,005.7 million
Market capitalization of our Shares[3]	HK$7,127.0 million
Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the parent per Share as at 31 December 2025[4][5][6]	HK$19.37

Notes:

(1) All statistics in this table are on the assumption that the Over-allotment Option is not exercised.

(2) The calculation of market capitalization of our H Shares is based on 72,930,268 H Shares expected to be in issue immediately after completion of the Global Offering and the conversion of Unlisted Shares into H Shares.

(3) The calculation of market capitalization of our Shares is based on 74,193,150 Shares expected to be in issue immediately after completion of the Global Offering.

(4) The unaudited pro forma adjusted net tangible assets of our Group per Share is arrived at after making the adjustments referred to in "Appendix II — Unaudited Pro Forma Financial Information" and on the basis that 74,193,150 Shares in issue, assuming the Global Offering has been completed on December 31, 2025 and do not take into account any Shares which may be issued upon exercise of the Over-allotment Option.

(5) In connection with the preparation of the unaudited pro forma financial information, the unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the parent per Share are converted into Hong Kong dollars at a rate of HK$1 = RMB0.8741. No representation is made that the RMB amounts have been, could have been or may be converted into Hong Kong dollar, or vice versa at that rate.

(6) Except as disclosed above, no adjustment has been made to reflect any trading result or other transactions of our Group entered into subsequent to December 31, 2025.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$1,254.9 million, after deducting underwriting commissions, fees and estimated expenses payable by us in connection with the Global Offering, and assuming an Offer Price of HK$96.06 per Share.

We currently intend to apply these net proceeds for the following purposes: (A) approximately 75.0%, or HK$941.2 million, will be used primarily for the R&D and commercialization of our Core Product and Key Product, including: (i) approximately 34.0%, or HK$426.7 million, will be used for the R&D of our Core Product LP-003, including (a) approximately 6.6% or HK$82.8 million, will be used for the development of the ongoing and planned clinical trials of LP-003 for seasonal AR; (b) approximately 13.2%, or HK$165.7 million, will be used for the development of the ongoing and planned clinical trials of LP-003 for CSU; and (c) approximately 14.2%, or HK$178.2 million, will be used for the development of the planned clinical trials of LP-003 for CRSwNP; (ii) approximately 13.0%, or approximately HK$163.1 million, will be used for the commercialization of LP-003 for seasonal AR indication in China, including (a) approximately 2.3%, or HK$28.9 million, will be used for commercialization-related personnel, such as a medical advisory team, pharmacovigilance, compliance officers, customer service, and other roles; (b) approximately 2.3%, or HK$28.9 million, will be used for packaging design and reserve stock of inventory for commercial production and distribution; (c) approximately 1.9%, or HK$23.8 million, will be

allocated to real-life and pharmacoeconomic studies to support medical insurance negotiations and related decision-making; and (d) approximately 6.5%, or HK$81.6 million, will be used for academic promotion activities and market research initiatives; (iii) approximately 28.0%, or HK$351.4 million, will be used for the research and development of our Key Product LP-005, including (a) approximately 9.0% or HK$112.9 million, will be used for the development of the ongoing and planned clinical trials of LP-005 for PNH; (b) approximately 9.5% or HK$119.2 million, will be used for the development of the ongoing and planned Phase II and III clinical trials of LP-005 for complement-mediated kidney diseases; and (c) approximately 9.5% or HK$119.2 million, will be used for the development of the ongoing and planned Phase II and III clinical trials of LP-005 for other complement related indications; (iv) approximately 11.8%, or HK$148.1 million, will be used for the pre-clinical studies and clinical development of our other pipeline products, namely LP-00A, LP-00C and LP-00D, in which approximately 5.9%, or HK$74.0 million, for pre-clinical studies, including pharmacology and toxicology research, and approximately 5.9%, or HK$74.0 million, for conducting Phase I clinical trials and part of Phase II clinical trials; (v) approximately 3.2%, or HK$40.2 million, will be used for the further development of our R&D platforms and exploration of new drugs; and (vi) approximately 10.0%, or HK$125.5 million, will be used for working capital and other general corporate purposes. For further details, please see "Future Plans and Use of Proceeds."

LISTING EXPENSES

Listing expenses to be borne by us are estimated to be approximately HK$108.5 million (including underwriting commission, at the Offer Price of HK$96.06 per H Share, which represent 8.0% of the gross proceeds from the Global Offering. The above Listing expenses comprise (i) underwriting-related expenses, including sponsor fee and underwriting commission, of HK$72.1 million, and (ii) non-underwriting-related expenses of HK$36.4 million, including (a) the legal advisors and the reporting accountants' expenses of HK$21.1 million, and (b) other fees and expenses of HK$15.3 million. During the Track Record Period, we incurred a total of RMB22.4 million (HK$25.7 million) in Listing expenses, among which RMB18.4 million (HK$21.1 million) was recognized in our consolidated statement of profit or loss, and RMB4.0 million (HK$4.6 million) was directly attributable to the issue of our Shares to the public and will be deducted from equity upon the Listing. We estimate that we will incur additional Listing expenses of approximately RMB72.4 million (HK$82.8 million), of which approximately RMB11.1 million (HK$12.7 million) is expected to be charged to our consolidated statements of profit or loss, and approximately RMB61.3 million (HK$70.1 million) is directly attributable to the issue of our shares to the public and will be deducted from equity upon the Listing. The Listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

IMPACT OF COVID-19 PANDEMIC

Since the end of December 2019, the outbreak of a novel strain of coronavirus, or COVID-19, has affected the global economy. In response to the COVID-19 pandemic, including the recurrence of the Omicron variant of COVID-19 since the end of 2021 across the world, governments had implemented numerous measures to contain the spread of the virus, including mandatory quarantine, closure of workplaces and facilities, travel bans and restrictions and stay-at-home orders.

During the outbreak of COVID-19, we had implemented closed-loop management and our staff stationed at our R&D facilities to reduce the risk of exposure to COVID-19. Accordingly, we had not experienced any material disruption to our operation as a result of COVID-19. Given the measures we had taken to mitigate the impact of COVID-19 on our operations and the gradual normalization of COVID-19, we do not expect the outbreaks to have a material adverse effect on our long-term overall business and financial performance. Nevertheless, we will continue to monitor the development of the COVID-19 pandemic and evaluate its impact on our business operations.

RECENT DEVELOPMENT

Since the end of the Track Record Period and up to the Latest Practicable Date, we have been advancing our pipeline by conducting pre-clinical studies and clinical trials for our product candidates. Both our Core Product and Key Product are under clinical development and have not been approved for commercialization. As such, we have not generated any revenue and we expect to incur a significant increase in net loss for the year ending December 31, 2026 as we continue to invest significant capital into the R&D of our pipeline, and other capabilities to complement and support our business.

NO MATERIAL ADVERSE CHANGE

After performing due diligence work which our Directors consider appropriate and sufficient and after due and careful consideration, our Directors confirm that, except as disclosed above and up to the date of this prospectus, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025, which is the end date of the periods reported on in the Accountants' Report included in Appendix I to this prospectus, and there is no event since December 31, 2025 that would materially affect the information as set out in the Accountants' Report included in Appendix I to this prospectus.

In this prospectus, unless the context otherwise requires, the following terms and expressions shall have the meanings set forth below. Certain other terms are explained in the section headed "Glossary of Technical Terms" in this prospectus.

"Accountants' Report"	the accountants' report of our Company, the text of which is set out in Appendix I to this prospectus
"affiliate(s)"	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"AFRC"	the Accounting and Financial Reporting Council of Hong Kong
"Approval of Investment Regulations"	collectively, the Act Governing Relations between the People of the Taiwan Region and the Chinese mainland ("台灣地區與大陸地區人民關係條例"), the Regulations Governing the Approval of Investment or Technical Cooperation in the Chinese mainland ("在大陸地區從事投資或技術合作許可辦法"), the Principles Governing Review of Investment or Technical Cooperation in the Chinese mainland ("在大陸地區從事投資或技術合作審查原則") and other relevant Taiwan laws and regulations
"Articles of Association" or "Articles"	the articles of association of our Company adopted on August 15, 2025 with effect upon the Listing Date (as amended from time to time), a summary of which is set out in Appendix V to this prospectus
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Audit Committee"	the audit committee of our Board
"Board" or "Board of Directors"	the board of Directors
"Business Day"	a day on which banks in Hong Kong are generally open for normal business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
"Capital Market Intermediary(ies)" or "CMI(s)"	the capital market intermediary(ies) as named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"China" or "PRC"	the People's Republic of China, which only in the context of describing PRC rules, laws, regulations, regulatory authority, and any PRC entities or citizens under such rules, laws and regulations and other legal or tax matters in this prospectus, excludes Taiwan, Hong Kong and the Macau Special Administrative Region of the People's Republic of China
"close associate(s)"	has the meaning ascribed to it under the Listing Rules
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

"Company", "our Company" or "the Company"	LongBio Pharma (Suzhou) Co., Ltd. (天辰生物醫藥(蘇州)股份有限公司), a joint stock company with limited liability incorporated in the PRC, the predecessor of which was LongBio Pharma (Suzhou) Co., Ltd. (天辰生物醫藥(蘇州)有限公司), a limited liability company established in the PRC on October 26, 2020
"Compliance Advisor"	Somerley Capital Limited
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"connected transaction(s)"	has the meaning ascribed to it under the Listing Rules
"Controlling Shareholder(s)"	Dr. Liu, Dr. Sun, Ms. Chow, Suzhou Taiwu, Shanghai Rising Suns and PharMab, and has the meaning ascribed to it under the Listing Rules
"core connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Core Product"	has the meaning ascribed to it in Chapter 18A of the Listing Rules, and for the purpose of this prospectus, our core product refers to LP-003
"Corporate Governance Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"CSDC"	China Securities Depositary and Clearing Corporation Limited (中國證券登記結算有限責任公司)
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會)
"DIR"	the Department of Investment Review of the Ministry of Economic Affairs, Taiwan
"Director(s)" or "our Director(s)"	the director(s) of the Company
"Dr. Liu"	Dr. Liu Heng (劉恒), our co-founder, chairman of the Board, executive Director, chief executive officer and general manager, and one of our Controlling Shareholders
"Dr. Sun"	Dr. Sun Bill Nai-chau (孫乃超), our co-founder and executive Director, the spouse of Ms. Chow, and one of our Controlling Shareholders
"EIT"	enterprise income tax
"EIT Law"	Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》), as amended, supplemented or otherwise modified from time to time
"EU"	European Union
"Extreme Conditions"	extreme conditions as announced by the Government of Hong Kong
"FDA"	the Food and Drug Administration of the United States
"FINI"	Fast Interface for New Issuance, an online platform operated by HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for all new listings
"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., an independent market research and consulting company

"Frost & Sullivan Report"	the report commissioned by the Company and independently prepared by Frost & Sullivan, a summary of which is set forth in "Industry Overview"
"General Rules of HKSCC"	the terms and conditions regulating the use of CCASS as may be amended or modified from time to time and where the context so permits, shall include the HKSCC operational procedures
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Group", "our", "our Group", "we" or "us"	the Company and its subsidiaries
"Guide for New Listing Applicants"	The Guide for New Listing Applicants, as published by the Stock Exchange on November 29, 2023 and became effective on January 1, 2024, as amended or supplemented or otherwise modified from time to time
"H Share Registrar"	Tricor Investor Services Limited
"H Share(s)"	ordinary share(s) in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and for which an application has been made for the granting of listing and permission to deal in on the Stock Exchange
"HK dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"**HK eIPO White Form**"	the application for Hong Kong Offer Shares to be issued in the applicant's own name, submitted online through the designated website at **www.hkeipo.hk**
"**HK eIPO White Form** Service Provider"	the **HK eIPO White Form** service provider designated by our Company as specified on the designated website at **www.hkeipo.hk**
"HKSCC"	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"HKSCC EIPO"	the application for the Hong Kong Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your designated HKSCC Participant's stock account through causing HKSCC Nominees to apply on your behalf, including by instructing your broker or custodian who is a HKSCC Participant to give electronic application instructions via HKSCC's FINI system to apply for the Hong Kong Offer Shares on your behalf
"HKSCC Nominees"	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
"HKSCC Operational Procedures"	the operational procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to the operation and functions of CCASS, as from time to time in force
"HKSCC Participant"	a participant admitted to participate in CCASS as a direct clearing participant, a general clearing participant or a custodian participant
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC

"Hong Kong Offer Shares"	1,419,350 H Shares (subject to reallocation as described in the section headed "Structure of the Global Offering") initially offered by the Company for subscription at the Offer Price pursuant to the Hong Kong Public Offering
"Hong Kong Public Offering"	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong at the Offer Price (plus brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee), on and subject to the terms and conditions as described in the section headed "Structure of the Global Offering — The Hong Kong Public Offering" in this prospectus
"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"Hong Kong Underwriters"	the underwriters of the Hong Kong Public Offering listed in the section headed "Underwriting — Hong Kong Underwriters" in this prospectus
"Hong Kong Underwriting Agreement"	the underwriting agreement dated May 27, 2026 relating to the Hong Kong Public Offering entered into by the Company, the Controlling Shareholders, the Sole Sponsor, the Overall Coordinators and the Hong Kong Underwriters, as described in the section headed "Underwriting — Underwriting Arrangements — Hong Kong Public Offering — Hong Kong Underwriting Agreement" in this prospectus
"IFRS"	International Financial Reporting Standards, a set of global accounting standards developed by the International Accounting Standards Board
"Independent Third Party(ies)"	entity(ies) or person(s) which, to the best of our Directors' knowledge, information, and belief having made all reasonable enquiries, is/are not a connected person(s) of the Company within the meaning of the Listing Rules
"International Offer Shares"	12,773,800 H Shares initially offered by the Company pursuant to the International Offering together with, where relevant, any additional H Shares which may be issued by the Company pursuant to the exercise of the Over-allotment Option subject to reallocation as described in the section headed "Structure of the Global Offering" in this prospectus
"International Offering"	the conditional placing of the International Offer Shares by the International Underwriters at the Offer Price outside the United States in offshore transactions in reliance on Regulation S, on and subject to the terms and conditions of the International Underwriting Agreement, as described in the section headed "Structure of the Global Offering — The International Offering" in this prospectus
"International Underwriters"	the underwriters of the International Offering listed in the International Underwriting Agreement
"International Underwriting Agreement"	the underwriting agreement relating to the International Offering expected to be entered into on or about Wednesday, June 3, 2026 by the Company, the Controlling Shareholders, the Sole Sponsor, the Overall Coordinators and the International Underwriters, as described in the section headed "Underwriting — The International Offering" in this prospectus

"Joint Bookrunners"	the joint bookrunners as named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"Joint Global Coordinators"	the joint global coordinators as named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"Joint Lead Managers"	the joint lead managers as named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"Key Product"	our key product refers to LP-005 for the purpose of this prospectus
"Latest Practicable Date"	May 18, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this prospectus prior to its publication
"Listing"	the listing of the H Shares on the Main Board of the Stock Exchange
"Listing Committee"	the listing committee of the Stock Exchange
"Listing Date"	the date expected to be on or about Friday, June 5, 2026, on which the H Shares are listed and from which dealings therein are permitted to take place on the Stock Exchange
"Listing Rules" or "Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
"Ministry of Finance" or "MOF"	the Ministry of Finance of the PRC (中華人民共和國財政部)
"MOFCOM"	the Ministry of Commerce of the PRC (中華人民共和國商務部)
"Ms. Chow"	Ms. Sun Cecily Rou-yun (周若芸), the spouse of Dr. Sun, and one of our Controlling Shareholders
"NDRC"	the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)
"NMPA"	the National Medical Products Administration of the PRC (中華人民共和國國家藥品監督管理局)
"Nomination Committee"	the nomination committee of our Board
"NPC"	the National People's Congress of the PRC (中華人民共和國全國人民代表大會)
"NRDL"	National Reimbursement Drug List (國家醫保藥品目錄)
"NTD"	New Taiwan dollar
"Offer Price"	the offer price per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%) at which the Offer Shares are to be subscribed for and issued pursuant to the Global Offering as described in the section headed "Structure of the Global Offering" in this prospectus

"Offer Share(s)"	the Hong Kong Offer Share(s) and the International Offer Share(s), together with, where relevant, any additional H Shares which may be issued by our Company pursuant to the exercise of the Over-allotment Option
"Overall Coordinators"	the overall coordinators as named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"Over-allotment Option"	the option expected to be granted by us to the International Underwriters exercisable by the Sole Sponsor-Overall Coordinator (for itself and on behalf of the International Underwriters) under the International Underwriting Agreement, to require our Company to allot and issue up to an aggregate of 2,128,950 additional H Shares at the Offer Price, representing approximately 15% of the total number of Offer Shares initially available under the Global Offering to cover over-allocations in the International Offering, if any, further details of which are described in the section headed "Structure of the Global Offering" in this prospectus
"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC
"PCT"	the Patent Cooperation Treaty
"PharMab"	PharMab, Inc. (旭華(上海)生物研發中心有限公司), a limited liability company established under the laws of the PRC on August 8, 2001, one of our Controlling Shareholders
"PRC Company Law"	the Company Law of the PRC (《中華人民共和國公司法》), as amended and adopted by the Standing Committee of the Eighth National People's Congress on December 29, 1993 and effective on July 1, 1994, which was last amended on December 29, 2023 and became effective on July 1, 2024, as amended, supplemented or otherwise modified from time to time
"PRC GAAP"	generally accepted accounting principles in the PRC
"PRC government"	the central government of the PRC, including all governmental subdivisions (including provincial, municipal and other regional or local government entities) and instrumentalities thereof or, where the context requires, any of them
"PRC Legal Advisor"	Hai Run Law Firm, the legal advisor of our Company as to the PRC laws
"PRC Securities Law"	the Securities Law of the PRC (《中華人民共和國證券法》), as amended, supplemented or otherwise modified from time to time
"Pre-IPO Investment(s)"	the investment(s) in our Company undertaken by the Pre-IPO Investors pursuant to the relevant equity transfer agreement(s) and/or capital increase agreement(s), details of which are set out in the section headed "History, Development and Corporate Structure" in this prospectus
"Pre-IPO Investor(s)"	the investor(s) who acquired interest in our Company pursuant to the relevant equity transfer agreement(s) and/or capital increase agreement(s), details of which are set out in the section headed "History, Development and Corporate Structure" in this prospectus
"prospectus"	this prospectus being issued in connection with the Hong Kong Public Offering

"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration Committee"	the remuneration committee of our Board
"Reporting Accountants"	Ernst & Young
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SAFE"	the State Administration of Foreign Exchange of the PRC (中國國家外匯管理局)
"SAMR"	the State Administration for Market Regulation of the PRC (中華人民共和國國家市場監督管理總局)
"SAT"	the State Administration of Taxation of the PRC (中國國家税務總局)
"Securities and Futures Ordinance" or "SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"SFC"	the Securities and Futures Commission of Hong Kong
"Shanghai Rising Suns"	Shanghai Rising Suns Biomedical Inc. (上海九日生物醫藥有限公司), a limited liability company established under the laws of the PRC on April 8, 2021, and one of our Controlling Shareholders. Ms. Chow is authorised to exercise all voting rights of the Company held by Shanghai Rising Suns
"Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising the Unlisted Shares and H Shares
"Shareholder(s)"	holder(s) of the Share(s)
"Sophisticated Investor(s)"	has the meaning ascribed to it under Chapter 2.3 of the Guide for New Listing Applicants issued by the Stock Exchange
"Sole Sponsor"	the sole sponsor as named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"Sole Sponsor-Overall Coordinator"	the sole sponsor-overall coordinator as named in the section headed "Directors and Parties Involved in the Global Offering"
"State Council"	the State Council of the PRC (中華人民共和國國務院)
"Stabilizing Manager"	Sinolink Securities (Hong Kong) Company Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"substantial Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Suzhou Taiwu"	Suzhou Taiwu Enterprise Management Partnership (Limited Partnership) (蘇州泰悟企業管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on August 12, 2020, our employee incentive platform and one of our Controlling Shareholders
"Taiwan Legal Advisor"	LCS & Partners, the legal advisor of our Company as to Taiwan laws
"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-back issued by the SFC, as amended, supplemented or otherwise modified from time to time
"Track Record Period"	the period comprising the financial years ended December 31, 2024 and 2025

"Trial Measures"	the Trial Administrative Measures for Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》), which was released by the CSRC and became effective on March 31, 2023
"Underwriters"	the Hong Kong Underwriters and the International Underwriters
"Underwriting Agreements"	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
"Unlisted Share(s)"	ordinary share(s) issued by the Company with a nominal value of RMB1.00 each which is/are not listed on any stock exchange
"US", "U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"U.S. dollar" or "US$"	United States dollar, the lawful currency of the United States
"U.S. Securities Act"	the United States Securities Act of 1933, as amended and supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder
"VAT"	value-added tax
"%"	per cent

For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including certain of our subsidiaries) have been included in this prospectus in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail.

For the purpose of this prospectus, references to "provinces" of China include provinces, municipalities under direct administration of the central government and provincial-level autonomous regions.

Certain amounts and percentage figures included in this prospectus have been subject to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.

This glossary contains definitions of certain technical terms used in this prospectus in connection with us and our business. These definitions may not correspond to standard industry definitions or usage and may not be comparable to similar terms adopted by other companies.

"AAS7"	angioedema activity score over seven days, used to measure the frequency and severity of angioedema episodes over a week; a higher score indicates more frequent episodes of angioedema
"ABPA"	allergic bronchopulmonary aspergillosis, an immunologically mediated lung disease that usually occurs in people with a diagnosis of asthma or cystic fibrosis. It is a noninvasive lung disease caused by colonization of the airways with Aspergillus fumigatus
"AChR-gMG"	acetylcholine receptor-mediated generalized myasthenia gravis, a form of myasthenia gravis, an autoimmune neuromuscular disorder characterized by weakness and rapid fatigue of voluntary muscles
"AE"	adverse events, any undesirable experience associated with the use of a medical product in a patient
"affinity"	the extent or fraction to which a drug binds to receptors at any given drug concentration or the firmness with which the drug binds to the receptor. Affinity describes the strength of the attraction between two chemicals, or an antigen and an antibody
"aHUS"	atypical hemolytic uremic syndrome, a rare and severe condition characterized by the triad of hemolytic anemia, acute renal failure, and thrombocytopenia
"allergic asthma"	allergy which is triggered by inhaled allergens such as dust mites, pet dander, pollen, mold, resulting in asthma symptoms
"allergic disease"	a group of conditions caused by the immune system's exaggerated response to harmless substances (allergens), leading to symptoms such as inflammation, itching, and respiratory distress
"ALS"	amyotrophic lateral sclerosis, a progressive neurodegenerative disease that affects motor neurons in the brain and spinal cord, leading to muscle weakness, atrophy, and eventually loss of voluntary movement
"antibody fragments"	small molecule antibodies derived from complete antibodies, retaining some functions of the antibody (such as antigen-binding ability)
"antibody fusion protein"	hybrid proteins created by combining an antibody (or part of an antibody) with another protein or peptide
"antihistamine"	a medication that blocks the effects of histamine to alleviate allergic symptoms such as itching, sneezing, and runny nose
"anti-IgE antibody"	a therapeutic antibody that targets and binds to IgE
"antigen"	substance that can provoke an immune response in the body
"AP"	alternative pathway, one of the three pathways of the complement system, which is part of the immune response

"APL-1 analog (POT-4)"	a compstatin derivative that acts as a potent inhibitor of complement factor C3 activation
"AR"	allergic rhinitis, an allergic reaction that causes symptoms like sneezing, runny or stuffy nose, itchy eyes, and throat. It occurs when the immune system overreacts to allergens such as pollen, dust mites, or pet dander
"atopic dermatitis"	a chronic inflammatory skin condition characterized by dry, itchy, and inflamed skin
"autoimmune disease"	with respect to any disorder or disease, the response that occurs when the immune system goes awry and attacks the body itself. Autoimmunity, present to some extent in everyone, is usually harmless but it can cause a broad range of human illnesses, known collectively as "autoimmune diseases"
"β2 receptor agonists"	are a class of medications that stimulate beta-2 adrenergic receptors, primarily used to relax bronchial muscles and improve airflow in conditions like asthma and chronic obstructive pulmonary disease
"B-cells"	B-lymphocytes-immune cells
"Bi-functional Antibody Development Platform"	a R&D platform developed by our Company, on which we have developed LP-005, LP-00A, LP-00C and LP-00D
"biologics"	medications that come from living organisms, like proteins and genes. They are a class of pharmaceutical drug products manufactured in, extracted from, or semisynthesized from biological sources
"BLA"	biologics license application
"C3"	a central protein in the complement system that plays a crucial role in immune responses, including opsonization of pathogens, inflammation, and formation of the membrane attack complex
"C3b"	a fragment of the complement protein C3, which is part of the immune system
"C3G"	C3 Glomerulopathy, a kidney disease characterized by the abnormal deposition of complement component C3 in the glomeruli, leading to inflammation and potential kidney damage
"C5"	a protein in the immune system that plays a key role in inflammation and the body's response to infections
"CAGR"	compound annual growth rate
"CD23"	a low-affinity IgE receptor primarily expressed on B cells and some other immune cells, playing a key role in regulating B cell activation, proliferation, and differentiation, particularly in allergic responses and certain immune disorders
"CD55/CD59"	both CD55 and CD59, natural regulatory proteins essential for controlling the complement system
"CDE"	the PRC Centre for Drug Evaluation
"CDMO"	contract development and manufacturing organisation, a company that provides comprehensive drug development and manufacturing services on for other companies on a contract basis

"CFB"	a protein involved in the immune system that helps trigger inflammation and the formation of antibodies to fight infections
"CFD"	a protein that plays a role in the immune system by helping to regulate inflammation and the response to infections
"CFH"	complement factor H, a regulatory protein that plays a crucial role in the immune system
"cGMP"	current Good Manufacturing Practices, regulations enforced by the FDA that provide guidelines for the manufacturing, testing, and quality assurance of food, pharmaceuticals, and medical devices
"clinical trial" or "clinical study"	a research study for validating or finding the therapeutic effects and side effects of test drugs in order to determine the therapeutic value and safety of such drugs
"CMC"	chemistry, manufacture and control, also commonly referred to as process development, which covers the various procedures used to assess the physical and chemical characteristics of drug products, and to ensure their quality and consistency during manufacturing
"complement"	a group of proteins in the blood that works with the immune system to enhance the ability to clear pathogens and promote inflammation, playing a crucial role in the body's defense against infections
"complement-mediated kidney diseases"	a group of disorders where the complement system contributes to kidney injury and dysfunction, often involving conditions like IgAN, C3G and LN, characterized by inflammation and damage to the glomeruli due to dysregulation of complement activation
"complement system"	part of the immune system composed of proteins that work together to enhance the ability to clear pathogens, promote inflammation, and facilitate the destruction of target cells
"CP"	classical pathway, one of the three pathways of the complement system, which is part of the immune response
"CRO"	contract research organization, a company that provides support to the pharmaceutical, biotechnology, and medical device industries in the form of research services outsourced on a contract basis
"CRSwNP"	chronic rhinosinusitis with nasal polyps, is a chronic inflammatory condition of the nasal passages and sinuses characterized by the presence of nasal polyp
"CSO"	contract sales organization, a third-party company that provides sales services to pharmaceutical, biotechnology, and medical device companies
"CSU"	chronic spontaneous urticaria, a condition characterized by the recurrent appearance of itchy hives or welts lasting for six weeks or longer, often without an identifiable cause
"cytokine"	small secreted proteins released by cells have a specific effect on the interactions and communications between cells
"DNOMS"	daily ocular symptom and rescue medication treatment score; a lower score indicates better control of the condition
"DNSMS"	daily nasal symptom and rescue medication treatment score; a lower score indicates better control of the condition

"eculizumab"	sold under the brand name Soliris, is a monoclonal antibody used to treat aHUS, PNH, and neuromyelitis optica spectrum disorder (NMOSD). It works by inhibiting complement protein C5, which helps prevent tissue damage caused by excessive complement activation
"Factor B"	a protein that is an essential component of the alternative pathway of the complement system
"Factor D"	a serine protease that plays a critical role in the alternative pathway of the complement system
"Fc"	fragment crystallizable, which is the tail region of an antibody that interacts with cell surface receptors called Fc receptors and some proteins of the complement system
"FcεRI"	Fc epsilon receptor I, a high-affinity receptor for immunoglobulin E
"FcεRIα"	Fc epsilon receptor I alpha, a high-affinity receptor for immunoglobulin E
"FDA"	Food and Drug Administration of the United States
"FEV1"	forced expiratory volume in one second
"first-in-class"	a drug that uses a new and unique mechanism of action for treating a medical condition
"FVC"	forced vital capacity
"FEV1/FVC"	ratio of FEV1 to FVC
"G-CSF"	granulocyte colony-stimulating factor, a cytokine that stimulates the bone marrow to produce and release neutrophils, playing a crucial role in regulating the immune response and enhancing the body's ability to fight infections, particularly during chemotherapy or bone marrow suppression
"glucocorticoids"	a class of steroid hormones that regulate various physiological processes, including metabolism, immune response, and inflammation, primarily produced by the adrenal cortex
"gMG"	generalized myasthenia gravis, a rare autoimmune disorder that creates a fluctuating weakness of the voluntary muscles due to disrupted neuromuscular transmission
"GMP"	good manufacturing practice, a system for ensuring that products are consistently produced and controlled according to quality standards, which is designed to minimize the risks involved in any pharmaceutical production that cannot be eliminated through testing the final product. It is also the practice required in order to conform to the guidelines recommended by agencies that control the authorization and licensing of the manufacture and sale of pharmaceutical products
"half-life"	the period of time required for the concentration or amount of a drug in the body to be reduced to exactly one-half of a given concentration or amount of such drug
"head-to-head study"	a type of clinical trial or research investigation that directly compares two (or more) active interventions (such as drugs, devices, procedures, or strategies) against each other to determine which is more effective, safer, or superior for a specific condition or outcome

"High-Affinity Antibody Discovery Platform"	a R&D platform developed by our Company, on which we have developed LP-003
"HSS7"	hives severity score over seven days, a measurement used in assessing the severity of hives (urticaria) in CSU; a lower score indicates better control of the symptom
"IgE"	immunoglobulin E, a type of antibody involved in allergic reactions
"IgAN"	IgA nephropathy, a kidney disorder characterized by the accumulation of immunoglobulin A in the glomeruli, leading to inflammation and potential kidney damage
"IL-4Rα"	interleukin-4 receptor alpha
"IND"	investigational new drug, an application in the drug review process required by a regulatory authority to decide whether a new drug is permitted to initiate clinical trials; also known as clinical trial application in China
"indication"	a disease condition which makes a particular treatment or procedure advisable
"innovative drug"	a medicine that contains an active substance or combination of active substances that has not been marketed in China and overseas
"in vitro"	studies using components of an organism that has been isolated from their usual biological surroundings
"in vivo"	studies in vivo are those in which the effects of various biological or chemical substances are tested on whole, living organisms including animals, humans and plants
"ISS7"	itch severity score over seven days, ranging from 0 to 21; a lower score indicates better control of the symptom
"KOL"	key opinion leaders, influencers and trusted persons who have expert product knowledge and influence in a respective field and are an important part of burgeoning industries and businesses in China, including biotech/pharmaceutical industries
"LDH"	lactate dehydrogenase
"LP"	lectin pathway, one of the three pathways of the complement system, which is part of the immune response
"LN"	lupus nephropathy or lupus nephritis, a kidney inflammation caused by the autoimmune disease lupus, affecting the kidneys' ability to filter waste from the blood
"LS Mean"	least squares mean, a statistical estimate of the mean (average) adjusted for covariates in a model, typically derived from an analysis of variance (ANOVA) or linear mixed-effects model
"MAG-PN"	anti-MAG peripheral neuropathy, a condition where the immune system mistakenly attacks the nerves, leading to weakness and numbness, often associated with a protein called MAG
"MASP-2"	a protein that helps activate the complement system, which is part of the immune response that fights infections and promotes inflammation

"MG"	myasthenia gravis, an autoimmune disorder characterized by weakness and rapid fatigue of voluntary muscles, caused by the body's immune system mistakenly attacking acetylcholine receptors at the neuromuscular junction
"NDA"	new drug application
"nanobody"	a type of artificially designed antibody molecule, also known as single-domain antibodies (sdAbs) or VHH antibodies
"NMPA"	National Medical Products Administration of the PRC (中國國家藥品監督管理局)
"non-clinical study"	laboratory experiments conducted in vitro or in vivo to evaluate the pharmacology, toxicology, PK and safety of a drug candidate
"omalizumab"	sold under the brand name Xolair among others, is an injectable medication to treat severe persistent allergic forms of asthma, nasal polyps, urticaria (hives), and immunoglobulin E-mediated food allergy
"original drug"	drugs that have been firstly approved to be marketed in China or overseas
"periodontitis"	a serious gum infection that damages the soft tissue and bone supporting the teeth, often resulting from untreated gingivitis
"p value"	probability value, a number describing the likelihood of obtaining the observed data under the null hypothesis of a statistical test
"PD"	pharmacodynamics, the study of how a drug affects an organism, which, together with pharmacokinetics, influences dosing, benefit and adverse effects of the drug
"PIG-A"	phosphatidylinositol glycan anchor biosynthesis Class A, a gene that encodes a protein involved in the biosynthesis of glycosylphosphatidylinositol anchors
"PK"	pharmacokinetics, the study of the bodily absorption, distribution, metabolism and excretion of drugs, which, together with pharmacodynamics, influences dosing, benefit and adverse effects of the drug
"placebo"	a medical treatment or preparation with no specific pharmacological activity
"PNH"	paroxysmal nocturnal hemoglobinuria, a rare blood disorder characterized by the destruction of red blood cells, leading to hemoglobinuria, anemia, and increased risk of thrombosis due to a genetic mutation in hematopoietic stem cells
"Q4W"	every four weeks
"Q8W"	every eight weeks
"Q12W"	every twelve weeks
"QA"	quality assurance
"R&D"	research and development

"ravulizumab"	sold under the brand name Ultomiris, is a monoclonal antibody used to treat aHUS and PNH. It works by inhibiting complement protein C5, providing a more extended duration of action compared to eculizumab, thereby reducing the risk of complement-mediated damage
"rescue medication"	medications used to quickly alleviate symptoms during an emergency, particularly in conditions like epilepsy or asthma
"SAE"	serious adverse events, any medical occurrence in human drug trials that at any dose: results in death; is life-threatening; requires inpatient hospitalization or causes prolongation of existing hospitalization; results in persistent or significant disability/incapacity; may have caused a congenital anomaly/birth defect, or requires intervention to prevent permanent impairment or damage
"SD"	standard deviation
"SMO"	site management organization, an organization that has adequate infrastructure and staff to meet the requirements of the clinical trial protocol and provides clinical trial related services to a CRO, a pharmaceutical company, a biotechnology company, or a clinical site
"TEAE"	treatment-emergent adverse event
"TNSS"	total nasal symptom score; a lower score indicates better control of the symptom
"Type I hypersensitivity"	an immediate allergic reaction driven by IgE antibodies that activates mast cells, causing sudden inflammation upon re-encountering an allergen
"Type 2 inflammatory diseases"	a group of chronic disorders driven by an immune response characterized by the activation of type 2 helper T cells (Th2), eosinophils, mast cells, basophils, and the production of specific cytokines
"UAS7"	urticaria activity score over seven days, a measurement tool specifically designed to assess the severity and activity of chronic urticaria over a week; a lower score indicates better control of the symptom
"ULN"	upper limit of normal

This prospectus contains certain forward-looking statements relating to our plans, objectives, beliefs, expectations, predictions and intentions, which are not historical facts and may not represent our overall performance for the periods of time to which such statements relate. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this prospectus. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks, uncertainties and other factors facing our Company which could affect the accuracy of forward-looking statements include, but are not limited to, the following: (i) our business strategies and plans to achieve these strategies; (ii) our ability to complete the development and obtain the relevant requisite regulatory approvals of our products; (iii) our product candidates under development or planning; (iv) our ability to attract customers and further enhance our brand recognition; (v) our future debt levels and capital needs; (vi) changes to the political and regulatory environment in the industry and markets in which we operate; (vii) changes in competitive conditions and our ability to compete under these conditions; (viii) future developments, trends and conditions in the industry and markets in which we operate; (ix) effects of the global financial markets and economic crisis; (x) our financial conditions and performance; (xi) our dividend policy, if any; and (xii) changes or volatility in interest rates, foreign exchange rates, equity prices, volumes, operations, margins, risk management and overall market trends.

In some cases, we use the words "aim", "anticipate", "believe", "can", "continue", "could", "estimate", "expect", "going forward", "intend", "ought to", "may", "might", "plan", "potential", "predict", "project", "seek", "should", "will", "would" and similar expressions to identify forward-looking statements. In particular, we use these forward-looking statements in the sections headed "Business" and "Financial Information" in this prospectus in relation to future events, our future financial, business or other performance and development, the future development of our industry and the future development of the general economy of our key markets.

The forward-looking statements are based on our current plans and estimates and speak only as of the date they were made. We undertake no obligation to update or revise any forward-looking statements in light of new information, future events or otherwise. Forward-looking statements involve inherent risks and uncertainties and are subject to assumptions, some of which are beyond our control. We caution you that a number of important factors could cause actual outcomes to differ, or to differ materially, from those expressed in any forward-looking statements. Our Directors confirm that the forward-looking statements are made after reasonable care and due consideration. Nonetheless, due to the risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect, or at all. Accordingly, you should not place undue reliance on any forward-looking statements in this prospectus. All forward-looking statements contained in this prospectus are qualified by reference to this cautionary statement.

An investment in our H Shares involves significant risks. You should carefully consider all of the information in this prospectus, particularly the risks and uncertainties described below, as well as our financial statements and the related notes, and the section headed "Financial Information" in this prospectus, before making an investment in our H Shares. Any of the following risks could have a material adverse effect on our business, financial condition, results of operations and prospects. In any such case, the market price of our H Shares could decline, and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations.

RISKS RELATING TO OUR BUSINESS

Our drug candidates face intense market competition, and the potential for competitors to discover, develop, or commercialize competing drugs more quickly or effectively may adversely impact our ability to successfully commercialize our own drug candidates.

The pharmaceutical industry is highly competitive, particularly within China's biologic drug market for allergic and autoimmune diseases. According to Frost & Sullivan, market competition is expected to intensify as pharmaceutical companies pursue diverse pipeline strategies and innovative mechanisms in biologic therapeutics. Both the global and Chinese biologics markets feature numerous competitors with substantial resources and strong brand recognition, often firmly established in specific segments by geographic region or drug type, posing a significant challenge to the development and commercialization of our drug candidates. Our drug candidates will face competition from both major international and domestic pharmaceutical companies, especially those targeting the same mechanisms. Our Core Product, LP-003, an anti-IgE antibody, will compete against other similar anti-IgE antibody drugs including omalizumab in China, where several anti-IgE antibody candidates are already undergoing clinical trials. Similarly, our Key Product, LP-005, a bi-functional antibody targeting C5 and C3b, will face competition from approved C5 inhibitors biological drugs such as eculizumab, ravulizumab and crovalimab, C3 inhibitor chemical drug (such as pegcetacoplan), as well as other drug candidates which are already in clinical development in China.

The success of our drug candidates hinges on factors such as regulatory approval timing, efficacy, safety profiles, dosing convenience, pricing, and market coverage. Many competitors possess greater resources and expertise in R&D, manufacturing, clinical trials, regulatory affairs, and marketing. Smaller companies, especially through collaborations, and industry consolidation further intensify competition. These pressures extend to talent acquisition, clinical trial execution, and technology access. Competitors may develop superior drugs, achieve faster approvals, or gain stronger market positions. Our competitors' approvals for rival drugs could eliminate our first-mover advantage and negatively impact our financials. Technological advances and increased capital availability will likely heighten competition in the market further. Our competitors may develop more effective or cheaper products, or achieve earlier patent protection, regulatory approval, and market penetration. Therefore, our failure to compete effectively could lead to competitors establishing a strong market position, rendering our drug candidates obsolete and impacting our ability to recoup development and commercialization expenses. Competitive pressures may necessitate price reductions or other measures that will negatively affect our profitability, potentially eroding our profit margins, market share, and our business, financial position, results of operations, and growth potential may be adversely affected.

Our business and future financial performance are heavily reliant on the successful development of our drug candidates. We may be unable to complete clinical development, secure regulatory approvals, or commercialize these candidates, or may face significant delays in these processes.

Our business is dependent on our Core Product, LP-003 and our Key Product LP-005. LP-003 for the indication of seasonal AR in China is undergoing Phase III clinical trial and preparing for BLA, and we plan to submit BLA to NMPA in or before the third quarter of 2026. Furthermore, our other indications for LP-003 and LP-005 are mainly in clinical phases I or II, which will require significant time before potential commercialization. Our future operating income is mainly tied to the successful development and commercialization of our Core Product and Key Product. If these efforts do not progress as anticipated, our business performance could be adversely affected.

Our capacity to generate revenue and achieve profitability depends on successfully developing, obtaining regulatory approvals for, and commercializing our drug candidates. We have dedicated substantial resources in our current drug candidates and expect to incur significant and escalating costs for their development and commercialization. In order for our drug candidates to succeed, it will depend on a number of the following factors: (i) positive pre-clinical studies and clinical trials results; (ii) adequate resources to identify or acquire additional drug candidates, and successful identification of potential drug candidates; (iii) successful enrollment of patients in, sufficient supplies of drug products for, and completion of, clinical trials; (iv) modifications to the protocols, which may delay the clinical program, regulatory approvals or commercialization, and require us to supplement, modify, or withdraw and refile our applications for regulatory approvals; (v) the performance by our CROs, SMOs, CDMOs, or other third parties we engage and their compliance with our protocols and applicable laws without damaging or compromising data integrity; (vi) the capabilities and competence of our collaborators; (vii) receipt of regulatory approvals for planned clinical trials or drug registrations, manufacturing and commercialization; (viii) commercial manufacturing capabilities, including through the CDMOs we engage or will engage; (ix) successful launch of commercial sales of our drug candidates, if and when approved; (x) the obtaining and maintenance of favorable reimbursement from third party payers for drugs, if and when approved; (xi) competition with other drug products; (xii) the obtaining, maintenance and enforcement of patents, trademarks, trade secrets and other intellectual property protections and regulatory exclusivity for our drug candidates; (xiii) successful defense against any claims brought by third parties that we have infringed, misappropriated or otherwise violated any intellectual property of any such third party; and (xiv) the continued acceptable safety profile of our drug candidates following regulatory approval.

As of the Latest Practicable Date, all of our drug candidates were in various phases of clinical trials and pre-clinical studies and we did not have any drug candidates that are at BLA stage with the relevant competent regulatory authorities. We have limited experience in filing for regulatory approval for our drug candidates, and we have not yet demonstrated the ability to receive regulatory approval for our drug candidates. As a result, our ability to successfully obtain regulatory approval for our drug candidates may involve more inherent risk, take longer, and cost more than it would if we were a company with experience in obtaining regulatory approvals. Failure to achieve drug development milestones as detailed in this prospectus could impact our business prospects. Costs will rise if delays occur in the development of drug candidates or in obtaining regulatory approvals, potentially resulting in trial suspensions until adequate funding is secured or abandonment of the drug candidate's development. Such delays can also enable competitors to market their products sooner, affecting our ability to commercialize our drug candidates effectively. Any of the above developments could have a material and adverse effect on our business, financial condition and results of operation.

We dedicate significant resources to R&D and our allocation of these resources to specific drug candidates, formulations, or indications may prevent us from capitalizing on other opportunities.

The biopharmaceutical market is constantly evolving, requiring us to adapt to new technologies and methodologies to maintain our competitive edge. Identifying new drug candidates and formulations, and developing existing candidates for additional indications, demands substantial technical, financial, and human resources. Our R&D costs were RMB98.1 million and RMB126.6 million for the years ended December 31, 2024 and 2025, respectively. We plan to continue strengthening our technical capabilities, which requires significant capital and time. We cannot guarantee our ability to develop, improve, or adapt to new technologies, successfully identify new opportunities, bring new or enhanced products to market, or secure adequate intellectual property protection in a timely and cost-effective manner. Failure to do so could render our previous efforts obsolete, reduce the competitiveness of our platforms and candidates, and adversely affect our business.

Given limited financial and managerial resources, we focus our pipeline on specific research programs and drug candidates for selected indications. This focus may lead us to forgo or delay opportunities with other candidates or indications that may later prove more commercially viable or likely to succeed. Our R&D spending on current and future programs may not result in commercially successful products, and inaccurate evaluation of commercial potential could lead to relinquishing valuable rights through licensing or over-allocating internal resources, which could negatively affect our business, results of operations, and prospects.

Developing drugs through clinical trials is lengthy, costly and uncertain. Outcomes from earlier studies may not accurately predict future trial results. We may also face unforeseen challenges in conducting clinical trials and commercializing our drug candidates in a timely manner.

As of the Latest Practicable Date, our Core Product, Key Product and several other drug candidates were undergoing clinical or pre-clinical trials in China. Successful completion of these trials is essential for obtaining NDA or similar approvals from regulatory bodies like NMPA, which is necessary for commercializing our drug candidates. Clinical trials are expensive, complex, and can take years to complete with no guarantee of success. Failure can occur at any stage which will materially and adversely affect our business, financial condition, and results of operations. Unexpected events during, or as a result of, clinical trials may delay or prevent regulatory approvals. Such unexpected events may include regulators denying trial authorization; insufficient or slower patient enrollment; higher patient drop out rates; inability to agree with or rely on third-party contractors; trial suspension or termination due to non-compliance, lack of clinical response, unacceptable safety risks, or other unexpected characteristics; higher than anticipated clinical trial costs; and manufacturing issues affecting supply and quality of drug candidates. If additional clinical trials or testing are required, or if we are unable to successfully complete trials, or if results are not positive or raise safety concerns, we may face delays or denial of regulatory approvals. We could also obtain approval for narrower indications than intended, have the drug removed from the market, be subject to additional post-marketing testing, face restrictions on drug distribution or use, or unable to obtain reimbursement.

Potential difficulties in recruiting appropriate participants for our clinical trials could extend our clinical development timeline and our progress could be adversely affected.

The successful and timely execution of our clinical trials depends on our capacity to enroll and retain a sufficient cohort of patients until conclusion of the clinical trials. While we experienced no material enrollment difficulties during the Track Record Period, future trials are subject to potential recruitment challenges stemming from various sources. Stringent patient eligibility criteria, as defined within our trial protocols, may limit the pool of eligible participants, potentially hindering our ability to secure and maintain the required patient numbers. Furthermore, our clinical trials may encounter competition from trials evaluating drug candidates targeting similar therapeutic areas. This competitive landscape could reduce the availability of suitable patients, as potential participants may opt to enroll in competing trials. Even if we successfully enroll the necessary patient numbers, delays in enrollment could lead to increased operational costs and negatively impact the planned trial timelines and overall outcomes. Such delays could impede the progress of our clinical trials and ultimately affect our ability to advance the development of our drug candidates.

The occurrence of adverse events or unfavorable side effects related to our investigational drugs may interrupt or prolong clinical development, delay regulatory authorization, restrict approved product labeling, or result in significant post-approval complications.

Adverse events stemming from our drug candidates pose significant risks to our clinical development and regulatory prospects. Such events could lead to the interruption, delay, or termination of clinical trials by us or regulatory authorities, and may result in a more restrictive product label or the denial or delay of regulatory approval. Should clinical trial results reveal an unacceptably high incidence or severity of adverse events, trials could be suspended or terminated, and regulatory bodies could halt further development or deny approval for any or all targeted indications. Furthermore, adverse events could negatively impact subject recruitment, the ability of enrolled subjects to complete trials, and potentially lead to product liability claims. Even after regulatory approval, the identification of undesirable adverse events could trigger a range of significant negative consequences. Regulatory authorities could interrupt or delay ongoing clinical trials, and we may suspend, delay, or alter the development or marketing of our drug candidates. Authorities may also halt further development or deny approval for specific indications based on unacceptable adverse event profiles. Existing approvals could be withdrawn or licenses revoked, either by regulatory authorities or our own decision. Label warnings may be expanded, or other limitations imposed on approved drugs. Risk evaluation and mitigation strategies may be required or expanded, and post-market studies could be mandated. Litigation and liability for harm to patients could arise. Finally, patient enrolment may be insufficient or slower than anticipated, patient dropout rates may increase, and clinical trial costs could substantially exceed projections.

We may pursue accelerated approval pathways with regulatory authorities by using data from our registration trials for marketing approval applications. If these expedited routes are not accessible, we may be required to conduct more extensive clinical trials than anticipated, which could increase development costs and impact our competitive market position.

Regulatory authorities like NMPA and their counterparts may grant accelerated approval for drug candidates demonstrating a significant therapeutic advantage over existing treatments for serious or life-threatening conditions. This decision hinges on evidence that the drug impacts a surrogate or intermediate clinical endpoint reasonably predictive of clinical benefit, such as a positive therapeutic effect on irreversible morbidity or mortality. Accelerated approval is considered when a new drug offers a clinically meaningful improvement from a patient and public health perspective, even if not a direct therapeutic advantage. We will actively seek feedback from regulatory bodies to assess the viability of pursuing accelerated approval. However, there is no guarantee that regulatory authorities will agree with our chosen surrogate or intermediate clinical endpoints. We may also choose not to pursue accelerated approval despite initial considerations. Furthermore, acceptance for filing and the granting of expedited review or approval for any application are not assured. Failure to secure accelerated approval or other expedited pathways could prolong commercialization timelines, increase development costs, and weaken our competitive market position. Even with accelerated approval based on a surrogate endpoint, a post-approval clinical trial to confirm clinical benefit is typically required. Failure to demonstrate this benefit may lead to the drug's removal from the market. In China, regulations stipulate that if post-approval research fails to prove the benefits outweigh the risks or if required research is not completed within the specified timeframe, the NMPA may revoke the drug registration certificate.

Our drug candidates' future commercial success depends on gaining market acceptance within the medical community, including physicians, patients and other stakeholders.

Even with regulatory approval, the commercial success of our drug candidates is not assured and depends heavily on market acceptance by physicians, patients, third-party payers, and other stakeholders. Failure to achieve sufficient acceptance could prevent us from generating adequate revenue and achieving profitability. This acceptance will be influenced by several factors, including the perceived advantages of our drugs over existing treatments, the severity and prevalence of side effects, labeling requirements from regulatory bodies like NMPA, the timing of market entry relative to competitors, the cost of treatment, the resources required for physician administration, reimbursement availability, approved clinical indications, physician and patient perceptions of safety and efficacy, patient willingness to pay out-of-pocket, ease of administration compared to alternatives, and the effectiveness of our commercialization efforts. Furthermore, even if initial market acceptance is achieved, it may not be sustained if newer, more effective, or more cost-efficient treatments emerge. Failure to gain or maintain market acceptance would impose material adverse effect on our business, financial condition, operating results, and future prospects.

Even if successfully commercialized, some drug candidates may not achieve sufficient sales volume to generate profit, due to potentially smaller-than-expected market size and demand.

The success of our ongoing and future R&D progress hinges on realizing sufficient market potential for our drug candidates. While we invest significantly in developing strategies for specific indications, the ultimate commercial viability of these products is subject to several key variables. The size of the addressable market will be determined by factors such as acceptance within the medical community, patient access to our therapies, our pricing strategies, and the availability of adequate reimbursement. Furthermore, the actual patient population may differ from our initial estimates. This could be due to a variety of reasons, including evolving epidemiological data, challenges in identifying and accessing eligible patients, or patient preferences regarding treatment options. Changes in the estimated incidence or prevalence of the targeted diseases, as revealed by new studies, could also impact the market size. These factors, individually or collectively, could have a material adverse effect on our business, financial condition, and operational results.

Patient non-adherence to the recommended treatment protocols, including continuous dosing, combination therapy, and pre-treatment, may diminish therapeutic outcomes and reduce sales.

Achieving optimal therapeutic outcomes is influenced by a multitude of patient-specific factors, including adherence to prescribed treatment regimens. If patients do not consistently follow the recommendations regarding continuous dosing, co-administration of therapies, or pre-treatment protocols, the resulting therapeutic effect may be compromised. This could lead to a reduction in our anticipated sales. Furthermore, the ease at which patients can adhere to and manage their medication schedule represents a potential challenge that could also impact treatment success and market adoption.

Data and information obtained through our R&D process, if inaccurate or incomplete, could negatively impact our business, reputation, financial condition, and operational results.

Data integrity is paramount to our drug development process. We meticulously collect, analyze, and manage data from pre-clinical studies and clinical trials, including extensive information gathering on promising drug candidates. A significant challenge lies in the inherent nature of healthcare data, which is often fragmented, inconsistently formatted, and incomplete. These factors can compromise the overall quality of the data we collect and access.

We may encounter data quality issues that could materially impact our ability to successfully develop our drug candidates, thereby imposing material adverse effect on our business, reputation, and future prospects. Our pursuit of regulatory approvals requires strict adherence to complex data processing and validation regulations when managing and submitting data to governmental authorities. Even with these safeguards, interim clinical trial data remains subject to change as more patient data becomes available and undergoes audit and verification. Such changes could expose us to potential liability related to data handling practices. Furthermore, the adequacy of our clinical trial insurance coverage is crucial, as uninsured or under-insured claims could significantly harm our financial condition and operational results. We also rely on third-party CROs for data management in some of our studies. Their performance directly impacts the integrity of our clinical trial data, and any deficiencies in their data accuracy or completeness could compromise our regulatory responsibilities. For further discussion of these risks, see "Risks Relating to Our Reliance on Third Parties" in this section.

While we may release interim and preliminary findings of our clinical trials, these are subject to audit and verification procedures and the incorporation of further patient data, which could lead to material alterations in the final data.

We may periodically release preliminary data from our pre-clinical studies and clinical trials. This data represents an initial analysis based on the information available at that time and is subject to change upon more comprehensive review. Our analyses also involve assumptions, estimations, and calculations that may not be fully validated due to the evolving nature of the data. Consequently, publicly reported preliminary results may differ from future results of the same studies. Subsequent data analysis may lead to different conclusions or qualifications of the initial findings. Furthermore, preliminary data is subject to audit and verification processes, which could result in material discrepancies between preliminary and final data. Therefore, preliminary data should be interpreted cautiously until final results are available. We may also disclose interim data from our ongoing clinical trials. Such data is inherently subject to change as participant enrolment progresses and more data becomes available. Adverse differences between interim and final data could impose material adverse impact on our business prospects. Moreover, the disclosure of interim data, whether by us or our competitors, could lead to volatility in the price of our shares. In addition, our assumptions, estimates, calculations, and conclusions may not be universally accepted or agreed upon. Others may interpret or weigh the importance of data differently, which could impact the perceived value of our programs and the approvability or commercialization of our drug candidates.

We are subject to key person risk associated with Dr. Sun, our co-founder and executive Director, whose industry insights and vision have been instrumental to our development. If Dr. Sun were to reduce his involvement with us or become unable to continue in his current capacity, our business, financial position, and results of operations may be materially and adversely affected.

Our business operations are subject to key person risk due to our reliance on Dr. Sun's scientific expertise and strategic leadership. Dr. Sun is responsible for guiding and overseeing our overall R&D strategy, including the development of our methodological framework and the provision of strategic guidance to our R&D team. In addition, Dr. Sun was involved in key decision-making at the project initiation stage for our Core Product, and provided direction on antibody screening, engineering modifications and druggability assessments. While Dr. Sun remains actively engaged in our operations and strategic direction, we cannot provide assurance regarding his continued availability or capacity to serve in his current role over the long term. Although we have undertaken succession planning initiatives and have sought to build institutional knowledge and capabilities, if Dr. Sun were to reduce his involvement with our operations and strategic direction in the future, our R&D programs, our ability to execute on our strategic objectives, and our business, financial position, and results of operations could be affected.

We may expand into overseas markets with significant demand for our drug candidates through partnerships and licensing; however, these initiatives involve risks such as rising costs, political instability, and regulatory challenges, potentially affecting profitability and exposing us to global business risks.

Our growth strategy may include overseas markets, where we see significant demand for our drug candidates. We may partner with reputable local entities to enhance the global value of our offerings and explore licensing and co-development opportunities with multinational companies while expanding our global clinical programs. However, these initiatives carry risks that could affect our profitability, including increased costs and management focus on licensing agreements, political and economic instability, varying regulatory standards for drug approvals, and challenges in enforcing contracts. Additionally, we face weaker intellectual property protection, sudden changes in tariffs and regulatory conditions, currency exchange rate volatility, compliance with tax and labor laws for international employees, and potential business interruptions from geopolitical events or natural disasters. These risks may materially and adversely affect our ability to generate revenue and sustain profitability in international markets.

Our activities in drug discovery, development, and commercialization may expose us to potential liabilities, particularly product liability claims or lawsuits, that could result in significant financial obligations.

Our clinical trials and the potential commercialization of our drug candidates, both domestically and internationally, expose us to inherent product liability risks. We may face lawsuits alleging defects, failure to warn, negligence, or breach of warranty if our drugs cause or are perceived to cause harm or are deemed unsuitable. Successfully defending against such claims, even if achieved, would require significant financial and management resources. Such liability claims could negatively impact demand for our drug candidates, damage our reputation, lead to clinical trial disruptions, and trigger investigations. Furthermore, we could incur substantial costs defending litigation, diverting management's time and resources. Adverse outcomes may include monetary awards, product recalls, marketing restrictions, revenue loss, depletion of insurance and capital, inability to commercialize drug candidates, and a decline in our share price. Maintaining adequate and affordable insurance cannot be guaranteed. If uninsured or underinsured product liability claims are successful, our assets might be insufficient to cover them, impairing our business operations and potentially having a material adverse effect on our financial condition and results of operations.

Our ability to generate product sales revenue depends on establishing and managing a robust sales network and maintaining sufficient sales and marketing capabilities, either independently or through strategic partnerships. Failure to achieve this may hinder market awareness and product sales, and materially impacting our financial performance.

As a company that has yet to launch and commercialize a drug candidate, our ability to successfully do so involves considerable risk, extended timelines, and significant costs compared to companies with established commercialization experience. We face competition from numerous companies with existing commercialization teams and extensive sales and marketing operations. Our limited experience in these areas may hinder our ability to compete effectively. To distribute our products globally in the long term, we will compete with other pharmaceutical companies to recruit and retain qualified personnel. If we are unable or choose not to develop internal capabilities, we will likely seek collaborative arrangements for sales and marketing. However, securing and maintaining effective collaborations is not guaranteed, and our revenue would depend on the efforts of third parties over whom we have limited control, potentially resulting in lower product sales revenue than if we commercialized our drugs ourselves. We will also face competition in finding suitable third-party collaborators. Therefore, there is no assurance that we can successfully develop and maintain in-house sales and commercial distribution capabilities or establish and maintain effective third-party collaborations to commercialize any product. This could materially affect our ability to generate product sales revenue.

We may not be able to maintain effective quality control over our drug products.

Our products quality, including drug candidates for R&D, will depend significantly on the effectiveness of our quality control, which are influenced by the production processes, equipment reliability, the capabilities of CDMOs we engage and our ability to ensure their compliance with our protocol. We cannot guarantee that our quality control and assurance processes will always effectively prevent or resolve deviations from our quality standards, nor can we ensure that our standard operating procedures will be complete or up-to-date at all times. Any substantial failure or decline in our quality control and assurance protocols or standard operating procedures could render products unusable, disrupt the audit of our processes, and/or negatively impact our market reputation and business relationships. Therefore, these circumstances may have a material and adverse effect on our business, financial condition and results of operations.

The presence of illegal or counterfeit pharmaceutical products could diminish demand for our drug candidates and negatively impact our reputation and business.

The illegal import of similar or competing products from countries with lower prices due to government controls or market dynamics may adversely affect demand for our future approved drug candidates, impacting sales and profitability in our target markets. Furthermore, cross-border parallel imports from lower-priced to higher-priced markets could harm sales and exert pricing pressure. Legislations or regulations increasing consumer access to lower-priced imported medicines could materially and adversely affect our business. Counterfeit pharmaceutical products can quickly erode demand for our drug candidates. Counterfeit products are unlikely to meet our rigorous standards and may harm patients. Our reputation and business could suffer due to counterfeit products sold under our brand. Additionally, theft of inventory, improper storage, and sales through unauthorized channels could compromise patient safety and negatively impact our reputation and business.

Unfavorable medical guidelines and studies could reduce market acceptance and commercial success of our drug candidates, potentially undermining our business.

The market acceptance and commercial success of our drug candidates could be significantly impacted by guidelines, recommendations, and studies published by various entities. These include government agencies, professional societies, practice management groups, private health and science foundations, and organizations dedicated to specific diseases. Should these publications present our drug candidates unfavorably, either directly or in comparison to competing products, it could lead to a decline in their use, sales, and subsequent revenues. A key element of our strategy involves educating healthcare providers and patients about the advantages of our drug candidates. However, the effectiveness of these educational initiatives could be compromised by negative guidelines, recommendations, or studies issued by third-party organizations, potentially hindering the adoption and market penetration of our products.

Evolving national, provincial, and third-party drug reimbursement practices, along with drug pricing policies and regulations, present ongoing uncertainties that could materially affect our business operations and financial performance.

The commercial success of our drug candidates is significantly dependent on obtaining sufficient reimbursement from government health authorities, private insurers, and other third-party payers, whose policies vary substantially across international markets. These payers often control costs by limiting coverage and reimbursement, and regularly update their reimbursement lists, potentially impacting the financial viability of our products, even after regulatory approval. There is no guarantee that reimbursement will be available for any drug we commercialize. Regulatory approval, pricing, and reimbursement processes for new therapeutics vary significantly across countries. Some nations mandate price approval before marketing authorization. Even after initial approvals, many markets maintain ongoing governmental control over pharmaceutical pricing. Consequently, while we may secure regulatory approval in a specific country, subsequent price regulations could delay commercial launch and negatively impact revenue potential. Uncertain pricing limitations could also impede our ability to recoup investments in drug candidates, even after regulatory approval. Limited or absent reimbursement could significantly impact demand and pricing, particularly for drugs administered under medical supervision. Difficulties in obtaining adequate reimbursement could hinder successful commercialization. Delays in reimbursement approval are possible, and coverage may be narrower than the approved indications. Furthermore, eligibility for reimbursement does not guarantee coverage in all cases or at rates sufficient to cover our costs. Interim payments may be insufficient and subject to change.

In China, the National Healthcare Security Administration and the Ministry of Human Resources and Social Security, together with other government authorities, regularly review the inclusion or removal of drugs from China's National Drug Catalog for Basic Medical Insurance, Work-related Injury Insurance and Maternity Insurance (《國家基本醫療保險、工傷保險和生育保險藥品目錄》), or the NRDL. The NRDL determines a pharmaceutical product's reimbursable amounts for program participants under the National Medical Insurance Program (the "**NMIP**"). Under the NMIP, patients are entitled to full or partial reimbursement of costs for pharmaceutical products listed in the NRDL. A pharmaceutical product's inclusion in or exclusion from the NRDL will significantly affect the demand for such product in China. There is no assurance that any of our future approved drug candidates will be included in the NRDL. The inclusion of pharmaceutical products by relevant authorities into the NRDL is based on a variety of factors, including efficacy, safety and price. In addition, the PRC government has implemented significant reforms of the pharmaceutical industry in recent years and may enforce additional measures in the future, which may adversely affect our pricing strategy for our pharmaceutical products. Furthermore, the PRC government has undertaken substantial reforms in the pharmaceutical sector in recent years and may impose additional regulations in the future, which could negatively impact our pricing strategy for pharmaceutical products.

In certain global markets, the lack of a uniform reimbursement policy necessitates a payer-by-payer approach, requiring extensive data submission with no guarantee of adequate coverage or profitable reimbursement rates. High co-payments and inadequate reimbursement for long-term follow-up evaluations could deter patient use, especially considering the potentially higher costs of our therapies. Increasing demands for discounts and price challenges from payers further complicate the landscape. Failure to secure adequate reimbursement could hinder our ability to commercialize our drug candidates successfully. Delays in reimbursement, coverage limitations, and insufficient payment rates pose additional risks. Payment rates may be benchmarked against lower-cost alternatives or incorporated into existing service payments, and net prices may be reduced by required rebates. Consequently, our inability to secure timely and profitable reimbursement could materially and adversely affect our business, operating results, and overall financial condition.

We lack extensive experience in the commercial production of pharmaceutical products, and our business could be materially and adversely affected if we encounter problems in manufacturing our future drug products, especially due to our reliance on third-party CDMOs for future manufacturing in product commercialization.

We lack extensive experience in the manufacturing of pharmaceutical products, a process that demands considerable expertise and significant capital investment, particularly due to stringent regulatory requirements. Potential issues in manufacturing may arise from various sources, including: (i) equipment malfunctions; (ii) non-compliance with established protocols and procedures; (iii) changes in product specifications; (iv) poor quality or inadequate supply of raw materials; (v) delays in constructing new facilities or expanding existing ones; (vi) regulatory restrictions affecting production sites and capacity; (vii) modifications in the types of products manufactured; (viii) advances in manufacturing techniques; (ix) physical limitations impacting continuous supply; and (x) environmental factors, including natural disasters.

If manufacturing problems occur in the production of future products, we may need to discard entire batches, causing production delays, increased costs, lost revenue, and damage to customer relationships. Investigating these issues will also incur time and expense. Additionally, if defects are not identified before market release, we could face recall and product liability costs. Our reliance on CDMOs further complicates our manufacturing risk profile. We depend on CDMOs to produce our clinical drug candidates and anticipate continuing this reliance for approved drugs. Any failure on its part to provide sufficient quantities or meet quality standards could adversely affect our business. The future quality of our commercially manufactured drugs will largely depend on the effectiveness of our quality control and assurance processes. This effectiveness relies on various factors, including the production processes, equipment reliability, staff quality, training programs, and compliance with our quality protocols. We cannot guarantee that our quality control measures will consistently prevent deviations from our standards or that our operating procedures will always be complete or current. Significant failures in these areas could render our products unsuitable for use, violate current GMP, and damage our reputation and partnerships, ultimately having a materially adverse impact on our financial condition and operational results.

Our expansion strategy and business activities in the Chinese mainland may be influenced by the interests of our Taiwanese Shareholders, who may need to obtain approval from the DIR for investments in the Chinese mainland.

According to the Approval of Investment Regulations, any Taiwanese individual or any entity incorporated in Taiwan must obtain approval from the DIR for investing in the Chinese mainland in advance or within the prescribed time limit. For details, please refer to "Regulatory Overview — Approval of Investment Regulations" of this prospectus. Our Taiwanese Shareholders have failed to obtain prior approval from the DIR for their direct interest and indirect interest in PRC entities. For details, please refer to "Relationship with our Controlling Shareholders — Non-compliance incidents concerning our Controlling Shareholders — Taiwan Investment Incidents". We cannot assure that the current practices and policies of the DIR will remain unchanged in the future. Any modifications to these practices or policies may impact prospects of our Taiwanese Shareholders, including Dr. Sun and Ms. Chow, to obtain approval from the DIR. If the Company undertakes any equity capital increase and any Taiwanese Shareholder intends to subscribe, such Taiwanese Shareholder may be unable to subscribe on a pro rata basis if such subscription would cause Taiwanese Shareholder to exceed the Annual Investment Quota, or if any Taiwanese Shareholder is unable to secure approval from the DIR, which may result in a reduction of their shareholding percentage in the Company. This may have an adverse effect on the stability of our long-term equity structure.

Pursuant to the Act Governing Relations between the People of the Taiwan Area and the Mainland Area (台灣地區與大陸地區人民關係條例), only the Taiwanese Shareholders would be subject to penalties, while our Group would not be penalized. Any penalties for violation of the Approval of Investment Regulations for our Taiwanese Shareholders' investments in our Company

would be directed at the violating Taiwanese Shareholder(s), and any penalties for such breach will be more than NTD50,000 but less than NTD25 million. Any non-compliance with the Original Quota or Annual Investment Quota by our Taiwanese Shareholders, or failure by our Taiwanese Shareholder(s) to secure approval from the DIR for their investment in our Company, may result in a need to consider alternative methods for implementing our expansion plan. This process could require additional time and may have an impact on business operations. Any future change of practices and policies of the DIR may affect our Taiwanese Shareholders' investment in China.

RISKS RELATING TO OUR RELIANCE ON THIRD PARTIES

Our drug development relies on collaborations with third-party partners, including those providing pre-clinical study and clinical trial support. Failure of these partners to fulfill their contractual obligations could impede our ability to secure regulatory approvals and commercialize our drug candidates.

Our drug development process relies on collaborations with third-party CROs, SMOs and CDMOs, including data monitoring and management in pre-clinical and clinical programs. While we retain ultimate responsibility for ensuring that all studies adhere to necessary protocols, legal and regulatory requirements, and scientific standards, our partnerships with CROs, SMOs and CDMOs do not relieve us of our own regulatory obligations. Compliance with Good Clinical Practice ("**GCP**") regulations, enforced by authorities such as the NMPA, is mandatory for us, our CROs, SMOs and CDMOs. Any failure to adhere to GCP could compromise the reliability of clinical data, potentially requiring additional clinical trials before regulatory approval can be considered. Furthermore, our pivotal clinical trials depend on products manufactured in accordance with GMP regulations, and any deviation could force us to repeat trials, thereby delaying the approval process.

Potential disruptions in our relationships with these CROs, SMOs and CDMOs pose a significant risk. If we are unable to secure alternative arrangements with other CROs, SMOs and CDMOs on commercially reasonable terms or within a suitable timeframe, our development timelines could be severely impacted. Because CROs, SMOs and CDMOs are not our employees, our ability to control the time and resources they dedicate to our programs is limited to the contractual remedies available to us. Should CROs, SMOs or CDMOs fail to fulfill their contractual duties, miss expected deadlines, or compromise data quality due to protocol deviations or regulatory non-compliance, our clinical trials could face extensions, delays, or even termination. This, in turn, could impede our ability to obtain regulatory approval and successfully commercialize our drug candidates. Errors or mistakes in experimental operations by our CROs, SMOs and CDMOs could also have a detrimental impact on our drug development projects. These challenges could adversely affect our operational results and commercial prospects, increase our costs, and delay our potential for revenue generation. The process of switching to or adding new CROs, SMOs or CDMOs can introduce additional costs and delays, and potentially affecting our ability to meet our clinical development timelines. There is no guarantee that we will not face similar challenges in the future, and these delays could have a material adverse effect on our business.

Our reliance on CDMOs for the production and testing of drug candidates supplied for clinical use exposes us to certain risks, including, but not limited to, the following: (i) our CDMOs may have limited capacity, which may affect the timeline for conducting clinical trials of our drugs; (ii) our CDMOs are subject to periodic inspections and other government regulations by the NMPA or other comparable regulatory authorities, including to ensure strict compliance with the GMP. We do not have full control over our CDMOs' compliance with these regulations and requirements; (iii) our CDMOs might be unable to timely perform our agreed tasks and may affect our clinical trial timeline and will ultimately affect our overall commercialization timeline; (iv) our CDMOs may not be able to execute our procedures and other logistical support requirements appropriately, or may otherwise fail to perform as agreed; (v) our CDMOs may fail to adequately secure, protect, maintain, defend, or enforce our intellectual property rights. Furthermore, they may misuse our intellectual property or proprietary information, leading to litigation that could jeopardize or invalidate our assets or expose us to potential liability; (vi) our CDMOs may infringe, misappropriate, or otherwise violate the patent, trade secret, or other intellectual property rights of third parties; (vii) our CDMOs may terminate their agreements with us; and (viii) the services provided by our CDMOs may not be readily provided by other CDMOs.

The success of our future revenue streams is intrinsically linked to our ability to collaborate effectively with partners in developing our drug candidates and securing regulatory approvals. These collaborations are vital for successfully bringing our drug candidates to market and ensuring their commercial success. We rely on these partners for various aspects, including R&D, clinical trials, management of regulatory filings and approvals, and commercialization efforts. Because we do not have direct control over our collaboration partners, we cannot guarantee that they will adequately and promptly fulfill their obligations. If these partners fail to successfully complete the necessary studies, our ability to obtain regulatory approval could be delayed, adversely affected, or

even prevented. We cannot guarantee the satisfactory performance of any of our collaboration partners, and any breach or termination of agreements could hinder our ability to successfully commercialize licensed drugs, which could materially and adversely affect our business, financial condition, cash flows, and results of operations.

Finally, we depend on third parties to conduct specific tests on our drug candidates before they are administered to patients. If these tests are not performed correctly or if the resulting data is unreliable, patients could be exposed to serious harm, and regulatory authorities could impose significant restrictions on our Company until the deficiencies are resolved.

If we cannot maintain or develop clinical collaborations and relationships with principal investigators, KOLs, physicians and other industry experts, our clinical development and future marketing of our products could be adversely affected.

Our collaborations with principal investigators, KOLs, physicians, and other industry experts are integral to our R&D and marketing efforts. We have established channels of communication with these stakeholders to obtain direct insights into trends in clinical practice. This approach is essential for developing drugs that meet market demands effectively. We aim to enhance collaborations with KOLs, top hospitals, and academic institutions, both in China and globally, to ensure timely access to research and support for our existing and future pipeline. Nonetheless, we cannot ensure that we will be able to sustain or enhance our clinical collaborations and relationships with principal investigators, KOLs, physicians, and other industry professionals. Furthermore, our endeavors to maintain or strengthen these connections may not necessarily result in the successful development and commercialization of new products. Industry participants may transition out of their positions, alter their business or practice areas, opt to discontinue collaboration with us, or decide to collaborate with our competitors instead. The market insights and perceptions they provide, which we consider in our R&D process, may occasionally be inaccurate and result in the creation of products with limited market potential. Even if their insights and perceptions are accurate, we may not succeed in developing commercially viable products. Industry participants might cease their collaboration with us or choose not to attend our conferences, and our marketing strategy may fail to produce results proportionate to our efforts spent. If we are unable to develop and maintain our relationships with industry participants as anticipated, our business, financial condition and results of operations may be materially and adversely affected.

Our drug development relies on a consistent supply of high-quality materials and manufacturing equipment from our suppliers. Disruptions to this supply chain or significant increases in the cost of these essential resources could have a material adverse effect on our business.

We rely on suppliers for the provision of raw materials, equipment, and products utilized in our R&D activities, and we anticipate this reliance will continue throughout the research, development, and commercialization phases of our drug candidates. Any disruption in production or the inability of our suppliers to meet our quantity requirements could adversely affect our operations and R&D progress. As we expand our business and commercialize our drug candidates, our demand for these materials is expected to increase, but there is no guarantee that our current suppliers will have the capacity to meet this growing demand. We also face the risk of increased costs, which we may not be able to pass on to customers, potentially reducing our profitability. Furthermore, there is the possibility of unidentified quality issues with raw materials and products before they are used in manufacturing. We cannot guarantee that our suppliers will maintain or renew all necessary licenses, permits, and approvals, or comply with all applicable laws and regulations. Failure to do so could lead to interruptions in their operations, resulting in shortages of raw materials and products for us, causing delays in clinical trials and regulatory filings, or even leading to product recalls. Suppliers' non-compliance could also expose us to potential product liability claims, result in our failure to comply with ongoing regulatory requirements, and cause us to incur significant costs, all of which could have a material adverse effect on our business, financial condition, and results of operations.

We may fail to realize the anticipated benefits of collaborations, alliances, or licensing arrangements, and disputes may arise with current or future partners.

To enhance our development and commercialization efforts, we may pursue collaborations, licensing arrangements, strategic alliances, joint ventures, or other collaborative opportunities, including in-licensing arrangements with third parties whose offerings complement our own. For example, during the Track Record Period, we have engaged CDMOs for providing clinical sample preparation, pre-marketing research, and post-marketing commercial production services for our products. These relationships may require us to incur non-recurring expenses and increase both our short- and long-term expenditures, as well as potentially disrupt our management and business operations. Our strategic collaborations involve inherent risks. We may not realize the anticipated revenue and cost synergies, which are subject to business, economic, and competitive uncertainties

and contingencies, many of which are unpredictable and beyond our control. Even if achieved, synergies may not materialize within the expected timeframe. Furthermore, the benefits of these collaborations may be offset by associated costs, increased expenses, operating losses, or unrelated business challenges. Consequently, there is no assurance that these synergies will be realized.

Our business may be subject to risks associated with supplier concentration.

Our supply chain exhibits moderate concentration, with purchases from our five largest suppliers in each year during the Track Record Period accounting for 51.65% and 41.15% of total purchases in 2024 and 2025, respectively. We cannot guarantee that our current suppliers will continue to provide supplies and services at prices and on terms acceptable to us. This moderate reliance on a limited number of suppliers may expose us to certain risk of unexpected price increases or supply shortages, which could have an adverse effect on our business, financial condition, and results of operations.

RISKS RELATING TO OUR INTELLECTUAL PROPERTY RIGHTS

The successful development and commercialization of our drug candidates is heavily reliant on obtaining and maintaining adequate global intellectual property protection. Should our intellectual property rights be inadequate in scope, competitors could directly challenge our market position, thereby imposing a material adverse effect on the development and commercialization of our products.

Our success is significantly dependent on our ability to protect our proprietary technology and drug candidates from competition through robust intellectual property rights, particularly patents. We actively pursue patent protection for commercially important technologies and drug candidates in various jurisdictions, including the PRC. However, the patent application process is costly and time-consuming, and we may face challenges in filing and prosecuting all necessary or desirable patent applications within reasonable timeframes or at acceptable costs.

There is no guarantee that our patent applications will be approved. Furthermore, we may fail to identify patentable aspects of our R&D efforts in time to secure patent protection. Consequently, we may be unable to prevent competitors from developing and commercializing competing products across all relevant fields and territories. Patents may be invalidated, and applications rejected, due to deficiencies in the applications themselves or due to a lack of novelty or inventiveness in the underlying technology. We utilize non-disclosure and confidentiality agreements, or include such clauses in agreements with parties accessing confidential or patentable aspects of our R&D. However, violations of these agreements could negatively affect our ability to obtain patent protection. Additionally, under PRC patent law, reporting requirements to the China National Intellectual Property Administration ("**CNIPA**") regarding foreign patent applications for inventions made in China are mandatory; failure to comply could result in denial of patent rights in China. These factors could materially and adversely affect our competitive position, business, financial condition, results of operations, and prospects.

The success of our patent applications is not guaranteed. Any patent rights granted to us or our licensing partners are subject to potential challenges and subsequent invalidation which could impact our ability to commercialize our products and technologies.

The process of obtaining and enforcing patent rights is complex and is subject to considerable uncertainty. There is no assurance that our current or future patent applications, whether owned or in-licensed, will result in issued patents. Even if patents are granted, their scope and form may not provide meaningful protection against competitors or offer a substantial competitive advantage. The breadth of claims within a patent application can be significantly reduced prior to issuance, and interpretations of patent scope can evolve after issuance. Furthermore, changes in patent laws or their interpretation in China and other jurisdictions could diminish the value or narrow the scope of our patent protection.

Even after a patent is granted, its inventorship, scope, validity, and enforceability remain open to challenge. Our patent rights, therefore, are subject to potential disputes in courts and patent offices across various jurisdictions, including China. For instance, if we or a licensor initiates legal action to enforce a patent, the defendant could counterclaim that the patent is invalid or unenforceable. Such challenges to validity could be based on arguments that the patent fails to meet statutory requirements such as novelty, non-obviousness, adequate description, or enablement. Unenforceability claims might allege that material information was withheld or misleading statements were made during the patent prosecution process. Furthermore, third parties may initiate patent invalidity claims before administrative bodies in China and other jurisdictions, even outside the context of litigation, through mechanisms like re-examination, inter partes review, and opposition proceedings. The outcome of these legal assertions is uncertain. These proceedings could

lead to the revocation or amendment of our patents, potentially diminishing their ability to protect our drug candidates. Even if a third party's challenge is unsuccessful, our patent claims may be interpreted in a way that limits our ability to enforce them.

Our ability to secure and maintain patent protection hinges on adherence to numerous procedural requirements, including timely document submissions and fee payments, mandated by governmental patent agencies. Failure to comply with these requirements could result in the reduction or loss of our patent protection.

The protection afforded by our patents and patent applications is contingent upon strict adherence to administrative and financial requirements. Periodic maintenance fees, renewal fees, annuity fees, and other governmental fees are due to the CNIPA and other patent regulatory authorities throughout the lifespan of a patent. These patent regulatory authorities also mandate compliance with various procedural, documentary, and fee payment requirements during the patent application and maintenance process.

Our licensed intellectual property is also subject to these requirements, and we depend on our licensing agents to take the necessary actions to maintain these patents. Non-compliance with these requirements can result in the abandonment or lapse of a patent or patent application, leading to the partial or complete loss of patent rights in the relevant jurisdiction. Non-compliance events include failure to respond to official actions, non-payment of fees, and failure to properly legalize and submit formal documents.

The loss of patent rights due to non-compliance could allow our competitors to enter the market, which would have a material adverse effect on our business.

We face the risk of becoming involved in intellectual property litigation, both as a plaintiff seeking to protect or enforce our rights and as a defendant facing claims of infringement, misappropriation, or other violations of third-party intellectual property rights. Such litigation could be expensive, time-consuming, and ultimately unsuccessful, and potentially adversely impacting our business operations.

The pharmaceutical industry is characterized by extensive litigation regarding patents and other intellectual property rights. Commercial success for our drug candidates depends on our ability to operate freely within the intellectual property landscape of the pharmaceutical industry. This requires developing, manufacturing, marketing, and selling our products without infringing, misappropriating, or violating the intellectual property rights of others. However, given the industry's litigious nature, we cannot guarantee that our drug candidates or their uses will not infringe upon the patents or intellectual property rights of third parties. It is also possible that we have not identified, or may in the future fail to identify, relevant patents or patent applications held by third parties that cover our drug candidates. Moreover, published pending patent applications can be amended, potentially extending their scope to cover our products or their use.

We may face allegations of infringing patent rights, misappropriating trade secrets, or otherwise violating intellectual property rights. These claims could lead to litigation involving our Company and/or parties for whom we have assumed indemnification obligations. Parties asserting these claims may seek injunctive or equitable relief, which could impede our ability to continue the development and commercialization of our drug candidates. Defending against such claims, regardless of their underlying merit, would require significant financial resources for litigation and divert the attention of key management and employees. Even with a strong conviction that third-party intellectual property claims are without merit, the risk of an unfavorable court decision persists. An adverse ruling could have a materially adverse effect on our ability to commercialize our products and technologies. Obtaining licenses from third parties could involve the payment of substantial license fees and royalties. However, such licenses may not be available on commercially reasonable terms, or at all. Furthermore, even if we are successful in obtaining a license, it may not grant us exclusive rights, potentially allowing our competitors to access to the same intellectual property. The license agreement could impose significant ongoing financial obligations in the form of licensing and royalty payments. Our inability to secure necessary licenses on acceptable terms could prevent us from commercializing future approved drugs or even force us to cease certain aspects of our business operations. Moreover, we could be held liable for significant monetary damages, including the possibility of damages and lawyers' fees, if we are found to have wilfully infringed a third party's patent.

According to the freedom-to-operate ("**FTO**") analysis conducted on our Core Product and Key Product, there are currently no identified issued patents that would inhibit our ability to conduct R&D or commercialization of these products in China. FTO analysis involves conducting a comprehensive patent search to assess whether a company's product is subject to existing patent protections, and to evaluate the risk of potential infringement on current patents. Nevertheless, the scope of FTO search may be extensive, and it is important to recognize that all patent databases

possess inherent limitations. Patent applications typically remain unpublished for up to 18 months from their earliest filing date, which means that earlier-filed, unpublished patent applications may create an infringement risk. Therefore, we cannot guarantee that our FTO search and analysis have exhaustively reviewed all the existing and future patents that potentially cover our products. There may also be third-party patents or patent applications of which we are currently unaware. With the growth of the pharmaceutical industry and more patents issued, the risk of our drug candidates infringing others' patents increases. FTO analysis is a complex process that requires considerable expertise to assess the scope, validity, and enforceability of patents. There is no guarantee that a court would concur with our assessment or rule in our favor on infringement matters, and legal outcomes regarding patent infringement remain inherently unpredictable.

Irrespective of the outcome, defending against claims pertaining to patent infringement, misappropriation of trade secrets, or other violations of intellectual property rights can be both costly and time-consuming. Even if we are ultimately successful in our defense or reach an early settlement, such litigation could have a significant and unanticipated adverse effect on our business.

We, our senior management and Directors may be involved in claims, disputes, litigation, arbitration or other legal proceedings in the ordinary course of business.

We, our senior management or Directors may become party to claims, disputes, litigation, arbitration or other legal proceedings arising in the ordinary course of our business. These may concern issues relating to product liability, environmental matters, breach of contract, employment or labor disputes and intellectual property rights. Involvement in claims, disputes, litigation, arbitration or other legal proceedings may distract our senior management's or Directors' attention and consume our time and other resources. Furthermore, any claims, disputes, litigation, arbitration or other legal proceedings which are initially not of material importance may escalate due to the facts and circumstances of the cases, the likelihood of winning or losing, the monetary amount at stake and the parties concerned. If we cannot successfully defend ourselves against the claims, we may incur substantial liabilities or be required to limit commercialization of our pipeline products. In addition, negative publicity arising from claims, disputes, litigation, arbitration or other legal proceedings may damage our reputation and adversely affect the image of our brands and products.

Priority or inventorship disputes could challenge our patents and intellectual property. If unsuccessful, we may need to license technology from third parties on unfavorable terms, or cease developing and commercializing certain drug candidates.

The integrity of our intellectual property is subject to potential claims from various sources. We, or our collaboration partners, may face claims from former employees, collaboration partners, or other third parties asserting an interest in our owned patents or other intellectual property. Such claims could trigger interference proceedings or other priority, inventorship, or validity disputes. An unfavorable outcome in these disputes could result in the loss of valuable intellectual property rights, including the loss of patents, exclusive ownership, or the narrowing, invalidation, or unenforceability of our patent claims. As a consequence, we may be required to obtain and maintain licenses from third parties, including those involved in these disputes, to continue the development, manufacture, and commercialization of one or more of our drug candidates. However, such licenses may not be available on commercially reasonable terms, or at all, or they may be non-exclusive. If we cannot obtain and maintain these licenses, we may need to modify or cease the development, manufacture, and commercialization of one or more of our drug candidates. Even if we are successful in an interference proceeding or other similar dispute, it could result in substantial costs and divert the attention of our management and other employees.

We may engage third-party contractors, including CROs, to support our drug candidate R&D. There is no assurance that these contractors will not transfer our drug candidates to other third parties without our permission. Such unauthorized transfers could lead to the loss or restriction of our intellectual property rights, thereby adversely impacting our ability to develop, manufacture, and commercialize our drug candidates.

While we strategically pursue intellectual property protection for our drug candidates worldwide, inherent limitations in global enforcement and varying legal standards create vulnerabilities that could adversely affect our business.

The costs associated with securing and defending patent protection for our drug candidates worldwide are substantial, and the legal frameworks governing intellectual property rights vary widely across different jurisdictions. The scope and strength of intellectual property protection vary significantly between countries and jurisdictions. One concern is the potential for competitors to exploit these disparities. They may choose to operate in countries where we lack patent protection or to export infringing products to markets where enforcement is weak. Such actions could directly threaten the commercial viability of our drug candidates, and our intellectual property rights may prove insufficient to prevent such activities. Legal systems in some jurisdictions do not strongly

support the enforcement of patents, trade secrets, and other intellectual property, especially in the biopharmaceutical sector, making it difficult to stop infringement. While we actively pursue enforcement actions when necessary, such proceedings can be costly and may not always result in commercially meaningful outcomes. These factors could materially and adversely affect our business, financial condition, results of operations and prospects.

Even with successful patent protection for our drug candidates, the limited term of protection raises the possibility that third parties could develop competing products after our patent rights expire, potentially materially and adversely affecting our commercialization efforts.

Our business faces inherent risks related to the limitations of patent protection. A primary concern is the finite lifespan of patents, typically 20 years for inventions, 10 years for utilities and 15 years for designs from the filing date in China. This means that our drug candidates will eventually be subject to generic or biosimilar competition. The validity and enforceability of our patents can be challenged by generic or biosimilar manufacturers through legal proceedings or patent office actions. Successfully defending our intellectual property rights is not guaranteed, and failure to do so could prevent us from exclusively developing or marketing the relevant drug candidate. The expiration of existing patents and those that may issue in the future will limit our ability to prevent competitors from commercializing similar products, potentially adversely affecting our financial performance. Given the lengthy development and regulatory review process for new drugs, patents may expire before or shortly after commercialization, further reducing our competitive advantage.

Competitors may initiate legal or administrative proceedings to invalidate or limit the scope of our patent claims. Successfully defending against these challenges is not assured, and an adverse outcome could allow competitors to market competing products. The expiration of our patents, combined with the possibility of successful challenges, could materially harm our competitive position and financial performance. Some of our patents and patent applications may in the future be co-owned with third parties. If we cannot obtain exclusive licenses to these co-owned patents, our co-owners may license their rights to competitors. Enforcing these patents may require the cooperation of our co-owners, which may not be guaranteed. These factors, in conjunction with the inherent limitations of patent protection, could have a materially adverse effect on our business, financial condition, results of operations and prospects.

Inadequate trademark protection could result in brand dilution, increased competition, and a diminished ability to build name recognition, ultimately having a material adverse effect on our business.

We currently possess issued trademark registrations and have pending applications; however, these are susceptible to objections from governmental bodies or third parties, potentially hindering registration or maintenance. There is no guarantee that pending or future trademark applications will be approved, and we may face rejections during the registration process that prove insurmountable. Furthermore, opposition or cancellation proceedings may be initiated by third parties before the CNIPA, or similar agencies in other jurisdictions, challenging our trademarks' validity. Unsuccessful trademark protection for our core brands could necessitate brand name changes, thereby materially and adversely affecting our business. As our products mature, the importance of trademarks in differentiating us from competitors will increase. Failure to prevent infringement, dilution, or other violations of our trademark rights, or to counter unfair competition or defamation, could have a material adverse effect on our business. We actively monitor and defend our trademarks, but there is a risk that our trademarks or trade names may be challenged, infringed, circumvented, declared generic, or found to infringe upon other trademarks. Protecting our trademark rights is crucial for building brand recognition among partners and customers. Competitors may adopt similar trademarks, hindering our brand development and causing market confusion. We also face potential infringement claims from owners of similar registered trademarks or trade names. If we cannot establish strong name recognition, our ability to compete effectively and our business may be adversely affected. We are actively working to mitigate these risks through diligent trademark monitoring and enforcement.

Inability to protect our trade secrets and confidential know-how will adversely affect our business and competitive position. We may face potential claims of misappropriation by our personnel and challenges to our intellectual property ownership, and these could adversely affect our business and future prospects.

Protecting our drug candidates and maintaining our competitive position relies heavily on both our patent portfolio and the safeguarding of trade secrets and confidential information, including unpatented know-how and proprietary technology. We enter into confidentiality agreements with employees, collaborators, and other third parties. However, these agreements may not be fully effective in preventing unauthorized disclosure or use of our trade secrets, and monitoring

compliance is difficult. Breaches of these agreements could lead to the loss of our proprietary information, allowing competitors to gain an advantage. Enforcing trade secret claims is complex, costly and unpredictable, and the legal protection for trade secrets may vary across jurisdictions.

Our personnel, including senior management, may have prior obligations to other companies, potentially leading to claims of intellectual property misappropriation. Defending against such claims, even if successful, can be costly and distracting, and adverse outcomes could result in monetary damages, loss of intellectual property rights, or the need to obtain licenses on unfavorable terms. Such claims could also lead to the loss of key personnel or impede our ability to hire and contract. We may also face the risk of claims from former employees or third parties asserting ownership rights in our patents or patent applications, which could limit our exclusivity and freedom to operate. Any of these outcomes could have a material adverse effect on our business, financial condition, results of operations and prospects.

Changes in patent and other intellectual property laws in China, and other jurisdictions could jeopardize our patent rights, impairing our ability to protect our drug candidates and increasing infringement risks, ultimately adversely affect our product commercialization.

Intellectual property, especially patents, is crucial to our success. Securing and enforcing these patents in the pharmaceutical and biopharmaceutical industries is complex, costly, time-consuming, and inherently uncertain. Changes in patent laws or their interpretation in China and other jurisdictions can raise these uncertainties, increase the financial burden associated with patent prosecution, diminish our ability to protect our inventions, and adversely affect the value or scope of our patent rights. The evolving legal landscape, marked by developments such as the amendments to the Patent Law of the PRC (introducing patent term compensation) presents potential risks to our commercialization efforts. Such amendments could lead to extended patent protection for competitors, potentially creating infringement obstacles for our products. These factors underscore the challenges and risks associated with protecting our intellectual property in a dynamic global environment.

Our intellectual property rights, while crucial, do not guarantee complete protection and we remain exposed to risks that could adversely affect our business.

Protecting our intellectual property is subject to inherent uncertainties due to the varying legal systems across different countries, regions and jurisdictions. The limitations of intellectual property protection may not fully safeguard our business or ensure a competitive edge. Competitors may develop similar products or technologies that circumvent our patents. We may face challenges if we or our collaborators were not the first to invent or file patent applications. Competitors could independently develop or duplicate our technologies without violating our intellectual property rights. Our patent applications may not result in issued patents, or issued patents may not provide a competitive advantage or may be invalidated. Competitors' R&D activities in countries lacking our patent protection also pose a risk. The limited lifespan of patents and our reliance on trade secrets further exacerbate these challenges. These potential events could materially and adversely affect our business, financial condition, results of operations and prospects.

RISKS RELATING TO OUR FINANCIAL POSITION AND NEED FOR ADDITIONAL CAPITAL

Even if we successfully complete the Global Offering, we may need to secure additional financing to sustain our operations and advance our R&D efforts, as a lack of sufficient funds could materially and adversely affect the development and commercialization of our key drug candidates.

To sustain our ongoing operational needs, we anticipate requiring additional cash resources in the future, particularly to support our R&D initiatives. Our primary cash operating expenses are associated with the R&D of our drug candidates. These expenses encompass non-clinical studies and CMC costs, clinical trial expenses and employee benefit expense. For a comprehensive breakdown of these cash operating costs, see "Financial Information — Cash Operating Costs."

We expect to continue incurring significant expenditures in drug discovery, the advancement of clinical development for our candidates, and the commercialization of any drugs that receive regulatory approval. Should the financial resources available to us after Listing prove inadequate to meet our cash requirements, we may pursue additional funding through equity offerings, debt financing, collaborative partnerships, and licensing agreements. However, there is no guarantee that such financing will be accessible or offered under favorable terms. A failure to secure the necessary capital could materially and adversely impact our business operations, financial condition and future prospects.

Our R&D expenses for ongoing products are recognized until new drug approval, and while substantial investments in pre-clinical research and clinical trials are essential for future drug launches, this may result in significant operating losses that could adversely affect our performance.

During the Track Record Period, we heavily invested in pre-clinical research and clinical trials. For the years ended December 31, 2024 and 2025, our research and development costs amounted to RMB98.1 million and RMB126.6 million, respectively. As of the Latest Practicable Date, we have two drug candidates in our pipeline that are currently undergoing clinical trials. In the future, ongoing and substantial R&D investment will be crucial for completing pre-clinical studies, conducting pharmaceutical research, and preparing for the launch of new drugs. Under our accounting policies, all related R&D costs will be treated as expenses, which is expected to result in significant and increasing operating losses. This trend may adversely impact our future performance.

We have historically experienced net losses and operating cash outflows, and we may not achieve or sustain profitability in the foreseeable future.

Investment in the biopharmaceutical sector is inherently unpredictable regarding commercial success, requiring substantial upfront capital and carrying significant risks, including the potential failure of drug candidates to secure regulatory approval or achieve commercial viability. Since our inception, we have incurred losses and net operating cash outflows in every reporting period. Specifically, for the years ended December 31, 2024 and 2025, we reported losses of RMB137.3 million and RMB175.6 million, respectively. The majority of these losses stem from expenses related to our R&D initiatives, along with administrative costs associated with our operations.

Looking ahead, we anticipate continuing losses, which we expect to increase as we expand our R&D efforts and enhance our sales and marketing activities. Our net cash flows used in operating activities amounted to RMB104.1 million and RMB121.0 million for the years ended December 31, 2024 and 2025, respectively. For an analysis of our operating cash flow, see "Financial Information — Liquidity and Capital Resources — Cash Flows — Net Cash Used in Operating Activities."

The negative operating cash flow may necessitate additional financing to meet our obligations and support our growth plans. We cannot guarantee that we will have sufficient cash from other sources to fund our operations. Should we seek alternative financing, we will incur additional costs, and there is no assurance that we will secure funding on acceptable terms. If we fail to generate adequate cash flow from our operations or secure sufficient external funding, our liquidity and financial condition could be materially and adversely affected, hindering our ability to expand as planned. Prolonged net operating cash outflows could leave us without sufficient working capital to cover our operational costs, materially adversely affecting our business, financial condition and results of operations.

We recorded net liabilities during the Track Record Period.

As of December 31, 2024 and 2025, we recorded net liabilities of RMB330.3 million and net assets of RMB140.5 million, respectively. The net liabilities as of December 31, 2024 was primarily due to our redemption liabilities from various rounds of Pre-IPO Investments by our Pre-IPO Investors since 2021. We cannot assure you that we will not record net liabilities in the future. Net liabilities positions may expose us to certain liquidity risks and may constrain our operational flexibility, as well as adversely affect our ability to expand our business. If we do not have sufficient working capital to meet future financial needs, we may need to resort to external funding. Our inability to obtain additional external funding on a timely basis and on acceptable terms, or at all, may force us to abandon our development and expansion plans, and our businesses, financial positions and results of operations may be materially and adversely affected.

We face risks related to fluctuations in the fair value of financial assets measured at fair value through profit or loss ("FVTPL") and associated valuation uncertainties.

As of December 31, 2024 and 2025, our financial assets measured at FVTPL were RMB40.1 million and RMB95.2 million, respectively. These assets primarily consisted of structured deposits issued by major commercial banks in the PRC. These structured deposits offer a guaranteed principal along with an additional floating return, which will be paid alongside the principal upon maturity. It is important to note that we cannot guarantee future fair value gains; our financial assets may also experience fair value losses, influenced by factors beyond our control, including macroeconomic conditions.

Share-based payments may dilute shareholder interests and adversely affect financial performance due to associated costs and the potential issuance of additional H Shares.

We established an employee incentive platform and adopted share award schemes for the purpose of providing incentives and rewards to eligible employees who contribute to the success of our Group's operations. For further details, see section headed "History, Development and Corporate Structure — Employee Incentive Platform" in this prospectus. In 2024 and 2025, our share-based payment expenses of RMB726,000 and RMB8.8 million were charged to profit or loss, respectively.

In our efforts to further motivate our employees, we may incur additional share-based payment expenses in the future. These expenses could elevate our operating costs, adversely affecting our financial performance. Additionally, issuing more H Shares related to these payments might dilute our shareholders' shareholding and could result in a decline in the value of our H Shares.

OTHER RISKS RELATING TO OUR OPERATIONS

The loss of key senior management members or our inability to attract and retain skilled personnel may adversely affect our business operations and commercialization progress.

We are highly dependent on the continuing efforts, expertise and insights of our senior management and key research and development personnel. Future success will depend on the ability to recruit and retain highly qualified drug discovery, pre-clinical research, clinical development, regulatory affairs, manufacturing, and sales personnel. The departure of any key individual could impede the development of drug candidates and delay the achievement of commercialization objectives. In particular, if we fail to attract, retain or adequately incentivize these personnel, or if any key personnel resigns or becomes unable to continue in his or her current role, the development of our drug candidates, the execution of our research and development programs and the achievement of our commercialization objectives could be materially delayed or impaired. The competitive nature of the pharmaceutical industry presents potential risks moving forward. The pool of qualified candidates is limited, and the loss of senior management or other critical research and development personnel may create difficulties in finding timely replacements. Such disruptions could materially adversely affect operational continuity and overall business performance. We may not attract and retain qualified employees under favorable terms, which could adversely affect our commercialization progress.

We may face lawsuits and legal proceedings that could adversely affect our business operations, financial condition, and reputation.

We may occasionally face legal proceedings and claims arising from normal business activities or regulatory enforcement, which could lead to significant costs and divert management's attention. Liabilities from the legal proceedings and claims may exceed insurance coverage, or insurance may not cover all claim scenarios. Difficulty in maintaining affordable insurance could result in uninsured claims, and potentially impacting the company's financial condition and reputation.

Our limited insurance coverage may lead to significant costs and resource diversion if claims exceed these limits.

We maintain insurance policies that comply with PRC laws and regulations, tailored to our operational needs and industry standards. However, due to cost efficiency concerns and common industry practice in the PRC, we may decide not to carry certain types of insurance. As a result, our coverage might not be adequate to address all potential claims. Any liabilities or damages that exceed our insurance limits could lead to significant expenses and resource diversion, adversely affecting our drug development efforts and overall business operations.

While we benefit from government grants and preferential tax treatments, the expiration or modification of these incentives, or our failure to comply with their conditions, could adversely affect our financial performance.

Historically, we have utilized government grants, subsidies, and preferential policies as incentives to support our R&D and financing efforts. We recognized government grants of RMB1.2 million, and RMB3.0 million for the years ended December 31, 2024 and 2025. For further details on government grants from the PRC local government authorities, see section headed "Financial Information — Description of Certain Key Items of the Consolidated Statements of Profit or Loss and Other Comprehensive Income — Other Income and Gains" in this prospectus. However, there is no assurance that our grant application will be successful or that we will continue to meet the qualifications for these grants or tax benefits after the expiration, which could adversely affect our

operations and financial results. Additionally, some government financial incentives are project-based and contingent on meeting specific conditions, including compliance with relevant agreements and project completion. If we fail to meet these conditions, we may lose part or all of the incentives, and adversely affecting our financial performance.

Increasing labor costs may adversely affect our growth and operations.

Our entire workforce is situated in China, where labor costs have been increasing consistently due to inflation, mandated wage hikes, and evolving labor laws. Future adjustments to these regulations by the PRC government could adversely affect our operations. As China's economy grows, we expect labor costs to continue rising, which may necessitate higher wage offerings in order to attract talent, and ultimately increasing our labor expenditures.

Our operations and business are at risk from health epidemics, natural disasters, acts of war, and terrorism, which could adversely affect our financial stability and operational effectiveness.

Health epidemics, natural disasters, acts of war, terrorism, and other force majeure events could adversely impact our operations and business plans. Similar future events, such as significant natural disasters or epidemics, along with government responses, could materially and adversely affect our business, finance and operations. Our operations are also at risk from various threats, including floods, earthquakes, sandstorms, snowstorms, fires, droughts, resource shortages, and system malfunctions. Furthermore, the impacts of wars or terrorist attacks could result in loss of life, injuries, asset destruction and serious business disruption. These challenges could harm our employees, disrupt our business networks and jeopardize our markets. These unforeseen factors could negatively influence the overall business climate, create uncertainties in our operational regions, and have a material adverse effect on our finances and results of operations. We cannot assure that future occurrences of these events will not significantly disrupt our operations or those of our customers, which potentially lead to materially adverse effects on our business and financial results.

We may encounter fraud, bribery, or misconduct by employees and third parties, which could lead to financial losses and regulatory sanctions, adversely affecting our reputation.

We may face risks related to fraud, bribery, or other misconduct by our employees or third parties, which could lead to financial losses and sanctions from governmental authorities, and ultimately damaging our reputation. During the Track Record Period and up to the Latest Practicable Date, we have not identified any instances of fraud, bribery or misconduct that significantly impacted our business operations. However, we cannot guarantee that such occurrences will not happen in the future. Our ability to prevent, detect, or deter misconduct by our employees or third parties may be limited. Any such actions against our interests, whether past undetected incidents or future misconduct, could have a materially adverse effect on our business, financial results and reputation.

We are subject to strict regulations on biopharmaceutical R&D imposed by governmental agencies in the PRC and other jurisdictions, any failure by us, our CROs, or contracting parties to secure the required licenses or permits could lead to research termination, penalties, or disqualified data, which adversely affect our business, reputation, and financial condition.

Governmental agencies in the PRC and other jurisdictions impose strict regulations on biopharmaceutical R&D. We must obtain and renew various licenses and permits to operate legally, with some requiring periodic reassessment that may change over time. Any failure to secure these could lead to enforcement actions or fines, and adversely affecting our financial condition and results of operations.

We depend on leased premises for our operations in China, which subjects us to leasing-related risks.

We lease premises in China for our operations. There is a risk that our lessors may lack valid title or legal rights to these properties, and they may not have followed all necessary leasing procedures. As our leases expire, we could face challenges in renewing them on commercially acceptable terms, which might force us to close offices or facilities. Inability to secure new leases or renew existing ones could materially and adversely affect our business, finances and operations.

Our IT systems and those of our partners are vulnerable to cyber threats, potentially disrupting operations and delaying drug development, which would materially and adversely affect our business and finances.

Our information technology systems, as well as those of our CROs and other business partners, are vulnerable to threats such as computer viruses, unauthorized access, cyber-attacks, natural disasters, terrorism, war and telecommunication failures. Should such an event occur, it could disrupt our operations and materially and adversely affecting our R&D progress. Disruption or security breach leads to data loss or damage, or inappropriate disclosure of confidential information, may expose us to legal liabilities and significantly delay the development of our drug candidates. These threats may require us to allocate extra resources to protect our IT systems, which impose a material adverse effect on our business, finances, and operations.

Our reputation is vital to our business success, and any negative media coverage can harm our Company and stakeholders, requiring significant resources for management and potentially adversely affecting our business.

From time to time, our Company, shareholders, directors, officers, employees, collaboration partners, suppliers, and other affiliated parties, may be exposed to adverse media coverage. Such coverage has the potential to damage our reputation significantly. If any associated individuals or entities do not comply with laws and regulations, we could face further reputational harm as a result of negative publicity. Negative publicity regarding our industry may also have adverse effect on our public image and commercial success. As a result, we might find ourselves needing to invest considerable time and financial resources to mitigate these reputational threats. There is no assurance that we will be able to address these threats promptly or effectively, which could lead to material and adverse effects on our business performance, financial condition and outlook.

Failure to pay social insurance premiums and housing provident funds on behalf of our employees in accordance with applicable laws and regulations may subject us to penalties.

Under the Social Insurance Law of the People's Republic of China and the Regulations on the Management of the Housing Provident Fund, all employers in China are required to contribute, on behalf of their employees, to a number of social security funds, including funds for basic pension insurance, unemployment insurance, maternity insurance, occupational injury insurance and medical insurance, as well as a housing provident fund and other welfare plans. During the Track Record Period and up to the Latest Practicable Date, we had made the necessary contributions for our employees, which covered retirement, medical care, work-related injuries, maternity, and unemployment benefits, as well as housing provident funds. However, any failure to make timely and adequate contributions could result in corrective orders from the relevant authorities, requiring employers to address the shortfall within a specified timeframe. Non-compliance may also lead to additional fines or penalties. Pursuant to the Interpretation II of the Supreme People's Court of Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》), any agreement between an employer and an employee for the non-payment of social insurance or any employee undertaking to waive such payment shall be determined as void by the People's Court. Therefore, if a company fails to pay social insurance and housing fund contributions directly for its employees, it may face penalties from government authorities. These penalties can include making back payments, paying overdue fines, facing additional financial penalties, and being ordered to rectify the situation.

During the Track Record Period, we engaged a third-party agency to pay social insurance premiums and housing provident funds for certain employees, which was not in strict compliance with applicable PRC laws and regulations. See "Business — Legal Proceedings and Compliance — Third-party agency contribution to social insurance and housing provident funds." As advised by our PRC Legal Advisor, if the validity of such arrangements is challenged by competent PRC authorities, we might be subject to additional contributions, late payment fees and/or penalties required by relevant PRC laws and regulations for failing to discharge our obligations in relation to payment of social insurance and housing provident funds as an employer or be ordered to rectify such practice. We cannot assure you that relevant competent government authorities will not take the view that such third-party agency arrangement does not satisfy the requirements under the relevant PRC laws and regulations. We might also be subject to labor disputes arising from such arrangement with the relevant employees.

Our comprehensive risk management and internal control measures may not provide complete protection against the various risks inherent in our business.

We have implemented comprehensive risk management and internal control measures that include relevant organizational policies, risk management strategies, and risk control procedures. These measures are designed to address our primary risk exposures, including operational, legal, and financial risks. Any shortcomings in identifying or mitigating potential risks could materially and adversely affect our business, financial condition and operational results.

RISKS RELATING TO GOVERNMENT REGULATIONS

The regulatory frameworks overseeing research, development, manufacturing, and commercialization of our drug candidates are complex and subject to change, and non-compliance could materially adversely affect our business, finance and operations.

In the jurisdictions where we plan to develop and commercialize our drug candidates, regulations are both extensive and stringent. Supervisory bodies pay close attention to every material aspect of research, development, manufacturing, and commercialization activities. Initially, we will concentrate our efforts in China while simultaneously exploring opportunities in the global market. Both the pharmaceutical and biopharmaceutical industries in these jurisdictions face stringent regulations throughout the entire process from drug development to distribution. The differences in regulatory regimes in different jurisdictions present a complex and costly compliance burden for us as we aim to operate in these jurisdictions. Obtaining regulatory approvals and ensuring ongoing compliance demand considerable time and financial resources. Additionally, any recently enacted and future legislations may further complicate the approval process and escalate costs, and potentially adversely impacting on the pricing of our products.

Changes in regulations or practices within the pharmaceutical and biopharmaceutical industries, whether through relaxed requirements that lower barriers for competitors or increased standards that complicate our compliance, could materially and adversely affect our business, financial condition, operational results, and future prospects.

Our facilities are subject to periodic inspections, both scheduled and unscheduled, to assess regulatory compliance. During the Track Record Period and up to the Latest Practicable Date, we had not received any concerns or warnings from the regulators. Failure to meet regulatory requirements in our operating jurisdictions could lead to administrative or judicial sanctions, such as application refusals, approval withdrawals, license revocations, product recalls and fines. Any of these issues could materially adversely affect our business, financial condition and prospects.

Delays and uncertainties in regulatory approval processes of authorities could jeopardize our ability to market our drug candidates and materially adversely affect our business.

Bringing our drug candidates to market demands substantial time, effort and financial resources to navigate the regulatory process and we cannot guarantee approval for any of our candidates. Timelines for obtaining approvals from authorities such as the NMPA are often unpredictable, influenced by various factors, including the discretion of regulatory bodies. The duration needed to secure approvals from the NMPA, and other similar regulatory bodies is uncertain but generally spans 10 to 15 years after the start of pre-clinical studies and clinical trials. This timeframe varies based on a number of factors, including the significant discretion exercised by the regulatory authorities.

We may experience delays or fail to receive regulatory approvals from the NMPA, or other comparable authorities for our drug candidates due to many reasons, including: (i) failure to commence or complete clinical trials due to disagreements with regulatory authorities; (ii) inability to demonstrate that a drug candidate is safe and effective, or that it is safe, pure, and potent for its proposed indication; (iii) clinical trial results not meeting the required statistical significance; (iv) data integrity issues; (v) disagreements over interpretation of data from pre-clinical studies or clinical trials; (vi) failure to conduct a clinical trial in accordance with regulatory requirements or protocols; and (vii) deviations from the trial protocol by clinical sites, investigators, or other participants, including failing to comply with regulatory requirements or dropping out of a trial. Furthermore, it is not unusual for the NMPA, or similar regulatory authorities to request additional information. This may include further analyses, reports, data, non-clinical studies, clinical trials, or inquiries concerning the interpretations of data and results. Such requests can potentially extend, delay, or hinder approval and affect our commercialization efforts. In addition, we may opt to discontinue certain development programs due to the additional requests from regulatory authorities which are too onerous for us to follow. Changes in regulations might require protocol amendments, affecting costs and timelines. If we cannot adapt to these evolving requirements or maintain compliance, we may lose approvals and fail to market our product. Approval in one country or

jurisdiction does not ensure approval in another, as procedures vary significantly and may require further testing and validation. Seeking international approvals can lead to substantial delays and increased costs, necessitating additional pre-clinical studies or trials.

Delays in clinical trials can adversely affect the commercial prospects of our drug candidates, and diminishing our ability to generate revenue. Moreover, factors causing these delays may also result in regulatory denial, thereby materially adversely affect our business, finance and prospect. We cannot guarantee that we will meet regulatory requirements across various jurisdictions, nor can we ensure that our drug candidates will be approved for sale in those regions. Furthermore, additional time, effort, and expense may be necessary to introduce our drug candidates, upon regulatory approval, to international markets in accordance with diverse regulatory processes.

Following the approval of our drug candidates, we will be required to adhere to extensive regulatory obligations, and failure to comply or address unforeseen issues could lead to significant costs and materially adversely affect our business prospects.

Upon receiving approval from the NMPA, or similar regulatory bodies for our drug candidates, we will face extensive ongoing requirements related to manufacturing processes, labelling, packaging, storage, distribution, adverse event reporting, advertising, promotion, and post-marketing studies. These obligations include submitting safety reports, conducting random quality control tests, and adhering to current Good Clinical Practices ("**GCP**") and other regulatory standards.

Drug approvals may come with specific limitations on their intended uses, and we may be obligated to conduct costly post-marketing studies to monitor ongoing safety and efficacy. There is a possibility that previously unknown issues with our drug candidates may be discovered after approval. These issues could include problems relating to third-party manufacturers, manufacturing processes, or non-compliance with regulatory requirements. If any of these issues arise, the consequences may be significant. We could face restrictions on the marketing or manufacturing of our drugs, leading to the withdrawal of products from the market or voluntary and mandatory recalls. Regulatory penalties might include fines, warning letters, or holds on clinical trials. Additionally, the NMPA or comparable regulatory authorities may refuse to approve pending applications or supplements, or they could suspend or revoke our existing licenses. There is also the potential for product seizure or detention, as well as restrictions on the import or export of our drug candidates. Moreover, we may encounter legal actions resulting in injunctions or civil, administrative, or criminal penalties.

Our marketing practices are subject to stringent regulations, especially regarding off-label promotion. Any errors in this area could result in significant legal consequences and harm our reputation. Furthermore, changes in the regulatory environment may complicate or delay our approval processes. If we do not meet these compliance requirements, we risk losing our existing approvals and jeopardizing our profitability, which could have a material adverse effect on our business, finance, operations and prospects. Additionally, shifts in regulatory policies or the introduction of new regulations could impede or delay the approval processes for our drug candidates. Failure to maintain compliance could result in the loss of already obtained approvals and hinder our ability to achieve or sustain profitability, ultimately having a material adverse effect on our business, finance, operations and prospects.

We are subject to complex data protection and privacy regulations that require significant resources to manage, and failure to comply may lead to liabilities that could materially adversely affect our business and financial performance.

We are required to comply with applicable local, province, national, and international data protection and privacy laws that govern the collection, use, retention, protection, disclosure, transfer, and processing of personal data in the jurisdictions where we operate and conduct clinical trials. These laws, directives, and regulations are continually evolving, leading to increased public scrutiny and heightened enforcement measures, which may raise compliance costs. Non-compliance could result in serious repercussions, including enforcement actions, fines, possible imprisonment of company officials, public censure, and claims for damages from affected individuals. Such failures could also harm our reputation and diminish goodwill. To safeguard the confidentiality of medical records and personal data collected from clinical trial subjects, we have implemented measures that mandate confidentiality among our employees and business partners. Nonetheless, these measures may not always guarantee complete effectiveness.

We may be subject to various anti-kickback, anti-bribery, and fraud laws in jurisdictions where we operate, and non-compliance could expose us to criminal sanctions, severe penalties and materially adversely affect our business and reputation.

Healthcare providers and physicians are key to recommending our products post-regulatory approval. Our operations must comply with various anti-kickback, false claims, and fraud and abuse laws in China and other jurisdictions. Non-compliance may result in significant penalties, including fines, exclusion from government healthcare programs, and debarment from government contracts, and the evolving nature of these laws increases our exposure to enforcement actions. If authorities find our practices inconsistent with applicable laws, we could face civil, criminal, and administrative sanctions that could materially adversely affect our business, operations, finance and prospect.

Additionally, as our primary operations are in China, we are subject to anti-bribery laws that prohibit improper payments to government officials. We cannot guarantee the prevention of bribery by employees, agents and intermediaries. Violating these laws could lead to serious penalties, including imprisonment, fines, and denial of government reimbursement for our products, which could materially adversely affect our business, finances, operations and reputation.

We conduct all of our clinical trials in China, but the acceptance of this data by foreign regulatory authorities is uncertain, and potentially impacting our commercialization efforts.

We conduct clinical trials for our drug candidates in China, with potential expansion to other jurisdictions. For instance, the FDA's acceptance of trial data from outside the U.S. is subject to specific conditions. There is no guarantee that the FDA or any foreign regulatory authority will accept data from our trials conducted abroad. If such data are not accepted, we may be required to conduct additional trials, leading to increased costs and delays in our business plan. This could ultimately prevent our drug candidates from receiving the necessary approvals for commercialization.

Recent changes in U.S. trade policy, including new tariffs and regulations, may pose significant risks to our drug candidate development and overall business operations.

Recent changes in U.S. trade policy, including the introduction of several rounds of tariffs, may significantly influence international trade. The potential adoption of new tariffs or regulations and their impact on our Company and industry remain uncertain. Unfavourable government trade policies, such as tariffs or capital controls, could affect demand for our future products, alter our competitive landscape, and impede our ability to hire necessary research personnel. These policies may also complicate the import and export of raw materials essential for drug development and could restrict our ability to market our products in certain countries. Should new tariffs or regulations be implemented, or existing trade agreements be renegotiated, there may impose a material adverse effect on our business and finance.

Current trade disputes could escalate, resulting in higher costs for essential goods, such as advanced R&D equipment. To mitigate potential complications from international trade policies, we tend to prioritize sourcing raw materials and supplies domestically in China. However, we may still need to procure from suppliers outside China for reasons related to price, availability, or quality. Additionally, there is no guarantee that our existing or potential service providers and partners will maintain their favorable view of us if political relationships between relevant countries deteriorate. Consequently, trade tensions and political issues may materially adversely affect our business operations, financial results, cash flows and overall prospects.

We may face risks of conducting business globally.

Extending our presence into the overseas markets is an important component of our growth strategy. One of our development strategies is that we plan to explore market opportunities overseas as we believe there is substantial demand for our drug candidates.

Our objective is to identify and collaborate with reputable local partners who have a proven track record, in order to maximize the global value of our drug candidates. We will also pursue licensing and co-development opportunities with multinational companies and expand our global clinical programs. For more details, see "Business — Commercialization." However, such activities may expose us to risks that could negatively impact our ability to achieve or maintain profitability, including but not limited to: (i) entering into license and collaboration arrangements with third parties may raise expenses or divert management's focus from drug candidate development; (ii) political and economic instability as well as geopolitical tensions, including war or terrorist attacks; (iii) differing international regulatory requirements for drug approvals and marketing; (iv) potentially longer payment cycles, greater difficulty in accounts receivable collection, and potentially unfavorable tax treatment; (v) challenges in enforcing contractual provisions in local

jurisdictions; (vi) potentially diminished protection for intellectual property rights; (vii) unanticipated changes in tariffs, trade barriers, regulatory requirements, and delays from obtaining export licenses, tariffs, and other restrictions; (viii) fluctuations in currency exchange rates; (ix) compliance with tax, employment, immigration, and labor laws for employees traveling abroad; and (x) business interruptions due to geopolitical actions, including war and terrorism, or natural disasters such as earthquakes, volcanoes, typhoons, floods, hurricanes, and fires.

These risks that are associated with our expansion globally may materially adversely affect our ability to attain or sustain revenue and profits from international markets.

RISKS RELATING TO CONDUCTING BUSINESS IN CHINA

The pharmaceutical industry in China is highly regulated, and any regulatory changes could significantly impact drug approval, commercialization, and our operational costs and benefits.

We conduct our operations in China, where the pharmaceutical industry is heavily regulated by the government. This regulation includes approval, registration, manufacturing, packaging, licensing, and marketing of new drugs. In recent years, the regulatory framework in China regarding the pharmaceutical industry has undergone significant changes, and we expect that it will continue to undergo significant changes. Any changes to these regulations that affect our operational model could lead to increased compliance costs, cause delays in the development or commercialization of our drug candidates, and diminish the benefits we expect from developing and manufacturing drugs in China. Any breach of applicable laws, rules, and regulations by us may result in disputes, administrative penalties, criminal charges, and other legal proceedings. See "Regulatory Overview."

Changes in the interpretation and implementation of relevant laws and regulations in China, especially in the area in relation to corporate governance and the pharmaceutical industry may affect our business, finance, operations and prospects.

Given our extensive operations in China, our business and financial condition are susceptible to changes in local laws. The PRC frequently updates its regulations concerning foreign investment, corporate governance, commerce, taxation, finance, foreign exchange, and trade. Additionally, the pharmaceutical sector is also subject to evolving regulations. For example, the Regulations for the Implementation of the Drug Administration Law (Revised in 2024) (《藥品管理法實施條例(2024修訂)》) which was revised in 2024 and may impact our handling of clinical data. At present, we do not anticipate any significant adverse impact from these regulations on our operations. However, as these measures are newly implemented and continue to evolve, we cannot assure that our business will not be adversely affected in the future.

We may encounter risks in scientific data transfer, as the Measures for the Management of Scientific Data mandate approvals for data involving "state secrets."

On March 17, 2018, the General Office of the State Council issued the Measures for the Management of Scientific Data ("**Scientific Data Measures**"), which define scientific data broadly and establish rules for its management. According to these measures, if scientific data involving "state secrets" is required for foreign exchanges or cooperation, Chinese enterprises must clarify the type, scope, and purpose of the data and obtain approval from the relevant authorities in accordance with confidentiality management regulations.

When publishing research in foreign academic journals, authors must submit scientific data generated with government funding to their institution for centralized management prior to publication. The term "state secret" is not clearly defined, which raises uncertainty about our ability to secure necessary approvals for sharing scientific data, including results from our pre-clinical studies or clinical trials conducted in China or with foreign partners. If we cannot obtain these approvals promptly, our R&D efforts for drug candidates may be hindered, potentially adversely affecting our business, finance, operation and future prospects. Additionally, if government authorities deem the transmission of our scientific data to violate the Scientific Data Measures, we could face rectification and administrative penalties.

Investors in our H Shares may be subject to PRC taxation on dividends and gains from the sale of their shares, which could materially adversely affect the value of our H Shares.

Non-resident individuals and enterprises are subject to tax obligations under PRC tax laws, specifically regarding dividends from our H Shares and gains from their sale. As per the Individual Income Tax Law (中華人民共和國個人所得稅法), non-resident individuals generally incur a 20% tax on PRC-source income. We must withhold tax on dividends paid to these individuals unless exemptions or treaty reductions apply. When distributing dividends, PRC companies typically withhold 10% tax. However, if the identity of the H Share holder is known, applicable treaties may

dictate different rates, potentially reaching 20% without a treaty. The taxation of gains from H Shares by non-resident individuals remains uncertain. Non-resident enterprises without PRC establishments, or whose income is unrelated to any such presence, face a 10% enterprise income tax on dividends and gains from equity interests in PRC companies. This rate may be adjusted based on treaties. We plan to withhold 10% tax on dividends to non-resident enterprises holding our H Shares. These enterprises can seek refunds for any excess withholding via applications to the tax authorities. Currently, no specific rules govern the taxation of gains from the sale of H Shares by non-resident enterprises. The interpretation and application of PRC tax laws by tax authorities remain uncertain, especially regarding individual income tax and enterprise income tax on gains. Any tax collection could materially adversely affect the value of our H Shares.

Government supervision of currency conversion and restrictions on Renminbi remittance may adversely affect the value of your investment, as the PRC government regulates its exchange and may limit our ability to pay dividends in foreign currencies to H Share holders.

Currently, Renminbi is not a fully freely convertible currency, with the PRC government imposing supervision over its exchange into foreign currencies and regulating currency outflows from China. To meet our foreign currency obligations, such as potential dividend payments on our H Shares, we may need to convert a portion of our revenue into other currencies. After the Global Offering is completed, we anticipate being able to pay dividends in foreign currencies by following certain procedural requirements, without prior approval from the State Administration of Foreign Exchange. However, the PRC government may choose to implement measures restricting access to foreign currencies for capital and current account transactions in the future. This may limit our capacity to distribute dividends in foreign currencies to holders of our H Shares.

Fluctuations in exchange rates, particularly between the Renminbi and Hong Kong dollars, may expose us to foreign currency exchange losses.

Our costs and financial assets are primarily denominated in Renminbi. However, the proceeds from our Global Offering will be in Hong Kong dollars. Given that the Hong Kong dollar is pegged to the U.S. dollar, the exchange rate of the Renminbi against Hong Kong dollars is subject to fluctuations influenced by various factors, including global political and economic developments that are outside our control. These exchange rate fluctuations may expose us to risks that could adversely affect our results of operations. Additionally, we generally do not employ a foreign currency hedging policy, and our efforts to utilize derivatives or other foreign exchange hedging techniques may not effectively reduce our exposure. Therefore, we are exposed to fluctuations in exchange rates, which could materially adversely affect our financial position and business performance.

Serving legal process and enforcing foreign judgments against us or our Directors and senior management in the PRC may involve uncertainties, primarily due to our establishment under Chinese law and the location of our assets and management personnel within China.

We are established under Chinese law, with the majority of our assets located in China. Most of our Directors and senior management reside in the PRC, which may complicate legal processes for investors attempting to serve documents on us or our management. On July 14, 2006, the Supreme People's Court of the PRC and the Hong Kong Special Administrative Region established the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned (《關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》), effective from August 1, 2008. This agreement enables parties to seek the recognition and enforcement of judgments made by designated courts in either jurisdiction, provided there is a written choice of court agreement. On January 18, 2019 and as amended in 2024, a new arrangement, the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (《關於內地與香港特別行政區法院相互認可與執行民商事判決的安排》) was signed by the Supreme People's Court and the Hong Kong SAR government to enhance the recognition and enforcement of judgments in a broader range of civil and commercial matters between Hong Kong and the Chinese mainland. Unlike the previous arrangement, this new arrangement does not require a written choice of court agreement. It will take effect following judicial interpretation by the Supreme People's Court and the completion of necessary legislative procedures in Hong Kong, at which point it will replace the earlier arrangement.

Changes in international trade policies and escalating political tensions may adversely affect our business operations and financial performance by influencing our relationships with third parties.

We are exposed to rapidly changing international economic, regulatory, social, and political environments, alongside local conditions in foreign regions. The nature of China's political relations with other countries may influence our relationships with third parties, such as business partners and suppliers. There is uncertainty regarding whether our existing or potential collaborators will change their views of us due to unfavorable shifts in political relations between China and relevant nations. Escalating trade and political tensions could restrict trade, investment, and technological exchanges, adversely affecting global economic conditions, the stability of financial markets and international trades.

RISKS RELATING TO THE GLOBAL OFFERING

Currently, there is no public market for our H Shares, and the development of an active trading market is uncertain, particularly due to the lock-up period for existing shareholders, while the initial offer price will be set through negotiations and may differ substantially from the market price following the Global Offering. The initial offer price for our H Shares will be determined through negotiations between our Company and the Sole Sponsor-Overall Coordinator representing the Underwriters. This offer price may differ significantly from the market price of the H Shares after the Global Offering. We have applied for Listing and trading permission for our Offer Shares on the Stock Exchange. However, obtaining a Listing status does not guarantee an active and liquid trading market for our H Shares, nor does it guarantee that such a market will be sustained after the Global Offering. Additionally, there is no assurance that the market price of our H Shares will not decrease following the Global Offering. Moreover, a portion of our H Shares issued as of the date of this prospectus will be subject to a lock-up period starting from the Listing Date. This restriction may significantly impact the liquidity and trading volume of the H Shares in the short term after the Global Offering.

The potential volatility in the pricing and trading volume of our H Shares, driven by factors beyond our control such as market conditions and the performance of similar companies, may result in substantial financial losses for investors.

The pricing and trading volume of our Shares are likely to be highly volatile and influenced by factors outside of our control, including general market conditions in Hong Kong and other global markets. The business performance and market valuation of similar companies can also particularly impact the trading activity of our Shares. In addition to market and industry trends, specific business factors may lead to significant volatility. These include the results of clinical trials for our drug candidates, outcomes related to regulatory approvals, and any regulatory changes affecting the pharmaceutical and healthcare industries. Other elements that may contribute to volatility are changes in revenue, earnings, cash flows, investments, and expenditures, along with supplier relationships, key personnel movements, and competitive strategies. Moreover, companies listed on the Stock Exchange with major operations in China have experienced notable price volatility, indicating that our Shares may also undergo price changes not directly tied to our operational performance.

Future sales or perceived sales of our H Shares by major Shareholders following the Global Offering could materially and adversely affect the price of our H Shares and our ability to raise additional capital in the future.

There has not been a public market for our H Shares prior to the Global Offering. Following the Global Offering, any sales or perceived sales by our existing shareholders could significantly lower the prevailing market price of our H Shares. Immediately after the Global Offering, only a limited number of H Shares will be available for sale or issuance due to existing contractual and regulatory restrictions. Nonetheless, once these restrictions are lifted or waived, substantial future sales of H Shares in the public market, or even the perception that such sales might happen, could lead to a considerable decrease in our market price and affect our capacity to raise equity capital in the future.

The payment of dividends is subject to PRC law restrictions, and there is no guarantee regarding the timing or existence of future dividend payments, as our ability to declare dividends relies on the availability of distributable profits from us and our subsidiaries.

Our ability to declare future dividends will depend on the availability of dividends received from us and our subsidiaries. Under PRC law and the constitutional documents of our PRC operating companies, dividends may only be paid from distributable profits, defined as after-tax profits determined under PRC GAAP, less any recovery of accumulated losses and mandatory allocations to statutory capital reserve funds. The declaration, payment, and amount of any future

dividends are at the discretion of our Directors, who will consider our operational results, financial condition, cash requirements, and other relevant factors, subject to approval at a Shareholders' meeting. Additionally, the calculation of distributable profits under PRC GAAP differs from that under IFRS, and our operating subsidiaries may not generate sufficient distributable profits. As a result, we may not have adequate profits to distribute dividends in the future, even if our financial statements indicate profitability.

Any future conversion of our Unlisted Shares into H Shares, subject to approval from the CSRC and other regulatory bodies, may increase the supply of H Shares and adversely affecting their market price.

All of our Unlisted Shares may potentially be converted into H Shares in the future, pending approval from the CSRC. These converted shares may then be listed or traded on an overseas stock exchange, contingent upon obtaining necessary internal shareholder approvals and relevant regulatory approvals from PRC authorities prior to conversion and trading. Under PRC Company Law, shares issued before a public offering are restricted from being transferred for one year following the Listing date. Consequently, after receiving the requisite approvals, our Unlisted Shares may be traded as H Shares on the Stock Exchange one year after the Global Offering. During such time, this will increase the supply of H Shares in the market, which may negatively impact their market price.

Raising additional capital could dilute shareholder interests, impose operational restrictions, or require us to forfeit rights to our technologies or drug candidates, as we may seek funding through equity offerings, licensing agreements, collaborations, government funding, or debt financing, even if we believe our current funds are adequate.

We may meet our future cash needs through various means, including equity offerings, licensing agreements, collaborations, government funding, debt financing, or a combination of these methods. Additionally, we might pursue further capital even if we believe our current funds are sufficient, driven by favorable market conditions or strategic considerations. If we raise additional capital through the sale of equity or convertible debt securities, it could dilute your ownership interest, and the terms may include preferences that negatively impact your rights as a holder of our H Shares. Taking on additional debt or issuing certain equity securities could lead to increased fixed payment obligations and impose restrictive covenants. These restrictions may limit our ability to incur more debt, issue additional equity, acquire or license intellectual property rights, and could adversely affect our business operations. Moreover, the issuance of additional equity securities, or even the potential for such issuance, might lead to a decline in the market price of our H Shares.

Potential investors will experience immediate and substantial dilution due to the Global Offering, and further dilution may occur if additional Shares are issued in the future.

The Offer Price of the H Shares is higher than the net tangible asset value per Share immediately prior to the Global Offering, leading to immediate dilution in pro forma consolidated net tangible asset value for purchasers of the Offer Shares. To support our business growth, we may look to offer additional Shares in the future. As a result, purchasers could face additional dilution in net tangible asset value if we issue Shares at a price below the net tangible asset value at that time.

The facts, forecasts, and statistics obtained from official government sources may not be entirely reliable.

The facts, forecasts, and statistics presented in this prospectus are sourced from various reliable entities, including government publications. We believe that this information has been extracted and reproduced with reasonable care, and we have no reason to consider it false or misleading. However, the collection and reporting methods may have inherent flaws, and discrepancies between published data and actual market practices could lead to inaccuracies. We, along with the Sole Sponsor, Overall Coordinators, and Underwriters, have not independently verified the information from official government sources. While we trust the sources of this information, it involves risks and uncertainties, and is subject to change. In any event, careful consideration should be given to the significance of this information and its implications for potential investors.

You should read the entire prospectus carefully, and we strongly caution you not to place any reliance on any information contained in press articles or other media regarding us or the Global Offering, as we do not have control over such content and do not accept responsibility for its accuracy.

Following the date of this prospectus and prior to the completion of the Global Offering, there may be media coverage regarding us and the Global Offering, which could include financial information, projections, valuations, and other forward-looking statements. We do not have control over such coverage, and analysts may express negative opinions, potentially adversely affecting the market price of H Shares. We have not authorized any disclosure of information through the press or media and do not accept responsibility for the accuracy or completeness of any articles or reports. We make no representations regarding the appropriateness, accuracy, or reliability of any projections or valuations presented. If any statements conflict with the information in this prospectus, we disclaim responsibility for those discrepancies. Prospective investors should make their decisions based solely on the information contained in this prospectus and the Global Offering, as well as any formal announcements issued by us. We do not accept responsibility for the accuracy of any media reports or the fairness of any forecasts or opinions expressed. Therefore, investors are advised not to rely on any such external information when considering an investment in our Global Offering. By applying to purchase H Shares, you agree to rely exclusively on the information within this prospectus and the Global Offering.

This prospectus contains forward-looking statements based on information available at the time, which may not be accurate and are subject to uncertainties and contingencies.

This prospectus includes forward-looking statements regarding our future plans, financial position, business strategies, and growth prospects, all based on information available to our management at the time of writing. Such statements, identifiable by terms like "may," "expect," "anticipate," and other similar expressions, are inherently subject to known and unknown risks, uncertainties, and contingencies that may lead to actual results differing materially from those projected. Factors influencing the achievement of these plans and objectives encompass market conditions, competitive actions, general economic conditions, regulatory changes affecting our industry, and the overall global financial landscape. Given these uncertainties, the forward-looking statements in this prospectus should not be interpreted as guarantees that the described plans and goals will be realized.

In preparation for the Global Offering, our Company has sought and has been granted the following waivers from strict compliance with the relevant provisions of the Listing Rules and the following exemption from strict compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance:

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rules 8.12 and 19A.15 of the Listing Rules, we must have a sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong.

Our headquarters and most of our business operations are based, managed and conducted in the PRC. As our executive Directors play very important roles in our business operation, it is in our best interest for them to be based in the places where our Group has significant operations. We consider it practicably difficult and commercially unreasonable for us to arrange for two executive Directors to ordinarily reside in Hong Kong, either by means of relocation of our executive Directors to Hong Kong or appointment of additional executive Directors. Therefore, we do not have, and in the foreseeable future will not have, sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rules 8.12 and 19A.15 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted us, a waiver from strict compliance with the requirements under Rules 8.12 and 19A.15 of the Listing Rules, provided that our Company implements the following arrangements:

(a) we have appointed Mr. XIE Ming (謝鳴) and Ms. YUNG Mei Yee (翁美儀) as our authorized representatives (the "**Authorized Representatives**") pursuant to Rule 3.05 of the Listing Rules. The Authorized Representatives will act as our Company's principal channel of communication with the Stock Exchange. The Authorized Representatives will be readily contactable by phone, facsimile and email to promptly deal with enquiries from the Stock Exchange, and will also be available to meet with the Stock Exchange to discuss any matter within a reasonable period of time upon request of the Stock Exchange;

(b) when the Stock Exchange wishes to contact our Directors on any matter, each of the Authorized Representatives will have all necessary means to contact all of our Directors (including our independent non-executive Directors) promptly as and when required, including means to communicate with our Directors when they are travelling. Our Company will also inform the Stock Exchange as soon as practicable in respect of any change in the Authorized Representatives in accordance with the Listing Rules. We have provided the contact details of each Director (such as mobile phone numbers, office phone numbers (if any), email addresses and fax numbers (if any)) to each of the Authorized Representatives and the Stock Exchange;

(c) we confirm and will ensure that all Directors who do not ordinarily reside in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period upon the request of the Stock Exchange;

(d) we have appointed Somerley Capital Limited as our compliance advisor upon Listing pursuant to Rule 3A.19 of the Listing Rules for a period commencing on the Listing Date and ending on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the Listing Date. Our compliance advisor, who will serve as the additional channel of communication with the Stock Exchange when the Authorized Representatives are not available and will have access at all times to the Authorized Representatives, our Directors and our senior management as prescribed by Rule 3A.23 of the Listing Rules; and

(e) meetings between the Stock Exchange and our Directors can be arranged through the Authorized Representatives or our compliance advisor, or directly with our Directors within a reasonable time frame.

EXEMPTION FROM STRICT COMPLIANCE WITH SECTION 342(1)(B) OF THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE IN RELATION TO PARAGRAPH 27 OF PART I AND PARAGRAPH 31 OF PART II OF THE THIRD SCHEDULE TO THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

According to section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, this prospectus shall include an accountants' report which contains the matters specified in the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

According to paragraph 27 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, our Company is required to include in this prospectus a statement as to the gross trading income or sales turnover (as the case may be) of our Company during each of the three financial years immediately preceding the issue of this prospectus as well as an explanation of the method used for the computation of such income or turnover and a reasonable breakdown of the more important trading activities.

According to paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, our Company is required to include in this prospectus a report prepared by our Company's auditor with respect to profits and losses of our Company in respect of each of the three financial years immediately preceding the issue of the prospectus and the assets and liabilities of our Company at the last date to which the financial statements were prepared.

According to section 342A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the SFC may issue, subject to such conditions (if any) as the SFC thinks fit, a certificate of exemption from strict compliance with the relevant requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance if, having regard to the circumstances, the SFC considers that the exemption will not prejudice the interests of the investing public and strict compliance with any or all of such requirements would be irrelevant or unduly burdensome, or is otherwise unnecessary or inappropriate.

According to Rule 4.04(1) of the Listing Rules, the Accountants' Report contained in this prospectus must include, inter alia, the results of our Company in respect of each of the three financial years immediately preceding the issue of this prospectus or such shorter period as may be acceptable to the Stock Exchange.

According to Rule 18A.06 of the Listing Rules, an eligible biotech company shall comply with Rule 4.04 of the Listing Rules modified so that references to "three financial years" or "three years" in that rule shall instead refer to "two financial years" or "two years", as the case may be.

Accordingly, we applied to the SFC for a certificate of exemption from strict compliance with the requirements under section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the following grounds:

(a) our Company is a clinical-stage biopharmaceutical company committed to developing innovative drugs, and falls within the scope of biotech company as defined under Chapter 18A of the Listing Rules;

(b) the Accountants' Report for the two years ended December 31, 2025 has been disclosed in the prospectus of the Company and is set out in Appendix I to this prospectus in accordance with Rule 18A.06 of the Listing Rules;

(c) notwithstanding that the financial results set out in this prospectus are only for the two years ended December 31, 2025 in accordance with Chapter 18A of the Listing Rules, other information required to be disclosed under the Listing Rules and requirements under the Companies (Winding up and Miscellaneous Provisions) Ordinance has been adequately disclosed in this prospectus pursuant to the relevant requirements;

(d) furthermore, given that Chapter 18A of the Listing Rules provides track record period of two years for biotech companies in terms of financial disclosure, strict compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance would be unnecessary and/or irrelevant in the circumstance of our Company. We did not generate any revenue or incur any cost of revenue during the Track Record Period. For the years ended December 31, 2024 and 2025, we reported total comprehensive losses of RMB137.3 million and RMB175.6 million, respectively, which were primarily attributable to research and development costs, administrative expenses and finance costs. Our Company did not record any revenue for the financial year ended December 31, 2023, and the other income in 2023 mainly came from government grants and bank interest income. We believe the financial information for the financial year ended December 31, 2023 does not provide meaningful insight into our future performance and is not necessary for investors' understanding and assessment of the business, assets and liabilities, financial position, management and prospects of the Group; and

(e) our Directors and the Sole Sponsor are of the view that the Accountants' Report covering the two years ended December 31, 2025, as set out in Appendix I to this prospectus, together with other disclosures in this prospectus, has already provided the potential investors with adequate and reasonably up-to-date information in the circumstances to form a view on the track record of our Company, and our Directors confirm that all information which is necessary for the investing public to make an informed assessment of our Company's business, assets and liabilities, financial position, trading position, management and prospects has been included in this prospectus. Therefore, the exemption would not prejudice the interests of the investing public.

A certificate of exemption has been granted by the SFC under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the conditions that: (i) the particulars of this exemption are set out in this prospectus; and (ii) this prospectus will be issued on or before May 28, 2026.

CONSENT IN RESPECT OF CORNERSTONE INVESTMENT BY CONNECTED CLIENTS

Paragraph 1C(1) of Appendix F1 to the Listing Rules provides that, without the prior written consent of the Stock Exchange, no allocations will be permitted to "connected clients" of the overall coordinator(s), any syndicate member(s) (other than the overall coordinator(s)) or any distributor(s) (other than syndicate member(s)).

Paragraph 1B(7) of the Appendix F1 to the Listing Rules provides that, "connected client" in relation to an exchange participant means any of its client who is a member of the same group of companies as such exchange participant.

Chapter 4.15 of the Guide for New Listing Applicants (the "**Guide**") provides that the Stock Exchange will ordinarily give its consent for allocation to connected clients if it is satisfied that: (i) the allocation to a connected client represents genuine demand for securities of an applicant; and (ii) the connected client has not taken and will not take advantage of its position to receive an allocation for its own benefit at the expense of other placees or the public (i.e., no actual or perceived preferential treatment has been given to such connected client).

As further described in the section headed "Cornerstone Investors" in this prospectus, each of Value Partners Hong Kong Limited ("**VPHKL**") and Value Partners Limited ("**VPL**") has entered into cornerstone investment agreements with the Company and the Sole Sponsor-Overall Coordinator, to participate as cornerstone investors in the Global Offering. Each of VPHKL and VPL has agreed to procure certain investment funds that it has actual discretionary investment management power over to subscribe for the Offer Shares to be issued by the Company under the International Offering.

GF Securities (Hong Kong) Brokerage Limited ("**GF Securities (Hong Kong) Brokerage**") is one of the Overall Coordinators, Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers and Capital Market Intermediaries. Both VPHKL and VPL are wholly-owned subsidiaries of Value Partners Group Limited, a company listed on the Stock Exchange (stock code: 806). Since GF Securities Co., Ltd. (廣發証券股份有限公司) ("**GF Securities**"), a company listed on the Shenzhen Stock Exchange (stock code: 000776.SZ) and the Stock Exchange (stock code: 01776.HK), is interested in 20.04% of the issued share capital of Value Partners Group Limited as of the Latest Practicable Date, it renders each of VPHKL and VPL an associate of GF Securities. GF Securities (Hong Kong) Brokerage is an indirect wholly-owned subsidiary of GF Securities. Each of VPHKL and VPL is therefore a member of the same group of companies as GF Securities (Hong Kong) Brokerage and considered a "connected client" of GF Securities (Hong Kong) Brokerage. We have sought, and the Stock Exchange has given the requested written consent under paragraph 1C(1) of Appendix F1 to the Listing Rules to allow each of VPHKL and VPL to subscribe for Offer Shares as a cornerstone investor, in accordance with Chapter 4.15 of the Guide and subject to the following conditions:

(a) each of VPHKL and VPL will hold H Shares allocated to it on a discretionary basis and on behalf of independent third parties;

(b) the relevant cornerstone investment agreement of each of VPHKL and VPL does not contain any material terms which are more favorable to it than those in other cornerstone investment agreements;

(c) no preferential treatment has been, nor will be, given to each of VPHKL and VPL by virtue of its relationship with GF Securities (Hong Kong) Brokerage in any allocation of Offer Shares in the Global Offering (other than the assured entitlement under the relevant cornerstone investment agreement following the principles set out in Chapter 4.15 of the Guide);

(d) GF Securities (Hong Kong) Brokerage has not participated, and will not participate, in the decision-making process or relevant discussions relating to allocation of Offer Shares to VPHKL and VPL as cornerstone investors;

(e) each of VPHKL and VPL has confirmed that to the best of its knowledge and belief, it has not received and will not receive preferential treatment in the allocation of Offer Shares in the Global Offering as cornerstone investors by virtue of its relationship with GF Securities (Hong Kong) Brokerage Limited (other than the assured entitlement under the relevant cornerstone investment agreement following the principles set out in Chapter 4.15 of the Guide);

(f) each of the Company, the Overall Coordinators including GF Securities (Hong Kong) Brokerage as one of the Overall Coordinators, VPHKL, VPL and GF Securities (Hong Kong) Brokerage has provided the Stock Exchange with written confirmations in accordance with Chapter 4.15 of the Guide; and

(g) details of the cornerstone investments and details of the allocations are disclosed in this prospectus and will be disclosed in the allotment results announcement of our Company.

For further information about the proposed cornerstone investments by VPHKL and VPL, please refer to the section headed "Cornerstone Investors" in this prospectus.

CONSENT IN RESPECT OF CORNERSTONE INVESTMENT BY CLOSE ASSOCIATES OF AN EXISTING SHAREHOLDER

Paragraph 1C(2) of Appendix F1 to the Listing Rules provides that no allocations will be permitted to directors or existing shareholders of the applicant or their close associates, whether in their own names or through nominees unless the conditions set out in Rules 10.03 and 10.04 of the Listing Rules are fulfilled, without the prior written consent of the Stock Exchange.

Rule 10.04 of the Listing Rules provides that a person who is an existing shareholder of the issuer may only subscribe for or purchase any securities for which listing is sought which are being marketed by or on behalf of a new applicant either in his or its own name or through nominees if the conditions in Rules 10.03(1) and (2) of the Listing Rules are fulfilled.

Paragraph 18 of Chapter 2.3 of the Guide provides that the Stock Exchange permits an existing shareholder and/or its close associates to participate in the initial public offering of a Biotech Company (as defined under Chapter 18A the Listing Rules) provided that the applicant, in case of a PRC issuer, complies with Rules 19A.13A and 19A.13C of the Listing Rules in relation to the public float and free float. Further, pursuant to paragraph 18 of Chapter 2.3 of the Guide, an existing shareholder must subscribe for shares in the initial public offering as a cornerstone investor if it holds 10% or more of the shares in the applicant prior to the initial public offering, and an existing shareholder holding less than 10% of shares in the applicant prior to the initial public offering may subscribe either as a cornerstone investor or placee.

Rule 19A.13A of the Listing Rules requires that, where a new applicant is a PRC issuer with no other listed shares at the time of listing, at least a minimum prescribed percentage of shares in the class to which H shares belong must be H shares held by the public at the time of listing, determined by reference to the expected market value of the class of shares to which H shares belong at the time of listing.

Rule 19A.13C of the Listing Rules further requires that, where a new applicant is a PRC issuer with no other listed shares at the time of listing, the portion of H shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 10% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50,000,000; or (b) have an expected market value at the time of listing of not less than HK$600,000,000.

Each of TruMed Healthcare Master Fund ("**TruMed Master Fund**") and TruMed Health Innovation Fund LP ("**TruMed Innovation Fund**", together with TruMed Master Fund, the "**TruMed Funds**") is a cornerstone investor. Hainan Renze Zhenji Venture Capital Fund Partnership Enterprise (Limited Partnership) (海南仁澤真寄創業投資基金合夥企業(有限合夥)) ("**Hainan Renze**") is an existing Shareholder of our Company interested in 0.30% of the total issued Shares of the Company as of the Latest Practicable Date. The general partner of Hainan Renze is Hainan TruMed Private Fund Management Partnership Enterprise (Limited Partnership) (海南真脈私募基金管理合夥企業(有限合夥)), whose general partner is Hainan TruMed Advisors Ltd. (海南真脈諮詢有限公司), which is wholly owned by TruMed Investment Management Limited (真脈投資管理有限公司) ("**TruMed Management**"). TruMed Management is ultimately wholly owned by Ms. Ting Wang. TruMed Management is also the investment manager of TruMed Master Fund. The general partner of TruMed Innovation Fund is TruMed Health Innovation Fund GP Limited, which is controlled by Ms. Ting Wang. TruMed Funds are therefore under the common control of Ms. Ting Wang, and accordingly close associates of Hainan Renze.

For further details, please refer to the section headed "Cornerstone Investors" in this prospectus.

Our Company has sought, and the Stock Exchange has given, a written consent under paragraph 1C(2) of Appendix F1 to the Listing Rules to allow TruMed Funds to participate in the Global Offering as cornerstone investors subject to the following conditions:

(a) the Company will comply with the public float requirement under Rule 19A.13A and the free float requirement under Rule 19A.13C of the Listing Rules;

(b) the Offer Shares to be subscribed by and allocated to TruMed Master Fund and TruMed Innovation Fund (each a close associate of an existing Shareholder) as cornerstone investors under the Global Offering will be at the Offer Price and on substantially the same terms as other cornerstone investors (including being subject to a six-month lock up arrangement following the Listing), and TruMed Funds will pay and settle in full for the Offer Shares before dealings commence on the Listing Date;

(c) the Company, the Sole Sponsor and the Overall Coordinators confirm that no preferential treatment has been, nor will be, given to each of TruMed Funds as a cornerstone investor by virtue of its relationship with the Company in any allocation in the Global Offering, other than the preferential treatment of assured entitlement under

the cornerstone investment with TruMed Funds which follows the principles set out in Chapters 2.3 and 4.15 of the Guide, and that the terms of the cornerstone investment agreement of TruMed Funds are substantially the same as the other cornerstone investment agreements; and

(d) details of the allocation of the Offer Shares to each of TruMed Funds as a cornerstone investor in the Global Offering are disclosed in this prospectus and will be disclosed in the allotment results announcement of the Company.

For further information about the proposed cornerstone investments by the TruMed Funds, please refer to the section headed "Cornerstone Investors" in this prospectus.

DIRECTORS' RESPONSIBILITY STATEMENT

This prospectus, for which our Directors (including any proposed Director who is named as such in this prospectus) collectively and individually accept full responsibility, includes particulars given in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) and the Listing Rules for the purpose of giving information with regard to us. Our Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this prospectus misleading.

CSRC FILING

According to the Overseas Listing Trial Measures, we are required to complete the filing procedures with the CSRC in connection with the proposed Listing. We have submitted a filing to the CSRC for application for the Listing on August 24, 2025. The CSRC confirmed that such filing has been completed on April 15, 2026. No other approvals from the CSRC are required to be obtained for the Listing.

UNDERWRITING AND INFORMATION ON THE GLOBAL OFFERING

This prospectus is published solely in connection with the Hong Kong Public Offering, which forms part of the Global Offering. For applicants under the Hong Kong Public Offering, this prospectus sets out the terms and conditions of the Hong Kong Public Offering.

The Hong Kong Offer Shares are offered solely on the basis of the information contained and representations made in this prospectus and on the terms and subject to the conditions set out herein and therein. No person is authorized to give any information in connection with the Global Offering or to make any representation not contained in this prospectus, and any information or representation not contained in this prospectus must not be relied upon as having been authorized by our Company, the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, any of the Underwriters, any of our or their respective directors, agents, employees or advisors or any other party involved in the Global Offering.

The Listing is sponsored by the Sole Sponsor and the Global Offering is managed by the Sole Sponsor-Overall Coordinator. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms and conditions of the Hong Kong Underwriting Agreement. The International Offering is expected to be fully underwritten by the International Underwriters subject to the terms and conditions of the International Underwriting Agreement, which is expected to be entered into on or about Wednesday, June 3, 2026.

Neither the delivery of this prospectus nor any offering, sale or delivery made in connection with the Offer Shares should, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in our affairs since the date of this prospectus or imply that the information contained in this prospectus is correct as of any date subsequent to the date of this prospectus.

Further information regarding the structure of the Global Offering, including its conditions, are set forth in "Structure of the Global Offering" and the procedure for applying for Hong Kong Offer Shares are set forth in "How to Apply for Hong Kong Offer Shares".

OVER-ALLOTMENT OPTION AND STABILIZATION

Details of the arrangements relating to the Over-allotment Option and stabilization are set out in the section headed "Structure of the Global Offering".

RESTRICTIONS ON OFFERS AND SALES OF THE OFFER SHARES

Each person acquiring the Hong Kong Offer Shares under the Hong Kong Public Offering will be required to, or be deemed by his acquisition of Offer Shares to, confirm that he/she/it is aware of the restrictions on offer and sale of the Hong Kong Offer Shares described in this prospectus.

No action has been taken to permit a public offering of the Offer Shares or the general distribution of this prospectus in any jurisdiction other than in Hong Kong. Accordingly, this prospectus may not be used for the purposes of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this prospectus and the offering and sales of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions and pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

APPLICATION FOR LISTING OF OUR H SHARES ON THE STOCK EXCHANGE

We have applied to the Stock Exchange for the granting of listing of, and permission to deal in, our H Shares to be issued pursuant to (i) the Global Offering; and (ii) the exercise of the Over-allotment Option, as well as the H Shares to be converted from Unlisted Shares. No part of our equity or debt securities is listed on or dealt in on any other stock exchange and no such listing or permission to list is being or proposed to be sought on the Stock Exchange or any other stock exchange in the near future.

Under section 44B(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any allotment made in respect of any application will be invalid if the listing of, and permission to deal in, our H Shares on the Stock Exchange is refused before the expiration of three weeks from the date of the closing of the application lists, or such longer period (not exceeding six weeks) as may, within the said three weeks, be notified to our Company by or on behalf of the Stock Exchange.

COMMENCEMENT OF DEALINGS IN OUR H SHARES

Dealings in our H Shares on the Stock Exchange are expected to commence on Friday, June 5, 2026. Our H Shares will be traded in board lots of 50 H Shares. The stock code of our H Shares will be 01779.

H SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of listing of, and permission to deal in, our H Shares on the Stock Exchange and our compliance with the stock admission requirements of HKSCC, our H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the General Rules of HKSCC and the HKSCC Operational Procedures in effect from time to time. All necessary arrangements have been made for our H Shares to be admitted into CCASS. Investors should seek the advice of their stockbrokers or other professional advisors for the details of the settlement arrangements as such arrangements may affect their rights and interests.

PROFESSIONAL TAX ADVICE RECOMMENDED

You should consult your professional advisors if you are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of, or dealing in, our H Shares or exercising any rights attaching to them. We emphasize that none of our Company, the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, the Underwriters, any of our or their respective directors, officers or representatives or any other person involved in the Global Offering accepts responsibility for any tax effects or liabilities resulting from your subscription, purchase, holding or disposing of, or dealing in, our H Shares or your exercise of any rights attaching to our H Shares.

H SHARE REGISTER OF MEMBERS AND STAMP DUTY

All of our H Shares issued pursuant to applications made in the Global Offering and our H Shares converted from Unlisted Shares will be registered on our H Share register of members to be maintained in Hong Kong by our H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. Our principal register of members will be maintained by us at our headquarters in the PRC.

Dealings in the H Shares registered in our H Share register of members will be subject to Hong Kong stamp duty.

REGISTRATION OF SUBSCRIPTION, PURCHASE AND TRANSFER OF H SHARES

We have instructed our H Share Registrar, and our H Share Registrar has agreed, not to register the subscription, purchase or transfer of any H Shares in the name of any particular holder unless and until such holder delivers a signed form to our H Share Registrar in respect of those H Shares bearing statements to the effect that the holders:

- agrees with us and each of our Shareholders, and we agree with each Shareholder, to observe and comply with the PRC Company Law and our Articles of Association;
- agrees with us, each of our Shareholders, Directors, managers and officers, and we, acting for ourselves and for each of our Directors, managers and officers agree with each of our Shareholders, to refer all differences and claims arising from our Articles of Association or any rights or obligations conferred or imposed by the PRC Company Law or other relevant laws and administrative regulations concerning our affairs to arbitration, and any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct hearings in open session and to publish its award, which arbitration shall be final and conclusive;
- agrees with us and each of our Shareholders that the H Shares are freely transferable by the holders thereof; and
- authorizes us to enter into a contract on his or her behalf with each of our Directors, managers and officers whereby such Directors, managers and officers undertake to observe and comply with their obligations to our Shareholders as stipulated in our Articles of Association. Persons applying for or purchasing H Shares under the Global Offering are deemed, by making an application or purchase, to have represented that they are not close associates (as defined in the Listing Rules) of any of the Directors or an existing Shareholder or a nominee of any of the foregoing.

DIVIDENDS PAYABLE TO HOLDERS OF H SHARES

Unless determined otherwise by our Company, dividends payable in Hong Kong dollars in respect of our H Shares will be paid to the Shareholders as recorded on the H Share register of members of our Company in Hong Kong and sent by ordinary post, at the Shareholders' risk, to the registered address of each Shareholder. Cash dividends to domestic investors of H-share "full circulation" shall be distributed through China Securities Depository and Clearing Corporation Limited. An H-share listed company shall transfer RMB cash dividends to the designated bank account of the Shenzhen subsidiary of China Securities Depository and Clearing Corporation Limited, who shall complete the clearing of cash dividends by distributing the cash dividends to investors through domestic securities companies.

LANGUAGE

If there is any inconsistency between the English version of this prospectus and the Chinese translation of this prospectus, the English version of this prospectus shall prevail. For ease of reference, the names of the Chinese laws and regulations, government authorities, institutions, natural persons or other entities (including certain of our subsidiaries) have been included in this prospectus in both the Chinese and English languages. In the event of any inconsistency, the Chinese version shall prevail.

ROUNDING

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments, or have been rounded to one or two decimal places. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figure preceding them. Any discrepancies in any table, chart or elsewhere between totals and sums of amounts listed therein are due to rounding.

EXCHANGE RATE CONVERSION

Unless otherwise specified, amounts denominated in RMB, US$ and HK$ have been translated, for the purpose of illustration only, into Hong Kong dollars in this prospectus at the following exchange rates: HK$1.00:RMB0.8741, US$1.00:RMB6.8435 and US$1.00:HK$7.8292.

No representation is made that any amounts in RMB or US$ were or could have been or could be converted into Hong Kong dollars at such rates or any other exchange rates on such date or any other date.

DIRECTORS

Name	Address	Nationality
Executive Directors		
Dr. LIU Heng (劉恒)	Room 101, No. 783, Lane 999, Hanghe Road Pudong New District, Shanghai, PRC	Chinese
Dr. SUN Bill Nai-chau (SUN, Nai-chau) (孫乃超)	Room A3-501, North Zone 2, No. 1 Longdong Avenue Pudong New District, Shanghai, PRC	U.S./ Chinese (Taiwan)
Mr. XIE Ming (謝鳴)	Room 502, No. 22, Xinjiangwan Shangjingyuan Lane 1450, Guoquan North Road Yangpu District, Shanghai, PRC	Chinese
Non-executive Directors		
Mr. LIN Jian (藺劍)	Room 702, No. 8, Block 8, Lane 3333, Qixin Road Minhang District, Shanghai, PRC	Chinese
Ms. GU Qin (顧勤)	Room 103, Building 3, Zhongnan Century City Changshu City, Suzhou City, Jiangsu Province, PRC	Chinese
Dr. XUE Di (薛滌)	Room 501, No. 6, Lane 488, Mianxin Road Pudong New District, Shanghai, PRC	Chinese
Dr. CHEN Kan (陳侃)	Apartment K2033, 3842 167th Place Northeast Redmond, Washington 98952-6631, United States	Chinese
Independent non-executive Directors		
Mr. SIU Paul Yu Hay (蕭耀熙)	Unit 608, Lane 759, Yindu Road Minhang District, Shanghai, PRC	Chinese
Mr. RUAN Tim (阮添士)	Flat B, 31/F, Blk T1, University Heights 23 Pokfield Road, Pok Fu Lam, Hong Kong	Chinese
Mr. YANG Chun (楊春)	Unit 21-4, Villa Zone 3, Building 1 Tianhua North Road, Yizhuang Economic-Technological Development Area, Daxing District, Beijing, PRC	Chinese
Mr. ZHOU Guofang (周國防)	Room 1001, Lane 666, Hongqiao Road Xuhui District, Shanghai, PRC	Chinese

For details of our Directors, see "Directors and Senior Management" in this prospectus.

PARTIES INVOLVED IN THE GLOBAL OFFERING

Sole Sponsor and Sole Sponsor-Overall Coordinator	**Sinolink Securities (Hong Kong) Company Limited** Unit 3501-08, 35/F, Cosco Tower 183 Queen's Road Central, Sheung Wan, Hong Kong
Overall Coordinators, Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers and Capital Market Intermediaries	**Sinolink Securities (Hong Kong) Company Limited** Unit 3501-08, 35/F, Cosco Tower 183 Queen's Road Central, Sheung Wan, Hong Kong **GF Securities (Hong Kong) Brokerage Limited** 27/F, GF Tower, 81 Lockhart Road Wan Chai, Hong Kong **ABCI Capital Limited** *(acting as Overall Coordinator, Joint Global Coordinator, Joint Bookrunner and Capital Market Intermediary only)* 11/F, Agricultural Bank of China Tower 50 Connaught Road Central, Hong Kong **ABCI Securities Company Limited** *(acting as Joint Lead Manager and Capital Market Intermediary only)* 10/F, Agricultural Bank of China Tower 50 Connaught Road Central, Hong Kong **CCB International Capital Limited** 12/F, CCB Tower 3 Connaught Road Central, Central, Hong Kong **Shanxi Securities International Limited** Unit A, 29/F, Admiralty Center Tower 1 18 Harcourt Road, Admiralty, Hong Kong **TradeGo Markets Limited** Room 3405, West Tower, Shun Tak Centre 168-200 Connaught Road Central, Hong Kong
Legal Advisors to our Company	*As to Hong Kong laws:* **ONC Lawyers** 19/F, Three Exchange Square 8 Connaught Place, Central, Hong Kong *As to PRC laws:* **Hai Run Law Firm** 5/9/10/13/17 Floors, Broadcasting Tower 14 Jianwai East Street, Chaoyang District, Beijing, PRC
Legal Advisors to the Sole Sponsor and Underwriters	*As to Hong Kong laws:* **Han Kun Law Offices LLP** Rooms 4301-10, 43/F, Gloucester Tower The Landmark 15 Queen's Road Central, Hong Kong

	As to PRC laws: **Zhong Lun Law Firm** 10/11/16/17/F, Two IFC, 8 Century Avenue Pudong New Area, Shanghai, PRC
Auditors and Reporting Accountants	**Ernst & Young** *Certified Public Accountants* *Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance* 27/F, One Taikoo Place 979 King's Road, Quarry Bay, Hong Kong
Industry Consultant	**Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.** Suite 2504, Wheelock Square 1717 Nanjing West Road Jing'an District, Shanghai, PRC
Compliance Advisor	**Somerley Capital Limited** 20th Floor, China Building 29 Queen's Road Central, Hong Kong
Receiving Bank	**China CITIC Bank International Limited** 80 Floor, International Commerce Centre 1 Austin Road West, Kowloon, Hong Kong
Sub-receiving Bank	**CMB Wing Lung Bank Limited** 14/F, CMB Wing Lung Bank Building 45 Des Voeux Road, Central, Hong Kong

Registered Office, Headquarters and Principal Place of Business in the PRC	5th Floor, Building F, Area A No. 128 Yinhe Road, Dongnan Subdistrict Changshu City, Suzhou City, Jiangsu Province, PRC
Principal Place of Business in Hong Kong	40/F, Dah Sing Financial Centre 248 Queen's Road East, Wanchai, Hong Kong
Company's Website	**www.longbio.com** *(Information contained on this website does not form part of this prospectus)*
Company Secretary	**Ms. YUNG Mei Yee (翁美儀)** 40/F, Dah Sing Financial Centre 248 Queen's Road East, Wanchai, Hong Kong
Authorized Representatives	**Mr. XIE Ming (謝鳴)** Room 502, No. 22 Xinjiangwan Shangjingyuan Lane 1450 Guoquan North Road Yangpu District, Shanghai, PRC **Ms. YUNG Mei Yee (翁美儀)** 40/F, Dah Sing Financial Centre 248 Queen's Road East, Wanchai, Hong Kong
Audit Committee	Mr. SIU Paul Yu Hay (蕭耀熙) *(Chairperson)* Mr. RUAN Tim (阮添土) Mr. LIN Jian (藺劍)
Remuneration Committee	Mr. YANG Chun (楊春) *(Chairperson)* Mr. RUAN Tim (阮添土) Mr. XIE Ming (謝鳴)
Nomination Committee	Dr. LIU Heng (劉恒) *(Chairperson)* Ms. GU Qin (顧勤) Mr. YANG Chun (楊春) Mr. SIU Paul Yu Hay (蕭耀熙) Mr. ZHOU Guofang (周國防)
H Share Registrar	**Tricor Investor Services Limited** 17/F, Far East Finance Centre 16 Harcourt Road, Hong Kong
Principal Banks	**China CITIC Bank, Changshu Branch** No.266, Changjiang Road Changshu City, Jiangsu Province, PRC **China Merchants Bank, Changshu Branch** No. 176 Zhujiang Road Changshu City, Jiangsu Province, PRC

The information and statistics set out in this section and other sections of this Prospectus were extracted from the Frost & Sullivan Report, and from various official government publications and other publicly available publications. We engaged Frost & Sullivan to prepare the Frost & Sullivan Report, an independent industry report, in connection with the Global Offering. The information from official government sources has not been independently verified by us, the Sole Sponsor, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers, Underwriters, any of their respective directors and advisors, or any other persons or parties involved in the Global Offering. For more details of the risks relating to our industry, see "Risk Factors" in this Prospectus.

OVERVIEW OF ALLERGIC DISEASE DRUG MARKET

The classification of hypersensitivity reactions is the immunological basis for the classification of allergic diseases. Hypersensitivity is a state of altered reactivity in which the body reacts with an exaggerated immune response to a foreign substance. There are four traditional classifications for hypersensitivity reactions, namely, Type I, Type II, Type III, and Type IV reactions.

Type I hypersensitivity is the direct pathological basis of numerous allergic diseases. Type I hypersensitivity triggered by allergens in different organs causes AR, allergic asthma, CSU, food allergy and other allergic diseases. IgE is the core mechanism driving Type I hypersensitivity. After the first exposure to an allergen, allergen-specific IgE produced by the body binds to FcεRI receptors on the surface of mast cells and basophils, thereby sensitizing these cells. When exposed to the same allergen again, the allergen specifically binds to IgE on the cell surface and induces cross-linking, directly prompting sensitized cells to release active mediators such as histamine and initiating hypersensitivity reactions. By dominating Type I hypersensitivity, IgE is the core driver of allergic diseases such as AR, allergic asthma, CSU, and food allergy.

With the advancement of biopharmaceutical technology, precision medicine and personalized treatment have become the development trend, and new types of drugs will continue to emerge, thereby providing more choices for patients with allergic diseases. The global allergic disease drugs market has grown from US$42.8 billion in 2018 to US$68.8 billion by 2024, at a CAGR of 8.2%, and is estimated to reach US$111.4 billion by 2030, at a CAGR of 7.9% during this period. It is estimated that the global market share of biologics will increase from 40.4% in 2024 to 61.3% in 2030.

The allergic disease drugs market in China grew from US$3.8 billion in 2018 to US$8.1 billion by 2024, at a CAGR of 13.3%, and is estimated to reach US$22.9 billion by 2030, at a CAGR of 20.1% during this period. It is estimated that the market share of biologics in China will increase from 19.8% in 2024 to 54.1% in 2030.

Market drivers and future trends of allergic drug market

Rising prevalence driven by urbanization, natural environmental changes, and lifestyle shifts. In the process of urbanization, the intensification of urban air pollution; the prolonged pollen transmission season caused by global warming resulting from natural environmental changes; and other factors such as lifestyle shift toward indoor confinement, frequent air conditioner use, and a rising pet ownership rate have collectively increased exposure to allergens, directly fueling the continuous upward trend in the overall prevalence of allergic diseases.

Increased awareness of diagnosis and treatment of allergic diseases among patients. Today, with the popularization of health education, patients' understanding of allergic diseases has deepened, and their willingness to seek medical treatment proactively has significantly increased. Meanwhile, the widespread availability of allergen detection equipment in primary medical institutions has enabled the diagnosis of more mild and occult allergic patients, substantially improving the disease diagnosis rate and prompting more patients with allergic diseases to receive treatment.

Growing number of patients with moderate-to-severe allergic diseases. Affected by factors such as long-term continuous allergen exposure and insufficient early intervention, some patients with mild allergic diseases have gradually progressed to moderate-to-severe conditions. These patients show limited response to traditional drugs and have an urgent demand for long-lasting, precise treatment options such as biologics. The increase in the number of moderate-to-severe allergic disease patients has driven the growth in demand for high-value drugs like biologics, which in turn has boosted the growth of the allergic disease drug market.

Rising proportion of biologics in the treatment of allergic diseases. The share of biologics in the allergic disease drug market is rapidly increasing. Their key advantages are that compared with traditional drugs, it features precise targeting, long-lasting efficacy, and fewer side effects. It can especially meet the unmet clinical needs of moderate-to-severe patients. Furthermore, in recent years, biological drugs targeting IgE, IL-4Rα, and other targets have demonstrated excellent long-term control effects in clinical practice. Meanwhile, the R&D of biological drugs targeting new targets such as IL-13 and TSLP in the subsequent pipeline are advancing rapidly, contributing to the growing proportion of biologics in the allergic disease market.

Diversification of therapeutic targets for allergic diseases. With the deepening research on the immune mechanism of allergic reactions, the R&D of therapeutic targets for allergic disease drugs is evolving from the traditional single dimension to a diversified direction. While focusing on targets of IgE-driven type I hypersensitivity, new targets associated with allergic inflammatory pathways, such as IL-4, IL-13, and TSLP, have been gradually validated. A succession of multi-targets drugs have been approved for the treatment of allergic diseases, enriching clinical treatment options and more accurately meeting differentiated clinical needs.

Entry barriers of allergic disease drug market

Significant Target Development Challenges. Core target development faces high barriers. Taking IgE as an example, its complex molecular structure (i.e. conformational changes affect receptor binding) and the multi-cell pathways involved in allergic reactions make single targets insufficient to cover all mechanisms, hence resulting in very few approved drugs globally over the past 20 years.

Stringent Drug Performance Requirements. The chronic nature of allergic diseases demands high medication adherence; therefore, requiring drugs to be both long-acting and highly active. Traditional drugs are gradually replaced by biologics due to their side effects and limited efficacy, but the high cost and injectable administration of biologics remain challenging.

High Technical and Platform Barriers. The industry is developing from single-target drugs to multi-target drugs, which need to block multiple inflammatory pathways simultaneously and rely on technologies like multi-omics integration and multi specific antibodies. These factors result in significant technical barriers, and small and medium-sized enterprises without advanced technology and platforms will face great challenges in developing multi-target drugs.

OVERVIEW OF GLOBAL ANTI-IgE ANTIBODY DRUG MARKET

Anti-IgE antibodies are biologics targeting IgE, whose mechanism of action is mainly associated with Type I hypersensitivity (immediate hypersensitivity). They bind to the CH3 domain of free IgE, preventing IgE from cross-linking with the high-affinity FcεRI receptors on the surface of mast cells and basophils, thus inhibiting cell degranulation and the release of allergic mediators such as histamine and leukotrienes. In addition, anti-IgE antibodies can block the binding of IgE to CD23 receptors on the surface of B cells and antigen-presenting cells.

With the increasing popularity of biologics in the treatment of allergic diseases, the penetration rate of anti-IgE antibody drugs has been increasing, which has led to the market size of anti-IgE antibody drugs growing rapidly. The global market size of anti-IgE antibody drugs has grown from US$3.0 billion to US$4.5 billion from 2018 to 2024. It is expected to continue to grow to US$9.0 billion by 2030, growing at a CAGR of 12.2% during the period.

The market size of anti-IgE antibody drugs in China has grown from RMB10.0 million to RMB2.0 billion from 2018 to 2024. It is expected to continue to grow to RMB12.1 billion by 2030, growing at a CAGR of 32.5% during the period.

Market drivers and future trends of anti-IgE antibody drugs market

Prevalence of allergic diseases continues to expand: The prevalence of allergic diseases has continued to grow in recent years. According to the World Allergy Organization, the global prevalence of allergic diseases has tripled in the last 30 years, and nearly 40% of the world's population has been or is plagued by allergies. Allergic diseases have become one of the most important chronic diseases worldwide, and more effective treatments are being demanded.

Increased patient awareness and willingness to pay for innovative therapies: The spread of disease education and the promotion of patient organizations have led to a significant increase in allergy patients' awareness of the importance of long-term management. More patients are proactively seeking precise treatment options rather than relying solely on traditional palliative medications, which has ultimately driven a shift in treatment demand from short-term symptom control to long-term disease management. In addition, patients' increased willingness to pay for innovative therapies is providing a consumer base for the high-value biologics market.

Treatment paradigm shifts toward biologics: The side effects and limited efficacy of conventional therapies (e.g., glucocorticoids) have led to a shift in clinical practice toward targeted biologic therapies. Drugs such as anti-IgE antibodies have gradually become the standard treatment option for patients with moderate to severe allergies due to their superior safety and efficacy. At the policy level, the expansion of health insurance coverage and payment reform have further lowered the threshold for patients to use drugs, which has ultimately accelerated the penetration of biologics in clinical practice.

Emergence of innovative anti-IgE antibody products: Existing anti-IgE antibody drugs have maintained market vitality by expanding indications and optimizing dosing regimens. R&D of new-generation anti-IgE drugs is accelerating, including dosage form innovation and precise design for different allergen phenotypes. The launch of biosimilars has further enriched market choices by creating a diversified product landscape where originator drugs, improved new drugs and biosimilars coexist, jointly promoting the development of the anti-IgE antibody market.

Expanded indications: In recent years, the indications for anti-IgE antibodies in the treatment of allergic diseases have been expanding. Omalizumab was first approved for the treatment of asthma, and subsequently approved for the treatment of CSU and CRSwNP. In 2024, omalizumab was approved by the FDA for the prevention of food allergy. As indications continue to expand, the applicable patient population for anti-IgE antibodies also continues to grow.

Competitive landscape of anti-IgE antibody

As of the Latest Practicable Date, there are two anti-IgE antibody drugs approved by FDA, including one original drug and one biosimilar.

Drug Name	Brand Name	Company	Indication	FDA Approval date	Sale Revenue in 2024 (million USD)	Original drug or biosimilar
Omalizumab	Xolair	Novartis/Roche	Food allergy	2024/2/16	4,455.8	Original drug
			CRSwNP	2020/12/1		
			CSU	2014/3/21		
			Moderate to severe asthma	2003/6/20		
Omalizumab-igec	Omlyclo	Celltrion	Food allergy	2025/3/9	N.A.	Biosimilar
			CRSwNP			
			CSU			
			Moderate to severe asthma			

As of the Latest Practicable Date, there are three anti-IgE antibody drugs approved by NMPA, including one original drug and two biosimilars.

Drug Name	Brand Name	Company	Indication	NMPA Approval Date	Drug Delivery Program	Monthly treatment costs (RMB)	Covered by NRDL	Original drug or biosimilar
Omalizumab	Xolair	Novartis	CSU	2022/4/8	150/300mg given every 4 weeks.	~1,300/2,600	Yes	Original drug
			Allergic asthma	2017/8/24	300/450mg given every 4 weeks.	~5,200		
Omalizumab -CMAB007	Aomaishu	Taizhou Mabtech Pharmaceutical	Allergic asthma	2023/5/19	300/450mg given every 4 weeks.	~1,900/2,900	Yes	Biosimilar
Omalizumab -SYN008	Enyitan	CSPC Jushi Pharmaceutical	Allergic asthma	2025/1/26	300/450mg given every 4 weeks.	~1,900/2,900	No	Biosimilar
			CSU	2024/9/26	150/300mg given every 4 weeks.	~1,000/1,900		

Note: Depending on the patient's condition, the dosage of medication used varies and the monthly cost of treatment varies.

Source: FDA, NMPA, Frost & Sullivan Analysis

As of the Latest Practicable Date, according to ClinicalTrials.gov, there are nine anti-IgE antibody candidates in the clinical stage globally, including six original drugs and three biosimilars.

Drug Code	Company	Indications	Clinical Stage	Latest update date	Original drug or biosimilar
Omalizumab	Novartis/Roche	Seasonal AR	Phase III	2026/1/12	Original drug
		COPD	Phase II	2026/2/17	
FB825	Oneness Biotech	Atopic Dermatitis	Phase II	2025/9/22	Original drug
		Allergic Asthma	Phase II	2024/5/28	
Ozureprubart	RAPT Therapeutics	Food Allergy	Phase II	2026/5/4	Original drug
Lesigercept	Yuhan Corporation	CSU	Phase II	2026/4/15	Original drug
UB-221	United BioPharma	CSU	Phase I	2022/5/13	Original drug
Exl-111	Excellergy	Allergic diseases	Phase I	2026/2/19	Original drug
Omalizumab-ADL018	Kashiv BioSciences	CSU	Phase III	2025/3/25	Biosimilar
Omalizumab-TEV-45779	Teva Pharmaceuticals	CSU	Phase III	2025/10/7	Biosimilar
Omalizumab-GNR044	Generium Pharmaceutical	Bronchial Asthma	Phase III	2020/10/29	Biosimilar

Source: ClinicalTrials.gov, Frost & Sullivan Analysis

As of the Latest Practicable Date, according to CDE, there are seven anti-IgE antibody candidates in the clinical stage in China, including four original drugs and three biosimilars.

Drug Code	Company	Indications	Clinical Stage	Latest update date	Original drug or biosimilar
LP-003	Longbio Pharma	AR	Phase III	2025/12/20	Original drug
		Allergic Asthma	Phase II	2025/2/13	
		CSU	Phase II	2025/2/9	
		CRSwNP	Phase II	2025/12/24	
JYB1904/Ozureprubart	Jiangsu Jiye Biopharmaceutical	CSU	Phase III	2026/2/6	Original drug
		Allergic Asthma	Phase II	2025/12/16	
		AR	Phase II	2026/3/10	
UB221	United Biopharma	CSU	Phase II	2025/9/11	Original drug
Lesigercept	Yuhan Corporation	CSU	Phase II	2026/4/9	Original drug
Omalizumab-CMAB007	Taizhou Mabtech Pharmaceutical	CSU	Phase III	2025/12/23	Biosimilar
		Allergic Asthma	Phase I	2025/5/13	
Omalizumab-SYB507	Yuanda Shuyang Pharmaceutical	CSU	Phase III	2024/6/14	Biosimilar
		Asthma	Phase I	2022/3/30	
Omalizumab-HS632	Hisun Pharmaceutical	Asthma	Phase I	2021/6/25	Biosimilar

Note: Omalizumab first entered the National Reimbursement Drug List ("**NRDL**") in 2019, and its substance patent expired in China in 2016.

Source: CDE, Frost & Sullivan Analysis

With the advancement of antibody technology, next-generation anti-IgE antibody drug candidates have demonstrated significant advantages over omalizumab in terms of pharmacokinetics. Among these, the Group's LP-003 exhibits a superior binding dissociation constant(Kd) and half-life time compared to those of omalizumab, and it also holds a leading position among the major anti-IgE antibody drug candidates. Compared with omalizumab and other drug candidates, LP-003 binds more tightly to its target and persists longer in vivo. This means LP-003 delivers better and more durable efficacy, and longer half-life time of LP-003 leads to reducing dosing frequency and total dosage.

Comparison of the Pharmacokinetics of the Anti-IgE Antibody Drugs

Drug Code	Company	Kd (pM)	Half-life time (days)	Dosage	Frequency
Omalizumab	Novartis/Roche	1.760	20	150/300 mg	Once 4 weeks
LP-003	Longbio Pharma	2.08	45~76	100/200 mg	Once 4 or 8 or 12 weeks
RPT904/ozureprubart*	RAPT Therapeutics/Jeyou Pharma	~360	63	300 mg	Once 12 weeks
UB-221	United BioPharma	585	16-22	5/10 mg/kg	Once 12 weeks
Ligelizumab	Novartis	35~139	17-23	72/120 mg	Once 4 weeks

Note: (1) RPT904 only disclosed that its affinity data showed a four-fold increase compared to omalizumab, without explicitly disclosing its Kd data. Therefore, estimates were made based on omalizumab's Kd data. (2) Novartis discontinued the clinical trials of ligelizumab for urticaria and food allergy in September 2023 and January 2024 respectively. Ligelizumab is also no longer included in the R&D pipeline disclosed in Novartis' latest annual report.

Source: desk research, Frost & Sullivan Analysis

Overview of AR Market

AR is a non-infectious chronic inflammatory disease of the nasal mucosa, primarily driven by IgE after exposure to allergens in atopic individuals. It is characterized by nasal inflammation caused by allergens such as pollen, dust mites, animal dander and mold. AR is often associated with other allergic diseases, such as asthma and conjunctivitis. The main symptoms of AR include sneezing, runny nose, nasal congestion, and itching, and depending on the allergens involved, the symptoms may be seasonal or perennial. AR affects 10% to 20% of the global population and has become a major chronic respiratory inflammatory disease, severely impacting the quality of life and socioeconomic conditions of patients.

There are a large number of AR patients around the world, and its prevalence has grown from 1.3 billion in 2018 to 1.4 billion in 2024, with a CAGR of 1.5%. With the increasing prevalence of AR, the number of AR patients around the world is expected to reach 1.5 billion in 2030. There are a large number of AR patients in China, and its prevalence has grown from 232.7 million in 2018 to 245.5 million in 2024, with a CAGR of 0.9%. The number of AR patients in China is expected to reach 261.1 million in 2030.

With increasing patient awareness of AR and rising treatment rates, the global AR drugs market maintains steady growth. The global AR drugs market has grown from US$2.8 billion in 2018 to US$5.1 billion by 2024, at a CAGR of 10.6%, and is estimated to reach US$8.8 billion by 2030, at a CAGR of 8.9% during this period. The number of patients with AR worldwide is relatively stable. According to literature, the global prevalence rate of AR is approximately 18.1%, with a total of about 1.4 billion patients globally. Currently, no biologics have been approved by the FDA; only Stapokibart has obtained approval from the NMPA. Globally, chemical drugs remain the primary treatment method, and there is no approval of new-generation drugs that can cover the global market in the short term in the future. With the improvement of patients' health awareness, the treatment rate of AR is still on the rise. However, due to the continuous price reductions of allergic rhinitis treatment drugs and the slowdown in the growth of the treatment rate, the projected CAGR of the global AR drug market is lower than the historical CAGR.

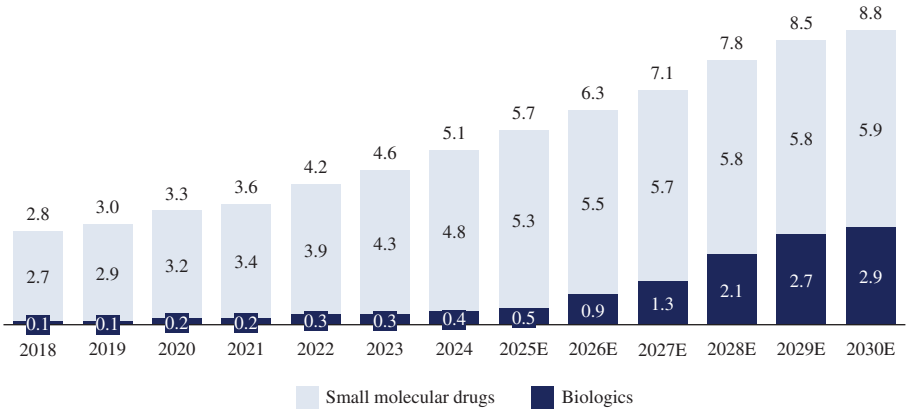
With the continuous approval of biologics for AR treatment, their penetration rate and patient compliance are steadily increasing, making them a key therapeutic option. Consequently, China's AR market is poised for rapid growth. The market size of AR drugs in China grows from RMB2.2 billion to RMB4.6 billion from 2018 to 2024. It is expected to continue to grow to RMB13.6 billion by 2030, growing at a CAGR of 20.8% during the period.

Previously, the main treatment method for AR in China was chemical drugs. With the approval of Stapokibart by the NMPA in 2025, biologics will gradually become one of the primary treatment options. As patients' health awareness improves, the treatment rate of AR is still on the rise. Along with the gradual increase in the penetration rate and adherence of biologics, which have higher treatment costs and better efficacy, as well as the continuous growth in the treatment rate of AR patients, the China's AR drug market will experience rapid growth, resulting in a projected CAGR higher than the historical CAGR.

Global Market Size of AR Drugs, 2018-2030E

Period	Small molecular drugs	Biologics	Overall
2018-2024	9.9%	24.1%	10.6%
2025E-2030E	2.3%	44.5%	8.9%

Billion USD

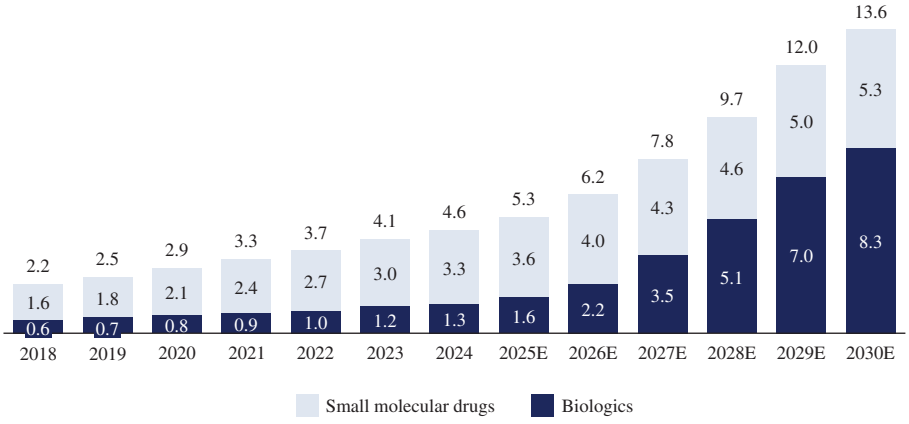


Source: Frost & Sullivan analysis

Market Size of AR Drugs in China, 2018-2030E

Period	Small molecular drugs	Biologics	Overall
2018-2024	13.3%	13.6%	13.4%
2025E-2030E	7.8%	38.2%	20.8%

Billion RMB



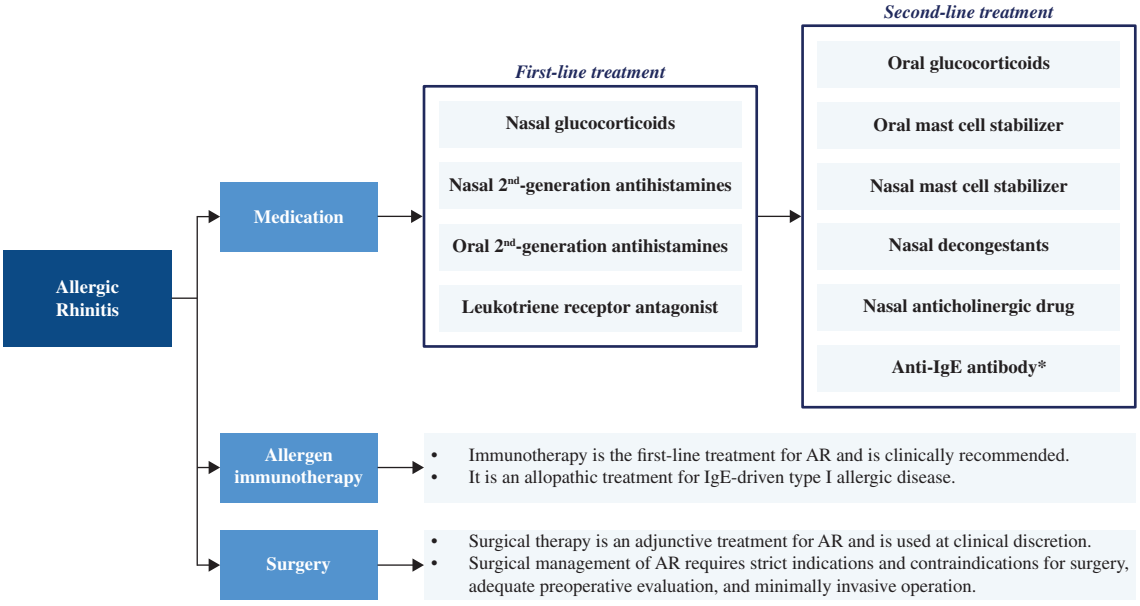
Source: Frost & Sullivan analysis

Treatment Paradigms for AR in China

According to Chinese guideline for diagnosis and treatment of allergic rhinitis (2022), in the treatment of allergic rhinitis, pharmacotherapy and allergen-specific immunotherapy ("**AIT**") are the first-line treatment options for symptomatic treatment and etiological treatment, respectively. Pharmacotherapy is usually used during the symptomatic episode of allergic rhinitis to relieve patients' symptoms; while AIT is suitable for patients whose conditions are uncontrollable with conventional pharmacotherapy, those who wish to avoid long-term medication, and those who need to prevent the onset of related diseases. Surgery is an adjuvant treatment for allergic rhinitis, only applicable to patients with allergic rhinitis whose conditions are uncontrollable with treatments such as pharmacotherapy and immunotherapy, or those who cannot receive long-term pharmacotherapy.

Biologic therapies are targeted treatments for moderate-to-severe cases, especially those unresponsive to standard drugs. Agents such as dupilumab, omalizumab, mepolizumab, reslizumab, and tezepelumab block IL-4Rα, IgE, IL-5, IL-5R, or TSLP pathways. These therapies reduce symptoms, shrink nasal polyps, and decrease glucocorticoid use. They are particularly effective in patients with elevated IgE, eosinophilia, or multi-organ symptoms. However, high costs and injectable delivery may reduce accessibility and adherence. Some agents remain in early clinical stages, with long-term efficacy and safety still under investigation.

The diagram below illustrates the treatment paradigm for AR in China:



Source: Chinese guideline for diagnosis and treatment of AR (2022, revision), Frost & Sullivan analysis

As of the Latest Practicable Date, there are only one monoclonal antibody drug approved for AR by NMPA.

Target	Drug Name	Brand Name	Company	NMPA Approval time	Drug Delivery Program	Monthly treatment costs (RMB)	Covered by NRDL
IL-4Rα	Stapokibart	Kangyueda	Keymed biosciences	2025/2/7	Initial dose of 600mg, followed by 300mg every two weeks	~3,600/2,400	Yes

Note: Depending on the patient's condition, the dosage of medication used varies and the monthly cost of treatment varies.
Source: NMPA, Frost & Sullivan Analysis

As of the Latest Practicable Date, according to ClinicalTrials.gov, there are eight monoclonal antibody candidates for AR in the clinical stage globally.

Target	Drug Code	Company	Clinical Stage	Latest update date
IL-13	Lebrikizumab	Eli Lilly	Phase III	2026/4/20
IgE	Omalizumab	Novartis/Roche	Phase III	2026/1/12
IL-4Rα	Dupilumab	Sanofi/Regeneron	Phase III	2025/7/15
	VAK-694	Novartis	Phase II	2020/12/19
Bet v 1	REGN5713-5715	Regeneron	Phase III	2026/4/21
ADCYAP1	ALD1910	H. Lundbeck A/S	Phase I	2022/10/27
IL-33	MT-2990	Mitsubishi Tanabe Pharma	Phase I	2025/12/11
CD3/BCMA	Cizutamig	Candid Therapeutics	Phase I	2026/4/16

Note: Only innovative drugs are included.

Source: ClinicalTrials.gov, Frost & Sullivan Analysis

As of the Latest Practicable Date, according to the CDE, there are ten monoclonal antibody candidates for AR in the clinical stage in China. Compared with therapeutic drugs for allergic diseases targeting other targets, LP-003 demonstrates differentiated advantages in mechanism of action and dosage. Its IgE-targeted mechanism is clear and direct, reducing efficacy fluctuations caused by complex mechanisms. Meanwhile, the lower dosage supports reducing the potential medication burden on patients. Compared with Omalizumab, a similar anti-IgE antibody drug, LP-003 achieves further optimization in efficacy and patient compliance. It not only exhibits higher affinity for IgE, superior blocking effect, and more competitive clinical efficacy, but also effectively simplifies the treatment process through lower dosage, less frequent administration, and more convenient medication methods, thereby improving patients' long-term medication compliance.

Target	Drug Code	Company	Clinical Stage	Latest update date
IgE	LP-003	Longbio Pharma	Phase III	2025/2/10
	JYB1904/Ozureprubart	Jiangsu Jiye Biopharmaceutical	Phase II	2026/3/10
IL-13	Lebrikizumab	Eli Lilly	Phase III	2025/6/9
IL-4/IL-4Rα	Dupilumab	Sanofi	Phase III	2025/4/3
	Telikibart	Chongqing GenrixBio Biopharmaceutical	Phase III	2025/9/25
	Comekibart	Hunan Mabgeek Biotechnology	Phase II/III	2026/3/27
	TQH2722	Chiatai Tianqing Pharmaceutical	Phase II	2026/3/26
	SHR-1819	Hengrui Pharmaceutical	Phase II	2025/9/2
ST2	TQC2938	Chiatai Tianqing Pharmaceutical	Phase II	2026/4/20
IL-4Rα/ST2	AK139	Zhongshan Akeso Biopharma	Phase II	2026/2/13

Note: Only innovative drugs are included.

Source: CDE, Frost & Sullivan analysis

Overview of CSU Market

CSU is the most common type of chronic urticaria, defined by the persistence of hives and/or angioedema for more than six weeks, with no clear external triggers, causing skin and mucosal allergic reactions. Patients with CSU typically experience recurrent skin itching and hives, which can appear on any part of the body, and usually accompanied by varying degrees of swelling. In recent years, the global prevalence of CSU has been rising, which significantly affects patients' quality of life and emotional well-being, and imposes a considerable social and economic burden.

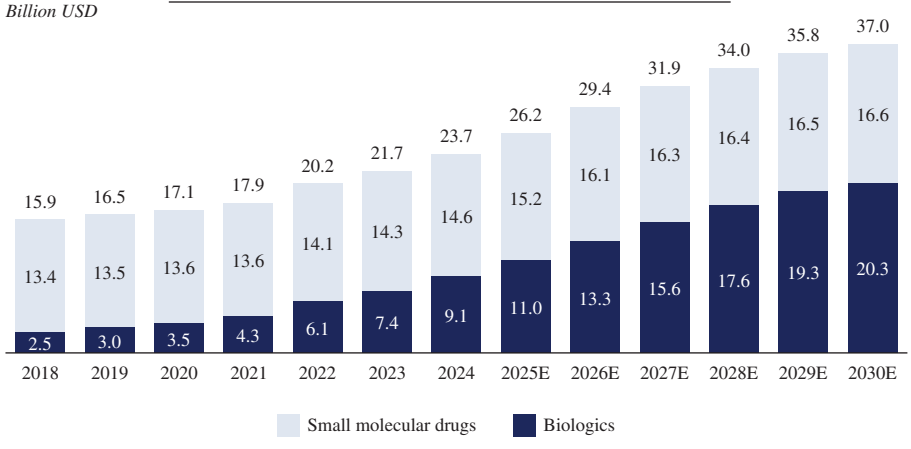
There are a large number of CSU patients around the world, and its prevalence has grown from 65.5 million in 2018 to 69.7 million in 2024, with a CAGR of 1.1%. The number of CSU patients around the world is expected to reach 73.5 million in 2030. There are a large number of CSU patients in China, and its prevalence has grown from 22.6 million in 2018 to 26.1 million in 2024, with a CAGR of 2.5%. The number of CSU patients in China is expected to reach 29.7 million in 2030 at a CAGR of 2.1%.

Driven by the increasing availability of biologic agents and growing patient awareness of CSU, the rise in treatment rates for CSU, the global CSU drugs market has maintained a steady growth trend. The global CSU drugs market has grown from US$15.9 billion in 2018 to US$23.7 billion by 2024, at a CAGR of 6.9%, and is estimated to reach US$37.0 billion by 2030, at a CAGR of 7.1% during this period. The number of patients with CSU worldwide is relatively stable. According to literature, 75% of global urticaria patients are CSU patients, totalling approximately 69.7 million CSU patients worldwide. Currently, the main biologic used for CSU globally is Omalizumab, which has been approved for over 10 years, and the global treatment landscape is relatively stable. With the improvement of patients' health awareness, the treatment rate of CSU is still on the rise. However, due to the continuous price reductions of CSU treatment drugs and the slowdown in the growth of the CSU treatment rate, the projected CAGR of the global CSU drug market is lower than the historical CAGR.

Since omalizumab was approved for treating CSU, biologics have gradually become one of the primary treatment options for the patients. Propelled by the continuous improvement in the penetration rate and treatment compliance to biologics, China's CSU drug market has experienced a steady growth. The market size of CSU drugs in China grows from RMB12.2 billion to RMB16.9 billion from 2018 to 2024. It is expected to continue to grow to RMB41.7 billion by 2030, growing at a CAGR of 16.7% during the period. Previously, the primary treatment for CSU in China was chemical drugs. In 2022, Omalizumab was approved by the NMPA for CSU treatment and will gradually become one of the important treatment methods for CSU. With the improvement of patients' health awareness, the treatment rate of CSU is still on the rise. Along with the gradual increase in the penetration rate and adherence of biologics which have higher treatment costs and better efficacy, as well as the continuous growth in the treatment rate of CSU patients, the China's CSU drug market will experience rapid growth, resulting in a projected CAGR higher than its historical CAGR.

Global Market Size of CSU Drugs, 2018-2030E

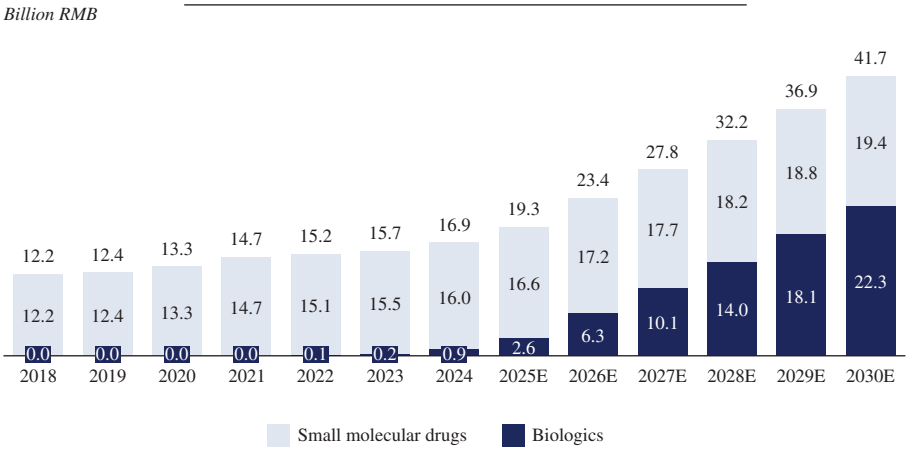
Period	Small molecular drugs	Biologics	Overall
2018-2024	1.4%	24.1%	6.9%
2025E-2030E	1.8%	13.0%	7.1%



Source: Frost & Sullivan analysis

Market Size of CSU Drugs in China, 2018-2030E

Period	Small molecular drugs	Biologics	Overall
2018-2024	4.6%	NA	5.5%
2025E-2030E	3.1%	53.3%	16.7%



Source: Frost & Sullivan analysis

Treatment Paradigms for CSU in China

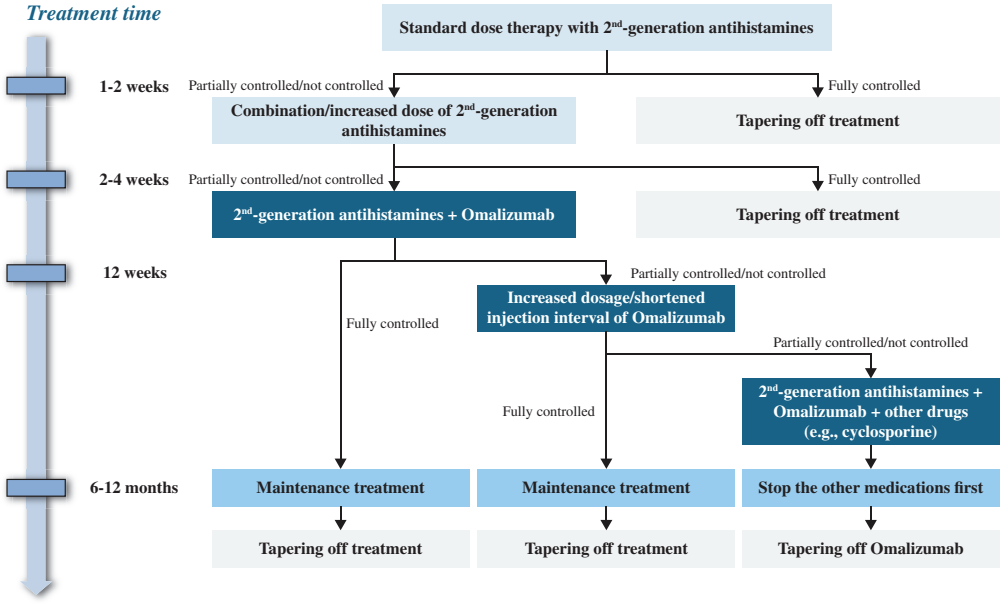
The primary treatment for CSU is medication, with antihistamines as first-line agents. By blocking H1 receptors, they reduce histamine-mediated vasodilation, vascular permeability, and pruritus. Second-generation antihistamines offer rapid relief, fewer central side effects, and convenient dosing. However, as antihistamines do not directly inhibit the Th2 response, some CSU patients will suffer failure of antihistamine therapy due to the persistence of the Th2 cell response.

Glucocorticoids have potent anti-inflammatory and immunosuppressive effects. They inhibit inflammatory cell activation and mediator release, stabilize mast cells, and reduce vascular permeability. They act rapidly and are suitable for severe or refractory cases, but long-term use may lead to serious adverse effects such as metabolic disturbances and immunosuppression.

Immunosuppressants, such as cyclosporine, regulate immune responses by inhibiting immune cell proliferation and cytokine signaling. They are considered in treatment-resistant CSU patients and can address underlying mechanisms. However, they require careful monitoring due to risks of hepatotoxicity, nephrotoxicity, and hematologic toxicity.

Biologic agents such as omalizumab, target IgE, prevents its binding to mast cells and basophils and thereby suppresses allergic inflammation. Omalizumab is effective in refractory CSU patients. Anti-IgE antibodies have become the first choice of drug for third-line therapy in CSU patients who are unresponsive or intolerant to antihistamines. However, it requires subcutaneous injection, which may limit accessibility for some patients.

The diagram below illustrates the treatment paradigm for CSU in China:



Source: Guideline for diagnosis and treatment of urticaria in China (2022), Frost & Sullivan analysis

As of the Latest Practicable Date, there is only one monoclonal antibody drug, omalizumab, approved for CSU by NMPA. In January 2023, omalizumab was included in the NRDL.

Target	Drug Name	Brand Name	Company	NMPA Approval time	Drug Delivery Program	Monthly treatment costs (RMB)	Covered by NRDL
IgE	Omalizumab	Xolair	Novartis	2022/4/8	150/300mg given every 4 weeks.	~1,300/2,600	Yes

Note: Only innovative drugs are included.
Depending on the patient's condition, the dosage of medication used varies and the monthly cost of treatment varies.

Source: FDA, NMPA, Frost & Sullivan Analysis

As of the Latest Practicable Date, according to ClinicalTrials.gov, there are seven monoclonal antibody candidates for CSU in the clinical stage globally.

Target	Drug Code	Company	Clinical Stage	Latest update date
KIT	Barzolvolimab	Celldex Therapeutics	Phase III	2026/5/1
	Briquilimab	Jasper Therapeutics	Phase II	2025/2/28
TSLP	Tezepelumab	Amgen	Phase II	2025/4/9
SIGLEC6	AK006	Allakos	Phase I	2025/8/27
IgE	Lesigercept	Yuhan Corporation	Phase II	2026/4/15
	UB221	United BioPharma	Phase I	2022/5/13
CD3, BCMA	Cizutamig	Candid Therapeutics	Phase I	2026/4/16

Note: Only innovative drugs are included.

Source: ClinicalTrials.gov, Frost & Sullivan Analysis

As of the Latest Practicable Date, according to the CDE, there are 11 monoclonal antibody candidates for CSU in the clinical stage in China. Compared with drugs targeting other pathways, the IgE-focused mechanism of action of LP-003 is clear and direct, eliminating the need for reliance on complex indirect pathway regulation and providing mechanistic support for stable efficacy. Head-to-head studies have confirmed that LP-003 holds clinical advantages over the anti-IgE antibody omalizumab. It not only has higher affinity for IgE and better blocking effect, leading to improved control of clinical symptoms, but also features lower dosage and less frequent administration. This enhances medication convenience while effectively improving patients' compliance with long-term treatment.

Target	Drug Code	Company	Clinical Stage	Latest update date
IL-4R	Telikibart	Genrixbio Pharmaceutical	Phase III	2025/4/8
	Dupilumab	Sanofi	Phase III	2024/12/28
	Comekibart	Hunan Mabgeek Biotechnology	Phase III	2026/3/30
	SHR-1819	Hengrui Pharmaceutical	Phase II	2025/11/10
	BA2101	Luye Pharma	Phase I	2023/11/1
IgE	Ozureprubart	Jeyou Pharma	Phase III	2026/2/6
	LP-003	Longbio Pharma	Phase II	2025/2/9
	UB221	United Biopharma	Phase II	2025/9/11
	Lesigercept	Yuhan Corporation	Phase II	2026/4/9
KIT	QX013N	Qyuns Therapeutics	Phase I	2025/8/6
IL-13, TSLP	CM512	Keymed Biosciences	Phase II	2026/4/17

Note: Only innovative drugs are included.

Source: CDE, Frost & Sullivan Analysis

Overview of allergic asthma

Allergic asthma (also known as atopic asthma or extrinsic asthma) is a type of asthma triggered and/or caused by allergens, formerly referred to as extrinsic asthma. It is one of the key clinical phenotypes of asthma, primarily driven by immune mechanisms mediated by Th2 cells. It is often associated with atopy and other allergic conditions such as eczema, AR, and food and drug allergies. Compared to non-allergic asthma, allergic asthma usually has an earlier onset and a familial genetic predisposition. Multiple global epidemiological surveys have shown that its incidence is rising annually, making it a widespread and long-term chronic respiratory disease.

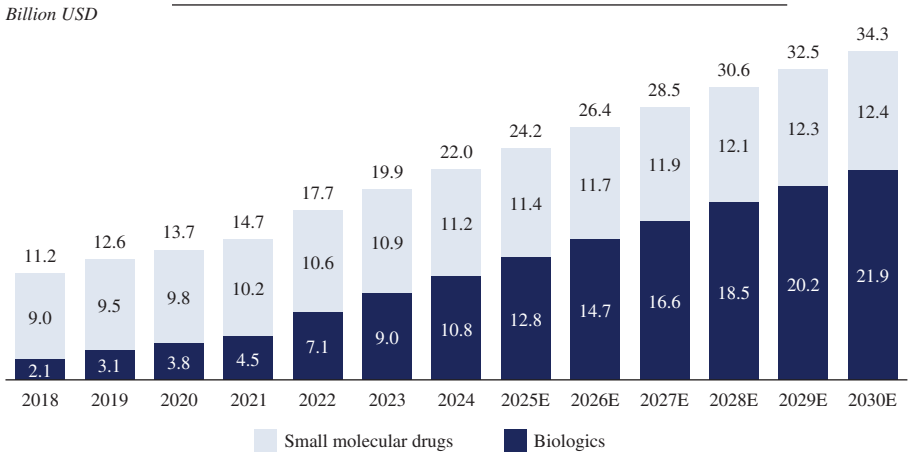
There are a large number of allergic asthma patients around the world, and its prevalence has grown from 471.3 million in 2018 to 520.7 million in 2024, the number of allergic asthma patients around the world is expected to reach 560.6 million in 2030 at a CAGR of 1.2%. There are a large number of allergic asthma patients in China, and its prevalence has grown from 40.6 million in 2018 to 45.2 million in 2024. The number of allergic asthma patients in China is expected to reach 49.7 million in 2030.

With the increasing adoption of biologics, growing patient awareness coupled with rising treatment rates for allergic asthma, the global allergic asthma drugs market has maintained a steady growth. The global allergic asthma drugs market has grown from US$11.2 billion in 2018 to US$22.0 billion by 2024, at a CAGR of 11.9%, and is estimated to reach US$34.3 billion by 2030, at a CAGR of 7.2% during this period. The number of patients with allergic asthma worldwide is relatively stable. According to literature, there are approximately 800 million asthma patients worldwide, of which 65% are allergic asthma patients, totalling about 520 million allergic asthma patients. Currently, multiple biologics have been approved for use globally, and many of these drugs have been approved for more than 5 years, making the global treatment landscape relatively stable. With the improvement of patients' health awareness, the treatment rate of allergic asthma is still on the rise. However, due to the continuous price reductions of allergic asthma treatment drugs and the slowdown in the growth of the allergic asthma treatment rate, the projected CAGR of the global allergic asthma drug market is lower than the historical CAGR. With the rise in patient health awareness, the continuous approval of biologics, and the steady increase in biologic penetration rates and treatment compliance, China's allergic asthma drugs market is poised for rapid growth.

The market size of allergic asthma drugs in China grows from RMB11.2 billion to RMB19.6 billion from 2018 to 2024. It is expected to continue to grow to RMB46.7 billion by 2030, growing at a CAGR of 16.0% during the period. Previously, the primary treatment method for allergic asthma in China was chemical drugs. In the past three years, multiple biologics have been successively approved, and biologics will further expand their application scope among allergic asthma patients. With the improvement of patients' health awareness, the treatment rate of allergic asthma is still on the rise. Along with the gradual increase in the penetration rate and adherence of biologics which have higher treatment costs and better efficacy, as well as the continuous growth in the treatment rate of allergic asthma patients, the China's allergic asthma drug market will experience rapid growth, resulting in a projected CAGR higher than its historical CAGR.

Global Market Size of Allergic Asthma Drugs, 2018-2030E

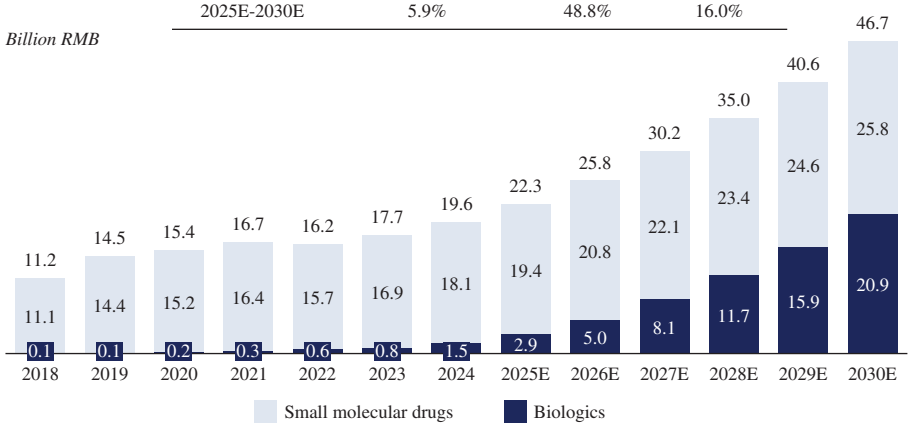
Period	Small molecular drugs	Biologics	Overall
2018-2024	3.6%	31.0%	11.9%
2025E-2030E	1.7%	11.4%	7.2%



Source: Frost & Sullivan analysis

Market Size of Allergic Asthma Drugs in China, 2018-2030E

Period	Small molecular drugs	Biologics	Overall
2018-2024	8.5%	65.5%	9.8%
2025E-2030E	5.9%	48.8%	16.0%



Source: Frost & Sullivan analysis

Treatment Paradigms for Allergic Asthma in China

Treatment options for allergic asthma include chemical drugs, AIT, and biologic agents therapies.

Chemical drugs, including glucocorticoids, β2-agonists, and leukotriene antagonists, remain the cornerstone of respiratory therapy. While glucocorticoids provide potent local anti-inflammatory effects and β2-agonists offer rapid airway relaxation, both require careful management to avoid long-term systemic side effects or reduced efficacy. Despite their convenience and synergistic potential when combined, these therapies can lead to resistance or dependency.

AIT is the only approach that may alter the natural course of allergic disease. It works by boosting regulatory T cell function, reducing IgE levels, and shifting the immune profile from Th2 to Th1, thereby decreasing allergen sensitivity. It is most effective for patients with confirmed allergens unresponsive to conventional therapy but requires a long treatment course, close monitoring, and high patient compliance.

Biologic therapies target type 2 inflammation and are used for moderate to severe cases. Omalizumab binds free IgE to block mast cell activation, while dupilumab inhibits IL-4 and IL-13 signaling. These biological agents target specific immune pathways and are highly effective for patients with severe allergic asthma. Targeting TSLP may reduce type 2 inflammation, lower cytokine release, and provide symptom relief in severe asthma. These treatments are typically reserved for patients with severe disease and specific biomarkers.

The diagram below illustrates the treatment paradigm for allergic asthma in China:

Treatment level	Preferred controller	Secondary controller	Other controller
Level 1	• Low-dose ICS-formoterol (as needed)	• SABA + low-dose ICS	• AIT
Level 2	• Low-dose ICS • Low-dose ICS-formoterol (as needed)	• LTRA • SABA + low-dose ICS	• AIT, anti-allergy drugs
Level 3	• Low-dose ICS-LABA	• Medium-dose ICS • Low-dose ICS + LTRA	• AIT, anti-IgE antibody, anti-allergy drugs
Level 4	• Medium-dose ICS-LABA	• High-dose ICS + LAMA/LTRA	• Anti-IgE antibody, anti-allergy drugs
Level 5	• High-dose ICS-LABA + anti-IgE antibody (or other biological agents)	• Add low-dose oral glucocorticoids (to minimize adverse effects)	• /

Source: Guideline for diagnosis and treatment of allergic asthma in China (2019, the first edition), Frost & Sullivan analysis

As of the Latest Practicable Date, there are six monoclonal antibody drugs approved for allergic asthma by NMPA.

Target	Drug name	Brand name	Company	NMPA Approval time	Drug Delivery Program	Monthly treatment costs (RMB)	Covered by NRDL
IgE	Omalizumab	Xolair	Novartis/Roche	2017/8/24	300/450mg given every 4 weeks	~2,600/3,900	Yes
IL-5/IL-5Rα	Mepolizumab	Nucala	GSK	2024/1/2	100mg given every 4 weeks	~2,900	Yes
	Depemokimab	Exdensur		2026/5/7	100mg every 6 months	N.A.	No
	Benralizumab	Fasenra	AstraZeneca	2024/9/27	First 3 doses of 30 mg every four weeks, subsequent 30 mg every eight weeks	~10,000/5,000	Yes
IL-4Rα	Dupilumab	Dupixent	Sanofi/Regeneron	2023/11/14	Initial dose of 600/400 mg, followed by 300/200 mg every two weeks	~6,000/3,000, 4,400/2,200	Yes
TSLP	Tezepelumab	Tezspire	AstraZeneca	2026/3/25	210mg given every 4 weeks	~13,700	No

Note: In this page, we only consider innovative drugs and generic products are excluded.
Depending on the patient's condition, the dosage of medication used varies and the monthly cost of treatment varies.

Source: FDA, NMPA, Frost & Sullivan Analysis

As of the Latest Practicable Date, according to ClinicalTrials.gov, there are two monoclonal antibody candidates for allergic asthma in the clinical phase III stage, as well as 23 monoclonal antibody candidates in the clinical phase II stage globally.

Target	Drug Code	Company	Clinical Stage	Latest update date
IL-13	Tralokinumab	AstraZeneca	Phase III	2019/3/15
	Dectrekumab	Novartis	Phase II	2020/12/19
TSLP	GB-0895	Generate Biomedicines	Phase III	2026/4/27
	Verekitug	Upstream Bio Inc.	Phase II	2026/5/14
	HBM9378	Windward Bio	Phase II	2026/4/7
	AZD8630	AstraZeneca	Phase II	2025/12/1
	Solrikitug	DevPro Biopharma	Phase II	2026/5/1
	GSK5784283	GSK	Phase II	2026/3/23
Tryptase	RG 6173	Roche	Phase II	2023/8/14
ST2	Astegolimab	Roche	Phase II	2022/12/28
OX40	Amlitelimab	Sanofi	Phase II	2026/3/30
	Rocatinlimab	Amgen	Phase II	2025/12/11
IL-6	FB704A	Oneness Biotech	Phase II	2025/12/9
IgE	FB825	Oneness Biotech	Phase II	2026/1/12
IL-4Rα	Rademikibart	Suzhou Connect Biopharmaceuticals	Phase II	2026/4/27
IL4, IL13, TSLP	Tilrekimig	Pfizer	Phase II	2026/5/4
IL-33	Tozorakimab	AstraZeneca	Phase II	2026/4/9
	SAR440340	Sanofi/Regeneron	Phase II	2022/6/14
IL-23α	Risankizumab	AbbVie/Boehringer Ingelheim	Phase II	2019/4/10
IL-1RL1	Melrilimab	GSK	Phase II	2020/3/2
IL-17Rα	CJM112	Novartis	Phase II	2021/10/8
	AMG 827	Amgen	Phase II	2021/11/26
IL13, TSLP	Lunsekimig	Sanofi	Phase II	2026/5/15
Fel d 1	REGN1908-1909	Regeneron	Phase II	2021/7/1
CD4	Tregalizumab	T-Balance Therapeutics GmbH	Phase II	2022/2/8

Note: Only innovative drugs are included.

Source: ClinicalTrials.gov, Frost & Sullivan Analysis

As of the Latest Practicable Date, according to the CDE, there are seven monoclonal antibody candidates for allergic asthma in the clinical phase III stage, as well as 16 monoclonal antibody candidates in the clinical phase II stage in China. In the field of allergic asthma treatment, LP-003 presents differentiated advantages in dosing regimen compared to both anti-IgE antibodies (same target) and therapeutic drugs with different mechanisms of action. Its long-acting design with administration once every 3 months not only significantly reduces the frequency of patients' hospital visits for injections but also minimizes missed doses caused by short intervals and frequent administrations. This effectively improves patients' long-term treatment compliance and better meets the clinical demand for convenient and sustainable treatment solutions.

Target	Drug Code	Company	Clinical Stage	Latest update date
TSLP	Bosakitug	Chiatai Tianqing Pharmaceutical	Phase III	2025/3/7
	SHR-1905	Hengrui Pharmaceutical	Phase III	2025/8/27
	QL2302	Qilu Pharmaceutical	Phase III	2025/11/27
	CM326	Keymed Biosciences	Phase III	2026/4/27
	MG014	Hunan Mabgeek Biotechnology	Phase II	2025/10/29
	AZD8630	AstraZeneca	Phase II	2026/2/2
IL-5	SSGJ-610	3SBio Pharma	Phase II	2026/1/29
	SHR-1703	Hengrui Pharmaceutical	Phase II	2025/6/6
OX40	Rocatinlimab	Amgen	Phase II	2025/2/13
IL-11, TSLP	HB0056	Huabo Biopharm	Phase II	2025/9/4
IL-4R, ST2	AK139	Akeso Biopharma	Phase II	2026/2/6
IL-4Rα	Comekibart	Hunan Mabgeek Biotechnology	Phase III	2025/4/2
	Rademikibart	Connect Biopharma	Phase III	2024/8/2
	Stapokibart	Keymed Biosciences	Phase II/III	2023/9/13
	Telikibart	Genrixbio Pharmaceutical	Phase II	2025/5/15
	LQ036	Shanghai Novamab Biopharmaceuticals	Phase II	2025/11/4
IL-13, TSLP	CM512	Keymed Biosciences	Phase II	2026/1/13
	Lunsekimig	Sanofi	Phase II	2026/3/25
IgE	LP-003	Longbio Pharma	Phase II	2025/2/13
	Ozureprubart	Jeyou Pharma	Phase II	2025/12/16
IL-4R, IL-5	BBT002	Beijing Shanzhuyao Biopharmaceutical	Phase II	2025/11/24
	RC1416	Regenecore Biotech	Phase II	2026/1/13
IL-33	Tozorakimab	AstraZeneca	Phase II	2025/9/9

Note: Only innovative drugs are included.

Only clinical trials in phase II or above are listed here.

Source: CDE, Frost & Sullivan analysis

Overview of CRSwNP

CRSwNP is a condition characterized by persistent inflammation of the nasal and sinus mucosa. Nasal polyps are benign inflammatory protrusions that are bilateral and originate from the ethmoid sinuses, often extending into the nasal cavity below the middle turbinates. The incidence is higher in males, although female patients typically experience more severe clinical symptoms. CRSwNP accounts for approximately 25% to 30% of patients with chronic rhinosinusitis. Although the proportion is relatively low, it has significant clinical importance due to its high recurrence rate and considerable impact on quality of life.

There are a large number of CRSwNP patients around the world, and its prevalence has grown from 252.7 million in 2018 to 281.8 million in 2024, with a CAGR of 1.8%. With the increasing prevalence of CRSwNP, the number of CRSwNP patients around the world is expected to reach 311.7 million in 2030 at a CAGR of 1.7%. There are a large number of CRSwNP patients in China, and its prevalence has grown from 19.1 million in 2018 to 20.9 million in 2024, with a CAGR of 1.5%. The number of CRSwNP patients in China is expected to reach 22.3 million in 2030 at a CAGR of 1.1%.

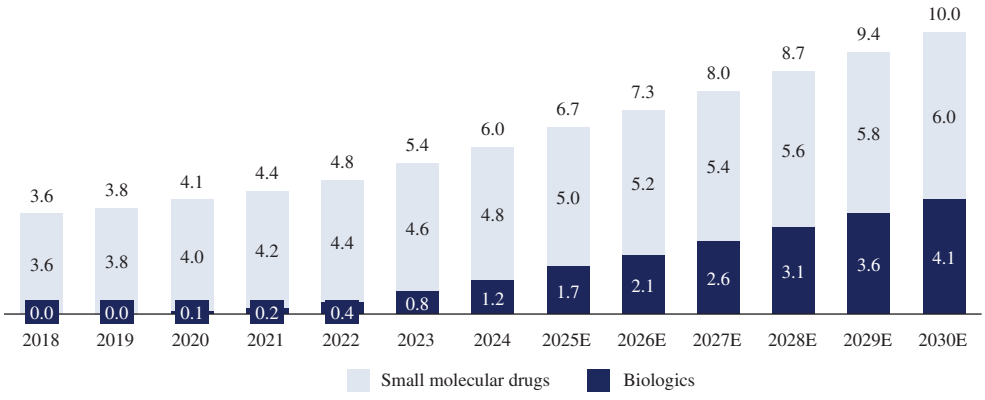
With the rise in patient health awareness, the increasing availability of biologics, and the growing treatment rates for CRSwNP, the global CRSwNP drugs market is projected to maintain a steady growth. The global CRSwNP drugs market has grown from US$3.6 billion in 2018 to US$6.0 billion by 2024, at a CAGR of 8.9%, and is estimated to reach US$10.0 billion by 2030, at a CAGR of 8.3% during this period. The number of patients with CRSwNP worldwide is relatively stable. According to literature, the global prevalence rate of CRS is approximately 10%, of which around 30% are CRSwNP patients, totalling about 282 million CRSwNP patients globally. Currently, multiple biologics have been approved worldwide, and their approval duration has reached 4 to 5 years, making the global treatment landscape relatively stable. With the improvement of patients' health awareness, the treatment rate of CRSwNP is still on the rise. However, due to the continuous price reductions of CRSwNP treatment drugs and the slowdown in the growth of the CRSwNP treatment rate, the projected CAGR of the global CRSwNP drug market is lower than the historical CAGR.

With the rising patient treatment rates, the continuous approval of biologics, together with the growing penetration rate and treatment compliance to biological therapies, China's CRSwNP drugs market is poised for rapid expansion. The market size of CRSwNP drugs in China grows from RMB0.6 billion to RMB1.3 billion from 2018 to 2024. It is expected to continue to grow to RMB4.3 billion by 2030, growing at a CAGR of 18.6% during the period. Previously, the primary treatment method for CRSwNP in China was chemical drugs. All biologics for this condition have been approved in the past two years and will gradually become one of the important treatment methods for CRSwNP. With the improvement of patients' health awareness, the treatment rate of CRSwNP is still on the rise. Along with the gradual increase in the penetration rate and adherence of biologics which have higher treatment costs and better efficacy, as well as the continuous growth in the treatment rate of CRSwNP patients, the China's CRSwNP drug market will experience rapid growth, resulting in a projected CAGR higher than its historical CAGR.

Global Market Size of CRSwNP Drugs, 2018-2030E

Period	Small molecular drugs	Biologics	Overall
2018-2024	4.9%	NA	8.9%
2025E-2030E	3.6%	18.7%	8.3%

Billion USD

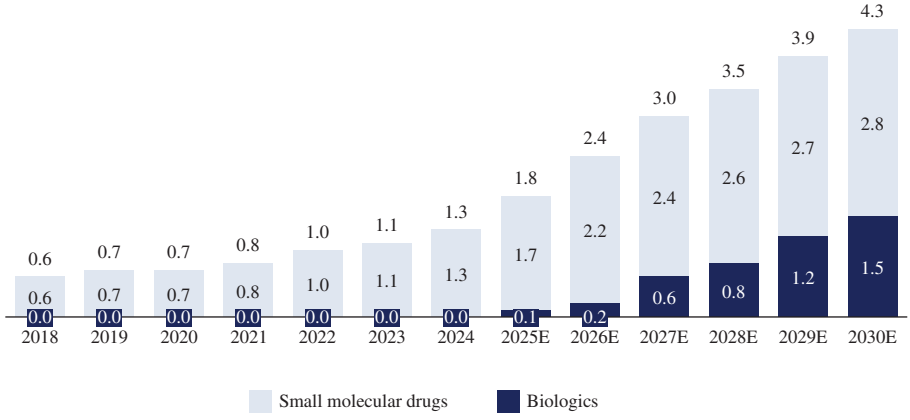


Source: Frost & Sullivan analysis

Market Size of CRSwNP Drugs in China, 2018-2030E

Period	Small molecular drugs	Biologics	Overall
2018-2024	14.4%	NA	14.5%
2025E-2030E	9.5%	86.4%	18.6%

Billion RMB



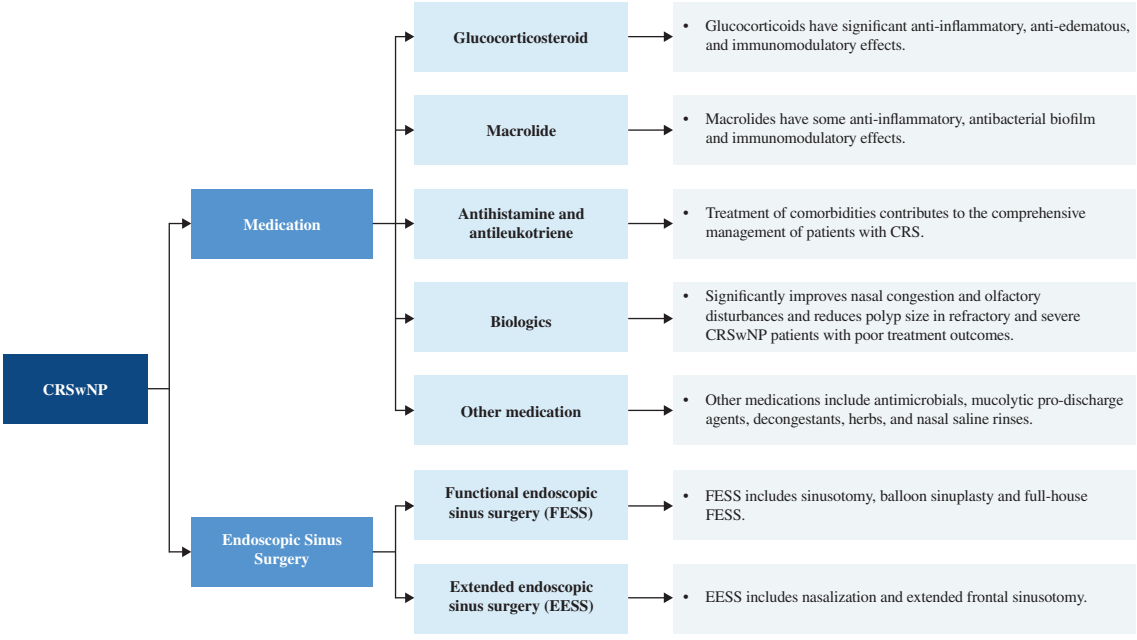
Source: Frost & Sullivan analysis

Treatment Paradigms for CRSwNP in China

The treatment of CRSwNP needs to be stratified according to the condition. Medications are the first-line option, with nasal glucocorticoids preferred due to their non-invasive nature and favorable safety profile, though they act slowly and are less effective in severe cases. Antihistamines help relieve allergy-related symptoms but have limited impact on polyps and inflammation, so they are mainly used in patients with concurrent allergies. Macrolide antibiotics provide anti-inflammatory and immunomodulatory effects, but long-term use may lead to resistance and they are ineffective for larger polyps. Overall, drug therapies mainly relieve symptoms, have limited efficacy in refractory cases, may cause side effects with prolonged use, and are associated with high recurrence after discontinuation.

Surgery, mainly functional endoscopic sinus surgery, can quickly relieve nasal obstruction and loss of smell by removing polyps and opening sinus passages. It is minimally invasive with fast recovery, but recurrence is common (about 35%–38% overall, up to 98% in some patients). As it does not address the underlying cause, perioperative medication is needed to reduce recurrence, and a small number of patients may experience complications. Biologic therapy is an emerging option for severe, refractory CRSwNP. Anti-IL-5/IL-5R agents reduce eosinophilic inflammation, shrink polyps, and improve symptoms, with relatively few side effects, but they are costly and require long-term use. Anti-IgE therapies are effective for patients with severe allergies but have limited benefit in non-allergic cases.

The diagram below illustrates the treatment paradigm for CRSwNP in China:



Source: Guidelines for the Diagnosis and Treatment of Chronic Rhinosinusitis (2024 version), Frost & Sullivan analysis

As of the Latest Practicable Date, there are four monoclonal antibody drugs approved for CRSwNP by FDA.

Target	Drug Name	Brand Name	Company	FDA Approval date	Sale Revenue in 2024 (million USD)
TSLP	Tezepelumab	Tespire	AstraZeneca	2025/10/17	248.0
IL-5	Mepolizumab	Nucala	GSK	2021/7/29	2,302.1
IgE	Omalizumab	Xolair	Novartis/Roche	2020/12/1	4,455.8
IL-4Rα	Dupilumab	Dupixent	Sanofi/Regeneron	2019/6/26	14,336.7

As of the Latest Practicable Date, there are four monoclonal antibody drugs approved for CRSwNP by NMPA.

Target	Drug name	Brand name	Company	NMPA Approval time	Drug Delivery Program	Monthly treatment costs (RMB)	Covered by NRDL
IL-4Rα	Stapokibart	Kangyueda	Keymed Biosciences	2024/12/23	300mg given every 2 weeks	~2,400	Yes
IL-5	Mepolizumab	Nucala	GSK	2025/1/2	100mg given every 4 weeks	~2,900	Yes
	Depemokimab	Exdensur		2026/5/7	100mg every 6 months	N.A.	No
TSLP	Tezepelumab	Tezspire	AstraZeneca	2026/3/25	210mg given every 4 weeks	~13,700	No

Note: Only innovative drugs are included.
Depending on the patient's condition, the dosage of medication used varies and the monthly cost of treatment varies.

Source: FDA, NMPA, Frost & Sullivan Analysis

As of the Latest Practicable Date, according to ClinicalTrials.gov, there are six monoclonal antibody candidates for CRSwNP in the clinical stage globally.

Target	Drug Code	Company	Clinical Stage	Latest update date
IL33	Itepekimab	Sanofi/Regeneron	Phase III	2026/5/8
TSLP	Verekitug	Upstream Bio	Phase II	2025/8/15
IL-5/IL-5R	Benralizumab	AstraZeneca	Phase III	2024/6/18
	Depemokimab	GSK	Phase III	2025/12/3
IL13	Lebrikizumab	Eli Lilly	Phase III	2026/5/12
IL13, TSLP	Lunsekimig	Sanofi	Phase II	2026/4/28

Note: Only innovative drugs are included.

Source: ClinicalTrials.gov, Frost & Sullivan Analysis

As of the Latest Practicable Date, according to the CDE, there are 13 monoclonal antibody candidates for CRSwNP in the clinical stage in China. Compared with some competing drugs targeting other pathways such as IL-4Rα and TSLP, the mechanisms of action of LP-003 is the anti-IgE pathway. IgE-driven immune-inflammatory response is one of the key pathological links in the pathogenesis of CRSwNP. This mechanism directly targets the core drivers of the disease, ensuring definite therapeutic effects for CRSwNP.

Target	Drug Code	Company	Clinical Stage	Latest update date
TSLP	Bosakitug	Chiatai Tianqing Pharmaceutical Group	Phase III	2025/10/10
	SHR-1905	Hengrui Pharmaceutical	Phase III	2025/9/12
	CM326	Keymed Biosciences	Phase III	2026/2/6
IL-33	Itepekimab	Sanofi	Phase III	2026/2/26
IL-13	Lebrikizumab	Eli Lilly	Phase III	2025/2/14
IL-4Rα	Dupilumab	Sanofi	Phase III	2024/12/20
	SSGJ-611	Sunshine Guojian Pharmaceutical	Phase III	2025/10/22
	Telikibart	Chongqing GenrixBio Biopharmaceutical	Phase III	2025/8/1
	TQH2722	Chiatai Tianqing Pharmaceutical Group	Phase II	2024/8/2
	QX005N	Qyuns Therapeutics	Phase II	2025/7/30
IL-13, TSLP	CM512	Keymed Biosciences	Phase II	2026/1/16
IgE	LP-003	Longbio Pharma	Phase II	2025/12/24
IL-4R, IL-5	BBT002	Beijing Shanzhuyao Biopharmaceutical	Phase II	2026/5/14

Note: Only innovative drugs are included.

Source: CDE, Frost & Sullivan analysis

Overview of food allergy

Food allergy is a condition caused by an abnormal immune response to dietary components, usually proteins, which can be triggered through IgE-driven, non-IgE-driven, or a combination of both mechanisms. Clinical manifestations are diverse, affecting the skin, gastrointestinal, respiratory, and cardiovascular systems, and it is one of the leading causes of allergic shock. The prevalence of food allergies is significantly higher in children aged six to 11 years old in China compared to adults, and incidences are on the rise. Studies have shown that factors such as early-life environment, gut microbiota, dietary habits, and mother-child immune interactions play a key role in the failure of oral tolerance development.

There are a large number of food allergy patients around the world, and its prevalence has grown from 273.2 million in 2018 to 361.8 million in 2024, with a CAGR of 4.8%. With the increasing prevalence of food allergy, the number of food allergy patients around the world is expected to reach 456.7 million in 2030 at a CAGR of 3.9%. There are a large number of food allergy patients in China, and its prevalence has grown from 133.3 million in 2018 to 159.1 million in 2024, with a CAGR of 3.0%. The number of food allergy patients in China is expected to reach 181.6 million in 2030 at a CAGR of 2.2%.

Currently, people with food allergies worldwide and in China face numerous challenges: there are no effective approaches to prevent accidental exposure that triggers allergic reactions, and long-term reliance on strict avoidance of allergens leads to a low quality of life; children have special management needs due to the characteristics of their immune systems; and existing therapies are lengthy and have many side effects. Anti-IgE antibodies target and bind to free IgE, blocking the initiation of allergic reactions. This significantly increases patients' tolerance thresholds to allergens, and reduces the risk of accidental exposure, alleviates the burden of long-term dietary restrictions. With the approval of omalizumab for the prevention of food allergies, the therapeutic potential of anti-IgE antibodies in preventing food allergies has been validated. In the future, anti-IgE antibody drugs are expected to rapidly expand their applications in the field of food allergy prevention.

Treatment Paradigms for Food Allergy in China

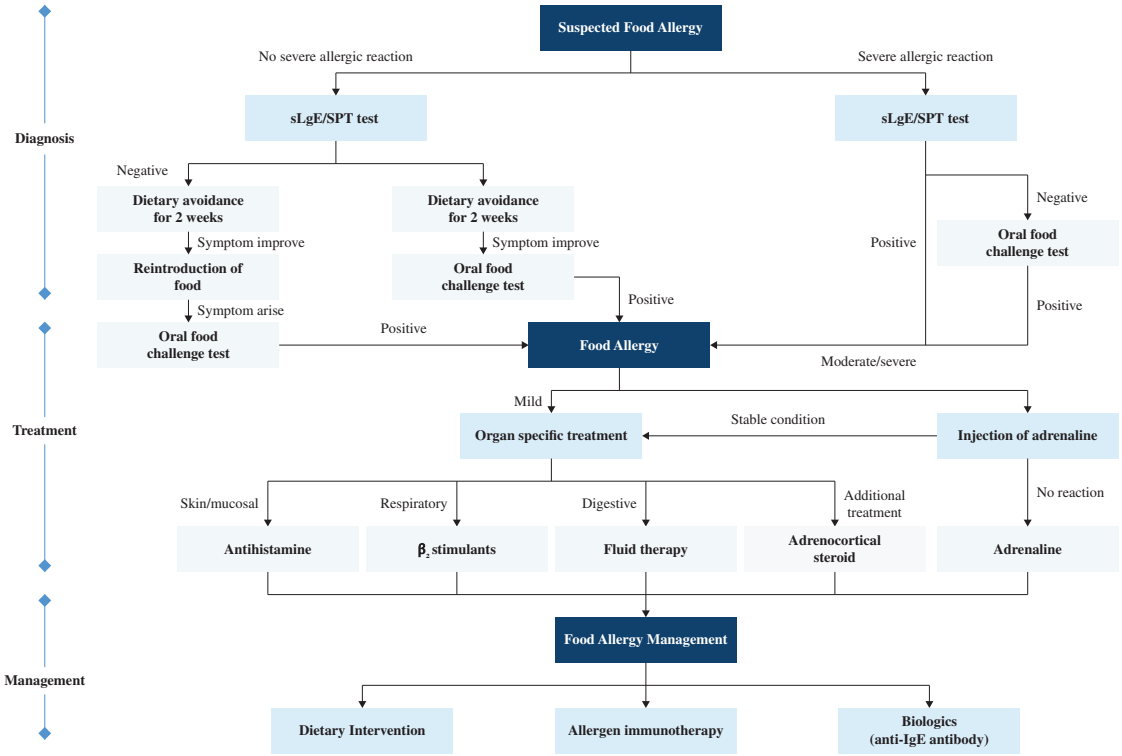
The primary treatments for food allergies include allergen avoidance, medication, and allergen-specific immunotherapy. Allergen avoidance is fundamental and effective for mild cases by preventing immune activation, but complete avoidance can be difficult in daily life and may affect quality of life.

Medication is the first-line approach for acute reactions. Antihistamines, especially second-generation types, rapidly relieve mild to moderate symptoms with fewer side effects, but they are ineffective in severe cases. Glucocorticoids control inflammation in moderate to severe reactions but pose risks with long-term use. Epinephrine is life-saving in anaphylaxis by reversing respiratory and circulatory failure, but must be administered immediately and does not prevent recurrence.

Allergen-specific immunotherapy modulates the immune response through long-term, low-dose allergen exposure. It shifts the immune balance from Th2 to Th1, suppresses IgE production, and enhances regulatory T cells, offering the potential for long-term remission or even a cure. However, it requires extended treatment, strict monitoring, and high patient adherence.

Biologics can effectively prevent food allergies through targeted regulation of immune mechanisms. Anti-IgE biologics inhibit allergic reactions at the source by preventing IgE from binding to mast cells, which can significantly reduce the chance of sensitization and effectively lower the risk of developing allergies.

The diagram below illustrates the treatment paradigm for Food Allergy in China:



Source: Expert Consensus on the Diagnosis and Management of IgE-driven food allergy in Children (2024 Edition), Frost & Sullivan analysis

As of the Latest Practicable Date, there is only one monoclonal antibody drug approved for food allergy by FDA.

Target	Drug Name	Brand Name	Company	FDA Approval date	Sale Revenue in 2024 (million USD)
IgE	Omalizumab	Xolair	Novartis/Roche	2024/2/16	4,455.8

Source: FDA, Frost & Sullivan analysis

As of the Latest Practicable Date, according to the CDE, LP-003 is the only one monoclonal antibody candidate for food allergy in the clinical stage in China.

Target	Drug Name	Company	Clinical Stage	Lates update date
IgE	LP-003	Longbio Pharma	Phase I	2025/8/24

Note: Only innovative drugs are included.

Source: CDE, Frost & Sullivan analysis

OVERVIEW OF AUTOIMMUNE DISEASE DRUG MARKET

Autoimmune diseases occur when the immune system mistakenly attacks the body's own tissues and organs. Instead of defending the body from external threats, the immune system starts to destroy its own cells, leading to inflammation, pain, and damage. Autoimmune diseases can affect almost all parts of the body, including the joints, muscles, skin and organs. The pathogenesis of autoimmune diseases is complex and involves multiple factors, including genetic, environmental, and immune system dysregulation.

Compared with traditional chemical drugs, biologics have a relatively better safety profile. Since they act on specific targets, biologics cause fewer side effects on the entire body's immune system, improving treatment compliance. The global autoimmune disease drug market increased from US$116.9 billion in 2019 to US$138.9 billion in 2024. It is forecasted to reach US$176.7 billion in 2030. Biologics have demonstrated high efficacy in treating autoimmune diseases, which has led to growing market demand. The biologics market accounted for 76.5% of the global autoimmune disease drug market in 2024 and is expected to rise to 81.6%, reaching US$144.2 billion in 2030.

Driven by increasing prevalence of various autoimmune diseases, together with large unmet clinical needs and significant progress in R&D, the autoimmune disease drug market in China has witnessed rapid growth in recent years. The market size increased from US$2.4 billion in 2019 to US$5.1 billion in 2024. It is expected to reach US$19.0 billion in 2030. The biologics market accounted for 48.1% of the autoimmune disease drug market in China in 2024 and is expected to rise to 65.6%, reaching US$12.5 billion in 2030.

Market drivers of autoimmune disease drugs market

Growing patient awareness and stronger motivation to access medical treatment reflect evolving healthcare-seeking attitudes. In recent years, with the rise in public health awareness, faster dissemination of medical knowledge, and gradual improvement in diagnosis and treatment channels, more patients are able to receive early diagnosis and actively seek standardized treatment. This trend not only drives stable demand for existing drugs but also creates a solid foundation for the market penetration of innovative therapies, thereby further supporting the industry's sustained growth.

Policy Support. In recent years, the government has consistently introduced favorable policies in areas such as accelerating the review and approval of innovative drugs, optimizing the clinical trial environment, and dynamically adjusting the national reimbursement drug list. Additionally, continuous improvements in diagnostic and treatment guidelines for autoimmune diseases, along with stronger promotion of clinical applications, have collectively created a favorable environment for industry development and injected long-term momentum into market growth.

Insurance coverage drives market growth and the penetration of biologics. With dynamic adjustments to the national reimbursement drug list, high-cost biologic agents are gradually being included in the coverage, significantly reducing patients' financial burden and improving treatment accessibility.

Future trends of autoimmune disease drugs market

Sustained Market Growth. China's autoimmune disease (AID) drugs market is projected to maintain steady growth over the coming years. This upward trajectory will be driven by multiple factors: the expanding patient population, improvements in diagnosis and standardized treatment protocols, as well as the continuous introduction of innovative therapies and broader medical insurance coverage. Concurrently, the substantial unmet clinical needs present vast opportunities for novel mechanisms of action and differentiated treatment approaches. As a result, the AID drugs market in China is well-positioned to sustain robust growth momentum in the long term.

Diversification of drug targets. Although traditional targets such as TNF-α and IL-6 still dominate the market, emerging targets like JAK, BTK, IL-17, and IL-23 are rapidly advancing in clinical development, with some pipelines nearing commercialization. Target diversification not only helps meet the diverse needs of different patient populations but also drives the therapeutic landscape toward combination therapies and personalized approaches, thereby unlocking greater growth potential for the market.

Dual and Multi-Target Advantages. Compared to single-target drugs, these therapies can simultaneously act on multiple key pathways, enhancing both the breadth and durability of treatment while potentially reducing the risk of drug resistance. In clinical practice, dual-target and multi-target approaches offer more precise treatment options for patients with complex disease progression or comorbidities. With ongoing advancements in the R&D pipeline and the accumulation of clinical data, these therapies are expected to become a critical area for differentiated competition, further elevating the market landscape.

Entry barriers of autoimmune disease drug market

Technical barriers

The drug market for autoimmune diseases faces significant technical barriers, primarily reflected in two aspects. Firstly, R&D is a difficult and complex procedure. Secondly, the manufacturing process is highly complex. As a key component, biologics involve multiple intricate steps including gene editing, cell culture, and quality control. These processes demand advanced biotechnologies and stringent quality management systems, as well as solutions to technical challenges such as immunogenicity-related issues.

Financial barriers

The R&D process for autoimmune disease drugs is typically lengthy, which involves continuous and substantial financial investment across all stages, early-stage laboratory research to large-scale clinical trials. In addition, meeting stringent regulatory requirements necessitates the establishment of advanced manufacturing facilities that comply with standards such as GMP. This entails considerable capital expenditure for both construction and ongoing maintenance. The cumulative costs across these essential stages contribute to significant financial requirements, which present challenges for new entrants with limited financial resources and may influence their ability to successfully enter the market.

Long R&D cycle barriers

The full R&D cycle for autoimmune disease drugs, from early-stage target identification and candidate drug screening to systematic clinical trials validating efficacy and safety, can span over a decade or even longer. This requires continuous capital investment to support research progression at each stage of the R&D cycle. Meanwhile, given the rapid pace of technological iteration in this field, companies must consistently increase innovation-driven R&D investment to address the complexity of disease mechanisms and maintain competitiveness, thereby continuously exploring new targets and therapeutic approaches.

OVERVIEW OF GLOBAL COMPLEMENT INHIBITORS MARKET

Complement inhibitors (such as the C5 inhibitor ecuzumab and ravulizumab, and the C3 inhibitor pegcetacoplan) are milestones in the treatment of PNH, especially for PNH patients with classical or combined bone marrow failure. By blocking the complement terminal pathway (C5 inhibitor) or upstream C3 activation (C3 inhibitor), they significantly reduce the risk of intravascular hemolysis and thrombosis, and improve anemia. Ravulizumab can prolong the dosing interval due to its long half-life, while the novel C3 inhibitor can simultaneously inhibit C3-mediated extravascular hemolysis.

Growth Drivers of Complement Inhibitors Market

Indication expansion involves penetration from rare diseases to common diseases

Initially, complement inhibitor drugs focused primarily on rare diseases such as PNH, aHUS, and neuromyelitis optica spectrum disorder ("**NMOSD**"). However, in recent years, their indication landscape has expanded rapidly, from rare diseases to include both rare conditions (C3 glomerulopathy) and common chronic diseases such as IgAN and age-related macular degeneration. The expansion of indications has increased the potential patient population, which drives continuous growth in the market size of complement drugs and provides the market with extensive disease coverage and commercialization opportunities.

R&D of new targets of complement inhibitors is advancing rapidly

As the global commercial value of complement drugs becomes increasingly recognized and the demonstration effect of innovative products has emerged, domestic pharmaceutical companies are accelerating their entry into new target areas. The field has witnessed growing diversification in drug modalities, evolving from single-target drugs to multi-target drugs and a broader range of therapeutic approaches. These advances in target diversity and R&D efficiency are enabling Chinese pharmaceuticals to break through the international monopoly, achieve domestic substitution, and enhance competitiveness in the market.

Policy support and medical insurance mechanisms drive market penetration

The NRDL continues to expand in China, with a clear trend toward the inclusion of innovative drugs. The 2024 NRDL adjustment focused on new and innovative therapies, with several such drugs successfully entering the list through price negotiations. This will significantly reduce patients' economic burden and improve clinical accessibility. Meanwhile, the NMPA has established green channels, including priority review and conditional approval, for innovative drugs targeting rare and major diseases, which has greatly shortened the time-to-market for new therapies. It is expected that both domestic and imported complement drugs will achieve accelerated market access in the future, which provide strong institutional support for sustained market growth.

Market size of complement inhibitors

The global complement inhibitors market has garnered significant attention due to the intense R&D activity in complement therapeutics and the continuous realization of its commercial value. In 2024, the global complement inhibitors market reached US$7,241.7 million. Driven by expanding indications, the emergence of new therapeutic modalities, and large unmet clinical needs, the global complement inhibitors market is projected to grow rapidly in the future.

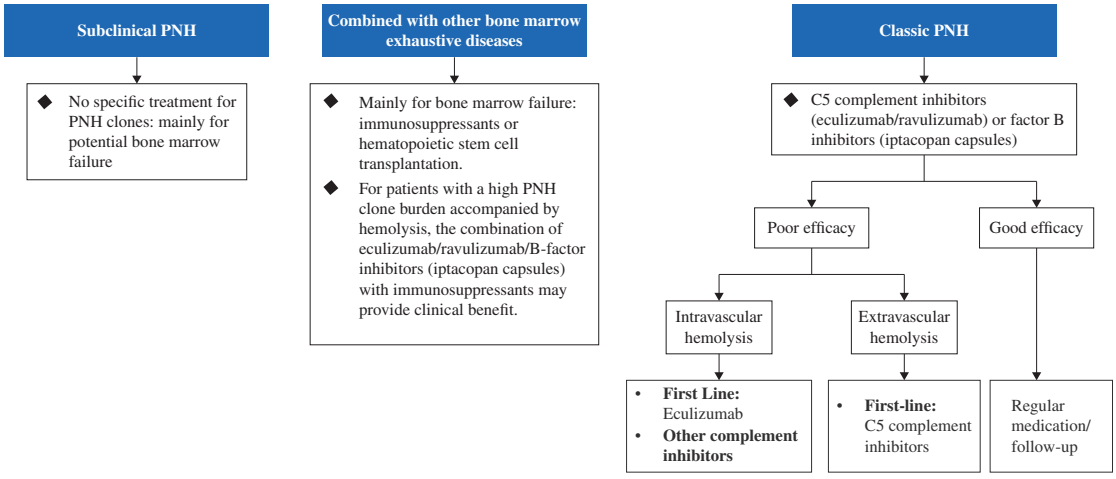
After eculizumab was included in NRDL in 2023, its market penetration rate significantly increased, driving further expansion of the complement inhibitor market in China. The market size of complement inhibitors in China will increase from 35.6 million in 2019 to 102.2 million in 2024, with a CAGR of 23.5%. With the expansion of new indications and the approval of new complement inhibitors, the market size of complement inhibitors in China is expected to further expand, and it will increase to 278.2 million by 2030, with a CAGR of 18.7%. From 2021 to 2022, the complement inhibitor market in China declined due to the impact of the pandemic; In December 2023, the National Healthcare Security Administration included three indications of eculizumab (PNH, aHUS, and refractory generalized myasthenia gravis (gMG) in adults) in the 2023 NRDL. In 2023, China's complement inhibitor market size experienced a significant rebound, primarily driven by policy incentives (inclusion in medical insurance) and product upgrades (approval of new indications).

Overview of PNH

PNH is a rare disease that presents clinically with a variety of symptoms, the most prevalent of which are hemolytic anemia, hemoglobinuria, and somatic symptoms including fatigue and shortness of breath. Other findings associated with PNH include thrombosis, renal insufficiency and in the later course of the disease, even bone marrow failure. The condition is genetic, with mutations occurring on the X linked gene.

From 2018 to 2024, the prevalence of PNH in China fluctuated from 12,700 cases to 12,800 cases in 2024. The prevalence of PNH in China is expected to reach 12,600 cases in 2030. Given the stable prevalence rates of PNH , the projected demographic contraction in China will result in a downward trend in the patient populations.

Treatment Paradigm of PNH: complement inhibitors (e.g., C5 monoclonal antibody eculizumab or factor B inhibitors) are preferred to control intravascular hemolysis and to prevent thrombosis in patients with the classic type; combined immunosuppressants (e.g., cyclosporine A/ATG) and pro-hematopoietic therapy are required for those with combined bone marrow failure; and the subclinical type needs only to deal with underlying bone marrow failure. Allogeneic HSCT may be considered in refractory cases or those who have progressed to MDS/leukemia, and in young high-risk patients. Management of complications includes anticoagulation for thrombosis, protection of renal function, and multidisciplinary monitoring during pregnancy, and glucocorticoids or proximal complement inhibitors may be used in combination if extravascular hemolysis is triggered by C5 inhibitors.



Source: CHINESE JOURNAL OF HEMATOLOGY 2024, Frost & Sullivan analysis

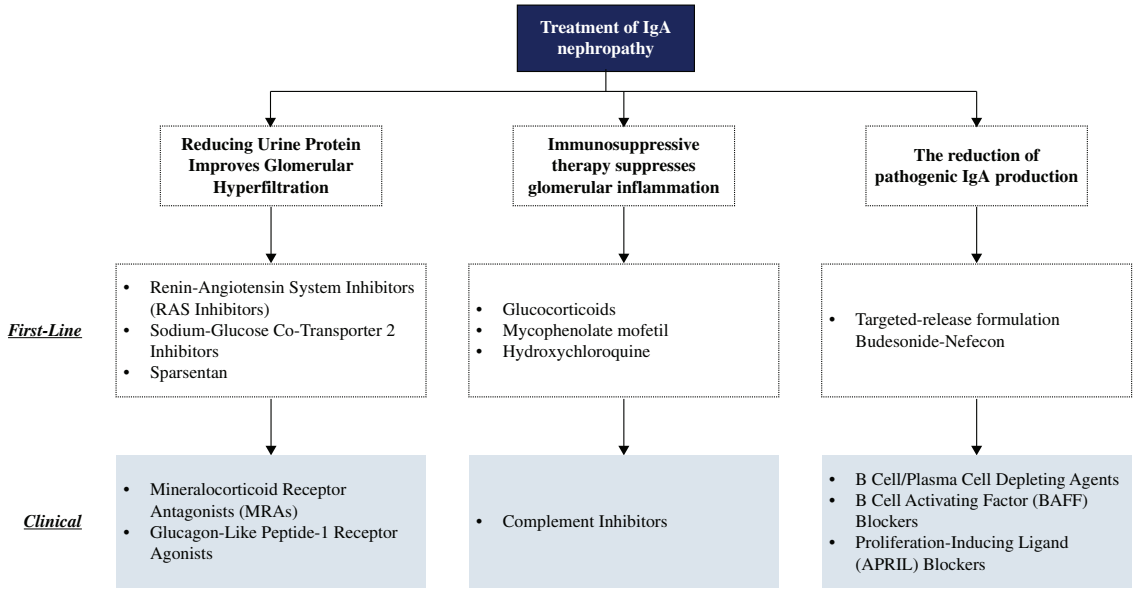
Overview of IgA nephropathy

IgAN nephropathy is a nephritic syndrome, a form of chronic glomerulonephritis characterized by the deposition of IgA immune complexes in glomeruli. It is the most common form of glomerulonephritis worldwide. IgAN is currently the most common primary glomerulonephritis worldwide, with 20% to 40% of patients progressing to end-stage renal disease within 20 years of diagnosis.

There are a large number of IgAN patients in China, and its prevalence is growing from 2.2 million in 2018 to 2.3 million in 2024, with a CAGR of 1.0 %. With the increasing prevalence of IgA nephropathy, the number of IgAN patients in China is expected to reach 2.3 million in 2030.

Treatment Paradigm of IgAN in China

IgAN is the most common primary glomerular disease worldwide, with most patients experiencing a slow progression of the condition, therefore making it a leading cause of end-stage renal disease. Traditional treatments primarily focus on supportive care and immunosuppression, but the prognosis remains suboptimal, as a significant proportion of patients still progress to renal failure even with well-controlled proteinuria. In recent years, advances in understanding the disease's pathogenesis have shifted treatment strategies toward a multi-targeted comprehensive approach, which includes reducing pathogenic IgA, suppressing local renal inflammation, and providing supportive therapies. Currently, significant progress has been made in the development of new complement inhibitor drugs.



Source: Literature Review, Frost & Sullivan analysis

Overview of C3 glomerulopathy (C3G)

C3G is a rare kidney disease and a type of glomerular disease. It is characterized by the abnormal deposition of complement C3 in the glomeruli, which leads to damage to the glomerular structure and function.

The management of C3G should integrate the underlying dysregulation of the complement pathway and employ a comprehensive therapeutic strategy encompassing foundational therapy, immunosuppression/complement inhibition, and symptomatic support. Conventional immunosuppressive agents (corticosteroids in combination with cytotoxic drugs) remain the first-line regimen. The management of C3G is notably limited, as it lacks specific targeted drugs and relies on non-specific immunosuppressants with limited efficacy that fail to effectively halt disease progression. Complement inhibitors offer novel therapeutic alternatives for refractory cases. Future advancements in the elucidation of complement regulatory mechanisms are anticipated to facilitate the development of more precise, targeted therapeutic interventions.

The prevalence of C3G is growing from 31,700 cases in 2018 to 31,800 cases in 2024, with a CAGR of 0.1%. The number of C3G patients in China is expected to reach 31,300 cases in 2030 at a CAGR of -0.3% from 2025E to 2030. Given the stable prevalence rates of C3G, the projected demographic contraction in China will result in a downward trend in the patient populations.

Overview of Lupus Nephritis (LN)

LN is one of the most common and severe complications of systemic lupus erythematosus, an autoimmune disease.

The treatment of LN follows individualized and long-term continuous principles, with glucocorticoids and hydroxychloroquine as the foundational medications. Depending on the pathological type and disease characteristics, appropriate immunosuppressive regimens are selected, including combinations with mycophenolate mofetil, cyclophosphamide, tacrolimus, or the use of multitarget therapies and biologics (such as belimumab or rituximab). The treatment of LN has obvious limitations. Current regimens mainly consist of hormones combined with immunosuppressants, but patients show significant differences in treatment response, with a high proportion being drug-resistant or having partial responses. Long-term medication is associated with significant side effects, which affects the continuity of treatment.

The prevalence of LN increase from 507,800 in 2018 to 531,700 in 2024, with a CAGR of 0.8%. The number of lupus nephritis patients in China is expected to reach 547,400 in 2030.

Global competitive landscape of Complement Inhibitors

As of the Latest Practicable Date, FDA has approved four original C5 complement biologic inhibitors.

Drug name	Brand Name	Target	Company	Indications	Approval Date	Sale Revenue in 2024 (million USD)
CROVALIMAB	PIASKY	C5	Roche Pharma	PNH	2024-06-20	19.7
POZELIMAB	VEOPOZ	C5	REGENERON PHARMACEUTICALS	CHAPLE	2023-08-18	NA
RAVULIZUMAB	ULTOMIRIS	C5	Alexion Pharmaceuticals	PNH/ aHUS/MG/NMO	2018-12-21	3,924.0
ECULIZUMAB	SOLIRIS	C5	Alexion Pharmaceuticals	PNH/aHUS/ NMO/MG	2007-03-16	2,588.0

Source: FDA, Frost & Sullivan analysis

As of the Latest Practicable Date, FDA has approved one original C3 complement inhibitors. Currently, there is no approved C3 complement inhibitors in China.

Drug name	Brand Name	Target	Company	Indications	Approval Date	Sale Revenue in 2024 (million USD)
Pegcetacoplan	SYFOVRE	C3	Apellis Pharmaceuticals	Geographic Atrophy (GA)	2023-02-17	611.9
Pegcetacoplan	EMPAVELI	C3	Apellis Pharmaceuticals	Paroxysmal Nocturnal Hemoglobinuria (PNH)	2021-05-14	98.1

Source: As of August 17, 2025, FDA, Frost & Sullivan analysis

As of the Latest Practicable Date, NMPA has approved five complement inhibitors. Three of the complement inhibitors are biologics targeting C5.

Drug Name	Brand Name	Target	Company	Indications	Approval Date	Monthly treatment costs (RMB)	Whether to enter NRDL
Zilucoplan	Zilbrysq	C5	UCB Pharma	Myasthenia Gravis	2025-09-30	NA	No
Iptacopan	Fabhalta	CFB	Novartis Pharma	PNH/C3G	2024-04-24	~18,900	Yes
Ravulizumab	Ultomiris	C5	AstraZeneca	AChR-gMG	2025-04-15	NA	No
Crovalimab	Piasky	C5	Roche Pharma	aHUS/PNH	2024-02-06	NA	No
Eculizumab	Soliris	C5	AstraZeneca	PNH/aHUS/AChR -gMG	2018-09-04	~4,600	Yes

**Note:* Approval date refers to the first approval date;
Depending on the patient's condition, the dosage of medication used varies and the monthly cost of treatment varies.

Source: NMPA, Frost & Sullivan analysis

As of the Latest Practicable Date, according to ClinicalTrials.gov, there are five complement biologic inhibitors targeting C5 or C3 entering clinical trials globally.

Drug Name/Code	Target	Company	Clinical Stage	Indications	First Posted Date
IAB-101	C5	ImmunAbs	Phase I/II	Generalized Myasthenia Gravis	2025-11-26
KRIYA-825	C5&C3	Kriya Therapeutics, Inc.	Phase I/II	Geographic Atrophy	2025-01-03
KP104	C5&CFH	Kira Pharma	Phase II	PNH, C3G, IgA	2022-08-24
CAN106	C5	CARE Pharma Shanghai Ltd	Phase I	PNH	2021-10-14
NGM621	C3	NGM Biopharmaceuticals	Phase II	Geographic Atrophy	2020-07-10

Source: ClinicalTrials.gov, Frost & Sullivan analysis

As of the Latest Practicable Date, there are six complement biologic inhibitors targeting C5 or C3 entering clinical trials in China.

Drug Name/Code	Target	Company	Clinical Stage	Indications	First Posted Date
LP-005	C5&C3b	LongBio Pharma	Phase II	PNH	2024-07-22
			Phase II	C3G, anti-GBM disease, LN, MPGN, and TMA	2026-01-22
			Phase I	Periodontitis	2026-04-23
CG001	C3b	Shanghai ComGen Biopharmaceutical Co., Ltd	Phase II	PNH	2026-05-07
EA5	C5	Lan-yi Therapeutics, Ltd	Phase I	antiphospholipid syndrome	2026-05-13
			Phase I	PNH	2025-01-03
Pozelimab	C5	Regeneron Pharmaceuticals	Phase III	gMG	2024-05-25
KP104	C5&CFH	Kira Pharma	Phase II	PNH, C3G, IgA	2022-08-24
CAN106	C5	CARE Pharma Shanghai Ltd.	Phase I/II	PNH	2022-02-10

Source: CDE, Frost & Sullivan analysis

Future trends of complement inhibitors

Continuous innovation in multi-target and combination therapy R&D

Currently, C5-targeted drugs dominate the complement inhibitor market. However, with the deepened understanding of the complement cascade activation pathway, upstream target drugs such as C3 and MASP-2 are gradually emerging. In particular, C3 inhibitors, as the core hub of complement activation, possess the potential for broader indication coverage and have become a research hotspot for complement drug development in China. At present, multiple Chinese enterprises are actively advancing innovative drug pipelines targeting C3, CFB and C5 dual targets.

Breakthroughs in indication expansion and cross-disciplinary therapeutic areas

Complement drugs, originally used for rare hematological and neurological diseases such as PNH, aHUS, and NMOSD, are accelerating their penetration into less common diseases (e.g., IgAN, C3G) and autoimmune diseases, as their indication landscape continuously expanding. In the future, as the mechanisms of abnormal complement activation are further explored, complement drugs are expected to be applied cross-disciplinarily to emerging fields including ophthalmology, rheumatology, nephrology, neurological diseases, transplant rejection, and tumor immune microenvironment regulation.

Multi-target drugs have more potential efficacy advantages compared with single-target complement inhibitors

The development trend of multi-target complement inhibitors is becoming increasingly clear. By acting on multiple key nodes, these inhibitors can more comprehensively block the complex pathological mechanisms of diseases. For instance, in PNH, they can inhibit both upstream C3-mediated extravascular hemolysis and downstream C5-related terminal pathway effects, thereby addressing the limitations of single-target drugs. This multi-dimensional intervention approach not only enhances the overall therapeutic effect, but also reduces the risk of drug resistance caused by the activation of alternative pathways after a single pathway is blocked, ensuring more durable and stable efficacy.

SOURCE OF INDUSTRY INFORMATION

In connection with the Global Offering, we have engaged Frost & Sullivan to conduct a detailed analysis and to prepare an industry report on our markets. Frost & Sullivan is an independent global market research and consulting company founded in 1961 and is based in the United States. Services provided by Frost & Sullivan include market assessments, competitive benchmarking, and strategic and market planning for a variety of industries. We have included certain information from the Frost & Sullivan Report in this Prospectus because we believe such information facilitates an understanding of our markets for potential investors. Frost & Sullivan prepared its report based on its in-house database, independent third-party reports and publicly available data from reputable industry organizations. Frost & Sullivan believes that the basic assumptions used in preparing the Frost & Sullivan Report, including those used to make future projections, are factual, correct and not misleading.

We have agreed to pay Frost & Sullivan a fee of RMB580,000 for the preparation of the Frost & Sullivan Report. The payment of such amount was not contingent upon our successful listing or on the content of the Frost & Sullivan Report. Except for the Frost & Sullivan Report, we did not commission any other industry report in connection with the Global Offering. We confirm that after taking reasonable care, there has been no adverse change in the market information since the date of the report prepared by Frost & Sullivan which may qualify, contradict or have an impact on the information set forth in this section in any material respect.

This section summarizes the principal PRC laws, regulations, rules and policies that may have a material impact on our business and operations.

REGULATORY AUTHORITIES

The regulatory authorities of the drug industry in the PRC include: the National Medical Products Administration (國家藥品監督管理局) (the "**NMPA**"), the National Health Commission (國家衛生健康委員會) (the "**NHC**") and the National Healthcare Security Administration (國家醫療保障局) (the "**NHSA**").

The NMPA, under and supervised by the State Administration for Market Regulation (國家市場監督管理總局) (the "**SAMR**"), is the primary regulatory agency in the PRC for the supervision and management of key stages of the life-cycle of pharmaceutical products, including non-clinical research, clinical trial, marketing approval, production, circulation, etc. The Center for Drug Evaluation (藥品審評中心) (the "**CDE**"), which is a subsidiary under the NMPA, conducts the technical evaluation on each drug and biologic application to assess the safety and efficacy of each candidate.

The NHC is a primary national regulator for public health. It is primarily responsible for drafting national health policies, supervising and regulating public health, healthcare services, and health emergency systems, coordinating the reform of medical and health system, organizing the formulation of national drug policies and national essential medicine system, and regulating the operation of medical institutions and practicing of medical personnel.

The NHSA is an authority directly under the PRC State Council responsible for the management of the healthcare security system. It is primarily responsible for organizing the formulation of a uniform medical insurance catalogue and payment standards on drugs, medical disposables and healthcare services; and formulating and supervising the implementation of the bidding and tendering policies for drugs and medical disposables.

PRC LAWS AND REGULATIONS

Laws and Regulations in Relation to New Drugs

Non-clinical Research and Animal Testing

The institutions for non-clinical safety evaluation and study shall implement the Good Laboratory Practice for Non-Clinical Laboratory Studies (《藥物非臨床研究質量管理規範》) (the "**GLP**"), which was promulgated by the China Food and Drug Administration (the "**CFDA**") on August 6, 2003, last amended on July 27, 2017 and came into effect from September 1, 2017. The GLP contains a set of rules and criteria for the quality system concerned with the organizational process and conditions under which non-clinical laboratory studies are planned, performed, monitored, recorded, achieved and reported. Other preclinical related research activities for the purpose of drug registration shall be carried out with reference to the GLP. The Measures for Administration of Certification of the Good Laboratory Practice for Non-clinical Laboratory Studies (《藥物非臨床研究質量管理規範認證管理辦法》), which was last amended by the NMPA on January 19, 2023 and came into effect from July 1, 2023, set out the requirements for organizations to apply for GLP certification to conduct non-clinical drug studies.

Clinical Trial Application and Approval

Clinical trials should be conducted when applying for registration of a new drug. After completing the preclinical studies, the applicant must obtain approval for clinical trials of drugs from the NMPA before the conduction of new clinical drug trials. According to the Decision on Adjusting the Approval Procedures of Certain Administrative Approval Items for Drugs (《關於調整部分藥品行政審批事項審批程序的決定》) promulgated by the CFDA on March 17, 2017 and taking effect from May 1, 2017, the decision on the approval of clinical trials of drugs enacted by the CFDA can be made by the CDE from May 1, 2017.

According to the Announcement of Several Policies on the Evaluation and Examination for Drug Registration (《關於藥品註冊審評審批若干政策的公告》) promulgated by the CFDA on November 11, 2015, the INDs of new drugs are subject to one-off umbrella approval instead of declaration, evaluation and approval by stages. Provided by the Announcement of the Adjustment of Procedures of the Evaluation and Examination for Drug Clinical Trial (《關於調整藥物臨床試驗審評審批程序的公告》) issued by the NMPA on July 24, 2018, applicants could proceed with their clinical trials if they have not received any denial or query from the CDE within 60 business days after the application has been accepted and the relevant application fees have been paid.

The Drug Administration Law of the PRC (《中華人民共和國藥品管理法》) (the "**Drug Administration Law**"), which was promulgated by the Standing Committee of the National People's Congress (全國人民代表大會常務委員會) (the "**SCNPC**") in September 1984, last amended on August 26, 2019, and came into effect on December 1, 2019, further confirms that the drug regulatory department under the State Council shall, within 60 working days from the date on which the application for a clinical trial is accepted, decide on whether to approve it and then notify the clinical trial applicant. In the case of failure to notify the applicant within the prescribed time limit, it shall be deemed as approved.

Clinical Trial Registration

Pursuant to the Measures for the Administration of Drug Registration, upon obtaining the clinical trial approval and before commencing a clinical trial, the sponsor shall register the scheme of the clinical trial and other information on the Drug Clinical Trial Registration and Information Platform for clinical trials of drugs. During the clinical trial of drugs, the sponsor shall update registration information continuously, and register information on the outcome of the clinical trial of drugs upon completion of the clinical trial of drugs. The registration information shall be published on the platform and the sponsor shall be responsible for the veracity of such information.

Phases of Clinical Trials

According to the Measures for the Administration of Drug Registration, a clinical drug trial consists of Phases I, II, III, IV and bioequivalence trial. Pursuant to the characteristics of a drug and the research purpose, the research contents shall include clinical pharmacological research, exploratory clinical trial, confirmatory clinical trial and post-marketing research.

According to the Administrative Regulations for Drug Clinical Trial Institutions (《藥物臨床試驗機構管理規定》) promulgated by the NMPA and NHC on November 29, 2019 and taking effect from December 1, 2019, if engaging in drug development activities and conducting clinical trials of drugs (including bioequivalence test conducted after filing) approved by the NMPA within the PRC territory, they shall be conducted in drug clinical trial institutions. Drug clinical trial institutions shall be subject to filing administration.

According to the Measures for the Administration of Drug Registration, a clinical drug trial to be carried out shall be examined and approved by the ethics committee, and comply with the relevant requirements of the GCP. The sponsor shall submit safety update reports on the CDE website regularly during the research and development period. The sponsor shall promptly report to the CDE regarding suspicious and unexpected serious adverse reaction and other potential serious safety risks arising in the course of the clinical trial. Based on the severity of the safety risks, the sponsor may be required to adopt measures to strengthen risk control, and may be required to suspend or terminate the clinical trial of drugs where necessary.

In accordance with the Management Measures for Communication and Exchange between Drug Development and Technical Review (《藥物研發與技術審評溝通交流管理辦法》), a communication and exchange regarding key technical issues not covered by the current drug development and evaluation guidelines may be conducted through consultation between the Center for Drug Evaluation and the applicant.

According to the Announcement of the National Medical Products Administration on Adjusting the Review and Approval Procedures for Drug Clinical Trials (《國家藥品監督管理局關於調整藥物臨床試驗審評審批程序的公告》), if a new drug clinical trial has been approved to be carried out, after the completion of Phase I and Phase II clinical trials and before the implementation of Phase III clinical trials, the applicant shall submit an application for a communication meeting to the CDE to discuss with the CDE on key technical issues including the design of the Phase III clinical trials. The applicant can also apply for communication on key technical issues at different stages of clinical research and development.

Approval or Filing relating to Chinese Human Genetic Resources

In accordance with the Regulations on the Administration of Human Genetic Resources (《人類遺傳資源管理條例》), which was issued by the State Council on May 28, 2019, was most recently revised on March 10, 2024, and came into effect on May 1, 2024, human genetic resources include human genetic resource materials and information. The Regulations on the Administration of Human Genetic Resources further clarify that for the purpose of obtaining drug marketing authorization within China, if international cooperative clinical trials are conducted at clinical institutions using China's human genetic resources without involving the export of human genetic resource materials, no approval is required. However, the collaborating parties must file with the

health and family planning department of the State Council the types, quantities, and intended uses of the human genetic resources to be used before commencing the clinical trials. Foreign organizations, individuals, and institutions established or effectively controlled by them are prohibited from collecting or preserving human genetic resources within China and from providing human genetic resources to entities outside of China.

According to the Notice on Updating the Services Guidelines, Filing, and Prior Reporting Scope and Procedures for Administrative Licensing of Human Genetic Resource Services Guidelines (《關於更新人類遺傳資源行政許可事項服務指南、備案以及事先報告範圍和程序的通知》) promulgated by the Ministry of Science and Technology (the "**MOST**") on July 14, 2023, in order to obtain marketing authorization for relevant drugs in China, no approval is required in international clinical trial cooperation using China's human genetic resources at clinical institutions without export of human genetic resource materials, but certain conditions shall be satisfied and a record shall be filed with the MOST. For the exploratory research part involved in the clinical trials, an administrative license for international scientific research cooperation involving human genetic resources must be applied for.

The Implementation Rules for the Administrative Regulation on Human Genetic Resources (《人類遺傳資源管理條例實施細則》), which was promulgated by the MOST on May 26, 2023, and took effect from July 1, 2023, further clarify the requirements for administrative licensing, record-keeping, and security review in relation to the collection, conservation, utilization, and external provision of China's human genetic resources.

According to the Bio-security Law of the PRC (《中華人民共和國生物安全法》) promulgated by the SCNPC on October 17, 2020, and last amended with effect from April 26, 2024, where information on Chinese human genetic resources is to be provided or opened for use to foreign organizations, individuals or institutions established or actually controlled by foreign organizations and individuals, a report shall be filed in advance to the administrative department of health under the State Council and the information backup shall be submitted. It also provides that approvals are required to conduct international scientific research cooperation using Chinese biological resources. Furthermore, failure to comply with the requirements under the Bio-security Law of the PRC will result in penalties, including fines, suspension of related activities and confiscation of related human genetic resources and gains generated from conducting these activities.

New Drug Application, Registration and Marketing Authorization

Pursuant to the provisions of the Measures for the Administration of Drug Registration (《藥品註冊管理辦法》) promulgated by the SAMR on January 22, 2020 and taking effect from July 1, 2020. According to the Measures for the Administration of Drug Registration, an applicant may file an application for drug marketing authorization, after the completion of pharmaceutical, pharmacological and toxicological studies, clinical trials of drugs and other studies, determination of quality standards. The CDE shall organize technical personnel to comprehensively review the application regarding the safety, effectiveness and quality control of the drug. Where the application is cleared by the comprehensive review, the drug shall be approved for marketing and a drug registration certificate shall be issued.

A drug registration certificate shall be valid for five years. During the validity period, a holder of a drug registration certificate shall continue to ensure the safety, effectiveness and quality controllability of the marketed drug, and apply for re-registration of the drug six months prior to the expiry of the validity period.

According to the Drug Administration Law, an applicant who has obtained a drug registration certificate shall be recognized as a drug marketing authorization holder, responsible for non-clinical laboratory studies, clinical trials, production and distribution, post-market studies, and the monitoring, reporting, and handling of adverse reactions in connection with pharmaceuticals. The drug marketing authorization holder may engage in manufacturing or distribution on its own or to entrust a licensed third party.

Accelerated Approval for Registration

The Measures for the Administration of Drug Registration provides detailed standards, procedures and policy support for accelerating the marketing registration of different types of drugs such as procedures for breakthrough therapy designation, procedures for conditional approval, procedures for priority review and approval and procedures for special approval.

Regulations on the Manufacture and Distribution of Pharmaceutical Products

Drug Manufacturing License and Contract Manufacturing

In accordance with the Drug Administration Law, the state implements a system of marketing authorization holders (**MAH**) for drug management. The MAH may produce drugs by itself or may entrust a drug manufacturing enterprise to produce them. If the MAH produces drugs by itself, it shall obtain a drug production license; if it entrusts production, it shall entrust a qualified drug manufacturing enterprise. The MAH and the entrusted production enterprise shall enter into a contract manufacturing agreement and a quality agreement, and strictly fulfill the obligations stipulated in the agreements.

According to the Regulations on the Supervision and Administration of Contract Manufacturing of Drugs (《藥品委託生產監督管理規定》) promulgated by the National Medical Products Administration in August 2014, a drug manufacturing enterprise may only entrust the production of its drugs to another domestic drug manufacturing enterprise when it temporarily lacks production conditions due to technological transformation or when its production capacity is insufficient to ensure market supply.

According to the Measures for the Supervision and Administration of Drug Production (《藥品生產監督管理辦法》) promulgated by the SAMR on January 22, 2020 and taking effect on July 1, 2020, a Drug Manufacturing License is valid for five years and may be renewed upon the application by the holder of such Drug Manufacturing License at least six months prior to the expiration date and the approval by the provincial counterpart of the NMPA originally issues the Drug Manufacturing License.

Good Manufacturing Practice

The Good Manufacturing Practices (《藥品生產質量管理規範》) (the "**GMP**") last amended by the Ministry of Health of the PRC (the "**MOH**", now known as the NHC) on January 17, 2011 and taking effect on March 1, 2011, provide guidance for the quality management, organization and staffing, production premises and facilities, equipment, materials and products, recognition and inspection, documentation maintenance, manufacture management, quality control and quality assurance, contractual manufacture and contractual inspection for the products, product delivery and recalls of a manufacturer in a systematical manner.

Prior to December 1, 2019, a drug manufacturer shall apply for GMP certification to the drug supervision and administration department and obtain the GMP certificate in accordance with the relevant provisions. Pursuant to the Announcement on the Relevant Issues Concerning the Implementation of the Drug Administration Law of the PRC (《關於貫徹實施<中華人民共和國藥品管理法>有關事項的公告》) promulgated by the NMPA on November 29, 2019, the GMP and Good Supply Practice (GSP) certifications have been cancelled from December 1, 2019, applications for GMP and GSP certifications are no longer accepted, and GMP and GSP certificates are no longer issued. However, according to the Drug Administration Law, a manufacturer shall comply with the GMP and establish a sound GMP system, to ensure that the entire process of drug manufacturing maintains to meet the statutory requirements. The legal representative of and principal person in charge of a drug manufacturer are fully responsible for the drug manufacturing activities of the enterprise.

On May 24, 2021, the NMPA promulgated the Administrative Measures for Drug Inspection (For Trial Implementation) (《藥品檢查管理辦法(試行)》) which was amended on July 19, 2023, and the Administrative Measures for the Certification of Good Manufacturing Practice for Drugs (《藥品生產質量管理規範認證管理辦法》) was repealed concurrently. The Administrative Measures for Drug Inspection (For Trial Implementation) provide that if a drug manufacturer applies for a drug manufacturing license for the first time, onsite inspections to be conducted in accordance with the GMP requirements is required, while for a drug manufacturer applying for the reissue of a drug manufacturing license, the review will be conducted based on the risk management principles, taking into account certain factors, including the drug manufacturer's compliance with the laws and regulations of drug administration, the drug manufacturer's operation of the GMP system and quality management system, and inspections on the drug manufacturer's conformity to the GMP requirements may be conducted where necessary.

Drug Distribution

In accordance with the Drug Administration Law, the MAH of a drug may sell the drugs for which it has obtained a drug registration certificate by itself, or it may entrust a drug marketing enterprise to sell them. If the MAH engages in drug retail activities, it shall obtain a drug marketing

license. If the MAH sells drugs by itself, it shall meet the following conditions: (i) It has pharmacists or other pharmaceutical technicians who have been legally qualified, (ii) It has business premises, equipment, storage facilities, and a sanitary environment that are appropriate for the drugs it operates, (iii) It has a quality management organization or personnel that are appropriate for the drugs it operates, (iv) It has rules and regulations to ensure the quality of drugs and complies with the drug marketing quality management standards formulated by the State Council's drug regulatory authority in accordance with this Law.

A drug manufacturing enterprise may sell the drugs it produces directly without obtaining a Drug Marketing License or GSP certification. However, if a drug manufacturing enterprise operates drugs that are not produced by itself, it shall obtain a Drug Marketing License and GSP certification.

Drug Recall

According to the Administrative Measures for on Drug Recall (《藥品召回管理辦法》), which was promulgated on December 10, 2007, last amended in October 2022 and came into effect on November 1, 2022, Drug Recall refers to the activity whereby a drug marketing authorization holder (the "**Holder**") recalls, in accordance with the prescribed procedures, any drugs that have been launched on the market but have quality problems or other potential safety hazards, and takes relevant measures to promptly control risks and eliminate potential hazards. The Holder shall establish and improve a drug recall system, collect relevant information on drug quality and safety, investigate and evaluate possible quality problems or other potential safety hazards, and timely recall drugs with quality problems or other potential safety hazards. The Holder shall formulate a drug recall information disclosure system, and voluntarily announce drug recall information pursuant to the law. Drug manufacturing enterprises, drug trading enterprises and drug users shall actively assist the Holder in investigation and evaluation of drugs which may have quality problems or other potential safety hazards, and voluntarily cooperate with the Holder in performing recall. Where a drug manufacturer, distributor or user discovers that the drug manufactured, sold or used by it may have quality problems or other potential safety hazards, it shall notify the Holder promptly, and where necessary, suspend manufacturing, release, sale and use of the drug, and report the matter to the government of the province, autonomous region or municipality directly under the Central Government where it is located. Information in the notice and report shall be truthful. The holders, drug manufacturers, drug trading enterprises and drug users shall, in accordance with relevant provisions, establish and implement a drug traceability system, and keep complete purchase and sales records to ensure the traceability of drugs launched on the market.

Other Laws and Regulations in Relation to Medical Industry

Basic Medical Insurance Policy

Pursuant to the Decision on the Establishment of the Urban Employee Basic Medical Insurance Programme (《關於建立城鎮職工基本醫療保險制度的決定》) promulgated by the State Council on December 14, 1998 and the Tentative Measures for the Administration of the Scope of Basic Medical Insurance Coverage for Pharmaceutical Products for Urban Employees (《城鎮職工基本醫療保險用藥範圍管理暫行辦法》) which was promulgated by the National Development and Reform Commission (the "**NDRC**"), the NMPA and other authorities and came into effect on May 12, 1999, all employers in cities and towns, including enterprises (state-owned enterprises, collective enterprises, foreign-invested enterprises, private enterprises, etc.), institutions, public institutions, social organizations, private non-enterprise units and their employees are required to participate in basic medical insurance. Pursuant to the Guiding Opinions on the Pilot of Basic Medical Insurance for Urban Residents (《關於開展城鎮居民基本醫療保險試點的指導意見》) promulgated by the State Council on July 10, 2007, urban residents (not urban employees) in the pilot areas can voluntarily participate in the basic medical insurance for urban residents. Pursuant to the Opinions of the State Council on the Integration of the Basic Medical Insurance System for Urban and Rural Residents (《國務院關於整合城鄉居民基本醫療保險制度的意見》) promulgated by the State Council on January 3, 2016, a unified basic medical insurance system for urban and rural residents was established, including the existing urban residents' medical insurance and all the insured personnel of New Rural Cooperative Medical System, covering all urban and rural residents except those who should be covered by the employee's basic medical insurance.

Medical Insurance Catalogue

According to the Tentative Measures for the Administration of the Scope of Basic Medical Insurance Coverage for Pharmaceutical Products for Urban Employees, the scope of basic medical insurance coverage for pharmaceutical products needs to be managed through the formulation of the Drug Catalogue for Basic Medical Insurance (《基本醫療保險藥品目錄》) (the "**Medical**

Insurance Catalogue"). The Medical Insurance Catalogue is divided into two parts of Part A and Part B. Patients purchasing medicines included in Part A of the Medical Insurance Catalogue are entitled to reimbursement in accordance with the regulations in respect of basic medical insurance. Patients purchasing medicines included in Part B of the Medical Insurance Catalogue are required to pay a certain percentage of the purchase price and the remainder shall be reimbursed in accordance with the regulations in respect of basic medical insurance. According to the Opinions of the NHSA and the Ministry of Finance on Establishing a List-Based System for Healthcare Security Benefits (《國家醫保局、財政部關於建立醫療保障待遇清單制度的意見》), which came into effect in January 2021, all provinces shall implement the Medical Insurance Catalogue in a strict manner, and shall not have the discretion to formulate the catalogue or increase the drugs in any form unless explicitly stipulated. The currently effective Medical Insurance Catalogue is the National Reimbursement Drug List for Basic Medical Insurance, Maternity Insurance and Work-related Injury Insurance (2025) (《國家基本醫療保險、生育保險和工傷保險藥品目錄(2025年)》) and the Commercial Health Insurance Innovative Drug List(2025) (《商業健康保險創新藥品目錄》) which came into effect since January 1, 2026.

Drug Price and Procurement

According to the Drug Administration Law, for drug products with market-regulated prices in accordance with the law, drug marketing authorization holders, drug manufacturers, drug trading enterprises and medical institutions shall determine the price pursuant to the principles of fairness, reasonableness, integrity and trustworthiness as well as quality for value in order to supply drug users with reasonably priced drug products; and shall comply with the requirements relating to drug price administration promulgated by the State Council's pricing authorities, determine and clearly mark the retail prices of drug products. According to the Notice on Issuing Opinions on Promoting Drug Price Reform (《關於印發<推進藥品價格改革意見>的通知) jointly promulgated by the NDRC, the NHC, the Ministry of Human Resources and Social Security, the Ministry of Industry and Information Technology (the "**MIIT**"), the Ministry of Finance (the "**MOF**"), the Ministry of Commerce (the "**MOFCOM**") and the CFDA on May 4, 2015, from June 1, 2015, except for narcotic drugs and first-class psychotropic drugs, the price of drugs set by the government will be cancelled.

In accordance with the Notice on Printing and Distributing the Opinions on Doing a Good Job in Current Drug Price Management (《國家醫療保障局關於印發<關於做好當前藥品價格管理工作的意見>的通知》) issued by the National Healthcare Security Administration (NHSA) in November 2019, the current drug price policies were improved and connected, a regular supervision mechanism for drug prices was established and improved. On August 28, 2020, the NHSA further issued the Guiding Opinions on Establishing a Credit Evaluation System for Medical and Pharmaceutical Prices and Procurement, and based on this, the Catalogue of Dishonest Acts in Medical and Pharmaceutical Prices and Procurement was formulated to penalize illegal or improper behaviors in the buying and selling of drugs.

According to the Notice on Printing and Distributing Several Provisions on the Pilot Work of Centralized Bidding and Procurement of Drugs in Medical Institutions (《關於印發醫療機構藥品集中招標採購試點工作若干規定的通知》) issued and effective on July 7, 2000, the Notice on Further Doing a Good Job in Centralized Bidding and Procurement of Drugs in Medical Institutions issued and effective on July 23, 2001, and the Opinions on Further Regulating the Centralized Procurement of Drugs in Medical Institutions issued and implemented on January 17, 2009, non-profit medical institutions held or controlled by people's governments at or above the county level must all participate in centralized drug procurement. Drugs listed in the National Essential Medicines List shall be implemented in accordance with the provisions of the National Essential Medicines System.

In accordance with the Guiding Opinions of the General Office of the State Council on Improving the Centralized Procurement of Drugs in Public Hospitals (《國務院辦公廳關於完善公立醫院藥品集中採購工作的指導意見》) issued and effective on February 9, 2015, the centralized procurement of drugs in public hospitals will be improved through the implementation of classified drug procurement. All drugs (excluding traditional Chinese medicinal slices) used by public hospitals should be procured through the provincial centralized drug procurement platform.

Drug Technology Transfer and Post-Marketing Changes

According to the Measures for the Administration of Drug Registration and the Administrative Regulation for Technology Transfer Registration of Drugs (《藥品技術轉讓註冊管理規定》) promulgated by the CFDA on August 19, 2009, drug technology transfer includes new drug

technology transfer and drug production technology transfer. An application for drug technology transfer must be submitted to the provincial drug regulatory authority, and the CFDA will ultimately make an approval decision based on the comprehensive opinions of the CDE.

In accordance with the Measures for the Administration of Post-Marketing Changes of Drugs (Trial) (《藥品上市後變更管理辦法(試行)》), issued by the National Medical Products Administration on January 12, 2021, post-marketing changes of drugs include changes in registration management matters and changes in production supervision matters. Post-marketing changes of drugs must not have any adverse impact on the safety, efficacy, and quality control of the drugs.

Regulations on Company Establishment and Foreign Investment

The establishment, operation and management of corporate entities in China are governed by the Company Law of the PRC (《中華人民共和國公司法》) (the "**Company Law**"), which was promulgated by the SCNPC in December 1993 and further amended in December 1999, August 2004, October 2005, December 2013, October 2018 and December 2023, respectively. The Company Law also applies to foreign-invested joint stock limited companies.

Investment activities in the PRC by foreign investors are governed by the Special Administrative Measures for the Access of Foreign Investment (Negative List) (2024 Version) (《外商投資准入特別管理措施(負面清單)(2024年版)) (the "**Negative List**"), which was promulgated by the PRC MOFCOM and the NDRC in September 2024 and came into effect on November 1, 2024, The Negative List covers 11 industries, and any field not falling under the Negative List shall be administered under the principle of equal treatment to domestic and foreign investment.

The Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "**Foreign Investment Law**") was promulgated by the National People's Congress (the "**NPC**") in March 2019 and came into effect in January 1, 2020. The Law on Wholly Foreign-owned Enterprises of the PRC (《中華人民共和國外資企業法》), the Law on Sino-foreign Equity Joint Ventures of the PRC (《中華人民共和國中外合資經營企業法》) and the Law on Sino-foreign Cooperative Joint Ventures of the PRC (《中華人民共和國中外合作經營企業法》) were repealed upon the Foreign Investment Law coming into effect. The investment activities of foreign natural persons, enterprises or other organizations (collectively, the "**Foreign Investors**") directly or indirectly within the territory of China shall comply with and be governed by the Foreign Investment Law. Such activities include establishments by Foreign Investors of foreign invested enterprises in China alone or jointly with other investors; acquisitions by Foreign Investors of shares, equity, property shares, or other similar interests of Chinese domestic enterprises; investments by Foreign Investors in new projects in China alone or jointly with other investors; and other forms of investment prescribed by laws, administrative regulations or the State Council.

The Foreign Investment Law further regulates foreign investment management and proposes the establishment of a foreign investment information reporting system that replaces the original foreign investment enterprise approval and filing system of the MOFCOM. The foreign investment information reporting is subject to the Measures on Reporting of Foreign Investment Information (《外商投資信息報告辦法》) jointly developed by the MOFCOM and the SAMR, which came into effect on January 1, 2020. Since January 1, 2020, for foreign investors carrying out investment activities directly or indirectly in China, the foreign investors or foreign-invested enterprises shall submit investment information to the relevant commerce administrative authorities in accordance with the Measures on Reporting of Foreign Investment Information.

The Measures on the Security Review of Foreign Investment (《外商投資安全審查辦法》) promulgated by the NDRC and MOFCOM on December 9, 2020 and taking effect on January 18, 2021 set forth provisions concerning the security review mechanism on foreign investment.

Regulations on Information Security and Data Protection

Personal Information Protection

According to the Civil Code, the personal information of an individual shall be protected by the law. Any organization or individual that needs to obtain personal information of others shall obtain such information legally and ensure the safety of such information, and shall not illegally collect, use, process or transmit personal information of others, or illegally purchase or sell, provide or publish personal information of others. In addition, the processing of personal information shall follow the principles of lawfulness, appropriateness and necessity.

The Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》) (the "**Personal Information Protection Law**"), which was promulgated by the SCNPC on August 20, 2021 and became effective on November 1, 2021 requires that the processing of personal information should have a clear and reasonable purpose and should be limited to the minimum scope necessary to achieve the processing purpose, adopt a method that has the least impact on personal rights and interests, and shall not process personal information that is not related to the processing purpose.

Information Security and Censorship

On June 10, 2021, the SCNPC promulgated the Data Security Law of the PRC (《中華人民共和國數據安全法》) (the "**Data Security Law**"), which came into effect on September 1, 2021. The Data Security Law sets forth the regulatory framework and the responsibilities of the relevant administrative authorities in regulating data security.

On November 7, 2016, the SCNPC promulgated the Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》) (the "**Cyber Security Law**"), which is amended on October 18, 2025 and became effective on January 1, 2026, according to which, network operators shall fulfill their obligations to safeguard the security of the network when conducting business and providing services. Those who provide services through networks shall take technical measures and other necessary measures according to laws, administrative regulations and compulsory national requirements to safeguard the safe and stable operation of the networks, respond to network security incidents effectively, prevent illegal and criminal activities, and maintain the integrity, confidentiality and usability of network data. The network operator shall not collect personal information irrelevant to the services it provides or collect or use the personal information in violation of the provisions of laws or agreements concluded with its users, and network operators of key information infrastructure shall store within the PRC all the personal information and important data collected and produced within the PRC. The purchase of network products and services that may affect national security shall be subject to national cybersecurity review.

On July 30, 2021, the PRC State Council promulgated the Regulations on the Protection of the Security of Critical Information Infrastructure (《關鍵信息基礎設施安全保護條例》), which became effective on September 1, 2021. According to the Regulations on the Protection of the Security of Critical Information Infrastructure, a "critical information infrastructure" refers to an important network facility and information system in important industries such as, among others, public communications and information services, as well as other important network facilities and information systems that may seriously endanger national security, the national economy, the people's livelihood, or the public interests in the event of damage, loss of function, or data leakage.

On December 28, 2021, the Cyberspace Administration of China (the "**CAC**"), jointly with 12 other administrative authorities, promulgated the Measures for Cybersecurity Review (《網絡安全審查辦法》), which became effective on February 15, 2022. According to the Measures for Cybersecurity Review, critical information infrastructure operators that purchase network products and services, and network platform operators engaging in data processing activities that affect or may affect national security are subject to cybersecurity review under the Measures for Cybersecurity Review. In addition, network platform operators with personal information of over one million users shall be subject to cybersecurity review before listing abroad (國外上市). The competent authorities may also initiate a cybersecurity review against the operators if the authorities believe that the network product or service or data processing activities of such operators affect or may affect national security.

On July 7, 2022, the CAC promulgated the Cross-border Data Transfer Security Assessment Measures (《數據出境安全評估辦法》), which became effective on September 1, 2022. In addition, on February 22, 2023, the Provisions on the Prescribed Agreement on Cross-border Data Transfer of Personal Information (《個人信息出境標準合同辦法》) (the "**Provisions on Prescribed Agreement**") was promulgated by the CAC, which took effect on June 1, 2023.

In September 2024, the State Council released the Regulation on Network Data Security Management (《網絡數據安全管理條例》), which shall come into force on January 1, 2025. The Regulation on Network Data Security Management is not only the first at the administrative regulation level specifically for network data security, but it also serves as a comprehensive implementing regulation for the compliance requirements set out by the Cybersecurity Law, the Data Security Law, and the Personal Information Protection Law. The Regulation on Network Data Security Management introduces several key obligations, including requiring network data handlers to specify the purpose and method of personal information processing, as well as the types of personal information involved, before any personal information is handled. It also clarifies definitions for important data, outlines the obligations of those handling important data.

Clinical Trial Data Protection

In accordance with the Regulations for the Implementation of the Drug Administration Law (Revised in 2024) (《藥品管理法實施條例(2024修訂)》), the state protects the undisclosed test data and other data obtained independently by producers or sellers who have obtained permission to produce or sell drugs containing new chemical components. No one shall use such undisclosed test data and other data for improper commercial purposes. From the date when the producer or seller of a drug obtains the permit to produce or sell a drug containing new chemical components, if another applicant uses the aforementioned data to apply for permission to produce or sell a drug containing new chemical components without the consent of the applicant who has already obtained the permit, the drug regulatory authority shall not grant permission within six years. However, this does not apply if the other applicant submits data obtained independently.

Regulations on Lease of Real Property

According to the Civil Code, a lease contract generally shall contain clauses specifying the name, quantity and purpose of use of the leased object, the term of the lease, rent, the schedule and method of its payment, the maintenance and repair of the leased object, etc. The lessee of a lease may, with the consent of the lessor, sublease the leased object to a third party.

According to the Administrative Measures for Leasing of Commodity Housing (《商品房屋租賃管理辦法》) promulgated by the Ministry of Housing and Urban-Rural Development of the PRC (the "**MOHURD**") on December 1, 2010 and became effective on February 1, 2011, a commodity housing lease contract should be registered and filed with the competent construction (real estate) departments of the municipalities directly under the central government, cities and counties where the house is located within 30 days after the execution of the lease contract.

Regulations on Environmental Protection, Health and Safety

Environmental Protection

The Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), promulgated by the SCNPC on December 26, 1989, last amended on April 24, 2014 and taking effect from January 1, 2015, summarizes the rights and responsibilities of environmental protection regulatory authorities. The competent environmental protection administration authority under the State Council (currently is the Ministry of Ecology and Environment (the "**MEE**")) is authorized to promulgate national standards for environmental quality and discharge. At the same time, local environmental protection authorities may formulate local standards that are stricter than the national standards, in which case, the companies concerned shall comply with the national and local standards.

Environmental Impact Assessment

According to the Regulations on the Administration of Construction Project Environmental Protection (《建設項目環境保護管理條例》) promulgated by the PRC State Council on November 29, 1998, last amended on July 16, 2017 and taking effect from October 1, 2017, the construction entity shall submit an environmental impact report or an environmental impact statement, or fill in a registration form, as applicable, depending on Catalogue for the Categorization of Environmental Impact Assessment of Construction Projects (Revised in 2021). For a construction project for which an environmental impact report or environmental impact statement shall be prepared, the construction entity shall submit the environmental impact report and environmental impact statement to the competent administrative authority of environmental protection for approval before the commencement of the construction. If the environmental impact assessment documents of a construction project have not been reviewed by the competent administrative authority in accordance with the law or have not been granted approval after the review, the construction entity shall be prohibited from commencing construction works of such project. Environmental protection facilities required for construction projects must be designed, constructed, and put into use simultaneously with the main project.

According to the Environmental Impact Assessment Law of the PRC (《中華人民共和國環境影響評價法》) promulgated by the SCNPC on October 28, 2002 and last amended with effect from December 29, 2018, for construction projects that have an impact on the environment, entities shall prepare an environmental impact report, environmental impact statement or fill in an environmental impact registration form in accordance with the severity of the impact that the project may have on the environment.

Completion and Acceptance

According to the Regulations on the Administration of Construction Project Environmental Protection, for construction projects that involve the preparation of an environmental impact report or an environmental impact statement, the construction unit shall, after completion, conduct an acceptance inspection of the supporting environmental protection facilities in accordance with the standards and procedures stipulated by the State Council's environmental protection administrative department, and prepare an acceptance report. The Interim Measures for the Acceptance of Environmental Protection upon Completion of Construction Projects (《建設項目竣工環境保護驗收暫行辦法》), promulgated and implemented by the Ministry of Environmental Protection (now abolished) on November 20, 2017, regulate the procedures and standards for environmental protection acceptance by construction units after the completion of construction projects.

Pollutant Discharge

According to the Administrative Measures for Pollutant Discharge Licensing (《排污許可管理辦法》) promulgated by the MEE on April 1, 2024 and effective on July 1, 2024, enterprises, institutions and other producers and operators subject to the management of discharge permits shall apply for discharge permits and discharge pollutants in accordance with the requirements of the discharge permits; those who have not obtained discharge permits shall not discharge pollutants.

According to the Catalogue of Classified Management of Pollutant Discharge Permits for Stationary Pollution Sources (2019 Edition) (《固定污染源排污許可分類管理名錄(2019年版》) promulgated by the MEE on December 20, 2019 and effective as of the same date. The pollutant discharging entity subject to registration management does not need to apply for the pollutant discharge permit, but shall fill in the pollutant discharge registration form on the national pollutant discharge permit administration information platform.

According to the Regulations on Urban Drainage and Sewage Treatment (《城鎮排水與污水處理條例》) promulgated by the PRC State Council on October 2, 2013 and with effect from January 1, 2014, urban entities and individuals shall dispose of sewage through urban drainage facilities covering their geographical area in accordance with the law. Companies or other entities engaging in medical activities shall apply for a sewage disposal drainage license (污水排入排水管網許可證) before disposing sewage into urban drainage facilities. Sewagedisposing entities and individuals shall pay sewage treatment fees in accordance with the law.

Production Safety

According to the Production Safety Law of the PRC (《中華人民共和國安全生產法》) promulgated by the SCNPC on June 29, 2002 and last amended on June 10, 2021 and taking effect from September 1, 2021, any entity whose production safety conditions do not meet the requirements may not engage in production and business operation activities. The production and business operation entities shall educate and train employees regarding production safety. Employees who fail the education and training programmes on production safety may not commence working in their positions. Safety facilities of new building, rebuilding or expanding project (the "**Construction Project**") shall be designed, constructed and put into operation simultaneously with the main body of the project. Investment in safety facilities shall be included in the budget of the Construction Project.

According to the Regulation on the Administration of Precursor Chemicals (《易製毒化學品管理條例》) promulgated by the PRC State Council on August 26, 2005 and last amended and with effect from September 18, 2018, a classified administration and licensing system is applied to the production, distribution, purchase, transportation, and import and export of precursor chemicals.

On January 26, 2002, the State Council promulgated the Regulations on the Safety Management of Hazardous Chemicals (《危險化學品安全管理條例》) (the "**Hazardous Chemicals Regulations**"), which was last amended and effective on December 7, 2013. The Hazardous Chemicals Regulations set out supervision and administration provisions on the safe production, storage, use, operation and transport of hazardous chemicals.

Regulations in Relation to Product Liability

The Product Quality Law of the PRC (《中華人民共和國產品質量法》) (the "**Product Quality Law**") promulgated by the SCNPC on February 22, 1993 and last amended with effect from December 29, 2018, is the principal law relating to the supervision and administration of product quality. The Product Quality Law clarifies liabilities of the manufacturers and sellers.

Manufacturers shall be responsible for the quality of the products manufactured by them and sellers shall take measures to ensure the quality of the products sold by them. If a defect in a product causes physical injury or damage to property other than the defective product, the manufacturer of the product shall be liable for compensation, unless the manufacturer is able to prove that: (1) the product has not been put into circulation; (2) the defects causing the physical injury or property damage did not exist at the time when the product was put into circulation; or (3) the science and technology at the time when the product was circulated were at a level incapable of detecting the defects. A seller shall be liable for compensation if the physical injury or property damage of others is caused by defects due to the fault on the part of the seller. A seller shall also be liable for compensation if it can identify neither the manufacturer nor the supplier of the defective products. A person who is injured or whose property is damaged by the defects in the product may claim for compensation from the manufacturer or the seller.

According to the Civil Code and the Product Quality Law, where a patient suffers damage due to defects in drugs, he may seek compensation from the drug marketing authorization holder, producer or also from the medical institution. Where the patient seeks compensation from the medical institution, the medical institution, after it has made the compensation, shall have the right to recover the compensation from the liable drug marketing authorization holder.

Regulations on Intellectual Property Rights

Trademark

Trademarks are protected by the Trademark Law of the PRC (《中華人民共和國商標法》), which was promulgated by the SCNPC on August 23, 1982 and last amended on April 23, 2019 with effect from November 1, 2019, and the Implementation Regulation of the PRC Trademark Law (《中華人民共和國商標法實施條例》), which was promulgated by the State Council on August 3, 2002 and last amended on April 29, 2014 with effect from May 1, 2014. The Trademark Office of the China National Intellectual Property Administration is in charge of trademark registration and grants registered trademarks a validity term of 10 years which may be renewed for consecutive 10-year periods upon application by the owner of the registered trademark.

Patent

Patents are protected by the Patent Law of the PRC (《中華人民共和國專利法》) (the "**Patent Law**"), which was promulgated by the SCNPC on March 12, 1984 and last amended on October 17, 2020 with effect from June 1, 2021, and the Implementing Regulations of the Patent Law of the PRC (《中華人民共和國專利法實施細則》), which was promulgated by the State Council on June 15, 2001 and last amended on December 11, 2023 with effect from January 20, 2024. The Patent Office of the China National Intellectual Property Administration is responsible for the patent work nationwide, and its counterparts at provincial level are responsible for the administration of patents within their respective administrative regions. An invention or utility model for which a patent is granted shall be novel, inventive and practically applicable. The protection period is 20 years for an invention patent, 10 years for a utility model patent, and 15 years for design patent, commencing from their respective application dates.

The Patent Law introduces patent extensions to patents of new drugs that launched in the PRC, and stipulates that the patent administration department under the State Council shall, upon request of the patentee, extend the patent term of relevant invention patents of the new drug that is approved to be listed on the market in China, to compensate for the time spent for the review and examination and approval of the listing of a new drug on the market. The compensated extension shall not exceed five years, and the total valid patent term after the new drug is approved for the market shall not exceed fourteen years.

Trade Secrets

According to the Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》), promulgated by the Standing Committee of the National People's Congress in September 1993 and last revised on April 23, 2019, a "trade secret" refers to technical and business information that is not known to the public, is practically applicable, can bring commercial benefits or profits to the lawful owner or holder, and has been subject to confidentiality measures by the lawful owner or holder. Under the Anti-Unfair Competition Law, business operators are prohibited from engaging in the following acts of trade secret infringement: (i) Acquiring the trade secrets of the rights holder by means of theft, bribery, fraud, coercion, electronic intrusion, or other improper means; (ii) Disclosing, using, or permitting others to use the trade secrets of the rights holder obtained by the means mentioned in item (i); (iii) Violating confidentiality obligations or the rights holder's requirements for maintaining the secrecy of trade

secrets, and disclosing, using, or permitting others to use the trade secrets in one's possession; (iv) Instigating or inducing others to violate confidentiality obligations or the rights holder's requirements for maintaining the secrecy of trade secrets, and thereby acquiring, disclosing, using, or permitting others to use the rights holder's trade secrets. If a third party knowingly or should have known about the aforementioned illegal acts but still acquires, uses, or discloses another person's trade secrets, such a third party shall be deemed to have infringed upon another person's trade secrets. The party whose trade secrets have been infringed may request administrative corrective measures, and the regulatory authorities shall order the cessation of the illegal acts and impose fines on the infringer.

Laws and Regulations Related to Tax

Enterprise Income Tax of the PRC

According to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》) (the "**EIT Law**") promulgated by the NPC on March 16, 2007 and last amended and effective from December 29, 2018 by the SCNPC and its implementation rules, the EIT Law generally imposes a uniform income tax rate of 25% on all resident enterprises in China, including foreign-invested enterprises. The EIT Law and its implementation rules permit the enterprises qualified as "High and New Technologies Enterprises" to enjoy a reduced 15% enterprise income tax rate.

Value-added Tax of the PRC

According to the Provisional Regulations on Value-added Tax of the PRC (《中華人民共和國增值税暫行條例》), which came into effect in January 1994, and was amended in November 2008, February 2016 and November 2017, and the Detailed Implementing Rules of the Provisional Regulations on Value-added Tax of the PRC (《中華人民共和國增值税暫行條例實施細則》), which came into effect in December 1993 and was amended in December 2008 and October 2011, unless otherwise specified, taxpayers that sell goods, labor services, or tangible personal property leasing services or import goods in China shall pay VAT at a tax rate of 17%; the sales of transportation, postal services, basic telecommunications, construction, and real property leasing services, the sales of real property, and the transfer of land use rights shall be subject to VAT at a tax rate of 11%; the sales of services and intangible assets shall be subject to VAT at a tax rate of 6% unless otherwise provided.

According to the Announcement on Relevant Policies for Deepening the Value-added Tax Reform (《關於深化增值税改革有關政策的公告》) issued in March 2019, the previous applicable VAT rate of 16% and 10% will be adjusted to 13% and 9% respectively for VAT general taxpayers' taxable sales activities or imported goods.

Regulations on Foreign Exchange and Dividend Distribution

Foreign Exchange Control

The PRC Regulations for the Foreign Exchange Administration (《中華人民共和國外匯管理條例》), which was promulgated by the PRC State Council in January 1996 and amended in January 1997 and August 2008, established the regulatory framework of the administration on foreign currency exchange in China. Under the PRC Regulations for the Foreign Exchange Administration, payments of current account items, such as trade, services, benefits or current transfer-related transactions, in foreign currencies may be proceeded without prior approval from the State Administration of Foreign Exchange of the PRC (the "**SAFE**") as long as certain procedural requirements are complied with. By contrast, approval from, or registration with, appropriate administrative authorities is required where RMB is to be converted into foreign currency and remitted out of China for items under the capital account such as repayment of foreign currency denominated loans or foreign currency is to be remitted into China under the capital account, such as a capital increase or foreign currency loans extended by an offshore entity to an entity in China.

The Provisions on the Administration of Foreign Exchange in Domestic Direct Investments by Foreign Investors (《外國投資者境內直接投資外匯管理規定》), which was promulgated by the SAFE in May 2013 and amended in October 2018 and December 2019, regulate and clarify the administration over foreign exchange administration in foreign investors' direct investments, and provide that the administration by the SAFE or its local branches over direct investment by foreign investors in China shall be conducted by way of registration and banks shall process foreign exchange business relating to the direct investment in China based on the information recorded with the SAFE and its branches.

According to the Circular on the Reform of the Management Method for the Settlement of Foreign Exchange Capital of Foreign-invested Enterprises (《關於改革外商投資企業外匯資本金結匯管理方式的通知》) issued by the SAFE in March 2015 and amended in December 2019 and March 2023, and the Circular of the State Administration of Foreign Exchange on the Reform and Standardization of the Management Policy of the Settlement of Capital Accounts (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) issued by the SAFE on June 9, 2016 and amended in December 2023, discretionary settlement of foreign exchange receipts under capital accounts means that domestic institutions may settle their foreign exchange receipts under capital accounts (including foreign exchange capital, foreign debts, and repatriated funds raised through overseas listing) subject to discretionary settlement as explicitly prescribed in the relevant policies with banks according to their actual operation needs.

On April 28, 2013, the SAFE issued the Administrative Measures on Registration of Foreign Debt (《外債登記管理辦法》), which came into effect on May 13, 2013. According to the Administrative Measures on Registration of Foreign Debt, debtors shall, after borrowing foreign debts in accordance with the provisions, register or submit contract conclusion, drawing, repayment, foreign exchange settlement and sale and other information in respect of foreign debts to the local foreign exchange bureaus in the prescribed manner.

According to the Notice of the State Administration of Foreign Exchange on Relevant Issue Concerning the Administration of Foreign Exchange for Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) issued by the SAFE on December 26, 2014, the domestic companies shall register the overseas listing with the foreign exchange bureaus located at their registered addresses in 15 working days after the completion of the overseas listing and issuance. The funds raised by the domestic companies through overseas listing may be repatriated to China or deposited overseas, provided that the intended use of the funds shall be consistent with the contents of the document and other public disclosure documents.

Dividend Distribution

The principal regulations governing distribution of dividends of foreign-invested enterprises include the Company Law and the Foreign Investment Law and its Implementing Regulations. Under these regulations, joint stock limited companies (including foreign-invested enterprises) in the PRC may pay dividends only out of their accumulated profits, if any, determined in accordance with the PRC accounting standards and regulations. In addition, companies are required to allocate at least 10% of their accumulated profits each year, if any, to fund certain reserve funds unless these reserves have reached 50% of the registered capital of the enterprises.

The SAFE issued the Notice on Further Promoting the Reform of Foreign Exchange Administration and Improving the Review of Authenticity and Compliance (《關於進一步推進外匯管理改革完善真實合規性審核的通知》) in January 2017, which stipulates several capital control measures with respect to outbound remittance of profits from domestic entities to offshore entities, including the following: (1) under the principle of genuine transaction, banks shall check board resolutions regarding profit distribution, the original version of tax filing records and audited financial statements for any remittance of profits of more than (not excluding) USD50,000; and (2) domestic entities shall hold income to account for previous years' losses before remitting the profits. Moreover, domestic entities shall make detailed explanations of sources of capital and utilization arrangements, and provide board resolutions, contracts and other proof when completing the registration and outward remittance procedures in connection with an outbound direct investment.

Regulations on Labor Protection and Social Insurance

General Labor Contracts Rules

According to the Labor Law of the PRC (《中華人民共和國勞動法》) which was promulgated by the SCNPC on July 5, 1994, last amended and came into effect on December 29, 2018, the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) which was promulgated by the SCNPC on June 29, 2007, last amended on December 28, 2012 and came into effect on July 1, 2013, and the Implementing Regulations of the Labor Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》) which was promulgated by the PRC State Council on September 18, 2008, a labor contract in writing is required to establish a labor relationship between an employee and his employer. Wages may not be lower than the local standards of minimum wages. Employers must establish their respective system of labor safety and sanitation, implement the rules and standards issued or imposed by the State from time to time, provide education regarding labor safety and sanitation to their employees, provide their employees with labor safety and sanitation conditions and necessary articles of labor protection conforming to the provisions of the State, and provide regular health examination for employees engaged in work involving occupational hazards.

Social Security and Housing Provident Fund

According to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) promulgated on October 28, 2010 and last amended with effect from December 29, 2018, employers in China are required to contribute, on behalf of their employees, to a number of social security funds, including funds for basic pension insurance, unemployment insurance, maternity insurance, occupational injury insurance and medical insurance, as well as a housing provident fund and other welfare plans. These payments are made to local competent administrative authorities, and any employer who fails to contribute may be ordered to correct the deficit within a stipulated time limit and be fined if it still fails to contribute after such stipulated time limit has passed.

Pursuant to the Interpretation II of the Supreme People's Court of Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》) enacted by the Supreme People's Court on July 31, 2025 and implemented on September 1, 2025, any agreement between an employer and an employee for the non-payment of social insurance or any employee undertaking to waive such payment shall be determined as void by the People's Court.

Regulations on Overseas Listing

CSRC Filing Requirements for Overseas Offering and Listing

On February 17, 2023, the China Securities Regulatory Commission (the "**CSRC**") released the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) and five supporting guidelines (together, the "**Trial Filing Measures**"), which came into effect on March 31, 2023. If a domestic company seeks for overseas securities issuance and listing, the issuer shall file with the CSRC in accordance with the Trial Filing Measures.

According to the Trial Filing Measures, the issuer shall submit the required filing documents to the CSRC within three working days after the overseas listing application is submitted to the relevant overseas regulator or listing venue. Once the filing documents are complete and in compliance with the stipulated requirements, the CSRC will, within 20 working days, conclude the review procedure and publish the filing results on the CSRC website. To the extent the filing documents are incomplete or do not conform to stipulated requirements, the CSRC will, within five working days upon receipt of filing documents, request supplementation and amendment to the filing. Then the issuer has 30 days to prepare any requested supplemented/amended filing. In addition, following the listing in an overseas market, the issuer shall submit a report to the CSRC within three working days after the occurrence and public disclosure of the following events involving the issuer: (1) change of control; (2) investigations or sanctions imposed by overseas regulators; (3) change of listing status or transfer of listing market; and (4) voluntary or involuntary delisting.

The Trial Filing Measures also stipulate that following cases may be rejected by the CSRC: (1) offerings and listings are explicitly prohibited by laws and regulations; (2) offerings and listings may endanger national security as reviewed and determined by competent authorities under the PRC State Council in accordance with law; (3) domestic companies of the listing applicant or its controlling shareholder or actual controlling person are involved in criminal offenses in the last three years, such as corruption, bribery, embezzlement, misappropriation of property, or undermining the order of the socialist market economy; (4) domestic companies of the listing applicant are under investigations for suspicion of criminal offenses or are involved in major violations of laws and regulations and no conclusion of the investigation has yet been made; or (5) there are material ownership disputes over equity interests held by controlling shareholders or by shareholders who are controlled by the controlling shareholder or actual controlling person.

Regulations in Relation to the Full Circulation of H-Share

According to the Guidelines for the Application for the Full Circulation Program for Domestic Unlisted Shares of H-share Listed Companies (《H股公司境內未上市股份申請"全流通"業務指引》) (the **Guidelines for the 'Full Circulation**') promulgated by the CSRC on November 14, 2019 and amended on August 10, 2023, full circulation means listing and circulating on the Hong Kong Stock Exchange of the domestic unlisted shares of an H-share listed company, including unlisted domestic shares held by domestic shareholders prior to overseas listing, unlisted domestic shares additionally issued after overseas listing, and unlisted shares held by foreign shareholders. Shareholders of domestic unlisted shares may determine by themselves through consultation the amount and proportion of shares, for which an application will be filed for circulation, provided that the requirements laid down in the relevant laws and regulations and set out in the policies for

state-owned asset administration, foreign investment and industry regulation are met, and the corresponding H-share listed company may be entrusted to file with the CSRC for Full Circulation. After domestic unlisted shares are listed and circulated on the Hong Kong Stock Exchange, they may not be transferred back to China. Pursuant to Article 18 of the Trial Filing Measures, which came into effect on March 31, 2023, for a domestic enterprise seeking direct overseas listing, shareholders holding such enterprise's domestic unlisted shares who apply for the conversion of its domestic unlisted shares into overseas listed shares shall comply with the relevant provisions of the CSRC and entrust such domestic enterprise to file with the CSRC.

On December 31, 2019, China Securities Depository and Clearing Corporation Limited ("**CSDC**") and Shenzhen Stock Exchange (the "**SZSE**") jointly announced the Measures for Implementation of H-share "Full Circulation" Business (《《H股"全流通"業務實施細則》) (the "**Measures for Implementation**"). The businesses of cross-border conversion registration, maintenance of deposit and holding details, transaction entrustment and instruction transmission, settlement, management of settlement participants, services of nominal holders, etc. in relation to the H-share "Full Circulation" business, are subject to the Measures for Implementation. Where there is no provision in the Measures for Implementation, it shall be handled with reference to other business rules of CSDC and China Securities Depository and Clearing (Hong Kong) Company Limited and the SZSE.

In order to fully promote the reform of H-share "Full Circulation" and clarify the business arrangement and procedures for the relevant shares' registration, custody, settlement and delivery, the Guide to the Program for "Full Circulation" of H-shares of the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited (《中國證券登記結算有限責任公司深圳分公司H股"全流通"業務指南》) was promulgated by the Shenzhen Branch of CSDC on September 20, 2024 and came into effect on September 23, 2024, which specifies the business preparation, cross-border transfer registration, overseas depository of shares and initial maintenance of domestic holding details, etc.

CSRC Requirements on Confidentiality and Archives Administration for Overseas Offering and Listing

On February 24, 2023, the CSRC, the MOF, the National Administration of State Secrets Protection and the National Archives Administration jointly released the revised Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the "**Archives Administration Provisions**"), which came into effect on March 31, 2023. According to the Archives Administration Provisions, the domestic companies shall establish and implement a solid confidentiality and archives administration system. If a domestic company decides to disclose any documents or materials containing state secrets, work secrets of state authorities or any information that may be detrimental to national security or public interest once leaked, proper governmental approval procedures should be followed. After obtaining the governmental clearance, the domestic company disclosing such information, as one party, and the securities companies and securities services providers receiving such information, as the other party, shall also enter into non-disclosure agreements, setting forth the confidentiality obligations of the securities companies and securities services providers. When providing the above information to the securities companies and securities services providers retained by it, the domestic companies are also required to issue a written statement outlining its compliance with the relevant regulatory requirements and procedures.

In terms of providing accounting archives or copies thereof to any other entities or persons (such as securities companies, securities services providers and overseas regulators), the Archives Administration Provisions stipulate that relevant governmental procedures should be complied with. Any violation of the above regulations may subject the domestic companies to regulatory penalties under the Safeguarding State Secrets Law of the PRC (《中華人民共和國保守國家秘密法》) and the Archives Law of the PRC (《中華人民共和國檔案法》) and even criminal liabilities to the extent applicable.

U.S. TAXATION ON CITIZENS

U.S. citizens are subject to worldwide taxation under Title 26 of the U.S. Code and must report both domestic and foreign income annually via tax returns, i.e., IRS Form 1040 and schedules. Separately, under Title 31 of the U.S. Code, they must report certain foreign financial accounts through the FBAR (FinCEN Form 114). Failure to comply with the requirements may result in civil and criminal penalties. However, the Inland Revenue Service, authorized to enforce the tax rules

and FBAR related rules, has established several voluntary disclosure programs (including the SFOP) to encourage taxpayers who have had non-willful violations to file tax returns and pay tax voluntarily in exchange for reduced penalties.

APPROVAL OF INVESTMENT REGULATIONS

According to the Approval of Investment Regulations, direct or indirect investments in the Chinese mainland made by each Taiwanese individual or Taiwan-incorporated entity through companies under its control are subject to the approval of the DIR. The Approval of Investment Regulations also set certain limitations on the amount and business categories of investments that Taiwanese individuals or Taiwan-incorporated entities may make in the Chinese mainland. Other than investments in prohibited or conditionally permitted categories, if the total cumulative investment amount of each Taiwanese individual or Taiwan-incorporated entity in a single Chinese mainland entity does not exceed US$1 million (the "Original Quota"), these persons can report to the DIR within six months after the investment was made. If such individual or entity's cumulative investment in a single Chinese mainland exceeds US$1 million, they are required to obtain the DIR's prior approval before conducting such investment. In addition, Taiwanese individuals are also restricted by the Annual Investment Quota of US$5 million per year for investments in the Chinese mainland.

As advised by the Taiwan Legal Advisor, a Taiwanese investor having made an investment in the PRC without obtaining the requisite approval from the DIR may rectify such non-compliance by making voluntary notification to the DIR, following which the DIR will generally review the notification within a three (3)-month period (although the actual duration may vary for each case). The DIR may conduct substantive review of the investment in the voluntary notification and will determine whether to object to such investment and/or levy any penalties. Upon clearance of the voluntary notification by the DIR, the investor will be provided a six (6)-month period for the submission of a corrective report. As advised by the Taiwan Legal Advisor, while the DIR's handling officer retains discretion to review the corrective reports, such filings are generally more administrative procedures, and the DIR will unlikely object to the investment at the stage of filing corrective reports.

OVERVIEW

We are a clinical-stage biopharmaceutical company. We primarily focus on in-house discovery and development of biopharmaceuticals targeting allergic and autoimmune diseases. Driven by our proprietary technology platforms and strong R&D capabilities, we have developed a comprehensive product pipeline for biologic treatments targeting rhinology, dermatology, respiratory, hematology, nephrology and other autoimmune diseases.

In October 2020, our predecessor, LongBio Pharma (Suzhou) Co., Ltd. (天辰生物醫藥(蘇州)有限公司) was established in Changshu, Suzhou, the PRC. On August 7, 2025, the Company was converted from a limited liability company into a joint stock limited company with its name changed to LongBio Pharma (Suzhou) Co., Ltd. (天辰生物醫藥(蘇州)股份有限公司).

We have been led by our co-founders, Dr. Liu and Dr. Sun, who have extensive experience in the biopharmaceutical industry, particularly in antibody drug discovery and development, and a proven track record in drug development from discovery to commercialization.

Dr. Sun was the primary inventor of a product known as F-627/long-acting granulocyte colony-stimulating factor (G-CSF) ("**F-627**"), which was subsequently assigned to Evive Biotechnology (Shanghai) Ltd. (億一生物醫藥開發(上海)有限公司 ("**Evive**") (formerly known as Generon (Shanghai) Corporation (健能隆醫藥技術(上海)有限公司). Evive developed and subsequently obtained the approval for the sale of F-627. Dr. LIU Heng (劉恒) worked at Evive from 2010 to 2017, participating in the research and development of F-627. Dr. Sun and Dr. Liu collaborated throughout the development of F-627 and built up mutual trust. Our executive Director, Mr. Xie Ming, also participated in the development of the F-627 when he was an ex-employee of Evive and became acquainted with Dr. Sun and Dr. Liu.

Before founding our Company, Dr. Sun and Dr. Liu co-founded Longxing Pharma (Hangzhou) Co., Ltd. (龍行生物藥業(杭州)有限公司) in 2018. Longxing Pharma (Hangzhou) Co., Ltd. engaged in the research and development of innovative biopharmaceuticals, and was deregistered in August 2022.

For more details of the experience and qualifications of our co-founders, please see the section headed "Directors and Senior Management".

MILESTONES

The following table summarizes various key milestones in our corporate and business development.

Year	Milestone
2020	Our Company was established in Changshu, Suzhou, the PRC.
2020	Our Group first commenced research and development on LP-003.
2021	We completed the Series A Financing.
2022	We obtained the IND approval from the NMPA for clinical trial of LP-003 for CSU.
	We completed the Series A+ Financing and the Series A++ Financing.
2023	We obtained the IND approval from the NMPA for clinical trial of LP-003 for AR.
	We obtained the IND approval from the NMPA for clinical trial of LP-005 for PNH.
	We completed the Series B1 Financing.
2024	We enrolled the first patient for Phase II clinical trial of LP-003 for CSU, which is designed to be a head-to-head comparison with omalizumab.
	We obtained IND approval from the NMPA for clinical trial of LP-003 for allergic asthma.
	We enrolled the first patient for Phase III clinical trial of LP-003 for seasonal AR.

Year	Milestone
	We enrolled the first patient for Phase II clinical trial of LP-005 for PNH.
	We completed the Series B2 Financing.
2025	We enrolled the first patient for Phase II clinical trial of LP-003 for allergic asthma.
	We completed the Series B3 and the Series C Financing.
	Our Company has been converted into a joint stock limited company on August 7, 2025.

CORPORATE HISTORY

Establishment and Major Shareholding Changes of our Company

Our Company was established in the PRC as a limited company on October 26, 2020 with an initial registered capital of RMB5 million. At the time of establishment, our Company was owned by Dr. Liu, Dr. Sun, Ms. Chow, Suzhou Taiwu, Shanghai Anzhuang Business Consulting Service Center (Limited Partnership) (上海安壯商務諮詢服務中心(有限合夥), "**Shanghai Anzhuang**") and Shanghai Youxuan Business Consulting Service Center (Limited Partnership) (上海友宣商務諮詢服務中心(有限合夥), "**Shanghai Youxuan**") as to 25.92%, 21.67%, 20.73%, 15.92%, 9.15% and 6.61%, respectively.

Since its establishment, our Company has undertaken a series of share transfers and capital increases. The major shareholding changes of our Company are set forth below.

1. Share Transfer with Ms. Chow

On June 4, 2021, Ms. Chow entered into a share transfer agreement with each of Shanghai Rising Suns and Shanghai Anzhuang, pursuant to which Ms. Chow agreed to transfer 7% and 1.89% equity interests in our Company to Shanghai Rising Suns and Shanghai Anzhuang at the consideration of RMB350,000 and RMB94,500, respectively. Shanghai Rising Suns is an investment company held by relatives and a friend of Ms. Chow. Shanghai Anzhuang is an investment company where a longstanding business partner of Ms. Chow held interests therein. The considerations for the equity transfers were determined based on mutual agreement of the parties. The consideration with respect to the transfer to Shanghai Rising Suns was fully settled on June 15, 2021 and the consideration with respect to the transfer to Shanghai Anzhuang was fully settled on November 7, 2022. Upon completion of the transfers, our Company was owned by Dr. Liu, Dr. Sun, Suzhou Taiwu, Ms. Chow, Shanghai Anzhuang, Shanghai Rising Suns and Shanghai Youxuan as to 25.92%, 21.67%, 15.92%, 11.84%, 11.04%, 7.00% and 6.61%, respectively.

2. Series A Financing

On December 30, 2020 and June 20, 2021, our Company entered into an investment agreement and a capital increase agreement with the series A investors and our then existing shareholders, pursuant to which the series A investors agreed to subscribe the increased registered capital of RMB1,641,667 of our Company at an aggregate consideration of RMB98,500,000 (the "**Series A Financing**"). The consideration was determined based on the then agreed pre-investment valuation of our Company, taking into account the value of our management team with extensive industry experience and our long-term development strategies and potential. The respective amount and consideration paid by the subscribers in the Series A Financing were as follows:–

Subscribers	Registered capital subscribed for	Consideration paid	Approximate corresponding equity interests in our Company (upon completion of Series A Financing)
Shanghai Anzhuang	RMB125,000	RMB7,500,000	10.19%

Subscribers	Registered capital subscribed for	Consideration paid	Approximate corresponding equity interests in our Company (upon completion of Series A Financing)
Fuhai Ancheng Bohui (Bozhou) Healthcare Equity Investment Fund Partnership Enterprise (Limited Partnership) (富海安誠博暉(亳州)醫療股權投資基金合夥企業(有限合夥)) ("**OFC Bohui Fund**")	RMB500,000	RMB30,000,000	7.53%
Shanghai Youxuan	RMB133,334	RMB8,000,000	6.98%
Qingdao CSPC Sangel New Drug Investment Partnership Enterprise (Limited Partnership) (青島石藥仙瞳新藥投資合夥企業(有限合夥)) ("**CSPC Sangel**")	RMB250,000	RMB15,000,000	3.76%
Huzhou Yongshi Huijin Venture Capital Partnership Enterprise (Limited Partnership) (湖州永石匯金創業投資合夥企業(有限合夥)) (formerly known as Huzhou Yongshi Huijin Equity Investment Partnership (Limited Partnership) (湖州永石匯金股權投資合夥企業(有限合夥))) ("**Yongshi Huijin**")	RMB166,667	RMB10,000,000	2.51%
Changshu Southeast Industrial Investment Co., Ltd. (常熟東南產業投資有限公司) ("**Southeast Investment**")	RMB166,667	RMB10,000,000	2.51%
Anhui Anyuan Modern Health Industry Investment Center (Limited Partnership) (安徽安元現代健康產業投資中心(有限合夥)) ("**Anhui Anyuan**")	RMB133,333	RMB8,000,000	2.01%
Shenzhen Sangel Shunchuang Biomedical Angel Investment Partnership Enterprise (Limited Partnership) (深圳仙瞳順創生物醫療天使投資合夥企業(有限合夥)) ("**Sangel Shunchuang**")	RMB83,333	RMB5,000,000	1.25%
Shenzhen Xinsheng Huachuang Enterprise Management Partnership (Limited Partnership) (深圳市新生華創企業管理合夥企業(有限合夥)) ("**Xinsheng Huachuang**")	RMB83,333	RMB5,000,000	1.25%

The consideration was fully settled on July 29, 2021.

Upon completion of the Series A Financing, our Company was owned by our Controlling Shareholders and the series A investors as to approximately 61.99% and 38.01%, respectively.

3. Equity transfers in September 2021

Shanghai Youxuan was a limited partnership established on October 19, 2020, which was deregistered on June 8, 2023. Immediately before its deregistration, the general partner of Shanghai Youxuan was Shanghai Lingpan Business Consultancy Service Center* (上海領磐商務諮詢服務中心), which was owned by Ms. MAO Lifen. Shanghai Youxuan was owned by Shanghai Lingpan Business Consultancy Service Center* (上海領磐商務諮詢服務中心), Ms. MAO Lifen and Shanghai Hexu Business Consultancy Service Center* (上海合旭商務諮詢服務中心) as to approximately 67.35%, 28.85% and 3.80% partnership interests.

Shanghai Anzhuang was a limited partnership established on October 19, 2020, which was deregistered on March 14, 2023. Immediately before its deregistration, the general partner of Shanghai Anzhuang was Xia Yueya (夏月亞), who holds 52.28% of its partnership interests and was also a limited partner of Huzhou Youxing holding approximately 25.15% partnership interests. None of the limited partners of Shanghai Anzhuang holds 30% or more of its partnership interests.

For details of Huzhou Youxing, please refer to the paragraph headed "Pre-IPO Investments — (4) Information Relating to Our Pre-IPO Investors" below in this section.

As the investors of Shanghai Youxuan and Shanghai Anzhuang wanted to restructure the fund structure, Shanghai Youxuan and Shanghai Anzhuang transferred their then equity interests in the Company to Huzhou Youxing, which served as a newly set up investment platform to hold the investment in the Company at the considerations of RMB8,330,500 and RMB8,052,000, respectively. The considerations were determined with reference to the aggregate investment costs paid by Shanghai Youxuan and Shanghai Anzhuang. On September 27, 2021, each of Shanghai Youxuan and Shanghai Anzhuang entered into an equity transfer agreement with Huzhou Youxing Venture Capital Partnership Enterprise (Limited Partnership) (湖州友星創業投資合夥企業(有限合夥)) ("**Huzhou Youxing**"), pursuant to which each of Shanghai Youxuan and Shanghai Anzhuang agreed to transfer all of their then equity interests in our Company to Huzhou Youxing at the consideration of RMB8,330,500 and RMB8,052,000, respectively. The considerations were determined with reference to the aggregate investment costs paid by Shanghai Youxuan and Shanghai Anzhuang, and consequently, the interests held in our Company were transferred to Huzhou Youxing. The considerations were fully settled.

Upon completion of the aforesaid equity transfers, our Company was owned by our Controlling Shareholders, Huzhou Youxing and the then other Shareholders as to approximately 61.99%, 17.18% and 20.83%, respectively.

4. Capital increase in May 2022

On May 23, 2022, our Company entered into a capital increase agreement with Dr. Liu, Huzhou Youxuan Venture Capital Partnership (Limited Partnership) (湖州友宣創業投資合夥企業(有限合夥)) ("**Huzhou Youxuan**") and our then existing Shareholders, pursuant to which Dr. Liu and Huzhou Youxuan agreed to subscribe the increased registered capital of RMB146,167 and RMB520,500 at the consideration of RMB8,770,000 and RMB31,230,000, respectively. The consideration was determined with reference to the valuation of our Company under Series A financing.

Dr. Liu settled the consideration in April 2025. Huzhou Youxuan did not settle the consideration and subsequently Suzhou Youxin Venture Capital Partnership Enterprise (Limited Partnership) (蘇州友信創業投資合夥企業(有限合夥), "**Suzhou Youxin**") assumed the capital contribution obligation of Huzhou Youxuan and settled the capital contribution to our Company in April 2025.

Upon completion of the subscription, our Company was owned by our Controlling Shareholders, Huzhou Youxuan and the then other Shareholders as to approximately 58.34%, 7.12% and 34.54%, respectively.

5. Series A+ Financing

On August 10, 2022, our Company entered into a capital increase agreement with Shanghai Lianrui Venture Capital Partnership (Limited Partnership) (上海連銳創業投資合夥企業(有限合夥)) ("**Shanghai Lianrui**"), pursuant to which Shanghai Lianrui agreed to subscribe the increased registered capital of RMB207,069 at the consideration of RMB17,000,000 (the "**Series A+ Financing**"). The consideration was determined with reference to the milestones we have achieved in relation to the IND approval for clinical trial of LP-003 for CSU and our long-term development strategies and potential. The consideration was fully settled on September 2, 2022.

Upon completion of the Series A+ Financing, our Company was owned by the Controlling Shareholders, Shanghai Lianrui and the then other Shareholders as to 56.73%, 2.76% and 40.51%, respectively.

6. Series A++ Financing

On October 20, 2022, our Company entered into a capital increase agreement with Huzhou Yongshi Weizhen Venture Capital Investment Partnership Enterprise (Limited Partnership) (湖州永石唯真創業投資合夥企業(有限合夥) (formerly known as Huzhou Yongshi Weizhen Equity Investment Partnership (Limited Partnership) (湖州永石唯真股權投資合夥企業(有限合夥)) ("**Yongshi Weizhen**"), pursuant to which Yongshi Weizhen agreed to subscribe the increased registered capital of RMB97,603 at the consideration of RMB10,000,000 (the "**Series A++ Financing**"). The consideration was determined with reference to the milestone we have achieved in relation to the commencement of first clinical trial of our Group (i.e. Phase I clinical trial of LP-003) and our long-term development strategies and potential. The consideration was fully settled on October 19, 2022.

Upon completion of the Series A++ Financing, our Company was owned by the Controlling Shareholders, Yongshi Weizhen and the then other Shareholders as to 56.01%, 1.28% and 42.71%, respectively.

7. Series B1 Financing

On October 30, 2023, our Company entered into a capital increase agreement with certain series B1 investors, pursuant to which the series B1 investors agreed to subscribe the increased registered capital of RMB616,653 of our Company at an aggregate consideration of RMB97,200,000.

On November 29, 2023, our Company entered into a capital increase agreement with Hefei Hongta Industrial Investment Partnership (Limited Partnership) (合肥弘沓產業投資合夥企業(有限合夥), "**Hefei Hongta**"), pursuant to which Hefei Hongta agreed to subscribe the increased registered capital of RMB95,163 of our Company at the consideration of RMB15,000,000.

The consideration of the aforesaid subscription by series B1 investors (the "**Series B1 Financing**") was determined based on the then pre-investment valuation of our Company, taking into account the milestones we have achieved including the IND approval for clinical trial of LP-003 for AR and our long-term development strategies and potential.

The respective amount and consideration paid by the subscribers in the Series B1 Financing were as follows:–

Subscribers	Registered capital subscribed for	Consideration paid	Approximate corresponding equity interests in our Company (upon completion of Series B1 Financing)
Huzhou Youcheng Venture Capital Partnership Enterprise (Limited Partnership (湖州友成創業投資合夥企業(有限合夥), "**Huzhou Youcheng**")	RMB236,003	RMB37,200,000	2.83%
China SME Development Fund (Chengdu) Jiaozi Venture Capital Investment Partnership Enterprise (Limited Partnership) (中小企業發展基金(成都)交子創業投資合夥企業(有限合夥), "**OFC Jiaozi Fund**").	RMB190,325	RMB30,000,000	2.29%
Shanxi Securities Alternative Investment Ltd (山證創新投資有限公司, "**Shanxi Securities Alternative Investment**").	RMB126,883	RMB20,000,000	1.52%

Subscribers	Registered capital subscribed for	Consideration paid	Approximate corresponding equity interests in our Company (upon completion of Series B1 Financing)
Hefei Hongta	RMB95,163	RMB15,000,000	1.14%
Changshu Wuyue Angel Venture Capital Partnership Enterprise (Limited Partnership) (常熟吳越天使創業投資合夥企業(有限合夥)) ("**Changshu Wuyue Angel**")	RMB63,442	RMB10,000,000	0.76%

The consideration was fully settled on December 7, 2023.

Upon completion of the Series B1 Financing, our Company was owned by the Controlling Shareholders, series B1 investors and the then other Shareholders as to 51.22%, 8.55% and 40.23%, respectively.

8. Series B2 Financing

On September 18, 2024, our Group entered into a capital increase agreement with series B2 investors and the then Shareholders, pursuant to which the series B2 investors agreed to subscribe the increased registered capital of RMB332,993 of our Company at an aggregate consideration of RMB60,000,000 (the "**Series B2 Financing**"). The consideration was determined with reference to the milestones we have achieved, such as the enrollment of the first patient for Phase III clinical trial of LP-003 for seasonal AR and our long-term development strategies and potential. The respective amount and consideration paid by the subscribers in the Series B2 Financing were as follows:–

Subscribers	Registered capital subscribed for	Consideration paid	Approximate corresponding equity interests in our Company (upon completion of Series B2 Financing)
QM282 Limited ("**QM282**")	RMB166,496	RMB30,000,000	1.92%
PharMab	RMB110,998	RMB20,000,000	1.28%
Hangzhou Qiming Rongjing Equity Investment Partnership Enterprise (Limited Partnership) (杭州啟明融晶股權投資合夥企業(有限合夥)) ("**Qiming Rongjing**")	RMB33,299	RMB6,000,000	0.38%
Suzhou Qiming Rongqian Equity Investment Partnership (Limited Partnership Enterprise) (蘇州啟明融乾股權投資合夥企業(有限合夥)) ("**Qiming Rongqian**")	RMB22,200	RMB4,000,000	0.26%

The consideration was fully settled on December 31, 2024.

Upon completion of the Series B2 Financing, our Company was owned by the Controlling Shareholders (including PharMab), other series B2 investors and the then other Shareholders as to 50.53%, 2.56% and 46.91%, respectively.

9. Equity transfer in April 2025

On December 20, 2024, Huzhou Youcheng (as the transferor) and Yongshi Weizhen (as the transferee) entered into an equity transfer agreement, pursuant to which Huzhou Youcheng agreed to transfer certain of its then equity interests in our Company to Yongshi Weizhen at the consideration of RMB15,000,000. The consideration was determined taking into account that certain investors of Huzhou Youcheng made investment in Yongshi Weizhen, and consequently, procured the transfer of interests held by Huzhou Youcheng in our Company to Yongshi Weizhen. The consideration was fully settled on April 1, 2025.

On the same date, Huzhou Youxuan (as the transferor) and Suzhou Youxin (as the transferee) entered into an equity transfer agreement, pursuant to which Huzhou Youxuan agreed to transfer all of its then equity interests in our Company to Suzhou Youxin, which assumed the capital contribution obligation of Huzhou Youxuan and fully settled such capital contribution to our Company in April 2025.

On the same date, Dr. Liu (as the transferor) and Changshu Sanyi No. 1 Venture Capital Partnership Enterprise (Limited Partnership) (常熟三奕壹號創業投資合夥企業(有限合夥)) ("**Changshu Sanyi**") (as the transferee) entered into an equity transfer agreement, pursuant to which Dr. Liu agreed to transfer the registered capital in the amount of RMB69,670 to Changshu Sanyi at the consideration of RMB12,553,420. The consideration was determined based on the valuation of our Company at Series B2 Financing. The consideration was fully settled on March 27, 2025.

Upon completion of the aforesaid equity transfers and the Series B3 Financing shown below in April 2025, our Company was owned by our Controlling Shareholders, Yongshi Weizhen, Changshu Sanyi and the then other Shareholders as to approximately 49.26%, 2.79%, 0.80% and 47.15%, respectively.

10. Series B3 Financing

On December 20, 2024, our Company entered into a capital increase agreement with series B3 investors and the then Shareholders, pursuant to which the series B3 investors agreed to subscribe the increased registered capital of RMB81,485 of our Company at an aggregate consideration of RMB16,000,000 (the "**Series B3 Financing**"). The consideration was determined with reference to the milestones we have achieved such as the enrollment of the first patient in LP-005 Phase II clinical trial for PNH and our long-term development strategies and potential. The respective amount and consideration paid by the subscribers in the Series B3 Financing were as follows:–

Subscribers	Registered capital subscribed for	Consideration paid	Approximate corresponding equity interests in our Company (upon completion of Series B3 Financing)
Yongshi Weizhen	RMB50,928	RMB10,000,000	2.79%
Shanghai Lianrui	RMB30,557	RMB6,000,000	2.72%

The consideration was fully settled on March 26, 2025.

Upon completion of the Series B3 Financing, our Company was owned by the Controlling Shareholders, series B3 investors and the then other Shareholders as to 49.26%, 5.51% and 45.23%, respectively.

11. Equity transfer in April 2025

Shanghai Lianrui is a limited partnership established on January 8, 2016. The general partner of Shanghai Lianrui is Shanghai Tongrui, which is owned by Ms. Mao Lifen as to 51% and Ms. Shen Ting as to 49%. Shanghai Lianrui is owned by Shanghai Tongrui as to approximately 1.00% partnership interests. It has ten individual limited partners, among which, Xia Yueya (夏月亞) holds 19.99% of its partnership interests. There is no limited partner holding 30% or more of the partnership interests in Shanghai Lianrui.

Suzhou Lianrui Venture Capital Partnership Enterprise (Limited Partnership) (蘇州連銳創業投資合夥企業(有限合夥)) ("**Suzhou Lianrui**") is a limited partnership established on November 28, 2024. The general partner of Suzhou Lianrui is Shanghai Tongrui, which is owned by Ms. Mao Lifen as to 51% and Ms. Shen Ting as to 49%. Suzhou Lianrui is owned by Shanghai Tongrui as to approximately 1.00% partnership interests. It has ten individual limited partners, among which, Xia Yueya (夏月亞) holds 19.99% of its partnership interests. There is no limited partner holding 30% or more of the partnership interests in Suzhou Lianrui.

On April 7, 2025, Shanghai Lianrui (as the transferor) and Suzhou Lianrui (as the transferee) entered into an equity transfer agreement, pursuant to which Shanghai Lianrui agreed to transfer all of its then equity interests in our Company to Suzhou Lianrui at the consideration of RMB23,000,000. The consideration was determined with reference to the aggregate investment cost of Shanghai Lianrui, taking into account that Shanghai Lianrui and Suzhou Lianrui were under common control. The consideration was fully settled on April 15, 2025. Upon completion of the aforesaid equity transfer together with the Series C Financing in May 2025, our Company was owned by Suzhou Lianrui as to approximately 2.74%.

12. Series C Financing

On May 19, 2025, our Company entered into a capital increase agreement with certain series C investors and the then Shareholders, pursuant to which the series C investors agreed to subscribe the increased registered capital of RMB1,008,904 of our Company at an aggregate consideration of RMB207,800,000 (the "**Series C Financing**"). The consideration was determined with reference to the milestones we have achieved such as the enrollment of the first patient for Phase II clinical trial of LP-003 for allergic asthma and our long-term development strategies and potential. The respective amount and consideration paid by the subscribers in the Series C Financing were as follows:–

Subscribers	Registered capital subscribed for	Consideration paid	Approximate corresponding equity interests in our Company (upon completion of Series C Financing)
HLC VGC Partners HK II Limited ("**HLC**")	RMB209,743	RMB43,200,000	2.15%
Qingdao Hongyi Investment Partnership (Limited Partnership) (青島弘熠投資合夥企業(有限合夥)) ("**Qingdao Hongyi**")	RMB178,670	RMB36,800,000	1.83%
Shanghai Lingang Pioneer Innovation Private Equity Investment Fund Partnership, L.P. (上海臨港啟創生科私募投資基金合夥企業(有限合夥)) ("**Lingang Lanwan Fund II**")	RMB169,931	RMB35,000,000	1.74%
QM282	RMB145,655	RMB30,000,000	3.20%
Hangzhou Beicheng Venture Capital Partnership (Limited Partnership Enterprise) (杭州貝橙創業投資合夥企業(有限合夥)) ("**Hangzhou Beicheng**")	RMB121,379	RMB25,000,000	1.25%
Changshu Sanyi	RMB48,552	RMB10,000,000	1.21%
Qiming Rongjing	RMB29,131	RMB6,000,000	0.64%
Hainan Renze Zhenji Venture Capital Fund Partnership Enterprise (Limited Partnership) (海南仁澤真寄創業投資基金合夥企業(有限合夥)) ("**Hainan Renze**")	RMB29,131	RMB6,000,000	0.30%

Subscribers	Registered capital subscribed for	Consideration paid	Approximate corresponding equity interests in our Company (upon completion of Series C Financing)
Shanxi Securities Alternative Investment	RMB28,160	RMB5,800,000	1.59%
Qiming Rongqian	RMB19,421	RMB4,000,000	0.43%
Suzhou Lianrui	RMB29,131	RMB6,000,000	2.74%

The consideration was fully settled on May 30, 2025.

Upon completion of the aforesaid Series C Financing in May 2025, our Company was owned by our Controlling Shareholders, the series C investors (including Suzhou Lianrui) and the then other Shareholders as to approximately 44.16%, 17.08% and 38.76%, respectively.

13. Conversion of Our Company into a Joint Stock Limited Company in August 2025

On July 15, 2025, the then Shareholders resolved to, among others, convert our Company from a limited liability company into a joint stock limited company, and change the name of our Company to LongBio Pharma (Suzhou) Co., Ltd. (天辰生物醫藥(蘇州) 股份有限公司). Pursuant to a promoters' agreement dated July 15, 2025 entered into by all the then Shareholders, all promoters approved the conversion of the audited net assets of our Company as of May 31, 2025 into 60,000,000 Shares with a nominal value of RMB1.0 each, with the excess of the net assets credited as capital reserves of our Company. The completion of the conversion took place on August 7, 2025.

OUR SUBSIDIARIES

As of the Latest Practicable Date, we had two subsidiaries, details of which are as follows:

Subsidiaries	Date of establishment	Registered capital	Principal business activities	Percentage of ownership of our Company as of the Latest Practicable Date
Shanghai Longyan Biotechnology Co., Ltd. (隆延生物科技(上海)有限公司)	January 4, 2021	RMB5 million	Research and development of biopharmaceuticals	100%
Hangzhou Lingcheng Biotechnology Co., Ltd. (杭州領丞生物科技有限公司)	June 11, 2025	RMB20 million	No substantive business activities	100%

We deregistered one subsidiary, namely LongBio Biotechnology (Changshu) Co., Ltd. (天辰生物科技(常熟)有限公司) ("**LongBio Changshu**"), during the Track Record Period. LongBio Changshu was established on December 2, 2020 as a wholly owned subsidiary of our Company with the objective to engage in the principal activity of manufacturing drugs developed by our Company.

Pursuant to a capital increase agreement (the "**Capital Increase Agreement**") entered into in February 2021, Southeast Investment agreed to subscribe for equity interests in LongBio Changshu at an aggregate subscription price of RMB40 million by two tranches of RMB20 million each, subject to certain conditions precedent for each tranche and redemption rights of Southeast Investment. The conditions precedent for the first tranche investment included, among others, injection of funds from other investors.

Following discussions between the parties to expedite the completion of the first tranche investments, in December 2021, the parties entered into a supplemental agreement to amend and vary the conditions precedent for the subscription, among which, the conditions for the first tranche investment have been changed to LongBio Changshu obtaining letters of intent for Series A+ investments and the completion of the necessary approval procedures for the subscription. Following the fulfillment of conditions for the first tranche investment, in December 2021, Southeast Investment became a shareholder of LongBio Changshu with a capital injection of

RMB20 million (i.e. the first tranche), and LongBio Changshu was owned by our Company and Southeast Investment as to approximately 69.23% and 30.77%, respectively. Southeast Investment did not carry out the second tranche investment as the conditions precedents for the second tranche investment had not been fulfilled. In June 2024, the parties entered into a further supplemental agreement to extend the deadline for the redemption.

In March 2025, the parties entered into a transfer agreement, pursuant to which our Company agreed to acquire all the Southeast Investment's equity interest in LongBio Changshu at a consideration of RMB23,990,000, with reference to the appraised equity value of LongBio Changshu conducted by an independent valuer as well as the provisions regarding the repurchase price in the Capital Increase Agreement. The consideration was fully settled in April 2025. Such acquisition was completed and LongBio Changshu became wholly owned by our Company in May 2025. The abovementioned agreements in relation to LongBio Changshu were entered into based on arm's length discussions.

Due to the change of industry characteristics, specifically considering the cost advantage offered by CDMO partners, our Company was of the view that the original business objective of LongBio Changshu has diminished in light of the change of our Group's industry characteristics, specifically considering the cost advantage offered by CDMO partners. Since its incorporation and up to the deregistration, LongBio Changshu had not performed any actual manufacturing activity. Due to the industry development, it had gradually become clear that the manufacture of drugs could be conducted more cost-efficiently by engaging CDMO partners. The Company as a result decided to deregister LongBio Changshu and redeploy its capital for our research and development activities. LongBio Changshu was deregistered on May 29, 2025. Prior to its deregistration, LongBio Changshu was not subject to any material non-compliance.

Save as disclosed above, all subsidiaries have been wholly owned by our Company since their respective establishment.

PRC LEGAL ADVISOR'S CONFIRMATION

As advised by our PRC Legal Advisor, the increases of registered capital and share transfers in respect of our Company and our subsidiary as described herein had been completed and registered with the competent local branches of the State Administration for Market Regulation of the PRC.

EMPLOYEE INCENTIVE PLATFORM

In recognition of the contributions of our employees, Suzhou Taiwu was established as a limited partnership in the PRC on August 12, 2020 as our employee incentive platform. Dr. Liu is the general partner of Suzhou Taiwu, holding approximately 67.05% of partnership interest therein and is responsible for the management of Suzhou Taiwu. As of the Latest Practicable Date, Suzhou Taiwu had 15 limited partners, including one Director (also being our senior management), namely Mr. Xie Ming, who held approximately 3.00% of partnership interest therein, and 14 other existing employees of our Group, each an Independent Third Party holding less than 30% of partnership interest therein. As at the Latest Practicable Date, Suzhou Taiwu directly held approximately 8.17% equity interests in our Company.

ACTING IN CONCERT AGREEMENT

Pursuant to an acting-in-concert agreement dated August 23, 2023 (the "**AIC Agreement**"), entered into by and amongst Dr. Liu, Dr. Sun, Ms. Chow, Suzhou Taiwu and Shanghai Rising Suns (together, the "**Concert Parties**"), the Concert Parties agreed, among others, to maintain the concert party relationship as and when they are our Shareholders and act in concert with Dr. Liu on matters relating to the material operation of our Company during the term of the AIC Agreement, which shall be effective from the date of the AIC Agreement until five years after the date of the initial public offering of our Shares on any stock exchange in China and shall be automatically renewed for another five years unless terminated by the Concert Parties in accordance with the AIC Agreement.

For details of the AIC Agreement and the shareholding of our Controlling Shareholders, see "Relationship with Our Controlling Shareholders — Our Controlling Shareholders" and "Substantial Shareholders."

PHARMAB EQUITY TRANSFER

In November 2024, PharMab became our Shareholder in the Series B2 Financing. Before October 2025, Dr. Sun and Ms. Chow had together constituted the largest shareholder holding 44.5% registered share capital in PharMab and occupied two out of three board seats in PharMab. In October 2025, Lee-Hwei King SUN (金宜慧), who held 16% of the equity interest of PharMab, disposed of her equity interest in PharMab as to 4.8% to Dr. Sun and 11.2% to Ms. Chow ("**PharMab Equity Transfer**") and ceased to be interested in our Group to simplify her financial portfolio and in light of her health conditions. In respect of the filing with the DIR for the PharMab Equity Transfer, please refer to "Relationship with our Controlling Shareholders — Non-Compliance Incidents Concerning Our Controlling Shareholders — Taiwan Investment Incidents — 2. PharMab Equity Transfer".

Details of the PharMab Equity Transfer are set out below:

Transferees	Dr. Sun	Ms. Chow
Date of agreement	September 25, 2025	September 25, 2025
Shareholding in PharMab transferred	4.8%	11.2%
Amount of consideration paid	USD294,000	USD686,000
Subscribed share capital of the relevant shares in PharMab transferred	USD91,200	USD212,800
Date of full payment of consideration	September 26, 2025	September 26, 2025
Basis of determination of consideration	The consideration was determined after arm's length negotiations between the parties, taking into account the subscribed share capital and the net asset value of PharMab based on its then latest available financial statements.	The consideration was determined after arm's length negotiations between the parties, taking into account the subscribed share capital and the net asset value of PharMab based on its then latest available financial statements.
Any special rights granted to the transferee	No	No

After the said transfer, Dr. Sun and Ms. Chow together constitute the largest shareholder holding 60.5% registered share capital in PharMab as at the Latest Practicable Date, and occupy two out of three board seats in PharMab. Given their control over both the board meeting and the shareholders' meeting, Dr. Sun and Ms. Chow have control over all the voting rights attached to the Shares of our Company held by PharMab. Pursuant to the AIC Agreement, Dr. Sun and Ms. Chow shall procure PharMab to act in concert with Dr. Liu at the Shareholders' meeting of our Company on matters relating to the material operation of our Company. PharMab is therefore regarded as a party acting-in-concert with the Concert Parties.

PRE-IPO INVESTMENTS

Our Company obtained several rounds of Pre-IPO Investments. For details, see "— Corporate History — Establishment and Major Shareholding Changes of Our Company" above and the table below.

(1) Principal Terms of the Pre-IPO Investments

	Series A Financing	Series A+ Financing	Series A++ Financing	Series B1 Financing	Series B2 Financing	Series B3 Financing	Series C Financing[4]
Date of agreement	December 30, 2020 and June 20, 2021	August 10, 2022	October 20, 2022	October 30, 2023 and November 29, 2023	September 18, 2024	December 20, 2024	May 19, 2025

	Series A Financing	Series A+ Financing	Series A++ Financing	Series B1 Financing	Series B2 Financing	Series B3 Financing	Series C Financing[4]
Date on which the consideration was fully settled	July 29, 2021	September 2, 2022	October 20, 2022	December 7, 2023	December 31, 2024	March 26, 2025	May 30, 2025
Cost per Share (approximation)[1]	RMB5.31	RMB8.23	RMB10.40	RMB17.50	RMB20.80	RMB22.88	RMB26.77
Amount of registered capital subscribed for	RMB1,641,667	RMB207,069	RMB97,603	RMB711,816	RMB332,993	RMB81,485	RMB1,008,904
Funds raised by our Group	RMB98.5 million	RMB17 million	RMB10 million	RMB112.2 million	RMB60 million	RMB16 million	RMB207.8 million
Post-money valuation of our Company[2]	RMB398.5 million	RMB617 million	RMB780 million	RMB1,312.2 million	RMB1,560 million	RMB1,716 million	RMB2,007.8 million
Discount to the Offer Price[3]	93.6%	90.1%	87.5%	78.9%	75.0%	72.5%	67.8%
Use of proceeds	We utilized the proceeds to finance our research and development activities and the daily operation of our Group. As of the Latest Practicable Date, 82.3% of the proceeds from the Pre-IPO Investments had been utilized.						
Lock-up period	Pursuant to the applicable PRC law, within the 12 months following the Listing Date, Shares issued by our Company prior to the Global Offering (including those held by the Pre-IPO Investors at the time of the Global Offering) are restricted from trading.						
Strategic benefits	At the time of the Pre-IPO Investments, our Directors were of the view that our Company would benefit from the additional capital provided by the Pre-IPO Investors and their knowledge and experience.						

Notes:

(1) The cost per Share was calculated based on the post-money valuation of our Company for each of the Pre-IPO investment and number of Shares immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised).

(2) The primary reasons for the increase in the valuation of our Company are set forth as below:

(a) the increase in the valuation of our Company from Series A Financing to Series A+ Financing was primarily due to the submission of IND application for LP-003 to the NMPA and thereafter obtained in March 2022.

(b) the increase in the valuation of our Company from Series A+ Financing to Series A++ Financing was primarily due to the commencement of first clinical trial of our Group (i.e. Phase I clinical trial of LP-003).

(c) the increase in the valuation of our Company from Series A++ Financing to Series B1 Financing was primarily due to (i) the obtaining of IND approval of LP-003 for AR in March 2023; (ii) the obtaining of IND approval of LP-005 for PNH in June 2023; and (iii) the enrollment of the first patient in LP-003 Phase II clinical trial for seasonal AR in July 2023.

(d) the increase in the valuation of our Company from Series B1 Financing to Series B2 Financing was primarily due to (i) the enrollment of the first healthy subject in Phase I dose-escalation clinical trial for LP-005 in November 2023; (ii) the enrollment of first patient of LP-003 Phase II clinical trial for CSU in January 2024; (iii) the obtaining of IND approval of LP-003 for allergic asthma in February 2024; (iv) the completion of Phase I dose-escalation trial for LP-003 in March 2024; (v) the obtaining of IND approval of LP-005 for complement-mediated kidney diseases in March 2024; (vi) the obtaining of IND approval of LP-005 for MAG-PN and ALS in March 2024; (vii) the enrollment of first patient of LP-003 Phase III clinical trial for seasonal AR in July 2024; (viii) the completion of Phase I clinical trial of LP-005 in August 2024.

(e) the increase in the valuation of our Company from Series B2 Financing to Series B3 Financing was primarily due to the enrollment of the first patient in LP-005 Phase II clinical trial for PNH in November 2024.

(f) the increase in the valuation of our Company from Series B3 Financing to Series C Financing was primarily due to the enrollment of the first patient in LP-003 Phase II clinical trial for allergic asthma in January 2025.

(3) The discount is based on the offer price of HK$96.06 per H Share and the indicative exchange rate of HK$1=RMB0.8741.

(4) The price determination for Series C Financing was carried out in January 2025 since the term sheet of Series C Financing, including the pricing terms, was negotiated and finalised by January 2025. Since late 2024, our Group has achieved material product milestones, including (i) the release of interim analysis of CSU (Chronic Spontaneous Urticaria) Phase II data for LP-003 at the 2025 American Academy of Allergy, Asthma & Immunology annual meeting (AAAAI 2025) in March 2025; (ii) the entering into Phase III clinical trial of the seasonal AR indication of LP-003, which has enrolled over 250 subjects by the date of A1 submission; and (iii) the initiation of phase II clinical trial for allergic asthma in January 2025 and the phase II data readout for PNH in June 2025.

(2) Rights of the Pre-IPO Investors

The Pre-IPO Investors were granted certain customary rights, including but not limited to redemption right, special deliberation mechanism and veto right over major matters of the shareholders' meeting and the board of directors, right of first refusal, anti-dilution right, liquidation preference and drag-along right.

(i) Redemption right granted by our Company

Pursuant to the Shareholders' agreement entered into between all the then Shareholders on May 19, 2025, the redemption right involving our Group as the obligor shall cease to be effective and become void from May 30, 2025, which was the day before the reference date for joint stock limited company conversion, and such redemption right will not be reinstated. For details of the relevant redemption liabilities on equity shares, please refer to note 22 to the Accountants' Report in Appendix I to this prospectus.

(ii) Redemption right granted by Dr. Liu

Under the said agreement, the redemption right involving Dr. Liu as the obligor shall cease to be effective from the day before the listing application is submitted to the Stock Exchange, and the redemption right involving Dr. Liu as the obligor shall automatically be reinstated in the event that (i) our Company fails to complete listing within 24 months after our Company has completed the registration with the competent market supervision and administration bureau for the conversion of our Company into a joint stock limited company (or such other date as agreed in writing by all parties for extension before expiration of the aforesaid date); (ii) our listing application is rejected, vetoed or not approved by the relevant regulatory authorities, or (iii) our Company voluntarily withdraws its listing application; and other special rights will be terminated upon Listing. There is no guarantee or any side agreement by our Company in respect of the redemption rights involving Dr. Liu as the obligor and therefore no liability regarding such rights has been recorded in the financial statements of our Company. For details of the relevant related parties, please refer to note 29(e) to the Accountants' Report in Appendix I to this prospectus.

(3) Sole Sponsor's Confirmation

On the basis that (i) the consideration for the Pre-IPO Investments were irrevocably settled more than 28 clear days before the date of first submission of the Listing application to the Stock Exchange; and (ii) the special rights granted to the Pre-IPO Investors had been suspended or terminated prior to the submission of the application for the Listing and/or will be terminated upon completion of the Listing, the Sole Sponsor confirms that the Pre-IPO Investments are in compliance with Chapter 4.2 of the Guide for New Listing Applicants issued by the Stock Exchange.

(4) Information Relating to Our Pre-IPO Investors

Among our Pre-IPO Investors, Oriental Fortune Capital is a Sophisticated Investor who has made meaningful investment in our Company in accordance with Chapter 2.3 of the Guide for New Listing Applicants issued by the Stock Exchange. The background information on our existing Pre-IPO Investors is set out below. To the best knowledge of our Directors, save as disclosed in the paragraph "1. Huzhou Youxing, Suzhou Lianrui, Huzhou Youcheng and Suzhou Youxin" in this section, each of the Pre-IPO Investors and their respective general/executive partner and fund manager (as applicable) and ultimate beneficial owners is an Independent Third Party.

1. Huzhou Youxing, Suzhou Lianrui, Huzhou Youcheng and Suzhou Youxin

Each of Huzhou Youxing, Suzhou Lianrui, Huzhou Youcheng and Suzhou Youxin is a limited partnership established in the PRC, and the executive partner and fund manager of which is Shanghai Tongrui. Shanghai Tongrui is a limited liability company established in the PRC and is owned by MAO Lifen (毛麗芬) and SHEN Ting (沈汀) as to 51% and 49%, respectively. Each of Shanghai Tongrui, MAO Lifen and SHEN Ting is our substantial Shareholder and a connected person of our Company. Ms. Mao was a director of Longxing Pharma (Hangzhou) Co., Ltd. (龍行生物藥業(杭州)有限公司) and Longxing Pharma (Suzhou) Co., Ltd. (龍行生物醫藥(蘇州)有限公司), of which Dr. Liu and Dr. Sun also served as their directors.

Huzhou Youxing is owned by Shanghai Tongrui as to approximately 1.00% partnership interests. It has nine individual limited partners, among which, MAO Lifen holds 20% of its partnership interests. There is no limited partner holding 30% or more of the partnership interests in Huzhou Youxing.

Suzhou Lianrui is owned by Shanghai Tongrui as to approximately 1.00% partnership interests, and it has ten individual limited partners. There is no limited partner holding 30% or more of its partnership interests in Suzhou Lianrui.

Suzhou Youxin is owned by Shanghai Tongrui as to approximately 0.16% partnership interests. It has nine individual limited partners, among which, MAO Lifen and SHEN Ting hold 52.38% and 8.00% of its partnership interests, respectively, while each of the other limited partners holds less than 30% of the partnership interest.

Huzhou Youcheng is owned by Shanghai Tongrui as to approximately 0.90% partnership interests, and it has ten individual limited partners. There is no limited partner holding 30% or more of the partnership interests in Huzhou Youcheng.

2. Oriental Fortune Capital

OFC Bohui Fund and OFC Jiaozi Fund, both of which are limited partnerships established in the PRC, are venture capital investment funds whose investment and asset management affairs are managed and controlled by its respective fund managers, being Oriental Fortune (Wuhu) Equity Investment Fund Management Enterprise (Limited Partnership) (東方富海(蕪湖)股權投資基金管理企業(有限合夥)) ("**OFC Wuhu**") and Shenzhen Oriental Fortune Venture Capital Investment Management Co., Ltd. (深圳市東方富海創業投資管理有限公司) ("**OFC VC Investment**"). Each of OFC VC Investment and OFC Wuhu is a direct or indirect wholly owned subsidiary of Shenzhen Oriental Fortune Capital Investment Management Co., Ltd. (深圳市東方富海投資管理股份有限公司) ("**Oriental Fortune Capital**"). OFC Wuhu is owned by Oriental Fortune Capital and OFC VC Investment as to 95% and 5%, respectively, and OFC VC Investment is in turn wholly owned by Oriental Fortune Capital.

OFC Bohui Fund is a limited partnership established in the PRC and the general partner of which is Anhui Fucheng Bohui Healthcare Industry Investment Management Co., Ltd. (安徽富誠博暉健康產業投資管理有限公司) ("**Fucheng Bohui**") holding approximately 3.97% partnership interests in OFC Bohui Fund. Fucheng Bohui is owned by OFC Wuhu and Anhui Ancheng Capital Co., Ltd. (安徽安誠資本有限公司, "**Ancheng Capital**") as to 80% and 20%, respectively. Ancheng Capital is indirectly wholly-owned by Bozhou Municipal Finance Bureau (State-owned Assets Supervision and Administration Commission of Bozhou Municipal) (亳州市財政局(亳州市政府國有資產監督管理委員會)). As of the Latest Practicable Date, OFC Bohui Fund has four limited partners, namely Anhui Ancheng Chinese Medicine Healthcare Industry Development Fund Co., Ltd. (安徽安誠中醫藥健康產業發展基金有限公司) ("**Ancheng Chinese Medicine**", a wholly-owned subsidiary of Ancheng Capital), Oriental Fortune Capital, Hefei Hongta and Hangzhou Xiaoshan Sci-Tech City Equity Investment Fund Partnership (Limited Partnership) (杭州蕭山科技城股權投資基金合夥企業（有限合夥）), and is owned by them as to 48.41%, 27.78%, 11.90% and 7.94% partnership interests, respectively.

OFC Jiaozi Fund is a limited partnership established in the PRC, and the general partner and fund manager of which is OFC VC Investment owning 1.00% in the OFC Jiaozi Fund. As of the Latest Practicable Date, OFC Jiaozi Fund has 15 limited partners and is owned by China SME Development Fund Co., Ltd. (國家中小企業發展基金有限公司), Oriental Fortune Capital and Shanxi Securities Alternative Investment as to approximately 30.00%, 11.4% and 2.00% of its partnership interests, respectively. China SME Development Fund Co., Ltd. is owned by Ministry of Finance, the PRC as to approximately 42.66%.

Founded in 2006, Oriental Fortune Capital is a limited liability company established in the PRC and a reputable venture capital institutional fund manager with a focus on small and medium sized growth-oriented companies. From its establishment and until March 31, 2025, Oriental Fortune Capital, through its controlled entities, has established and managed an aggregate of over 60 funds with the assets under management of RMB28.8 billion as of March 31, 2025. As of December 31, 2024, the assets under management of OFC Wuhu and OFC VC Investment were approximately RMB3.7 billion and RMB10.6 billion, respectively. Set forth below are certain past/current healthcare and medical portfolio companies of Oriental Fortune Capital (including the investment funds and/or entities controlled by it) that have been successfully listed on various stock exchanges:

- Zhejiang Wolwo Bio-Pharmaceutical Co., Ltd. (浙江我武生物科技股份有限公司), the shares of which are currently listed on the Shenzhen Stock Exchange (stock code: 300357);

- Nanjing King-Friend Biochemical Pharmaceutical Co., Ltd. (南京健友生化製藥股份有限公司), the shares of which are currently listed on the Shanghai Stock Exchange (stock code: 603707);

- Beijing Health Guard Biotechnology Inc. (北京康樂衛士生物技術股份有限公司), the shares of which are currently listed on the Beijing Stock Exchange (stock code: 920575);
- Jiangsu Recbio Technology Co., Ltd. (江蘇瑞科生物技術股份有限公司), the shares of which are currently listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 2179); and
- Chongqing Genrix Biopharmaceutical Co., Ltd. (重慶智翔金泰生物製藥股份有限公司), the shares of which are currently listed on the STAR Market of the Shanghai Stock Exchange (stock code: 688443).

OFC Bohui Fund focuses on investments in healthcare and medical sector, including pharmaceuticals, medical devices and medical services. As of December 31, 2024, the assets under management of OFC Bohui Fund was RMB252 million. Its investment portfolio includes (i) approximately 0.24% current shareholding in Shanghai Ark Biopharmaceutical Co., Ltd. (上海愛科百發生物醫藥技術股份有限公司) ("**Shanghai ArkBio**"), a company focusing on R&D of drugs for the treatment of respiratory and pediatric diseases, with an initial investment amount of RMB10 million; (ii) approximately 2.24% current shareholding in BRL Medicine Inc. (上海邦耀生物科技有限公司) ("**BRL Medicine**"), a pharmaceutical company focusing on cell and gene therapy, with an initial investment amount of RMB35 million; and (iii) approximately 3.17% current shareholding in Ustar Biotechnologies (Hangzhou) Ltd. (杭州優思達生物技術股份有限公司), a company focusing on R&D, manufacturing and sales of molecular diagnostics technologies and products, with an initial investment amount of RMB40 million.

OFC Jiaozi Fund is an investment fund focusing on investments in small and medium growth enterprises. As of December 31, 2024, the assets under management of OFC Jiaozi Fund was RMB3.5 billion. Its investment portfolio includes (i) approximately 0.71% current shareholding in Shanghai ArkBio with an initial investment amount of RMB30 million; and (ii) approximately 2.29% current shareholding in BRL Medicine with an initial investment amount of RMB45 million.

To the best knowledge of our Directors, each of Oriental Fortune Capital, OFC Wuhu, OFC VC Investment, OFC Bohui Fund and OFC Jiaozi Fund are Independent Third Parties.

3. Yongshi Huijin and Yongshi Weizhen

Each of Yongshi Huijin and Yongshi Weizhen is limited partnership established in the PRC, and the executive partner and fund manager of which is Huzhou Yongshi Equity Investment Management Co., Ltd. (湖州永石股權投資管理有限公司) ("**Huzhou Yongshi**"). Huzhou Yongshi is a limited liability company established in the PRC and is owned by GAO Xingjiang (高興江), WU Gang (吳剛) and BIAN Liqiang (卞利強) as to 50%, 25% and 25%, respectively.

Yongshi Huijin is owned by Huzhou Yongshi as to approximately 0.9% partnership interests, and it has 12 limited partners. There is no limited partner holding 30% or more of the partnership interests in Yongshi Huijin.

Yongshi Weizhen is owned by Huzhou Yongshi as to approximately 0.46% partnership interests. It has seven individual limited partners, among which, BIAN Liqiang holds 9% of its partnership interests. There is no limited partner holding 30% or more of the partnership interests in Yongshi Weizhen.

4. Highlight Capital

HLC is a company incorporated in Hong Kong with limited liability, and it is wholly owned by HLC VGC Fund IV L.P.. HLC VGC Fund IV L.P. is an exempted limited partnership established under the laws of the Cayman Islands and is ultimately managed by its general partner HLC VGC GP IV Limited, and in turn ultimately controlled by Mr. WANG Hui (王暉). There is no limited partner holding 30% or more of the partnership interests in HLC VGC Fund IV L.P.

Qingdao Hongyi is a limited partnership established in the PRC and managed by its executive partner, Shanghai Hehong Jinghui Equity Investment Management Co., Ltd. (上海合弘景暉股權投資管理有限公司) ("**Shanghai Hehong Jinghui**"). Shanghai Hehong Jinghui is also ultimately controlled by Mr. WANG Hui (王暉) and is owned as to 72% by him, while there is no other shareholder holding 30% or more of the share capital in Shanghai Hehong Jinghui. Qingdao Hongyi is owned by Shanghai Hehong Jinghui as to 0.2%, and it has two limited partners, namely Zhuhai Shenghong Jinghui Equity Investment Partnership Enterprise (Limited Partnership) (珠海盛弘景暉股權投資合夥企業(有限合夥)) and Wuxi Shenghong Jinghui Equity Investment Partnership Enterprise (Limited Partnership) (無錫盛弘景暉股權投資合夥企業(有限合夥)), each of which holds 30% or more of its partnership interests. The executive partner of Zhuhai Shenghong Jinghui Equity Investment Partnership Enterprise (Limited Partnership) (珠海盛弘景暉股權投資合夥企業(有限合夥)) is Zhuhai Shenghui Enterprise Management Partnership (Limited Partnership) (珠海盛暉企業

管理合夥(有限合夥)). There is no limited partner holding 30% or more of the partnership interests in Zhuhai Shenghong Jinghui Equity Investment Partnership Enterprise (Limited Partnership) (珠海盛弘景暉股權投資合夥企業(有限合夥)). The executive partner of Wuxi Shenghong Jinghui Equity Investment Partnership Enterprise (Limited Partnership) (無錫盛弘景暉股權投資合夥企業(有限合夥)) is Wuxi Shenghui Enterprise Management Partnership (Limited Partnership) (無錫盛暉企業管理合夥(有限合夥)). There is no limited partner holding 30% or more of the partnership interests in Wuxi Shenghong Jinghui Equity Investment Partnership Enterprise (Limited Partnership) (無錫盛弘景暉股權投資合夥企業(有限合夥)).

The executive partner of Zhuhai Shenghui Enterprise Management Partnership (Limited Partnership) (珠海盛暉企業管理合夥(有限合夥)) and Wuxi Shenghui Enterprise Management Partnership (Limited Partnership) (無錫盛暉企業管理合夥(有限合夥)) is Shanghai Hehong Jinghui holding 3.33% of the partnership interests in Zhuhai Shenghui Enterprise Management Partnership (Limited Partnership) (珠海盛暉企業管理合夥(有限合夥)) and Wuxi Shenghui Enterprise Management Partnership (Limited Partnership) (無錫盛暉企業管理合夥(有限合夥)). Mr. WANG Hui (王暉), being the only limited partner in Zhuhai Shenghui Enterprise Management Partnership (Limited Partnership) (珠海盛暉企業管理合夥(有限合夥)) and Wuxi Shenghui Enterprise Management Partnership (Limited Partnership) (無錫盛暉企業管理合夥(有限合夥)), holds 96.67% of the partnership interests in Zhuhai Shenghui Enterprise Management Partnership (Limited Partnership) (珠海盛暉企業管理合夥(有限合夥)) and Wuxi Shenghui Enterprise Management Partnership (Limited Partnership) (無錫盛暉企業管理合夥(有限合夥)).

On May 19, 2025, HLC and Qingdao Hongyi entered into an acting-in-concert agreement, under which, in the event of any conflict concerning the operation or management of our Company, HLC's final decision shall prevail, and both parties will exercise the corresponding voting rights at the Company's shareholders' meeting accordingly.

5. QM282

QM282 is a limited liability company incorporated under the laws of British Virgin Islands principally engaged in equity investment and is owned as to 45.51% by Qiming Venture Partners VIII Investments, LLC ("**Qiming VIII LLC**") and 54.49% by Qiming Venture Partners VIII-HC, L.P. ("**Qiming VIII-HC**"), respectively. Qiming VIII LLC is owned as to 99.496% by Qiming Venture Partners VIII, L.P. ("**Qiming Venture Partners VIII**") and 0.504% by Qiming VIII Strategic Investors Fund, L.P. ("**Qiming VIII Strategic**"). Qiming Venture Partners VIII, Qiming VIII Strategic and Qiming VIII-HC are exempted limited partnerships registered under the laws of the Cayman Islands. Qiming GP VIII, LLC is the general partner of Qiming Venture Partners VIII and Qiming VIII Strategic. Qiming GP VIII-HC, LLC is the general partner of Qiming VIII-HC. Among the shareholders of Qiming GP VIII, LLC and Qiming GP VIII-HC, LLC, Duane Ziping Kuang (鄺子平) and Gary Edward Rieschel respectively hold 30% of the share capital in Qiming GP VIII, LLC and Qiming GP VIII-HC, LLC. Save as Duane Ziping Kuang (鄺子平) and Gary Edward Rieschel, there is no other shareholder holding 30% or more of the share capital in Qiming GP VIII, LLC and Qiming GP VIII-HC, LLC.

6. CSPC Sangel

CSPC Sangel is a limited partnership established in the PRC and the executive partner of which is Qingdao CSPC Sangel Venture Capital Partnership Enterprise (General Partnership) (青島石藥仙瞳創業投資合夥企業(普通合夥)) ("**CSPC Sangel VC**"). The executive partner of CSPC Sangel VC is Shanghai Shifeng Xinhui Venture Capital Management Co., Ltd. (上海石豐昕匯創業投資管理有限公司) holding 60.00% of the partnership interests in CSPC Sangel VC. Among all shareholders of Shanghai Shifeng Xinhui Venture Capital Management Co., Ltd. (上海石豐昕匯創業投資管理有限公司), no shareholder holds 30% or more of its shareholding. Suzhou Xiantong Venture Capital Management Center (Limited Partnership) (蘇州仙瞳創業投資管理中心(有限合夥)), being a general partner of CSPC Sangel VC, holds 40.00% of the partnership interests in CSPC Sangel VC. Shenzhen Sangel Capital Management Co., Ltd. (深圳仙瞳資本管理有限公司) ("**Sangel Capital**"), being the executive partner, holds 99% of the partnership interests in Suzhou Xiantong Venture Capital Management Center (Limited Partnership) (蘇州仙瞳創業投資管理中心(有限合夥)). Sangel Capital is owned by Shenzhen Bailingtong Enterprise Management Co., Ltd. (深圳百齡童企業管理有限公司) (formerly known as Shenzhen Bailingtong Financial Services Co., Ltd. (深圳百齡童金融服務有限公司)) as to 60%, which is in turn wholly owned by LIU Mulong (劉牧龍), while there is no other shareholder holding 30% or more of the share capital in Sangel Capital. CSPC Sangel is owned by CSPC Sangel VC as to 1%. It has five limited partners, among which, CSPC NBP Pharmaceutical Co., Ltd. (石藥集團恩必普藥業有限公司) ("**CSPC NBP**") and Qingdao Technology Innovation Fund Partnership Enterprise (Limited Partnership) (青島市科技創新基金合夥企業(有限合夥)) ("**Qingdao Technology Innovation Fund**") hold 35% and 30% of its partnership interests, respectively. CSPC NBP is owned as to 54.06% by CSPC Pharmaceutical Group Limited, the shares of which are listed on the Main Board of the Stock Exchange (HKEx: 01093) and as to 45.94% by Dragon Merit Holdings Limited (佳曦控股有限公司) which is indirectly wholly owned by CSPC Pharmaceutical Group Limited. The general partner of Qingdao

Technology Innovation Fund is Qingdao Science & Technology Innovation Fund Management Co., Ltd. (青島科技創新基金管理有限公司) holding 0.04% of its partnership interests, which is in turn owned as to 36.00% by Qingdao Innovation Investment Co., Ltd. (青島市創新投資有限公司), which is in turn ultimately wholly-owned by Finance Bureau of Qingdao (青島市財政局). Save as Qingdao Innovation Investment Co., Ltd. (青島市創新投資有限公司), there is no other shareholder holding 30% or more of the share capital in Qingdao Science & Technology Innovation Fund Management Co., Ltd. (青島科技創新基金管理有限公司). There is no limited partner holding 30% or more of the partnership interests in Qingdao Technology Innovation Fund.

7. Lingang Lanwan Fund II

Lingang Lanwan Fund II was established in December 2023. Lingang Lanwan Fund II focuses on equity investments and asset management. Lingang Lanwan Fund II is managed by Shanghai Lingang Lanwan Private Equity Fund Management Co., Ltd. (上海臨港藍灣私募基金管理有限公司) as its executive partner holding 1.06% of the partnership interests. There is no limited partner holding 30% or more of the partnership interests in Lingang Lanwan Fund II. The total assets under management by Lingang Lanwan Fund II amount to RMB565 million. Shanghai Lingang Lanwan Private Equity Fund Management Co., Ltd. (上海臨港藍灣私募基金管理有限公司) is owned as to 51% by Shanghai Yuning Enterprise Management Center (Limited Partnership) (上海裕檸企業管理中心(有限合夥)) and 49% by Shanghai Linchuang Investment Management Co., Ltd. (上海臨創投資管理有限公司) respectively. The executive partner of Shanghai Yuning Enterprise Management Center (Limited Partnership) (上海裕檸企業管理中心(有限合夥)) is Qu Xia (曲霞) holding 67% of the partnership interests. Save as Ma Li (馬麗) who holds 30% of the partnership interests, there is no other limited partner holding 30% or more of the partnership interests in Shanghai Yuning Enterprise Management Center (Limited Partnership) (上海裕檸企業管理中心(有限合夥)). Shanghai Linchuang Investment Management Co., Ltd. (上海臨創投資管理有限公司) is wholly owned by Shanghai Lingang Economic Development (Group) Co., Ltd. (上海臨港經濟發展(集團)有限公司). Save as Shanghai State-owned Assets Supervision and Administration Commission (上海市國有資產監督管理委員會) which holds approximately 63.81% of the share capital in Shanghai Lingang Economic Development (Group) Co., Ltd. (上海臨港經濟發展(集團)有限公司), there is no other shareholder holding 30% or more of the share capital in Shanghai Lingang Economic Development (Group) Co., Ltd. (上海臨港經濟發展(集團)有限公司).

8. Southeast Investment and Changshu Wuyue Angel

Southeast Investment is a company established in the PRC with limited liability. It is owned by Changshu Southeast Investment Holding Co., Ltd. (常熟市東南投資控股有限公司) as to 99.96%, which is in turn indirectly wholly owned by Bureau of Finance of Changshu (Changshu Municipal Government State-owned Assets Supervision and Administration Office) (常熟市財政局(常熟市政府國有資產監督管理辦公室)).

Changshu Wuyue Angel is a limited partnership established in the PRC. Among the limited partners of Changshu Wuyue Angel, Changshu Investment Holdings Group Co., Ltd. (常熟市投資控股集團有限公司) holds approximately 52.89% of the partnership interests, while each of the other limited partners holds less than 30% of the partnership interests. Changshu Investment Holdings Group Co., Ltd. (常熟市投資控股集團有限公司) is wholly owned by Changshu State-owned Capital Investment and Operation Group Co., Ltd. (常熟市國有資本投資運營集團有限公司) which is in turn wholly owned by Bureau of Finance of Changshu (Changshu Municipal Government State-owned Assets Supervision and Administration Office) (常熟市財政局(常熟市政府國有資產監督管理辦公室)). The executive partner of Changshu Wuyue Angel is Changshu Qixin Venture Capital Partnership (Limited Partnership) (常熟啟新創業投資合夥企業(有限合夥)), which is owned as to 35% by Changshu Guofa Venture Capital Co., Ltd. (常熟市國發創業投資有限公司) ("**Changshu Guofa**") as its executive partner and as to 35% by SIP Oriza Seed Fund Management Co., LTD. (蘇州工業園區元禾原點創業投資管理有限公司) ("**Oriza Seed**"). There is no other limited partner holding 30% or more of its partnership interest. Changshu Guofa is indirectly wholly-owned by the Bureau of Finance of Changshu (Changshu Municipal Government State-owned Assets Supervision and Administration Office) (常熟市財政局(常熟市政府國有資產監督管理辦公室)). Oriza Seed is owned by SIP Zhengze Jiming Fund Management Co., Ltd. (蘇州工業園區正則既明股權投資管理有限公司) as to 51%, which is in turn owned by FEI Jianjiang (費建江) as to approximately 48.55% while none of the other shareholders holds 30% or more of its share capital. Oriza Seed is also owned by Suzhou Yuanhe Holdings Co., Ltd (蘇州元禾控股股份有限公司) as to 49%, which is in turn owned by Suzhou Industrial Park Economic Development Co., Ltd. (蘇州工業園區經濟發展有限公司) as to 59.98% while none of the other shareholders holds 30% or more of its share capital. Suzhou Industrial Park Economic Development Co., Ltd. (蘇州工業園區經濟發展有限公司) is owned as to 90% by Suzhou Industrial Park Administrative Committee (蘇州工業園區管理委員會) and as to 10% by Department of Finance of Jiangsu Province (江蘇省財政廳).

9. Shanxi Securities Alternative Investment

Shanxi Securities Alternative Investment is a wholly-owned subsidiary of Shanxi Securities Co., Ltd. (山西證券股份有限公司) (stock code: 002500.SZ), with a registered capital of RMB1.7 billion. Shanxi Securities Co., Ltd. is owned as to 31.77% by Shanxi Financial Investment Holdings Limited (山西金融投資控股集團有限公司), which is wholly owned by Shanxi Provincial Department of Finance (山西省財政廳). It primarily engages in investment business and operates an investment management system, and focuses on niche industries such as third-generation semiconductors, artificial intelligence computing infrastructure and satellite internet. It actively participates in small and medium enterprise fund collaborations.

10. Anhui Anyuan

Anhui Anyuan is a limited partnership established in the PRC. The executive partner of Anhui Anyuan is Bozhou Jianan Investment Fund Management Co., Ltd. (亳州建安投資基金管理有限公司) holding 0.1% of the partnership interests in Anhui Anyuan, which is in turn owned by Ancheng Capital and Anhui Ancheng Holding Group Co., Ltd. (安徽安誠控股集團有限公司) as to 80% and 20%, respectively. Each of Ancheng Capital and Anhui Ancheng Holding Group Co., Ltd. is ultimately wholly owned by Bozhou Municipal Finance Bureau (State-owned Assets Supervision and Administration Commission of Bozhou Municipal) (亳州市財政局(亳州市政府國有資產監督管理委員會)). Anhui Anyuan has two limited partners, namely Anhui Anyuan Investment Fund Co., Ltd. (安徽安元投資基金有限公司) and Ancheng Chinese Medicine, and it is owned by them as to 70% and 29.90%, respectively. Anhui Anyuan Investment Fund Co., Ltd. is owned as to approximately 43.33% by Guoyuan Securities Co., Ltd. (國元證券股份有限公司), the shares of which are listed on the Shenzhen Stock Exchange (SZSE: 000728), while none of the other shareholders holds 30% or more of the share capital in Anhui Anyuan Investment Fund Co., Ltd..

11. Hangzhou Beicheng

Hangzhou Beicheng is a limited partnership established in the PRC. The executive partner of Hangzhou Beicheng is Hangzhou Beijia Investment Management Limited Liability Co., Ltd. (杭州貝加投資管理有限責任公司), holding 0.05% partnership interests in Hangzhou Beicheng, which is in turn owned by DING Shizhe (丁師哲) as to 90%. Hangzhou Beicheng has four limited partners, among which it is owned as to 49.95% by Betta Pharmaceuticals Co., Ltd. (貝達藥業股份有限公司), the shares of which are listed on the Shenzhen Stock Exchange (SZSE: 300558). Save as Betta Pharmaceuticals Co., Ltd. (貝達藥業股份有限公司), there is no other limited partner holding 30% or more of the partnership interests in Hangzhou Beicheng.

12. Changshu Sanyi

Changshu Sanyi is a limited partnership established in the PRC. The executive partner of Changshu Sanyi is Suzhou Sanyi Management Consulting Partnership Enterprise (Limited Partnership) (蘇州三奕管理諮詢合夥企業(有限合夥)) ("**Sanyi Management Consulting**"), holding approximately 2.24% of the partnership interests in Changshu Sanyi. The executive partner of Sanyi Management Consulting is Shanghai Sanyi Asset Management Co., Ltd. (上海三奕資產管理有限公司), which is in turn owned by YAO Wenping (姚文平) and Jiangsu Sanyi Capital Co., Ltd. (江蘇三奕資本有限公司) as to 60% and 40%, respectively. Jiangsu Sanyi Capital Co., Ltd. is owned by YAO Wenping as to 75%. There is no limited partner holding 30% or more of the partnership interests in Sanyi Management Consulting. Among the limited partners of Changshu Sanyi, Shanxi Securities Alternative Investment holds approximately 5.97% of its partnership interests, while there is no limited partner holding 30% or more of the partnership interests in Changshu Sanyi.

13. Hefei Hongta

Hefei Hongta is a limited partnership established in the PRC. The executive partner of Hefei Hongta is Shanghai Yongzheng Private Equity Management Co., Ltd. (上海永正私募基金管理有限公司) ("**Shanghai Yongzheng**"), which is owned by LV Haitao (呂海濤) as to 90%. Hefei Hongta is owned by Shanghai Yongzheng as to approximately 0.02% and it has 20 individual limited partners. There is no limited partner holding 30% or more of the partnership interests in Hefei Hongta.

14. Sangel Shunchuang

Sangel Shunchuang is a limited partnership established in the PRC. The executive partner of Sangel Shunchuang is Shenzhen Sangel Capital Management Co., Ltd. (深圳仙瞳資本管理有限公司) ("**Sangel Capital**"). Sangel Capital is owned by Shenzhen Bailingtong Enterprise Management Co., Ltd. (深圳百齡童企業管理有限公司) (formerly known as Shenzhen Bailingtong Financial Services Co., Ltd. (深圳百齡童金融服務有限公司)) as to 60%, which is in turn wholly owned by LIU Mulong (劉牧龍), while there is no other shareholder holding 30% or more of the share capital in Sangel Capital. Sangel Shunchuang is owned by Sangel Capital as to approximately 12.50%.

Sangel Shunchuang has three limited partners, namely Shenzhen Shengjing Medical Industry Partnership Enterprise (Limited Partnership) (深圳市晟景醫療產業合夥企業(有限合夥)) ("**Shenzhen Shengjing**"), Shenzhen Angel FOF Management Co., Ltd. (深圳市天使投資引導基金有限公司) ("**Shenzhen Angel FOF**") and Shenzhen Sangel Yuntong Venture Capital Investment Enterprise (Limited Partnership) (深圳仙瞳運通創業投資企業(有限合夥)) ("**Sangel Yuntong**"), and is owned by them as to approximately 41.67%, 33.33% and 12.50%, respectively. The general partner of Shenzhen Shengjing is Shenzhen Shunmei Investment Management Co., Ltd. (深圳順美投資管理有限公司), which holds 98% of its partnership interests and is indirectly owned by CHEN Zehuan (陳澤煥) as to 99%. There is no limited partner holding 30% or more of the partnership interests in Shenzhen Shengjing. Shenzhen Angel FOF is indirectly wholly owned by Shenzhen Municipal Finance Bureau (深圳市財政局).

15. Xinsheng Huachuang

Xinsheng Huachuang is a limited partnership established in the PRC. Xinsheng Huachuang is owned by SUO Xiuhua (索秀花), the executive partner, and ZHANG Renfa (張仁發), the sole limited partner, as to approximately 0.19% and 99.81%, respectively.

16. Qiming Rongjing and Qiming Rongqian

Qiming Rongjing and Qiming Rongqian are limited partnerships established in the PRC, with their general partner being Suzhou Qikun Venture Capital Partnership (Limited Partnership) (蘇州啟坤創業投資合夥企業(有限合夥)) ("**Suzhou Qikun**"). The general partner of Suzhou Qikun is Suzhou Qiwang Venture Capital Co., Ltd. (蘇州啟望創業投資有限公司) ("**Suzhou Qiwang**"). The limited partner of Suzhou Qikun, namely Suzhou Qiyuan Equity Investment Management Partnership (Limited Partnership) (蘇州啟元股權投資管理合夥企業(有限合夥)) ("**Suzhou Qiyuan**"), holds 99.33% of its partnership interests. Suzhou Qiwang holds approximately 0.67% partnership interest in Suzhou Qikun and is owned by YU Jia (于佳) and XU Jing (徐靜) as to 50% and 50%, respectively. The general partner of Suzhou Qiyuan is Qiming China (GP) Limited (啟明中國(普通合夥人)有限公司) ("**QCL GP**") which holds 1% of the partnership interests in Suzhou Qiyuan, and the limited partner, namely Qiming China (LP) Limited (啟明中國(有限合夥人)有限公司) ("**QCL LP**") holds 99% of the partnership interests in Suzhou Qiyuan. Both QCL GP and QCL LP are wholly owned by Qiming China Limited (啟明中國有限公司) ("**QCL**"). Only Mr. Kuang Duane Ziping (鄺子平) and Mr. Hu Xubo (胡旭波) respectively and ultimately hold more than 30% of the shareholding of QCL.

Suzhou Qikun holds approximately 2.89% partnership interest in Qiming Rongjing, which has 30 limited partners. None of the limited partners hold 30% or more of the partnership interest in Qiming Rongjing.

Suzhou Qikun holds approximately 1.01% partnership interest in Qiming Rongqian, which has 44 limited partners. None of the limited partners hold 30% or more of the partnership interest in Qiming Rongqian.

17. Hainan Renze

Hainan Renze is a limited partnership established in the PRC. The general partner of Hainan Renze is Hainan TruMed Private Fund Management Partnership Enterprise (Limited Partnership) (海南真脈私募基金管理合夥企業(有限合夥)), whose general partner is Hainan TruMed Advisors Ltd. (海南真脈諮詢有限公司), which is wholly owned by TruMed Investment Management Limited (真脈投資管理有限公司). TruMed Investment Management Limited (真脈投資管理有限公司) is wholly owned by TruMed Holding Limited, which is in turn wholly owned by Wang Ting. Hainan En Mai Investment Partnership (Limited Partnership) (海南恩脈投資合夥企業(有限合夥)) ("**Hainan En Mai**") is the only limited partner of Hainan TruMed Private Fund Management Partnership Enterprise (Limited Partnership) (海南真脈私募基金管理合夥企業(有限合夥)) holding 30% or more of its partnership interests. The general partner of Hainan En Mai is Wang Ting (王婷). There is no limited partner holding 30% or more of the partnership interests in Hainan En Mai. Among Hainan Renze's limited partners, Shenzhen Leren Technology Co., Ltd. (深圳市樂仁科技有限公司) holds its 55.25% partnership interests. Among the shareholders of Shenzhen Leren Technology Co., Ltd. (深圳市樂仁科技有限公司), only one shareholder, namely Li Li (李鋰), holds 30% or more of its share capital. Save as Shenzhen Leren Technology Co., Ltd. (深圳市樂仁科技有限公司), there is no other limited partner holding 30% or more of the partnership interests in Hainan Renze.

Public Float

1,262,882 Unlisted Shares, representing approximately 1.7% of our total issued Shares upon the completion of the Global Offering (assuming the Over-allotment Option is not exercised) will not be considered as part of the public float as such Unlisted Shares will not be converted into H Shares upon the Listing on the Stock Exchange.

Among the 58,737,118 H Shares to be converted from Unlisted Shares pursuant to the H-share full circulation of our Company and the listing on the Stock Exchange: (i) the 39,231,387 H Shares to be converted from Unlisted Shares held by the Controlling Shareholders (namely Dr. Liu, Dr. Sun, Ms. Chow, Suzhou Taiwu, Shanghai Rising Suns and PharMab) and the Tongrui entities (namely Huzhou Youxing, Suzhou Lianrui, Huzhou Youcheng and Suzhou Youxin), representing approximately 52.88% of our total issued Shares upon the completion of the Global Offering (assuming the Over-allotment Option is not exercised) will not be counted towards the public float after the Listing as such Shares are being held or controlled by the core connected persons of our Company; and (ii) the 19,505,731 H Shares to be converted from Unlisted Shares, representing approximately 26.29% of our total issued Shares upon the completion of the Global Offering (assuming the Over-allotment Option is not exercised) will be counted towards the public float after the Listing as these entities are not held or controlled by the core connected persons of our Company upon the Listing nor are they accustomed to take instructions from our Company's core connected persons in relation to the acquisition, disposal, voting or other disposition of their Shares and their acquisition of Shares were not financed directly or indirectly by our Company's core connected persons.

14,193,150 H Shares to be issued pursuant to the Global Offering, representing approximately 19.13% of our total issued Shares upon the completion of the Global Offering (assuming the Over-allotment Option is not exercised), will be counted towards the public float.

Therefore, to the best knowledge of our Directors, immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised) and the conversion of Unlisted Shares into H Shares, an aggregate of 33,698,881 H Shares, representing approximately 45.42% of our total issued Shares will be counted towards the public floats. Pursuant to Rule 19A.13A(1) of the Listing Rules, where the expected market value at the time of listing of our Company's H Shares exceeds HK$6 billion but not exceeding HK$30 billion, the minimum number of H shares held by the public at the time of Listing as a percentage of the total number of shares in the class to which H shares belong shall be the higher of: (i) the percentage that would result in the expected market value of H shares held by the public to be HK$1,500,000,000 at the time of Listing; and (ii) 15%. With respect to the Offer Price of HK$96.06 per Offer Share, assuming the Over-allotment Option is not exercised, (1) the expected market capitalization of the Company's H Shares would exceed HK$6 billion; and (2) the percentage that would result in the expected market value of H shares held by the public to be HK$1,500,000,000 at the time of Listing would be 21.05%. Our public float is expected to be in compliance with the requirement under Rule 19A.13A(i) of the Listing Rules.

FREE FLOAT

Rule 19A.13C of the Listing Rules provides that there must be sufficient shares for which listing is sought by a new applicant that are held by the public and available for trading upon listing. Where a new applicant is a PRC issuer with no other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 10% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50,000,000; or (b) have an expected market value at the time of listing of not less than HK$600,000,000.

Our Company will satisfy the free float requirement under Rule 19A.13C of the Listing Rules.

H SHARE FULL CIRCULATION PROGRAMME

Our Company has applied for H-share full circulation to convert certain of the Unlisted Shares into H Shares as per the instructions of the relevant Shareholders. The conversion of Unlisted Shares into H Shares will involve an aggregate of 58,737,118 Unlisted Shares held by 31 existing Shareholders, representing approximately 79.17% of total issued Share capital of our Company upon the completion of the conversion of Unlisted Shares into H Shares and the Global Offering (assuming the Over-allotment Option is not exercised). Save as disclosed in this prospectus and to the best knowledge of our Directors, we are not aware of the intention of any existing Shareholders to convert their Unlisted Shares. See "Share Capital" for further details.

ACQUISITIONS, MERGERS AND DISPOSALS

Save as the acquisition of the equity interests in LongBio Changshu, we have not conducted any acquisitions, disposals or mergers during the Track Record Period and up to the Latest Practicable Date that we consider to be material to us.

CAPITALIZATION OF OUR COMPANY

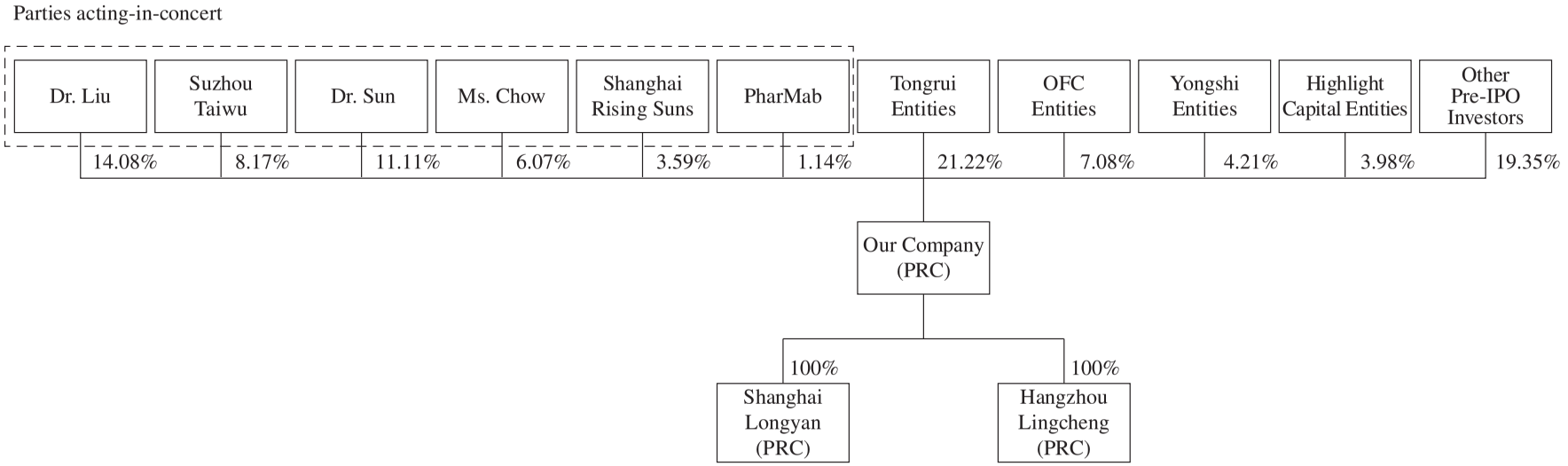
The table below is a summary of the capitalization of our Company as of the Latest Practicable Date and the Listing Date (assuming the Over-allotment Option is not exercised):

	As of the date of this prospectus		As of the Listing Date					
Name of Shareholder	Number of Unlisted Shares	Approximate percentage in total issued Shares	Number of H Shares	Approximate ownership percentage in H Shares	Number of Unlisted Shares	Approximate ownership percentage in Unlisted Shares	Total Number of Shares	Approximate ownership percentage in total issued Shares
CONTROLLING SHAREHOLDERS								
Dr. Liu	8,447,692	14.08%	8,447,692	11.58%	–	–	8,447,692	11.39%
Dr. Sun	6,668,921	11.11%	6,668,921	9.14%	–	–	6,668,921	8.99%
Suzhou Taiwu	4,899,364	8.17%	4,899,364	6.72%	–	–	4,899,364	6.60%
Ms. Chow	3,643,748	6.07%	3,643,748	5.00%	–	–	3,643,748	4.91%
Shanghai Rising Suns	2,154,243	3.59%	2,154,243	2.95%	–	–	2,154,243	2.90%
PharMab	683,191	1.14%	683,191	0.94%	–	–	683,191	0.92%
PRE-IPO INVESTORS								
Tongrui Entities								
Huzhou Youxing	7,021,810	11.70%	7,021,810	9.63%	–	–	7,021,810	9.46%
Suzhou Youxin	3,203,667	5.34%	3,203,667	4.39%	–	–	3,203,667	4.32%
Suzhou Lianrui	1,641,884	2.74%	1,641,884	2.25%	–	–	1,641,884	2.21%
Huzhou Youcheng	866,867	1.44%	866,867	1.19%	–	–	866,867	1.17%
OFC Entities								
OFC Bohui Fund	3,077,490	5.13%	3,077,490	4.22%	–	–	3,077,490	4.15%
OFC Jiaozi Fund	1,171,447	1.95%	1,171,447	1.61%	–	–	1,171,447	1.58%
Yongshi Entities								
Yongshi Huijin	1,025,832	1.71%	512,916	0.70%	512,916	40.61%	1,025,832	1.38%
Yongshi Weizhen	1,499,932	2.50%	749,966	1.03%	749,966	59.39%	1,499,932	2.02%
Highlight Capital Entities								
HLC	1,290,964	2.15%	1,290,964	1.77%	–	–	1,290,964	1.74%
Qingdao Hongyi	1,099,710	1.83%	1,099,710	1.51%	–	–	1,099,710	1.48%
OTHER PRE-IPO INVESTORS								
QM282	1,921,283	3.20%	1,921,283	2.63%	–	–	1,921,283	2.59%
CSPC Sangel	1,538,745	2.56%	1,538,745	2.11%	–	–	1,538,745	2.07%
Lingang Lanwan Fund II	1,045,922	1.74%	1,045,922	1.43%	–	–	1,045,922	1.41%
Changshu Entities								
Southeast Investment	1,025,832	1.71%	1,025,832	1.41%	–	–	1,025,832	1.38%
Changshu Wuyue Angel	390,484	0.65%	390,484	0.54%	–	–	390,484	0.53%
Shanxi Securities Alternative Investment	954,287	1.59%	954,287	1.31%	–	–	954,287	1.29%
Anhui Anyuan	820,662	1.37%	820,662	1.13%	–	–	820,662	1.11%
Hangzhou Beicheng	747,085	1.25%	747,085	1.02%	–	–	747,085	1.01%
Changshu Sanyi	727,654	1.21%	727,654	1.00%	–	–	727,654	0.98%
Qiming Entities								
Qiming Rongjing	384,255	0.64%	384,255	0.53%	–	–	384,255	0.52%
Qiming Rongqian	256,176	0.43%	256,176	0.35%	–	–	256,176	0.35%
Hefei Hongta	585,726	0.98%	585,726	0.80%	–	–	585,726	0.79%
Sangel Shunchuang	512,913	0.85%	512,913	0.70%	–	–	512,913	0.69%
Xinsheng Huachuang	512,913	0.85%	512,913	0.70%	–	–	512,913	0.69%
Hainan Renze	179,301	0.30%	179,301	0.25%	–	–	179,301	0.24%
OTHER PUBLIC SHAREHOLDERS	–	–	14,193,150	19.46%	–	–	14,193,150	19.13%
Total	60,000,000	100%	72,930,268	100%	1,262,882	100%	74,193,150	100%

OUR SHAREHOLDING AND CORPORATE STRUCTURE

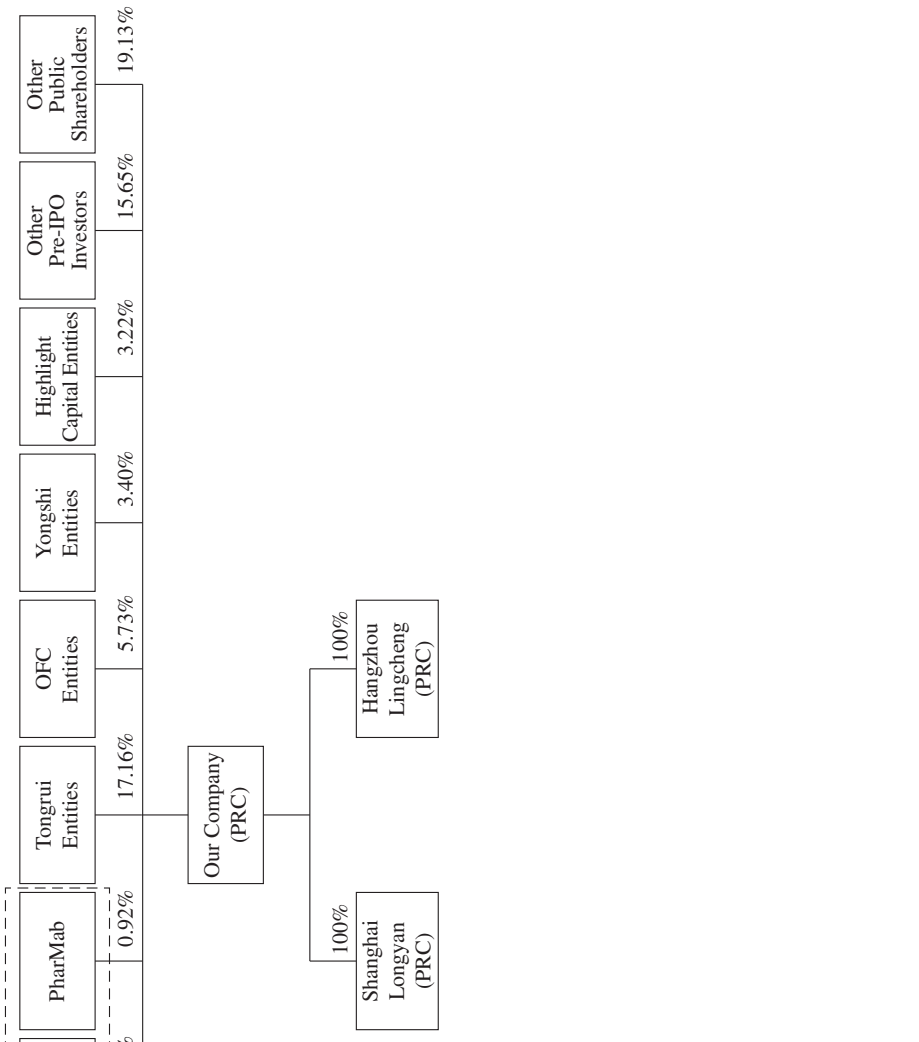
Immediately Prior to the Global Offering

Our corporate and shareholding structure immediately prior to the completion of the Global Offering is as follows:



Immediately after the Global Offering

Our corporate and shareholding structure immediately after the completion of the Global Offering is as follows:



OVERVIEW

We are a clinical-stage biopharmaceutical company. Established in 2020 and located in Shanghai and Changshu, Suzhou, China, we primarily focus on in-house discovery and development of biopharmaceuticals targeting allergic and autoimmune diseases. We have developed a comprehensive product pipeline for biologic treatments targeting rhinology, dermatology, respiratory, hematology, nephrology and other autoimmune diseases.

Our Core Product, LP-003, is an anti-IgE antibody with novel sequencing. The primary function of LP-003 is to block free IgE in blood and tissues, and thus inhibiting the occurrence of IgE-driven allergic reactions. IgE is the core mechanism driving Type I hypersensitivity. Type I hypersensitivity triggered by allergens in different organs causes seasonal AR, allergic asthma, CSU, food allergy and other allergic diseases. After optimization on our High-Affinity Antibody Discovery Platform, LP-003 exhibits an 860-fold increase in affinity for IgE compared to competitor. We have obtained IND approvals and/or initiated clinical trials for LP-003 in China for various indications, including seasonal AR, CSU, allergic asthma, CRSwNP and food allergy. Currently, the seasonal AR indication is undergoing Phase III clinical trial in China and we plan to submit BLA to the NMPA in or before the third quarter of 2026. For CSU, we are conducting Phase II clinical trial in China, which is designed to be a head-to-head comparison with omalizumab. We expect to complete Phase II and commence Phase III clinical trial in or before the second quarter of 2026. We are conducting Phase II clinical trials for allergic asthma and CRSwNP, and expect to initiate Phase II clinical trials for other allergic diseases in the fourth quarter of 2026.

Our Key Product, LP-005, is a bi-functional antibody fusion protein targeting C5 and C3b complement. Multi-target complement inhibitors, acting simultaneously on multiple key nodes in the complement cascade, block the complex pathological mechanisms of diseases in a more comprehensive fashion, showing efficacy potential compared to single-target complement inhibitors. We have obtained IND approvals in China for various indications, including paroxysmal nocturnal hemoglobinuria (PNH), complement-mediated kidney diseases (including but not limited to IgA nephropathy (IgAN), C3 glomerulopathy (C3G) and lupus nephritis (LN)) and other complement related indications.

Our Bi-functional Antibody Development Platform offers structural flexibility, broad applicability, and high druggability, extending beyond traditional antibody formats. Our High-affinity Antibody Discovery Platform produces antibodies with significantly improved affinities that surpass traditional methods. Supported by our two core platforms, we are able to continuously discover and enrich pipeline candidates targeting allergic and autoimmune diseases.

In addition to our Core Product and Key Product, we are developing LP-00A, a bi-functional antibody targeting allergic diseases, LP-00C, a bi-functional antibody or fusion protein targeting B-cell mediated autoimmune diseases and LP-00D, a bi-functional antibody or fusion protein complement inhibitor optimized for specific tissues/organs and indications. For details of our products and pipeline, see "— Our Products and Pipeline."

Our integrated in-house R&D capabilities and drug discovery expertise are propelled by our two proprietary technology platforms, namely (i) High-Affinity Antibody Discovery Platform, on which we have developed LP-003, our Core Product, and other high-affinity antibodies with high level of affinity on other targets, and (ii) Bi-functional Antibody Development Platform, on which we have developed LP-005, LP-00A, LP-00C and LP-00D.

We are committed to pooling resources into our R&D, which we believe is the backbone of our success. Our in-house R&D capabilities are built on our proprietary technology platforms and supported by our R&D centers in Shanghai and Suzhou. We believe that our integrated R&D capabilities give us the flexibility in formulating our streamlined strategies for discovery of drugs, product optimization, clinical trials, and registration, thereby enabling us to capture rapidly changing market demands, improve pipeline feasibility at lower costs, and accelerate product development cycles.

We have established a senior R&D management team with extensive industry experience and a track record of success in drug discovery, clinical development and registration process. Our senior R&D management team consists of our co-founders, Dr. Sun and Dr. Liu, who established our self-developed R&D technology platforms; Mr. Ma Haili, the Head of New Drug Discovery Department, who was responsible for pre-clinical developments and project initiation; Mr. Yang Jie, the Head of Clinical Department, who oversaw clinical developments; Ms. Xu Linfeng, the Head of Analysis and Formulation Department, who managed regulatory submissions; Mr. Xu Weitao, the Head of Production Process Department, who was involved in managing production and quality control; and the Director of Medical Affairs responsible for overseeing the clinical trials of the Core

Product. As of the Latest Practicable Date, most of our core R&D personnel involved in the development of our Core Product and Key Product remained in employment with us with one of our core R&D personnel, the Director of Medical Affairs, left the Group. Mr. Yang Jie, the Head of the Clinical Department, has since taken over these responsibilities. As of the Latest Practicable Date, our R&D team consists of 72 members, more than half of them hold master's or doctoral degrees. Our R&D team is extensively involved in all stages of our drug development.

OUR COMPETITIVE STRENGTHS

Core Product LP-003: An anti-IgE antibody demonstrating promising efficacy through head-to-head clinical studies, currently leading in clinical development progress

As the first product discovered from our High-Affinity Antibody Discovery Platform, our Core Product, LP-003, is an anti-IgE antibody featuring novel sequencing with proprietary patent. The primary function of LP-003 is to block free IgE in blood and tissues, and thus inhibiting the occurrence of IgE-driven allergic reactions.

Promising efficacy demonstrated in head-to-head comparisons with omalizumab, based on Phase I trial results and Phase II CSU trial data

Our Phase II clinical trial for CSU (CTR20233300) is a randomized, double-blind, positive-controlled head-to-head comparison clinical study with omalizumab. We enrolled a total of 202 patients, with approximately 40 patients in each of the treatment groups. Patients received 100 mg LP-003 injection once every eight weeks (Q8W), 200 mg LP-003 injection once every eight weeks (Q8W), 200 mg LP-003 injection once every four weeks (Q4W), 300 mg omalizumab once every four weeks (Q4W), or placebo once every four weeks (Q4W), respectively. Based on the published topline results, LP-003 demonstrated promising efficacy compared to omalizumab in the treatment of CSU. As of the Latest Practicable Date, our Phase II clinical trial for CSU was still ongoing.

Faster onset of action

The proportion of patients who are in the LP-003 treatment group and have achieved complete control of wheals and itching (UAS7 = 0) (Urticaria Activity Score) at week 4 increased compared with those in the omalizumab treatment group. LP-003 treatment group recorded a 35.0% portion of patients achieving complete control for 200 mg dosage treatment of LP-003 once every eight week, while 20.0% of patients who are in the omalizumab treatment group achieved complete control for 300 mg dosage treatment of omalizumab once every four week.

Better efficacy

At week 12, the proportions of patients achieving UAS7=0 were 44.4%, 66.7%, 57.5%, 43.6% and 10.3% in the LP-003 100 mg Q8W, LP-003 200 mg Q8W, LP-003 200 mg Q4W, omalizumab, and placebo groups, respectively (200 mg Q8W vs. omalizumab, p=0.0405).

As compared with that of the omalizumab group, the LS Mean change from baseline in patients' UAS7 at week 12 after treatment in the LP-003 200 mg Q8W group was reduced by 4.78 points (p=0.0137). The LS Mean change of UAS7 from baseline at week 12 was -23.15, -26.63, -24.74, -21.85, and -13.98 in the LP-003 100 mg Q8W, LP-003 200 mg Q8W, LP-003 200 mg Q4W, omalizumab, and placebo groups, respectively.

Lower dosage as compared with other therapeutic biologics

For seasonal AR indication, during the Phase II clinical trial, both 100 mg and 200 mg dosage of LP-003 treatments have shown encouraging efficacy, therefore, the 100 mg dosage was selected for the Phase III clinical trial. For CSU indication, both 100 mg and 200 mg dosage of LP-003 treatment have shown encouraging efficacy in a head-to-head comparison with 300 mg dosage of omalizumab treatment.

Extended half-life shows longer-acting potential

According to published data, half-life of omalizumab is approximately 20 days in healthy adults. In contrast, results from our Phase I clinical trial of LP-003 in healthy subjects indicate that it has a significantly longer half-life of 45 to 76 days, approximately two to three times longer than that of omalizumab. LP-003 demonstrates the potential for longer-lasting efficacy compared with omalizumab. Overall, as validated by data from the head-to-head

comparison with omalizumab as well as the Phase I clinical trial, LP-003 has shown a faster onset of action, better efficacy, long-acting and with a lower dosage, and exhibits potential to become a clinically-advanced therapy. For details of the clinical data of LP-003, please refer to "— Our Pipeline — Our Core Product: Anti-IgE Antibody (LP-003) — Summary of Clinical Trials of LP-003".

Phase III clinical trial for seasonal AR

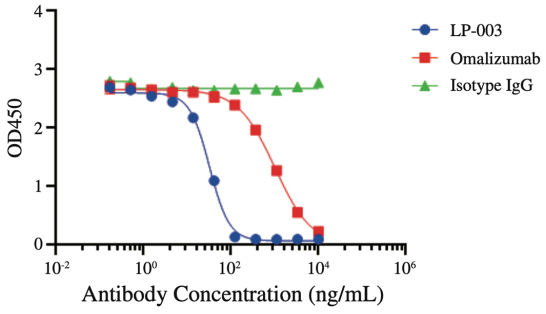
We are currently conducting Phase III clinical trial of LP-003 for seasonal AR in China. For seasonal AR, we completed patient enrollment and expect to submit a BLA application in or before the third quarter of 2026.

The results of the Phase II clinical study of seasonal AR demonstrated improved efficacy of LP-003 compared to placebo group with standard of care (SoC) treatment. For patients with moderate to severe seasonal AR who are inadequately controlled by standard treatment, LP-003 injection reduced the subjects' total nasal symptom score (TNSS), daily nasal symptoms and rescue medication treatment score (DNSMS), and daily ocular symptom and rescue medication treatment scores (DNOMS) during the pollen peak period compared with the placebo group, based on background therapy. For details of the clinical data of LP-003, please refer to "— Our Pipeline — Our Core Product: Anti-IgE Antibody (LP-003) — Summary of Clinical Trials of LP-003".

Novel sequencing with strong biological activity

LP-003 exhibits a significantly higher (860-fold greater) binding affinity to IgE compared to omalizumab. LP-003 has a binding affinity to IgE of 2.08 pM, while omalizumab has a binding affinity to IgE of 1,790 pM. This heightened affinity signifies that LP-003 binds to IgE molecules with greater strength and effectiveness. The superior 860-fold greater binding affinity of LP-003 for IgE is a critical differentiating factor.

In vitro biological activity assays also shows that the IgE-blocking activity of LP-003 is 30 times more than that of omalizumab. These experimental results suggest that LP-003 may have superior biological activity to omalizumab, potentially allowing for lower dosage. The diagram below illustrates the comparison between LP-003, omalizumab and isotype IgG (a type of immunoglobulin G antibody that serves as a negative control in immunological experiments):



	LP-003	Omalizumab
IC50	32.28	1009

Source: Company's data

Well positioned in the anti-allergic field with significant unmet medical needs coupled with a favorable competitive landscape

Allergic diseases have a significant impact on quality of life, causing serious emotional, psychological, economic, and social burdens for patients and society. According to Frost & Sullivan, allergic diseases have a huge patient base, which is expected to bring huge market growth potential. The global and China's allergic disease drug market sizes in 2024 were US$68.8 billion and US$8.1 billion, respectively, among which, the market share of biologics was 40.4% and 19.8%, respectively. In 2030, the global and China's allergic disease drug market sizes are expected to reach US$111.4 billion and US$22.9 billion, respectively, among which, the market share of biologics is expected to be increased to 61.3% and 54.1%, respectively. In particular:

CSU: With the increasing prevalence of CSU, the number of CSU patients around the world and China is expected to reach 73.5 million and 29.7 million in 2030 at a CAGR of 0.9% and 2.1%, respectively.

AR: the number of AR patients around the world and China is expected to reach 1.5 billion and 261.1 million in 2030 at a CAGR of 1.0% and 1.0%, respectively. Patients with moderate to severe AR account for approximately 65% of all patients around the world in 2024.

CRSwNP: In 2024, there were 281.8 million and 20.6 million patients with CRSwNP worldwide and in China, respectively. Among them, 50% are refractory cases, and the recurrence rate within three years after surgical treatment is as high as 55%.

Allergic asthma: the global number of allergic asthma patients rose from 471.3 million in 2018 to 520.7 million in 2024 and is expected to reach 560.6 million in 2030. China has a sizable population of allergic asthma patients, with the number growing from 40.6 million in 2018 to 45.2 million in 2024, and is expected to reach 49.7 million in 2030. Patients with moderate-to-severe allergic asthma account for approximately 50% of all allergic asthma patients.

Food allergy: The global number of patients with food allergy increased from 273.2 million in 2018 to 361.8 million in 2024, and is expected to reach 456.7 million by 2030. In China, there were approximately 159.1 million patients with food allergy in 2024, and this is expected to increase to 181.6 million in 2030.

For details of the growth potential of market share of biologics in China and globally, please refer to "Industry Overview".

IgE is the core mechanism driving Type I hypersensitivity, which is triggered by allergens in different organs and causes AR, allergic asthma, CSU, food allergy and other allergic diseases. Anti-IgE antibody currently plays a pivotal role in the treatment of a variety of allergic diseases due to its capabilities of achieving cascade of allergic reactions. Biologics are increasingly accepted by doctors and patients as treatment options due to their superior safety and efficacy. Similar trend has been observed in China, with anti-IgE therapy now being included in China's clinical guidelines for the diagnosis and treatment of AR and CSU.

Our clinical trial data, particularly from the head-to-head study against omalizumab, demonstrate compelling evidence of superiority with fast onset of action, good efficacy, long-acting and lower dosage.

We believe our continuous efforts in exploring new indications of LP-003 meeting patients' needs for safe, effective, fast-acting, and long-lasting biopharmaceuticals, would secure our sustainable development.

Key Product LP-005: first candidate discovered and developed from our unique platform, a bi-functional complement antibody fusion protein

Our Key Product, LP-005, is a bi-functional antibody fusion protein targeting C5 and C3b complement, being the first candidate discovered and developed from our Bi-functional Antibody Development Platform. By simultaneously targeting both C5 and C3b, which mediates multiple inflammatory pathways, the potential indications for LP-005 include various complement-mediated autoimmune diseases, including PNH, complement-mediated kidney diseases (including IgAN, C3G and LN), gMG, MAG-PN, ALS, and complement-related ophthalmic diseases.

Encouraging clinical trial results

Pre-clinical studies have shown that, compared with other complement inhibitors, being commercialized or under development, targeting single or different targets, LP-005 demonstrates better biological activity by inhibiting all three complement signaling pathways (classical pathway, alternative pathway, and lectin pathway), targeting both C5 and C3b. For details on the mechanism of action, please refer to "— Our Drug Candidates — Our Key Product: Bi-functional antibody fusion protein targeting C5 and C3b complement (LP-005) — Mechanism of Action".

We have obtained IND approvals in China for various indications, including PNH, complement-mediated kidney diseases (including IgAN, C3G and LN), gMG, MAG-PN, and ALS. We are currently conducting two Phase II clinical trials of LP-005 for PNH in China. From the data of the ongoing Phase II clinical trial (CTR20242478), LP-005 has shown encouraging efficacy in PNH patients. Two PNH patients who were previously treated with eculizumab but were not well controlled, still have benefitted continuously from LP-005 treatment throughout the trial period.

This interim analysis included 20 patients (10 per cohort) who completed 12 weeks of treatment. Mean (SD) LDH at baseline was 2013.3 (1265.73) U/L in Cohort 1 (900 mg Q4W group) and 1694.6 (724.34) U/L in Cohort 2 (1200 mg Q4W group). Mean (SD) Hb level at baseline was 65.0 (11.84) g/L in Cohort 1 and 63.5 (10.30) g/L in Cohort 2.

By Week 12, all 20 patients demonstrated positive clinical improvements. Mean (SD) LDH reduced to 1276.4 (1781.76) U/L (by -49.39%) and 246.6 (56.94) U/L (by -82.52%) in Cohort 1 and Cohort 2 respectively, and the LS Mean difference (95% CI) in LDH change from baseline is -712.73 (-1433.18, 7.73) for Cohort 2 vs. Cohort 1. Additionally, Hb increases ≥2 g/dL from baseline were observed in 9/10 patients (90%) in both cohorts, with 6/10 (60%) in each cohort achieving Hb levels ≥10 g/dL. As of the cutoff date, all patients 20/20 (100%) remained transfusion-free. For details on LP-005's clinical data, please refer to "— Our Pipeline — Our Key Product: Bi-functional antibody fusion protein targetting C5 and C3b complement (LP-005) — Summary of Clinical Trials of LP-005".

Increasing market size with the indication expansion for complement-related diseases and competitive strength of dual target

The use of complement inhibitors has brought landmark progress for many rare diseases, such as PNH, and in recent years, the application of complement inhibitors has also gradually expanded to common disease areas such as kidney diseases. According to Frost & Sullivan, driven by increasing patient prevalence, and the emergence of new therapeutic modalities, the global and China's complement inhibitors market is projected to grow rapidly in the future. In particular, prevalence for the following indications in China and globally is continually increasing:

PNH: the global incidence rate of PNH is approximately one to two cases per million, affecting around 122,100 people worldwide in 2024.

IgAN: There are a large number of IgAN patients worldwide and in China, the number of IgAN patients is approximately 9.6 million and approximately 2.3 million worldwide and in China in 2024, respectively. High-risk IgAN patients are recommended to consider complement-targeted therapy according to China's "Expert Consensus on Diagnosis and Treatment of Complement-Related Kidney Diseases" (《補體相關性腎病診斷和治療專家共識》).

C3G: There are approximately 31,800 C3G patients in China in 2024.

LN: LN is one of the most severe complications of systemic lupus erythematosus, with approximately 40% to 60% of systemic lupus erythematosus patients developing LN.

Unlike most complement inhibitor drugs in the market that focus on a single target, LP-005 simultaneously acts on two targets (both C5 and C3b) of the complement system, and can act on the classical pathway, the alternative pathway and the lectin pathway.

Uncontrolled complement activation can cause or contribute to glomerular injury in multiple kidney diseases. In complement-mediated kidney diseases, multiple complement pathways have been shown to exhibit aberrant activation.

Multi-target complement inhibitors, acting simultaneously on multiple key nodes in the complement cascade, block the complex pathological mechanisms of diseases in a more comprehensive fashion, showing efficacy potential compared to single-target complement inhibitors. This multi-dimensional intervention approach not only enhances the overall therapeutic effect but also reduces the risk of drug resistance caused by the activation of alternative pathways after a single pathway is blocked, ensuring more durable and stable efficacy.

Our proprietary Bi-functional Antibody Development Platform, featuring proprietary processes and systematic methodologies that streamline the drug discovery process and facilitate the development of our differentiated bi-functional antibody biologics

We have established a novel Bi-functional Antibody Development Platform leveraging our proprietary antibody discovery and protein engineering technologies. This platform focuses on the development of differentiated bi-functional antibody biologics, with a view to addressing the limited therapeutic efficacy of single-target drugs, as well as the heightened costs, long duration and heavy patient burden associated with developing drugs targeting multiple pathways. This platform can be widely used to generate various bi-functional antibodies, which will help us implement new treatment strategies in the fields of allergic diseases and autoimmunity.

Leveraging our advanced and reliable proprietary technology platform, we are able to continuously enrich our product pipeline. Our bi-functional antibody development strategy offers structural flexibility, broad applicability, and high druggability, extending beyond traditional antibody formats to include nanobodies, antibody fragments, receptors, regulatory proteins, and engineered Fc. Based on our Bi-functional Antibody Development Platform, we have developed our Key Product LP-005 and also developed LP-00A, a bi-functional antibody targeting allergic diseases, LP-00C, a bi-functional antibody or fusion protein targeting B-cell mediated autoimmune diseases, and LP-00D, a bi-functional antibody or fusion protein complement inhibitor optimized for specific tissues/organs and indications. We will continue to leverage on this platform to design and create new molecules with innovative mechanisms, thereby continuously enriching our product pipeline.

LP-005 is the first product developed by our Bi-functional Antibody Development Platform. The result of pre-clinical studies and Phase II clinical trial shows encouraging efficacy results. Based on these technologies, we have filed multiple invention patents with various applications including allergic diseases and autoimmune disorders, which are important therapeutic areas of our pipeline products, in addition to our Key Product, LP-005.

We have been developing the following new drug candidates utilizing our Bi-functional Antibody Development Platform:

LP-00A — Novel Bi-functional Autoimmune Antibody

We are committed to developing novel bi-functional autoimmune antibodies with different mechanisms of action. LP-00A is a bi-functional antibody currently in the pre-clinical stage of development. It focuses on the simultaneous inhibition of two key signal pathways. These two signal pathways are key drivers of type 2 inflammation and are involved in a variety of allergic and inflammatory diseases. The potential indications for LP-00A are allergic diseases or type 2 inflammatory diseases.

LP-00C — Novel Bi-functional B-cell Inhibitor

As the primary source of autoantibodies in autoimmune diseases, B-cell targeting offers a broad therapeutic approach for conditions driven by pathogenic autoantibodies. LP-00C is a bi-functional antibody or fusion protein currently in the early stages of R&D. The potential indications for LP-00C include B lymphocyte-mediated autoimmune diseases.

LP-00D — Novel Bi-functional Complement Inhibitor optimized for specific organs and indications

When targeting different tissues/organs and indications, specific optimizations based on the target tissues/organs and indications are required to enhance druggability and patient compliance. LP-00D is a bi-functional antibody or fusion protein complement inhibitor targeting both the classical and alternative pathways, and it is optimized for specific tissues/organs and indications to improve therapeutic efficacy and patient adherence.

A forward-looking leadership team backed by renowned shareholders.

Our co-founder, Dr. Sun, is one of the serial successful entrepreneurs in the biopharmaceutical industry with proven track records of successful biopharmaceutical development in both China and the United States. Dr. Sun was a shareholder of Tanox Inc., a biotech company established in Texas, the United States in 1986 and listed on the NASDAQ Stock Market in 2000. He co-founded PharMab in 2001 and our Company in 2020. Dr. Sun obtained a Ph.D. from the Iowa State University in the United States and has over 55 years of experience in biomedical R&D. He has published more than 30 research papers in leading chemistry and medicinal chemistry journals and has been granted 30 patents, including 16 registered in the United States and 12 patents registered in the PRC. He was the main inventor behind the groundbreaking first-generation anti-IgE antibody, omalizumab (marketed as Xolair®), which emerged as a blockbuster in asthma and allergic diseases, and F-627/Long-acting granulocyte colony-stimulating factor (G-CSF) (marketed as Benegrastim, Ryzneuta®). Dr. Sun's industry insights and vision are crucial to our continuous innovation.

In addition, Dr. Liu, our co-founder, has over 15 years of experience in R&D and commercialization of biopharmaceutical drugs. Dr. Liu played a pivotal role in both domestic and international development programs of several drugs. Notably, Dr. Liu was deeply involved in the development of a long-acting G-CSF (marketed as Ryzneuta®), which successfully completed phase III clinical trials globally and received market approval from the FDA in the United States and the NMPA.

We have established a senior R&D management team with extensive industry experience and a track record of success in drug discovery, clinical development and registration process. As of the Latest Practicable Date, our R&D team consisted of 72 members, and more than half of them hold master's or doctoral degrees. Our R&D team is extensively involved in all stages of our drug development, including drug discovery, pre-clinical drug research, drug manufacturing, formulation development, clinical research, and regulatory and/or registration submissions.

In addition to our experienced management team, we benefit greatly from the strong support of our strategic investors, including Oriental Fortune Capital, Qiming Ventures, Highlight Capital and TruMed. We believe that our relationship with those healthcare-focused investors will further strengthen our industry resources and connections to the biopharmaceutical industry in China and worldwide.

OUR DEVELOPMENT STRATEGIES

We aspire to be a biopharmaceutical company committed to and focus on in-house discovery and development of innovative biopharmaceuticals targeting allergic, complement-mediated and autoimmune diseases. We are committed to (i) researching and developing long-acting, high affinity and bi-functional innovative biologic therapies for allergic diseases and autoimmune diseases with our unique technology platforms; and (ii) providing patients with safe, effective, convenient and economical long-term medication solutions. We intend to execute the following strategies to achieve our aspiration and mission.

Accelerating the clinical development of our Core Product LP-003 to achieve timely regulatory approval while expanding into additional indications

We are committed to developing biologic drugs for under-treated diseases. We plan to accelerate the clinical development of our Core Product, LP-003, for commercialization and further indication expansion, fully unleashing the commercial and clinical value of our product pipeline. In particular:

For seasonal AR: we are conducting a registrational Phase III clinical trial of LP-003 for seasonal AR. We plan to complete the Phase III clinical trial in the second quarter of 2026 and submit a BLA application to the NMPA in or before the third quarter of 2026.

For CSU: we are conducting Phase II clinical trial of LP-003 for CSU. We plan to complete the Phase II clinical trial and commence Phase III clinical trial in or before the second quarter of 2026.

For other indications: we are advancing LP-003's clinical trials in China for other allergic diseases, including (i) a Phase II clinical study for allergic asthma, (ii) a Phase II clinical trial for CRSwNP, and (iii) Phase II clinical trials for other allergic diseases. We have completed enrollment of the first patient for Phase II clinical trial for allergic asthma, and the Phase II clinical trials for other allergic diseases are expected to commence in the fourth quarter of 2026.

For commercialization of our Core Product, LP-003, we intend to seek cooperation with CSOs or established pharmaceutical company with strong sales capabilities in the fields of respiratory, rhinitis and allergies to unleash the commercial value of LP-003. In order to better support our sales effort, we will also establish a lean but efficient sales and marketing team with medical and scientific background to maximize product coverage and accelerate the market acceptance in China.

Advance the clinical trials of our Key Product LP-005 steadily

We will leverage the advantages of dual-function complement inhibitors to steadily advance the clinical program for LP-005 and gradually expand LP-005's indications to include complement-mediated kidney diseases in order to capture a larger market share.

For PNH: we are currently conducting two Phase II clinical trials for LP-005 in PNH, and we expect to complete the first Phase II clinical trial by the fourth quarter of 2028.

For other indications: we will initiate a Phase II clinical trial in China for complement-mediated kidney diseases and a Phase II clinical trial in China for moderate-to-severe periodontitis in or before the fourth quarter of 2026.

Continuously enhance our R&D capabilities and enrich our pipeline based on our unique platforms

Supported by our core platforms, namely High-Affinity Antibody Discovery Platform and Bi-functional Antibody Development Platform, we are able to continuously discover and enrich our pipeline candidates. Our High-Affinity Antibody Discovery Platform produces antibodies with significantly improved affinities that surpass traditional methods. Our Bi-functional Antibody Development Platform offers structural flexibility, broad applicability, and high druggability, extending beyond traditional antibody formats to include nanobodies, antibody fragments, receptors, regulatory proteins, and engineered Fc. We have achieved significant milestones since inception, and we will continue to strengthen these capabilities. We have developed several bi-functional drug candidates, such as LP-00A, LP-00C and LP-00D, and plan to continue developing these candidates further. For LP-00A, we plan to submit IND application with potential allergic diseases or autoimmune diseases. For LP-00C, we plan submit IND application with potential indications including B-cell mediated autoimmune diseases. For LP-00D, we plan submit IND application with potential indications including complement related autoimmune diseases. Additionally, we plan to actively invest in internal R&D to seize market opportunities and identify and develop bi-functional antibody/fusion protein drug candidates.

Explore market potential through partnership

The promising pre-clinical and clinical results have demonstrated a safe profile and better efficacy of LP-003 for a broad range of allergic diseases. We are currently focusing on the clinical development of LP-003 in the PRC. As more clinical data becomes available, we will further evaluate the costs and benefits of developing LP-003 in foreign jurisdictions. If we decide to pursue overseas market opportunities, we will consider collaborating with overseas partners for the development and commercialization of LP-003.

We plan to continue actively exploring business collaboration opportunities with leading industry peers, accelerate our development progress, and maximize the clinical and commercial value of our candidate drugs in other target markets, especially in allergic diseases and autoimmune diseases. For instance, we may seek strategic cooperation with multinational pharmaceutical companies through out-licensing arrangements of our overseas rights as and when appropriate. Meanwhile, we intend to optimize our business development team, continuously and closely monitor and follow up on the latest clinical needs and seek business opportunities.

Continue to retain and recruiting top talents

We place a high priority on selecting and retaining talents. To sustain our continual growth, we will continue to recruit top professionals skilled in R&D, clinical development, and commercialization of pharmaceuticals. Our experienced leadership team, strong track record, competitive compensation and robust training and development program have enabled us to attract and retain highly talented professionals with a passion for building a career in the biopharmaceutical industry.

OUR PRODUCTS AND PIPELINE

Utilizing our expertise in developing drugs and leveraging our two proprietary technology platforms, namely High-Affinity Antibody Discovery Platform and Bi-functional Antibody Development Platform, and our strong R&D capabilities, we have independently developed drugs targeting allergic and autoimmune diseases. Our Core Product, LP-003, is an anti-IgE antibody with novel sequencing. LP-003 is targeted to treat allergic diseases, including seasonal AR, CSU, allergic asthma and other allergic diseases. Our Key Product, LP-005, is a bi-functional antibody fusion protein targeting C5 and C3b complement used for PNH, complement-mediated kidney diseases, which includes IgAN, C3G, LN, as well as gMG, MAG-PN and ALS.

Our Core Product LP-003 and our Key Product LP-005 are under clinical development with IND approvals from CDE. For LP-003, we have completed Phase I clinical trial in healthy subjects and Phase II clinical trial for seasonal AR in China. Currently, the seasonal AR indication is undergoing Phase III clinical trial in China and we plan to submit BLA to the NMPA in or before the third quarter of 2026. For CSU, we are conducting Phase II clinical trial in China, which is designed to be a head-to-head comparison with omalizumab. We expect to commence Phase III clinical trial in or before the second quarter of 2026. We received IND approval for LP-003 for food allergy in November 2024 and for CRSwNP in March 2024.

For LP-005, we obtained IND approval for various indications, including PNH, complement-mediated kidney diseases (including but not limited to IgAN, C3G and LN), gMG, MAG-PN, and ALS. We are currently conducting two Phase II clinical trials in China to evaluate the efficacy of LP-005 in the treatment of PNH and a Phase II clinical trial for complement-mediated kidney diseases in China. It is expected that we will further explore the application of LP-005 in other complement-related diseases, including but not limited to gMG, MAG-PN and ALS.

In addition to our Core Product and Key Product, we are developing LP-00A, a bi-functional antibody targeting allergic diseases, LP-00C, a bi-functional antibody or fusion protein targeting B-cell mediated autoimmune diseases, and LP-00D, a bi-functional antibody or fusion protein complement inhibitor optimized for specific tissues/organs and indications.

The following pipeline chart summarizes the development status of our selected drug candidates as of the Latest Practicable Date:

	Product	Target/ Mechanism	Indication	Pre-clinical/ IND Enabling	Phase I	Phase II	Phase III	BLA	Key Regulatory Authorities	Rights	Upcoming Milestones
Allergic diseases	LP-003★	IgE	Seasonal AR (moderate to severe)			(180 patients enrolled)	(546 patients enrolled)		NMPA	Global	Phase III clinical trial completion: 1st half of 2026 BLA submission: in or before 3rd quarter of 2026
			CSU (no severity restriction)			(202 patients enrolled)			NMPA		Phase II clinical trial completion: 1st half of 2026
			Allergic asthma (moderate to severe)			(one patient enrolled)			NMPA		Phase II clinical trial completion: in or before 4th quarter of 2027
			CRSwNP (no severity restriction)			(150 patients to be enrolled)			NMPA		Phase II clinical trial commencement: in or before 4th quarter of 2026
			Other allergic diseases(1) (no severity restriction)						NMPA		Phase II clinical trial commencement: in or before 4th quarter of 2026
Autoimmune diseases	LP-005☆(3)	C5xC3b	PNH						NMPA	Global	Phase II clinical trial completion: in or before 4th quarter of 2028
			Complement-mediated kidney diseases						NMPA		Phase II clinical trial commencement: in or before 4th quarter of 2026
			Other complement related indications(2)						NMPA		Phase II clinical trial commencement: in or before 4th quarter of 2026

★ Our Core Product

☆ Our Key Product

Abbreviations: IgE = immunoglobulin E; AR = allergic rhinitis; CSU = chronic spontaneous urticaria; CRSwNP = chronic rhinosinusitis with nasal polyps; PNH = paroxysmal nocturnal hemoglobinuria.

Notes:

(1) As of the Latest Practicable Date, we have also obtained IND approvals for LP-003 for other indications including atopic dermatitis, allergic bronchopulmonary aspergillosis ("**ABPA**") and food allergy.

(2) As of the Latest Practicable Date, we have also obtained IND approvals for LP-005 for other indications that are driven by the complement system, including gMG, a rare autoimmune disorder that creates a fluctuating weakness of the voluntary muscles due to disrupted neuromuscular transmission where a major drive of gMG pathology is represented by complement activation; MAG-PN, a condition where the immune system mistakenly attacks the nerves, leading to weakness and numbness and the complement activation is involved in the pathogenesis in MAG-PN; ALS, a progressive neurodegenerative disease that affects motor neurons in the brain and spinal cord, leading to muscle weakness, atrophy, and eventually loss of voluntary movement, in which components of the complement system contribute to the onset and progression of its motor phenotypes; and periodontitis, a serious gum infection that damages the soft tissue and bone supporting the teeth, often resulting from untreated gingivitis.

(3) As of the Latest Practicable Date, we have an out-licensing agreement ongoing for LP-005. For details, please refer to "— Research and Development — Collaboration with Third Parties — Out-license arrangement with Party A".

(4) Based on our Bi-functional Antibody Development Platform, we have also developed LP-00A, a bi-functional antibody targeting allergic diseases, LP-00C, a bi-functional antibody or fusion protein targeting B-cell mediated autoimmune diseases, and LP-00D, a bi-functional antibody or fusion protein complement inhibitor optimized for specific tissues/organs and indications. For details, see "— Our Other Drug Candidates — LP-00A — Novel Bi-functional Autoimmune Antibody," "— LP-00C — Novel Bi-functional B-cell Inhibitor" and "LP-00D — Bi-functional Complement Inhibitor optimized for specific tissues/organs and indications."

(5) We have developed LP-001, a long-acting cytokine drug for treatment of various types of anemia, and completed Phase I clinical trial in healthy subjects. Its safety profile has been confirmed. As part of our strategic planning, LP-001 is regarded as a non-pipeline product and will be developed on a deferred basis.

(6) All product candidates were developed internally by us, and we retain all commercial rights to these pipeline product candidates.

(7) For the Phase I clinical trial (dose escalation) of LP-003, a total of 60 healthy subjects had been enrolled, and the clinical trial was completed in March 2024. For the Phase I clinical trial (single administration) of LP-003, a total of twelve healthy subjects have been enrolled.

OUR PIPELINE

Our Core Product: Anti-IgE Antibody (LP-003)

Overview

LP-003 is an anti-IgE antibody with novel sequencing. LP-003 is targeted to treat allergic diseases, including seasonal AR, CSU, allergic asthma, CRSwNP and food allergy. The primary function of LP-003 is to block free IgE in blood and tissues, and thus inhibiting the occurrence of IgE-driven allergic reactions. LP-003 has the capability to bind free IgE and prohibit those free and excessive IgE from binding to the high-affinity IgE receptor, FcεRI.

IgE is the core mechanism driving Type I hypersensitivity. Type I hypersensitivity triggered by allergens in different organs causes seasonal AR, allergic asthma, CSU, food allergy and other allergic diseases. Anti-IgE antibody currently plays a pivotal role in the treatment of a variety of allergic diseases due to its capabilities of achieving cascade of allergic reactions. Anti-IgE therapy has been included in Chinese guidelines for the diagnosis and treatment of seasonal AR and CSU. Our LP-003 could be applied in treating various allergic diseases, such as CSU, seasonal AR, CRSwNP, allergic asthma, and other allergic diseases.

Omalizumab is the only anti-IgE antibody drug marketed globally. Since its launch in 2003, its sales revenue has continued to grow. According to Frost & Sullivan, the global sales of omalizumab exceeded US$4.4 billion in 2024.

As at the Latest Practicable Date, we have initiated eight clinical trials in China for LP-003, of which two have been completed and the other six are still ongoing. In the interim analysis results of the Phase II clinical trial for CSU, LP-003 demonstrated promising efficacy (fast onset of action, good efficacy and long-acting) in the treatment of CSU. In addition, LP-003 showed favorable efficacy and safety profile in its Phase II clinical trial in China for moderate-to-severe seasonal AR that is inadequately controlled by standard treatment. A Phase III clinical trial for the treatment of seasonal AR is currently underway in China.

The following table outlines the key R&D milestones for LP-003:

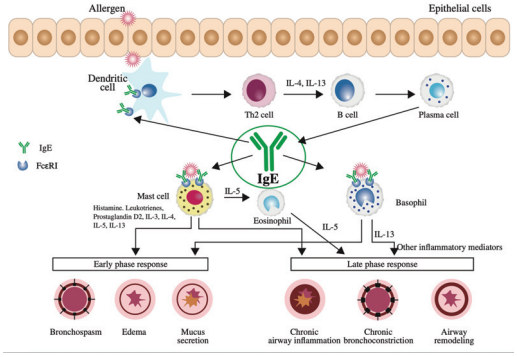
	Seasonal AR	CSU	Allergic Asthma
IND approval	Obtained IND approval in March 2023	Obtained IND approval in March 2022	Obtained IND approval in February 2024
Phase I Clinical Trial	• Enrolled the first healthy subject in a Phase I dose-escalation trial in China in July 2022 and such dose-escalation trial has been completed in March 2024 • Enrolled the first healthy subject in a single-dose, single-administration study in China in October 2024. As of the Latest Practicable Date, 12 healthy subjects have been enrolled, achieving the research enrollment target. We expect to complete the clinical trial in or before the second quarter of 2026		
Phase II Clinical Trial	Enrolled the first patient in July 2023, was completed in August 2024	Enrolled the first patient in January 2024, with 202 patients being enrolled, achieving the research enrollment target	Enrolled the first patient in January 2025
Phase III Clinical Trial	Enrolled the first patient in July 2024. As of the Latest Practicable Date, 546 patients being enrolled, achieving the research enrollment target	/	/

Source: NMPA Drug Clinical Trial Registration and Information Disclosure Platform; Company's data

Mechanism of Action

Allergic diseases are inflammatory conditions caused by the immune system's adverse response to typically harmless substances (allergens) such as dust mites, pollen, and food proteins. Common allergic diseases include allergic asthma, CSU, seasonal AR, CRSwNP, and food allergies. IgE binds to receptors through its Fc segment, activates downstream signaling pathways, and triggers inflammatory responses. In different indications such as seasonal AR, CSU, allergic asthma, CRSwNP, and food allergy, the clinical manifestations vary, but all involve IgE-dependent inflammatory cascades. Being a common target in various allergic diseases, IgE plays a pivotal role in the cascade of allergic reactions.

Below is a diagram illustrating how allergens stimulate the production of IgE and IgE-driven allergic response in human body:

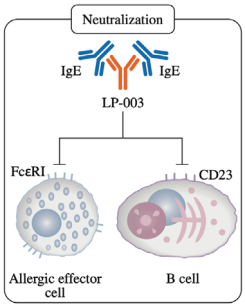


Source: Literature review

Anti-IgE antibodies are biologics targeting IgE, whose mechanism of action is mainly associated with Type I hypersensitivity (immediate hypersensitivity). Anti-IgE antibodies bind to the CH3 domain of free IgE, preventing IgE from cross-linking with the high-affinity FcεRI receptors on the surface of mast cells and basophils, thus inhibiting cell degranulation and the release of allergic mediators such as histamine and leukotrienes.

Anti-IgE antibody plays an important role in the treatment of a variety of allergic diseases. By blocking free IgE, LP-003 inhibits the IgE-driven Type I hypersensitivity pathway, regulates downstream inflammatory cascades, and is able to be applied in the treatment of various allergic diseases.

Below is a diagram illustrating mechanism of LP-003:



Source: Company's data

Market Opportunities and Competition

Our LP-003's market opportunities and competitiveness derive from the following major factors:

Allergic diseases market scale

Allergic diseases are prevalent worldwide affecting a substantial portion of the global population. According to Frost & Sullivan, approximately 40% and 37% of the population are affected by one or more allergic disorder globally and in China, respectively. According to Frost & Sullivan, the global allergic disease drugs market has grown from US$42.8 billion in 2018 to US$68.8 billion by 2024, at a CAGR of 8.2%; and is estimated to reach US$111.4 billion by 2030, at a CAGR of 8.4% during this period. It is estimated that the global market share of biologics will increase from 40.4% in 2024 to 61.3% in 2030. In China, the allergic disease drugs market is estimated to grow from US$3.8 billion in 2018 to US$8.1 billion by 2024, at a CAGR of 13.3%; and is estimated to reach US$22.9 billion by 2030, at a CAGR of 19.0% during this period. It is estimated that the market share of biologics in China will increase from 19.8% in 2024 to 54.1% in 2030.

Current treatment and limitations

With the increasing popularity of biologics in the treatment of allergic diseases, the market size of anti-IgE antibody drugs has been growing rapidly. According to Frost & Sullivan, the market size of anti-IgE antibody drugs globally grew from US$3.0 billion to US$4.5 billion from 2018 to 2024. It is expected to continue to grow to US$9 billion by 2030, growing at a CAGR of 12.5% during the period. In China. the market size of anti-IgE antibody drugs grew from RMB10.0 million to RMB2.0 billion from 2018 to 2024. It is expected to continue to grow to RMB12.1 billion by 2030, growing at a CAGR of 35.5% during the period. We believe that the market for our LP-003 will continue to expand and to cope with the growing demand for treatment of different allergic diseases.

For treatment methods, more patients are proactively seeking precise treatment options during the past decades rather than relying solely on traditional palliative medications, driving a shift in treatment demand from short-term symptom control to long-term disease management. Biologics are increasingly accepted by doctors and patients as treatment options due to their superior safety and efficacy. Similar trend has been observed in China, with anti-IgE therapy now included in China's clinical guidelines for the diagnosis and treatment of AR and CSU.

The application of anti-IgE antibody drugs is extensive and not limited to indications such as AR, CSU, or allergic asthma. The first-generation anti-IgE antibody, omalizumab, has already been introduced into clinical practice and been successfully commercialized in 2003 for treatment of asthma and subsequently approved for treatment of CSU, CRSwNP and food allergy. According to Frost & Sullivan, global sales of omalizumab surpassed US$4.5 billion in 2024. Despite the substantial sales recorded by omalizumab, the market still offers limited choices for approved anti-IgE antibody therapies. For example, omalizumab's approved indications in China are currently confined to allergic asthma and CSU. There remains significant unmet demand for anti-IgE antibodies targeting other IgE-driven conditions and therefore creates huge market opportunities for our LP-003 after its commercialization.

We believe there is an urgent need for novel treatment options to enhance the current anti-IgE antibody treatment landscape. With the further expansion of application of anti-IgE antibody drugs and further implementation of medical promotion and market education, we believe the market size of anti-IgE antibody drugs for the treatment of allergic diseases will expand further.

Market opportunities, our competitive landscape and our competitors in respective indications

The following sets out the competitive landscape according to each major indication of LP-003:

AR: AR is a common chronic condition of the nasal mucosa caused by an overreaction of the immune system to environmental allergens like pollen and dust mites, affecting a substantial portion of the global population. According to Frost & Sullivan, there are a large number of AR patients around the world, and its prevalence has grown from 1.3 billion patients in 2018 to 1.4 billion patients in 2024, with a CAGR of 1.5%. In China, prevalence of AR has grown from 232.7 million patients in 2018 to 245.5 million patients in 2024, with a CAGR of 0.9%. With the increasing prevalence of AR, the number of AR patients around the world is expected to reach 1.5 billion in 2030 at a CAGR of 1.0% and the number of AR patients in China is expected to reach 261.1 million in 2030 at a CAGR of 1.0%. Amongst these figures, moderate to severe AR patients account for about 65% of total number of AR patients around the world in 2024. The prevalence of moderate to severe AR has grown from 816.8 million in 2018 to 890.4 million in 2024, with a CAGR of 1.5%. With the increasing prevalence of AR, the number of moderate to severe AR patients around the world is expected to reach 946.1 million in 2030. The main treatment options for AR include medication, allergen immunotherapy, surgery and nasal irrigation. Drugs including antihistamines, glucocorticoids, leukotriene receptor antagonists and mast cell stabilizers, are available for patients with different degrees of the disease.

According to Frost & Sullivan, commonly used therapeutic medications for AR are divided into first-line treatment drugs and second-line treatment drugs. First-line treatment drugs include nasal glucocorticoids, 2nd-generation nasal and oral antihistamines, and leukotriene receptor antagonists. Second-line treatment drugs include oral glucocorticoids, oral and nasal mast cell stabilizers, nasal decongestants and nasal anticholinergic drug. However, the effectiveness of these medications is limited. According to Frost & Sullivan, approximately 60% of seasonal AR patients having limited efficacy after receiving 2nd-generation nasal or oral antihistamine and nasal glucocorticoids treatments. Moreover, approved treatment options and effectiveness of currently available drugs targeting moderate to severe AR patients are limited, and there has not been any approved biologic therapy medications for AR available in China until late 2024. As of the Latest Practicable Date, there is only one monoclonal antibody drug that has been approved for AR by NMPA in China. According to Chinese guideline for diagnosis and treatment of AR (2022, revision), meta-analysis has shown omalizumab's good efficacy in treating severe AR and it is clinically recommended. However, this biologic therapy is not yet approved for AR treatment in China. Therefore, we anticipate that LP-003 will serve as an alternative option for seasonal AR patients, addressing the need for biologic therapy medication for seasonal AR in China.

CSU: CSU is an immune-related skin condition characterized by recurrent wheals and itching, affecting many patients worldwide. According to Frost & Sullivan, the prevalence of CSU patients globally has grown from 65.5 million in 2018 to 69.7 million in 2024, with a CAGR of 1.1%. With the increasing prevalence of CSU, the number of CSU patients around the world is expected to reach 73.5 million in 2030 at a CAGR of 0.9%. In China, the prevalence of CSU patients has grown from 22.6 million in 2018 to 26.1 million in 2024, with a CAGR of 2.5%. With the increasing prevalence of CSU, the number of CSU patients in China is expected to reach 29.7 million in 2030 at a CAGR of 2.1%.

Despite that the pathogenesis is not fully understood, autoimmune reactions triggered by IgE, high-infinity IgE receptors or IgE dependent type I allergic reactions are considered to be the main causes of CSU. According to Frost & Sullivan, the main treatment option for CSU is medication, with 2nd generation antihistamines being the background therapy. However, according to expert consensus on practical aspects in the treatment of chronic urticaria in 2023, up to 42.2% of patients do not achieve effective control of their symptoms after receiving one year of treatment with 2nd-generation antihistamines. According to guideline for diagnosis and treatment of urticaria in China (2022), in cases for patients whose symptoms cannot be effectively controlled with high-dose of 2nd-generation antihistamines, treatment with omalizumab is recommended. According to Frost & Sullivan, omalizumab is one of the few biologic monoclonal antibody drugs approved for CSU by FDA and NMPA as well as included in the Chinese Guidelines for the Diagnosis and Treatment

of Urticaria, for situations where 2nd-generation antihistamine treatment is not effective for CSU. We expect that, once approved and commercialized, our LP-003 will serve as an alternative biologics option for CSU patients, addressing the need for biologic therapy medication for CSU in China.

Allergic Asthma: Allergic asthma is a common chronic inflammatory disease of the airways triggered by inhaled allergens. According to Frost & Sullivan, the prevalence of allergic asthma was approximately 471.3 million worldwide and 40.6 million in China, respectively, in 2018. With the increasing prevalence, the number of allergic asthma patients worldwide is expected to reach 520.7 million in 2024 and further grow to 560.6 million in 2030 at a CAGR of 1.2%, and such prevalence in China is expected to reach 45.2 million in 2024 and further grow to 49.7 million in 2030 at a CAGR of 1.6%.

According to Frost & Sullivan, the main treatment options for allergic asthma include chemical drugs medication (such as glucocorticoid and β2 receptor agonists), allergen-specific immunotherapy and biological agent medication. According to Frost & Sullivan, as of the Latest Practicable Date, there are six monoclonal antibody drugs approved for allergic asthma by FDA and six monoclonal antibody drugs approved for allergic asthma by NMPA in China. The biological agents currently used clinically for the treatment of allergic diseases mainly include omalizumab and dupilumab. According to the Chinese Guidelines for the Diagnosis and Treatment of Allergic Asthma, inhaled glucocorticoids and β2 receptor agonists are considered the first-line treatment for allergic asthma. Omalizumab is the first biologic therapy introduced for asthma treatment, specifically targeting key immune pathways to deliver significant clinical benefits in patients with severe allergic asthma.

At present, the overall control level of asthma in China is not satisfactory. According to a study on progress and challenges in asthma management in China, the overall asthma control rate in urban areas of 30 provinces and cities in China in was only 28.5%, and the uncontrolled rate of severe asthma is as high as 44%. According to Frost & Sullivan, moderate to severe allergic asthma patients account for about 50% of patients with allergic asthma globally and in China. There are a large number of moderate to severe allergic asthma patients around the world, and its prevalence has grown from 235.6 million in 2018 to 260.4 million in 2024, with a CAGR of 1.7%. With the increasing prevalence of moderate to severe allergic asthma, the number of moderate to severe allergic asthma patients around the world is expected to reach 280.3 million in 2030 at a CAGR of 1.2%. There are a large number of moderate and severe allergic asthma patients in China, and its prevalence has grown from 20.3 million in 2018 to 22.6 million in 2024, with a CAGR of 1.8%. The number of moderate and severe allergic asthma patients in China is expected to reach 24.9 million in 2030 at a CAGR of 1.6%. These severe asthma patients are expected to occupy most of the medical resources and medical expenses amongst all asthma patients. Therefore, we expect a more effective therapeutic option to be highly demanded in the market, and we intend for our LP-003 to serve as an alternative, addressing the need for biologic therapy medication for allergic asthma in China.

CRSwNP: CRSwNP is a chronic inflammatory condition of the nasal cavity and paranasal sinuses characterized by the formation of nasal polyps. According to Frost & Sullivan, there are a large number of CRSwNP patients globally, and its prevalence has grown from 252.7 million in 2018 to 281.8 million in 2024, with a CAGR of 1.8%. With the increasing prevalence of CRSwNP, the number of CRSwNP patients around the world is expected to reach 311.7 million in 2030 at a CAGR of 1.7%. In China, the prevalence of CRSwNP patients has grown from 19.1 million in 2018 to 20.9 million in 2024, with a CAGR of 1.5%. With the increasing prevalence of CRSwNP, the number of CRSwNP patients in China is expected to reach 22.3 million in 2030 at a CAGR of 1.1%.

Despite the pathogenesis not being fully understood, the cause of CRSwNP involves a combination of epithelial barrier dysfunction, type 2 immune responses, and potential pathogenic involvement, leading to chronic inflammation and polyp formation in the nasal cavity. According to Frost & Sullivan, the treatment of CRSwNP includes pharmacological therapy, surgical options, and biologic therapies. Initially, all patients should undergo first-line medical therapy, such as nasal irrigation and corticosteroids, to reduce inflammation and polyp size, with surgery or biologics considered for additional symptom control if necessary. Long-term corticosteroid use may lead to side effects such as osteoporosis and hyperglycemia, and there is a high risk of recurrence after withdrawal. According to Frost & Sullivan, as of the Latest Practicable Date, there are four monoclonal antibody drugs approved for CRSwNP by FDA and four monoclonal antibody drugs approved for CRSwNP by NMPA in China. We expect that once LP-003 is approved for commercialization, it will serve as an alternative treatment option for CRSwNP patients requiring biologic therapy in China.

Food Allergy: Food allergy is a condition caused by an abnormal immune response to dietary components, usually proteins, which can be triggered through IgE-driven, non-IgE driven, or a combination of both mechanisms. According to Frost & Sullivan, there are many food allergy patients around the world, and its prevalence has grown from 273.2 million patients in 2018 to 361.8 million patients in 2024, with a CAGR of 4.8%. With the increasing prevalence of food allergy, the number of food allergy patients around the world is expected to reach 456.7 million in 2030 at a CAGR of 4.0%. In China, its prevalence has grown from 133.3 million in 2018 to 159.1 million in 2024, with a CAGR of 3.0%. With the increasing prevalence of food allergy, the number of food allergy patients around in China is expected to reach 181.6 million in 2030 at a CAGR of 2.2%.

The main treatments for food allergies include allergen avoidance, medication, and allergen-specific immunotherapy. Conventional medications may include antihistamines, glucocorticoids, or epinephrine; however, long-term use of these medications, particularly glucocorticoids, can lead to significant adverse effects. Additionally, epinephrine must be administered immediately upon the onset of symptoms and may require patient training or timely access. New biological agents provide an effective alternative for patients who do not respond to conventional therapies, offering long-term symptom relief through subcutaneous injection. As of the Latest Practicable Date, omalizumab is the only biologic monoclonal antibody drug approved for food allergy by FDA. As of the Latest Practicable Date, there are no approved biologic medication for food allergy for marketing in China. We expect LP-003, after being approved for commercialization, to be the first biologic drug to respond to market demand of biologic therapy medication for food allergy in China.

Our Competitors

According to Frost & Sullivan, as of the Latest Practicable Date, there is only one anti-IgE antibody original drug approved by the FDA and the NMPA.

Drug Name	Brand Name	Company	Indication	Approval Authorities	Approval Date
Omalizumab . . .	Xolair	Novartis/Roche	Food allergy	FDA	February 16, 2024
			CRSwNP	FDA	December 1, 2020
			CSU	FDA	March 21, 2014
			Moderate to severe asthma	FDA	June 20, 2003
			CSU	NMPA	April 8, 2022
			Allergic asthma	NMPA	August 24, 2017

As of the Latest Practicable Date, according to Frost & Sullivan, there are seven anti-IgE antibody original candidates at clinical stage.

Drug Code	Company	Indications	Clinical Stage	Latest Update Date	Regulatory Authorities
Omalizumab . .	Novartis/Roche	Seasonal AR	Phase III	January 12, 2026	FDA
		COPD	Phase II	February 17, 2026	FDA
FB825	Oneness Biotech	Atopic dermatitis	Phase II	September 22, 2025	FDA
		Allergic asthma	Phase II	May 28, 2024	FDA
YH35324	Yuhan Corporation	CSU	Phase II	April 15, 2026	FDA
Lesigercept (YH35324) .	Yuhan Corporation	CSU	Phase II	April 9, 2026	NMPA
Exl-111	Excellergy	Allergic diseases	Phase I	February 19, 2026	FDA

Drug Code	Company	Indications	Clinical Stage	Latest Update Date	Regulatory Authorities
UB-221	United BioPharma	CSU	Phase I	May 13, 2022	FDA
		CSU	Phase II	September 11, 2025	NMPA
LP-003	LongBio Pharma	Allergic asthma	Phase II	February 13, 2025	NMPA
		Seasonal AR	Phase III	December 20, 2025	NMPA
		CSU	Phase II	February 9, 2025	NMPA
		CRSwNP	Phase II	December 24, 2025	NMPA
JYB1904/ Ozureprubart.	Jiangsu Jiye Biopharmaceutical /RAPT Therapeutics	CSU	Phase III	February 6, 2026	NMPA
		Allergic asthma	Phase II	December 16, 2025	NMPA
		AR	Phase II	March 10, 2026	NMPA
		Food Allergy	Phase II	May 4, 2026	FDA

For details, see "Industry Overview — Overview of Global Anti-IgE Antibody Drug Market — Competitive landscape of anti-IgE antibody".

Competitive Advantages

LP-003, is an anti-IgE antibody with novel sequencing. Our LP-003 has the competitive advantages over other anti-IgE antibody drugs, such as omalizumab:

Encouraging clinical data

(a) LP-003 Phase II clinical trial for CSU

Our Phase II clinical trial for CSU is a randomized, double-blind, positive-controlled head-to-head comparison clinical study with omalizumab. Based on the published topline data, LP-003 demonstrated promising efficacy (lower dosage, fast onset of action, good efficacy and long-acting) in the treatment of CSU. Clinical analysis revealed the following:

(i) Faster onset of action: The proportion of patients who are in the LP-003 treatment group and have achieved complete control of wheals and itching (UAS7 = 0) (Urticaria Activity Score) at week 4 increased compared with those in the omalizumab treatment group. LP-003 treatment group recorded a 35.0% portion of patients achieving complete control for 200 mg dosage treatment of LP-003 once every eight week, while 20.0% of patients who are in the omalizumab treatment group achieved complete control for 300 mg dosage treatment of omalizumab once every four week.

(ii) Better efficacy: As compared with that of the omalizumab group, the LS Mean change from baseline in patients' UAS7 at week 12 after treatment in the LP-003 200 mg Q8W group was reduced by 4.78 points (p=0.0137). The LS Mean change from baseline in UAS7 at week 12 was -23.15, -26.63, -24.74, -21.85, and -13.98 in the LP-003 100 mg Q8W, LP-003 200 mg Q8W, LP-003 200 mg Q4W, omalizumab, and placebo groups, respectively.

For details on LP-003's clinical data, please refer to "— Our Pipeline — Our Core Product: Anti-IgE Antibody (LP-003) — Summary of Clinical Trials of LP-003".

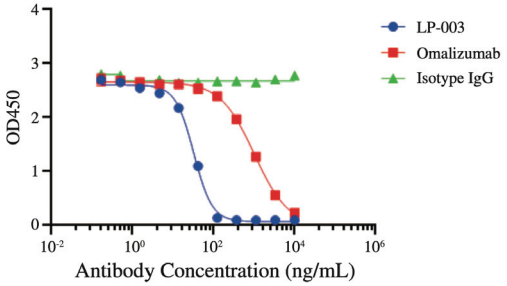
(iii) LP-003 shows better efficacy in Phase II clinical trial for seasonal AR: LP-003 is in Phase III clinical trial for the indication of seasonal AR. The Phase II clinical trial for seasonal AR demonstrates improved efficacy of LP-003 compared to placebo group when added to SoC treatment. For patients with moderate to severe seasonal AR who are poorly controlled by standard treatment, LP-003 injection can reduce the subjects' total nasal symptom score (TNSS), daily nasal symptoms and rescue medication treatment score (DNSMS), and daily ocular symptom and rescue medication treatment scores (DNOMS) during the pollen peak period compared with the placebo group, based on background therapy. Clinical data revealed the following:

(a) *Total nasal symptom scores (TNSS) during the peak pollen season (PPP)*: Based on background therapy, the LP-003 treatment group showed an improvement in TNSS of approximately -0.62 to -1.0 compared with the placebo group. (b) *Daily nasal symptom and rescue medication treatment scores (DNSMS) during the peak pollen season (PPP)*: Based on background therapy, the LP-003 treatment group showed an improvement in DNSMS of approximately -0.80 to -1.03 compared with the placebo group. (c) *Daily ocular symptom and rescue medication treatment scores (DNOMS) during the peak pollen season (PPP)*: Based on background therapy, the LP-003 treatment group showed an improvement in DNOMS of approximately -0.47 to -0.54 compared with the placebo group. (d) *Rescue medication use scores*: Based on background therapy, the usage of loratadine tablets and emedastine difumarate eye drops was lower than that in the placebo group (41.7% vs 22.5%, 45.0% vs 26.7%).

(iv) Lower dosage as compared to other therapeutic biologics: For seasonal AR indication, both 100 mg and 200 mg LP-003 have shown encouraging efficacy. After communication with regulatory authorities, the 100 mg dosage was selected for the Phase III clinical trial. For CSU indication, the 100 mg and 200 mg LP-003 have shown encouraging efficacy in a head-to-head comparison with 300 mg omalizumab. For details on LP-003's clinical data, please refer to "— Our Pipeline — Our Core Product: Anti-IgE Antibody (LP-003) — Summary of Clinical Trials of LP-003".

(b) Novel sequencing with strong biological activity, and long half-life

(i) Enhanced IgE affinity: LP-003 exhibits a significantly higher (860-fold greater) binding affinity to IgE compared to omalizumab. LP-003 has a binding affinity to IgE of 2.08 pM, Omalizumab has a binding affinity to IgE of 1790 pM. This heightened affinity signifies that LP-003 binds to IgE molecules with greater strength and effectiveness. The superior 860-fold greater binding affinity of LP-003 for IgE is a critical differentiating factor. In our pre-clinical studies, LP-003 exhibits an activity in blocking the binding between recombinant IgE and recombinant FcεRIα protein that is 30 times higher than that of omalizumab. The diagram below illustrates the comparison between LP-003, omalizumab and isotype IgG (a type of immunoglobulin G antibody that serves as a negative control in immunological experiments):



	LP-003	Omalizumab
IC50	32.28	1009

Source: Company's data, IgG serves as an negative control

(ii) Extended half-life shows longer acting potential: According to published data, half-life of omalizumab is approximately 20 days in healthy adults. In contrast, results from our Phase I clinical trial of LP-003 in healthy subjects indicates that it has a significantly longer half-life of 45 to 76 days, approximately two to three times longer than that of omalizumab.

Summary of Clinical Trials of LP-003

The following is a summary of completed and ongoing clinical trials of LP-003 for different indications:

Indication	Phase	Primary endpoints	Total number of patients/ subjects enrolled or to be enrolled	Dosage group	Number of patients/ subjects enrolled or to be enrolled in each group	Efficacy results	Safety results
CSU	II	To evaluate the efficacy of LP-003 injection at different doses and dosing frequencies in patients with CSU inadequately controlled with H1 antihistamines (proportion of subjects achieving UAS7 (Urticaria Activity Score) = 0 at week 12 after dosing)	202 patients enrolled	LP-003 100mg Q8W LP-003 200mg Q8W LP-003 200mg Q4W omalizumab 300mg Q4W Placebo	40 patients to be enrolled 40 patients to be enrolled 40 patients to be enrolled 40 patients to be enrolled 40 patients to be enrolled	The published topline data of the Phase II clinical trial are summarized as follows: At week 12, the proportions of patients achieving UAS7=0 were 44.4%, 66.7%, 57.5%, 43.6% and 10.3% in the LP-003 100 mg Q8W, LP-003 200 mg Q8W, LP-003 200 mg Q4W, omalizumab, and placebo groups, respectively (200 mg Q8W vs. omalizumab, p=0.0405, statistically significant).	LP-003 was well tolerated with a favorable safety profile, and no drug-related SAEs were observed. As of the Latest Practicable Date, the clinical trial was still ongoing.
Seasonal AR	III	To evaluate the clinical efficacy of LP-003 in the treatment of moderate to severe seasonal AR that is inadequately controlled with standard therapy (Treatment of Pollen Peak (PPP) Total Nasal Symptom Score (TNSS))	546 patients enrolled	LP-003 100mg Q4W Placebo	360 patients to be enrolled 180 patients to be enrolled	Statistical results are not available. As of the Latest Practicable Date, the clinical trial was still ongoing, and therefore no statistical analysis had been performed.	Statistical results are not available. As of the Latest Practicable Date, the clinical trial was still ongoing. Therefore, no statistical analysis was performed.
	II	To evaluate the clinical efficacy of LP-003 injection in the treatment of moderate to severe seasonal AR that is inadequately controlled with standard treatment (Treatment of Pollen Peak (PPP) Total Nasal Symptom Score (TNSS))	180 patients enrolled	LP-003 100mg Q4W LP-003 200mg Q4W Placebo	40 patients enrolled 80 patients enrolled 60 patients enrolled	TNSS during the peak pollen season: The TNSS scores for the placebo group were: 4.06 LP-003, 100 mg group: 3.06, improvement of -1.00 compared to the placebo group, P=0.0292 (statistically significant) LP-003, 200 mg group: 3.44, improvement of -0.62 compared to the placebo group, P=0.1427 (non-statistically significant) LP-003 total (100 mg + 200 mg) group: 3.31, improvement of -0.74 compared to the placebo group, P=0.0464 (statistically significant)	No SAEs related to the trial drugs occurred during the clinical trial, no drug-related TEAEs led to withdrawal from the trial, and no drug-related TEAEs of severity ≥ Grade III occurred.

Indication	Phase	Primary endpoints	Total number of patients/ subjects enrolled or to be enrolled	Dosage group	Number of patients/ subjects enrolled or to be enrolled in each group	Efficacy results	Safety results
Allergic asthma	II	To evaluate the efficacy of LP-003 at different doses and dosing frequencies in patients with incompletely controlled moderate-to-severe persistent allergic asthma	200 patients to be enrolled	LP-003 150mg Q12W LP-003 300mg Q12W LP-003 450mg Q12W omalizumab Q4W Placebo	40 patients to be enrolled 40 patients to be enrolled 40 patients to be enrolled 40 patients to be enrolled 40 patients to be enrolled	Statistical results are not available. As of the Latest Practicable Date, the clinical trial was still ongoing, and therefore no statistical analysis had been performed.	Statistical results are not available. As of the Latest Practicable Date, the clinical trial was still ongoing. Therefore, no statistical analysis was performed.
CRSwNP	II	To evaluate the efficacy and safety of LP-003 injection in patients with CRSwNP	150 patients to be enrolled	LP-003 300 mg Q12W LP-003 450 mg Q12W Placebo	50 patients to be enrolled 50 patients to be enrolled 50 patients to be enrolled	Statistical results are not available. As of the Latest Practicable Date, the clinical trial was still ongoing, and therefore no statistical analysis had been performed.	Statistical results are not available. As of the Latest Practicable Date, the clinical trial was still ongoing. Therefore, no statistical analysis had been performed.
Healthy subjects (Phase I clinical trial for LP-003)	I – dose escalation	To evaluate the safety and tolerability of single/multiple injections of different doses of LP-003 in healthy subjects	40 subjects enrolled (single dose)	LP-003 group Placebo	32 subjects enrolled Eight subjects enrolled	PK results: After LP-003 was injected into healthy subjects, exposure increased with increasing dose, and the half-life was prolonged with increasing dose. Within the dose range of 1.0 mg/kg to 10.0 mg/kg, the half-life was approximately 45 to 76 days.	No SAEs related to the trial drugs occurred during the clinical trial, no drug-related TEAEs led to withdrawal from the trial, and no drug-related TEAEs of severity ≥ Grade III occurred.
			20 subjects enrolled (multiple doses)	LP-003 group Placebo	16 subjects enrolled Four subjects enrolled		
	I – single administration	Assessment of PK characteristics	12 subjects enrolled (single dose)	LP-003 200mg Placebo	Nine subjects enrolled Three subjects enrolled	Statistical results are not available. As of the Latest Practicable Date, the clinical trial was still ongoing, and therefore no statistical analysis had been performed.	Statistical results are not available. As of the Latest Practicable Date, the clinical trial was still ongoing. Therefore, no statistical analysis was performed.
Adolescent subjects	Ib	Assessment of the safety	Six subjects enrolled	LP-003 group	Six subjects to be enrolled	Statistical results are not available. As of the Latest Practicable Date, the clinical trial was still ongoing, and therefore no statistical analysis had been performed.	Statistical results are not available. As of the Latest Practicable Date, the clinical trial was still ongoing, and therefore no statistical analysis had been performed.

(1) LP-003 for CSU

Phase II clinical trial (head-to-head comparison clinical study with omalizumab)

Trial Design. This is a multi-center, randomized, double-blind, placebo and active drug controlled Phase II clinical study in China to compare LP-003 with omalizumab and placebo in the treatment of CSU that is inadequately controlled by H1 antihistamines.

This clinical trial planned to enroll 200 patients with CSU inadequately controlled by H1 antihistamines, who would be randomly assigned to five groups of 40 patients each. Patients will receive 100 mg LP-003 injection once every eight weeks (Q8W), 200 mg LP-003 injection once every eight weeks (Q8W), 200 mg LP-003 injection once every 4 weeks (Q4W), 300 mg omalizumab once every four weeks (Q4W), or placebo once every four weeks (Q4W), respectively. The primary inclusion criterion for the trial is the presence of wheals and pruritus for ≥ six weeks prior to randomization. The primary exclusion criterion is the presence of a primary or sole trigger for chronic urticaria.

The primary endpoint of the study is to evaluate the efficacy of LP-003 injection at different doses and dosing frequencies in patients with CSU inadequately controlled by H1 antihistamines (the proportion of subjects achieving UAS7 (urticaria activity score) = 0 at week 12 after dosing). The secondary endpoints are to evaluate the safety, efficacy (assessed by UAS7, HSS7, ISS7, AAS7), PK, and PD of LP-003 injection at different doses in the treatment of CSU patients.

Trial Status. We enrolled the first patient in January 2024 and eventually enrolled a total of 202 patients, achieving the research enrollment target. As of the Latest Practicable Date, the clinical trial is ongoing, and we plan to complete Phase II clinical trials in or before the second quarter of 2026.

Trial Results. According to the published topline data of the Phase II study, LP-003 demonstrated potentially superior improvement compared to omalizumab. Set forth below are certain selected clinical trial data:

	Omalizumab	LP-003	Placebo
% patients with UAS7 = 0 at week 4 (proportion of patients with completely controlled symptoms) . . .	20.0% (300 mg Q4w)	35.9% (100 mg Q8W) 35.0% (200 mg Q8W) 35.9% (200 mg Q4W)	2.6%
% patients with UAS7 = 0 at week 12 (proportion of patients with completely controlled symptoms) . . .	43.6% (300 mg Q4w)	44.4% (100 mg Q8W) 66.7% (200 mg Q8W) 57.5% (200 mg Q4W)	10.3%
LS Mean change from baseline in UAS7 at week 12 (Symptom improvement/clinical benefits compared with the baseline)	-21.85 (300 mg Q4w)	-23.15 (100 mg Q8W) -26.63 (200 mg Q8W) -24.74 (200 mg Q4W)	-13.98

Onset of action: The proportion of patients who are in the LP-003 treatment group and have achieved complete control of wheals and itching (UAS7 = 0) (Urticaria Activity Score) at week 4 increased compared with those in the omalizumab treatment group. LP-003 treatment group recorded a 35.0% portion of patients achieving complete control for LP-003 200 mg Q8W group, while 20.0% of patients who are in the omalizumab treatment group achieved complete control for 300 mg dosage treatment of omalizumab once every four week.

Efficacy: At Week 12, the proportions of patients achieving UAS7=0 were 44.4%, 66.7%, 57.5%, 43.6% and 10.3% in the LP-003 100 mg Q8W, LP-003 200 mg Q8W, LP-003 200 mg Q4W, omalizumab, and placebo groups, respectively (200 mg Q8W vs. Omalizumab, p=0.0405). For the second key efficacy endpoint, the LS Mean change from baseline in UAS7 at week 12 was -23.15, -26.63, -24.74, -21.85, and -13.98 in the LP-003 100 mg Q8W, LP-003 200 mg Q8W, LP-003 200 mg Q4W, omalizumab, and placebo groups, respectively. As compared with that of the omalizumab group, the LS Mean change from baseline in patients' UAS7 at week 12 after treatment in the LP-003 200 mg Q8W group was reduced by 4.78 points (p=0.0137).

(2) LP-003 for seasonal AR

Phase III clinical trial

Trial Design. This is a multi-center, randomized, double-blind, placebo-controlled Phase III clinical study in China to compare LP-003 with placebo for the treatment of moderate-to-severe seasonal AR that is inadequately controlled by SoC treatment. We plan to enroll 540 patients, who will be randomly divided into 2 groups and receive either 100 mg LP-003 injection once every 4 weeks (Q4W) or placebo once every 4 weeks (Q4W).

Patients with seasonal AR who meet the diagnostic criteria of the "Guidelines for the Diagnosis and Treatment of Allergic Rhinitis in China (2022, revised edition)" and have not achieved satisfactory results with standard treatment are included. The main exclusion criterion is patients with concurrent conditions other than seasonal AR.

The primary endpoint of the study is to evaluate the clinical efficacy of LP-003 in the treatment of moderate to severe seasonal AR that is inadequately controlled by standard treatment (total nasal symptom scores (TNSS) during the peak pollen season (PPP)). Secondary endpoints are to evaluate the safety, efficacy (daily nasal symptom and rescue medication treatment scores (DNSMS), daily ocular symptom and rescue medication treatment scores (DNOMS)), PK, and PD of LP-003 for the treatment of seasonal AR.

Trial Status. We planned to enroll 540 patients and enrolled the first patient in July 2024. We have enrolled 546 patients, achieving the research enrollment target. As at the Latest Practicable Date, the clinical trial is ongoing.

Phase II clinical trial

Trial Design. This is a multi-center, randomized, double-blind, placebo-controlled Phase II clinical study in China to compare LP-003 with the placebo group for the treatment of moderate-to-severe seasonal AR that is inadequately controlled by SoC treatment evaluate the efficacy, safety, and pharmacokinetic characteristics of LP-003 injection in patients with moderate to severe seasonal AR who were not well controlled by standard treatment.

This clinical trial planned to enroll 180 patients, who would be randomly assigned to three groups and receive 200 mg LP-003 injection once every 4 weeks (Q4W), 100 mg LP-003 injection once every 4 weeks (Q4W), or placebo once every 4 weeks (Q4W) respectively.

The primary inclusion criteria for the trial were patients who met the diagnostic criteria for seasonal AR in the "Guidelines for the Diagnosis and Treatment of Allergic Rhinitis in China (2022, revised edition)" and had not achieved satisfactory results with standard treatment for the past two consecutive years. The main exclusion criterion is patients with concurrent non-allergic rhinitis.

The primary endpoint of the study was to evaluate the clinical efficacy of LP-003 injection in the treatment of moderate to severe seasonal AR (total nasal symptom scores (TNSS) during the peak pollen season (PPP)) that were inadequately controlled by standard therapy. Secondary endpoints were to assess the safety, efficacy (daily nasal symptom and rescue medication treatment scores (DNSMS), daily ocular symptom and rescue medication treatment scores (DNOMS)), PK, and PD of LP-003 for the treatment of seasonal AR.

Trial Status. We enrolled the first patient in July 2023, and we enrolled a total of 180 patients. This clinical trial has been completed in August 2024.

Trial Results.

Primary and Key Secondary Endpoints	Average score, mean/ Percentage of user, mean	Improvement status
Total nasal symptom scores (TNSS) during the peak pollen season (PPP)	LP-003, 100 mg group: 3.06 LP-003, 200 mg group: 3.44 LP-003, total (100 mg + 200 mg): 3.31 Placebo: 4.06	LP-003, 100 mg group versus placebo: –1.00, p value: 0.0292 LP-003, 200 mg group versus placebo: –0.62, p value: 0.1427 LP-003, total (100 mg + 200 mg) versus placebo: –0.74, p value: 0.0464
Daily nasal symptom and rescue medication treatment scores (DNSMS) during the peak pollen season (PPP)	LP-003, 100 mg group: 3.38 LP-003, 200 mg group: 3.62 LP-003, total (100 mg + 200 mg): 3.54 Placebo: 4.42	LP-003, 100 mg group versus placebo: –1.03, p value: 0.0581 LP-003, 200 mg group versus placebo: –0.80, p value: 0.0875 LP-003, total (100 mg + 200 mg) versus placebo: –0.88, p value: 0.0352
Daily ocular symptom and rescue medication treatment scores (DNOMS) during the peak pollen season (PPP)	LP-003, 100 mg group: 1.73 LP-003, 200 mg group: 1.62 LP-003, total (100 mg + 200 mg): 1.66 Placebo: 2.19	LP-003, 100 mg group versus placebo: –0.47, p value: 0.1381 LP-003, 200 mg group versus placebo: –0.57, p value: 0.0322 LP-003, total (100 mg + 200 mg) versus placebo: –0.54, p value: 0.0245
Percentage of subjects using rescue medication (loratadine tablets) throughout the pollen season (PP)	LP-003, 100 mg group: 32.5% LP-003, 200 mg group: 17.5% LP-003 total experimental group (100 mg + 200 mg): 22.5% Placebo: 41.7%	
Percentage of subjects using rescue medication (emedastine fumarate eye drops) throughout the pollen season (PP)	LP-003, 100 mg group: 45.0% LP-003, 200 mg group: 17.5% LP-003 total experimental group (100 mg + 200 mg): 26.7% Placebo: 45%	

Efficacy Results. For patients with moderate to severe seasonal AR who are inadequately controlled by standard treatment, LP-003 treatment can reduce the subjects' total nasal symptom score (TNSS), daily nasal symptoms and rescue medication treatment score (DNSMS), and daily ocular symptoms and rescue medication treatment scores (DNOMS) during the pollen peak period compared with the placebo group, based on background therapy. In addition, both 100 mg and 200 mg LP-003 had shown encouraging efficacy.

Safety Results. A total of 180 subjects were enrolled in this study. A total of 79 subjects (43.9%, 79/180) experienced AEs, among which, 22 subjects in the LP-003 100 mg group (55.0%, 22/40) experienced AEs, 32 subjects in the LP-003 200 mg group (40.0%, 32/80) experienced AEs, and 25 subjects in the placebo group (41.7%, 25/60) experienced AEs. With the most frequently occurring AEs (≥5% in either group) being increased uric acid in subjects.

During the clinical trial, there were no serious adverse events (SAEs) related to the investigational product, no TEAEs related to the drug that led to withdrawal from the trial, and no TEAEs related to the drug with a severity of ≥ Grade III.

Conclusion. LP-003 has demonstrated favorable efficacy and safety in the Phase II clinical trial for moderate-to-severe seasonal AR that is inadequately controlled by SoC treatment, providing a basis for further clinical research.

(3) LP-003 for allergic asthma

Phase II clinical trial

Trial Design. This is a multi-center, randomized, double-blind, placebo and active drug controlled Phase II clinical trial in China to compare LP-003 with omalizumab and placebo for the treatment of moderate-to-severe persistent allergic asthma that is not fully controlled. This clinical trial planned to enroll 200 patients, who will be randomly divided into 5 groups with 40 patients in each group. Patients will receive 150 mg LP-003 injection once every 12 weeks (Q12W), 300 mg LP-003 injection once every 12 weeks (Q12W), 450 mg LP-003 injection once every 12 weeks (Q12W), omalizumab once every 4 weeks (Q4W), or placebo, respectively.

The primary inclusion criteria for the trial were a diagnosis of bronchial asthma for at least one year according to the "Guidelines for the Prevention and Treatment of Bronchial Asthma (2020 Edition)" (《支氣管哮喘防治指南(2020版)》) and a diagnosis of allergic asthma according to the "Guidelines for the Diagnosis and Treatment of Allergic Asthma in China (2019 Edition)" (《中國過敏性哮喘診治指南(2019版)》). The primary exclusion criterion is concurrent conditions other than asthma that could affect lung function.

The study endpoints are to evaluate the efficacy (assessed by the average number of asthma exacerbations, the proportion of subjects experiencing asthma exacerbations, loss of asthma control, FEV1, FVC, FEV1/FVC), safety, PK (pharmacokinetics), and PD of LP-003 at different doses and dosing frequencies in patients with incompletely controlled moderate-to-severe persistent allergic asthma.

Trial Status. This clinical trial planned to enroll 200 patient and we enrolled the first patient in January 2025. As at the Latest Practicable Date, the clinical trial is ongoing.

(4) LP-003 for CRSwNP

Phase II clinical trial

Trial Design. This is a multi-center, randomized, double-blind, placebo-controlled, parallel-group Phase II clinical trial in China, designed to evaluate the efficacy and safety of LP-003 injection in patients with CRSwNP.

This clinical trial planned to enroll 150 patients, who would be randomized into three groups. Patients would receive LP-003 300 mg injection once every 12 weeks (Q12W), LP-003 450 mg injection once every 12 weeks (Q12W), or placebo injection once every 12 weeks (Q12W), respectively.

The key inclusion criteria are bilateral chronic rhinosinusitis with nasal polyps patients who met the diagnostic criteria specified in the "Guidelines for the Diagnosis and Treatment of Chronic Rhinosinusitis in China (2024)" (《中國慢性鼻竇炎診斷和治療指南(2024)》), in accordance with the "Technical Guidelines for Clinical Trials of Therapeutic Drugs for Chronic Rhinosinusitis with Nasal Polyps (Draft for Comments)" (《慢性鼻竇炎伴隨鼻息肉治療藥物臨床試驗技術指導原則(徵求意見稿)》). The key exclusion criteria are patients complicated with other nasal diseases or additional nasal symptoms.

The primary endpoint of this clinical trial is to evaluate the clinical efficacy of LP-003 injection in the treatment of CRSwNP, the changes from baseline in Nasal Polyp Score (NPS) and Nasal Congestion Score (NCS)). Secondary endpoints are to assess the safety, efficacy (Olfactory Visual Rating Scale (VRS), patient-reported outcome (PRO) scores, etc.), PK, and PD.

Trial Status. In March 2024, we obtained the IND approval from the NMPA for conducting clinical trial for CRSwNP. We planned to enroll 150 patients. As of the Latest Practicable Date, the clinical trial is ongoing.

(5) LP-003 for food allergy

Phase II clinical trial

Trial Design. This trial is a multi-center, randomized, double-blind, placebo-controlled Phase II clinical trial to compare LP-003 with the placebo group for the treatment of food allergy. The primary endpoint of the trial is to evaluate the clinical efficacy of LP-003 for the treatment of food allergy, and the secondary endpoint is to assess the safety, PK, and PD of LP-003 for the treatment of food allergy.

Trial Status. In November 2024, we obtained the IND approval from the NMPA for conducting clinical trial for food allergy. We plan to initiate the Phase II clinical trial for food allergy in or before the fourth quarter of 2026.

(6) Phase I clinical trial for LP-003

(a) Phase I clinical trial — Dose escalation

Trial Design. This is a randomized, double-blind, placebo controlled, dose-escalation Phase I clinical study of single and multiple administrations in healthy subjects. As the first-in-human (FIH) trial of LP-003, it is conducted in China and consists of two phases: Single Ascending Dose (SAD) and Multiple Ascending Dose (MAD). The primary endpoint of the study is to evaluate the safety and tolerability of single/multiple injections of LP-003 at different dosing in healthy subjects, and the secondary endpoint is to evaluate the PK/PD of single/multiple injections of LP-003 at different dosing in healthy subjects.

Trial Status. We commenced the clinical trial and enrolled the first healthy subject in July 2022, and a total of 60 healthy subjects have been enrolled. This clinical trial was completed in March 2024, providing a basis for Phase II clinical trials of LP-003 in various indications, including seasonal AR, CSU, allergic asthma and food allergy, and further clinical research.

Trial Results. After healthy subjects received LP-003 injection, the exposure increased with the increase of dose, and the half-life was prolonged with the increase of dose. The half-life within the dose range of 1.0 mg/kg to 10.0 mg/kg was approximately 45 to 76 days.

Safety results. After administration in the SAD study, a total of 40 subjects experienced AEs, including eight subjects in the placebo group and 32 subjects in the investigational drug group. After administration in the MAD study, a total of 19 subjects experienced AEs, including four subjects in the placebo group and 15 subjects in the investigational drug group. No grade III or above adverse reactions related to the study drug occurred, no serious adverse reactions, or adverse reactions leading to withdrawal occurred in this study.

Conclusion. LP-003 has demonstrated favorable safety in healthy subjects, providing a basis for further clinical research.

(b) Phase I Clinical Trial — Single Administration

Trial Design. This is a randomized, double-blind and placebo controlled and single administration Phase I clinical trial on pharmacokinetics and safety conducted in healthy subjects in China. The primary endpoint is to evaluate pharmacokinetic characteristics, and the secondary endpoint is to evaluate the pharmacodynamics and safety of LP-003. A total of 12 subjects were enrolled in this clinical trial, with nine subjects in the LP-003 200 mg group and three subjects in the placebo group, all receiving a single administration.

Trial Status. We planned to enroll 12 healthy subjects and enrolled the first healthy subject in October 2024. As at the Latest Practicable Date, 12 healthy subjects have been enrolled, achieving the research enrollment target and the clinical trial is ongoing. We expect to complete the clinical trial in or before the second quarter of 2026.

(c) Phase Ib Clinical Trial — Adolescent Allergic Diseases

Trial Design. This is a single-center, open-label Phase Ib clinical trial in China, designed to evaluate the safety, PK and PD profiles of LP-003 injection in adolescent subjects aged 12 to 18 years. This clinical trial planned to enroll six subjects, divided into two groups. Subjects would receive a single intravenous injection of LP-003 at a dose of 400 mg and 600 mg, respectively.

The key inclusion criteria are adolescent subjects aged ≥12 years and <18 years with a history of allergic diseases. The key exclusion criteria include subjects with any severe or poorly controlled chronic diseases and those with a history of severe allergic reactions.

The primary endpoint of this clinical trial is to assess the safety of LP-003 in adolescent subjects. Secondary endpoints are to assess the PK and PD.

Trial Status. We have enrolled six subjects, achieving the research enrollment target. As of the Last Practicable Date, the clinical trial is ongoing.

Clinical Development Plan

Based on our pre-clinical and early-phase clinical studies, we have designed and initiated a series of clinical trials to evaluate the safety and efficacy of LP-003 in the treatment of seasonal AR, CSU and allergic asthma. It is expected that further studies on LP-003 will be conducted in patients with other allergic diseases (including but not limited to food allergy).

- Seasonal AR: We are currently conducting a multi-center, randomized, double-blind, placebo-controlled Phase III clinical trial in China to further evaluate the efficacy of LP-003 in the treatment of seasonal AR. We plan to complete the Phase III clinical trial in the second quarter of 2026 and submit a BLA application to the NMPA in or before the third quarter of 2026.

- CSU: We have initiated a multi-center, randomized, double-blind, placebo and active drug controlled Phase II trial to evaluate the use of LP-003 in patients with CSU, and plan to initiate a Phase III clinical trial for CSU in or before the second quarter of 2026.

- Allergic asthma: We have initiated a multi-center, randomized, double-blind, placebo and active drug controlled Phase II trial to evaluate the use of LP-003 in patients with allergic asthma.

- CRSwNP: We have initiated a multi-center, randomized, double-blind, placebo-controlled, parallel-group Phase II clinical trial to evaluate the use of LP-003 in patients with CRSwNP.

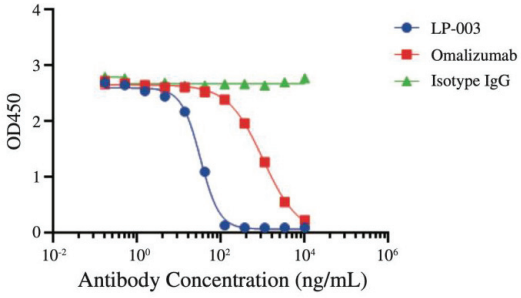
- We plan to expand the above indications to adolescents in the future. We enrolled the first patient for Phase Ib clinical trial for adolescent allergic diseases in October 2025. In accordance with guidance issued by the CDE and industry practice, efficacy trials in adolescents generally cannot proceed until safety and efficacy have been established in the corresponding adult indication (typically following results from Phase III clinical trials). Accordingly, we plan to prioritize efficacy and safety confirmation trials in adolescents for seasonal AR. The Phase Ib clinical trial for adolescents of LP-003 for seasonal AR is planned to finish subject enrollment in or before the second quarter of 2026. As we have not yet initiated discussions with the relevant regulatory authorities regarding adolescent clinical trials for other indications, a definitive timeline and development plan for the expansion into adolescent indications have not yet been established.

Based on the current clinical regulation, and considering that omalizumab has not been approved for seasonal AR, CRSwNP and food allergy indications in China as of the Latest Practicable Date, we have selectively conducted head-to-head clinical studies on CSU and allergic asthma indications based on our strategic priorities. For CSU indication, we enrolled the first patient for Phase II clinical trial in January 2024, which is expected to complete in the first half of 2026. For allergic asthma indication, we enrolled the first patient for Phase II clinical trial in January 2025, which is expected to complete in or before the fourth quarter of 2027.

Summary of Pre-clinical Study Results

LP-003 exhibits a significantly higher (860-fold greater) binding affinity to IgE compared to omalizumab. LP-003 has a binding affinity to IgE of 2.08 pM, omalizumab has a binding affinity to IgE of 1790 pM. This heightened affinity signifies that LP-003 binds to IgE molecules with greater strength and effectiveness. The superior 860-fold greater binding affinity of LP-003 for IgE is a critical differentiating factor.

In our pre-clinical studies, LP-003 exhibits an activity in blocking the binding between recombinant IgE and recombinant FcεRIα protein that is 30 times higher than that of omalizumab. The diagram below illustrates the comparison between LP-003, omalizumab and isotype IgG (a type of immunoglobulin G antibody that serves as a negative control in immunological experiments):



	LP-003	Omalizumab
IC50	32.28	1009

Source: Company's data, Isotype IgG serves negative control

Licenses, Rights and Obligations

LP-003 was developed by us, and we maintain the global rights to develop and commercialize this drug candidate.

Material Communications with Competent Authorities

The material communications with the relevant competent authorities on all ongoing and completed clinical trials of LP-003 are as follows:

(i) In March 2023, we obtained the IND approval from the NMPA for conducting clinical trial for seasonal AR. In August 2024, we completed Phase II clinical trial for seasonal AR. Prior to initiating Phase III clinical trial for seasonal AR, in March 2024, we consulted with the NMPA through an online meeting regarding the Phase II clinical trial data for seasonal AR that we had collected and our plan for the Phase III clinical trial, and obtained regulatory approval from the NMPA. By the time the said meeting was held, all necessary data for communication with the NMPA had been obtained. As of the Latest Practicable Date, the NMPA has no objection to commencement of Phase III clinical trial for seasonal AR; (ii) in March 2022, we obtained the IND approval from the NMPA for conducting clinical trial for CSU; (iii) in February 2024, we obtained IND approval from the NMPA for conducting clinical trial for allergic asthma. Prior to initiating Phase II clinical trial for allergic asthma in July 2024, we consulted with and obtained regulatory approval from the NMPA in this regard; (iv) in March 2024, we obtained IND approval from the NMPA for conducting clinical trial for CRSwNP; (v) in November 2024, we obtained IND approval from the NMPA for conducting clinical trial for food allergy; (vi) in February 2025, we obtained IND approval from the NMPA for conducting clinical trial for atopic dermatitis. As of the Latest Practicable Date, we did not have any plan to initiate such clinical trial; (vii) in March 2026, we obtained IND approval from the NMPA for conducting clinical trial for ABPA. As of the Latest Practicable Date, we did not have any plan to initiate such clinical trial; and (viii) according to the IND approvals received from the NMPA, the NMPA instructed that we may proceed with Phase II clinical trials for seasonal AR, CSU, allergic asthma and food allergy indications upon completion of Phase I clinical trial without obtaining additional approval from the CDE. Based on data collected from the completed Phase I clinical trial, we proceeded with Phase II clinical trials of LP-003 in various indications, including seasonal AR, CSU, allergic asthma and food allergy. We did not receive objections from the NMPA for the commencement of the Phase II clinical trials for such indications. As of the Latest Practicable Date, the NMPA has no objection to commencement of the next phases of the aforesaid clinical trials.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET LP-003 SUCCESSFULLY.

Our Key Product: Bi-functional antibody fusion protein targeting C5 and C3b complement (LP-005)

Overview

As the first product of our Bi-functional Antibody Development Platform, our Key Product, LP-005, is a bi-functional antibody fusion protein targeting C5 and C3b complement. The development trend of multi-target complement inhibitors showing efficacy potential compared to single-target ones is becoming increasingly clear, namely by acting on multiple key nodes in the complement cascade simultaneously, they can more comprehensively block the complex pathological mechanisms of diseases. By simultaneously targeting both C5 and C3b which mediates multiple inflammatory pathways, the potential indications for LP-005 include various complement-mediated autoimmune diseases, including PNH, complement-mediated kidney diseases (including IgAN, C3G and LN), gMG, MAG-PN, and ALS.

Pre-clinical studies have shown that, compared with other complement inhibitors, being commercialized or under development, targeting single or different targets, LP-005 demonstrates better biological activity by inhibiting all three complement signaling pathways (classical pathway, alternative pathway, and lectin pathway), targeting both C5 and C3b.

We are currently conducting several clinical trials of LP-005 for PNH and complement-mediated kidney diseases in China. From the data collected from the ongoing Phase II clinical trial (CTR20242478), LP-005 has shown encouraging efficacy in PNH patients, including two PNH patients who were previously treated with eculizumab but not well controlled, still have benefitted continuously from LP-005 treatment throughout the trial period. LP-005 demonstrated favorable safety and tolerability in the Phase I study in China involving healthy subjects.

The following table sets forth the key milestone events of our clinical trials of LP-005 for different indications:

	PNH	Complement-mediated kidney diseases	Other indications
IND approval	Obtained IND approval in June 2023	Obtained IND approval in March 2024	• Obtained IND approval for gMG in July 2023 • Obtained IND approval for MAG-PN and ALS in March 2024 • Obtained IND approval for periodontitis in July 2025
Phase I Clinical Trial	• Enrolled the first healthy subject in Phase I dose-escalation clinical trial in November 2023 • Clinical trial completed in August 2024		
Phase II Clinical Trial	First patient enrolled in November 2024, and 30 patients have been enrolled as of the Latest Practicable Date, achieving the research enrollment target.	A total of 46 patients are planned for enrollment in this clinical trial, and as of the Latest Practicable Date, the clinical trial is ongoing.	/

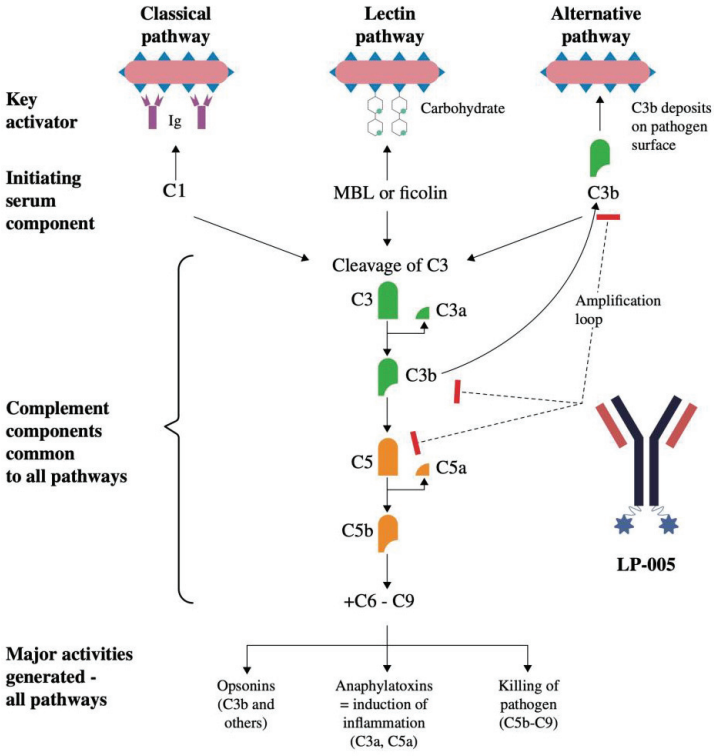
Source: NMPA Drug Clinical Trial Registration and Information Disclosure Platform; Company's data

Mechanism of Action

The complement system is a self-protection mechanism of the human body. Complement activation is carried out under the strict control of multiple regulatory proteins. It assists immune cells or other immune molecules to exert immune effects without damaging their own tissue cells, helps the body resist pathogen invasion and infection, and plays a key role in maintaining health and tissue homeostasis. The activation of the complement system is mainly achieved through three relatively independent but interconnected pathways: the classical pathway, the alternative pathway, and the lectin pathway. Complement C3 and C5 play a central role in complement regulation.

Excessive and abnormal activation of the complement system can induce inflammatory responses and cause autoimmune damage, and hence is involved in the occurrence and development of various diseases, such as PNH, C3G, IgAN and LN. Complement inhibitors work by targeting key proteins of the complement system (such as C3, C5, Factor D/B) to block their activation pathways (classical, lectin, alternative), which precisely inhibit excessive complement activation. For example, C5 inhibitors (such as eculizumab) prevent the cleavage of C5 into pro-inflammatory factor C5a and C5b the initiation of membrane attack complex formation, while C3 inhibitors (such as pegcetacoplan) block the central node of the complement cascade which is the C3 convertase, and reduce inflammation and tissue damage. Some drugs can also mimic natural regulatory proteins (CD55/CD59) and protect host cells from misdirected attacks. However, a single complement inhibitor may not completely block the progression of disease due to its limited activity, such as C5 antibody alone may not sufficiently block AP and the deposition of C3b on the cell surface produced by C3 activation. Whereas CFB/CFD inhibitors mainly block AP, and MASP-2 can only block LP. However, given the large amount of C3 protein present in the blood (0.8-1.8 mg/mL), the activity of C3 inhibitors remains to be improved.

Being the first candidate discovered and developed from our Bi-functional Antibody Development Platform, unlike most complement inhibitor drugs in the market that focus on a single target, our LP-005 simultaneously acts on two targets (both C5 and C3b) of the complement system, and can act on the classical pathway, the alternative pathway and the lectin pathway. Below diagrams illustrate the mechanism of our LP-005, a novel bifunctional complement inhibitor:



Source: Company's data

Market Opportunities and Competition

The complement system is a self-protection mechanism of the human body and an important innate immune signaling pathway that mediates multiple inflammatory pathways. The abnormal activation of the complement system is involved in the occurrence and development of various diseases.

Multiple indications of LP-005

The complement system is an important component of innate immunity. Composed of more than 30 proteins, it plays a key role in anti-infective defense and immune regulation. Abnormal activation or functional defects of the complement system can lead to a variety of diseases, including hematological diseases (such as PNH) and complement-mediated kidney diseases (such as IgAN, C3G, LN). In recent years, with the deepening understanding of the complement system, a variety of complement-targeted drugs have been approved for marketing, such as C5 inhibitors (e.g. eculizumab, ravulizumab), C3 inhibitors (e.g., pegcetacoplan), and Factor B inhibitors (e.g. iptacopan). At present, the global complement inhibitor market has reached a scale of around tens of billions of dollars, but there are still significant unresolved medical challenges in existing related diseases.

The market size of complement inhibitors in China is expected to continue to grow. According to Frost & Sullivan, the market size of complement inhibitors in China is under a growing trend. Complement drugs, which were originally used for rare hematological diseases such as PNH, are rapidly penetrating into common complement-mediated autoimmune diseases, with their indication spectrum continuing to expand.

(i) PNH

PNH is a rare disease with a global prevalence grew from 115,500 cases in 2018 to 122,100 cases in 2024, with a CAGR of 0.9% and is expected to reach 128,200 cases in 2030. According to Frost & Sullivan, the incidence of PNH in China is estimated to be around 12,800 cases in 2024 and 12,600 cases in 2030, respectively. Most patients have to receive supportive care and suffer from poor quality of life.

The most prevalent symptoms for PNH patients are hemolytic anemia, hemoglobinuria, and somatic symptoms including fatigue and shortness of breath. Other symptoms associated with PNH include thrombosis, renal insufficiency, and in the later course of the disease, bone marrow failure. The condition is genetic with mutations occurring on the X linked gene.

Currently, allogeneic bone marrow transplantation is the only potential cure for PNH. Other PNH treatment drugs are available in the market designed to ease symptoms and prevent complications. These drugs include glucocorticoids, biological drugs, cell membrane stabilizers.

According to Frost & Sullivan and as of the Latest Practicable Date, FDA has approved four C5 complement inhibitors and one C3 complement inhibitor that can be used in the treatment of PNH. In China, NMPA has approved three C5 complement inhibitors that can be used in the treatment of PNH, while there is no approved C3 complement inhibitor. All of the approved complement inhibitors are single target only. LP-005 simultaneously targets both C5 and C3b, and could provide potential benefits to PNH patients compared with mono target inhibitors.

(ii) Complement-mediated kidney diseases: IgAN, C3G and LN

(a) IgAN

IgAN is a nephritic syndrome, a form of chronic glomerulonephritis characterized by the deposition of IgA immune complexes in glomeruli. According to Frost & Sullivan, IgAN is currently the most common primary glomerulonephritis worldwide, with 20% to 40% of patients progressing to end-stage renal disease within 20 years of diagnosis with highest incidence rate in Asia. According to Frost & Sullivan, the number of IgA nephropathy patients worldwide is approximately 9.6 million, with approximately 2.3 million in China in 2024. Globally, the prevalence is growing from 9.1 million cases in 2018 to 9.6 million cases in 2024, with a CAGR of 1.0%, and is expected to reach 10.2 million cases in 2030. In China, the prevalence of IgAN increased from 2.2 million cases in 2018 to 2.3 million cases in 2024, with a CAGR of 1.0%. With the increasing

prevalence of IgAN, the number of IgAN patients in China is expected to reach 2.3 million in 2030 at a CAGR of 0.4%. In China, IgAN accounts for approximately 54.3% of primary glomerular diseases.

At present, the pathogenesis of IgAN is uncertain, and clinical treatment is used to mainly control the progression of the disease and condition rather than providing a cure treatment plan, with most patients experiencing slow progression of the condition, making IgAN a leading cause of end-stage renal disease. Traditional treatment primarily focuses on supportive care and immunosuppression, but the prognosis remains suboptimal as a significant proportion of patients still progress to renal failure even with well-controlled proteinuria. In recent years, advances in understanding the disease's pathogenesis have shifted treatment strategies towards a multi-targeted comprehensive approach. This includes reducing pathogenic IgA, suppressing local renal inflammation, and introducing supportive therapies. Newer medications that directly target IgAN disease, such as Nefecon and Sparsentan, have been granted accelerated approval by the FDA. However, no biological drugs for IgAN have been approved for marketing yet.

(b) C3G

C3G is a rare kidney disease and a type of glomerular disease. It is characterized by the abnormal deposition of complement C3 in the glomeruli, which leads to damage to the glomerular structure and function. C3G is a rare nephropathy mediated by complement overactivation and has two major subtypes, including dense deposit disease and C3 glomerulonephritis. Dense Deposit Disease (DDD) and C3 Glomerulonephritis (C3GN) are both subtypes of C3G characterized by complement alternative pathway dysregulation and dominant C3 deposition in glomeruli, with DDD featuring electron-dense deposits within the glomerular basement membrane and C3GN showing irregular/granular deposits in the mesangium or subendothelium.

In recent years, with the increasing clinical research on C3G, it is now recognized that overactivation of the complement paracrine pathway is the main pathogenesis of C3G. Excessive activation of the complement bypass pathway can lead to C3 cleavage in the glomerulus, triggering C3 deposition and inflammation, leading to kidney injury and failure. C3G has a highly heterogeneous clinical presentation, making its diagnosis challenging. Among the renal manifestations of C3G, hematuria and proteinuria are the most common. In addition, patients may also experience acute nephritis syndrome, nephrotic syndrome, or even manifestations such as decreased glomerular filtration rate and elevated creatinine. The global prevalence of C3G is growing from 174,000 cases in 2018 to 184,000 cases in 2024. The number of C3G patients in the world is expected to reach 193,200 cases in 2030. In China, the prevalence of C3G is growing from 31,700 cases in 2018 to 31,800 cases in 2024, and is expected to remain stable at 31,300 cases in 2030.

(c) LN

LN is one of the most common and severe complications of systemic lupus erythematosus, an autoimmune disease. The condition primarily results from autoantibodies generated following aberrant immune system activation, which subsequently target renal tissues. The management of LN is based on individualized, long-term treatment strategies, with glucocorticoids and hydroxychloroquine serving as primary medications. Current treatment regimens predominantly involve the use of hormonal therapies in conjunction with immunosuppressive agents. However, there is considerable variability in patient response, with a substantial proportion exhibiting drug resistance or only partial therapeutic benefit. Long-term medication is associated with significant side effects, which affects the continuity of treatment.

The global prevalence of LN is growing from 9.2 million cases in 2018 to 9.8 million cases in 2024, with a CAGR of 0.9%, and is expected to reach 10.3 million cases in 2030. The prevalence of LN in China is growing from 507,800 cases in 2018 to 531,700 cases in 2024, with a CAGR of 0.8%, and is expected to reach 547,400 cases in 2030.

Our Competitors

At present, FDA has approved four C5 complement inhibitors that can be used in the treatment of PNH.

Drug Name	Brand Name	Target	Company	Indications	Approval Date
Crovalimab . . .	Piasky	C5	Roche Pharma	PNH	June 20, 2024
Pozelimab. . . .	Veopoz	C5	Regeneron Pharmaceuticals	Chaple	August 18, 2023
Ravulizumab . .	Ultomiris	C5	AstraZeneca	PNH/aHUS/MG/NMO	December 21, 2018
Eculizumab . . .	Soliris	C5	AstraZeneca	PNH/aHUS/NMO/MG	March, 16, 2007

Source: FDA, Frost & Sullivan analysis

FDA has approved one C3 complement inhibitor, which has two indications. Currently, there is no approved C3 complement inhibitors in China.

Drug Name	Brand Name	Target	Company	Indications	Approval Date
Pegcetacoplan .	Syfovre	C3	Apellis Pharmaceuticals	Geographic Atrophy (GA)	February 17, 2023
Pegcetacoplan .	Empaveli	C3	Apellis Pharmaceuticals	PNH	May 14, 2021

Source: Frost & Sullivan analysis

To date, NMPA has approved five complement inhibitors. Three of the complement inhibitors are drugs that target C5.

Drug Name	Brand Name	Target	Company	Indications	Approval Date
Zilucoplan . . .	Zilbrysq	C5	UCB Pharma	Myasthenia Gravis	February 6, 2024
Crovalimab . . .	Piasky	C5	Roche Pharma	aHUS/PNH	February 6, 2024
Eculizumab . . .	Soliris	C5	AstraZeneca	PNH/aHUS/AChR-gMG	September 4, 2018
Iptacopan	Fabhalta	CFB	Novatis Pharma	PNH/C3G	April 24, 2024
Ravulizumab . .	Ultomiris	C5	AstraZeneca	AChR-gMG	April 15, 2025

Source: NMPA, Frost & Sullivan analysis

Currently, there are five complement inhibitors targeting C5 or C3 entering clinical trials globally.

Drug Name/Code	Target	Company	Clinical Stage	Indications	First Posted Date
IAB-101.	C5	ImmunAbs	Phase I/II	Generalized Myasthenia Gravis	November 26, 2025
KRIYA-825 . . .	C5&C3	Kriya Therapeutics, Inc.	Phase I/II	Geographic Atrophy	January 3, 2025
KP104	C5&CFH	Kira Pharma	Phase II	PNH, C3G, IgA	August 24, 2022
CAN106.	C5	CARE Pharma Shanghai Ltd.	Phase I	PNH	October 14, 2021
NGM621	C3	NGM Biopharmaceuticals	Phase II	Geographic Atrophy	July 10, 2020

Source: Clinicaltrials.gov, Frost & Sullivan analysis

Currently, there are six complement inhibitors targeting C5 or C3 entering clinical trials in China.

Drug Name/Code	Target	Company	Clinical Stage	Indications	First Posted Date
LP-005	C5&C3b	LongBio Pharma	Phase II	PNH	July 22, 2024

Drug Name/Code	Target	Company	Clinical Stage	Indications	First Posted Date
			Phase II	C3G, anti-GBM disease, LN, MPGN, and TMA.	January 22, 2026
			Phase I	Periodontitis	April 23, 2026
CG001	C3b	Shanghai ComGen Biopharmaceutical Co., Ltd	Phase II	PNH	May 7, 2026
EA5	C5	Lan-yi Therapeutics, Ltd	Phase I	PNH	January 3, 2025
Pozelimab. . . .	C5	Regeneron Pharmaceuticals	Phase III	gMG	May 25, 2024
KP104.	C5/CFH	Kira Pharma	Phase II	PNH, C3G, IgA	August 24, 2022
CAN106.	C5	CARE Pharma Shanghai Ltd.	Phase I/II	PNH	February 10, 2022

Source: Clinicaltrials.gov, Frost & Sullivan analysis

Competitive Advantages

Our LP-005 has the potential competitive advantages over other complement inhibitors, being commercialized or under development:

(a) Bi-functional design which enables simultaneous inhibition of three Complement pathways, achieving more potent and comprehensive complement inhibitory activity

Unlike most complement drugs that focus on a single target, LP-005's approach has the potential to achieve enhanced therapeutic efficacy, in particular in diseases driven by the activation of multiple complement pathways. In our pre-clinical studies, LP-005 has demonstrated higher and more comprehensive activity compared with anti-C5 monoclonal antibodies (eculizumab, ravulizumab) and C3 cyclic peptide inhibitor APL-1 analog (POT-4).

For more details on LP-005's pre-clinical data, please refer to "— Our Key Product: Bi-functional antibody fusion protein targeting C5 and C3b complement (LP-005) — Summary of Pre-clinical Study Results".

(b) Encouraging clinical efficacy has been achieved in clinical trials

Based on the data collected from the ongoing Phase II clinical trial for PNH, LP-005 has achieved encouraging efficacy in PNH patients to the extent that the hemoglobin levels and lactate dehydrogenase levels of PNH patients have been effectively improved by drug administration once every four weeks. Additionally, two PNH patients who were previously treated with eculizumab but were not well controlled also achieved encouraging clinical benefits after treatment with LP-005. Amongst the 20 subjects during Phase II clinical trial, the stage analysis data showed that by week 12, all 20 patients demonstrated positive clinical improvements. For more details on LP-005's clinical data, please refer to "— Our Key Product: Bi-functional antibody fusion protein targeting C5 and C3b complement (LP-005) — Summary of Clinical Trials of LP-005 ".

Summary of Clinical Trials of LP-005

The following is a summary of completed and ongoing clinical trials of LP-005 for different indications:

(1) LP-005 for PNH — Phase II clinical trial

Trial Design. This is a multi-center, randomized, open-label Phase II clinical study to evaluate the efficacy, safety, and pharmacokinetic characteristics of LP-005 in the treatment of patients with PNH. We planned to enroll 30 PNH patients. It is conducted at four research centers in China, consisting of a 4-week screening period, a 48-week treatment period, and an 8-week follow-up period. PNH patients are planned to receive LP-005 injection in the 900 mg Q4W group, 1200 mg Q4W group, or 1500 mg Q4W group.

The main inclusion criteria for the trial is PNH clone size of granulocytes or monocytes detected by flow cytometry ≥10% within six months before the screening visit, and one or more PNH-related signs or symptoms within three months before the start of screening. The main exclusion criterion is evidence of uncontrolled chronic active or recurrent infection within one month before screening.

The primary endpoint of the study is to evaluate the efficacy of LP-005 in the treatment of patients with PNH (change from baseline in serum lactate dehydrogenase (LDH) levels at week 12 after dosing; and the proportion of patients whose hemoglobin levels increased by ≥2 g/dL from baseline without transfusion at week 24 after dosing). Secondary endpoint is to evaluate the efficacy of LP-005 in the treatment of patients with PNH (such as the proportion of patients achieving transfusion avoidance and the proportion of patients experiencing breakthrough hemolysis (BTH)), safety, PK and PD.

Trial Status. We enrolled the first patient in November 2024. As of the Latest Practicable Date, the clinical trial is ongoing and 30 patients have been enrolled.

Efficacy Results. This interim analysis included 20 patients (10 per cohort) who completed 12 weeks of treatment. Mean (SD) LDH at baseline was 2013.3 (1265.73) U/L in Cohort 1 (900 mg Q4W group) and 1694.6 (724.34) U/L in Cohort 2 (1200 mg Q4W group). Mean (SD) Hb level at baseline was 65.0 (11.84) g/L in Cohort 1 and 63.5 (10.30) g/L in Cohort 2.

By Week 12, all 20 patients demonstrated positive clinical improvements. Mean (SD) LDH reduced to 1276.4 (1781.76) U/L (by -49.39%) and 246.6 (56.94) U/L (by -82.52%) in Cohort 1 and Cohort 2 respectively, and the LS Mean difference (95% CI) in LDH change from baseline is -712.73 (-1433.18, 7.73) for Cohort 2 vs. Cohort 1. Additionally, Hb increases ≥2 g/dL from baseline were observed in 9/10 patients (90%) in both cohorts, with 6/10 (60%) in each cohort achieving Hb levels ≥10 g/dL. As of the cutoff date, all 20 patients (100%) remained transfusion-free.

Safety Results. LP-005 demonstrated a favorable safety profile with no treatment-related SAEs or discontinuation-worthy TEAEs. Mild to moderate TEAEs occurred in 14/20 (70%) patients; all resolved promptly.

(2) LP-005 for PNH — Phase II extension clinical trial

PNH is a rare disease. To ensure that patients participating in the LP-005 PNH Phase II clinical trial (CTR20242478) can continue to receive treatment, we have designed this Phase II extension clinical trial.

Trial Design. This is a multi-center, randomized, open-label Phase II extension clinical trial conducted to evaluate the long-term safety, long-term efficacy maintenance and pharmacokinetic characteristics of LP-005 in the treatment of patients with PNH. The clinical trial planned to enroll 30 patients who have completed the treatment period of the LP-005 Phase II clinical trial (CTR20242478).

The key inclusion criterion is patients with PNH who have completed the treatment period of the LP-005 Phase II clinical trial (CTR20242478) and agree to continue treatment with the investigational product. The key exclusion criteria are subjects who have not completed the treatment period of the Phase II clinical trial of the investigational product and patients not recommended to continue treatment with LP-005 as assessed by the investigators.

The primary endpoint of this clinical trial is to evaluate the long-term safety of LP-005 in the treatment of PNH patients. The secondary endpoints are to evaluate the long-term efficacy, PK and PD.

Trial Status. We planned to enroll 30 patients. As of the Latest Practicable Date, the clinical trial is ongoing.

(3) LP-005 for Complement-Mediated Kidney Diseases — Phase II Clinical Trial

Trial Design. This is a multicenter, open-label, Phase II clinical trial of LP-005 injection in patients with complement-mediated kidney diseases. A total of 46 patients are planned to be enrolled in the trial. All patients are planned to receive LP-005 injection in the 1200 mg Q4W group, or 1500 mg Q4W group. The main inclusion criterion requires patients to have a confirmed diagnosis of complement-mediated kidney diseases and meet the diagnostic criteria for the relevant indications. The primary exclusion criterion is a history of meningococcal infection, or with the

presence of active and uncontrolled acute, chronic or recurrent infections within 4 weeks prior to screening. The key endpoint of the trial is to evaluate the preliminary efficacy of LP-005 in the treatment of patients with the complement-mediated kidney diseases. The secondary endpoint includes evaluating the safety of LP-005 in treatment of patients with complement-mediated kidney diseases, PK and PD.

Trial Status. A total of 46 patients are planned for enrollment in this clinical trial, and as of the Latest Practicable Date, the clinical trial is planned to be initiated in or before the fourth quarter of 2026.

(4) LP-005 for moderate-to-severe periodontitis — Phase II Clinical Trial

Trial Design. This is a multi-center, randomized, double-blind, placebo-controlled Phase II clinical study to evaluate the efficacy and safety of LP-005 in the treatment of patients with moderate-to-severe periodontitis. This clinical trial planned to enroll 100 patients, who would be randomized into four groups. Patients would receive LP-005 2.5 mg/site injection once every four weeks (Q4W), LP-005 5.0 mg/site injection once every four weeks (Q4W), LP-005 7.5 mg/site injection once every four weeks (Q4W), or placebo injection once every four weeks (Q4W), respectively.

The main inclusion criterion requires patients to have moderate-to-severe periodontitis. The primary exclusion criterion is a history of Neisseria meningococcal infection. The key endpoint of the trial is to evaluate the preliminary efficacy of LP-005 in the treatment of patients with moderate-to-severe periodontitis. The secondary endpoint includes evaluating the safety of LP-005 in treatment of patients with moderate-to-severe periodontitis and PK.

Trial Status. A total of 100 patients are planned for enrollment in this clinical trial, and as of the Latest Practicable Date, the clinical trial is planned to be initiated in or before the fourth quarter of 2026.

(5) LP-005 — Phase I clinical trial for evaluating the safety and tolerability of single/multiple dose escalation in healthy subjects in China

Trial Design. This is a single-center, randomized, double-blind, dose-escalation Phase I clinical study conducted in healthy subjects in China. The primary endpoint of this study is to evaluate the dose tolerability and safety of single/multiple intravenous infusions of different dosing of LP-005 in healthy subjects, which can provide sufficient data to cover our Phase II clinical trials for PNH and complement-mediated kidney diseases indications. The secondary endpoint is to evaluate the pharmacokinetic characteristics, immunogenicity, and pharmacodynamic characteristics of single/multiple injections of different doses of LP-005 in healthy subjects.

Trial Status. We enrolled the first healthy subject in November 2023 and eventually enrolled a total of 68 healthy subjects. This clinical trial has been completed in August 2024.

Safety Results:

- After administration in the Single Ascending Dose (SAD) study, a total of 28 subjects experienced AEs, including four subjects in the placebo group and 24 subjects in the LP-005 group. After administration in the Multiple Ascending Dose (MAD) study, a total of 16 subjects experienced AEs, including three subjects in the placebo group and 13 subjects in the LP-005 group. No grade III or above adverse reactions related to the study drug occurred, and no serious adverse reactions.

PK/PD Results:

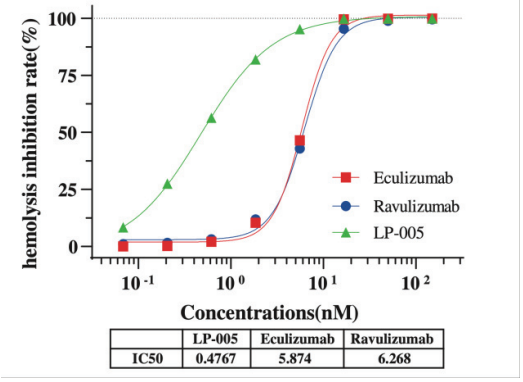
After intravenous administration of LP-005 injection, exposure increases with increasing doses, and the half-life is prolonged as the dose increases. A higher dose results in a stronger inhibitory effect on serum complement hemolytic activity.

Conclusion. LP-005 has demonstrated favorable safety in healthy subjects, providing a basis for further clinical research.

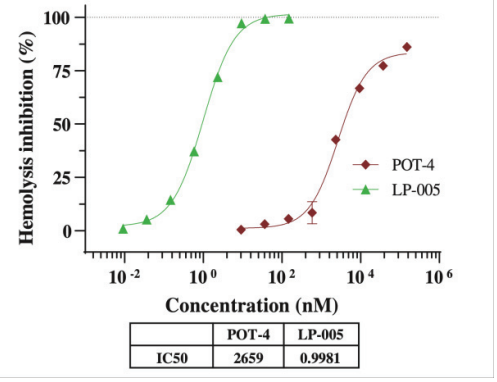
Summary of Pre-clinical Study Results

Unlike most complement drugs that focus on a single target, LP-005's approach has the potential to achieve enhanced therapeutic efficacy, in particular in diseases driven by the activation of multiple complement pathways. In our pre-clinical studies, LP-005 has demonstrated higher and more comprehensive activity compared with anti-C5 monoclonal antibodies (eculizumab, ravulizumab) and anti-C3 cyclic peptide inhibitor APL-1 analog (POT-4).

Inhibition of CP activity



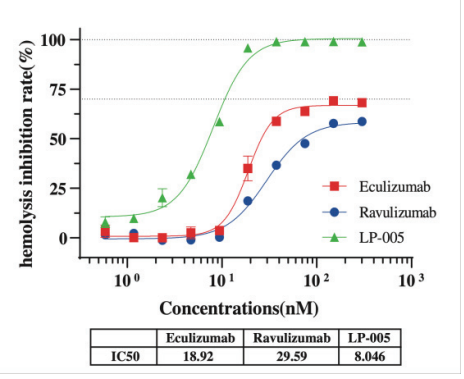
	LP-005	Eculizumab	Ravulizumab
IC50	0.4767	5.874	6.268



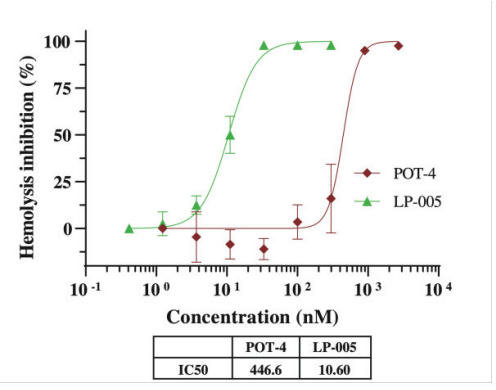
	POT-4	LP-005
IC50	2659	0.9981

Source: Company's data

Inhibition of AP activity



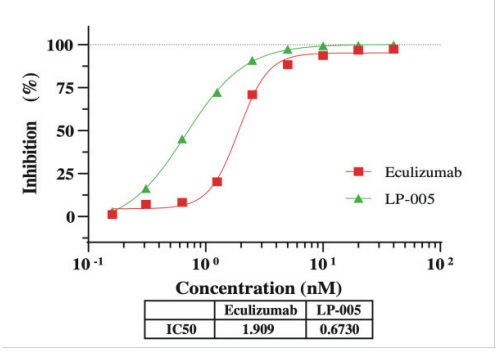
	Eculizumab	Ravulizumab	LP-005
IC50	18.92	29.59	8.046



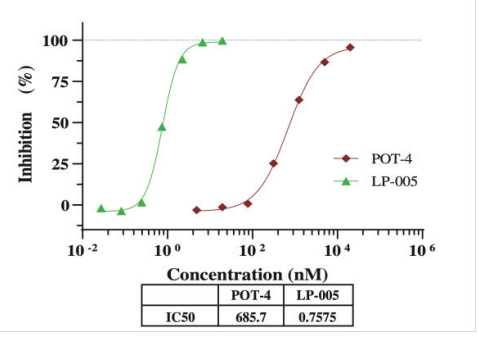
	POT-4	LP-005
IC50	446.6	10.60

Source: Company's data

Inhibition of LP activity



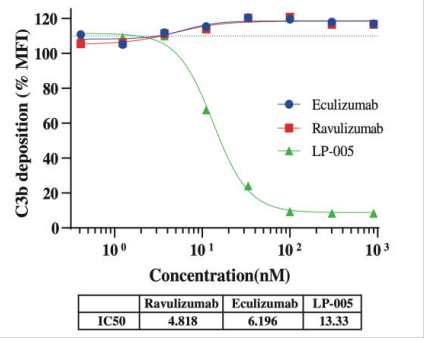
	Eculizumab	LP-005
IC50	1.909	0.6730



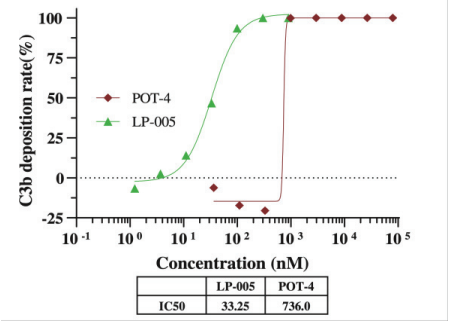
	POT-4	LP-005
IC50	685.7	0.7575

Source: Company's data

Inhibition of C3b deposition



	Ravulizumab	Eculizumab	LP-005
IC50	4.818	6.196	13.33



	LP-005	POT-4
IC50	33.25	736.0

Source: Company's data

Clinical Development Plan

Based on our pre-clinical and early-phase clinical studies, we are conducting (i) a Phase II clinical trial for PNH to evaluate the safety and efficacy of LP-005 in the treatment of PNH and (ii) a Phase II clinical trial of LP-005 for complement-mediated kidney diseases. We also intend to further study LP-005 in patients with other complement-related diseases.

Licenses, Rights and Obligations

LP-005 was developed by us, and we maintain the global rights to develop and commercialize the pipeline product candidate of LP-005.

Material Communications with Competent Authorities

The material communications with the relevant competent authorities on all ongoing and completed clinical trials of LP-005 are as follows:

(i) in June 2023, we obtained the IND approval from the NMPA for conducting clinical trials for LP-005 in patients with PNH; (ii) in July 2023, we obtained the IND approval from the NMPA for conducting clinical trials for LP-005 in patients with gMG; (iii) in March 2024, we obtained the IND approval from the NMPA for conducting clinical trials for LP-005 in patients with complement-mediated kidney diseases; (iv) in March 2024, we obtained the IND approval from the NMPA for conducting clinical trials for LP-005 in patients with MAG-PN and ALS; and (v) in July 2025, we obtained the IND approval from the NMPA for conducting clinical trials for LP-005 in patients with periodontitis.

We have not received any concerns or objections from the NMPA related to receiving IND approvals, conducting Phase I/II clinical trial, or executing any other clinical development plans as of the Latest Practicable Date.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET LP-005 SUCCESSFULLY.

Our Other Drug Candidates

Our High-Affinity Antibody Discovery Platform produces antibodies with significantly improved affinities that surpass traditional methods, and our Bi-functional Antibody Development Platform focuses on the development of differentiated bi-functional antibody biologics.

Our unique R&D platforms can be widely used to generate various innovative biologics, particularly bi-functional antibodies, which will help us implement new treatment strategies in the fields of allergic diseases and autoimmunity.

LP-00A — Novel Bi-functional Autoimmune Antibody

In order to strengthen our leadership in allergic and autoimmune field, we continue to develop this novel bi-functional autoimmune antibodies with different mechanisms of action. LP-00A is a bi-functional antibody currently in the pre-clinical stage of development. It focuses on the

simultaneous inhibition of two key signal pathways. These two signal pathways are key drivers of type 2 inflammation and are involved in a variety of allergic and inflammatory diseases. The potential indications for LP-00A are allergic diseases or type 2 inflammatory diseases. As of the Latest Practicable Date, LP-00A is in the drug discovery stage and we plan to submit an IND application in or before December 2027.

LP-00C — Novel Bi-functional B-cell Inhibitor

As the primary source of autoantibodies in autoimmune diseases, B-cell targeting offers a broad therapeutic approach for conditions driven by pathogenic autoantibodies. LP-00C is a bi-functional antibody/fusion protein. The potential indications for LP-00C include B lymphocyte-mediated autoimmune diseases. As of the Latest Practicable Date, LP-00C is in the drug discovery stage and we plan to submit an IND application in or before December 2027.

LP-00D — Bi-functional Complement Inhibitor optimized for specific tissues/organs and indications

The development trend of multi-target complement inhibitors which show efficacy potential compared to single-target ones, is becoming increasingly clear. When targeting different tissues/organs and indications, specific optimizations based on the target tissues/organs and indications are required to enhance druggability and patient compliance. LP-00D is a bi-functional antibody or fusion protein complement inhibitor targeting both the classical and alternative pathways, and it is optimized for specific tissues/organs and indications to improve therapeutic efficacy and patient adherence. As of the Latest Practicable Date, LP-00D is in the drug discovery stage and we plan to submit an IND application in or before December 2027.

RESEARCH AND DEVELOPMENT

We believe devoting resources to R&D is crucial for our long-term growth and to remain competitive in the global biopharmaceutical market. We have been the sole sponsor of our clinical trials and remain in charge of the clinical development process. Our integrated in-house R&D capabilities and drug discovery expertise are propelled by our two proprietary technology platforms, namely (i) High-Affinity Antibody Discovery Platform, on which we have developed LP-003, and another high-affinity antibody with high level of affinity on other targets and (ii) Bi-functional Antibody Development Platform, on which we have developed LP-005, LP-00A, LP-00C and LP-00D. For details of the technology platforms, please refer to "— R&D Platforms" below.

We are committed to pooling resources into our R&D, which we believe is the backbone of our success. Our research and development costs for the years ended December 31, 2024 and 2025 amounted to RMB98.1 million and RMB126.6 million, respectively. Such expenses mainly included (i) non-clinical, and CMC costs; (ii) clinical trial expenses; (iii) staff costs, primarily including salaries and other welfare for our R&D personnel such as social insurance and provident fund; (iv) cost of raw material and consumables used for R&D of our biologic drug candidates; (v) depreciation and amortization, primarily representing the depreciation and amortization of our two newly leased offices used for our research and development activities; and (vi) employee stock ownership plan as incentive for our R&D team during the Track Record Period. In particular, research and development costs attributable to our Core Product for the years ended December 31, 2024 and 2025 were RMB57.5 million and RMB99.0 million, accounting for 58.7% and 78.2% of total R&D costs, respectively, for the corresponding periods. The R&D costs attributable to our Key Product for the years ended December 31, 2024 and 2025 were RMB27.2 million and RMB11.5 million, accounting for 27.8% and 9.1% of total R&D costs, respectively, for the corresponding periods. We expect that our R&D expenses will increase in line with the future growth of our business. For details, see "Financial Information — Description of Certain Key Items of the Consolidated Statements of Profit or Loss and Other Comprehensive Income — R&D Costs." As of the Latest Practicable Date, there were no legal claims or proceedings that may have an influence on the R&D for our Core Product and Key Product.

R&D Platforms

Our R&D platforms, which are proprietary processes and systematic methodologies used for discovering and developing new drugs, cover all key functions for the development of biologics, including new drug discovery and design, pre-clinical candidate validation, and CMC. We possess the expertise and capabilities to independently complete the entire drug development process, from drug discovery, pre-clinical research, and clinical development to BLA submissions. Such platforms enable us to identify and address potential clinical and manufacturing issues at an early stage of the development process. Therefore, we can focus our efforts on drug candidates that have the greatest

potential to become clinically effective, cost-effective, and commercially viable drugs. Our self-developed core technology platforms include (i) High-Affinity Antibody Discovery Platform, on which we have developed LP-003, and another high-affinity antibodies with high level of affinity on other targets; and (ii) Bi-functional Antibody Development Platform, on which we have developed LP-005, LP-00A, LP-00C and LP-00D.

High-affinity Antibody Discovery Platform

Our High-affinity Antibody Discovery Platform is a proprietary processes and comprehensive methodology system developed by us leveraging the accumulative years of experience of our founding members in antibody development. This platform encompasses antigen selection and preparation, animal selection, antibody screening methods and strategies, and antibody characterization and evaluation. This platform facilitates the generation of high-affinity (picomolar-level) and highly druggable antibodies.

Our High-affinity Antibody Discovery Platform contributed to the development of LP-003, and another high-affinity antibody with high level of affinity on other targets. This platform produces antibodies with significantly improved affinities that surpass traditional methods and will continue to provide the lead compounds for our subsequent product lines. With a proven track record, our High-affinity Antibody Discovery Platform has already developed several picomolar blocking monoclonal antibodies, including our LP-003 with a KD of 2.08 pM and a high-affinity antibody with a KD of 2.33 pM. Additionally, we acquired a set of antibodies with comparable high-affinity levels. Based on these technologies, we have obtained the necessary intellectual property rights for the independent R&D and commercialization of LP-003.

Bi-functional Antibody Development Platform

Our Bi-functional Antibody Development Platform is a bi-functional drug candidate discovery platform developed by us, which is a proprietary processes and comprehensive methodology system established based on our proprietary antibody discovery technologies developed through our High-Affinity Antibody Discovery Platform and protein engineering technologies. These antibody discovery technologies and protein engineering technologies provide functional domains to form bi-functional antibody candidate molecules, including but are not limited to bi-specific antibodies, antibody fusion proteins, and antibody-like bifunctional fusion proteins.

Our Bi-functional Antibody Development Platform contributed to the development of LP-005. Subsequent bi-functional candidates, LP-00A, LP-00C, and LP-00D, are also being screened and optimized using this platform. This platform focuses on the development of differentiated bi-functional antibody biologics, with a view to addressing the limited therapeutic efficacy of single-target drugs, as well as the heightened costs, long duration and heavy patient burden associated with developing drugs targeting multiple pathways. In addition, the bi-functional antibody development strategy offers structural flexibility, broad applicability, and high druggability, extending beyond traditional antibody formats to include nanobodies, antibody fragments, receptors, regulatory proteins, and engineered Fc. This platform can be widely applied to generate various bi-functional antibodies, which will help us implement new treatment strategies in the fields of allergic and autoimmune diseases.

Based on these technologies, we have filed multiple invention patents with various applications including allergic diseases and autoimmune disorders, which are the key therapeutic areas of our pipeline products.

(i) LP-005 — Bi-functional Antibody Fusion Protein Complement Inhibitor

LP-005 is the first product developed under our Bi-functional Antibody Development Platform, combining an antibody with a complement regulatory protein to achieve comprehensive and potent complement inhibition by simultaneously targeting C5 and C3b. LP-005 is a bi-functional complement antibody fusion protein targeting complement-mediated autoimmune diseases, showing encouraging clinical results. We have filed multiple related invention patents in this regard.

(ii) LP-00A - Novel Bi-functional Autoimmune Antibody

To strengthen our leadership in allergic field and complement our Core Product LP-003, we continue to develop bi-functional autoimmune antibodies LP-00A with different mechanisms of action. It focuses on the simultaneous inhibition of two key signal pathways. These two signal pathways are key drivers of type 2 inflammation and are involved in a variety of allergic and inflammatory diseases. The potential indications for LP-00A are allergic diseases or type 2 inflammatory diseases. Related invention patents are in preparation.

(iii) LP-00C — Novel Bi-functional B-Cell Inhibitor

As the primary source of autoantibodies in autoimmune diseases, B-cell targeting offers a broad therapeutic approach for conditions driven by pathogenic autoantibodies. LP-00C is a bi-functional antibody/fusion protein currently in the early stages of R&D. The potential indications for LP-00C include B lymphocyte-mediated autoimmune diseases.

(iv) LP-00D — Novel Bi-functional Complement Inhibitor optimized for specific tissues/organs and indications

When targeting different tissues/organs and indications, specific optimizations based on the target tissues/organs and indications are required to enhance druggability and patient compliance. LP-00D is a bi-functional antibody or fusion protein complement inhibitor targeting both the classical and alternative pathways, and it is optimized for specific tissues/organs and indications to improve therapeutic efficacy and patient adherence.

Our in-house R&D Team and Structure

As of the Latest Practicable Date, our R&D team consisted of 72 members, of whom 38, or 52.8%, held master's or doctoral degrees. Our R&D team is extensively involved in all stages of our drug development, including drug discovery, pre-clinical drug research, drug manufacturing, formulation development, clinical research, and regulatory and/or registration submissions. Most of our core R&D team members have been with the Group throughout the Track Record Period and up to the Latest Practicable Date.

Our co-founder, Dr. Sun, is one of the serial successful entrepreneurs in the biopharmaceutical industry with proven track records of successful biopharmaceutical development in both China and the United States. Dr. Sun was a shareholder of Tanox Inc., a biotech company established in Texas, the United States in 1986 and listed on the NASDAQ Stock Market in 2000. He co-founded PharMab Inc. in 2001 and our Company in 2020. Dr. Sun obtained a Ph.D. from the Iowa State University in the United States and has over 55 years of experience in biomedical R&D. He has published more than 30 research papers in leading chemistry and medicinal chemistry journals and has been granted 30 patents, including 16 registered in the United States and 12 patents registered in the PRC. He was the main inventor behind the groundbreaking first-generation anti-IgE antibody, omalizumab (marketed as Xolair®), which emerged as a blockbuster in asthma and allergic diseases, and F-627/long-acting G-CSF (marketed as Benegrastim, Ryzneuta®). Dr. Sun's industry insights and vision are crucial to our continuous innovation. In addition, Dr. Liu, our co-founder, has over 15 years of experience in R&D and commercialization of biopharmaceutical drugs. Dr. Liu played a pivotal role in both domestic and international programs of development of several drugs. Notably, Dr. Liu was deeply involved in the development of a long-acting G-CSF (marketed as Ryzneuta®), which successfully completed phase III clinical trials globally and received market approval from the Food and Drug Administration in the United States and the NMPA.

We have established a senior R&D management team with extensive industry experience and a track record of success in drug discovery, clinical development and registration process. Our senior R&D management team consists of our head of new drug discovery, who is responsible for supervising the new drug discovery department and managing patents and intellectual properties; our head of production process, who is responsible for managing the development of production processes; our head of analysis and formulation, who is responsible for supervising the analysis and formulation department; and our head of clinical department, who is responsible for the management of clinical trials. As of the Latest Practicable Date, most of our core R&D personnel involved in the development of our Core Product and Key Product remained in employment with us.

We plan to establish a science and strategy committee comprising Independent Third Parties. The main responsibilities of the science and strategy committee shall include, but not limited to, (i) reviewing and evaluating the quality, direction and competitiveness of R&D projects and providing suggestions to the general manager; (ii) providing suggestions to the general manager on our internal research as well as external technology projects and investments; and (iii) reviewing our R&D capabilities and organizational capabilities, including product development processes.

R&D Facilities

As of the Latest Practicable Date, our R&D activities, including but are not limited to drug discovery, process development such as conducting in vitro assessments and in vivo druggability evaluation, and pilot-scale drug candidate production, were primarily conducted in our R&D centers in Shanghai and Suzhou. Our R&D centers are equipped with advanced laboratories, as well as equipment and instruments.

We have a R&D laboratory with an area of over 1,000 square meters in Shanghai, which is capable of conducting key druggability evaluation studies. These include in vitro assessments of affinity, activity, specificity, stability, and immunogenicity; CMC-related studies such as yield, production and purification processes; and formulation evaluations covering solubility, viscosity, and storage stability. Through these studies, we conduct a comprehensive assessment of the physicochemical properties of drug candidates from multiple perspectives. For in vivo druggability evaluation, we typically leverage our expertise and extensive experience to collaborate with qualified and experienced CROs. This includes evaluations of drug metabolism, pharmacokinetics, pharmacodynamics, and toxicology in appropriate model animals. Such arrangements ensure that all candidate drug molecules undergo rigorous professional assessments before entering the pipeline, providing support for the rapid advancement of subsequent development stages. For the purpose of R&D, we have established a pilot-scale laboratory in Zhangjiang High-tech Park in Shanghai, which can produce drug candidates for pre-clinical studies and early-phase clinical trials.

Collaboration with third parties

Out-license arrangement with Party A

As of the Latest Practicable Date, we have one ongoing out-license agreement. We entered into an out-license agreement in March 2021 with Party A, a private company established in the PRC, the principal business of which is the research, development and production of ophthalmic drugs ("**Party A**"), for the development of two specific indications, being (a) dry age-related macular degeneration, and (b) wet age-related macular degeneration (the "**Licensed Indications**") of LP-005 (the "**Licensed Product**") globally (China included) (the "**Licensed Territory**") (the "**Out-license Agreement**"). We believe by entering into the Out-license Agreement, we are able to leverage the strength of Party A in development of ophthalmic drugs for the advancement of the Licensed Indications of the Licensed Product. To the best knowledge of our Directors, Party A is an Independent Third Party.

Pursuant to the Out-license Agreement, we granted Party A the exclusive right to implement the licensed intellectual property rights for the Licensed Indications of the Licensed Product in the Licensed Territory, as well as the exclusive rights to commercialize the Licensed Product for the Licensed Indications in the Licensed Territory, including the R&D, registration application, production, sales and promotion of the Licensed Product, as well as the optimization and improvement of production processes and clinical programs. We reserve the right to (a) utilize the licensed intellectual property rights for the Licensed Indications of the Licensed Product to conduct academic research and academic publishing activities, subject to the confidentiality obligations under the Out-license Agreement and (b) develop for indications other than the Licensed Indications of the Licensed Product, as well as to develop next-generation products. Party A shall, under the Out-license Agreement, pay us (a) an upfront fee of RMB5.0 million within 30 business days after the agreement takes effect; (b) milestone payments totaling up to RMB93.0 million upon the achievement of certain clinical development and regulatory milestones set forth for the Licensed Product, specifically, Party A shall pay us (i) RMB4 million after both Party A and we complete a toxicology assessment with an independent third party for the Licensed Indications, (ii) RMB3 million for submitting the Phase I clinical trial application to the competent regulatory authorities in China and upon receiving the acceptance notice, (iii) RMB3 million for submitting a clinical application to the competent regulatory authorities in the U.S. and upon receiving the acceptance notice, (iv) RMB3 million for obtaining the approval of the Phase I clinical trial from either the Chinese or U.S. competent regulatory authorities for the Licensed Indications (whichever occurs earlier); and (v) RMB50 million for completing a Phase II clinical trial for the Licensed Product in the first country within the Licensed Territory, having reached its pre-defined clinical endpoints — however, if the Licensed Product qualifies as a first-in-class drug at the time of this milestone achievement, the payment amount of RMB50 million shall be increased to RMB80 million; and (c) royalty payments based on a single-digit percentage of net sales for each calendar year following the first commercial sale of the Licensed Product. All payments made by Party A pursuant to the Out-licensed Agreement are non-refundable in the absence of breach.

The termination clauses in the Out-license Agreement including situations such as mutual consent, bankruptcy, serious breach not remedied within thirty (30) days of notice, unilateral termination due to significant adverse legal or policy changes, failure by Party A or its specifically designated affiliate to use commercially reasonable efforts to advance the clinical development of the Licensed Product in the Licensed Indications (i.e., failure to initiate the Phase II clinical trial in China within three (3) years after obtaining approval of IND from the Chinese regulatory authorities), and termination decided by Party A within ninety (90) days' written notice based on its own business consideration. It is also agreed that any dispute shall be settled through negotiation and mediation and if negotiation and mediation fails, either party under the Out-license Agreement might initiate with court proceedings before the people's court at the defendant's domicile in accordance with the laws of the PRC.

We have received from Party A the upfront payment in the amount of RMB5.0 million and a milestone payment in the amount of RMB4.0 million for the completion of a toxicology assessment after the Out-license Agreement has been entered into. However, we did not receive any other milestone payment from Party A under the Out-license Agreement during the Track Record Period and as of the Latest Practicable Date, the drug candidates of the Licensed Product for the Licensed Indications are still in the pre-clinical stage.

Relationship With CROs and SMOs

In addition to conducting our core R&D activities in-house, we also engage reputable CROs and SMOs to manage, conduct, and support our pre-clinical research and clinical trials. The services they provide under our supervision primarily include data management and statistical analysis in clinical trials, site management, patient recruitment, pharmacovigilance services, as well as toxicological assessments.

We choose to engage a CRO and SMO based on the complexity and workload of a specific clinical trial. For the years ended December 31, 2024 and 2025, we collaborated with 46 CROs and seven SMOs, and 58 CROs and 15 SMOs, and the expenses attributable to our CROs and SMOs for the respective periods were RMB27.2 million and RMB2.9 million, and RMB42.6 million and RMB4.8 million, respectively. We select CROs and SMOs based on various factors including their professional qualifications, research experience in the related fields, service quality and efficiency, industry reputation and pricing. Depending on the type of services required, we enter into service agreements with CROs and SMOs on a project-by-project basis, which set out, among others, detailed work scope, procedures, milestones and payment schedule. To avoid oversight in the clinical trial process, we closely monitor CROs and SMOs to ensure they operate in accordance with the terms of the service agreements and applicable laws, thereby safeguarding the integrity and authenticity of trial and research data. We have key personnel with expertise in each aspect of clinical trials, including but is not limited to project management, medical management, biostatistics and pharmacovigilance, to carefully evaluate the CROs and SMOs' capabilities and pricing, as well as to monitor their performance and delivery. In addition, we also conduct regular evaluations of our CROs and SMOs to ensure that they maintain their qualifications and service capabilities. Based on our screening and evaluation, we believe our CROs and SMOs possess qualified business credentials, extensive project experience, adequate staffing, and robust management systems.

Under our respective agreements with the CROs and SMOs, we own all intellectual property rights and trial results resulting from the agreed work scope of the projects conducted by them. The CROs and SMOs must maintain strict confidentiality with respect to the information they acquired during clinical trials and do not have any sublicensing rights.

Key terms of our agreements that we typically enter into with our CROs and SMOs are set forth below:

Services	The CROs and SMOs provide us with services in the course of our pre-clinical studies and clinical trials.
Term	The CROs and SMOs are required to perform their services usually in accordance with an agreed timeline and will be set out in each work order which is usually based on project-by-project basis.
Payments	We are required to make payments to the CROs and SMOs pursuant to schedule as agreed between the parties.

Intellectual property rights	All intellectual property rights resulting from the projects conducted by the CROs and SMOs within the agreed work scope belong to us.
Confidentiality	CROs and SMOs shall not disclose confidential information, including but not limited to any technical data, research reports, or trial data related to the projects specified in the agreement.

We determine the service fees with our CROs and SMOs based on the expected or actual work performed by them as well as the estimated or actual cost incurred by project basis. During the Track Record Period and up to the Latest Practicable Date, none of our CROs or SMOs, including their directors, shareholders and senior management, had any past or present relationship with us or our subsidiaries, shareholders, directors or senior management, or any of their close associates. We believe working with CROs and SMOs speeds up drug development by efficiently generating reliable data.

MANUFACTURING AND QUALITY CONTROL

Collaboration with CDMOs

During the Track Record Period and up to the Latest Practicable Date, we have collaborated with qualified CDMOs for the production and testing of drug candidates supplied for clinical use. For the years ended December 31, 2024 and 2025, we collaborated with two and one CDMO(s), and the expenses attributable to our CDMO(s) were RMB24.3 million and RMB17.9 million, respectively. When selecting CDMOs, we consider various factors, such as production capacity and qualifications, relevant expertise, reputation, geographical location and track record, product quality and production costs, applicable regulations and guidelines, as well as our R&D objectives. We have adopted and will continue to implement procedures to ensure that the production qualifications, facilities, and processes of our CDMOs comply with applicable regulatory requirements, as well as our internal guidelines and quality standards. For more information, please refer to "— Quality Assurance".

Key terms of the agreement that we entered into with our current CDMOs are as follows:

Services	The CDMOs to provide us with clinical phase III sample preparation, pre-marketing research, and post-marketing commercial production services for our LP-003 and LP-005.
Payments	We are required to make payments to the CDMOs in accordance with the payment schedule set forth in the agreement, which is typically linked to the stages of the manufacturing process and the deliverables we receive.
Intellectual property rights	All intellectual property rights resulting from the projects conducted by the CDMOs within the agreed work scope belong to us. Background IP remains the property of the originating party, with the CDMOs allowing us to use its background IP for agreement-related purposes. The CDMOs will assist in legal actions to protect project IP rights at our expense and must ensure that project results do not infringe other third-party patents. We may commission the CDMOs for IP analysis to prevent disputes, and the CDMOs will provide necessary technical support, with any additional fees governed by the relevant work order.
Confidentiality	Both the CDMOs and us shall keep all confidential information, including technical data and agreement terms, strictly confidential. The CDMOs can use this information only for fulfilling the agreement and must not disclose it to third parties before entering into any confidentiality agreements.

Remedies for non-conforming products	If the CDMOs fail to deliver products or fails to comply with substantial obligations under the relevant agreement, we are entitled to terminate the agreement immediately and request for late fees and compensation for losses due to the failure. However, the CDMOs shall not be liable for delivery delays due to technical difficulties related to the development of new biological technologies, provided that they notify us in writing before the anticipated delay. Both parties will assess the situation and negotiate a solution. If necessary, we may choose to terminate the agreement.

Manufacturing Facility

As of the Latest Practicable Date, we have established a pilot-scale laboratory in Zhangjiang High-tech Park in Shanghai, which can produce drug candidates for pre-clinical studies and early-phase clinical trials. Going forward, our manufacturing strategies can be divided into two phases. The first phase focuses on IND filings and early clinical studies. Based on risk management and project development efficiency, our production will continue to be conducted in our pilot-scale laboratory in Zhangjiang High-tech Park in Shanghai or outsourced to CDMOs. The second phase focuses on key clinical trials and future commercial production, which we plan to outsource to CDMOs. During the Track Record Period and up to the Latest Practicable Date, we have partnered with qualified CDMOs to manufacture and test our drug candidates for clinical use.

As confirmed by our PRC Legal Advisor, the manufacturing transition to our CDMOs in Suzhou complies with applicable PRC laws and regulations. The transition phase begins with a technical and quality risk assessment. Based on the assessment results, a corresponding technology transfer plan is developed, including process and method validation, then a comparability study is conducted between the pre- and post-transfer products. The study results are submitted to the CDE in the form of an annual report (Development Safety Update Report, or DSUR). To the best knowledge of the Company, the manufacturing transition will not have any impact on the R&D, manufacturing and registration of our Core Product.

For the commercial production of LP-003 and LP-005, we plan to fully outsource to qualified CDMOs to produce drugs for commercial supply. Regarding the risks associated with CDMOs, please refer to "Risk Factors — Risks Related to Our Reliance on Third Parties — Our drug development relies on collaborations with third-party partners, including those providing pre-clinical study and clinical trial support. Failure of these partners to fulfill their contractual obligations could impede our ability to secure regulatory approvals and commercialize our drug candidates."

Quality Assurance

As of the Latest Practicable Date, our QA department is responsible for establishing and maintaining continuous improvement of the quality system, ensuring the effective connection between the quality system and CDMOs, regularly auditing CDMOs/material suppliers, ensuring the authenticity, completeness and traceability of the generated data, ensuring continuous compliance in experiments, production, inspection and other processes, and ensuring product realization and controllability. All our QA personnel hold a college degree or higher in pharmacy, biology, or other related fields.

We have established a quality management system to ensure compliance with applicable regulatory requirements, including the "Measures for the Supervision and Administration of Drug Production" (《藥品生產監督管理辦法》), "Regulations on the Implementation of the Main Responsibility for Drug Quality and Safety by Marketing Authorization Holders" (No. 126 of 2022) (《藥品上市許可持有人落實藥品質量安全主體責任監督管理規定》(2022年第126號)), and "Announcement on Strengthening the Supervision and Administration of Consigned Production by Marketing Authorization Holders" (No. 132 of 2023) (《關於加強藥品上市許可持有人委託生產監督管理工作的公告》(2023年第132號)) issued by the NMPA, as well as our internal guidelines and quality standards. In addition, to maintain product quality and consistency, we require our CDMOs to sign quality assurance agreements with us. Our QA personnel oversee the product-related materials, processes, CDMO personnel, and plant facilities to ensure compliance with applicable regulatory and product requirements.

To achieve the commercial launch of LP-003, we have assembled relevant personnel from all teams, including drug discovery, manufacturing, clinical research, and regulatory affairs, as well as our QA personnel, to develop a safe, robust, and cost-effective production process for LP-003, and to complete the production of clinical drugs and process validation. After submitting the BLA to the NMPA, we will consider expanding the QA department to ensure production safety and product quality.

Data Protection

We prioritize the protection of clinical trial participant data and enforce stringent confidentiality obligations on all involved parties. Internally, personnel are required to safeguard personal information, and clinical trial data access is tiered, restricting access to sensitive documents and projects to authorized personnel. We have formulated and implemented the "Personal Information Protection Management System", "Personal Information Security Incident Emergency Plan", "Data Security Education and Training System" , "Data Security Management System", "Data Classification and Grading System", "Network Security Management System", "Network Security Incident Emergency Plan" and other systems to regulate employees processing trial participant data and clinical trial data. We store the relevant data in China in accordance with legal requirements, and take network and data security technical measures such as setting email outgoing policies and setting screen watermarks to protect the relevant data.

As a sponsor of multiple new drug development projects, we have partnered with numerous research institutions, CROs, SMOs, data analysis companies, third-party testing agencies, subject recruitment agencies, insurance companies, and third-party transportation companies to collect, store, process, and utilize subject data. However, all of our completed or ongoing clinical trial projects, involving the collection of medical and health information of the subjects, have been notified to the subjects strictly in accordance with the requirements of the laws and regulations, and the informed consents have been signed by each subject.

We have implemented control measures to ensure data usage and transfers related to product development initiatives and regulatory communications comply with local data safety and network safety and protection and individual data privacy laws. As of the Latest Practicable Date, we have not encountered any fundamental issues with our business in China related to cybersecurity, data security, and personal information protection that would render our business unsustainable and irremediable due to serious violations of relevant laws, regulations, or regulatory requirements. We believe our practices related to collecting, using and transferring clinical trial participant data conform to industry standards. As of the Latest Practicable Date, as advised by our PRC Legal Advisor and to the best of knowledge of our Directors, we have not conducted any cross-border data transfer and our business operations had not fallen under any of the circumstances described under the Cross-border Data Transfer Security Assessment Measures, such that the security assessment of cross-border data transfer under the Cross-border Data Transfer Security Assessment Measures shall not be applicable to us currently. As confirmed by our PRC Legal Advisor, we were not subject to any material claims, lawsuits, penalties or administrative actions which had a material adverse effect on our business, financial condition or results of operations in accordance with applicable PRC laws and regulations with respect to data privacy and protection.

Collaboration with third-party service providers

During the Track Record Period and up to the Latest Practicable Date, we have collaborated with third-party service providers, including data analysis companies, third-party testing agencies, subject recruitment agencies, insurance companies, and third-party transportation companies to collect, store, process, and utilize subject data. We engaged such third-party service providers for their ancillary services in our drug development and clinical trials process and we are not materially reliant on any of such third-party service providers. According to Frost & Sullivan, it is industry norm for biopharmaceutical companies to outsource such ancillary works to third-party service providers to allow them to focus on their core R&D and improve efficiency. For details of our collaboration with CROs, SMOs and CDMOs, see "— Research and Development — Collaboration with third parties — Relationship with CROs and SMOs" and "Manufacturing and Quality Control — Collaboration with CDMOs."

For the years ended December 31, 2024 and 2025, other than CDMOs, CROs and SMOs, we collaborated with 78 and 130 third-party providers, and the expenses attributable to these third-party providers were RMB14.6 million and RMB21.7 million, respectively.

Key terms of the agreements that we entered into with our third-party service providers are as follows:

Key terms of agreements with data analysis companies. Our data analysis companies typically provide technical services for data management and statistical analysis, randomization system construction and clinical data interchange standards (CDISC) conversion for our clinical studies. We reserve the rights to inspect the work quality of the data analysis companies. Our agreements with data analysis companies typically have terms of five years. We typically make payments in installments, contingent upon the achievement of certain project milestones.

Key terms of agreements with third-party testing agencies. Our third-party testing agencies are typically responsible for conducting cell line characterization, lot release testing, gene stability studies, PK, PD and anti-drug antibodies methodology development and validation for serum samples from our clinical trials and providing us with QA-reviewed validation reports. Our third-party testing agencies are required to follow clinical protocols that comply with relevant regulatory requirements and guidelines imposed by relevant regulatory authorities. Our service agreements with third-party testing agencies typically have terms of one year. Our payments to third-party testing agencies are typically subject to specific deliverables, which are either milestones in a project or items on a pre-determined price list.

Key terms of agreements with subject recruitment agencies. Our subject recruitment agencies are responsible for identifying potential clinical trial subject candidates in accordance with the specific inclusion and exclusion criteria provided by us. Payment of the recruitment service and subject management fees to our subject recruitment agencies is contingent upon a candidate's successful enrollment. Successful enrollment is typically defined as passing the clinical trial center's screening, being formally enrolled in the group, and initiating the prescribed medication regimen.

Key terms of agreements with insurance companies. Our insurance companies provide clinical trial liability insurance, including the liability coverage for injuries or deaths of clinical trial participants caused by adverse drug reactions. Our agreements with insurance companies typically have terms of one to two years. We typically pay a one-off total premium for liability coverage, calculated on a per-person basis according to the number of clinical trial participants.

Key terms of agreements with third-party transportation companies. Our third-party transportation companies are responsible for providing cold chain services for our clinical trials, including but not limited to cold chain packaging solution design, cold chain packaging pretreatment, cold chain solution verification, information technology services, cold chain logistics storage, labeling and secondary packaging, clinical material management and recycling and destruction services and other supply chain services. Our service agreements with third-party transportation companies typically have terms of two year. The price for these services is based on a pre-determined price list. We typically receive monthly fee statements and are required to pay within 10 working days of invoice receipt.

COMMERCIALIZATION

To meet market demand amid fierce competition, we will implement a commercialization strategy to maximize the value of our drug candidates globally. Considering the costs of building in-house sales and marketing capabilities, we do not plan to establish a full-scale commercialization team. We will build a lean but efficient sales and marketing team with medical and scientific backgrounds to maximize our product coverage and accelerate the market acceptance in China. Additionally, we may engage CSOs or established pharmaceutical companies with strong sales capabilities in the fields of respiratory, rhinitis and allergies to leverage their sales and marketing expertise, as well as their well-developed networks and resources. Regarding final rights and control of commercialization activities of LP-003, we intend to retain our marketing authorization holder (MAH) status. We also intend to retain effective control and rights over the commercialization of LP-003 in the Chinese mainland. However, given that we are still in the process of seeking commercialization partners, the final decision-making power and the allocation of control will depend on the negotiation results and the agreement reached with those commercialization partners.

We select CSOs and/or pharmaceutical companies based on a variety of factors, including their industry experience and expertise, qualifications, product sales experience, business channels, local promotion capabilities, logistics and distribution capabilities, financial condition, record of regulatory compliance and management capabilities. Our commercialization team will formulate the criteria for screening CSOs and/or pharmaceutical companies, negotiate and determine the cooperation conditions, assess their performance, and participate in the discussion of production/sales strategies. The ideal partners should be able to demonstrate strategic alignment with LP-003, including a proven track record and dedicated focus in the allergy and/or autoimmune therapeutic area. They should also possess a robust commercial infrastructure capable of nationwide hospital coverage, market access, and distribution. Furthermore, we expect these partners to have a strong history of regulatory compliance and effective risk management systems.

Leveraging our accumulated expertise, industry connections, and resources, our in-house team will promote LP-003 through physician-targeted marketing strategies, focusing on direct interactions with key opinion leaders and physicians to drive its clinical adoption. We plan to disseminate the clinical advantages of LP-003 to the target doctor groups through customized clinical visits and training, with a special focus on tertiary hospitals and specialist clinics that feature AR as a distinctive diagnosis and treatment program. These efforts are expected to begin several months before LP-003's commercial launch. We aim to identify hospitals, clinics, and physicians specializing in or renowned for treating AR, and plan to conduct in-person pre-launch training and communications with these physicians. We will also support leading experts in presenting their research findings at national conferences, symposiums, and other significant events, positioning our brand at the forefront of the industry and promote our LP-003 to be included in the guidelines for allergic treatment. We believe that academic promotion efforts will help communicate the advantages of LP-003, guiding the clinical experts to adopt LP-003 in a safe and effective manner and thereby benefitting the patients.

We plan to allocate approximately 13.0% of the estimated net proceeds from the Global Offering (approximately HK$163.1 million) to the commercialization of LP-003 for seasonal AR indication in China. We expect this amount to be sufficient to cover relevant expenses for at least the first six months after the establishment of our small-scale in-house team. We will make necessary adjustments to our commercialization budget plans based on LP-003's sales performance.

Pricing

When LP-003 and our other drug candidates are commercialized, we will determine pricing based on multiple factors, including but not limited to the production costs, pricing of competing drugs (if applicable), our technological advantages, product differentiations, healthcare economies, and changes in demand and supply. We plan to formulate detailed pricing strategies for these drug candidates when they are about to enter the commercialization stage. We will adopt competitive pricing approach with reference to pricing of peer products (if applicable). As of the Latest Practicable Date, the PRC government has not issued pricing guidelines or imposed centralized procurement requirements for our drug candidates.

We will actively consult with relevant authorities to seek inclusion of all indications of LP-003 in the NRDL and other compensation programs. However, inclusion in the NRDL is subject to evaluation and decision by relevant government departments, and we may face intense competition for successful inclusion. The timing for applying for inclusion in the NRDL depends on the timing of the approval for product commercialization. Generally speaking, drugs that are approved on or before June 30 are eligible to participate in the NRDL negotiation for that same year, whereas drugs approved after June 30 can only participate in the negotiation in the following year. We plan to submit BLA of LP-003 for the indication of seasonal AR to NMPA in or before the third quarter of 2026. After LP-003 receives regulatory approval, we expect to apply for its inclusion in the NRDL during the first available application window.

INTELLECTUAL PROPERTIES

Intellectual property, particularly patents and trade secrets, is of critical importance to our business. Our success hinges on our ability to secure and sustain intellectual property protection for our drug candidates, novel discoveries, product development technologies, inventions, and proprietary knowledge. Additionally, we rely on our capacity to defend and enforce our patents, including those currently held or that may be granted based on our patent applications, safeguard the confidentiality of our trade secrets, and operate without infringing upon the valid and enforceable patents and proprietary rights of others. We endeavour to ensure that our global patent portfolio is implemented effectively to protect our drug candidates and product development technologies.

As of the Latest Practicable Date, we owned eight granted patents, including five in the Chinese mainland, one in the United States, one in Japan and one in Taiwan region. We also have 29 patent applications, including eight in the Chinese mainland, six in the United States, 14 in other jurisdictions and one patent applications under the PCT, relating to certain of our drug candidates and product development technologies. The patents are related to our Core Product LP-003 and Key Product LP-005, and also involve our reserve projects. With such comprehensive portfolio of patents, this showcases our innovation ability and technical strength which lays the foundation for our sustainable development. Some of our patents have also applied for PCT, which can simplify the procedures for international patent applications and improve application efficiency and success rate.

As of the Latest Practicable Date, (i) for our Core Product LP-003, we had three material patents granted and four pending patent applications, including one granted and one application in China, one granted in Taiwan China, one granted in Japan, one application in the United States, and two applications in other jurisdictions; and (ii) for our Key Product LP-005, we had one material patent granted, and 18 pending patent applications, including four in China, four in the United States, one under the PCT and nine in other jurisdictions. We have implemented a variety of measures to protect our intellectual property, which include signing confidentiality agreements with our internal personnel, suppliers and external contract providers such as CROs, SMOs and CDMOs, data storage and authorization, and patent applications and trademark applications.

The following table summarizes the details of the material patents granted or expired by our Company in connection with our Core Product and Key Product:

Patent No.	Protection Scope	Core Product/ Key Product	Jurisdiction	Status	Date of Approval	Term	Patent Holder
202010507896.8 . .	Isolated antigen binding protein and use thereof (分離的抗原結合蛋白及其用途)	LP-005	China	Granted	March 8, 2024	20 years	The Company
202010369442.9 . .	Isolated antigen-binding protein and use thereof (分離的抗原結合蛋白及其用途)	LP-003	China	Granted	June 4, 2024	20 years	The Company
TW110140767 . . .	Isolated antigen binding proteins and use thereof (分離的抗原結合蛋白及其用途)	LP-003	Taiwan, China	Granted	August 1, 2025	20 years	The Company

The following table summarizes the details of the material filed patent applications by our Company in connection with our Core Product and Key Product:

Patent Application No.	Protection Scope	Core Product/ Key Product	Jurisdiction	Status	Date of Application	Applicant
202111290274.5	Isolated antigen binding protein and use thereof (分離的抗原結合蛋白及其用途)	LP-003	China	Pending application	November 2, 2021	The Company
EP2021961862	Isolated antigen binding protein and use thereof	LP-003	The European Union	Pending application	October 29, 2021	The Company
JP2024525974	Isolated antigen binding protein and use thereof	LP-003	Japan	Pending application	October 29, 2021	The Company
KR1020247017592	Isolated antigen binding protein and use thereof	LP-003	Korea	Pending application	October 29, 2021	The Company
US18/704841	Isolated antigen binding protein and use thereof	LP-003	The United States	Pending application	October 29, 2021	The Company
202310376695.2	Complement-inhibiting hybrid protein (補體抑制雜合蛋白)	LP-005	China	Pending application	April 10, 2023	The Company
202310543139.X	Biased complement inhibition hybrid protein (偏向性補體抑制雜合蛋白)	LP-005	China	Pending application	May 15, 2023	The Company
202311079100.3	Anti-human complement C5 antibody and fusion protein thereof (抗人補體C5抗體以及其融合蛋白)	LP-005	China	Pending application	August 25, 2023	The Company
202311480139.6	Complement-inhibitory hybrid protein mutant and antibody fusion protein thereof (補體抑制雜合蛋白突變體及其抗體融合蛋白)	LP-005	China	Pending application	November 7, 2023	The Company
US18/000661	Isolated antigen binding protein and use thereof	LP-005	The United States	Pending application	June 4, 2021	The Company
US18/856041	Complement-inhibiting hybrid protein	LP-005	The United States	Pending application	April 6, 2023	The Company
EP2023787575	Complement-inhibiting hybrid protein	LP-005	The European Union	Pending application	April 6, 2023	The Company
JP2024560447	Complement-inhibiting hybrid protein	LP-005	Japan	Pending application	April 6, 2023	The Company
KR1020247037353	Complement-inhibiting hybrid protein	LP-005	Korea	Pending application	April 6, 2023	The Company
PCT/CN2023/094269	Biased complement inhibition hybrid protein	LP-005	PCT	Pending application	May 15, 2023	The Company
US19/107,552	Anti-human complement C5 antibody and fusion protein thereof	LP-005	The United States	Pending application	August 25, 2023	The Company
EP23859266	Anti-human complement C5 antibody and fusion protein thereof	LP-005	The European Union	Pending application	August 25, 2023	The Company

Patent Application No.	Protection Scope	Core Product/ Key Product	Jurisdiction	Status	Date of Application	Applicant
JP2025512731	Anti-human complement C5 antibody and fusion protein thereof	LP-005	Japan	Pending application	August 25, 2023	The Company
KR1020257009503 . . .	Anti-human complement C5 antibody and fusion protein thereof	LP-005	Korea	Pending application	August 25, 2023	The Company
US19/128,947.	Complement-inhibitory hybrid protein mutant and antibody fusion protein thereof	LP-005	The United States	Pending application	November 7, 2023	The Company
KR1020257018142 . . .	Complement-inhibitory hybrid protein mutant and antibody fusion protein thereof	LP-005	Korea	Pending application	November 7, 2023	The Company
EP23888009	Complement-inhibitory hybrid protein mutant and antibody fusion protein thereof	LP-005	The European Union	Pending application	November 7, 2023	The Company
JP2025527071	Complement-inhibitory hybrid protein mutant and antibody fusion protein thereof	LP-005	Japan	Pending application	November 7, 2023	The Company

Up to the Latest Practicable Date, none of our patent applications had been rejected by the PRC or patent registration authorities in other jurisdictions. As of the Latest Practicable Date and as advised by our IP counsel, we had not received any material concerns or inquiries from relevant competent authorities that makes us believe that any of the pending patent applications will be rejected.

FTO opinions can be obtained before patent applications to determine whether inventions are covered by any prior art. Such practice is a common practice in the pharmaceutical industry to assess the likelihood of securing the freedom to operate of the patented products and/or technologies. Patent protection is considered particularly advantageous for biological drugs, including our Core Product and Key Product, due to their complex and specific structures and distinctive sequences, which reduces the probability of overlapping with existing patents. We have obtained FTO opinions in China, the U.S. and the EU, which focus on the active pharmaceutical ingredient's sequence in China, the U.S. and the EU. The FTO opinions have performed screening of antibody sequences, which have not revealed any significant overlaps.

Given the inherent characteristics of our Core Product and Key Product, we anticipate no foreseeable difficulties or legal obstacles in obtaining approvals for significant patent applications, which aligns with general trends observed in securing patents for biologics. However, we cannot guarantee that patents will be granted for any pending applications or future filings. See "Risk Factors — Risks Relating to Our Intellectual Property Rights" for the impact on our business, financial position or results of operations if we eventually fail to obtain the relevant patents.

Based on the FTO opinions on LP-003 and LP-005 in China, the U.S. and the EU, our Directors believe that our current patents and patent applications will render sufficient IP protection to the development and commercialization of our product. According to the FTO opinions on LP-003 and LP-005 in China, the U.S. and the EU, our Directors believe that we can implement the product technology of LP-003 and LP-005 in China, the U.S. and the EU without any material risk of patent infringement. As of the Latest Practicable Date, based on information in the public domain and as advised by our IP counsel, there was no application for patent term adjustments or extensions of third-party claims that may pose a material and adverse impact on our patent applications in our targeted jurisdictions.

During the Track Record Period and up to the Latest Practicable Date, we had not received any IP rights infringement complaints and our drug candidates had not been subjected to any claim, litigation or investigation for any IP issue. In addition, from the FTO opinions, no substantial risk of infringement by any current key technologies or features of our Core Product and Key Product against any active patents in China was identified.

The protection granted by a patent varies depending on the claims made and the country in which it is issued. This is influenced by several factors, including the type of patent, its scope, duration and any extensions or adjustments to its term, the availability of legal remedies, and the validity and enforceability of the patent. Consequently, we cannot guarantee that patents will be granted for any of our pending applications or those that may be filed in the future, nor can we ensure that any issued patents or future patents will effectively protect our drug candidates and manufacturing methods commercially.

As of the Latest Practicable Date, we have 19 registered trademarks, nine pending trademark applications and four registered domain names to protect our corporate logo and image in the jurisdictions where available and appropriate. As of the Latest Practicable Date, we owned 17 registered trademarks in China and two registered trademarks in Hong Kong and have filed nine trademark applications in China. For the material registered trademarks, pending trademark applications and domain names, see "Appendix VI — Statutory and General Information — Intellectual Property Rights".

During the Track Record Period and up to the Latest Practicable Date, (i) we were not involved in any legal, arbitral or administrative proceedings in respect of third-party intellectual property; and (ii) we were not involved in any proceedings in respect of any intellectual property rights that may be threatened or pending and that may have an influence on the R&D for any of our drug candidates in which we may be a claimant or a respondent.

SUPPLIERS

During the Track Record Period, our key suppliers mainly included (i) suppliers of raw materials and consumables used in drug development; and (ii) third-party contractors such as CROs, SMOs and CDMOs.

Most of our raw materials are readily available, and we are able to purchase from multiple suppliers in accordance with our product development plans. Currently, we mainly procure raw materials, including chemicals and reagents, from Chinese suppliers. We have established stable cooperative relationships with qualified raw material suppliers, and we believe these suppliers have the capability to meet our needs. Nevertheless, we believe there are sufficient alternative sources for such supplies. When selecting suppliers, we consider factors such as their qualifications, compliance with relevant regulations and industry standards, production facilities, production quality, pricing, business scale, market share, reputation, and the quality of after-sales services. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material disputes with suppliers, difficulties in procurement, or interruptions in our operations due to a delay in delivery of raw materials.

Below is a summary of the key terms of the agreements that we entered into with our key suppliers of raw materials and consumables used in drug development and suppliers for office decoration services. For details of our collaboration with CROs, SMOs and CDMOs, please refer to "— Research and Development — Collaboration with Third Parties — Relationship with CROs and SMOs" and "Manufacturing and Quality Control — Collaboration with CDMOs."

Key terms of agreements with suppliers of raw materials and consumables used in drug development. We typically enter into direct procurement agreements with our suppliers of raw materials and consumables, including biological specimens such as laboratory animals, required for our clinical trials and drug development projects which may be conducted in the facilities of our third-party contractors including CROs, SMOs and CDMOs. As a sponsor of our drug development projects, we bear the costs for these raw materials and consumables in accordance with the payment schedules of the agreements. We typically pay a portion of the total contract value to our suppliers upon signing the agreements and make the final payment for the remaining balance upon acceptance of the deliveries or receiving written notifications from our CROs, SMOs and CDMOs confirming acceptance of the deliveries.

Key terms of agreements with suppliers for office decoration services. Our suppliers for office decoration services are typically responsible for providing detailed construction plans and schedules, including the start date and planned completion date, and construction drawings and

work descriptions for our review and approval. We typically make payments according to the milestone schedules specified in the agreements. These agreements typically include a quality warranty period of up to two years, effective from the date of project acceptance.

In 2024 and 2025, our purchases from our five largest suppliers in each year in the aggregate accounted for 51.65% and 41.15% of our total purchases in the respective year, respectively, and purchases from our largest supplier in each year accounted for 25.99% and 15.45% of our total purchases in the respective year, respectively. The following table sets forth details of our five largest suppliers in each year during the Track Record Period.

Five Largest Suppliers for the Year Ended December 31, 2025

Name of Supplier	Suppliers' Background	Products/ Services Supplied	Commencement of Business Relationship	Credit Term	Purchase Amount	Percentage of Total Purchase
					(RMB'000)	*(%)*
Supplier A	A CDMO mainly engaged in the development, production and sale of drugs for major diseases.	CDMO services	2023	Settle in accordance with the milestones in the contract; within 10 days upon the execution of the contract terms	17,938	15.45
Supplier B	A CRO focusing on large animal testing.	Non-clinical studies	2024	Settle in accordance with the milestones in the contract; within 10 days upon the execution of the contract terms	12,476	10.75
Supplier C	A CRO that provides clinical research and related technical services to pharmaceutical companies.	CRO services	2024	Settle in accordance with the milestones in the contract; within 10 days upon the execution of the contract terms	6,857	5.91
Supplier D	A CRO focusing on providing services for pharmaceutical and medical device product development.	CRO services	2022	Settle in accordance with the milestones in the contract; within 7 days upon the execution of the contract terms	6,396	5.51
Supplier G	Mainly engaged in real estate business.	Housing rental services	2023	Within 10 days of the beginning of each quarter	4,101	3.53
				Total	**47,768**	**41.15**

Five Largest Suppliers for the Year Ended December 31, 2024

Name of Supplier	Suppliers' Background	Products/ Services Supplied	Commencement of Business Relationship	Credit Term	Purchase Amount	Percentage of Total Purchase
					(RMB'000)	*(%)*
Supplier A	A CDMO mainly engaged in the development, production and sale of drugs for major diseases.	CDMO services	2023	Settle in accordance with the milestones in the contract; within 10 days upon the execution of the contract terms	24,344	26.0

Name of Supplier	Suppliers' Background	Products/ Services Supplied	Commencement of Business Relationship	Credit Term	Purchase Amount	Percentage of Total Purchase
					(RMB'000)	*(%)*
Supplier D	A CRO focusing on providing services for pharmaceutical and medical device product development.	CRO services	2022	Settle in accordance with the milestones in the contract; within 7 days upon the execution of the contract terms	10,207	10.9
Supplier F	A technical service company specializing in the safety evaluation of new drugs.	Non-clinical studies	2022	Settle in accordance with the milestones in the contract; within 10 days upon the execution of the contract terms	6,453	6.9
Supplier G	Mainly engaged in real estate business.	Housing rental services	2023	Within 10 days of the beginning of each quarter	3,901	4.2
Supplier H	Engaged in construction and property interior decoration.	Office decoration services	2024	Settle in accordance with the milestones in the contract; within 7 days upon the execution of the contract terms	3,474	3.7
				Total	**48,379**	**51.7**

To the best of knowledge of our Directors, all of our five largest suppliers in each year during the Track Record Period are Independent Third Parties. None of our Directors, their respective associates nor any shareholder who, to the best knowledge of our Directors, owned more than 5% of our issued share capital as of the Latest Practicable Date, has any interest in any of our five largest suppliers in each year during the Track Record Period.

CUSTOMER

We did not generate any revenue for the years ended December 31, 2024 and 2025.

COMPETITION

The markets for biopharmaceutical industry are evolving and highly competitive. While we believe that our R&D capabilities enable us to establish a favorable position in the industry, we encounter competition from international and domestic biopharmaceutical companies, specialty pharmaceutical and biotechnology companies of various sizes, academic institutions and research institutions. Given the high entry barriers, stringent industry regulations, extended R&D cycles, and substantial capital requirements, we believe that we are able to surpass both new and existing competitors in the market. We intend to leverage our integrated proprietary R&D platforms, our expertise in identifying promising targets, mechanisms, and pathways for drug development, as well as the efficacy and safety of our drug candidates. We anticipate that competition will intensify as more participants enter the biopharmaceutical industry. Any drug candidates we successfully develop and commercialize will face competition from existing medications as well as any new drugs that may become available in the future. For more information on the competitive landscape of our drug candidates, see "Industry Overview."

INSURANCE

We maintain insurance policies that we consider to be in line with market practices and adequate for our business. These include drug clinical trial liability insurance to cover injuries to trial subjects from SAEs and accident insurance. For details, see "Risk Factors — Other Risks Relating to Our Operations — Our limited insurance coverage may lead to significant costs and resource diversion if claims exceed these limits." We consider that the coverage from the insurance policies maintained by us is adequate for our present operations and is in line with the industry norm. During the Track Record Period and up to the Latest Practicable Date, we had not made or been the subject of any material insurance claims.

EMPLOYEES

The following table sets forth the number of our full-time employees by function/department as of December 31, 2025:

Function/department	Number of full-time employees	Percentage
		(%)
Senior management	3	3.5
R&D	63	74.1
Operations	19	22.4
Total	85	100.0

We employ most of our staff under fixed-term individual employment contracts, typically for three years, with long-term renewal options, detailing salaries, bonuses, employee benefits, workplace safety protocols, confidentiality obligations, work product assignment clauses, and grounds for termination. Our employees' remuneration includes salaries, bonuses, housing provident funds and social insurance premium. We also entered into separate confidentiality with our senior core management team members, including department heads, and non-competition agreements with our two co-founders and key members of our R&D team and other employees who have access to trade secrets or confidential information about our business.

In order to ensure our employees are equipped with the most up-to-date knowledge and market intelligence, and to ensure they are equipped with higher quality and skill levels, we offer regular and specialized training for our employees across all departments. These trainings include new employee induction trainings, Environment, Health, and Safety ("**EHS**") trainings covering safety production and occupational health and specialised trainings depending on the needs of each department. For further information, see "— Occupational Health, Safety and Environmental Matters" in this section.

During the Track Record Period and up to the Latest Practicable Date, we had complied with the social insurance premiums and housing provident funds for our employees in all material aspects. As at the Latest Practicable Date, we have not established any labour union. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any disagreement or were in disputes with our employees in relation to their employment with us which would have a material adverse impact on our business, operations and financials.

LEASED PROPERTIES

As of the Latest Practicable Date, we have three leased properties with an aggregate gross floor area ("**GFA**") of approximately 4,073.91 sq.m., which are primarily used for R&D. We believe our current facilities are sufficient to meet our short-term needs. We do not anticipate undue difficulty in renewing our leases upon their expiration. The following table sets forth the details of our leased property as of the Latest Practicable Date:

Location	GFA	Lease Term
	(sq.m.)	
Room 302, 3rd Floor, Building 88, Lane 887, Zuchongzhi Road, Pudong New District, Shanghai, the PRC	2,671.91	June 15, 2023 to June 14, 2026
5th Floor, Building F, Block A, 128 Yinhe Road, Southeast Street, Changshu City, Suzhou, the PRC	1,370	March 1, 2024 to February 28, 2029
Room 320, 3rd Floor, Building E, Building 2, No. 688, Bin'an Road, Changhe Street, Binjiang District, Hangzhou, the PRC	32	June 15, 2025 to June 14, 2028

As of the Latest Practicable Date, save for our leased property in Suzhou, all of our lease agreements had been filed with competent governmental authorities in accordance with the "Regulations on the Administration of Commodity Housing Leases" (《商品房屋租賃管理辦法》). Regarding our leased property in Suzhou, the property is located on land classified as having a "Collective Construction Land Use Right." According to the "Commercial Housing Rental Management Measures" (《商品房屋租賃管理方法》) and confirmation from local authorities, lease registration requirements do not apply to properties on this type of land. As advised by our PRC Legal Advisor, as of the Latest Practicable Date, our leased property in Suzhou was not subject to lease registration. As advised by our PRC Legal Advisor, the non-registration of our leased property in Suzhou will not affect the validity of such lease or result in us being required to vacate the leased property. For details of risks relating to our leased properties, see "Risk Factors — Other Risks Relating to Our Operations — We depend on leased premises for our operations in China, which subjects us to leasing-related risks."

AWARDS AND RECOGNITIONS

We have received various awards and recognitions since our commencement. The following table sets forth the selected awards and projects as of the Latest Practicable Date:

Year of Grant	Project/Entity	Award/Recognition	Issuing Authority
2023	The Company	Unicorn Cultivation Enterprises (獨角獸培育企業)	Suzhou Municipal Bureau of Science and Technology (蘇州市科學技術局)
2022	The Company	Innovative Small and Medium-sized Enterprise (創新型中小企業)	Suzhou Municipal Bureau of Industry & Information Technology (蘇州市工業和信息化局)
2022	The Company	High-tech Enterprise (高新科技企業)	Jiangsu Provincial Department of Science and Technology (江蘇省科學技術廳), Department of Finance of Jiangsu Province (江蘇省財政廳), and Jiangsu Provincial Tax Services of the State Taxation Administration (國家税務總局江蘇省税務局)

OCCUPATIONAL HEALTH, SAFETY AND ENVIRONMENTAL MATTERS

Overall

We are committed to integrating environmental, social and governance ("**ESG**") principles into strategic decision-making and policy frameworks. By establishing an ESG governance structure and enacting the Sustainable Development Policy (《可持續發展政策》), an ESG management mechanism has been formed. We have implemented a three-tier ESG management system encompassing decision-making, organizational and executive levels. Our Board, being the highest governing body for our ESG management, bears ultimate responsibility for all ESG-related decision-making. The Board is responsible for resolving and approving our ESG and climate-related issues, assessing, prioritizing and managing material ESG issues, risks and opportunities, and regularly reviewing and monitoring the performance of ESG and climate-related issues and the progress of achieving targets. Our Board meets at least once a year to discuss ESG-related issues. Our Board has authorized the ESG working group as the secondary-tier governance body within the ESG management structure. Comprising primarily functional leaders from the Operations Division, this team is institutionally responsible for centralizing the stewardship of corporate ESG issues, with defined duties as follows: (i) To formulate ESG and climate-related governance policies, strategies, plans, annual tasks and targets for Board's approval, and promote their implementation; (ii) to hold meetings with the Board to discuss or report to the Board on our ESG issues at least

annually; (iii) to identify, assess, review and manage material ESG and climate-related risks and opportunities; (iv) to collect, understand, and respond to stakeholders' opinions on material ESG issues through appropriate channels; and (v) to participate in the preparation of the annual ESG report.

As the third tier of the ESG management structure, the executive level, which consists of various subordinate departments under our operations division, is primarily responsible for organizing and implementing of ESG and climate-related tasks in accordance with our management policies and strategic planning, collecting relevant policies and performance indicators, and regularly reporting to the ESG working group. Our Board members have completed ESG training, and we have engaged an independent third-party ESG consultant to obtain ESG expertise support. We are committed to complying with the ESG reporting requirements after Listing and the responsibility to publish ESG report on an annual basis in accordance with Appendix C2 to the Listing Rules. We will focus on each of the areas as specified in Appendix C2 to the Listing Rules to analyze and disclose material ESG issues, risk management and the accomplishment of performance indicators, particularly those environmental and social issues that could have a material impact on the sustainability of our operations and that are of interest to our Shareholders.

Materiality Assessment

To identify the needs and expectations of stakeholders and clarify the priority of ESG issues to optimize resource allocation, we engaged an independent ESG consultant to assist in conducting a materiality assessment with reference to the reporting principles and ESG issues set out in Appendix C2 to the Listing Rules. This materiality assessment involved distributing questionnaires to collect stakeholders' concerns, analyzing and evaluating materiality along dual dimensions — stakeholder and corporate, and generating a materiality matrix through prioritization of key issues.

Energy and Emissions Management

We comply with the Environmental Protection Law of the People's Republic of China and other applicable environmental regulations and legal requirements. Our energy consumption and carbon emissions primarily originate from electricity purchased from the grid. We are committed to reducing greenhouse gas emissions generated during our operations and have formulated the Detailed Rules on Environmental Protection Measures (《環境保護措施細則》). We advocate the concept of energy conservation and emission reduction, implementing a series of energy-saving and emission reduction measures such as prioritizing natural lighting, office equipment power management, and air conditioning usage management to enhance energy efficiency.

Water and Resource Management

As we have not yet commenced commercial production, during the Track Record Period, our water resources were primarily used for daily use in offices and laboratories to support internal R&D and operational activities. We will encourage employees to conserve water and promote efficient utilization of water resources through measures such as regular inspection of water equipment, monitoring of water consumption, encouraging paperless office, advocating the use of double-sided paper, and minimizing disposable consumables such as paper cups as set out in the Detailed Rules on Environmental Protection Measures (《環境保護措施細則》).

Waste Management

We strictly comply with relevant laws and regulations such as the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes and the Standard for Pollution Control on Hazardous Waste Storage (GB18597-2001), and established the Standard Management Procedures for Laboratory Wastes (《實驗廢棄物標準管理規程》), adhering to the principles of waste classification for treatment, harm-reducing pre-treatment, and recycling and reusing to reduce waste generation and avoid secondary pollution. Our specific measures for managing hazardous and non-hazardous wastes include: (i) Wastes shall be collected based on the classification, stored properly, and labelled on the exterior of collection containers which shall indicate information such as the name of the wastes, and shall be securely sealed; (ii) all infectious materials shall be decontaminated, autoclaved, or collected and temporarily stored within the laboratory before being transferred to a professional waste treatment company for treatment. When engaging a third party to treat hazardous wastes, we will verify its qualifications to ensure that it possesses the hazardous waste operation permits and other qualifications and licenses required by laws and regulations. We also require such service provider to provide written records of hazardous waste transfer for internal keeping; (iii) hazardous waste signs shall be placed at the facilities and sites for the collection, storage, transportation, utilization, and disposal of

hazardous wastes. All containers and packaging materials containing hazardous wastes shall be affixed with hazardous waste labels or signs; and (iv) non-hazardous wastes are collected by us and then transferred to a qualified third-party supplier for treatment.

We prioritize the safety management of hazardous chemicals and have implemented a series of measures to mitigate the risks of environmental pollution and personal injury caused by chemical leaks. Specific measures include: (i) Formulating the Corporate Laboratory Safety Management Standards for Hazardous Chemicals (《企業實驗室危險化學品安全管理規範》) to regulate the management of chemicals; (ii) developing the Emergency Response Plan for Safety Incidents and Sudden Environmental Events (《安全事故及突發環境事件應急預案》), which outlines emergency handling procedures and rescue protocols for safety accidents or leaks during the handling of hazardous waste, providing clear guidance for response actions; and (iii) conducting regular emergency drills for hazardous chemical incidents and requiring relevant laboratory personnel to participate, ensuring that employees are proficient in handling safety emergencies involving hazardous chemicals.

During the Track Record Period and up to the Latest Practicable Date, we had not (i) violated any laws or regulations related to exhaust gas and greenhouse gas emissions, discharge of pollutants into water and land, or generation of hazardous and non-hazardous wastes; (ii) experienced any significant incidents affecting the environment and natural resources; or (iii) received any notices of environmental fines or litigation. To the best knowledge and belief of our Directors, we are not subject to material environmental liability risk and will not incur material compliance costs in the future.

During the Track Record Period and up to the Latest Practicable Date, we complied with the relevant environmental and occupational health and safety laws and regulations in all material aspects, and we did not have any incidents or complaints which had a material and adverse effect on our business, financial condition or impact on the operations of our business during the period. For the years ended December 31, 2024 and 2025, our expenses in relation to environmental compliance matters were immaterial. We expect our costs of complying with current and future environmental protection laws will increase in the future, as we further our R&D efforts and commence commercial manufacturing of our products after regulatory approval.

Indicators

We calculate greenhouse gas emissions including Scope 1, Scope 2 and Scope 3 emissions. Scope 1 emissions refer to direct greenhouse gas emissions, primarily generated from energy directly consumed in our operations (including greenhouse gases generated from the combustion of fossil fuels in mobile sources). Scope 2 emissions refer to indirect greenhouse gas emissions primarily generated from the consumption of purchased electricity. Scope 3 emissions refer to greenhouse gas emissions primarily resulting from wastepaper disposal, freshwater and wastewater treatment, and business travel. The table below sets out our greenhouse gas emissions and resource consumption during the Track Record Period:

	For the year ended December 31, 2024	For the year ended December 31, 2025
Greenhouse gas emissions		
Scope 1 (direct emissions) (in tonnes CO_2e)	–	1.95
Scope 2 (indirect emissions) (in tonnes CO_2e)	257.71	267.19
Scope 3 (other indirect emissions) (in tonnes CO_2e)	28.42	38.17
Scopes 1 and 2 greenhouse gas emissions (in tonnes CO_2e)	257.71	269.14
Total greenhouse gas emissions (Scopes 1, 2 and 3) (in tonnes CO_2e)	286.12	307.31
Resource consumption		
Electricity consumption (kWh)	480,263.12	497,928.75
Water consumption (m^3)	791.00	605.00
Gasoline (L)	–	730.80
Wastes		
Hazardous wastes (tonnes)	4.62	3.74

The Group's current operations comprise office and laboratory activities, supporting daily administrative functions and R&D of new pharmaceutical products. This also constitutes our main source of water and electricity consumption. As we do not have our own production facilities, our current levels of water and electricity consumption are lower than those of industry peers with in-house production bases. In the future, we will rely on third-party partners for commercial production.

As we proceed with our business activities, advance clinical trials, and commercialize candidate drugs, and anticipated growth in team size, we anticipate an increase in resource consumption and emissions. However, we are committed to implementing various measures to optimize resource utilization and reduce emissions.

Our Targets

Based on historical energy consumption data during the Track Record Period, our existing operational model, and references to peer benchmarks, the Company has established targets consistent with prevailing industry trends. Our target is to reduce electricity and water consumption per employee by approximately 5% by 2030. To achieve our target, we adopt the following measures: (i) implement the management systems for air conditioner and computer usage, monitor the usage of electrical appliance and equipment, strengthen electricity usage management, and reduce power consumption and standby energy consumption; (ii) prioritize the procurement of energy-efficient lighting fixtures to improve energy utilization efficiency; (iii) conduct electricity-saving campaigns to enhance employees' awareness and consciousness of energy conservation; and (iv) post water-saving slogans in the office and encourage employees to conserve water.

Climate Change

We recognize that the physical risks arising from ongoing changes in climate patterns and extreme weather events, and the transition risks associated with policy changes and the global transformation toward a low-carbon economy, may impact our operations. Therefore, we have systematically identified and assessed climate-related risks in the short term (within five years), medium term (five to 15 years), and long term (beyond 15 years), and have formulated corresponding response measures.

Physical risks (short term and long term) and response measures

If we experience short-term extreme weather events such as floods or cyclones at our operating locations, this may affect employee commuting safety, laboratory equipment security and data storage, which in turn impacts R&D progress. To address acute physical risks, in addition to closely monitoring weather forecasts and promptly releasing extreme weather alerts, we require employees who cannot come to office, to work remotely and advance their work. We have developed the Contingency Plan for Safety Incidents and Sudden Environmental Events (《安全事故及突發環境事件應急預案》) to ensure that we can properly adopt emergency responses, repairs, and follow-up measures in the event of accidents causing casualties or operational disruptions. We also conduct regular maintenance on laboratory equipment, perform daily data backups, and ensure timely archiving to safeguard equipment and data security. In addition, we consider extreme temperatures as chronic physical risks, which may affect the working environment of employees and reduce work efficiency. At the same time, extreme temperatures will increase electricity consumption for maintaining the storage temperature of chemicals sensitive to temperature and humidity, and raise maintenance costs for related equipment, thereby potentially increasing operational costs. Our response measures include: formulating emergency rescue and management procedures for occupational disease hazards, identifying occupational disease risk factors such as high temperatures, and preparing corresponding contingency plans to secure the health and safety management of all our employees; classifying and storing chemicals according to their characteristics, equipping storage facilities which have the functions of heat insulation, cooling, ventilation, and protection from direct sunlight under storage environment; and establishing fire emergency plans, providing sufficient fire extinguishers, hydrants, and other safety facilities and equipment, and designating personnel to conduct regular inspections to ensure the safety of hazardous chemicals in response to extreme temperatures.

Transition risks (medium to long term) and response measures

We recognize that the Stock Exchange may impose increasingly stringent requirements on climate-related information disclosures, which could increase our sustainability disclosure obligations and compliance costs. To address these policies and regulatory risks, we will closely

monitor changes in climate-related regulations and policies across jurisdictions, strengthen climate information disclosure and management efforts, and ensure that our business operations consistently comply with the requirements of laws and regulations of the respective jurisdictions.

Employment Practices

We strictly abide by the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and other relevant labor laws and regulations. We have established the Employee Manual (《員工手冊》) and the Human Resource Management System (《人力資源管理制度》), covering recruitment, remuneration, working hours, leave benefits, promotion, training, etc., to fully protect the rights and interests of employees. We employ our employees on the basis of merit, adhering to the principle of equal employment opportunities, and create a diverse and inclusive working environment. We conduct background checks on the employees to be recruited to ensure the authenticity of their information. As of December 31, 2025, we had a total of 85 employees in China, including 62 female employees and 23 male employees, accounting for 72.9% and 27.1% of the total number of employees, respectively.

Development and Training

We attach great importance to employee training and provide trainings on labor protection and safety, personnel administration system and quality control system through a combination of internal and external trainings. We require all employees to complete compliance training, and considers the results of each training assessment as one of the reference standards for promotion, demotion or reward and punishment. We have implemented the Promotion Management System (《晉升管理制度》) to provide promotion opportunities for employees with excellent performance in performance appraisal based on their work performance, capabilities and attitudes.

Remuneration and Benefits

Employee's remuneration consists of basic salary, performance-based salary and bonus. In accordance with national regulations, we provide employees with social insurance funds (including medical insurance, pension insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing provident fund. We also offer paid leave such as annual leave, marriage leave, prenatal check-up leave, and bereavement leave, and organize annual health check-ups for employees. We also implement employee incentive plans and employee recognition plans to incentivize employees to improve their work efficiency and quality through performance-based bonuses, career development opportunities, internal and external learning opportunities and other means.

Occupational Health and Safety

We implement the EHS Management Manual, enforce the occupational health and safety policy of safety first, cherishing life and prevention first, require all departments to formulate EHS objectives and management measures, and conduct regular EHS training. We have formulated contingency plans for safety accidents and sudden environmental emergencies, implemented strict controls over laboratories, chemicals and fire safety, and clearly specified procedures for handling safety and environmental emergencies. We also regularly conduct emergency drills to improve employees' safety awareness and response capabilities. During the Track Record Period and up to the Latest Practicable Date, we had not encountered any material health and safety incidents. We are committed to maintaining our health and safety track record. During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material fines or other material penalties due to non-compliance with health and safety laws or regulations.

Anti-bribery and Anti-corruption

In terms of prevention of corruption and bribery, we have formulated the Anti-Fraud Management System (《反舞弊管理制度》), which aims to regulate the professional behaviors of employees, especially the management and employees on key positions, to strictly abide by relevant laws and regulations, professional ethics and our internal control system and prevent behaviors damaging our interests and shareholders. The system clearly stipulates that acceptance of bribes or kickbacks as well as corruption, misappropriation, transfer, theft of company property and other misconduct are fraudulent acts. Our operations department is responsible for managing the hotline and email for reporting fraud cases, receiving real-name or anonymous reports from employees and real-name or anonymous reports from external third parties, leaving written records and reporting to our management or our Board in a timely manner.

Information Security

We have developed systems relating to the confidentiality of our information systems and document information, which are designed to ensure the secure and stable operation of our information systems and enhance the management of confidential document information. The policies stipulate that the computers of employees shall be uniformly configured by the management personnel, and it is strictly forbidden to use pirated or unauthorized software. We have established different levels of confidentiality, where various categories of confidential documents are only accessible to authorized personnel, and the application for access of non-authorized information and materials shall be approved accordingly. For sensitive data, we adopt encrypted storage measures, and access to sensitive data requires multiple authentication. In addition, we back up data regularly to ensure data security.

Supply Chain Management

To ensure the legality, fairness and transparency of the procurement process, we have established a systematic supplier management system to review suppliers' qualifications, quality management control, personnel qualifications and other performance based on actual business needs. While fulfilling meeting actual business requirements, we will prioritize the establishment of partnerships with suppliers that demonstrate good environmental practices to ensure compliance with our ESG policies.

Clinical Trial Safety

To enhance clinical trial safety and ensure compliance, we have implemented the following measures:

(i) While maintaining primary regulatory oversight, we select reputable CROs and SMOs based on multidimensional criteria, including professional qualifications, relevant research experience, service quality and efficiency, industry reputation, and reasonable pricing. These partners are entrusted with critical tasks such as pharmacovigilance to ensure processes adhere to safety standards; (ii) throughout the collaboration, we conduct ongoing supervision and quality checks to ensure CROs and SMOs strictly comply with contractual agreements and applicable laws and regulations, safeguarding trial compliance and subject safety; (iii) we regularly monitor regulatory updates and develop protocols in accordance with the latest clinical trial safety guidelines; and (iv) clinical trial liability insurance is purchased for subjects to cover compensation for personal injury or death due to adverse drug events. No serious adverse events occurred during the Track Report Period.

PERMITS, LICENSES AND OTHER APPROVALS

Our PRC Legal Advisor has advised that, during the Track Record Period and up to the Latest Practicable Date, we had obtained all licenses, permits, approvals and certificates from the relevant PRC government authorities that are material to our operations in the PRC.

The following table sets forth the details of our material licenses, permits and approvals as of the Latest Practicable Date:

License/Permit	Issuing Authority	Holder	Grant date	Expiration date
Pollution Discharge Registration Receipt (固定污染源排污登記回執) .	Ministry of Ecology and Environment of the People's Republic of China (中華人民共和國生態環境部)	Shanghai Longyan Biotechnology Co., Ltd.	September 26, 2024	September 25, 2029
Pollution Discharge Registration Receipt (固定污染源排污登記回執) .	Ministry of Ecology and Environment of the People's Republic of China (中華人民共和國生態環境部)	Our Company	November 6, 2025	November 5, 2030

LEGAL PROCEEDINGS AND COMPLIANCE

We may from time to time be involved in contractual disputes or legal proceedings arising out of the ordinary course of business or pursuant to governmental or regulatory enforcement actions. During the Track Record Period and up to the Latest Practicable Date, neither we nor any of our Directors were involved in or subject to any litigation, arbitration, administrative proceedings, claims, damages or losses which would have a material adverse effect on our business, financial position or results of operations as a whole. As of the Latest Practicable Date, we were not aware of any pending or threatened material litigation, arbitration or administrative proceedings against us or any of our Directors, which individually or as a whole would have a material adverse effect on our business, financial position or results of operations. During the Track Record Period and up to the Latest Practicable Date, according to our PRC Legal Advisor, we had complied, in all material respects, with relevant PRC laws and regulations in the jurisdictions we operate in, and no material administrative penalties were imposed on us.

Third-party agency contribution to social insurance and housing provident funds

Pursuant to the relevant PRC laws and regulations, employers are obligated to directly and duly contribute to the social insurance and housing provident funds for their employees. During the Track Record Period, we, at the request of seven employees, engaged a third-party agency to make contribution to social insurance and housing provident fund for the relevant employees in their cities of residence ("**Engagement**"), primarily because those employees prefer such social insurance and housing provident fund to be paid in such locations for the convenience of utilizing such benefits locally, which was not in strict compliance with applicable PRC laws and regulations.

The third-party agency confirmed in writing that (1) costs of such Engagement were fully borne by us and no interests of the relevant employees were prejudiced. According to the contribution base, percentage and employee list provided by our Company, the third-party agency has duly and fully made contributions to social insurance and housing provident funds for the relevant employees as required by and on behalf of our Company; (2) during the Engagement, there have been no investigations, rectification orders or administrative penalties by any competent labour, social insurance and housing provident fund authorities due to underpayment, late payment or non-payment of social insurance and housing provident funds for the relevant employees; (3) there have been no penalty or rectification orders imposed by the relevant competent authorities due to the arrangement of social insurance and housing provident funds among our Company, third-party agency and the relevant employees; and (4) if the third-party agency fails to make contributions to social insurance and housing provident funds for relevant employees pursuant to the Engagement, the third-party agency shall be liable for all liabilities as a result of the breach of the Engagement and make compensation to our Company, if applicable.

During the Track Record Period, as instructed and on behalf of our Company, the amounts of social insurance and housing provident funds paid by the third-party agency were RMB0 and RMB0.4 million, for the years ended 2024 and 2025, respectively. During the Track Record Period and up to the Latest Practicable Date, no administrative action or penalty has been imposed by the relevant regulatory authorities with respect to our Company's social insurance and housing provident fund contributions, nor have we received any order or been informed to make any supplementary payments. As advised by our PRC Legal Advisor, the likelihood that our Company will be subject to administrative penalties by relevant authorities for using a third-party agency, thereby causing material adverse effects on our operation or financial condition, is remote. As a result, no provision had been made in this regard.

According to the "Suzhou Enterprise Specialized Credit Report (in lieu of the Certificate of No Illegal Violations) (《蘇州市企業專用信用報告(代替企業無違法證明)》)" obtained by our Company on July 22, 2025, there has been no administrative penalty information or records of credit restoration related to administrative penalties in respect of human resources and social insurance as well as the management of housing provident funds from January 1, 2023 to July 22, 2025 (both dates inclusive).

We have strengthened our internal control procedures and required that under all future employment, social insurance and housing provident contributions of the employees, despite their residential city differences, must be made directly by us. We are continuously working with the relevant employees on the possibility of transferring their social insurance and housing provident fund contribution payment from the Engagement to a direct payment under the Company without affecting the relevant employees' interests; however, such arrangements require cooperation from those relevant employees. Up to the Latest Practicable Date, the Company had successfully transferred one employee's social insurance and housing provident fund contributions made from the Engagement to be directly paid by the Company.

Accordingly, our Directors and PRC Legal Adviser are of the view that the Engagement for social insurance and housing provident fund contribution would not have a material adverse effect on our business, results of operations or financial condition or the Listing.

RISK MANAGEMENT AND INTERNAL CONTROL

We have devoted ourselves to establishing and maintaining risk management and internal control systems consisting of policies and procedures that we consider to be appropriate for our business operations, and we are dedicated to continuously improving these systems. See "— Data Protection" in this section for discussion on the data protection procedures we have in place.

Risk Management

We are exposed to various risks in our business operations, and we recognize that risk management is critical to our success. For more information, see "Risk Factors — Risks Relating to Our Business". We are also exposed to various market risks, in particular, credit, liquidity, interest rate and currency risks that arise in the normal course of our business. For more information, see "Financial Information — Market Risk Disclosure."

We have adopted a series of risk management policies which set out a risk management framework to identify, assess, evaluate, and monitor key risks associated with our strategic objectives on an ongoing basis. Risks identified by management will be analyzed based on likelihood and impact and will be properly followed up, mitigated and rectified by our Company and reported to our Directors. To monitor the continuous implementation of risk management policies and corporate governance measures after the Listing, we have adopted or will continue to adopt, among other things, the following risk management measures: (i) establish an audit committee to review and supervise our financial reporting process and internal control system. Our audit committee consists of three members: SIU Paul Yu Hay, chairman of the committee, RUAN Tim and LIN Jian. For the qualifications and experiences of these members, see "Directors and Senior Management"; (ii) adopt various policies to ensure the compliance with the Listing Rules, including but not limited to policies in respect of risk management, connected transactions and information disclosure; (iii) provide regular anti-corruption and anti-bribery compliance training for senior management and employees in order to enhance their knowledge of and compliance of applicable laws and regulations; and (iv) arrange our Directors and senior management to attend training seminars on Listing Rules requirements and the responsibilities as directors of a Hong Kong-listed company.

We have appointed an internal control consultant to review the effectiveness of our internal control measures related to our major business processes, to identify the deficiencies for improvement, advise on the rectification measures and review the implementation of such measures. During the review process of our internal control consultant, certain internal control matters were identified, and we have adopted corresponding internal control measures to improve on these matters. We have adopted the recommendations made by the internal control consultant. For the ESG-related issues identified by our internal control consultant, we have established the ESG Management Policy which clearly outlines our ESG management policies, ESG disclosure framework, and key aspects relating to environmental and social management.

BOARD OF DIRECTORS

Our Board consists of 11 Directors, comprising three executive Directors, four non-executive Directors and four independent non-executive Directors. Our Directors were elected for a term of three years and are subject to re-election. The following table sets forth certain information regarding our Directors.

Name	Age	Position(s)	Date of joining our Group	Date of appointment as a Director	Responsibilities
Executive Directors					
Dr. LIU Heng (劉恒)	43	Chairman of the Board, executive Director	October 26, 2020	October 26, 2020	Responsible for the overall strategic planning, business direction and operations of our Group
Dr. SUN Bill Nai-chau (孫乃超)	89	Executive Director	October 26, 2020	October 26, 2020	Responsible for the guidance and oversight of the overall research and development strategy of our Group
Mr. XIE Ming (謝鳴)	37	Executive Director	February 24, 2021	May 19, 2025	Responsible for the strategic execution and operational coordination of our Group
Non-executive Directors					
Mr. LIN Jian (藺劍)	38	Non-executive Director	October 20, 2022	October 20, 2022	Responsible for overseeing Board affairs and providing strategic advice and guidance on the development of our Group
Ms. GU Qin (顧勤)	54	Non-executive Director	October 20, 2022	October 20, 2022	Responsible for overseeing Board affairs and providing strategic advice and guidance on the development of our Group
Dr. XUE Di (薛滌)	36	Non-executive Director	May 19, 2025	May 19, 2025	Responsible for overseeing Board affairs and providing strategic advice and guidance on the development of our Group
Dr. CHEN Kan (陳侃)	44	Non-executive Director	May 19, 2025	May 19, 2025	Responsible for overseeing Board affairs and providing strategic advice and guidance on the development of our Group

Name	Age	Position(s)	Date of joining our Group	Date of appointment as a Director	Responsibilities
Independent non-executive Directors					
Mr. SIU Paul Yu Hay (蕭耀熙)[(Note)]	65	Independent non-executive Director	Listing Date	August 15, 2025	Responsible for supervising and providing independent advice on the operation and management of our Company
Mr. RUAN Tim (阮添士)[(Note)]	39	Independent non-executive Director	Listing Date	August 15, 2025	Responsible for supervising and providing independent advice on the operation and management of our Company
Mr. YANG Chun (楊春)[(Note)]	62	Independent non-executive Director	Listing Date	August 15, 2025	Responsible for supervising and providing independent advice on the operation and management of our Company
Mr. ZHOU Guofang (周國防)[(Note)]	48	Independent non-executive Director	Listing Date	August 15, 2025	Responsible for supervising and providing independent advice on the operation and management of our Company

Note: Mr. SIU Paul Yu Hay (蕭耀熙), Mr. RUAN Tim (阮添士), Mr. YANG Chun (楊春) and Mr. ZHOU Guofang (周國防) have been appointed by our Board as our independent non-executive Directors, effective from the Listing Date.

Executive Directors

Dr. LIU Heng (劉恒), aged 43, is our co-founder, chairman of our Board, executive Director, chief executive officer and general manager. He has served as a Director since our Company's establishment in October 2020 and was re-designated as an executive Director on August 15, 2025. He is primarily responsible for the overall strategic planning, business direction and operations of our Group. Dr. Liu has also served as the director of Shanghai Longyan Biotechnology Co., Ltd. (隆延生物科技(上海)有限公司) and Hangzhou Lingcheng Biotechnology Co., Ltd. (杭州領丞生物科技有限公司) since their respective establishments in January 2021 and June 2025.

Dr. Liu has extensive experience in biopharmaceutical research and development. Prior to founding our Group, Dr. Liu was the director and general manager of Longxing Pharma (Hangzhou) Co., Ltd. (龍行生物藥業(杭州)有限公司) from September 2018 to July 2022. From October 2010 to October 2017, Dr. Liu was a deputy director of Pre-clinical Research and Development at Evive Biotechnology (Shanghai) Ltd. (億一生物醫藥開發(上海)有限公司 ("**Evive**"), formerly known as Generon (Shanghai) Corporation (健能隆醫藥技術(上海)有限公司). During his service with Evive, Dr. Liu played a pivotal role in both domestic and international programs of development of several innovative drugs. Notably, Dr. Liu was deeply involved in the development of a long-acting granulocyte colony-stimulating factor (G-CSF) (marketed as Ryzneuta®), which successfully completed phase III clinical trials globally and received market approval from the Food and Drug Administration in the United States and the NMPA. From December 2008 to October 2010, Dr. Liu worked at HD Biosciences (China) Co., Ltd. (輝源生物科技(上海)有限公司), a biology-focused pre-clinical drug discovery contract research organization.

Dr. Liu obtained his bachelor's degree in biomedical engineering from Shenyang Pharmaceutical University (瀋陽藥科大學) in Liaoning, PRC in July 2004 and Ph.D. in molecular and cellular biology from the State University of New York in the United States in May 2009. Dr.

Liu has been qualified as a senior biopharmaceutical engineer by Shanghai Municipal Evaluation Committee for Senior Professional Titles in Pharmaceutical Specialty of Engineering Series (上海市工程系列醫藥專業高級職稱評審委員會) since October 2021.

Dr. Liu obtained various awards during his professional career, including, (i) The First Batch of Gusu Leading Talents of Innovation and Entrepreneurship in 2022 (2022年第一批姑蘇創新創業領軍人才) by Office of the Talent Work Leading Group of the CPC Suzhou Municipal Committee (中共蘇州市委人才工作領導小組辦公室) in September 2022; (ii) 2023 Jiangsu Talent (江蘇省"雙創人才") by Office of the Jiangsu Provincial Talent Work Leading Group (江蘇省委人才工作領導小組辦公室) and Industry and Information Technology Department of Jiangsu (江蘇省工業和信息化廳) in December 2023 and (iii) 2024 Major Innovation Team (2024年重大創新團隊) by Office of the Talent Work Leading Group of the CPC Suzhou Municipal Committee in November 2024.

Dr. Liu was a director, the legal representative or a supervisor of the companies shown in the table below before their respective deregistration.

Name of the company	Place of establishment	Position	Principal activities	Relationship with the Group (save for having overlapping directors and/or shareholders)	Reasons leading to the deregistration	Roles and responsibility of Directors and senior management members of the Group in the dissolved entity	Status	Involvement of the Director in the dissolution of the deregistered company	Date of deregistration
Longxing Biotechnology (Shanghai) Co., Ltd. (龍行生物科技(上海)有限公司)	PRC	Director and legal representative	No substantive business	Nil	Corporate structure was no longer required.	Dr. Liu was responsible for general management of the company.	Deregistered	*Note 2*	February 7, 2023
Longxing Pharma (Hangzhou) Co., Ltd. (龍行生物藥業(杭州)有限公司)	PRC	Director and legal representative	Research and development of innovative biopharmaceuticals	Nil	Corporate structure was no longer required.	Dr. Liu was responsible for general management of the company.	Deregistered	*Note 3*	August 4, 2022
LongBio Biotechnology (Changshu) Co., Ltd. (天辰生物科技(常熟)有限公司)	PRC	Director and legal representative	No substantive business	Former subsidiary	No active business	Dr. Liu was responsible for general management of the company.	Deregistered	*Note 3*	May 29, 2025
Longxing Biotechnology (Changshu) Co., Ltd. (龍行生物科技(常熟)有限公司)	PRC	Director and legal representative	No substantive business	Nil	Corporate structure was no longer required.	Dr. Liu was responsible for general management of the company.	Deregistered	*Note 3*	April 28, 2022
Longxing Pharma (Suzhou) Co., Ltd. (龍行生物醫藥(蘇州)有限公司)	PRC	Director and legal representative	No substantive business	Nil	Corporate structure was no longer required.	Dr. Liu was responsible for general management of the company.	Deregistered	*Note 3*	July 19, 2022
LongBio Pharma HK Limited	HK	Director	Investment holding	Nil	Corporate structure was no longer required.	Dr. Liu was responsible for general management of the company.	Deregistered	*Note 4*	June 2, 2023
Changzhou Aibao Peptide Biotechnology Co., Ltd. (常州艾寶肽生物技術有限公司)	PRC	Director and legal representative	No substantive business	Nil	No active business	Dr. Liu was responsible for general management of the company.	Deregistered *(Note 1)*	*Note 2*	August 28, 2018
Shanghai Geni Biotechnology Co., Ltd. (上海格尼生物技術有限公司)	PRC	Director and legal representative	No substantive business	Nil	No active business	Dr. Liu was responsible for general management of the company.	Deregistered	*Note 2*	May 21, 2019

Notes:

1. It was first revoked and subsequently deregistered on August 28, 2018.

2. As a member of liquidation committee and during the dissolution, Dr. Liu exercised the powers under the applicable laws. Under PRC Company Law, the powers of liquidation committee include but are not limit to cleaning up the company's properties and preparing a balance sheet and property list, notifying creditors, handling unresolved business, settling outstanding tax liabilities and any taxes incurred during the dissolution process, clearing up claims and debts and distributing the remaining assets of the company after settling debts and represent the company in any civil litigation.

3. The company was dissolved by way of simplified deregistration, which is applicable only to companies which have not commenced operations or have not incurred debts or liabilities. Simplified deregistration is generally instituted by shareholders.

4. Dr. Liu, along with all other directors, confirmed by way of a written resolution that the conditions for deregistration in Hong Kong had been satisfied and had authorized any director to submit the application for deregistration.

Dr. Liu confirmed that (i) there is no wrongful act on his part leading to the deregistration; (ii) he is not aware of any material outstanding claim that has been made against him as a result of the respective deregistration; (iii) no misconduct or misfeasance on his part had been involved in the respective deregistration; (iv) there is no material outstanding legal proceedings, claims or disputes against each of the deregistered entities; (v) each of the deregistered entities remained solvent at the time of deregistration; and (vi) there was no material non-compliance during the Track Record Period and prior to deregistration for each of the deregistered entities.

Dr. Sun Bill Nai-chau (SUN, Nai-chau) (孫乃超), aged 89, is our co-founder and executive Director. He has served as a Director of our Company since the establishment of our Company in October 2020 and was re-designated as an executive Director on August 15, 2025. He is primarily responsible for the guidance and oversight of the overall research and development strategy of our Group.

Dr. Sun has extensive experience in biomedical research and development. Prior to founding our Group, Dr. Sun was the director of Longxing Pharma (Hangzhou) Co., Ltd. from September 2018 to July 2022. Since August 2001, Dr. Sun has been the chairman of the board of directors of PharMab. PharMab is one of our Controlling Shareholders holding approximately 1.14% shareholding in our Company as of the Latest Practicable Date.

From January 1987 to October 2000, Dr. Sun served as the assistant director of the hybridoma research department of Tanox Inc., a biotech company established in Texas, the United States in 1986. Tanox was listed on the NASDAQ Stock Market in 2000 and was acquired by Genentech, Inc. in 2007. During Dr. Sun's employment with Tanox, he worked in research and development and was one of the main inventors behind the groundbreaking first generation anti-IgE antibody, Omalizumab (marketed as Xolair®). Before joining the Tanox Inc., Dr. Sun worked in various laboratories of national institute and university in the United States for life science research and development.

Dr. Sun obtained a bachelor's degree of Science in agriculture from the National Taiwan University (國立臺灣大學) in Taipei, Taiwan, China in June 1960, a master's degree in science from the University of Manitoba in Canada in October 1965, and Ph.D. from the Iowa State University in the United States in February 1970. Dr. Sun has become a member of the Honor Society of Phi Kappa Phi (榮譽學會成員) of the Iowa State University in December 1970. He has been awarded with the certificate of honor by Zhejiang University (浙江大學) in March 2021 for the donation in support of the education development of Zhejiang University.

Dr. Sun was a director or the legal representative of the companies shown in the table below before their respective deregistration.

Name of the company	Place of establishment	Position	Principal activities	Relationship with the Group	Reasons leading to the deregistration	Roles and responsibility of Directors and senior management members of the Group in the dissolved entity	Status	Involvement of the Director in the dissolution of the deregistered company	Date of deregistration
Longxing Pharma (Hangzhou) Co., Ltd. (龍行生物藥業(杭州)有限公司)	PRC	Director	Research and development of innovative biopharmaceuticals	Nil	Corporate structure was no longer required.	Dr. Sun was responsible for guiding the company's research and development strategy.	Deregistered	*Note 2*	August 4, 2022
Longxing Pharma (Suzhou) Co., Ltd. (龍行生物醫藥(蘇州)有限公司)	PRC	Director	No substantive business	Nil	Corporate structure was no longer required.	Dr. Sun was responsible for guiding the company's research and development strategy.	Deregistered	*Note 2*	July 19, 2022
Shanghai Riyun Biopharmaceutical Co., Ltd. (上海日耘生物醫藥有限公司)	PRC	Director and legal representative	No substantive business	Nil	No active business	Dr. Sun was responsible for general management of the company.	Deregistered	*Note 1*	March 1, 2024
LongBio Pharma HK Limited	HK	Director	Investment holding	Nil	Corporate structure was no longer required.	Dr. Sun was responsible for general management of the company.	Deregistered	*Note 3*	June 2, 2023

Notes:

1. As a member of liquidation committee and during the dissolution, Dr. Sun exercised the powers under the applicable laws. Under PRC Company Law, the powers of liquidation committee include but are not limit to cleaning up the company's properties and preparing a balance sheet and property list, notifying creditors, handling unresolved business, settling outstanding tax liabilities and any taxes incurred during the dissolution process, clearing up claims and debts and distributing the remaining assets of the company after settling debts and represent the company in any civil litigation.

2. The company was dissolved by way of simplified deregistration, which is applicable only to companies which have not commenced operations or have not incurred debts or liabilities. Simplified deregistration is generally instituted by shareholders.

3. Dr. Sun, along with all other directors, confirmed by way of a written resolution that the conditions for deregistration in Hong Kong had been satisfied and had authorized any director to submit the application for deregistration. Dr. Sun, on behalf of the company and with the assistance of professional parties, submitted the application for deregistration to the Companies Registry in Hong Kong.

Dr. Sun confirmed that (i) there is no wrongful act on his part leading to the deregistration; (ii) he is not aware of any material outstanding claim that has been made against him as a result of the respective deregistration; and (iii) no misconduct or misfeasance on his part had been involved in the respective deregistration.

Mr. XIE Ming (謝鳴), aged 37, is our executive Director and deputy general manager. He joined our Group in February 2021 as a business manager, and has been appointed as a Director and deputy general manager in May 2025 and July 2025, respectively. He was re-designated as an executive Director on August 15, 2025. He is primarily responsible for the strategic execution and operational coordination of our Group.

Prior to joining our Group, Mr. Xie served as a business manager of Longxing Pharma (Hangzhou) Co., Ltd. from May 2020 to February 2021. From January 2018 to September 2019, he worked at Shenyang 3SBio Co., Ltd. (瀋陽三生製藥有限公司). From March 2012 to December 2017, he worked as a research and development engineer in Evive. During that period, he was involved in various clinical research projects, including a long-acting granulocyte colony-stimulating factor (G-CSF) (marketed as Ryzneuta®), which successfully completed phase III clinical trials globally and received market approval from the Food and Drug Administration in the United States and the NMPA.

Mr. Xie obtained a bachelor's degree in biological science (national base for biological science) from the Nanjing Agricultural University (南京農業大學) in the PRC in June 2010 and a master of business administration from the Tongji University (同濟大學) in the PRC in July 2022. He has been qualified as pharmaceutical distribution technology service engineer (藥品流通技術服務工程師) by Shanghai Municipal Evaluation Committee for Intermediate Professional Titles in Pharmaceutical Specialty of Engineering Series (上海市工程系列醫藥專業中級職稱評審委員會) in December 2023.

Non-executive Directors

Mr. LIN Jian (藺劍), aged 38, was appointed as a Director in October 2022 and was re-designated as our non-executive Director on August 15, 2025. He is mainly responsible for overseeing Board affairs and providing strategic advice and guidance on the development of our Group.

Mr. Lin first joined Shenzhen Oriental Fortune Capital Investment Management Co., Ltd. (深圳市東方富海投資管理股份有限公司) in 2015 and currently assumes the position of investment director.

From February 2013 to October 2015, Mr. Lin has successively worked at the Shanghai Food and Drug Administration (上海市食品藥品監督管理局) and the Songjiang Branch of Shanghai Food and Drug Administration (上海市食品藥品監督管理局松江分局).

Mr. Lin obtained a bachelor's degree majoring in pharmacy and a master's degree majoring in microbial and biochemical pharmacy from Shanghai Jiao Tong University (上海交通大學) in the PRC in July 2009 and June 2012, respectively.

Mr. Lin was the supervisor of the company shown in the table below before its deregistration.

Name of the company	Place of establishment	Position	Principal activities	Relationship with the Group	Reasons leading to the deregistration	Roles and responsibility of Directors and senior management members of the Group in the dissolved entity	Status	Involvement of the Director in the dissolution of the deregistered company	Date of deregistration
Suzhou Lixin Biotechnology Consultancy Service Co., Ltd. (蘇州立心生物科技諮詢服務有限公司).	PRC	Supervisor	No substantive business	Nil	The company ceased to operate the business.	Mr. Lin was responsible for overseeing operations to ensure legal and regulatory compliance.	Deregistered	*Note 1*	September 13, 2021

Note:

1. As a member of liquidation committee and during the dissolution, Mr. Lin exercised the powers under the applicable laws. Under PRC Company Law, the powers of liquidation committee include but are not limit to cleaning up the company's properties and preparing a balance sheet and property list, notifying creditors, handling unresolved business, settling outstanding tax liabilities and any taxes incurred during the dissolution process, clearing up claims and debts and distributing the remaining assets of the company after settling debts and represent the company in any civil litigation.

Mr. Lin confirmed that (i) there is no wrongful act on his part leading to the deregistration; (ii) he is not aware of any material outstanding claim that has been made against him as a result of the respective deregistration; and (iii) no misconduct or misfeasance on his part had been involved in the respective deregistration.

Ms. GU Qin (顧勤), aged 54, was appointed as a Director in October 2022 and was re-designated as our non-executive Director on August 15, 2025. She is mainly responsible for overseeing Board affairs and providing strategic advice and guidance on the development of our Group.

Ms. Gu has been the chief accountant of Shanghai Tongrui Investment Management Co., Ltd. (上海通銳投資管理有限公司) since January 2022.

From October 1988 to December 2021, Ms. Gu assumed various positions in Jiangsu Baixue Electrical Appliance Co., Ltd. (江蘇白雪電器股份有限公司) with her last position in audit department responsible for the internal audit of the enterprise.

Ms. Gu graduated from a long-distance learning course in financial management from the Jiangsu Radio and Television University (江蘇廣播電視大學, currently known as Jiangsu Open University (江蘇開放大學)) in the PRC in October 2005. She obtained an intermediate professional title in accounting conferred by the Ministry of Finance of the PRC (中華人民共和國財政部). She was awarded as outstanding practicing accountant in Changshu (常熟市優秀會計工作者) by Finance Bureau of Changshu (常熟市財政局) in March 2006.

Dr. XUE Di (薛滌), aged 36, was appointed as a Director in May 2025 and was re-designated as our non-executive Director on August 15, 2025. She is mainly responsible for overseeing Board affairs and providing strategic advice and guidance on the development of our Group.

Dr. Xue has been the deputy director of Shanghai Hehong Jinghui Equity Investment Management Co., Ltd. (上海合弘景暉股權投資管理有限公司) since May 2024. From August 2021 to April 2024, she was the vice president of Ling Jian Consulting Shanghai Private Limited. From January 2017 to December 2020, she worked as a post-doctoral scientist in Genentech, Inc.

Dr. Xue obtained a bachelor's degree majoring in biotechnology from the Nankai University (南開大學) in the PRC in June 2011 and Ph.D. majoring in experimental medicine from the McGill University in Canada in May 2017.

Dr. CHEN Kan (陳侃), aged 44, was appointed as a Director in May 2025 and was re-designated as our non-executive Director on August 15, 2025. He is mainly responsible for overseeing Board affairs and providing strategic advice and guidance on the development of our Group.

Dr. Chen has served as a director since August 2021 and was re-designated since June 2023 as a non-executive director of InSilico Medicine Cayman TopCo, a company listed on the Hong Kong Stock Exchange (HKEX: 3696).

Previously, Dr. Chen served as a non-executive director of Abbisko Cayman Limited, a company listed on the Hong Kong Stock Exchange (HKEX: 2256), which is principally engaged in the discovery and development of small molecule oncology therapies, from February 2020 to June 2021, a director of Jiangsu Yahong Meditech Co., Ltd. (江蘇亞虹醫藥科技股份有限公司), a company listed on the Shanghai Stock Exchange STAR Market (SSE: 688176), which is principally engaged in drug innovation with a focus on urinary system tumors and other serious diseases, from December 2020 to December 2023, a non-executive director of Antengene Corporation Limited, a company listed on the Hong Kong Stock Exchange (HKEX: 6996), from March 2021 to June 2024, a non-executive director of CANbridge Pharmaceuticals Inc., a company listed on the Hong Kong Stock Exchange (HKEX: 1228), from December 2020 to September 2024 and a director of Connect Biopharma Holdings Limited, a company listed on The Nasdaq Global Market (NASDAQ: CNTB) from December 2020 to December 2025.

Dr. Chen joined Qiming Venture Partners in 2016 and currently serves as a partner, focusing on the healthcare sector.

Dr. Chen obtained his bachelor's degree majoring in biological science from Fudan University (復旦大學) in the PRC in July 2004, and Ph.D. from Case Western Reserve University in the United States in January 2009.

Independent non-executive Directors

Mr. SIU Paul Yu Hay (蕭耀熙), aged 65, has been appointed as our independent non-executive Director on August 15, 2025. He is mainly responsible for supervising and providing independent advice on the operation and management of our Company.

Mr. Siu has served as independent director of Shanghai Jiaoda Onlly Co., Ltd. (上海交大昂立股份有限公司), a company listed on the Shanghai Stock Exchange (SSE:600530) and principally engaged in development, production and distribution of healthcare products, and operation and management of elderly care institutions, since November 2023. He is primarily responsible for chairing the audit committee and supervising and providing independent advice on the operation and management. He has also served as an independent non-executive director, the chairman of the audit committee and a member of the remuneration committee and the strategy and planning committee of Tong Ren Tang Technologies Co. Ltd., a company listed on the Hong Kong Stock Exchange (HKEX: 1666) since February 2026.

Mr. Siu is a certified public accountant in Hong Kong and a chartered professional accountant in Ontario, Canada and he held multiple senior leadership positions at Deloitte from April 1996 to May 2023, including corporate development leader of Deloitte Asia Pacific, and various leadership roles in Deloitte China including chief operating officer and deputy chief executive officer, clients and industries leader, eastern region managing partner, eastern region audit leader, and audit partner.

Mr. Siu obtained his bachelor of mathematics degree from the University of Waterloo in Canada in May 1984. He was awarded the Shanghai Magnolia Award in October 2015 by Foreign Affairs Office of the Shanghai Municipal People's Government (上海市人民政府外事辦公室).

Mr. RUAN Tim (阮添士), aged 39, has been appointed as our independent non-executive Director on August 15, 2025. He is mainly responsible for supervising and providing independent advice on the operation and management of our Company.

Since January 2023, he has served as the chief financial officer of Ocumension Therapeutics, a company listed on the Hong Kong Stock Exchange (HKEX: 1477), and he was appointed as one of the joint company secretaries of the company in September 2023. He is responsible for its financial management, investor relations and company secretarial matters. Mr. Ruan has extensive experience of financial management. Prior to joining Ocumension Therapeutics in January 2023, he served as an executive director of the corporate finance department of Goldman Sachs (Asia) L.L.C. from November 2020 to January 2023. From January 2018 to November 2020, he worked at Morgan Stanley Asia Limited, with his last position as a vice president of the investment banking division. From February 2016 to December 2017, he acted as an associate within the investment banking division of Nomura International (Hong Kong) Limited. From September 2013 to January 2016, he worked at Sullivan & Cromwell LLP.

Mr. Ruan graduated from The Hong Kong University of Science and Technology in Hong Kong in November 2021 with a master's degree of science, majoring in biotechnology. He graduated from The University of New South Wales in Australia in May 2010 with bachelor's degree of laws and bachelor's degree of commerce majoring in finance.

Mr. YANG Chun (楊春), aged 62, has been appointed as our independent non-executive Director on August 15, 2025. He is mainly responsible for supervising and providing independent advice on the operation and management of our Company.

Mr. Yang has extensive experience in biomedical research, pharmaceutical development, and corporate management. Since October 2014, he has served as the chairman of Sichuan Luzhou Buchang Biopharmaceutical Co., Ltd. (四川瀘州步長生物製藥有限公司), responsible for the overall management and operations in biopharmaceutical production.

Prior to the above roles, he served as a lecturer at Chengdu Military Medical College, Third Military Medical University (第三軍醫大學成都軍醫學院) in the PRC in 2000. Mr. Yang obtained a master's degree of medicine majoring in immunology from West China University of Medical Sciences (華西醫科大學) in the PRC in June 1992.

Mr. Yang was a supervisor of the company shown in the table below before its deregistration.

Name of the company	Place of establishment	Position	Principal activities	Relationship with the Group	Reasons leading to the deregistration	Roles and responsibility of Directors and senior management members of the Group in the dissolved entity	Status	Date of deregistration
Sichuan Aojian Biopharmaceutical Co., Ltd. (四川奧健生物製藥有限公司)	PRC	Supervisor	No substantive business	Nil	The company ceased to operate the business.	Mr. Yang was responsible for overseeing operations to ensure legal and regulatory compliance.	Deregistered	June 19, 2019

Mr. Yang confirmed that (i) there is no wrongful act on his part leading to the deregistration; (ii) he is not aware of any material outstanding claim that has been made against him as a result of the respective deregistration; and (iii) no misconduct or misfeasance on his part had been involved in the respective deregistration on his part.

Mr. ZHOU Guofang (周國防), aged 48, has been appointed as our independent non-executive Director on August 15, 2025. He is mainly responsible for supervising and providing independent advice on the operation and management of our Company.

He has extensive experience in pharmaceutical industry. He began his career at Yangtze River Pharmaceutical Group (揚子江藥業集團) ("**YRPG**") in October 1999, where he worked in the marketing department of YRPG. He worked on marketing, promotion and brand development. In June 2014, Mr. Zhou joined Shanghai Haijiya Pharmaceutical Co., Ltd. (上海海吉雅醫藥有限公司), a subsidiary of YRPG and worked there from July 2014 to July 2024. In August 2024, Mr. Zhou began working at Shanghai Shishiruyi Medical Device Co., Ltd (上海柿柿如壹醫療器械有限公司), a medical device company, where he serves as the general manager and is responsible for overall management and operations.

Mr. Zhou obtained a bachelor's degree majoring in pharmacy from Xi'an Jiaotong University (西安交通大學) in the PRC in December 2022 and is a member of the Medical Device Innovation and Application Subcommittee of the China Association for Medical Equipment (中國醫學裝備協會醫療器械創新與應用分會委員).

SENIOR MANAGEMENT

The following table sets out certain information regarding our senior management.

Name	Age	Date of joining our Group	Date of appointment as a member of senior management	Position(s) held at our Group as of the Latest Practicable Date	Responsibilities
Dr. LIU Heng (劉恒) . .	43	October 26, 2020	October 26, 2020	Chief executive officer, general manager	Responsible for the overall strategic planning, business direction and operations of our Group
Mr. XIE Ming (謝鳴) . .	37	February 24, 2021	July 15, 2025	Deputy general manager	Responsible for the strategic execution and operational coordination of our Group

For biographical details of Dr. LIU Heng (劉恒) and Mr. XIE Ming (謝鳴), please see "— Executive Directors" of this section.

Save as disclosed above, none of our Directors or senior management has held any directorship in any public company the securities of which are listed on any securities market in Hong Kong or overseas during the three years immediately preceding the Latest Practicable Date.

COMPANY SECRETARY

Ms. YUNG Mei Yee (翁美儀) was appointed on July 29, 2025 as our company secretary. Ms. Yung is a vice president of SWCS Corporate Services Group (Hong Kong) Limited. She has extensive experience in handling company secretarial, corporate governance and compliance affairs of listed companies. She has held various senior company secretarial positions in and acted as the company secretary or joint company secretary of a number of companies listed on the Hong Kong Stock Exchange. She is currently the company secretary or joint company secretary of a few listed companies on the Hong Kong Stock Exchange. She is a fellow of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. She obtained a bachelor's degree of arts in accountancy and a master's degree of arts in language and law from the City University of Hong Kong (香港城市大學), and a bachelor's degree of laws from the University of London.

BOARD COMMITTEE

We have established the following committees on our Board: the Audit Committee, the Remuneration Committee and the Nomination Committee. The committees operate in accordance with the terms of reference established by our Board.

Audit Committee

We have established an audit committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of our Group, review and approve connected transactions and to advise the Board. The audit committee comprises two independent non-executive Directors and one non-executive Director, namely, Mr. SIU Paul Yu Hay (蕭耀熙), Mr. RUAN Tim (阮添士) and Mr. LIN Jian (藺劍). Mr. SIU Paul Yu Hay (蕭耀熙), the chairperson of the committee, is appropriately qualified as required under Rules 3.10(2) and 3.21 of the Listing Rules.

Remuneration Committee

We have established a remuneration committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code. The primary duties of the remuneration committee are to review and make recommendations to the Board regarding the terms of remuneration packages, bonuses and other compensation payable to our Directors and senior

management. The remuneration committee comprises two independent non-executive Directors and one executive Director, namely, Mr. RUAN Tim (阮添士), Mr. YANG Chun (楊春) and Mr. XIE Ming (謝鳴). Mr. YANG Chun (楊春) is the chairperson of the committee.

Nomination Committee

We have established a nomination committee with written terms of reference in compliance with Rule 3.27A of the Listing Rules and the Corporate Governance Code. The primary duties of the nomination committee are to make recommendations to our Board regarding the appointment of Directors and Board succession. The nomination committee comprises one executive Director, three independent non-executive Directors and one non-executive Director, namely, Dr. LIU Heng (劉恒), Mr. YANG Chun (楊春), Mr. SIU Paul Yu Hay (蕭耀熙), Mr. ZHOU Guofang (周國防) and Ms. GU Qin (顧勤). Dr. LIU Heng (劉恒) is the chairperson of the committee.

CONFIRMATION FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

Save as disclosed herein and in the section headed "Relationship with our Controlling Shareholders", each Director confirms that as of the Latest Practicable Date, he or she did not have any interest in a business which competes or is likely to compete, either directly or indirectly, with the Company's business which would require disclosure under Rule 8.10 of the Listing Rules.

From time to time our non-executive Directors may serve on the boards of both private and public companies within the broader healthcare and biopharmaceutical industries. However, as these non-executive Directors are not members of our senior management team, we do not believe that their interests in such companies as directors would render us incapable of carrying on our business independently from the other companies in which these non-executive Directors may hold directorships from time to time.

Rule 3.09D of the Listing Rules

Each of the Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on August 15, 2025 or August 18, 2025, and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) his independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) he has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person of the Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect his independence at the time of his appointments.

CORPORATE GOVERNANCE CODE

We recognize the importance of incorporating elements of good corporate governance in our management structure and internal control procedures so as to achieve effective accountability. We have adopted the code provisions stated in the Corporate Governance Code. Except for the deviation from code provision C.2.1 and C.6.1 of Part 2 of the Corporate Governance Code, our Company's corporate governance practices have complied with the code on corporate governance practices.

Pursuant to code provision C.2.1 of Part 2 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Dr. Liu is the chairman of our Board and the president of our Company. In view that Dr. Liu is the founder of our Group and has been operating and managing our Group since the establishment of our Group, our Board believes that it is in the best interest of our Group to have Dr. Liu taking up both roles for effective management and business development. Therefore, our Directors consider that the deviation from the code provision C.2.1 of Part 2 of the Corporate Governance Code is appropriate in such circumstance.

Ms. YUNG Mei Yee (翁美儀), the company secretary of our Company, does not act as individual employee of our Company, but as an external service provider. Pursuant to code provision C.6.1 of Part 2 of the Corporate Governance Code, an issuer can engage an external service provider as its company secretary, provided that the issuer should disclose the identity of a person with sufficient seniority at the issuer whom the external provider can contact. In this

respect, our Company has nominated Mr. XIE Ming (謝鳴) as its contact point for Ms. Yung. While our Company is well aware of the importance of the company secretary in supporting the Board on governance matters, after having considered Ms. Yung's employment at SWCS Corporate Services Group (Hong Kong) Limited, which provides corporate advisory and company secretarial services, both our Company and Ms. Yung are of the view that there will be sufficient time, resources and supporting for fulfilment of the company secretary requirements of our Company. In view of Ms. Yung's experience in company secretarial functions, our Directors believe that Ms. Yung has the appropriate company secretarial expertise for the purposes of Rule 8.17 of the Listing Rules.

MANAGEMENT PRESENCE

According to Rule 8.12 of the Listing Rules, we must have sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong. Since the principal business operations of our Group are conducted in Mainland China, members of our senior management are, and are expected to continue to be, based in Mainland China. Further, as our executive Directors have a vital role in our Group's operations, it is crucial for them to remain in close proximity to our Group's central management located in Mainland China. Our Company does not and, for the foreseeable future, will not have a sufficient management presence in Hong Kong. We have applied for, and the Stock Exchange has granted, a waiver from compliance with Rule 8.12 of the Listing Rules. For further details, see "Waivers from Strict Compliance with the Listing Rules and Exemption from Strict Compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance — Waiver in respect of Management Presence in Hong Kong."

BOARD DIVERSITY POLICY

Our Company has adopted a board diversity policy (the "**Board Diversity Policy**") before Listing setting out the approach to achieve and maintain diversity on the Board in compliance with the Listing Rules, pursuant to which our Company seeks to achieve Board diversity through consideration of a number of factors, including but not limited to gender, age, cultural and education background, professional experience, skills, knowledge, length of service and any other factors that the Board may consider relevant and applicable from time to time.

Furthermore, the Nomination Committee will review the Board composition at least once annually taking into account the benefits of all relevant diversity aspects, and adhering to the Board Diversity Policy when making recommendation to the Board on appointment of new Directors. The Nomination Committee will also review the Board Diversity Policy, as appropriate, to ensure its continued effectiveness and our Company will take opportunities to increase the proportion of female members over time when selecting and making recommendation on suitable candidates for Board appointments so as to ensure that appropriate gender diversity is achieved with reference to stakeholders' expectation and international and local recommended best practices.

The Board comprises 11 members, including three executive Directors, four non-executive Directors and four independent non-executive Directors. Our Directors have a balanced mix of experience, including pharmaceutics, science, and financial management. Furthermore, the Board has a relatively wide range of age, ranging from 36 years old to 89 years old. The Board has both male and female representation on the Board. Our Directors consider that the current composition of the Board satisfies the principles under the Board Diversity Policy.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

The compensation and remuneration of our Directors are determined by our Shareholders' general meetings and the compensation and remuneration of members of the senior management are determined by the Board. We also reimburse them for expenses which are necessary and reasonably incurred in providing services to us or discharging their duties in relation to our operations. When reviewing and determining the specific remuneration packages for our Directors and members of the senior management, our Shareholders' general meetings and the Board of Directors take into consideration factors such as time commitment, level of responsibilities and desirability of performance-based remuneration. As required by PRC laws and regulations, we also participate in various defined contribution plans organized by relevant provincial and municipal government authorities and welfare schemes for our employees, including medical insurance, injury insurance, unemployment insurance, pension insurance, maternity insurance and housing provident fund.

Our Company offers our executive Directors and senior management members, who are also our employees, compensation in the form of salaries, bonuses, allowances and benefits in kind, share-based payment, pension scheme contributions and social security. Our non-executive Directors and independent non-executive Directors receive fixed compensation.

The aggregate amounts of remuneration paid by us to our Directors for the years ended December 31, 2024 and 2025 were approximately RMB545,000 and RMB2,398,000, respectively.

The aggregate amounts of remuneration paid by us to our five highest paid individuals for the years ended December 31, 2024 and 2025 were approximately RMB4.0 million and RMB8.9 million, respectively.

It is estimated that remuneration equivalent to approximately RMB4.4 million in aggregate will be paid to the Directors by our Company in 2026 based on the arrangements in force as of the date of this prospectus.

No remuneration was paid by us to our Directors or the five highest paid individuals as inducement to join or upon joining us or as a compensation for loss of office during the Track Record Period. Furthermore, none of our Directors had waived or agreed to waive any remuneration during the same periods.

Save as disclosed above, no other payments have been paid or are payable, in the years ended December 31, 2024 and 2025, respectively, by us to the Directors.

EMPLOYEE INCENTIVE SCHEME

Please see "Appendix VI — Statutory and General Information — Employee Incentive Scheme" for details.

DIRECTORS' INTEREST

Save as disclosed above and in the sections headed "Substantial Shareholders", "Relationship with our Controlling Shareholders" and "Appendix VI – Statutory and General Information", each of our Directors and members of the senior management (i) did not hold other positions in our Group as of the Latest Practicable Date; (ii) had no other relationship with any of our Directors and senior management as of the Latest Practicable Date; and (iii) did not hold any other directorship in listed companies in the three years prior to the Latest Practicable Date. For our Directors' interests in the Shares within the meaning of Part XV of the SFO, please see "Appendix VI — Statutory and General Information" to this prospectus.

Save as disclosed herein, to the best of the knowledge, information and belief of our Directors, having made all reasonable inquiries, there were no additional matters with respect to the appointment of our Directors that need to be brought to the attention of the Shareholders and there were no additional information relating to our Directors that are required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules as of the Latest Practicable Date.

COMPLIANCE ADVISOR

We have appointed Somerley Capital Limited as our compliance advisor pursuant to Rule 3A.19 of the Listing Rules, and the compliance advisor will advise our Company in the following circumstances:

- before the publication of any regulatory announcement, circular or financial report;
- where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;
- where our Company proposes to use the proceeds of the Global Offering in a manner that is different from that detailed in this prospectus or where our business activities, developments or results deviate from any forecasts, estimates or other information in this prospectus; and
- where the Hong Kong Stock Exchange makes an inquiry to our Company regarding unusual movements in the price or trading volume of our H Shares, the possible development of a false market in our H Shares or any other matters.

The terms of the appointment of our compliance advisor will commence on the Listing Date and end on the date when we distribute the annual report of our financial results for the first full financial year commencing after the Listing Date.

OUR CONTROLLING SHAREHOLDERS

Acting in Concert Arrangement

Pursuant to an acting-in-concert agreement dated August 23, 2023 (the "**AIC Agreement**"), entered into by and amongst Dr. Liu, Dr. Sun, Ms. Chow, Suzhou Taiwu and Shanghai Rising Suns (together, the "**Concert Parties**"), the Concert Parties agreed, among others, to maintain the concert party relationship as and when they remain as our Shareholders and act in concert with Dr. Liu on matters relating to the material operation of our Company during the term of the AIC Agreement, which shall be effective from the date of the AIC Agreement until five years after the date of the initial public offering of our Shares on any stock exchange in China and shall be automatically renewed for another five years unless terminated by the Concert Parties in accordance with the AIC Agreement. By virtue of the AIC Agreement, the Concert Parties may terminate the AIC Agreement in writing upon expiry of the initial term commencing from the date of the AIC Agreement until five years after the date of the initial public offering of the Shares on any stock exchange in China (which include the Stock Exchange). Pursuant to the AIC Agreement, prior to taking action on major operational matters of our Company, as well as prior to voting on matters to be deliberated by the Shareholders' meetings and the board meetings of our Company, the Concert Parties should engage in thorough consultation and communication to ensure consistency of action. If the Concert Parties are unable to reach a consensus through consultation, each Concert Party shall exercise its voting rights at the Shareholders' meeting or board meeting in accordance with Dr. Liu's opinion.

Pursuant to the AIC Agreement, all matters that the Concert Parties are required to engage in consultation and communication prior to voting on matters deliberated by the shareholders' meetings and the board meetings of the Company include:

1. deciding the company's business policies, investment plans, and organizational structure;

2. electing/replacing directors and supervisors, setting their remuneration, and managing key executive appointments and incentives;

3. approving annual financial budgets, profit distribution, loss compensation, and capital changes;

4. approving external company activities like investments, mergers, acquisitions and corporate bond issuance;

5. amending company articles, and handling major corporate changes like mergers, divisions, dissolutions, and liquidation; and

6. other matters to be reviewed by shareholders or directors as stipulated by the Articles of Association.

In November 2024, PharMab became our Shareholder in the Series B2 Financing. Despite that PharMab is not a party to AIC Agreement, PharMab should be regarded as a party acting-in-concert with the Concert Parties. Dr. Sun and Ms. Chow together constitute the largest shareholder, holding 60.5% registered share capital in PharMab as at the Latest Practicable Date, and occupy two out of three board seats in PharMab. Given their control over both the board meeting and the shareholders' meeting, Dr. Sun and Ms. Chow have control over all the voting rights attached to the Shares of our Company held by PharMab. Apart from Dr. Sun and Ms. Chow, who hold 39.3% and 21.2% of registered share capital in PharMab, respectively, the equity interests of PharMab are held by Ruey-Shyan LIOU (劉瑞賢) as to 16%, Teresa CHOU (周立芸) (being a sibling of Ms. Chow) as to 8.5%, Cherie Chihyun SUNG (周稚芸) (being a sibling of Ms. Chow) as to 5%, Jay Jiekuen LOU (婁捷昆) (being a nephew-in-law of Ms. Chow) as to 5%, Wing Pun FUNG (馮榮彬) (being a brother-in-law of Ms. Chow) as to 2%, Junying GUO* (郭軍英) as to 1.5% and Dylan I-Ping CHANG (章一平) as to 1.5%. Save for Dr. Sun, Teresa CHOU (周立芸), Cherie Chihyun SUNG (周稚芸), Jay Jiekuen LOU (婁捷昆) and Wing Pun FUNG (馮榮彬) who are siblings or relatives of Ms. Chow and hold in aggregate 59.8% interests in PharMab, the other remaining shareholders are Independent Third Parties, and none of them hold 30% or more interest in PharMab. Pursuant to the AIC Agreement, Dr. Sun and Ms. Chow shall procure PharMab to act in concert with Dr. Liu at the Shareholders' meeting of our Company on matters relating to the material operation of our Company. PharMab is therefore regarded as a party acting-in-concert with the Concert Parties.

As of the Latest Practicable Date, the Concert Parties and PharMab were collectively interested in approximately 44.16% of our total issued Shares, comprising: (i) approximately 14.08% of our total issued Shares directly held by Dr. Liu; (ii) approximately 8.17% of our total issued Shares controlled by Dr. Liu indirectly through Suzhou Taiwu, our employee incentive platform, of which the general partner is Dr. Liu; (iii) approximately 11.11% of our total issued Shares directly held by Dr. Sun; (iv) approximately 6.07% of our total issued Shares directly held

by Ms. Chow; (v) approximately 3.59% of our total issued Shares directly held by Shanghai Rising Suns; and (vi) approximately 1.14% of our total issued Shares controlled by Dr. Sun and Ms. Chow indirectly through PharMab. As the Concert Parties and PharMab together are entitled to control the exercise of more than 30% of the voting power at general meetings of our Company, they shall therefore be regarded as a group of Controlling Shareholders of our Company.

Immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised), our Controlling Shareholders will together control approximately 35.71% of our total issued Shares. Accordingly, our Controlling Shareholders will remain as a group of Controlling Shareholders of our Company upon Listing.

Principal Business of Controlling Shareholders

Suzhou Taiwu is our employee incentive platform, and the general partner of which is Dr. Liu. Dr. Liu owns approximately 67.05% of the partnership interests of Suzhou Taiwu.

Shanghai Rising Suns is an investment holding vehicle with no substantive business activities.

PharMab was established in the PRC in August 2001 and was primarily engaged in antibody and cell strain technology development and transfer. In September 2018, the board of directors of PharMab resolved that PharMab would no longer invest further capital to conduct any biotechnology research and development activities. PharMab has not commenced research and development activities in relation to any new product or technology since September 2018. From September 2018 to November 2022, PharMab attended to the transition work for the previous projects, which were unrelated to our Company's pipeline. All research and development activities of PharMab had ceased since November 2022 and up to the Latest Practicable Date, and PharMab had licensed out or transferred its major intellectual property rights beforehand. Since then, PharMab received passive income such as license fees and royalties pursuant to the transfer/license/cooperation agreements previously entered into before the cessation of its research and development activities. PharMab does not compete and is not likely to compete, directly or indirectly, with the business of our Group because there is a clear business delineation between PharMab and our Company.

The following sets forth the differences between the businesses of PharMab and our business:

	Our Company	**PharMab**
Principal business during the Track Record Period	Primarily focus on in-house discovery and development of biopharmaceuticals targeting allergic and autoimmune diseases	No substantive business activities other than receiving passive income such as license fees and royalties
Research and development activities	Conducted by our own R&D function	Ceased since November 2022
Applications/relevant disease area	Primarily focus on allergic and autoimmune diseases	Primarily on antibody and cell strain technology development and transfer (no direct involvement in clinical research)
Suppliers	No overlapping suppliers during the Track Record Period	
Customers	No overlapping customers during the Track Record Period	
Employees	During the Track Record Period and up to the Latest Practicable Date, Dr. Sun is a shareholder, director and employee of both our Company and PharMab, and Ms. Chow is a shareholder and employee of our Company, the supervisor of Shanghai Longyan Biotechnology Co., Ltd. (隆延生物科技(上海)有限公司) and a shareholder and director of PharMab. Save for their dual roles in our Group and PharMab, there are no overlapping personnel or employees between our Group and PharMab.	

As of the Latest Practicable Date, our Controlling Shareholders did not have any interest in a business which competes or is likely to compete, directly or indirectly, with the business of our Group, and which requires disclosure under Rule 8.10 of the Listing Rules.

NON-COMPLIANCE INCIDENTS CONCERNING OUR CONTROLLING SHAREHOLDERS

Dr. Sun (the co-founder and executive Director of the Company, and one of the Controlling Shareholders) and Ms. Chow (spouse of Dr. Sun, and one of the Controlling Shareholders) are Chinese Taiwan citizens who hold U.S. passports. They have committed inadvertent non-compliance as follows:

Taiwan Investment Incidents

1. Historical investments in PRC entities

Under the Approval of Investment Regulations, any direct or indirect investment by a Taiwanese investor in the PRC is subject to approval from the DIR. As advised by the Taiwan Legal Advisor, our Shareholders and ultimate shareholders of our Company who are Taiwanese (the "**Taiwanese Shareholders**"), namely Dr. Sun, Ms. Chow, Ruey-Shyan LIOU (劉瑞賢), Teresa CHOU (周立芸), Cherie Chih-yun SUNG (周稚芸) and Dylan I-Ping CHANG (章一平), did not obtain DIR approval in advance, or within the prescribed time limit, for their direct or indirect interests in PRC entities. As a result, those investments did not fully comply with the Approval of Investment Regulations.

The historical non-compliance by Dr. Sun and Ms. Chow was inadvertent. During the preparation for the Listing, the Taiwan Legal Advisor was engaged to advise Taiwanese Shareholders, including Dr. Sun and Ms. Chow on the compliance position of their investments in the Company and other PRC entities. Dr. Sun and Ms. Chow were not familiar with the relevant Taiwanese regulatory requirements, and the applicable filing obligations only became apparent when Taiwanese legal advice was sought in connection with the Listing.

As advised by the Taiwan Legal Advisor, as of the Latest Practicable Date, all filings made by the Taiwanese Shareholders in relation to the historical non-compliance had been reviewed by the DIR and duly completed. The DIR imposed administrative fines of NTD100,000 on each of Dr. Sun and Ms. Chow, and no fines on the other Taiwanese Shareholders. Those fines were fully settled on December 17, 2025. The DIR also required the Taiwanese Shareholders to submit corrective reports in respect of their investments in PRC entities, but did not require any of them to dispose of, unwind or terminate their investments in our Company. As of the Latest Practicable Date, all such corrective reports had been reviewed and approved by the DIR.

2. PharMab Equity Transfer

In relation to Ms. Chow's interests in PharMab, Ms. Chow made investments in 2001 and 2004, and subsequently disposed of US$252,000 in 2004. Such historical investments and divestment had been reported to DIR in August 2025 (the "**August Filing**").

In October 2025, Lee-Hwei King SUN (金宜慧), who then held 16% of the equity interests in PharMab, transferred 4.8% of the equity interests in PharMab to Dr. Sun and 11.2% of the equity interests in PharMab to Ms. Chow (the "**PharMab Equity Transfer**"). Before completion of PharMab Equity Transfer, Ms. Chow specifically sought advice on whether the transaction would remain within US$1 million "cumulative investment amount". The Taiwan Legal Advisor advised that the Approval of Investment Regulations did not expressly state that equity interests previously disposed must continue to be counted toward that cumulative amount. In addition, by that time, the DIR had not indicated, in the course of reviewing the August Filing, that the interests disposed of in 2004 should nevertheless be counted towards Ms. Chow's "cumulative investment amount" in PharMab. After taking into consideration of the aforementioned factors and the interpretation of Approval of Investment Regulations, the Taiwan Legal Advisor advised that Ms. Chow may make a post-transaction filing (instead of prior approval) for the PharMab Equity Transfer. The relevant post-transaction filings were then made on December 26, 2025.

On January 29, 2026, the DIR confirmed completion of Dr. Sun's filing in relation to the PharMab Equity Transfer. In Ms. Chow's case, however, the DIR adopted the interpretation of the term "cumulative investment amount" should took into account equity interests that had been disposed of in 2004. On that basis, the DIR concluded that Ms. Chow's cumulative investment in PharMab exceeded the US$1 million threshold immediately after the PharMab Equity Transfer, with the result that prior approval, rather than post-transaction filing, should have been obtained for her acquisition. In addition to a corrective report to be submitted, the DIR required Ms. Chow to pay an administrative fine of NTD50,000.

This non-compliance does not reflect any dishonesty, deliberate disregard of regulatory requirements or lack of integrity on the part of Ms. Chow. The Taiwan Legal Advisor had been engaged to advise on the legal requirements under the Approval of Investment Regulations in relation to both (i) the historical investments in PRC entities and (ii) the PharMab Equity Transfer, and the issue arose from a bona fide interpretive difference as to how the term "cumulative investment amount" should be calculated in Ms. Chow's specific circumstances.

After being informed of the DIR's different interpretation, the Taiwan Legal Advisor advised that, given Ms. Chow's position was reasonably arguable, she could consider seeking a review of the DIR's determination. Ms. Chow ultimately decided not to pursue that course, having considered that (i) the administrative fine involved was only NTD50,000, and (ii) there was no definite timeframe within which the DIR would complete any review. Ms. Chow settled the fine and completed the required corrective filing in February 2026. In the circumstances, the Company is of the view that the relevant non-compliance arose from an inadvertent and reasonably arguable misunderstanding of a technical regulatory requirement, was promptly rectified once the DIR's position became clear, resulted only in an limited administrative fine.

In light of the latest development, and the Taiwan Legal Advisor's view that the completion of the corrective reports itself is sufficient to remedy the above non-compliance incidents relating to the historical investments in PRC entities and the PharMab Equity Transfer, there should be no impact or legal effect on the shareholding structure or ownership of our Company.

To the best of the Company's knowledge and belief and based on the confirmations of the Taiwanese Shareholders, save for those which have already submitted voluntary notifications or post-investment filing to the DIR regarding their direct and indirect investments in the PRC entities, namely Dr. Sun, Ms. Chow, Ruey-Shyan LIOU (劉瑞賢), Teresa CHOU (周立芸), Cherie Chih-yun SUNG (周稚芸) and Dylan I-Ping CHANG (章一平), there is no other Taiwanese Shareholder of the Group and/or their ultimate beneficial owners who are subject to the Approval of Investment Regulations.

As advised by the Taiwan Legal Advisor, under the relevant regulations in Taiwan, the DIR will not aggregate the investment amounts of all Taiwanese Shareholders' investments in our Group under the Approval of Investment Regulations.

U.S. Tax Incidents

As Dr. Sun and Ms. Chow have lived exclusively outside the U.S. for many years as senior scientists, they are not familiar with complex U.S. tax requirements applicable to expatriates residing outside the United States concerning non-U.S. assets. In the past, Dr. Sun and Ms. Chow delegated their U.S. tax return preparation to certified public accountants in the U.S. During the preparation for the Listing, the Company engaged a U.S. tax advisor (the "**U.S. Tax Advisor**") to conduct due diligence regarding their tax compliance status. It has been revealed that during the period from 2019 to 2024, Dr. Sun and Ms. Chow failed to report certain income derived in China (the "**Taxable Income**") and omitted some of their financial accounts from their U.S. federal income tax returns inadvertently, in violation of the relevant U.S. laws and regulations.

Dr. Sun and Ms. Chow have participated in the Streamlined Foreign Offshore Procedures ("**SFOP**"), a voluntary disclosure program established by the IRS, to voluntarily amend their tax returns, file the required information returns, and pay all associated tax and interest. As of the Latest Practicable Date, Dr. Sun and Ms. Chow have completed the filings and paid all tax and interest in the amount of approximately US$948,000 pursuant to SFOP (the "**Tax Payment Amount**").

As advised by the U.S. Tax Advisor, the participation in SFOP and the settlement of Tax Payment Amount should be sufficient to rectify the U.S. Tax Incidents. While the decision whether to impose penalties rests within the discretion of the U.S. tax authority, the U.S. Tax Advisor is of the view that the U.S. tax authority or other U.S. governmental authorities are unlikely to impose penalties with respect to the U.S. Tax Incidents after Dr. Sun and Ms. Chow completed the filings and payments under the SFOP.

Based on its due diligence, the Sole Sponsor is of the view that the non-compliance incidents disclosed in "— Taiwan Investment Incidents" and "— U.S. Tax Incidents" above will not affect Dr. Sun's suitability to act as a Director under Rule 3.09 of the Listing Rules.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

Our Directors consider that we are capable of carrying on our business independently of our Controlling Shareholders and their close associates after the Listing, taking into consideration the factors below.

Management Independence

Our Board comprises 11 Directors, including three executive Directors, four non-executive Directors and four independent non-executive Directors. We believe that our Board as a whole, together with our senior management, is able to perform the managerial role in our Group independently from our Controlling Shareholders for the following considerations:

(a) each of our Directors is aware of his/her fiduciary duties as a Director which require, among others, that he/she acts for the benefit of and in the best interests of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interests;

(b) our daily management and operational decisions are made by all our executive Directors and senior management, all of whom have substantial experience in the industry in which we are engaged and will be able to make business decisions that are in the best interests of our Group. For details of the industry experience of our senior management, see "Directors and Senior Management" in this prospectus;

(c) we have appointed four independent non-executive Directors with a view to bringing independent judgment to the decision-making process of our Board;

(d) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and a Director and/or his/her close associate, he/she shall abstain from voting and shall not be counted towards the quorum for the voting;

(e) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and our Controlling Shareholders, which would support our independent management. For further details, see "— Corporate Governance Measures" in this section; and

(f) none of the business undertaken or carried on by PharMab competes with our business and therefore, the dual roles assumed by Dr. Sun in our Group and directorship in PharMab will not affect the requisite degree of impartiality of Dr. Sun in discharging his fiduciary duties owed to our Company given that a clear business delineation exists between PharMab and the Company in light of the following differences or features:

    (i) *Principal business* – All research and development activities of PharMab had ceased since November 2022 and up to the Latest Practicable Date, and PharMab had licensed out or transferred its major intellectual property rights beforehand. Prior to the cessation of its research and development activities, PharMab was primarily focused on the development and transfer of antibody and cell strain technology without any direct involvement in clinical research. On the contrary, our Company operates as a clinical-stage biopharmaceutical company with a dedicated focus on the in-house discovery and development of biopharmaceuticals targeting allergic and autoimmune diseases. Given PharMab's prior focus on technology development and transfer and its current lack of substantial business activities, there is no overlap with our Company's clinical research initiatives.

    (ii) *Core product* – The business model of PharMab centres on the development of antibody and cell strain technology, which would subsequently be either licensed out or transferred for external collaboration. As a result, PharMab does not and has never, engaged directly in any drug clinical research. On the other hand, our Company focuses on in-house discovery and development of biopharmaceuticals and has developed a comprehensive product pipeline for biologic treatments targeting rhinology, dermatology, respiratory, hematology, nephrology and other autoimmune diseases.

(iii) *Customers and suppliers* – There is no overlapping customers and suppliers between PharMab and the Company during the Track Record Period, which basically suggests that PharMab and the Company not only rely on different sources for their materials and technologies, but also target different market segments or customer bases.

Notwithstanding the fact that Dr. Sun holds overlapping directorship in PharMab, the ratio of overlapping Director to non-overlapping Directors in our Company is only 1: 10. Such ten non-overlapping Directors are expected to provide substantive balance to Dr. Sun, and an appropriate safeguard against any possible failure by our Board as a whole to properly take into account the interests of the Shareholders including public Shareholders after Listing.

It is currently expected that under normal circumstances and assuming that all Directors (except for Dr. Sun) continue not to hold any directorship or shareholding interest in PharMab, the only Director who will be required to abstain from voting in matters concerning transactions between our Group and PharMab (if any) will be Dr. Sun, given his dual-directorship in both our Company and PharMab. In the event that all executive Directors and non-executive Directors are required to abstain from any board meeting of our Company on any matter which may give rise to a potential conflict of interest, we consider that our remaining independent non-executive Directors will have sufficient expertise and experience to fully consider any such matter.

Save as disclosed above, there are no overlapping Directors and senior management between our Group and any of our Controlling Shareholders respectively.

Operational Independence

We have full rights to make all decisions on, and to carry out, our own business operations independently from our Controlling Shareholders and their respective close associates and will continue to do so after the Listing. Our Group is able to operate without reliance on our Controlling Shareholders and their respective close associates.

Research and development

We have our own R&D function, personnel and production facilities, which are independent from our Controlling Shareholders and their respective close associates. As of the Latest Practicable Date, our R&D team had 72 members, who were all full-time employees of our Group and did not hold any position in our Controlling Shareholders or their respective close associates. In addition, our Group owns eight granted patents, including five in the Chinese mainland, one in the United States, one in the Taiwan region and one in Japan. We also have 30 patent applications, including eight in the Chinese mainland, six in the United States, 15 in other jurisdictions and one patent applications under the PCT, relating to certain of our drug candidates and product development technologies. We hold the licences, intellectual property rights and qualifications necessary for our R&D and operations. With such independent R&D functions, an experienced and independent R&D team, independent supporting manufacturing capabilities and self-owned patents, our Directors believe that we have all the requisite resources to carry on our R&D and commercialization of our pipeline products independently.

Access to suppliers

We have independent access to our suppliers. Our supplier base is diversified and unrelated to our Controlling Shareholders and their respective close associates. During the Track Record Period and up to the Latest Practicable Date, there were no overlapping suppliers between our Group and our Controlling Shareholders and their respective close associates including PharMab, which had ceased to have any research and development activities since November 2022.

Operational facilities and administration

Save for Dr. Sun's overlapping directorship in PharMab, we have full-time management team and staff to carry out our own administration and operation independently from our Controlling Shareholders and their respective close associates. In addition, all key administrative functions (including administration, finance, internal audit, human resources, legal and compliance and company secretarial functions) have been and will be carried out by our own without reliance or the support of our Controlling Shareholders and their respective close associates.

Employees

As of the Latest Practicable Date, Dr. Sun is a shareholder, director and employee of both our Company and PharMab, and Ms. Chow is a shareholder and employee of our Company, the supervisor of Shanghai Longyan Biotechnology Co., Ltd. (隆延生物科技(上海)有限公司) and a shareholder and director of PharMab. Save for their dual roles in our Group and PharMab, there are no overlapping personnel or employees between our Group and PharMab.

Based on the above, our Directors believe that we will be able to operate independently from our Controlling Shareholders and their close associates.

Financial Independence

We have an independent financial system. We make financial decisions according to our own business needs, and neither our Controlling Shareholders nor their close associates intervene with our use of funds. We have established an independent finance department with a team of finance staff and an independent audit, accounting and financial management system.

During the Track Record Period, a loan of RMB20.0 million was provided by PharMab to our Group. As of the Latest Practicable Date, the aforesaid loan and the interests accrued thereon have been fully settled and/or repaid. For details, please refer to note 29 to the Accountants' Report in Appendix I to this prospectus. Save as disclosed in this section, our Directors confirm that as at the Latest Practicable Date, there were no outstanding loans, advances or non-trade balances due to or from our Controlling Shareholders or their respective close associates.

During the Track Record Period, Dr. Liu and his close associate provided guarantees in respect of certain bank borrowings by our Group. For details, please refer to note 19 to the Accountants' Report in Appendix I to this prospectus. As of the Latest Practicable Date, all the guarantees provided by Dr. Liu and his close associate have been released.

In addition, we believe that we are capable of obtaining financing from third parties, if necessary, without relying on any guarantee or security provided by our Controlling Shareholders or their close associates. As of the Latest Practicable Date, there was no loan, advance or guarantee provided by our Controlling Shareholders or their close associates.

Based on the above, our Directors believe that we are capable of carrying on our business independently of, and do not place undue reliance on, our Controlling Shareholders and their close associates after the Listing.

CORPORATE GOVERNANCE MEASURES

Our Directors recognize the importance of good corporate governance in protecting our Shareholders' interests. We have adopted the following measures to safeguard good corporate governance standards and to avoid potential conflicts of interests between our Group and our Controlling Shareholders:

(a) under the Articles of Association, where a Shareholders' meeting is to be held for considering proposed transactions in which our Controlling Shareholders or any of their respective close associates has a material interest, our Controlling Shareholders and their close associates will not vote on the relevant resolutions and shall not be counted in the quorum for the voting;

(b) our Company has established internal control mechanisms to identify connected transactions. Upon Listing, if our Company enters into connected transactions with our Controlling Shareholders or any of their close associates, our Company will comply with the applicable Listing Rules;

(c) our Board consists of a balanced composition of executive Directors and non-executive Directors (including independent non-executive Directors), with independent non-executive Directors representing not less than one-third of our Board to ensure that our Board is able to effectively exercise independent judgment in its decision-making process and provide independent advice to our Shareholders. Our independent non-executive Directors individually and collectively possess the requisite knowledge and experience to perform their duties. They will review whether there is any conflict of interests between our Group and our Controlling Shareholders and provide impartial and professional advice to protect the interests of our minority Shareholders;

(d) where our Directors reasonably request the advice of independent professionals, such as financial advisors, the appointment of such independent professionals will be made at our Company's expenses; and

(e) we have appointed Somerley Capital Limited as our compliance advisor to provide advice and guidance to us in respect of compliance with the applicable laws in Hong Kong and the Listing Rules, including various requirements relating to corporate governance.

Based on the above, our Directors believe that sufficient corporate governance measures have been put in place to manage conflicts of interests that may arise between our Group and our Controlling Shareholders and to protect our Shareholders' interests as a whole after the Listing.

So far as our Directors are aware, immediately following the completion of the Global Offering and without taking into account any H Shares which may be issued pursuant to the exercise of the Over-allotment Option, the following persons will have an interest or short position in our Shares or the underlying Shares which would fall to be disclosed to our Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company:

		Shares held as of the Latest Practicable Date			Shares held immediately following the completion of the Global Offering and Conversion of Unlisted Shares into H Shares (assuming the Over-allotment Option is not exercised)		
Name of Shareholder	Capacity/nature of interest	Description of Shares	Number of Shares	Approximate Percentage in the total issued share capital	Number of Shares	Approximate Percentage in the relevant proportion of Shares[12]	Approximate Percentage in the total issued share capital
				(%)		(%)	(%)
Dr. Liu [1], [3]	Beneficial owner	Unlisted Shares	8,447,692	14.08	–	–	–
		H Shares	–	–	8,447,692	11.58	11.39
	Interest in a controlled corporation	Unlisted Shares	4,899,364	8.17	–	–	–
		H Shares	–	–	4,899,364	6.72	6.60
	Interest held jointly with another person	Unlisted Shares	13,150,103	21.92	–	–	–
		H Shares	–	–	13,150,103	18.03	17.72
Ms. Lu Nan[2]	Interest of spouse	Unlisted Shares	26,497,159	44.16	–	–	–
		H Shares	–	–	26,497,159	36.33	35.71
Suzhou Taiwu[1], [3]	Beneficial owner	Unlisted Shares	4,899,364	8.17	–	–	–
		H Shares	–	–	4,899,364	6.72	6.60
	Interest held jointly with another person	Unlisted Shares	21,597,795	36.00	–	–	–
		H Shares	–	–	21,597,795	29.61	29.11
Dr. Sun[1], [4], [5]	Beneficial owner	Unlisted Shares	6,668,921	11.11	–	–	–
		H Shares	–	–	6,668,921	9.14	8.99
	Interest of spouse[3]	Unlisted Shares	5,797,991	9.66	–	–	–
		H Shares	–	–	5,797,991	7.95	7.81
	Interest in controlled corporations[4]	Unlisted Shares	683,191	1.14	–	–	–
		H Shares	–	–	683,191	0.94	0.92
	Interest held jointly with another person	Unlisted Shares	13,347,056	22.25	–	–	–
		H Shares	–	–	13,347,056	18.30	17.99
Ms. Chow[1], [4], [5]	Beneficial owner	Unlisted Shares	3,643,748	6.07	–	–	–
		H Shares	–	–	3,643,748	5.00	4.91
	Interest of spouse[3]	Unlisted Shares	7,352,112	12.25	–	–	–
		H Shares	–	–	7,352,112	10.08	9.91
	Interest in controlled corporations[4]	Unlisted Shares	2,154,243	3.59	–	–	–
		H Shares	–	–	2,154,243	2.95	2.90
	Interest held jointly with another person	Unlisted Shares	13,347,056	22.25	–	–	–
		H Shares	–	–	13,347,056	18.30	17.99
Shanghai Rising Suns[1], [5]	Beneficial owner	Unlisted Shares	2,154,243	3.59	–	–	–
		H Shares	–	–	2,154,243	2.95	2.90
	Interest held jointly with another person	Unlisted Shares	24,342,916	40.57	–	–	–
		H Shares	–	–	24,342,916	33.38	32.81

Name of Shareholder	Capacity/nature of interest	Shares held as of the Latest Practicable Date: Description of Shares	Number of Shares	Approximate Percentage in the total issued share capital	Shares held immediately following the completion of the Global Offering and Conversion of Unlisted Shares into H Shares (assuming the Over-allotment Option is not exercised): Number of Shares	Approximate Percentage in the relevant proportion of Shares[12]	Approximate Percentage in the total issued share capital
				(%)		(%)	(%)
PharMab[1, 5]	Beneficial owner	Unlisted Shares	683,191	1.14	–	–	–
		H Shares	–	–	683,191	0.94	0.92
	Interest held jointly with another person	Unlisted Shares	25,813,968	43.02	–	–	–
		H Shares	–	–	25,813,968	35.40	34.79
Huzhou Youxing Venture Capital Partnership Enterprise (Limited Partnership) (湖州友星創業投資合夥企業(有限合夥)) ("Huzhou Youxing")[6]	Beneficial owner	Unlisted Shares	7,021,810	11.70	–	–	–
		H Shares	–	–	7,021,810	9.63	9.46
Suzhou Youxin Venture Capital Partnership Enterprise (Limited Partnership) (蘇州友信創業投資合夥企業(有限合夥)) ("Suzhou Youxin")[7]	Beneficial owner	Unlisted Shares	3,203,667	5.34	–	–	–
		H Shares	–	–	3,203,667	4.39	4.32
Shanghai Tongrui Investment Management Company Limited (上海通銳投資管理有限公司) ("Shanghai Tongrui")[6, 7, 8]	Interest in controlled corporations	Unlisted Shares	12,734,228	21.22	–	–	–
		H Shares	–	–	12,734,228	17.46	17.16
Ms. Mao Lifen ("Ms. Mao")[6, 7, 8]	Interest in controlled corporations	Unlisted Shares	12,734,228	21.22	–	–	–
		H Shares	–	–	12,734,228	17.46	17.16
Ms. Shen Ting ("Ms. Shen")[6, 7, 8]	Interest in controlled corporations	Unlisted Shares	12,734,228	21.22	–	–	–
		H Shares	–	–	12,734,228	17.46	17.16
Fuhai Ancheng Bohui (Bozhou) Healthcare Equity Investment Fund Partnership Enterprise (Limited Partnership) (富海安誠博暉(亳州)醫療股權投資基金合夥企業(有限合夥) ("OFC Bohui Fund")[9]	Beneficial owner	Unlisted Shares	3,077,490	5.13	–	–	–
		H Shares	–	–	3,077,490	4.22	4.15
Anhui Fucheng Bohui Healthcare Industry Investment Management Co., Ltd. (安徽富誠博暉健康產業投資管理有限公司) ("Fucheng Bohui")[9]	Interest in a controlled corporation	Unlisted Shares	3,077,490	5.13	–	–	–
		H Shares	–	–	3,077,490	4.22	4.15
Oriental Fortune (Wuhu) Equity Investment Fund Management Enterprise (Limited Partnership) (東方富海(蕪湖)股權投資基金管理企業(有限合夥), "OFC Wuhu")[9]	Interest in controlled corporations	Unlisted Shares	3,077,490	5.13	–	–	–
		H Shares	–	–	3,077,490	4.22	4.15

Name of Shareholder	Capacity/nature of interest	Shares held as of the Latest Practicable Date			Shares held immediately following the completion of the Global Offering and Conversion of Unlisted Shares into H Shares (assuming the Over-allotment Option is not exercised)		
		Description of Shares	Number of Shares	Approximate Percentage in the total issued share capital	Number of Shares	Approximate Percentage in the relevant proportion of Shares[12]	Approximate Percentage in the total issued share capital
				(%)		*(%)*	*(%)*
Shenzhen Oriental Fortune Capital Investment Management Co., Ltd. (深圳市東方富海投資管理股份有限公司) ("Oriental Fortune Capital")[9, 10]	Interest in controlled corporations	Unlisted Shares	4,248,937	7.08	–	–	–
		H Shares	–	–	4,248,937	5.83	5.73
Mr. Chen Wei[9, 10]		Unlisted Shares	4,248,937	7.08	–	–	–
		H Shares	–	–	4,248,937	5.83	5.73
Anhui Ancheng Chinese Medicine Healthcare Industry Development Fund Co., Ltd. (安徽安誠中醫藥健康產業發展基金有限公司) ("Ancheng Chinese Medicine")[9, 11]	Interest in a controlled corporation	Unlisted Shares	3,077,490	5.13	–	–	–
		H Shares	–	–	3,077,490	4.22	4.15
Anhui Ancheng Capital Co., Ltd. (安徽安誠資本有限公司) ("Ancheng Capital")[9, 11 and 12]	Interest in a controlled corporation	Unlisted Shares	3,898,152	6.50	–	–	–
		H Shares	–	–	3,898,152	5.35	5.25

Notes:

(1) Pursuant to the AIC Agreement, Dr. Liu, Suzhou Taiwu, Dr. Sun, Ms. Chow and Shanghai Rising Suns agreed to act in concert with Dr. Liu and reach consensus on matters relating to the material operation of our Company during the term of the AIC Agreement. PharMab is regarded as a party acting-in-concert with the Concert Parties. For details of the AIC agreement and the reasons for regarding PharMab as a party acting-in-concert with the Concert Parties, please refer to the section headed "Relationship with Our Controlling Shareholders" in this prospectus. By virtue of the SFO, each of our Controlling Shareholders are all deemed to be interested in the total Shares directly held by Dr. Liu, Suzhou Taiwu, Dr. Sun, Ms. Chow, Shanghai Rising Suns and PharMab. As of the Latest Practicable Date, the total Shares directly held by Dr. Liu, Suzhou Taiwu, Dr. Sun, Ms. Chow, Shanghai Rising Suns and PharMab were 8,447,692, 4,899,364, 6,668,921, 3,643,748, 2,154,243, 683,191, respectively.

(2) Ms. Lu Nan is the spouse of Dr. Liu. Accordingly, Ms. Lu Nan is deemed to be interested in all our Shares held by Dr. Liu under the SFO.

(3) Dr. Liu is the general partner of Suzhou Taiwu. Accordingly, Dr. Liu is deemed to be interested in all our Shares held by Suzhou Taiwu under the SFO.

(4) Dr. Sun is the spouse of Ms. Chow. Accordingly, Dr. Sun is deemed to be interested in all our Shares held by Ms. Chow under the SFO, and Ms. Chow is deemed to be interested in all our Shares held by Dr. Sun.

(5) PharMab is owned as to 39.3% by Dr. Sun and 21.2% by Ms. Chow. Accordingly, Dr. Sun is deemed to be interested in all our Shares held by PharMab. Shanghai Rising Suns is a corporation controlled by Ms. Chow and accordingly, Ms. Chow is deemed to be interested in all our Shares held by Shanghai Rising Suns. For details of Shanghai Rising Suns, please refer to the paragraph headed "Appendix VI — Statutory and General Information — Further Information about Our Directors and Substantial Shareholders — 1. Disclosure of Interests" to this prospectus.

(6) As of the Latest Practicable Date, Huzhou Youxing held 7,021,810 Shares. The general partner of Huzhou Youxing is Shanghai Tongrui, which is owned by Ms. Mao as to 51% and Ms. Shen as to 49%. Accordingly, each of Shanghai Tongrui, Ms. Mao and Ms. Shen is deemed to be interested in all our Shares held by Huzhou Youxing.

(7) As of the Latest Practicable Date, Suzhou Youxin held 3,203,667 Shares. The general partner of Suzhou Youxin is Shanghai Tongrui, which is owned by Ms. Mao as to 51% and Ms. Shen as to 49%. Ms. Mao also holds partnership interests of approximately 52.38% of Suzhou Youxin. Accordingly, each of Shanghai Tongrui, Ms. Mao and Ms. Shen is deemed to be interested in all our Shares held by Suzhou Youxin.

(8) As of the Latest Practicable Date, each of Suzhou Lianrui Venture Capital Partnership Enterprise (Limited Partnership) (蘇州連銳創業投資合夥企業(有限合夥)) ("Suzhou Lianrui") and Huzhou Youcheng Venture Capital Partnership Enterprise (Limited Partnership) (湖州友成創業投資合夥企業(有限合夥)) ("Huzhou Youcheng") held

1,641,884 and 866,867 Shares, respectively. The general partner of each of Suzhou Lianrui and Huzhou Youcheng is Shanghai Tongrui, which is owned by Ms. Mao as to 51% and Ms. Shen as to 49%. Accordingly, each of Shanghai Tongrui, Ms. Mao and Ms. Shen is deemed to be interested in all our Shares held by Suzhou Lianrui and Huzhou Youcheng.

(9) As of the Latest Practicable Date, OFC Bohui Fund held 3,077,490 Shares. The general partner of OFC Bohui Fund is Fucheng Bohui. Fucheng Bohui is owned by OFC Wuhu and Ancheng Capital as to 80% and 20%, respectively. OFC Wuhu is owned by Oriental Fortune Capital and Shenzhen Oriental Fortune Venture Capital Investment Management Co., Ltd. (深圳市東方富海創業投資管理有限公司, "OFC VC Investment") as to 95% and 5%, respectively, and OFC VC Investment is in turn wholly owned by Oriental Fortune Capital. Oriental Fortune Capital and Fucheng Bohui holds partnership interests of approximately 27.78% and 3.97% in OFC Bohui Fund, respectively. Mr. Chen Wei ultimately controls the exercise of one-third or more of the voting power at the shareholders' meeting of Oriental Fortune Capital. Accordingly, each of Fucheng Bohui, OFC Wuhu, Oriental Venture Capital and Mr. Chen Wei is deemed to be interested in all our Shares held by OFC Bohui Fund under the SFO.

(10) As of the Latest Practicable Date, China SME Development Fund (Chengdu) Jiaozi Venture Capital Investment Partnership Enterprise (Limited Partnership) (中小企業發展基金(成都)交子創業投資合夥企業(有限合夥)) ("OFC Jiaozi Fund") held 1,171,447 Shares. OFC VC Investment is the general partner and fund manager of OFC Jiaozi Fund, and OFC VC Investment is in turn wholly owned by Oriental Fortune Capital. Accordingly, each of Oriental Fortune Capital and Mr. Chen Wei is deemed to be interested in all our Shares held by OFC Jiaozi Fund, under the SFO.

(11) Ancheng Chinese Medicine is a limited partner owning 48.41% partnership interests in OFC Bohui Fund. Ancheng Chinese Medicine is wholly-owned by Ancheng Capital, which is in turn indirectly wholly-owned by Bozhou Municipal Finance Bureau. Accordingly, each of Ancheng Chinese Medicine and Ancheng Capital is deemed to be interested in all our Shares held by OFC Bohui Fund.

(12) The executive partner of Anhui Anyuan Modern Health Industry Investment Center (Limited Partnership) (安徽安元現代健康產業投資中心(有限合夥)) ("Anhui Anyuan") is Bozhou Jianan Investment Fund Management Co., Ltd. (亳州建安投資基金管理有限公司), which is in turn owned by Ancheng Capital and Anhui Ancheng Holding Group Co., Ltd. (安徽安誠控股集團有限公司) as to 80% and 20%, respectively. As such, Ancheng Capital is deemed to be interested in all our Shares held by Anhui Anyuan.

(13) The calculation is based on the total number of 1,262,882 Unlisted Shares in issue and 72,930,268 H Shares in issue upon Listing.

For details of the substantial shareholders who will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group other than our Company, see "Further Information about Our Directors and Substantial Shareholders — 1. Disclosure of Interests" in Appendix VI to this prospectus.

Save as disclosed herein, our Directors are not aware of any persons who will, immediately following completion of the Global Offering (assuming the Over-allotment Option is not exercised), without taking into account the Offer Shares that may be taken up under the Global Offering, have interests or short positions in Shares or underlying Shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or, will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company.

This section presents certain information regarding our share capital prior to and upon the completion of the Global Offering.

BEFORE THE GLOBAL OFFERING

As of the Latest Practicable Date, the registered share capital of our Company was RMB60,000,000 comprising 60,000,000 Unlisted Shares with a nominal value of RMB1.00 each.

UPON COMPLETION OF THE GLOBAL OFFERING

Immediately upon completion of the Global Offering, assuming the Over-allotment Option is not exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage of the total issued share capital
		(%)
Unlisted Shares in issue*(note)*	1,262,882	1.70
H Shares to be converted from Unlisted Shares*(note)*	58,737,118	79.17
H Shares to be issued pursuant to the Global Offering	14,193,150	19.13
Total	**74,193,150**	**100.00**

Immediately upon completion of the Global Offering, assuming the Over-allotment Option is fully exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage of the total issued share capital
		(%)
Unlisted Shares in issue*(note)*	1,262,882	1.65
H Shares to be converted from Unlisted Shares*(note)*	58,737,118	76.96
H Shares to be issued pursuant to the Global Offering	16,322,100	21.39
Total	**76,322,100**	**100.00**

Note: For details of the identities of the Shareholders whose Unlisted Shares will be converted into H Shares upon Listing, see "History, Development and Corporate Structure — Capitalization of Our Company" in this prospectus.

SHARE CLASSES

Upon completion of the Global Offering and conversion of 58,737,118 Unlisted Shares into H Shares, our Shares will consist of Unlisted Shares and H Shares. Both Unlisted Shares and H Shares are ordinary shares in the share capital of our Company. Apart from certain qualified domestic institutional investors in the PRC, certain qualified PRC investors under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, and other persons who are entitled to hold our H Shares pursuant to relevant PRC laws and regulations or upon approvals of any competent authorities, H Shares generally cannot be subscribed by or traded among legal and natural persons of the PRC. On the other hand, Unlisted Shares can only be subscribed for by and traded between legal or natural PRC persons, qualified foreign institutional investors and foreign strategic investors, and may only be subscribed for and transferred in Renminbi.

Unlisted Shares and H Shares are regarded as one class of shares under our Articles of Association, and Unlisted Shares and H Shares will rank *pari passu* with each other in all other respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this prospectus. Other than cash, dividends could also be paid in the form of shares or a combination of cash and shares.

CONVERSION OF OUR UNLISTED SHARES INTO H SHARES

All our Unlisted Shares are not listed or traded on any stock exchange. The holders of our Unlisted Shares may, at their own option, authorize us to apply to the CSRC for conversion of their respective Unlisted Shares to H Shares. After the conversion of Unlisted Shares, such converted Shares may be listed or traded on an overseas stock exchange, provided that such conversion shall have gone through any requisite internal approval process and complied with the regulations prescribed by the securities regulatory authorities of the State Council and the regulations, requirements and procedures prescribed by the overseas stock exchange(s) and the filing procedure with the CSRC shall have been completed. The listing of such converted Shares on the Hong Kong Stock Exchange will also require the approval of the Hong Kong Stock Exchange. In addition, such conversion, trading and listing shall in all respects comply with the regulations prescribed by the State Council's securities regulatory authorities and the regulations, requirements and procedures prescribed by the relevant overseas stock exchange.

Based on the procedures for the conversion of our Unlisted Shares into H Shares as disclosed in this section, we can apply for the listing of all or any portion of our Unlisted Shares on the Hong Kong Stock Exchange as H Shares in advance of any proposed conversion to ensure that the conversion process can be completed promptly upon notice to the Hong Kong Stock Exchange and delivery of Shares for entry on the H Share register. As any listing of additional Shares after our initial listing on the Hong Kong Stock Exchange is ordinarily considered by the Hong Kong Stock Exchange to be a purely administrative matter, it will not require such prior application for listing at the time of our initial listing in Hong Kong.

No class Shareholder voting is required for the listing and trading of the converted Shares on the Hong Kong Stock Exchange. Any application for listing of the converted Shares on the Hong Kong Stock Exchange after our initial listing is subject to prior notification by way of announcement to inform Shareholders and the public of such proposed conversion.

After all the requisite approvals have been obtained, the following procedure will need to be completed in order to effect the conversion: the relevant Unlisted Shares will be withdrawn from the Unlisted Share register and we will re-register such Shares on our H Share register maintained in Hong Kong and instruct the H Share Registrar to issue H Share certificates. Registration on our H Share register will be conditional on (a) our H Share Registrar lodging with the Hong Kong Stock Exchange a letter confirming the proper entry of the relevant H Shares on the H Share register of members and the due dispatch of H Share certificates; and (b) the admission of the H Shares to trade on the Hong Kong Stock Exchange in compliance with the Listing Rules, the General Rules of HKSCC and the HKSCC Operational Procedures in force from time to time. Until the converted shares are re-registered on our H Share register, such Shares would not be listed as H Shares.

TRANSFER OF SHARES ISSUED PRIOR TO LISTING DATE

Pursuant to the PRC Company Law, our Shares issued prior to the Listing shall not be transferred within one year from the Listing Date.

REGISTRATION OF SHARES NOT LISTED ON THE OVERSEAS STOCK EXCHANGE

According to the Guidelines for the "Full Circulation" Program for Domestic Unlisted Shares of H-Share Listed Companies (《H股公司境內未上市股份申請"全流通"業務指引》) announced by the CSRC, the domestic shareholders of Unlisted Shares shall handle share transfer registration business in accordance with the relevant business rules of the China Securities Depository and Clearing Corporation Limited. Further, H-share companies should submit the relevant status reports to the CSRC within 15 days after the transfer registration with the China Securities Depository and Clearing Corporation Limited of the Unlisted Shares involved in the application is completed.

CIRCUMSTANCES UNDER WHICH A GENERAL MEETING IS REQUIRED

For details of circumstances under which a general meeting of our Company is required, see "Shareholders and General Meetings — General Provisions for General Meetings" in Appendix V to this prospectus.

The following discussion and analysis should be read in conjunction with our consolidated financial information included in the Accountants' Report in Appendix I to this prospectus, together with the accompanying notes. Our consolidated financial information has been prepared in accordance with IFRS Accounting Standards. You should read the entire Accountants' Report rather than relying solely on the information contained in this section.

The following discussion and analysis contain forward-looking statements reflecting our current views on future events and financial performance, which involve risks and uncertainties. These statements are based on assumptions and analysis made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other relevant factors that we believe are appropriate under the circumstances. However, whether the actual outcome and developments will align with our expectations and predictions depends on various risks and uncertainties beyond our control. When evaluating our business, you should carefully consider the information provided in the sections headed "Forward-looking Statements" and "Risk Factors" in this prospectus.

OVERVIEW

We are a clinical-stage biopharmaceutical company. We primarily focus on in-house discovery and development of biopharmaceuticals targeting allergic and autoimmune diseases. We have developed a comprehensive product pipeline for biologic treatments targeting rhinology, dermatology, respiratory, hematology, nephrology and other autoimmune diseases.

We were established in the PRC in 2020. As a pre-revenue biotech company, we were not profitable and incurred operating losses during the Track Record Period. In 2024 and 2025, we reported total comprehensive loss of RMB137.3 million and RMB175.6 million, respectively. Our operating losses were primarily attributable to research and development costs, administrative expenses and finance costs.

BASIS OF PREPARATION

Our historical financial information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board (the "**IASB**"). We have early adopted all IFRS Accounting Standards effective for the accounting period commencing from January 1, 2025, together with the relevant transitional provisions, in the preparation of the historical financial information throughout each of the years ended December 31, 2024 and 2025 (the "**Relevant Periods**"). For further details of the material accounting policy information adopted, see Note 2.3 to the Accountants' Report set out in Appendix I to this prospectus. Our historical financial information also complies with the applicable disclosure provisions of the Listing Rules.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

We believe that the most significant factors affecting our results of operations, financial condition and cash flow include the following:

Our Ability to Successfully Develop and Commercialize Our Drug Candidates

We are a clinical-stage biopharmaceutical company specializing in in-house discovery and development of biopharmaceuticals targeting allergic and autoimmune diseases. Our results of our business and operating performance will depend to a significant extent on the successful development and commercialization of our drug candidates.

We are currently conducting clinical trials of LP-003 which is our Core Product and LP-005 which is our Key Product. We are also conducting pre-clinical studies for various other drug candidates such as LP-00A, LP-00C and LP-00D. Currently, the seasonal AR indication of our LP-003 is undergoing Phase III clinical trial in China and we plan to submit BLA to the NMPA in or before the third quarter of 2026. For CSU indication of our LP-003, we are conducting Phase II clinical trial in China, and we expect to complete Phase II and commence Phase III clinical trial in or before the second quarter of 2026. We are conducting Phase II clinical trials for allergic asthma and CRSwNP indications of our LP-003 and expect to initiate Phase II clinical trials for other allergic diseases in the fourth quarter of 2026. For details on our key milestones and progress of our clinical trials, see section headed "Business — Our Products and Pipeline" in this prospectus. The

ability of our drug candidates to demonstrate favorable safety and efficacy in clinical trials, our success in obtaining the requisite regulatory approvals according to our plan, and the effective implementation of our commercialization strategies are crucial for our business and operational results.

Although all of our drug candidates currently have not been approved for commercialization, and we have not generated any revenue from sales of our drug candidates, we expect to commercialize one or more of our drug candidates in the near future. Upon commercialization of our drug candidates, our business and results of operations will be driven by the market acceptance and sales of our commercialized drugs. However, the commercialization may require significant marketing efforts and inputs before we are able to generate any revenue from sales of our drug candidates. If we fail to achieve the degree of market acceptance, we may not be able to generate revenue as expected.

Our Cost Structure

Our results of operation are significantly influenced by our cost structure, which primarily consists of research and development costs, administrative expenses and finance costs. Details of these costs are set out below.

Our research and development costs mainly consist of non-clinical studies, and chemistry, manufacturing and controls ("**CMC**") costs, clinical trial expenses and employee benefit expense. For the years ended December 31, 2024 and 2025, we recorded research and development costs of RMB98.1 million and RMB126.6 million, respectively. As a biotech company focused on the discovery and development of innovative therapeutic drugs, we have devoted significant resources to the research and development of our biologic drug candidates. We expect to continue this focus in the foreseeable future as we advance our drug development pipeline.

Our administrative expenses mainly consisted of professional service fees, employee benefit expense, general office expenses, and depreciation and amortization expenses. For the years ended December 31, 2024 and 2025, we recorded administrative expenses of RMB11.3 million and RMB34.8 million, respectively.

Moreover, once our drug candidates receive marketing approvals and are commercialized, we are expected to dedicate our resources to sales and marketing. We plan to establish sales and marketing capabilities through a combination of in-house efforts and collaboration with external partners, all of which will incur selling expenses. Additionally, we anticipate increasing legal, compliance, accounting, insurance and investor and public relations expenses associated with being a public company in Hong Kong.

Funding for Our Operations

We funded our operations primarily through equity financing and interest-bearing loans during the Track Record Period. If one or more of our candidate drugs are successfully commercialized in the future, we expect to primarily fund our operations through revenue generated from the sales of these commercialized drug products. However, as our business continues to expand, we may require additional funding through public or private offerings, debt financing, collaborations, licensing arrangements, or other sources. Any fluctuations in our funding could impact our cash flow and our results of operations.

MATERIAL ACCOUNTING POLICY INFORMATION, JUDGMENTS AND ESTIMATES

The preparation of our financial statements requires our management to make judgements, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, as well as their accompanying disclosures and the disclosure of contingent liabilities. These judgments, estimates, and assumptions are continually evaluated and are based on historical experience and various other factors, including expectations of future events that are considered reasonable under the circumstances. As such, our actual results may differ from these estimates. When reviewing our financial statements, you should consider (i) our selection of material accounting policy information, (ii) significant accounting judgments and estimates affecting the application of such policies, and (iii) the sensitivity of reported results in changes in conditions and assumptions. We have not made any material changes to these estimates or assumptions during the Track Record Period. We do not expect any material changes in these estimates and assumptions in the foreseeable future.

For a detailed description of our material accounting policy information, and significant accounting judgments and estimates, see Notes 2.3 and 3 to the Accountants' Report set out in Appendix I to this prospectus.

DESCRIPTION OF CERTAIN KEY ITEMS OF THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The following table sets forth summary of our consolidated statements of profit or loss and other comprehensive income items for the periods indicated:

	Year ended December 31,	
	2024	2025
	RMB'000	*RMB'000*
Other income and gains	3,070	5,586
Research and development costs	(98,081)	(126,622)
Selling and distribution expenses	–	(484)
Administrative expenses	(11,266)	(34,797)
Other expenses	(51)	(2,408)
Finance costs	(30,993)	(16,858)
LOSS BEFORE TAX	(137,321)	(175,583)
Income tax expense	–	–
LOSS AND TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(137,321)	(175,583)
Attributable to:		
Owners of the parent	(137,321)	(175,583)

Revenue

We are a pre-revenue biotech company. We did not generate any revenue or incur any cost of revenue during the Track Record Period.

Other Income and Gains

During the Track Record Period, our other income primarily consisted of: (i) bank interest income; and (ii) government grants, primarily provided by the PRC local government authorities to support our research and developments activities or operating activities. These government grants are non-recurring in nature and subject to certain conditions.

Our gains primarily comprise gain on fair value changes of financial assets at fair value through profit or loss ("**FVTPL**"), representing fair value changes incurred in our investment in certain structured deposits.

The following table summarizes a breakdown of our other income and gain for the periods indicated:

	Year ended December 31,	
	2024	2025
	RMB'000	*RMB'000*
Other income		
Government grants	1,203	2,984
Bank interest income	1,331	1,347
Others	37	13
Total other income	2,571	4,344
Gains		
Gain on fair value changes of financial assets at FVTPL	499	1,242
Total gains	499	1,242
Total	**3,070**	**5,586**

For the years ended December 31, 2024 and 2025, our gain on fair value changes of financial assets at FVTPL represented fair value changes on the structured deposits we purchased primarily from commercial banks. (see "— Description of Selected Items from the Consolidated Statements of Financial Position — Financial Assets at FVTPL" in this section).

Research and Development Costs

During the Track Record Period, our research and development costs mainly consist of: (i) non-clinical studies and CMC costs, mainly resulting from the engagement of CROs and CDMOs, as well as other expenses incurred in connection with our pre-clinical studies, CMC activities and other studies; (ii) clinical trial expenses for our drug candidates, including expenses with respect to the engagement of CROs, clinical sites, and SMOs as well as other expenses incurred in connection with our clinical trials; (iii) employee benefit expense, primarily including salaries and other welfare for our research and development personnel such as social insurance and provident fund; (iv) share-based payment, which is an employee stock ownership plan granted for our R&D personnel; (v) depreciation and amortization, primarily representing the depreciation and amortization for property, plant and equipment, right-of-use assets, and other deferred expenses used for our research and development activities; and (vi) cost of raw material and consumables used for research and development of our biologic drug candidates.

For the years ended December 31, 2024 and 2025, we recorded research and development costs of RMB98.1 million and RMB126.6 million, respectively. The following table below sets forth a breakdown of our research and development costs for the periods indicated:

	Year ended December 31,			
	2024		2025	
	RMB'000	*%*	*RMB'000*	*%*
Non-clinical studies and CMC costs	35,347	36.0	38,457	30.4
Clinical trial expenses	35,174	35.9	46,582	36.8
Employee benefit expense	12,736	13.0	21,451	16.9
Share-based payment	644	0.7	8,074	6.4
Depreciation and amortization	5,625	5.7	5,619	4.4
Raw material and consumables	7,330	7.5	4,915	3.9
Others[(1)]	1,225	1.2	1,524	1.2
Total	**98,081**	**100.0**	**126,622**	**100.0**

Note:

(1) Others mainly include costs related to utilities and other miscellaneous expenses.

For the years ended December 31, 2024 and 2025, our research and development costs accounted for 89.7% and 78.2% of our total operating expenses (i.e. research and development costs, selling and distribution expenses and administrative expenses), respectively. Our research and development costs were primarily used to advance the clinical development of LP-003, our Core Product, and LP-005, our Key Product, during these periods.

The research and development costs attributable to our Core Product for the years ended December 31, 2024 and 2025 were RMB57.5 million and RMB99.0 million, accounting for 58.7% and 78.2% of total research and development costs, respectively, for the corresponding periods. The share of research and development costs for our Core Product increased by 19.5% in 2025 primarily due to the increase in the aggregate amount of clinical trial expenses and non-clinical studies and CMC costs for LP-003, driven by its progress of clinical trial for different indications.

The research and development costs attributable to our Key Product for the years ended December 31, 2024 and 2025 were RMB27.2 million and RMB11.5 million, accounting for 27.8% and 9.1% of total research and development costs, respectively, for the corresponding periods. The share of research and development costs for our Key Product decreased by 18.7% in 2025, primarily due to decrease in non-clinical studies and CMC costs for LP-005.

Share-based payment

We adopted a share option scheme for core employees in 2021 (the "**2021 Scheme**") for the purpose of providing incentives and rewards to eligible employees who contributed to the success of our Group's operations, the 2021 Scheme was cancelled in 2025. We adopted a RSU scheme ("**RSU Scheme**") for the purpose of providing incentives and rewards to eligible employees of the Group and our Directors who contribute to the success of our operations.

Administrative Expenses

During the Track Record Period, our administrative expenses mainly consisted of: (i) professional service fees, mainly related to service fees paid to legal advisors, auditors and other consulting service providers during the ordinary course of business, as well as Listing expenses; (ii) employee benefit expense, primarily including salaries and other welfare for our administrative staff such as social insurance and provident fund; (iii) general office expenses; and (iv) depreciation and amortization expense, including amortization of right-of-use assets and decoration expenses. For the years ended December 31, 2024 and 2025, we recorded administrative expenses of RMB11.3 million and RMB34.8 million, respectively. The following table sets forth a breakdown of our administrative expenses for the periods indicated:

	Year ended December 31,			
	2024		2025	
	RMB'000	*%*	*RMB'000*	*%*
Professional service fees	3,608	32.0	20,336	58.4
Employee benefit expense	2,406	21.4	5,977	17.2
General office expenses	3,073	27.3	4,412	12.7
Depreciation and amortization expenses	1,830	16.2	2,522	7.2
Share-based payment	82	0.7	766	2.2
Others[(1)]	267	2.4	784	2.3
Total	**11,266**	**100.0**	**34,797**	**100.0**

Note:

(1) Others mainly include short-term rent within one year and other miscellaneous expenses.

Other Expenses

Our other expenses primarily comprise donation expenditures, including those to a philanthropy foundation for rare diseases in 2023 and a biodiversity conservation and green development foundation in 2025. For the years ended December 31, 2024 and 2025, our other expenses amounted to RMB0.05 million and RMB2.41 million, respectively.

Finance Costs

For the years ended December 31, 2024 and 2025, our finance costs amounted to RMB31.0 million and RMB16.9 million, respectively. The following table below sets forth a breakdown of our finance costs for the periods indicated:

	Year ended December 31,	
	2024	2025
	RMB'000	*RMB'000*
Interest on redemption liabilities on equity shares	28,266	15,033
Interest on bank borrowings	807	982
Interest on redemption liabilities on a subsidiary's shares	1,203	354
Interest on amounts due to a related party	388	294
Interest on lease liabilities	329	195
Total	**30,993**	**16,858**

During the Track Record Period, the interest on redemption liabilities on equity shares was due to the interests from the various rounds of redeemable shares issued to Pre-IPO Investors which are classified as liabilities. For further details of the redemption liabilities on equity shares, see Note 22 to the Accountants' Report set out in Appendix I. For further details regarding the various rounds of investments by Pre-IPO Investors, see "History, Development and Corporate Structure — Pre-IPO Investments".

During the Track Record Period, the interest on redemption liabilities on a subsidiary's shares was associated with the redeemable shares of our subsidiary, LongBio Biotechnology (Changshu) Co., Ltd. ("**LongBio Changshu**"). For details of our redemption liabilities on the shares of LongBio Changshu, see Note 21 to the Accountants' Report set out in Appendix I.

During the Track Record Period, the interest on amounts due to a related party was attributed to the interest expenses associated with the RMB20 million loan from PharMab, a company controlled by a Director, in support of our R&D activities. This loan and its accrued interest were fully repaid by our Company in August 2025. For further details of this Loan, see "— Indebtedness — Amounts Due to a Related Party" in this section.

During the Track Record Period, the interest on lease liabilities was primarily attributed to our new lease for the office in Zhangjiang High-tech Park, Shanghai in June 2023, followed by the addition of another office in Changshu, Suzhou in March 2024.

Income Tax Expense

For the years ended December 31, 2024 and 2025, we recorded income tax expenses of RMB0 and RMB0, respectively. During the Track Record Period and up to the Latest Practicable Date, we have paid all relevant taxes in accordance with applicable tax laws and regulations and do not have any disputes or unresolved tax issues with the relevant tax authorities, in all material respects. For the statutory tax rate and preferential income tax rates applicable to our Company and our subsidiaries, see Note 10 to the Accountants' Report set out in Appendix I.

Loss for the Year

For the years ended December 31, 2024 and 2025, we had loss for the year of RMB137.3 million and RMB175.6 million, respectively.

PERIOD TO PERIOD COMPARISON OF RESULTS OF OPERATIONS

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

Revenue

We did not have any revenue or cost of revenue in 2024 or 2025.

Other Income and Gains

Our other income and gains increased by 82.0% from RMB3.1 million in 2024 to RMB5.6 million in 2025, primarily attributable to: (i) an increase in government grants of RMB1.8 million and (ii) an increase in gain on fair value changes of financial assets at FVTPL of RMB0.7 million.

Research and Development Costs

Our research and development costs increased by 29.1% from RMB98.1 million in 2024 to RMB126.6 million in 2025, primarily due to (i) increase in clinical trial expenses of RMB11.4 million, primarily driven by the progress of Phase III clinical trials for our Core Product, LP-003 in 2025; (ii) increase in employee benefit expense of RMB8.7 million, due to an increase in the number of employees in the clinical department as the clinical trial phase progressed; and (iii) increase in share-based payment of RMB7.4 million paid to our R&D personnel.

Selling and Distribution Expenses

Our selling and distribution expenses increased from RMB0 in 2024 to RMB0.5 million in 2025, primarily due to the increase in employee benefit expense attributable to the hiring of new commercialization staff.

Administrative Expenses

Our administrative expenses increased by 208.9% from RMB11.3 million in 2024 to RMB34.8 million in 2025, primarily due to (i) an increase in professional services fees of RMB16.7 million, primarily due to the preparation of our proposed Listing and (ii) an increase in employee benefit expense of RMB3.6 million for additional staff recruitment in line with our business development.

Other Expenses

The increase in other expenses of RMB2.4 million in 2025 was associated with foreign exchange fluctuations.

Finance Costs

Our finance costs decreased by 45.6% from RMB31.0 million in 2024 to RMB16.9 million in 2025, primarily attributable to a decrease in interest on redemption liabilities on equity shares of RMB13.2 million. For further details on redemption liabilities on equity shares, see Note 22 to the Accountants' Report set out in Appendix I to this prospectus.

Income Tax Expenses

We recorded income tax expenses of RMB0 for both 2024 and 2025.

Loss for the Year

As a result of the foregoing, our loss for the year increased by 27.9% from RMB137.3 million in 2024 to RMB175.6 million in 2025.

DESCRIPTION OF SELECTED ITEMS FROM THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The following table sets forth our non-current assets and liabilities as of the dates indicated:

	As of December 31,	
	2024	2025
	RMB'000	*RMB'000*
NON-CURRENT ASSETS		
Property, plant and equipment	11,614	10,292
Right-of-use assets	6,524	2,751
Prepayments, other receivables and other assets	7,369	12,440
Total non-current assets	25,507	25,483
NON-CURRENT LIABILITIES		
Lease liabilities	2,923	794
Deferred income	2,410	2,797
Redemption liabilities on equity shares	358,738	–
Amounts due to a related party	20,388	–
Total non-current liabilities	384,459	3,591

Property, Plant and Equipment

During the Track Record Period, our property, plant and equipment consisted of: (i) leasehold improvements; (ii) laboratory equipment; (iii) office and electronic equipment; (iv) motor vehicles; and (v) construction in progress. Our property, plant and equipment decreased by 11.4% from RMB11.6 million as of December 31, 2024 to RMB10.3 million as of December 31, 2025, primarily due to depreciation of property and equipment and new additions of laboratory equipment, leasehold improvements and office and electronic equipment of RMB2.6 million.

Right-of-use Assets

During the Track Record Period, our right-of-use assets were primarily related to laboratories and offices premises used for our operations. Our right-of-use assets decreased by 57.8% from RMB6.5 million as of December 31, 2024 to RMB2.8 million as of December 31, 2025, primarily due to normal amortization of right-of-use assets in the period.

The following table sets forth our current assets and current liabilities as of the dates indicated:

	As of December 31,		As of April 30,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (Unaudited)*
CURRENT ASSETS			
Prepayments, other receivables and other assets	14,693	10,931	13,596
Cash and cash equivalents	66,624	95,051	93,571
Pledged deposits	1,990	–	–
Restricted cash	–	881	2,294
Financial assets at FVTPL	40,095	95,211	60,109
Total current assets	123,402	202,074	169,570
CURRENT LIABILITIES			
Trade and other payables	27,068	45,762	63,780
Interest-bearing bank borrowings	37,877	35,000	52,501
Deferred income	2,040	560	800
Income tax payable	–	–	–
Redemption liabilities on a subsidiary's shares	23,636	–	–
Lease liabilities	4,113	2,129	1,681
Total current liabilities	94,734	83,451	118,762
Net current assets	28,668	118,623	50,808

Our net current assets significantly increased from RMB28.7 million as of December 31, 2024 to RMB118.6 million as of December 31, 2025, primarily due to (i) an increase in cash and cash equivalent of RMB28.4 million, as we received investment funds from the completion of our Series B3 and C rounds of financing, (ii) increased purchases of structured deposits during the year, and (iii) a decrease in redemption liabilities on a subsidiary's shares of RMB23.6 million, partially offset by (iv) an increase in trade and other payables of RMB18.7 million.

Our net current assets further decreased by 57.2% from RMB118.6 million as of December 31, 2025 to RMB50.8 million as of April 30, 2026, primarily due to (i) a decrease in financial assets at FVTPL of RMB35.1 million, (ii) an increase in trade and other payables of RMB18.0 million, and (iii) an increase in interest-bearing bank borrowings of RMB17.5 million, partially offset by (iv) an increase in prepayments, other receivables and other assets of RMB2.7 million.

Prepayments, Other Receivables and Other Assets

The following table sets forth a breakdown of both current and non-current prepayments, other receivables and other assets as of the dates indicated:

	As of December 31,	
	2024	2025
	RMB'000	*RMB'000*
Prepayments	13,991	7,089
Value-added tax recoverable	6,234	11,084
Deferred listing expense	643	3,990
Other receivables	59	1,097
Rental deposits	1,135	111
Total	**22,062**	**23,371**

Our prepayments, other receivables and other assets primarily consists of: (i) prepayments, mainly for research and development expenses; (ii) value-added tax recoverable, mainly related to company retained value-added tax; and (iii) deferred listing expenses.

Our prepayments, other receivables and other assets increased by 5.9% from RMB22.1 million as of December 31, 2024 to RMB23.4 million as of December 31, 2025, primarily attributable to (i) an increase in value-added tax recoverable of RMB4.9 million and (ii) an increase in deferred listing expense of RMB3.3 million, partially offset by (iii) a decrease in prepayments of RMB6.9 million.

As of the Latest Practicable Date, RMB4.5 million, or 19.1%, of our prepayments, other receivables and other assets as of December 31, 2025 had been subsequently settled.

Restricted Cash

We had restricted cash of RMB0 and RMB0.9 million as of December 31, 2024 and 2025, respectively, primarily due to a temporary bank account freeze in December 2025 due to a litigation. For details, see Note 16 to the Accountants' Report set out in Appendix I to this prospectus.

Financial Assets at FVTPL

As of the end of each period during the Track Record Period, our financial assets measured at FVTPL primarily consisted of structured deposits issued by major commercial banks in China. Our financial assets at FVTPL increased by 137.5% from RMB40.1 million as of December 31, 2024 to RMB95.2 million as of December 31, 2025, primarily due to purchases of structured deposit products. We believe that making such investments is in our best interest, and can enhance our income without interference with our business operations or capital expenditures.

To manage investment risks associated with our financial product portfolio, we have established a robust framework of internal policies and guidelines. Our investment activities are aligned with the Company's overall development strategy and maintained at a moderate scale to mitigate risk. All investment decisions are made on a case-by-case basis, with consideration given to factors such as maturity, expected returns, underlying assets, our cash flow position, and short-term capital needs. The purchases of structured deposits are carefully reviewed and assessed by staff in our finance group of the operations department, and subject to the approval procedures established by the board of directors of the Company. We primarily invest in low-risk, principal-guaranteed structured deposits from reputable banks in Chinese mainland. The expected returns on these products are linked to the performance of underlying instruments in the currency market. Our Group maintains complete accounting records for all investments to regularly monitor their performance and fair value, in accordance with our internal policies.

Our financial product portfolio is also susceptible to macroeconomic fluctuations, prompting us to closely monitor the composition and performance of our investments. See section headed "Risk Factors — Risks Relating to Our Financial Position and Need for Additional Capital — We face risks related to fluctuations in the fair value of financial assets measured at FVTPL and associated valuation uncertainties" in this prospectus. Upon Listing, we will continue investing in financial products according to our internal policies and guidelines. If the investment qualifies as a notifiable transaction under Chapter 14 of the Listing Rules, we will comply with the requirements, including announcement, circular, reporting, and/or shareholders' approval (if necessary).

Trade and Other Payables

During the Track Record Period, our trade and other payables primarily consisted of: (i) accrued R&D expenses, mainly representing accrued yet unpaid fees to relevant service providers in support of our CROs, and CDMOs; and (ii) trade and bills payables, representing invoiced yet unpaid fees relating to our R&D activities. The following table sets forth the details of our trade and other payables as of the dates indicated:

	As of December 31,	
	2024	2025
	RMB'000	*RMB'000*
Current:		
Trade and bills payables	12,761	5,717
Accrued research and development costs	10,304	28,952
Accrued listing expenses	106	4,798
Payroll payables	1,688	3,108
Payables for purchase of property and equipment	1,209	642
Other payables	935	2,338

	As of December 31,	
	2024	2025
	RMB'000	*RMB'000*
Other tax payables	65	207
Total	**27,068**	**45,762**

Our trade and other payables increased by 69.1% from RMB27.1 million as of December 31, 2024 to RMB45.8 million as of December 31, 2025, primarily due to (i) increase in accrued research and development expenses of RMB18.6 million, partially offset by (ii) decrease in trade and bills payables of RMB7.0 million, as we settled our CDMO service fees for LP-003 and LP-005.

During the Track Record Period, we settled payments for CROs, SMOs and CDMOs services in accordance with the related terms in contracts, while we normally settled payments for purchases of raw materials and consumables on credit terms of 30 to 120 days. Our trade payables are non-interest-bearing. The following table sets forth an aging analysis of our trade and bill payables presented based on the invoice date as of the dates indicated:

	As of December 31,	
	2024	2025
	RMB'000	*RMB'000*
Within 3 months	9,455	4,472
3 months to 1 year	3,306	1,245
Total	**12,761**	**5,717**

Our accrued research and development costs increased 181.0% from RMB10.3 million as of December 31, 2024 to RMB29.0 million as of December 31, 2025, primarily attributable to: increase of payable for clinical trial services, pre-clinical studies and CMC services.

Our payroll payables increased 84.1% from RMB1.7 million as of December 31, 2024 to RMB3.1 million as of December 31, 2025, primarily attributable to increased annual bonuses.

Our payables for purchase of property and equipment decreased 46.9% from RMB1.2 million as of December 31, 2024 to RMB0.6 million as of December 31, 2025, primarily attributable to the payment to the renovation suppliers.

Our accrued Listing expenses increased from RMB0.1 million as of December 31, 2024 to RMB4.8 million as of December 31, 2025, primarily attributable to fees payable to professional parties involved in the Listing process.

As of the Latest Practicable Date, RMB18.0 million, or 39.3%, of our trade and other payables as of December 31, 2025 had been subsequently settled.

Redemption Liabilities on Equity Shares

Our redemption liabilities on equity shares were RMB358.7 million and RMB0, respectively, as of December 31, 2024 and 2025. These liabilities primarily relate to our various rounds of Pre-IPO Investments by our Pre-IPO Investors since 2021. For further details regarding the various rounds of investments by Pre-IPO Investors, see "History, Development and Corporate Structure — Pre-IPO Investments". The redemption obligations give rise to financial liabilities, which are measured at the net present value of the redemption amount in the consolidated financial statements and presented as redemption liabilities on equity shares in the statements of financial position. Accordingly, the carrying amount of the financial liabilities of all redemption liabilities was derecognized upon the termination of the redemption features. Pursuant to the investment agreements of Series C Financing entered into by our Company and the relevant Shareholders, the redemption rights were automatically terminated from the day before the reference date for joint stock limit company conversion.

Redemption Liabilities on a Subsidiary's Shares

Our redemption liabilities on a subsidiary's shares were RMB23.6 million and RMB0, respectively, as of December 31, 2024 and 2025. These liabilities was associated with the redeemable shares of our subsidiary, LongBio Changshu. Our management recognizes this as a financial liability measured at amortized cost, and the subsequent interest expenses are included in our current profit and loss. We entered into an agreement with Southeast Investment on March 28, 2025, to acquire the shares of LongBio Changshu held by Southeast Investment at the consideration of RMB23,990,000. LongBio Changshu was de-registered on May 29, 2025. For further details, see Note 21 to the Accountants' Report in Appendix I to this prospectus.

LIQUIDITY AND CAPITAL RESOURCES

During the Track Record Period, our primary uses of cash were to fund the non-clinical studies, CMC and clinical development of our drug candidates, administrative expenses and other recurring expenses. We recorded net cash flows used in operating activities of RMB104.1 million and RMB121.0 million for the years ended December 31, 2024 and 2025, respectively. During the Track Record Period and up to the Latest Practicable Date, we have primarily funded our working capital requirements through equity financing and debt financing. Our management closely monitors use of cash and cash equivalents and strives to maintain a healthy liquidity for our operations. Going forward, we anticipate that our liquidity needs will be met through a combination of net proceeds from the Global Offering and cash flow generated by our operations.

Cash Flows

The following table provides information regarding our cash flows for the periods indicated:

	For the year ended December 31,	
	2024	2025
	RMB'000	*RMB'000*
Operating cash flow before movements in working capital	(99,040)	(142,658)
Changes in working capital	(5,082)	21,619
Net cash flows used in operating activities	(104,122)	(121,039)
Net cash flows used in investing activities	(45,556)	(57,141)
Net cash flows from financing activities	99,113	208,526
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(50,565)**	**30,346**
Cash and cash equivalents at beginning of year	117,226	66,624
Effect of foreign exchange rate changes, net	(37)	(1,919)
CASH AND CASH EQUIVALENTS AT END OF YEAR	**66,624**	**95,051**

Net Cash Used in Operating Activities

For the year ended December 31, 2025, our net cash used in operating activities was RMB121.0 million. Our loss before tax was RMB175.6 million for the same period. The difference between our loss before tax and our net cash used in operating activities for the period was primarily attributable to: (i) certain non-cash or non-operating expenses or losses, mainly including finance costs of RMB16.9 million, share-based payment expenses of RMB8.8 million and depreciation of property, plant and equipment of RMB3.8 million; and (ii) changes in certain working capital items, mainly including an increase in trade and other payables of RMB18.3 million.

For the year ended December 31, 2024, our net cash used in operating activities was RMB104.1 million. Our loss before tax was RMB137.3 million for the same year. The difference between our loss before tax and our net cash used in operating activities for the period was primarily attributable to: (i) certain non-cash or non-operating expenses or losses, mainly including finance costs of RMB31.0 million, depreciation of right-of-use assets of RMB3.7 million and depreciation of property, plant and equipment of RMB3.5 million; and (ii) changes in certain working capital items, mainly including an increase in prepayments, other receivables and other assets of RMB12.3 million, and an increase in trade and other payables of RMB6.8 million.

The negative operating cash flows we experienced during the Track Record Period primarily resulted from our increased investment in R&D activities as we progress with our various drug candidates' pipelines. We monitor and maintain a level of cash and cash equivalents considered

adequate by management to fund our operations and mitigate the impact of cash flow volatility. Given our net operating cash outflows throughout the Track Record Period, we plan to improve this situation through the following initiatives: (i) we plan to continue to advance the commercialization of our drug candidates in development to generate revenue from product sales. Specifically, subject to regulatory communication and marketing approval, we expect to apply for LP-003's inclusion in the NRDL during the first available application window; (ii) we will continue to implement comprehensive measures to effectively control operating costs and optimize the use of idle cash. For example, we enforce rigorous budget controls at both the project and business department levels; and (iii) we will closely monitor the settlement of trade payables to achieve a better cash flow position.

Net Cash Flows (Used in)/Generated from Investing Activities

For the year ended December 31, 2025, we had net cash used in investing activities of RMB57.1 million, which was mainly attributable to the purchases of financial assets at FVTPL of RMB53.9 million.

For the year ended December 31, 2024, our net cash used in investing activities was RMB45.6 million, which was primarily attributable to purchases of financial assets at FVTPL of RMB39.6 million.

Net Cash Flows from Financing Activities

For the year ended December 31, 2025, we had net cash generated from financing activities of RMB208.5 million, which was mainly attributable to proceeds from capital contribution from shareholders of RMB263.8 million.

For the year ended December 31, 2024, our net cash from financing activities was RMB99.1 million, which was primarily attributable to proceeds from capital contribution from shareholders of RMB60.0 million, proceeds from interest-bearing bank borrowings of RMB37.9 million, and proceeds from amounts due to a related party of RMB20.0 million.

CASH OPERATING COSTS

The following table provides information regarding our cash operating costs for the periods indicated:

	Year ended December 31,	
	2024	2025
	RMB'000	*RMB'000*
Research and development costs for our Core Product (LP-003) and Key Product (LP-005)		
Clinical trial expense	36,053	33,757
Employee benefit expense	8,947	14,832
Non-clinical studies and CMC costs	27,375	29,670
Raw material and consumables	10,907	2,986
Others[(1)]	770	1,204
Subtotal	**84,052**	**82,449**
Research and development costs for our other drug candidates		
Clinical trial expenses	3,039	323
Employee benefit expense	4,019	5,259
Non-clinical studies and CMC costs	2,122	2,960
Raw material and consumables	923	842
Others[(1)]	407	347
Subtotal	**10,510**	**9,731**
Total research and development costs	**94,562**	**92,180**
Other costs		
Employee benefit expense[(2)]	2,208	5,915
Others[(3)]	7,457	19,041
Subtotal	**9,665**	**24,956**
Total	**104,227**	**117,136**

Notes:

(1) Others primarily represent utilities and other miscellaneous expenses.

(2) Employee benefit expense represents total non-R&D personnel costs mainly including salaries and benefits.

(3) Others primarily include professional service fees, general office expense and other miscellaneous expenses.

WORKING CAPITAL CONFIRMATION

Our Directors are of the view that our liquidity requirements will be mainly satisfied by using funds from a combination of cash and cash equivalents, financial assets at FVTPL, and the estimated net proceeds from the Global Offering. Our Directors also confirm that our Group is able to maintain its financial viability and working capital sufficiency upon the repayment of loan to PharMab in August 2025. As of April 30, 2026, the latest practicable date for determining our indebtedness, we had cash and cash equivalents of RMB93.6 million, financial assets at FVTPL of RMB60.1 million and restricted cash of RMB2.3 million. Taking into account of the above, along with the estimated net proceeds from this Global Offering, the Directors are of the opinion, and the Sole Sponsor concurs, that we have sufficient working capital to cover at least 125% of our costs, including research and development costs, administrative expenses, finance costs and other operating costs, for at least the next 12 months from the date of this prospectus.

Our cash burn rate refers to average monthly amount of net cash used in operating activities, capital expenditures and lease payments. We had cash and cash equivalents, restricted cash and financial assets at FVTPL, totalling RMB191.1 million as of December 31, 2025. We estimate that we will receive net proceeds of approximately HK$1,254.9 million in the Global Offering, at an Offer Price of HK$96.06 per H Share, being the indicative Offer Price stated in this prospectus. Assuming an average cash burn rate going forward of 1.3 times the level in the year ended December 31, 2025, we estimate that (i) our cash and cash equivalents, restricted cash and financial assets at FVTPL as of December 31, 2025 will be able to maintain our financial viability for over 13 months from December 31, 2025, (ii) if we take into account 10.0% of the estimated net proceeds from the Global Offering (namely, the portion allocated for our working capital and other general corporate purposes), 21 months, and (iii) if we take into account 100.0% of the estimated net proceeds from the Global Offering, 91 months. Our Directors and our management team will continue to monitor our working capital, cash flows and our business development status and expect to raise our next round of financing if needed, no earlier than 12 months after the completion of the Global Offering.

In addition to the cash and cash equivalents, restricted cash and financial assets at FVTPL, totaling RMB191.1 million as of December 31, 2025, we will fund our working capital through debt financing and equity financing if the Global Offering does not take place as scheduled or is subjected to any delay. Going forward, we believe our liquidity requirement will be satisfied by a combination of debt financing and cash generated from our operations after the commercialization of our drug candidates.

INDEBTEDNESS

As of December 31, 2024 and 2025, except as disclosed below, we did not have any other material outstanding mortgages, charges, debentures, other issued debt capital, bank overdrafts, borrowings, liabilities under acceptance or other similar indebtedness, acceptance credits, hire purchase commitments, any guarantees or other material contingent liabilities. Since April 30, 2026, the latest practicable date for the purpose of the indebtedness statement, and up to the date of this prospectus, there has been no material change to our indebtedness. Our Directors confirm that as of the Latest Practicable Date, there was no material covenant on any of our outstanding debt and there was no material breach of any covenant during the Track Record Period and up to the Latest Practicable Date. Our Directors further confirm that our Group did not experience any difficulty in obtaining bank loans and other borrowings, material defaults on trade and non-trade payables and in payment of bank loans and other borrowings or breaches of covenants during the Track Record Period and up to the Latest Practicable Date.

The following table provides information regarding our indebtedness as of the dates indicated:

	As of December 31,		As of April 30,
	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000 (Unaudited)*
Current			
Interest-bearing bank borrowings	37,877	35,000	52,501
Redemption liabilities on a subsidiary's shares	23,636	–	–
Amounts due to related party	–	–	–
Lease liabilities	4,113	2,129	1,681
Non-current			
Lease liabilities	2,923	794	1,792
Redemption liabilities on equity shares	358,738	–	–
Amounts due to a related party	20,388	–	–
Total	447,675	37,923	55,974

Interest-bearing Bank Borrowings

Our interest-bearing bank borrowings comprised loans from PRC commercial banks. The following table sets forth the details of our bank borrowings as of the dates indicated:

	As of December 31, 2024			As of December 31, 2025		
	Effective interest rate (%)	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*
Current						
Bank loans-secured	2.55-2.80	2025	27,877	–	–	–
Bank loans-unsecured	3.00	2025	10,000	2.45-2.70	2026	35,000
Total			**37,877**			**35,000**

	As of December 31,	
	2024	2025
	RMB'000	*RMB'000*
Analysed into:		
Bank loans repayable:		
Within one year	37,877	35,000

Our Directors confirm that we had not defaulted in the repayment of our bank loans and other borrowings during the Track Record Period and up to the Latest Practicable Date. Our Directors have confirmed that, as of the Latest Practicable Date, there was no breach of any covenants during the Track Record Period and up to the Latest Practicable Date. As of April 30, 2026, we had committed unutilized banking facilities of RMB55.0 million.

Lease Liabilities

During the Track Record Period, we have leased properties for office properties and R&D activities. The leased properties with remaining lease terms primarily relate to our new offices in Zhangjiang High-tech Park, Shanghai and Changshu, Suzhou, which were leased in June 2023 and expiring in June 2026 and leased in March 2024 and expiring in February 2029, respectively. We have negotiated the lease terms individually, including various payment terms and conditions and we recognize lease liabilities for all leases.

Amounts Due to a Related Party

The amounts due to a related party, PharMab, which is controlled by our Director, is non-trade in nature, including the RMB20 million loan principal and interest receivable were unsecured and repayable in March 2026. Interests are charged at 2.45% annually, and principal and interest will

be paid at maturity. The loan and its accrued interest were fully repaid by our Company in August 2025. For details regarding the amounts due to a related party, see Note 29 to the Accountants' Report set out in Appendix I to this prospectus.

CAPITAL EXPENDITURES

For the years ended December 31, 2024 and 2025, our capital expenditures were RMB6.1 million and RMB4.4 million, respectively, which primarily consist of leasehold improvements. We funded our capital expenditure requirements during the Track Record Period mainly from equity financing.

We plan to finance our future capital expenditures primarily with our existing cash and cash equivalents, and net proceeds from the Global Offering. For more details, see the section headed "Future Plans and Use of Proceeds" in this prospectus. We may reallocate the fund to be utilized on capital expenditures based on our ongoing business needs.

CAPITAL COMMITMENTS

As of December 31, 2024 and 2025, we had capital commitments contracted but not provided for, amounting to RMB0.2 million and RMB1.2 million, respectively. These commitments are primarily related to contracts entered into for the acquisition of property, plant and equipment.

CONTINGENT LIABILITIES

As of December 31, 2024 and 2025, we did not have any contingent liabilities. Our Directors confirm that there has been no material change in our contingent liabilities since December 31, 2025, to the date of this prospectus.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

We had not entered into any off-balance sheet transactions as of the Latest Practicable Date.

RELATED PARTY TRANSACTIONS

During the Track Record Period, our related party transactions, which are non-trade in nature, primarily comprised of: (i) a loan with PharMab, which was fully repaid by our Company in August 2025 along with its accrued interest; (ii) guarantees provided by Dr. Liu and his close associate, for certain bank loans made to the Group, which have been released as of the Latest Practicable Date; and (iii) compensation for key management personnel. Our Directors believe that these transactions were conducted on an arm's length basis and did not distort our results of operations, nor did they make our historical results unreflective of our future performance. For more information on our transactions with related parties and the outstanding balances during the Track Record Period, see "— Indebtedness — Amounts Due to a Related Party" in this section, Note 29 to the Accountants' Report set out in Appendix I to this prospectus.

KEY FINANCIAL RATIOS

The table below sets forth our key financial ratios as of the dates indicated:

	For the year ended December 31,	
	2024	2025
Liquidity ratios		
Current ratio[(1)] (times)	1.3	2.4

Note:

(1) Current ratio is calculated using current assets divided by current liabilities as of the same date.

Liquidity Ratios

Current ratio increased from 1.3 times as of December 31, 2024 to 2.4 times as of December 31, 2025, which was mainly attributable to the increase in our current assets primarily due to (i) increase in cash and cash equivalent of RMB28.4 million, as we received investment funds from the

completion of our Series B3 and C rounds of financing, (ii) increased purchases of structured deposits during the year, and (iii) a decrease in redemption liabilities on a subsidiary's shares of RMB23.6 million, partially offset by (iv) an increase in trade and other payables of RMB18.7 million.

MARKET RISK DISCLOSURE

We are exposed to a variety of market risks and other financial risks, including credit risks, liquidity risk, and foreign currency risk. Our Directors regularly review and agree on policies for managing each of these risks. For more information, including relevant sensitivity analysis, see Note 32 to the Accountants' Report set out in Appendix I to this prospectus.

DIVIDEND

We did not declare or pay any dividend during the Track Record Period. We do not currently have a formal dividend policy or a pre-determined dividend payout ratio. We currently intend to retain all available funds and earnings, if any, to fund the development and expansion of our business and we do not anticipate paying any cash dividends in the foreseeable future.

Investors should not purchase our H Shares with the expectation of receiving cash dividends. Any future determination to pay dividends will be made at the discretion of our Directors and may be based on a number of factors, including our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that our Directors may deem relevant.

Regulations in the PRC currently permit payment of dividends of a PRC company only out of accumulated distributable after-tax profits less any recovery of accumulated losses and appropriations to statutory and other reserves that we are required to make, as determined in accordance with its articles of association and the accounting standards and regulations in China. As advised by our PRC Legal Advisor, taking into account the aforesaid, we may not have sufficient or any distributable profits to make dividend distributions to our Shareholders in a given year, in view of our accumulated losses, or even if we become profitable, as we will only be able to declare or pay dividends out of our distributable profits until (i) the accumulated losses are covered by our after-tax profits, and (ii) sufficient statutory and other reserves are drawn in accordance with the relevant laws, regulations and our constitutional documents.

As confirmed by our PRC Legal Advisor, capital reserves can be used to cover accumulated losses in accordance with applicable PRC laws. Therefore, unless and until we have distributable profits after covering all accumulated losses and making statutory reserve appropriations in accordance with applicable PRC laws, we are not eligible to declare or pay dividends, in light of our accumulated losses as disclosed in this prospectus, it is unlikely that we will be eligible to pay dividends out of our profits in the foreseeable future.

DISTRIBUTABLE RESERVES

As of December 31, 2025, we did not have any distributable reserves.

LISTING EXPENSES

Listing expenses to be borne by us are estimated to be approximately HK$108.5 million (including underwriting commission, at the Offer Price of HK$96.06 per H Share, which represent 8.0% of the gross proceeds from the Global Offering. The above Listing expenses comprise (i) underwriting-related expenses, including sponsor fee and underwriting commission, of HK$72.1 million, and (ii) non-underwriting-related expenses of HK$36.4 million, including (a) the legal advisors and the reporting accountants' expenses of HK$21.1 million, and (b) other fees and expenses of HK$15.3 million. During the Track Record Period, we incurred a total of RMB22.4 million (HK$25.7 million) in listing expenses, among which RMB18.4 million (HK$21.1 million) was recognized in our consolidated statement of profit or loss, and RMB4.0 million (HK$4.6 million) was directly attributable to the issue of our Shares to the public and will be deducted from equity upon the Listing. We estimate that we will incur additional listing expenses of approximately RMB72.4 million (HK$82.8 million), of which approximately RMB11.1 million (HK$12.7 million) is expected to be charged to our consolidated statements of profit or loss, and approximately RMB61.3 million (HK$70.1 million) is directly attributable to the issue of our shares to the public and will be deducted from equity upon the Listing. The Listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

See "Appendix II — Unaudited Pro Forma Financial Information" for details.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that there has been no material adverse change in our financial or trading position or prospects since December 31, 2025, and up to the date of this prospectus and there has been no event since December 31, 2025, and up to the date of this prospectus which would materially affect the information shown in our consolidated financial statements included in the Accountants' Report in Appendix I to this prospectus.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS AND PROSPECTS

See "Business — Our Development Strategies" for a detailed description of our future plans.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$1,254.9 million, after deducting underwriting commissions, fees and estimated expenses payable by us in connection with the Global Offering, and assuming an Offer Price of HK$96.06 per Share.

Assuming that the Over-allotment Option is not exercised, we currently intend to apply these net proceeds for the following purposes in the next three to five years:

- **Approximately 75.0%, or HK$941.2 million, will be used primarily for the R&D and commercialization of our Core Product and Key Product, including:**

  (i) Approximately 34.0%, or HK$426.7 million, will be used for the R&D of our Core Product LP-003, of which:

  (a) approximately 6.6% or HK$82.8 million, will be used for the development of the ongoing Phase III clinical trial for adults and planned clinical trials for adolescents of LP-003 for seasonal AR. We initiated the Phase III clinical trial for adults in China in July 2024 and we aim to complete the clinical trial in the second quarter of 2026. We plan to submit a BLA to the NMPA in or before the third quarter of 2026. The phase Ib clinical trial for adolescents of LP-003 for seasonal AR is planned to finish subject enrollment in or before the second quarter of 2026;

  (b) approximately 13.2%, or HK$165.7 million, will be used for the development of the ongoing Phase II clinical trial for adults and planned clinical trials for adolescents of LP-003 for CSU. We initiated the Phase II clinical trial for adults in January 2024 which is expected to complete in the second quarter of 2026. We plan to initiate Phase III clinical trials for adults in China in or before the second quarter of 2026;

  (c) approximately 14.2%, or HK$178.2 million, will be used for the development of the planned Phase II and Phase III clinical trials for adults and adolescents of LP-003 for CRSwNP. We obtained IND approval from the NMPA in March 2024. As of the Latest Practicable Date, the Phase II clinical trial for adults of CRSwNP is ongoing.

For details of LP-003's clinical development plan, see "Business — Our Products and Pipeline — Our Core Product: Anti-IgE Antibody (LP-003)".

(ii) Approximately 13.0%, or HK$163.1 million, will be used for the commercialization of LP-003 for seasonal AR indications in China over the next three to five years, including but not limited to collaboration with CSOs and recruitment of sales team market research, medical promotion and marketing publicity activities. Based on the expected approval timeline for LP-003, we plan to submit BLA to the NMPA in or before the third quarter of 2026. Specifically:

(a) approximately 2.3%, or HK$28.9 million, will be used for commercialization-related personnel, such as a medical advisory team, pharmacovigilance, compliance officers, customer service, and other roles. We anticipate forming a team of about 20 to 30 individuals comprising the said commercialization-related personnel from the second half of 2026 to the second half of 2028;

(b) approximately 2.3%, or HK$28.9 million, will be used for packaging design and reserve stock of inventory for commercial production and distribution;

(c) approximately 1.9%, or HK$23.8 million, will be allocated to real-life and pharmacoeconomic studies to support medical insurance negotiations and related decision-making;

(d) approximately 6.5%, or HK$81.6 million, will be used for academic promotion activities and market research initiatives.

For details of LP-003's commercialization plan and our selection criteria for CSOs, see "Business — Commercialization".

(iii) Approximately 28.0%, or HK$351.4 million, will be used for the R&D of our Key Product LP-005, of which:

(a) approximately 9.0% or HK$112.9 million, will be used for the development of the ongoing and planned Phase II and III clinical trials of LP-005 for PNH in the next five years. We have completed Phase I clinical trial in August 2024 and are currently conducting two Phase II clinical trials in China;

(b) approximately 9.5% or HK$119.2 million, will be used for the development of the planned Phase II and III clinical trials of LP-005 for complement-mediated kidney diseases in the next five years. We have completed Phase I clinical trial in August 2024 and initiated a Phase II clinical study in China;

(c) approximately 9.5% or HK$119.2 million, will be used for the development of the planned Phase II and III clinical trials of LP-005 for other complement related indications, including gMG, MAG-PN, ALS and periodontitis, in the next three years. We obtained IND approval from the NMPA for gMG and MAG-PN in July 2023 and March 2024, respectively. We plan to commence Phase II clinical trials in China in or before the fourth quarter of 2026.

For details of LP-005's clinical development plan, see "Business — Our Products and Pipeline — Our Key Product: C3b and C5 bi-functional antibody (LP-005)".

- **Approximately 15.0%, or HK$188.2 million, will be used for further development of our other pre-clinical pipeline products and our R&D platforms, including:**

(i) Approximately 11.8%, or HK$148.1 million, will be used for the pre-clinical studies and clinical development of our other pipeline products, namely LP-00A, LP-00C and LP-00D, including funding for our pre-clinical evaluation and planned Phase I and II clinical development of these products. These products are at their pre-clinical stage and we have not yet submitted their respective clinical research applications or commenced pre-clinical studies. We expect to use approximately 5.9%, or HK$74.0 million, for pre-clinical studies, including pharmacology and toxicology research, of these three pipeline products. We expect to use approximately 5.9%, or HK$74.0 million, for conducting Phase I clinical trials and part of Phase II clinical trials for such pipeline products.

(ii) Approximately 3.2%, or HK$40.2 million, will be used for the further development of our R&D platforms and exploration of new drug assets, including but not limited to costs of raw materials, procurement of laboratory equipment and devices, and recruitment of our R&D employees.

We will continue to focus on allergic diseases and autoimmune diseases, with support from our core platforms as our R&D engines, namely High-Affinity Antibody Discovery Platform and Bi-functional Antibody Development Platform. For details on our strategies on our technology platforms, see "Business — Our Development Strategies — Continuously enhance our R&D capabilities and enrich our pipeline based on our unique platforms."

- **Approximately 10.0%, or HK$125.5 million, will be used for working capital and other general corporate purposes.**

If the Over-allotment Option is exercised in full, the net proceeds that we will receive will be approximately HK$1,449.2 million, assuming an Offer Price of HK$96.06 per Share. In the event that the Over-allotment Option is exercised in full, we intend to apply the additional net proceeds to the above purposes in the proportions stated above. To the extent that the net proceeds from the Global Offering are not immediately used for the purposes described above and to the extent permitted by the relevant laws and regulations, they will be placed in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or the applicable laws and regulations in other jurisdictions). We will issue an appropriate announcement if there is any material change to the above proposed use of proceeds.

THE CORNERSTONE PLACING

We have entered into cornerstone investment agreements (each a "**Cornerstone Investment Agreement**", and together, the "**Cornerstone Investment Agreements**") with the cornerstone investors set out below (each a "**Cornerstone Investor**", and together, the "**Cornerstone Investors**"), pursuant to which the Cornerstone Investors have agreed to, subject to certain conditions, subscribe, or cause their designated entities to subscribe, at the Offer Price for such number of Offer Shares (rounded down to the nearest whole board lot of 50 H Shares) that may be purchased for an aggregate amount of US$87.0 million (or approximately HK$681.1 million, calculated based on the exchange rate set out in the section headed "Information about this Prospectus and the Global Offering — Exchange Rate Conversion") (the "**Cornerstone Placing**"). The aggregate amount of the investment contributed by the Cornerstone Investors does not include brokerage, SFC transaction levy, AFRC transaction levy and Hong Kong Stock Exchange trading fee which the Cornerstone Investors will pay in respect of the Offer Shares to be subscribed by them.

Based on the Offer Price of HK$96.06 per H Share, the total number of Offer Shares subscribed by the Cornerstone Investors would be 7,090,400 Offer Shares. The table below reflects the shareholding percentage immediately after the completion of the Global Offering.

Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full	
Approximate % of the Offer Shares	Approximate % of the total issued share capital	Approximate % of the Offer Shares	Approximate % of the total issued share capital
49.96%	9.56%	43.44%	9.29%

We believe that the Cornerstone Placing demonstrates our Cornerstone Investors' confidence in our Company and its business prospect, and that the Cornerstone Placing will help to raise the profile of our Company. Our Company became acquainted with each of the Cornerstone Investors in its ordinary course of operation through the Group's business network or through introduction by the Overall Coordinators in the Global Offering.

The Cornerstone Placing will form part of the International Offering, and the Cornerstone Investors and their respective close associates will not subscribe for any Offer Shares under the Global Offering (other than pursuant to the Cornerstone Investment Agreements). The Offer Shares to be subscribed by the Cornerstone Investors will rank pari passu in all respects with the fully paid H Shares in issue following the Global Offering of the Company and will be counted towards the public float of our Company under Rule 19A.13A of the Listing Rules. Immediately following the completion of the Global Offering, the Cornerstone Investors or their close associates will not, by virtue of their cornerstone investments, have any Board representation in our Company; and none of the Cornerstone Investors and their close associates will become a substantial Shareholder of our Company. Other than a guaranteed allocation of the relevant Offer Shares at the Offer Price, the Cornerstone Investors do not have any preferential rights under each of their respective Cornerstone Investment Agreements, as compared with other public Shareholders. There are no side arrangements or agreements between our Company and the Cornerstone Investors or any benefit, direct or indirect, conferred on the Cornerstone Investors by virtue of or in relation to the Listing, other than a guaranteed allocation of the relevant Offer Shares at the Offer Price, following the principles as set out in Chapter 4.15 of the Guide for New Listing Applicants.

To the best knowledge of our Company, save that TruMed Healthcare Master Fund and TruMed Health Innovation Fund LP (collectively, "**TruMed Funds**") are close associates of an existing Shareholder of the Company, each of the Cornerstone Investors is (i) not accustomed to take instructions from our Company or any of our Directors, chief executive, Controlling Shareholders, substantial Shareholders or existing Shareholders or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in their name or otherwise held by them; and (ii) not financed by our Company or any of our Directors, chief executive, Controlling Shareholders, substantial Shareholders, existing Shareholders or any of its subsidiaries or their respective close associates directly or indirectly. To the best knowledge of our Company, each of the Cornerstone Investors and their respective ultimate beneficial owners is an Independent Third Party. In addition, to the best knowledge of our Company, each of the Cornerstone Investors makes independent investment decisions.

As confirmed by each of the Cornerstone Investors, its subscription under the Cornerstone Placing would be financed by its own internal financial resources, financial resources of its shareholders or the assets managed for its investors (in the case of Cornerstone Investors which are funds or investment managers) and it has sufficient funds to settle its respective investment under the Cornerstone Placing. Each of the Cornerstone Investors has confirmed that all necessary approvals have been obtained with respect to the Cornerstone Placing and that no specific approval from any stock exchange (if relevant) is required for the relevant Cornerstone Placing. Save for The Biotech Growth Trust Plc, Huatai Capital Investment Limited, Fullgoal Fund Management Co., Ltd., Fullgoal Asset Management (HK) Limited, Value Partners Hong Kong Limited, Value Partners Limited and China Galaxy International Investment Company Limited, each of the Cornerstone Investors and its ultimate beneficial owner are not listed on any stock exchange.

The Cornerstone Investors have agreed to fully pay for the relevant Offer Shares that they have subscribed before dealings in the Company's H Shares commence on the Stock Exchange. Where delayed delivery takes place, each Cornerstone Investor that may be affected by such delayed delivery has agreed that it shall nevertheless fully pay for the relevant Offer Shares before the Listing. Such delayed delivery arrangement is in place to facilitate the over-allocation in the International Offering. There will be no delayed delivery if there is no over-allocation in the International Offering.

The total number of Offer Shares to be subscribed by the Cornerstone Investors may be affected by reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering. If the total demand for H shares in the Hong Kong Public Offering falls within the circumstance as set out in the section headed "Structure of the Global Offering — The Hong Kong Public Offering — Reallocation" in this prospectus, the Sole Sponsor-Overall Coordinator has the absolute discretion, but not obliged, to deduct the number of Offer Shares to be subscribed by the Cornerstone Investors on a pro rata basis in accordance with the terms of the Cornerstone Investment Agreements to satisfy the public demands under the Hong Kong Public Offering. Details of the actual number of Offer Shares to be allocated to the Cornerstone Investors will be disclosed in the allotment results announcement of our Company to be published on or around Thursday, June 4, 2026.

THE CORNERSTONE INVESTORS

The information about our Cornerstone Investors set forth below has been provided by the Cornerstone Investors in connection with the Cornerstone Placing.

OrbiMed Funds

OrbiMed Genesis Master Fund, L.P. ("**OrbiMed Genesis**") is an exempted limited partnership incorporated in the Cayman Islands. OrbiMed Genesis GP LLC ("**Genesis GP**") is the general partner of OrbiMed Genesis. OrbiMed Advisors LLC ("**OrbiMed Advisors**") is the managing member of Genesis GP. The only two limited partners of OrbiMed Genesis are OrbiMed Genesis Fund, L.P. and OrbiMed Genesis Fund Ltd. None of the limited partners or shareholders of OrbiMed Genesis Fund, L.P. and OrbiMed Genesis Fund Ltd. holds 30% or more interests therein.

The Biotech Growth Trust PLC ("**BIOG**") is a publicly listed trust organized under the laws of England. OrbiMed Capital LLC ("**OrbiMed Capital**") is the portfolio manager of BIOG. No single shareholder of BIOG, directly or indirectly, owns 30% or more of the shares in BIOG.

OrbiMed Advisors and OrbiMed Capital exercise voting and investment power through a management committee comprised of Carl L. Gordon, Sven H. Borho, and W. Carter Neild, all of whom are Independent Third Parties. The management committee has sole discretion in exercising such voting and investment power on behalf of OrbiMed Advisors and OrbiMed Capital. OrbiMed Advisors invests globally in the healthcare sector with investments ranging from early-stage private companies to large multinational corporations. There is no person who has the power to replace the members of the management committee.

TruMed Funds

TruMed Health Innovation Fund LP ("**TruMed Innovation Fund**") is a limited partnership incorporated in the Cayman Islands, and it is a pooled investment fund primarily investing in healthcare equities. Its general partner is TruMed Health Innovation Fund GP Limited, which is wholly owned by Ms. Ting Wang. No other party holds 30% or more shareholding interest in TruMed Health Innovation Fund GP Limited. None of the limited partners holds 30% or more equity interest in TruMed Innovation Fund.

TruMed Healthcare Master Fund ("**TruMed Master Fund**"), a limited liability company incorporated in the Cayman Islands, is a healthcare-focused pooled investment fund managed by TruMed Investment Management Limited as investment manager with discretionary authority. TruMed Investment Management Limited is wholly owned by Ms. Ting Wang. Save as Ms. Ting Wang who ultimately beneficially owns 30% or more interest in TruMed Master Fund and is an Independent Third Party, none of the remaining investors hold 30% or more interest in TruMed Master Fund.

Hainan Renze Zhenji Venture Capital Fund Partnership Enterprise (Limited Partnership) (海南仁澤真寄創業投資基金合夥企業(有限合夥)) ("**Hainan Renze**") is an existing Shareholder of our Company interested in 0.30% of the total issued Shares of the Company as of the Latest Practicable Date. The general partner of Hainan Renze is Hainan TruMed Private Fund Management Partnership Enterprise (Limited Partnership) (海南真脈私募基金管理合夥企業(有限合夥)), whose general partner is Hainan TruMed Advisors Ltd. (海南真脈諮詢有限公司), which is wholly owned by TruMed Management. TruMed Management is ultimately wholly owned by Ms. Ting Wang. TruMed Management is also the investment manager of TruMed Master Fund. The general partner of TruMed Innovation Fund is TruMed Health Innovation Fund GP Limited, which is controlled by Ms. Ting Wang. TruMed Funds are therefore under the common control of Ms. Ting Wang, and accordingly close associates of Hainan Renze.

As TruMed Funds are close associates of an existing Shareholder of the Company, the Company has sought, and the Stock Exchange has given, a consent under paragraph 1C(2) of Appendix F1 to the Listing Rules to permit TruMed Funds to participate in the Global Offering as cornerstone investors subject to certain conditions. Please refer to the sub-section headed "Waivers from Strict Compliance with the Listing Rules and Exemption from Strict Compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance — Consent in Respect of Cornerstone Investment by Close Associates of an Existing Shareholder" for details.

Huatai Capital Investment Limited and its Ultimate Clients

Huatai Capital Investment Limited ("**HTCI**") will act as the single counterparty of a back-to-back total return swap transaction (the "**Huatai Back-to-back TRS**") to be entered into by HTCI and Huatai Securities Co., Ltd. ("**Huatai Securities**") in connection with a total return swap transaction (the "**Huatai Client TRS**") fully funded by the ultimate clients (the "**Ultimate Clients**"), by which HTCI will ultimately pass the full economic return and loss of the Offer Shares allocated to HTCI to the Ultimate Clients. HTCI will hold the Offer Shares on a non-discretionary basis to hedge the Huatai Back-to-back TRS in connection with the Huatai Client TRS, and will pass on the full economic return and loss of the Offer Shares ultimately to the Ultimate Clients through the Huatai Back-to-back TRS and the Huatai Client TRS, subject to customary fees and commissions. HTCI will not take part in any economic return or bear any economic loss in relation to the Offer Shares, save as customary fees and commission. The Ultimate Clients may, after expiration of the lock-up period beginning from the date of the cornerstone investment agreement entered into among HTCI, the Company, the Sole Sponsor and the Overall Coordinators, and ending on the date which is six months from the Listing Date, request to early terminate the Huatai Client TRS at their own discretion. Upon the final maturity or early termination of the Huatai Client TRS by the Ultimate Clients, HTCI will accordingly terminate the Huatai Back-to-back TRS and dispose of the Offer Shares on the secondary market and the Ultimate Clients will receive a final settlement amount of the Huatai Client TRS in cash in accordance with the terms and conditions of the Huatai Back-to-back TRS and the Huatai Client TRS. It is proposed that HTCI will hold the legal title and the voting right of the Offer Shares by itself, and pass through the full economic return and loss to the Ultimate Clients, each being an onshore client who places a Huatai Client TRS order with Huatai Securities in connection with the Global Offering. HTCI will not exercise the voting right of the Offer Shares during the tenor of the Huatai Back-to-back TRS.

Each of the Ultimate Clients is an Independent Third Party of the Company, the connected persons or associates thereof. To the best of HTCI's knowledge after having made all reasonable inquiries, each of the Ultimate Clients is an Independent Third Party of HTCI and the companies which are members of the same group of HTCI.

During the life of the Huatai Back-to-back TRS and the Huatai Client TRS, HTCI may continue to hold the Offer Shares in its custodian account, or to hold some or all of the Offer Shares in a prime brokerage account for stock borrowing purpose, which is consistent with market practice to lower its finance cost, provided that the economic interests are ultimately passed to the Ultimate Clients.

HTCI is an indirectly wholly-owned subsidiary of Huatai Securities, of which its shares are listed on the Shanghai Stock Exchange (stock code: 601688) and the Stock Exchange (stock code: 6886), and the global depositary receipts of which are listed on the London Stock Exchange (LON: HTSC).

The Ultimate Clients are certain investment funds ("**Ultimate Clients (Gaoyi)**") managed by Shanghai Gaoyi Asset Management Partnership (Limited Partnership) (上海高毅資產管理合夥企業(有限合夥)) ("**Shanghai Gaoyi**") on a discretionary basis. Shanghai Gaoyi is a limited partnership established in the PRC, which is engaged in asset management and investment management with a primary focus on investments in secondary market. Certain investment funds managed by Shanghai Gaoyi entered into delta-one OTC swap transactions in connection with the cornerstone investment in Zijin Gold International Company Limited (stock code: 2259.HK), Nanjing Leads Biolabs Co., Ltd. (stock code: 9887.HK) and Contemporary Amperex Technology Co., Limited (stock code: 3750.HK) and bear all economic return and loss. Shanghai Gaoyi holds the Qualification of Private Investment Fund Manager (私募投資基金管理人資格) accredited by the Asset Management Association of China (中國證券投資基金業協會). The managing partner of Shanghai Gaoyi is Shanghai Gaoyi Investment Management Co, Ltd. (上海高毅投資管理有限公司) ("**Gaoyi Investment**"). There is no single ultimate beneficial owner holding 30% or more interests in respect of each of the Ultimate Clients (Gaoyi).

The Ultimate Clients also include certain investment funds ("**Ultimate Clients (Wisdomshire)**") managed by Wisdomshire Asset Management Co., Ltd* (上海睿郡資產管理有限公司) ("**Wisdomshire AM**") on a discretionary basis. Wisdomshire AM was established in 2015 in the PRC. The main business activity of Wisdomshire AM is asset management, and its key investment strategy is placing emphasis on evaluating the match degree between risk and return, and continuously selecting asset classes with risk-return ratios. Wisdomshire AM focuses on the sectors of high-end manufacturing, new energy, new materials, health and consumption in its investment portfolios. Mr. Du Changyong is the executive director and interested in 31.48% shareholding in Wisdomshire AM, and no other shareholder of Wisdomshire AM controls 30% or more shareholding in Wisdomshire AM. Save as Wuxi Del Investment Group Co., Ltd. ("**Wuxi Del**") and its ultimate controller Zhang Xiaoxing which holds approximately 51.43% of equity interest in Wuxi Del, Wisdomshire AM and Li Pan, each of which is interested in 30% or more interest in the relevant investment funds managed by Wisdomshire AM participating in the Cornerstone Placing, there is no single ultimate beneficial owner holding 30% or more interests in respect of each of the Ultimate Clients (Wisdomshire).

Foresight Funds

Foresight Global Superior Choice SPC — Global Superior Choice Fund 1 SP ("**GSC Fund 1**"), Foresight Global Superior Choice SPC — Vision Fund 1 SP ("**Vision Fund 1**"), Foresight Global Superior Choice SPC — Horizon Fund 1 SP ("**Horizon Fund 1**") and Foresight Global Superior Choice SPC — Horizon Next Fund SP ("**Horizon Next Fund**", together with GSC Fund 1, Vision Fund 1 and Horizon Fund 1, the "**Foresight Funds**") are all sub funds of Foresight Global Superior Choice SPC, which was incorporated in the Cayman Islands on October 17, 2016. Foresight Fund Management is the investment advisor of the GSC Fund 1 and Vision Fund 1. The Foresight Funds are currently managed in full discretion by Foresight Fund (Hong Kong) Limited ("**Foresight HK**"), a wholly owned subsidiary of Foresight Fund Management Company Limited ("**Foresight Fund Management**"). Foresight HK was incorporated in Hong Kong on April 26, 2022, and has been a licensed corporation as defined under the SFO for Type 4 (Advising on Securities) and Type 9 (Asset management) since March 24, 2023. Foresight Fund Management is a Shanghai-based asset management company and was founded by Mr. Chen Guangming (陳光明). Mr. Chen Guangming holds approximately 47.57% interests in Foresight Fund Management, while no other shareholder holds 30% or more interests in Foresight Fund Management. No ultimate beneficial owner of any limited partner or general partner holds 30% or more interests in each of Foresight Funds.

Fullgoal Fund and Fullgoal HK

Fullgoal Fund Management Co., Ltd. (富國基金管理有限公司) ("**Fullgoal Fund**") is a fund management company established in China in April 1999, and is one of the first ten fund management companies authorized by the CSRC and other regulatory authorities to obtain full licenses to provide asset management services in the PRC. Fullgoal Fund has a registered capital of RMB520 million and its main scope of business includes the provision of traditional fund management services, fund raising, fund sale and asset management solutions to both domestic and overseas clients. Fullgoal Fund is a QDII approved by the relevant PRC authority and is also the first fund management company with foreign equity participation among the first ten fund management companies in China. The relevant funds proposed to subscribe for the Offer Shares

under the management of Fullgoal Fund on a discretionary basis are open-ended publicly raised securities investment funds registered with the CSRC ("**Fullgoal Managed Funds**"). Each of Fullgoal Managed Funds has a wide spread of ultimate clients, none of whom holds 30% or more interest in each of the Fullgoal Managed Funds, and each of Fullgoal Managed Funds is an Independent Third Party.

The shareholders of Fullgoal Fund include (i) Guotai Haitong Securities Co., Ltd. (國泰海通證券股份有限公司), which is listed on the Shanghai Stock Exchange (stock code: 601211) and the Stock Exchange (stock code: 2611), holding 27.775% in Fullgoal Fund; (ii) Shenwan Hongyuan Securities Co., Ltd. (申萬宏源證券有限公司) holding 27.775% in Fullgoal Fund; (iii) Bank of Montreal, which is listed on the Toronto Stock Exchange (stock code: BMO) and The New York Stock Exchange (stock code: BMO), holding 27.775% in Fullgoal Fund, and (iv) Shandong Financial Asset Management Co., Ltd. (山東省金融資產管理股份有限公司), holding 16.675% in Fullgoal Fund.

Established in 2012 in Hong Kong, Fullgoal Asset Management (HK) Limited (富國資產管理(香港)有限公司) ("**Fullgoal HK**") is a wholly owned subsidiary of Fullgoal Fund. Fullgoal HK has Type 1 (Dealing in Securities), Type 4 (Advising on Securities) and Type 9 (Asset Management) licenses issued by the SFC. The subscription of the Offer Shares will be made by Fullgoal HK in its capacity as the sole management shareholder or investment manager of certain funds under its management ("**Fullgoal HK Managed Funds**"). No single ultimate beneficial owner holds 30% or more interest in each of Fullgoal HK Managed Funds, and, to the best knowledge of Fullgoal HK, each of Fullgoal HK Managed Funds is an Independent Third Party.

Value Partners

Each of Value Partners Hong Kong Limited (incorporated in Hong Kong) and Value Partners Limited (incorporated in the British Virgin Islands) has agreed to procure certain investment funds that it has actual discretionary investment management power over, to subscribe for relevant number of Shares. The investment funds managed by Value Partners Limited that will subscribe for the Offer Shares include Value Partners Intelligent Funds — Chinese Mainland Focus Fund, Value Partners Intelligent Funds — China Convergence Fund, Value Partners China Greenchip Fund Limited, and the investment funds managed by Value Partners Hong Kong Limited that will subscribe for the Offer Shares include Value Partners Multi-Asset Fund, Value Partners Fund Series — Value Partners Asian Income Fund, Value Partners High-Dividend Stocks Fund, Value Partners Classic Fund, Value Partners Funds SPC — Value Partners China A-Share Innovation Fund SP and Value Partners Ireland Fund ICAV — Value Partners Health Care Fund. Each of Value Partners Hong Kong Limited and Value Partners Limited (together with other subsidiaries under Value Partners Group Limited ("**Value Partners**")), acts as investment manager or investment advisor on a discretionary basis to all the funds above. Both Value Partners Hong Kong Limited and Value Partners Limited are wholly-owned subsidiaries of Value Partners Group Limited, a company listed on the Stock Exchange (stock code: 806). Value Partners is a major independent Asian asset manager. It is headquartered in Hong Kong and operates in Shanghai, Shenzhen and Singapore. Value Partners' investment strategies cover equities, fixed income, multi-asset, quantitative investment solutions and alternatives for institutional and individual clients in the Asia Pacific and Europe. As of December 31, 2025, it has asset-under-management of approximately US$6.2 billion.

GF Securities (Hong Kong) Brokerage Limited ("**GF Securities**"), one of the Overall Coordinators, is an indirect wholly-owned subsidiary of GF Securities Co., Ltd. (廣發証券股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000776.SZ) and the Stock Exchange (stock code: 01776.HK). Since GF Securities Co., Ltd. is interested in 20.04% of the issued share capital of Value Partners, it renders each of Value Partners Hong Kong Limited and Value Partners Limited an associate of GF Securities. Each of Value Partners Hong Kong Limited and Value Partners Limited is therefore a member of the same group of companies as GF Securities, and considered a "connected client" of GF Securities pursuant to paragraph 1B(7) of the Appendix F1 to the Listing Rules, holding securities on a discretionary basis on behalf of independent third parties. The Company has sought, and the Stock Exchange has given, a consent under paragraph 1C(1) of Appendix F1 to the Listing Rules to permit each of Value Partners Hong Kong Limited and Value Partners Limited to participate in the Global Offering as cornerstone investor subject to certain conditions. Please refer to the sub-section headed "Waivers from Strict Compliance with the Listing Rules and Exemption from Strict Compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance — Consent in Respect of Cornerstone Investment by Connected Clients" for details.

GBAHIL

Mega Prime Development Limited ("**Mega Prime**") is a company incorporated in the British Virgin Islands with limited liability. It is an investment company with active participation in Hong Kong IPOs as a cornerstone investor. Its investment portfolio includes, among others, GigaDevice (stock code: 3986), Zijin Gold Intl (stock code: 2259) and Edge Medical-B (stock code: 2675). Mega Prime is a wholly-owned subsidiary of GBA Homeland Limited, which in turn is wholly owned by Greater Bay Area Homeland Investments Limited ("**GBAHIL**").

Mega Prime subscribes the Offer Shares via a discretionary account in its name managed by Greater Bay Area Development Fund Management Limited (大灣區發展基金管理有限公司) ("**GBADFML**"), a company wholly owned by GBAHIL and licensed under the SFO to conduct type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities in Hong Kong. No single ultimate beneficial owner holds 30% or more interests in GBADFML. GBADFML's internal investment committee is responsible for making its investment decisions, including without limitation, making the investment decisions for the discretionary account of Mega Prime.

Greater Bay Area Homeland Investments Limited ("**GBAHIL**") is a company incorporated in Hong Kong with limited liability and is jointly owned by ten shareholders, each of which is an Independent Third Party and holds less than 13% equity interest therein. GBAHIL's business encompasses investment, investment holding and the establishment or management of private equity funds through its subsidiaries to grasp the historical opportunities of the development of Guangdong-Hong Kong-Macao Greater Bay Area, and the construction of an international innovation and technology hub, focusing on technological innovation, industrial upgrading, quality of life, smart city and all other related industries.

FR M

FR M CONSULTING CO., LTD ("**FR M**") is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investments in the securities market. Its investment portfolio includes investments in Hong Kong-listed companies in the healthcare and biotechnology and mining sectors. Mr. Zhang Guofeng (張國鋒), an Independent Third Party, is the ultimate beneficial owner of FR M. Mr. Zhang is primarily engaged in investment and corporate management and has also made personal investments in among others, companies operating in the healthcare and biotechnology industries.

Yuanfeng Future Growth Fund and CGII (in connection with the Yuanfeng OTC Swaps)

China Galaxy International Investment Company Limited ("**CGII**") and China Galaxy Securities Co., Ltd., which is listed on the Shanghai Stock Exchange (stock code: 601881) and the Stock Exchange (stock code: 6881) ("**CGS**") will enter into a series of cross border delta-one OTC equity swap transactions (collectively, the "**Yuanfeng OTC Swaps**") with each other and Yuanfeng Future Growth Private Equity Securities Investment Fund* (源峰遠景成長私募證券投資基金) ("**Yuanfeng Future Growth Fund**" or the "**Ultimate Client (Yuanfeng)**"), pursuant to which CGII will hold the Offer Shares on a non-discretionary basis to hedge the Yuanfeng OTC Swaps while the economic risks and returns of the underlying Offer Shares are passed to the Ultimate Client (Yuanfeng), subject to customary fees and commissions. The Yuanfeng OTC Swaps will be fully funded by the Ultimate Client (Yuanfeng).

During the terms of the Yuanfeng OTC Swaps, all economic returns of the Offer Shares subscribed by CGII will be passed to the Ultimate Client (Yuanfeng) and all economic loss shall be borne by the Ultimate Client (Yuanfeng) through the Yuanfeng OTC Swaps, and CGII will not take part in any economic return or bear any economic loss in relation to the Offer Shares. Despite that CGII will hold the legal title of the Offer Shares by itself, it will not exercise the voting rights attaching to the relevant Offer Shares during the terms of the Yuanfeng OTC Swaps according to its internal policy. The Ultimate Client (Yuanfeng) is an Independent Third Party of our Company, and no single ultimate beneficial owner holds 30% or more interests in the Ultimate Client (Yuanfeng). To the best of CGII's knowledge having made all reasonable inquiries, the Ultimate Client (Yuanfeng) is an Independent Third Party of CGII, CGS and the companies which are members of the same group of CGII.

The Ultimate Client (Yuanfeng) is an investment fund managed by Beijing Yuanfeng Asset Management L.L.P.* (北京源峰私募基金管理合夥企業(有限合夥)) ("**Beijing Yuanfeng Asset Management**") on a discretionary basis. No single ultimate beneficial owner holds 30% or more interest in Beijing Yuanfeng Asset Management or the Ultimate Client (Yuanfeng).

The table below sets forth details of the Cornerstone Placing:

			Based on the Offer Price of HK$96.06 per Offer Share			
			Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full	
Cornerstone Investor	**Subscription amount**	**Number of Offer Shares**[(Note)]	**Approximate % of the Offer Shares**	**Approximate % of the total issued share capital**	**Approximate % of the Offer Shares**	**Approximate % of the total issued share capital**
	(US$ in million/ equivalent US$)					
OrbiMed Funds	18.0	1,467,050	10.34%	1.98%	8.99%	1.92%
– OrbiMed Genesis	11.9	969,900	6.84%	1.31%	5.94%	1.27%
– BIOG	6.1	497,150	3.50%	0.67%	3.05%	0.65%
TruMed	12.0	977,850	6.89%	1.32%	5.99%	1.28%
– TruMed Innovation Fund	8.5	692,650	4.88%	0.93%	4.24%	0.91%
– TruMed Master Fund	3.5	285,200	2.01%	0.39%	1.75%	0.37%
HTCI and its Ultimate Clients	20.0	1,630,050	11.48%	2.20%	9.98%	2.14%
– Ultimate Clients (Gaoyi)	12.0	978,050	6.89%	1.32%	5.99%	1.28%
– Ultimate Clients (Wisdomshire)	8.0	652,000	4.59%	0.88%	3.99%	0.86%
Foresight Funds	10.0	815,050	5.75%	1.09%	5.00%	1.06%
– Vision Fund 1	5.8	474,650	3.34%	0.64%	2.91%	0.62%
– GSC Fund 1	3.2	258,900	1.83%	0.35%	1.59%	0.34%
– Horizon Fund 1	0.5	40,750	0.29%	0.05%	0.25%	0.05%
– Horizon Next Fund	0.5	40,750	0.29%	0.05%	0.25%	0.05%
Fullgoal	10.0	815,000	5.74%	1.10%	4.99%	1.07%
– Fullgoal Fund	8.4	685,450	4.83%	0.92%	4.20%	0.90%
– Fullgoal HK	1.6	129,550	0.91%	0.18%	0.79%	0.17%
Value Partners	8.0	651,900	4.59%	0.88%	3.99%	0.86%
– Value Partners Hong Kong Limited	7.0	570,400	4.02%	0.77%	3.49%	0.75%
– Value Partners Limited	1.0	81,500	0.57%	0.11%	0.50%	0.11%
GBAHIL	5.0	407,500	2.87%	0.55%	2.50%	0.54%
FR M	2.0	163,000	1.15%	0.22%	1.00%	0.21%
Yuanfeng Future Growth Fund and CGII (in connected with Yuanfeng OTC Swaps)	2.0	163,000	1.15%	0.22%	1.00%	0.21%
TOTAL	87.0	7,090,400	49.96%	9.56%	43.44%	9.29%

Note: Assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the date of exercise of Over-allotment Option. Subject to rounding down to the nearest whole board lot of 50 Offer Shares. Calculated based on the exchange rate set out in the section headed "Information about this Prospectus and the Global Offering — Exchange Rate Conversion".

CLOSING CONDITIONS

The obligation of each Cornerstone Investor to subscribe for the Offer Shares under the respective Cornerstone Investment Agreement is subject to, among other things, the following closing conditions:

(a) the Underwriting Agreements having been entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in the Underwriting Agreements, and neither of the Underwriting Agreements having been terminated;

(b) the Offer Price having been agreed between our Company and the Overall Coordinators (for itself and on behalf of the underwriters of the Global Offering);

(c) the Listing Committee having granted the approval for the listing of, and permission to deal in, the H Shares (including the H Shares subscribed for by the Cornerstone Investors as well as other applicable waivers and approvals) and such approvals, permissions or waivers having not been revoked prior to the commencement of dealings in the H Shares on the Stock Exchange;

(d) the CSRC having accepted the CSRC Filing (as defined under the respective Cornerstone Investment Agreement) and published the filing results in respect of the CSRC Filing on its website, and such notice of acceptance and/or filing results published not having otherwise been rejected, withdrawn, revoked or invalidated prior to the commencement of dealings in the H Shares on the Stock Exchange;

(e) no laws having been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Global Offering or in the respective Cornerstone Investment Agreements and no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and

(f) the respective acknowledgements, representations, warranties, undertakings and confirmations of relevant Cornerstone Investor under the respective Cornerstone Investment Agreement being (as of the date of the respective Cornerstone Investment Agreement) and remaining (as of the Listing Date and, if applicable, the delayed delivery date under the respective Cornerstone Investment Agreement) accurate, complete and true in all respects and not misleading and that there is no breach of the respective Cornerstone Investment Agreement on the part of the relevant Cornerstone Investor.

RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each of the Cornerstone Investors has agreed that it will not, whether directly or indirectly, at any time during the period of six months from (and inclusive of) the Listing Date (the "**Lock-up Period**"), dispose of, in any way, any of the Offer Shares or any interest in any company or entity holding such Offer Shares that they have purchased pursuant to the relevant Cornerstone Investment Agreement, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries, entities under the same management or control (as the case maybe) who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.

HONG KONG UNDERWRITERS

Sinolink Securities (Hong Kong) Company Limited
GF Securities (Hong Kong) Brokerage Limited
ABCI Securities Company Limited
CCB International Capital Limited
Shanxi Securities International Limited
TradeGo Markets Limited

UNDERWRITING

This prospectus is published solely in connection with the Hong Kong Public Offering. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters on a conditional basis. The International Offering is expected to be fully underwritten by the International Underwriters subject to the terms and conditions of the International Underwriting Agreement.

The Global Offering comprises the Hong Kong Public Offering of initially 1,419,350 Hong Kong Offer Shares and the International Offering of initially 12,773,800 International Offer Shares, subject, in each case, to reallocation on the basis as described in "Structure of the Global Offering" in this prospectus as well as to the Over-allotment Option in the case of the International Offering.

UNDERWRITING ARRANGEMENTS

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, we are offering 1,419,350 Hong Kong Offer Shares (subject to reallocation) for subscription by the public in Hong Kong on the terms and subject to the conditions in this prospectus and the Hong Kong Underwriting Agreement at the Offer Price.

Subject to (a) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares to be issued pursuant to the Global Offering (including any additional H Shares which may be issued pursuant to the exercise of the Over-allotment Option) and the H Shares to be converted from Unlisted Shares and such approval not having been withdrawn; and (b) the conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed, severally but not jointly, to subscribe, or procure subscribers to subscribe, for the Hong Kong Offer Shares which are being offered but are not taken up under the Hong Kong Public Offering on the terms and subject to the conditions set out in this prospectus and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional on and subject to, among other things, the International Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for Termination

The obligations of the Hong Kong Underwriters to subscribe or procure subscribers for the Hong Kong Offer Shares are subject to termination by notice from the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters), at any time prior to 8:00 a.m. on the Listing Date if:

(i) there shall develop, occur, exist or come into effect:

(a) any new law or regulation or any change or development involving a prospective change or any event or series of events or circumstances likely to result in a change or a development involving a prospective change in existing laws or regulations, or the interpretation or application thereof by any court or any competent authority in or affecting Hong Kong, the PRC, the United States, the United Kingdom, the European Union (or any member thereof), Japan, Singapore, or other jurisdictions relevant to the Group or the Global Offering (each a "**Relevant Jurisdiction**" and collectively, the "**Relevant Jurisdictions**"); or

(b) any change or development involving a prospective change, or any event or series of events or circumstances likely to result in a change or prospective change, in any local, national, regional or international financial, political, military, industrial, economic, fiscal, legal, regulatory, currency, credit or market conditions or sentiments, taxation, equity securities or currency exchange rate or controls or any monetary or trading settlement system, or foreign investment regulations (including, without limitation, a devaluation of the Hong Kong dollar, United

States dollar or Renminbi against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or the Renminbi is linked to any foreign currency or currencies) or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, the inter-bank markets and credit markets) in or affecting any of the Relevant Jurisdictions, or affecting an investment in the Offer Shares; or

(c) any events or series of events, or circumstances in the nature of force majeure (including, without limitation, any acts of government, declaration of a regional, national or international emergency or war, calamity, crisis, economic sanctions, strikes, labor disputes, other industrial actions, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, rebellion, public disorder, paralysis in government operations, acts of war, epidemic, pandemic, outbreak or escalation, mutation or aggravation of diseases, accident or interruption or delay in transportation, local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), acts of God or acts of terrorism (whether or not responsibility has been claimed) in or affecting any of the Relevant Jurisdictions; or

(d) the imposition and declaration of any moratorium, suspension or limitation (including without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on (i) trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market or the London Stock Exchange; or (ii) the trading in any securities of the Company listed or quoted on a stock exchange or an over-the-counter market; or

(e) the imposition and declaration of any general moratorium on banking activities in or affecting any of the Relevant Jurisdictions or any disruption in commercial banking or foreign exchange trading or securities settlement or clearance services, procedures or matters in or affecting any of the Relevant Jurisdictions; or

(f) other than with the prior written consent of the Sole Sponsor-Overall Coordinator (such consent shall not be unreasonably withheld or delayed), the issue or requirement to issue by our Company of a supplement or amendment to this prospectus or other documents in connection with the offer and sale of the Offer Shares pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance or the Listing Rules or upon any requirement or request of the Stock Exchange and/or the SFC; or

(g) the commencement by any authority or other regulatory or political body or organization of any public action or investigation against a member of the Group or a director or a senior management member of any member of the Group or announcing an intention to take any such action; or

(h) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any member of the Group or any of the Controlling Shareholders or by or on any Relevant Jurisdiction, or the withdrawal of trading privileges which existed on the date of the Hong Kong Underwriting Agreement, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction; or

(i) any valid demand by creditors for payment or repayment of indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity; or

(j) any non-compliance of this prospectus (or any other documents used in connection with the contemplated offering, allotment, issue, subscription or sale of any of the Offer Shares), the CSRC Filings or any aspect of the Global Offering with the Listing Rules or any other applicable laws; or

(k) any litigation, dispute, legal action or claim or regulatory or administrative investigation or action being threatened, instigated or announced against any member of our Group or any Controlling Shareholder or any Director or any senior management members as named in this prospectus; or

(l) any contravention by any member of our Group or any Director of the Listing Rules or application laws; or

(m) any change or prospective change, or a materialization of, any of the risks set out in the section headed "Risk Factors" in this prospectus,

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Sole Sponsor and the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters):

(A) has or will or may have a material adverse effect, whether directly or indirectly, on the assets, liabilities, business, general affairs, management, prospects, shareholders' equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of the Company or the Group as a whole; or

(B) has or will or may have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of indications of interest under the International Offering; or

(C) makes or will make or may make it impracticable, inadvisable, inexpedient or incapable for any material part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering or the Global Offering to be performed or implemented as envisaged, or for the Hong Kong Public Offering and/or the Global Offering to proceed, or to market the Global Offering, or the delivery or distribution of the Offer Shares on the terms and in the manner contemplated by this prospectus, the formal notice, the post hearing information pack, the disclosure package, the preliminary offering circular, the offering circular and any other announcement, document, materials, communications or information made, issued, given, released, arising out of or used in connection with or in relation to the contemplated offering and sale of the Offer Shares or otherwise in connection with the Global Offering, including, without limitation, any investor presentation materials relating to the Offer Shares and, in each case, all amendments or supplements thereto (the "**Offering Documents**"); or

(D) has or will or may have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

(ii) there has come to the notice of the Sole Sponsor and the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters) that:

(a) any statement contained in any of the Offering Documents, the CSRC Filings and/or any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of the Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) (the "**Global Offering Documents**") was, when it was issued, or has become untrue, incorrect, inaccurate in any material respect or misleading; or that any estimate, forecast, expression of opinion, intention or expectation contained in any such documents, was, when it was issued, or has become unfair or misleading in any respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith; or

(b) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, constitute a material omission or misstatement in any Global Offering Document; or

(c) any breach of, or any event or circumstance rendering untrue or incorrect or misleading in any respect, any of the representations, warranties and undertakings given by our Company and our Controlling Shareholders in the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or

(d) any event, act or omission which gives rise or is likely to give rise to any liability of any of the indemnifying parties pursuant to the indemnities in the Hong Kong Underwriting Agreement; or

(e) any breach of any of the obligations or undertakings imposed upon the Company or any member of our Controlling Shareholders to the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or

(f) there is any change or development involving a prospective change, constituting or having a material adverse effect or any development involving a prospective material adverse effect on profits, losses, result of operations, assets, liabilities, general affairs, business, management, performance, prospects, shareholders' equity, position or condition (financial, trading or otherwise) of our Group, taken as a whole; or

(g) the chairman of the Board, any Director or any member of senior management of the Company named in this prospectus seeks to retire, or is removed from office or vacating his/her office; or

(h) any Director or any member of senior management of the Company named in this prospectus is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company; or

(i) our Company withdraws this prospectus (and/or any other documents used in connection with the subscription or sale of any of the Offer Shares pursuant to the Global Offering) or the Global Offering; or

(j) that the approval by the Listing Committee of the listing of, and permission to deal in, the H Shares in issue and to be issued pursuant to the Global Offering (including pursuant to any exercise of the Over-allotment Option) is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or

(k) any person (other than the Sole Sponsor) has withdrawn its consent to the issue of this prospectus with the inclusion of its reports, letters and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or

(l) any prohibition on our Company for whatever reason from offering, allotting, issuing or selling any of the Offer Shares pursuant to the terms of the Global Offering; or

(m) an order or petition is presented for the winding-up or liquidation of any member of our Group, or any member of the Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of our Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of our Group or anything analogous thereto occurring in respect of any member of our Group; or

(n) (A) the notice of acceptance of the CSRC Filings issued by the CSRC and/or the results of the CSRC Filings published on the website of the CSRC is rejected, withdrawn, revoked or invalidated; or (B) other than with the prior written consent of the Sole Sponsor-Overall Coordinator (such consent shall not be unreasonably withheld or delayed), the issue or requirement to issue by the Company of a supplement or amendment to the CSRC Filings pursuant to the CSRC Rules or upon any requirement or request of the CSRC; or (C) any non-compliance of the CSRC Filings with the CSRC Rules or any other applicable laws; or

(o) that a material portion of the orders placed or confirmed in the bookbuilding process have been withdrawn, terminated or cancelled, or with respect to which the payment of the relevant orders and/or investment commitment has not been received or settled in the stipulated time and manner or otherwise.

Undertakings to the Stock Exchange pursuant to the Listing Rules

Undertakings by our Company

Pursuant to Rule 10.08 of the Listing Rules, our Company has undertaken to the Stock Exchange that, within six months from the Listing Date, no further Shares or securities convertible into equity securities of our Company (whether or not of a class already listed) shall be issued or sold or transferred out of treasury by our Company or form the subject of any agreement to such an issue, or sale or transfer out of treasury (whether or not such issue of Shares or securities, or sale

or transfer of treasury shares of our Company will be completed within six months from the Listing Date), except pursuant to the Global Offering (including the Over-allotment Option) or under any of the circumstances provided under Rule 10.08 of the Listing Rules.

Undertakings by our Controlling Shareholders

Pursuant to Rule 10.07(1) of the Listing Rules, each of our Controlling Shareholders has undertaken to the Stock Exchange and us that, except pursuant to the Global Offering (including the Over-allotment Option), he/she/it shall not and shall procure that the relevant registered holder(s) of Shares shall not, without the prior written consent of the Stock Exchange or unless otherwise in compliance with the requirements of the Listing Rules:

(a) in the period commencing on the date by reference to which disclosure of his/her/its shareholding is made in this prospectus and ending on the date which is six months from the Listing Date (the "**First Six-Month Period**"), dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of those securities of our Company in respect of which he/she/it is shown by this prospectus to be the beneficial owner(s) (as defined in Rule 10.07(2) of the Listing Rules) (the "**Relevant Securities**"); and

(b) in the period of six months commencing on the date on which the First Six-Month Period expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of any of the Relevant Securities if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, he/she/it would cease to be a Controlling Shareholder.

Pursuant to Note 3 to Rule 10.07(2) of the Listing Rules, each of our Controlling Shareholders has also undertaken to the Stock Exchange and us that, within the period commencing on the date by reference to which disclosure of his/her/its shareholding is made in this prospectus and ending on the date which is 12 months from the Listing Date, he/she/it will:

(a) when he/she/it pledges or charges any Relevant Securities beneficially owned by him/her/it in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan pursuant to Note 2 to Rule 10.07(2) of the Listing Rules, immediately inform us of such pledge or charge together with the number of the Relevant Securities so pledged or charged; and

(b) when he/she/it receives any indications, either verbal or written, from any such pledgee or chargee that any of the pledged or charged Relevant Securities will be disposed of, immediately inform our Company of such indications.

Under Note 3 to Rule 10.07(2) of the Listing Rules, our Company is required to inform the Stock Exchange as soon as we have been informed of the above matters (if any) by any of our Controlling Shareholders and disclose such matters in accordance with the publication requirement under the Listing Rules.

Undertakings pursuant to the Hong Kong Underwriting Agreement

Undertakings by our Company

Our Company undertakes to each of the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries, that except pursuant to the Global Offering (including pursuant to the Over-allotment Option), at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the Listing Date (the "**First Six Month Period**"), our Company will not, without the prior written consent of the Sole Sponsor and the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

(a) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, assign, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, or repurchase, any legal or beneficial interest in the share capital or any other securities of

our Company or any interest in any of the foregoing (including, but not limited to, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase any share capital or other securities of our Company, as applicable), or deposit any share capital or other securities of the Company, as applicable, with a depositary in connection with the issue of depositary receipts; or

(b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of the Shares or any other securities of our Company, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares); or

(c) enter into any transaction with the same economic effect as any transaction specified in (a) or (b) above; or

(d) offer to or agree to do any of the foregoing specified in (a), (b), or (c) or announce any intention to do so,

in each case, whether any of the foregoing transactions is to be settled by delivery of share capital or such other securities in cash or otherwise (whether or not the issue of such share capital or other securities will be completed within the First Six-Month Period).

Our Company further agrees that, in the event that our Company is allowed to enter into any of the transactions described in (a), (b) or (c) above or offers to or agrees to or announces any intention to effect any such transaction during the period of six months commencing on the date on which the First Six Month Period expires (the "**Second Six Month Period**"), it will take all reasonable steps to ensure that such an issue or disposal will not, and no other act of the Company will, create a disorderly or false market for any Shares or other securities of our Company. The Controlling Shareholders undertake to each of the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries to procure our Company to comply with the undertakings above.

Undertakings by our Controlling Shareholders

Each of our Controlling Shareholders has undertaken to each of our Company, the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries that, without the prior written consent of the Sole Sponsor and the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

(a) he/she/it will not, and will procure that the relevant registered holder(s), any nominee or trustee holding on trust for him/her/it and the companies controlled by him/her/it will not, at any time during the First Six-Month Period:

(i) sell, offer to sell, accept subscription for, contract or agree to allot, issue or sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or other securities of our Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities, as applicable or any interest in any of the foregoing), or deposit any Shares or other securities of our Company with a depositary in connection with the issue of depositary receipts; or

(ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of any Shares or other securities of our Company or any interest therein (including,

without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities, as applicable or any interest in any of the foregoing); or

(iii) enter into any transaction with the same economic effect as any transaction specified in (i) or (ii) above; or

(iv) offer to or agree to or announce any intention to effect any transaction specified in (i), (ii) or (iii) above, in each case, whether any of the transactions specified in (i), (ii) or (iii) above is to be settled by delivery of Shares or other securities of our Company or in cash or otherwise, and whether or not the transactions will be completed within the First Six-Month Period);

(b) he/she/it will not, during the Second Six-Month Period, enter into any of the transactions specified in (i), (ii) or (iii) above or offer to or agree to contract to or publishing announce any intention to effect any such transaction if, immediately following any sale, transfer or disposal or upon the exercise or enforcement of any option, right, interest or encumbrance pursuant to such transaction, it will cease to be a Controlling Shareholder of our Company or would together with the other Controlling Shareholders cease to be Controlling Shareholders of our Company; and

(c) until the expiry of the Second Six-Month Period, in the event that it enters into any of the transactions specified in (i), (ii) or (iii) above or offers to or agrees to or contract to or publicly announce any intention to effect any such transaction, he/she/it will take all reasonable steps to ensure that such a disposal will not create a disorderly or false market in the securities of our Company.

Indemnity

We and our Controlling Shareholders have agreed to indemnify, among others, the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries for certain losses which they may suffer, including, among others, losses arising from the performance of their obligations under the Hong Kong Underwriting Agreement and any breach or alleged breach by our Company or the covenantors of the Hong Kong Underwriting Agreement, as the case may be.

INTERNATIONAL OFFERING

International Underwriting Agreement

In connection with the International Offering, it is expected that our Company will enter into the International Underwriting Agreement with, among others, the Sole Sponsor, the Overall Coordinators and the International Underwriters. Under the International Underwriting Agreement, subject to the conditions set forth therein, the International Underwriters would severally and not jointly agree to purchase, or procure purchasers to purchase, the Offer Shares being offered pursuant to the International Offering (subject to, among others, any reallocation between the International Offering and the Hong Kong Public Offering). It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors are reminded that in the event that the International Underwriting Agreement is not entered into, the Global Offering will not proceed.

It is expected that each of our Controlling Shareholders will undertake to the International Underwriters not to dispose of, or enter into any agreement to dispose of, or otherwise create any options, rights, interest or encumbrances in respect of any of the Shares held by them in our Company for a period similar to such undertakings given by them pursuant to the Hong Kong Underwriting Agreement, which is described in "— Underwriting Arrangements — Undertakings pursuant to the Hong Kong Underwriting Agreement — Undertakings by our Controlling Shareholders" above.

Over-allotment Option

Our Company expects to grant to the International Underwriters the Over-allotment Option, exercisable in whole or in part by the Sole Sponsor-Overall Coordinator at its sole and absolute discretion (for itself and on behalf of the International Underwriters) at any time from the Listing Date until 30 days after the last day for the lodging of applications under the Hong Kong Public

Offering, to require our Company to issue and allot, up to an aggregate of 2,128,950 H Shares, representing approximately 15% of the initial Offer Shares, at the Offer Price under the International Offering, to cover over-allocations in the International Offering, if any.

UNDERWRITING COMMISSIONS AND LISTING EXPENSES

The Underwriters and the Capital Market Intermediaries will receive an underwriting commission equal to 3.0% of the aggregate Offer Price payable for the Offer Shares (the "**Fixed Fees**"). Our Company may, at our sole discretion, pay to one or more Underwriters or Capital Market Intermediaries an incentive fee of up to 2.0% of the Offer Price payable for the Offer Shares (the "**Discretionary Fees**"). As of the date of this prospectus, the allocation of a portion of the Fixed Fees remains subject to the Company's discretion. According to the Listing Rules, any unallocated portion of the Fixed Fees will be regarded as discretionary fees. Accordingly, assuming the Discretionary Fees will be paid in full, the ratio of the Fixed Fees and Discretionary Fees (as classified under and for the purpose of Rule 3A.34 of the Listing Rules) payable by the Company to all Underwriters and Capital Market Intermediaries (both before and after the exercise of the Over-allotment Option, if any) is expected to be 57:43.

The aggregate commissions and fees, together with Stock Exchange listing fees, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565%, AFRC transaction levy of 0.00015%, legal and other professional fees and printing and all other expenses relating to the Global Offering, which are currently estimated to amount in aggregate to approximately HK$108.5 million (assuming the Over-allotment Option is not exercised and based on an Offer Price of HK$96.06 per Offer Share), are payable and borne by our Company.

INDEPENDENCE OF THE SOLE SPONSOR

The Sole Sponsor satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

UNDERWRITERS' INTERESTS IN OUR COMPANY

The Underwriters will receive an underwriting commission. Particulars of these underwriting commission and expenses are set out in "— Underwriting Commissions and Listing Expenses" above. Save for the obligations under the Underwriting Agreements and as disclosed in this prospectus, none of the Underwriters have any shareholding or beneficial interests in any member of our Group or has any right or option (whether legally enforceable or not) to subscribe for or purchase or to nominate persons to subscribe for or purchase securities in any member of our Group. Following the completion of the Global Offering, the Underwriters and their affiliated companies may hold a certain portion of the H Shares as a result of fulfilling their obligations under the Underwriting Agreements.

ACTIVITIES BY SYNDICATE MEMBERS

The Underwriters, the Capital Market Intermediaries (together, the "**Syndicate Members**") and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or stabilizing process.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In the ordinary course of their business activities, the Syndicate Members and their respective affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers. These investment and trading activities may involve or relate to our assets, securities and/or instruments and/or persons and entities with relationships with us and may also include swaps and other financial instruments entered into for hedging purposes in connection with our loans and other debt.

In relation to our H Shares, those activities could include acting as agent for buyers and sellers of our H Shares, entering into transactions with those buyers and sellers in a principal capacity, including as a lender to initial purchasers of our H Shares (whose financing may be secured by our H Shares) in the Global Offering, proprietary trading in our H Shares, and entering into over the counter or listed derivative transactions or listed and unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying assets, assets including our H Shares. Such transactions may be carried out as bilateral

agreements or trades with selected counterparties. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of our H Shares, which may have a negative impact on the trading price of our H Shares. All such activity could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in our H Shares, in baskets of securities or indices including our H Shares, in units of funds that may purchase our H Shares, or in derivatives related to any of the foregoing.

In relation to issues by Syndicate Members or their affiliates of any listed securities having our H Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in our H Shares in most cases.

All these activities may occur both during and after the end of the stabilizing period described in the section headed "Structure of the Global Offering". Such activities may affect the market price or value of our H Shares, the liquidity or trading volume in our H Shares and the volatility of the price of our H Shares, and the extent to which this occurs from day to day cannot be estimated.

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

(a) the Syndicate Members (other than the Stabilizing Manager or its affiliates or any person acting for it) must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares), whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and

(b) the Syndicate Members must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

Certain of the Syndicate Members or their respective affiliates have provided from time to time, and expect to provide in the future, investment banking and other services to our Company and our affiliates for which such Syndicate Members or their respective affiliates have received or will receive customary fees and commissions.

In addition, the Syndicate Members or their respective affiliates may provide financing to investors to finance their subscriptions of Offer Shares in the Global Offering.

THE GLOBAL OFFERING

This prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering. The Global Offering comprises of:

(a) the Hong Kong Public Offering of initially 1,419,350 H Shares (subject to reallocation) in Hong Kong as described below in "— The Hong Kong Public Offering;" and

(b) the International Offering of initially 12,773,800 H Shares (subject to reallocation and the Over-allotment Option) outside the United States in offshore transactions in reliance on Regulation S as described below in "— The International Offering".

Investors may apply for the Hong Kong Offer Shares under the Hong Kong Public Offering, or, if qualified to do so, apply for or indicate an interest in the International Offering Shares under the International Offering, but may not do both.

The Offer Shares will represent approximately 19.1% of the total Shares in issue immediately after completion of the Global Offering, assuming the Over-allotment Option is not exercised. If the Over-allotment Option is exercised in full, the Offer Shares will represent approximately 21.4% of the enlarged total Shares in issue immediately after completion of the Global Offering and the exercise of the Over-allotment Option as set out in "— The International Offering — Over-allotment Option" below.

The number of Offer Shares to be offered under the Hong Kong Public Offering and the International Offering may be subject to reallocation as described in the paragraph headed "— The Hong Kong Public Offering — Reallocation" below.

THE HONG KONG PUBLIC OFFERING

Number of H shares Initially Offered

We are initially offering 1,419,350 H Shares, representing approximately 10.0% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price for subscription by the public in Hong Kong. Subject to the reallocation of the Offer Shares between (1) the International Offering, and (2) the Hong Kong Public Offering, the Hong Kong Offer Shares will represent approximately 1.9% of our Company's total Shares in issue immediately after completion of the Global Offering (assuming the Over-allotment Option is not exercised).

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers and companies (including fund managers) whose ordinary business involves dealing in shares and other securities, and corporate entities which regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions as set out in "— Conditions of the Global Offering" below.

Allocation

Allocation of the Offer Shares to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of the Offer Shares initially available under the Hong Kong Public Offering (after taking account of any reallocation in the number of Offer Shares allocated between the Hong Kong Public Offering and the International Offering referred to below) will be divided into two pools (with any odd board lots being allocated to pool A): pool A and pool B.

The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to valid applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of HK$5 million (excluding the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee payable) or less. The Hong Kong Offer Shares in pool B will be

allocated on an equitable basis to valid applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of more than HK$5 million (excluding the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee payable) and up to the total value in pool B.

Applicants should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If Hong Kong Offer Shares in one (but not both) of the two pools are undersubscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. Applicants can only receive an allocation of Hong Kong Offer Shares from either pool A or pool B, but not from both pools. Multiple or suspected multiple applications and any application for more than 709,650 Hong Kong Offer Shares (being approximately 50% of the 1,419,350 Offer Shares initially available under the Hong Kong Public Offering) will be rejected.

Reallocation

The Offer Shares to be offered under the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Sole Sponsor-Overall Coordinator. Subject to the allocation cap described in the subsequent paragraph, the Sole Sponsor-Overall Coordinator may in its discretion reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In addition, if the Hong Kong Public Offering is not fully subscribed, the Sole Sponsor-Overall Coordinator will have the discretion (but shall not be under any obligation) to reallocate to the International Offering all or any unsubscribed Hong Kong Offer Shares in such amounts as it deems appropriate.

In each case, the additional Offer Shares reallocate to the Hong Kong Public Offering will be allocated between Pool A and Pool B and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Sole Sponsor-Overall Coordinator deems appropriate. In the event of reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering in the circumstances where (a) if the International Offer Shares are undersubscribed and if the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times, or (b) if the International Offer Shares are fully subscribed or oversubscribed, and if the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times, then up to 709,600 Offer Shares may be reallocated to the Hong Kong Public Offering from the International Offering, so that the total number of the Offer Share available under the Hong Kong Public Offering will be increased to 2,128,950 Offer Shares, representing approximately 15% of the number of the Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option) in accordance with Chapter 4.14 of the Guide for New Listing Applicants.

Given the initial allocation of the Offer Shares to the Hong Kong Public Offering and the International Offering follows the provision of paragraph 4.2(b) of Practice Note 18 of the Listing Rules, no mandatory clawback or reallocation mechanism is required to increase the number of Offer Shares under the Hong Kong Public Offering to a certain percentage of the total number of Offer Shares offered under the Global Offering.

Applications

Each applicant under the Hong Kong Public Offering will also be required to give an undertaking and confirmation in the application submitted by him/her/it that he/she/it and any person(s) for whose benefit he/she/it is making the application has not applied for or taken up, or indicated an interest in, and will not apply for or take up, or indicate an interest in, any International Offer Shares under the International Offering, and such applicant's application under the International Offering is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be).

Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the Offer Price of HK$96.06 per Offer Share in addition to the brokerage, SFC transaction levy, Stock Exchange trading fee and AFRC transaction levy payable on each Offer Share. Further details are set out in "How to Apply for Hong Kong Offer Shares".

References in this prospectus to applications, application monies or the procedure for application relate solely to the Hong Kong Public Offering.

THE INTERNATIONAL OFFERING

Number of Offer Shares Offered

Subject to the reallocation as described above, the number of Offer Shares to be initially offered under the International Offering will be 12,773,800, representing approximately 90% of the total number of Offer Shares initially available under the Global Offering. The International Offering is expected to be fully underwritten by the International Underwriters subject to the terms and conditions of the International Underwriting Agreement, and is subject to the Hong Kong Public Offering becoming unconditional.

Allocation

The International Offering will include selective marketing of Offer Shares to institutional and professional investors and other investors anticipated to have a sizeable demand for such Offer Shares in Hong Kong and other jurisdictions outside the United States in offshore transactions in reliance on Regulation S. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities. The International Offering is subject to the Hong Kong Public Offering being unconditional.

Allocation of Offer Shares pursuant to the International Offering will be effected in accordance with the "book-building" process described in "— Pricing and Allocation" below and based on a number of factors, including the level and timing of demand, total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to hold or sell the Offer Shares after the Listing. Such allocation is intended to result in a distribution of the Offer Shares on a basis which would lead to the establishment of a solid shareholder base to the benefit of our Company and our Shareholders as a whole.

The Sole Sponsor-Overall Coordinator (for itself and on behalf of the Underwriters) may require any investor who has been offered the Offer Shares under the International Offering and who has made an application under the Hong Kong Public Offering, to provide sufficient information to the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Underwriters) so as to allow it to identify the relevant applications under the Hong Kong Public Offering and to ensure that they are excluded from any application of the Offer Shares under the International Offering.

Reallocation

The total number of Offer Shares to be issued pursuant to the International Offering may change as a result of the exercise of the Over-allotment Option in whole or in part described in the paragraph headed "— Over-allotment Option" below and the reallocation arrangement described in "— The Hong Kong Public Offering — Reallocation" above, and any reallocation of unsubscribed Offer Shares originally included in the Hong Kong Public Offering and/or any Offer Shares from the International Offering to the Hong Kong Public Offering at the discretion of the Sole Sponsor-Overall Coordinator.

Over-allotment Option

In connection with the Global Offering, our Company is expected to grant the Over-allotment Option to the International Underwriters exercisable by the Sole Sponsor-Overall Coordinator on behalf of the International Underwriters. Pursuant to the Over-allotment Option, the International Underwriters have the right, exercisable by the Sole Sponsor-Overall Coordinator (on behalf of the International Underwriters) at any time from the Listing Date until 30 days after the last date for the lodging of applications under the Hong Kong Public Offering, to require our Company to issue and allot up to an aggregate of 2,128,950 additional Offer Shares, representing approximately 15% of the Offer Shares initially available under the Global Offering, at the same price per Offer Share under the International Offering to cover over-allocations in the International Offering, if any. If the

Over-allotment Option is exercised in full, the Offer Shares will represent approximately 21.4% of the total Shares in issue immediately following the completion of the Global Offering and the exercise of the Over-allotment Option. In the event that the Over-allotment Option is exercised, an announcement will be made.

Stabilization

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the new securities in the secondary market during a specified period of time, to retard and, if possible, prevent any decline in the market price of the securities below the offer price. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including those of Hong Kong. In Hong Kong and certain other jurisdictions, activities aimed at reducing the market price are prohibited and the price at which stabilization is effected is not permitted to exceed the offer price.

In connection with the Global Offering, the Stabilizing Manager, its affiliates or any person acting for it, may, to the extent permitted by applicable laws of Hong Kong or elsewhere, over-allocate or effect any other transactions with a view to stabilizing or maintaining the market price of our Offer Shares at a level higher than that which might otherwise prevail in the open market for a limited period up to the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. Any market purchases of Offer Shares will be effected in compliance with all applicable laws and regulatory requirements. However, there is no obligation on the Stabilizing Manager, its affiliates or any person acting for it to conduct any such stabilizing activity, which if commenced, will be done at the absolute discretion of the Stabilizing Manager, its affiliates or any person acting for it, and may be discontinued at any time. Any such stabilizing activity is required to be brought to an end within 30 days of the last day for the lodging of applications under the Hong Kong Public Offering.

Stabilizing actions permitted in Hong Kong under the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong) include: (a) over-allocation for the purpose of preventing or minimizing any reduction in the market price of the H Shares; (b) selling or agreeing to sell the H Shares so as to establish a short position in them for the purpose of preventing or minimizing any reduction in the market price of the H Shares; (c) purchasing or subscribing for, or agreeing to purchase or subscribe for, the H Shares under the Over-allotment Option in order to close out any position established under (a) or (b) above; (d) purchasing, or agreeing to purchase, any of the H Shares for the sole purpose of preventing or minimizing any reduction in the market price of the H Shares; (e) selling or agreeing to sell any H Shares in order to liquidate any position held as a result of those purchases; and (f) offering or attempting to do anything described in (b), (c), (d) or (e) above.

Specifically, prospective applicants for and investors in the Offer Shares should note that:

- the Stabilizing Manager, its affiliates, or any person acting for it, may, in connection with the stabilizing action, maintain a long position in the H Shares;
- there is no certainty regarding the extent to which and the time period for which the Stabilizing Manager, its affiliates, or any person acting for it, will maintain such a long position;
- liquidation of any such long position by the Stabilizing Manager, its affiliates, or any person acting for it, may have an adverse impact on the market price of the H Shares;
- no stabilizing action can be taken to support the price of the H Shares for longer than the stabilization period, which will begin on the Listing Date, and is expected to expire on Thursday, July 2, 2026, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering. After this date, when no further stabilizing action may be taken, demand for the H Shares, and therefore the price of the H Shares, could fall;
- the price of the H Shares cannot be assured to stay at or above the Offer Price either during or after the stabilizing period by the taking of any stabilizing action; and
- stabilizing bids must be made or transactions effected in the course of the stabilizing action at any price at or below the Offer Price, which means that stabilizing bids may be made or transactions effected at a price below the price paid by applicants for, or investors in, the Offer Shares.

Stabilizing actions by the Stabilizing Manager, its affiliates, or any person acting for it, will be entered into in accordance with the laws, rules and regulations in place in Hong Kong on stabilization.

Our Company will ensure or procure that a public announcement in compliance with the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong) will be made within seven days of the expiration of the stabilization period.

In order to effect stabilization actions, the Stabilizing Manager will arrange cover of up to an aggregate of 2,128,950 Offer Shares, representing up to 15% of the initial Offer Shares, through delayed delivery arrangements with investors who have been allocated Offer Shares in the International Offering. The delayed delivery arrangements (if specifically agreed by an investor) relate only to the delay in the delivery of the Offer Shares to such investor and the Offer Price for the Offer Shares allocated to such investor will be fully paid before dealings in the H Shares on the Stock Exchange commence.

OVER-ALLOCATION

Following any over-allocation of the H Shares in connection with the Global Offering, the Stabilizing Manager or any person acting for it may cover such over-allocations by exercising the Over-allotment Option in full or in part, by using H Shares purchased by the Stabilizing Manager (or any person acting for it) in the secondary market at prices that do not exceed the Offer Price, or any combination of these means.

PRICING AND ALLOCATION

The Offer Price will be HK$96.06 per Offer Share, unless otherwise announced, as further explained below.

The International Underwriters will be soliciting from prospective investors indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as "book-building," is expected to continue up to, and to cease on or around, the last day for lodging applications under the Hong Kong Public Offering.

The Sole Sponsor-Overall Coordinator (for itself and on behalf of the Underwriters) may, where considered appropriate, based on the level of indications of interest expressed by prospective professional and institutional investors during the book-building process, and with the consent of our Company, reduce the number of Offer Shares and/or the Offer Price as stated in this prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such case, we will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offering, cause to be announced on the website of the Company at **www.longbio.com** and the website of the Stock Exchange at **www.hkexnews.hk** notices of the reduction of the Offer Shares and/or the Offer Price. We will also, as soon as practicable following the decision to make such change, issue a supplemental or new prospectus (as appropriate) updating investors of such reduction together with an update of all financial and other information in connection with such change. The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental or new prospectus.

Before submitting applications for the Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares and/or the Offer Price may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offering. In the absence of any such notice so announced and any such supplemental or new prospectus so published, the number of Offer Shares and the Offer Price will not be reduced and/or the Offer Price, if agreed upon by the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Underwriters) and our Company, will under no circumstances be set outside the Offer Price as stated in this prospectus.

If there is any change to the offer size due to change in the number of Offer Shares initially offered in the Global Offering (other than pursuant to the reallocation mechanism as disclosed in this prospectus), or change to the Offer Price falling outside the Offer Price as stated in this prospectus, or if the Company becomes aware that there has been a significant change affecting any matter contained in this prospectus or a significant new matter has arisen, the inclusion of

information in respect of which would have been required to be in this prospectus if it had arisen before this prospectus was issued, after the issue of this prospectus and before the commencement of dealings in our H Shares as prescribed under Rule 11.13 of the Listing Rules, we are required to first cancel the Global Offering and subsequently relaunch on the FINI pursuant to the supplemental or new prospectus, and giving investors at least three business days to consider the new information.

In the event of a reduction in the number of Offer Shares, the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Underwriters) may, at their discretion, reallocate the number of Offer Shares to be offered in the Hong Kong Public Offering and the International Offering, provided that the number of Offer Shares comprised in the Hong Kong Public Offering shall not be less than 10% of the total number of Offer Shares available under the Global Offering. The Offer Shares to be offered in the Hong Kong Public Offering and the Offer Shares to be offered in the International Offering may, in certain circumstances, be reallocated between these offerings at the discretion of the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Underwriters).

The level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of the Hong Kong Offer Shares are expected to be announced on Thursday, June 4, 2026, through a variety of channels in the manner described in the section headed "How to Apply for Hong Kong Offer Shares — B. Publication of Results" in this prospectus.

UNDERWRITING

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement and is conditional upon the International Underwriting Agreement being signed and becoming unconditional.

We expect to enter into the International Underwriting Agreement relating to the International Offering on or about Wednesday, June 3, 2026.

These underwriting arrangements under the Hong Kong Underwriting Agreement and the International Underwriting Agreement are summarized in the section headed "Underwriting".

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Offer Shares will be conditional on:

(a) the Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares in issue and the H Shares to be issued pursuant to the Global Offering (including any additional H Shares which may be issued pursuant to the exercise of the Over-allotment Option) and the H Shares to be converted from Unlisted Shares, and such approval not subsequently having been revoked prior to the commencement of dealings in the H Shares on the Main Board of the Stock Exchange;

(b) the execution and delivery of the International Underwriting Agreement on or about Wednesday, June 3, 2026; and

(c) the obligations of the Underwriters under the respective Underwriting Agreements becoming and remaining unconditional and not having been terminated in accordance with the terms of the respective agreements,

in each case on or before the dates and times specified in the respective Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and, in any event, not later than the date which is 30 days after the date of this prospectus.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, the other offering becoming unconditional and not having been terminated in accordance with their respective terms.

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be published by our Company on the website of the Stock Exchange at **www.hkexnews.hk** and the website of our Company at **www.longbio.com** on the next Business Day following such lapse. In such event, all application monies will be returned, without

interest, on the terms set out in "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies". In the meantime, all application monies will be held in separate bank account(s) with the receiving bank or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) (as amended).

H Share certificates for the Offer Shares are expected to be issued on Thursday, June 4, 2026, but will only become valid evidence of title at 8:00 a.m. on the Listing Date provided that (1) the Global Offering has become unconditional in all respects, and (2) the right of termination as described in the section headed "Underwriting — Underwriting Arrangements — Hong Kong Public Offering — Grounds for Termination" has not been exercised.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Stock Exchange for the approval of the listing of, and permission to deal in, the H Shares to be issued by us pursuant to the Global Offering (including any additional H Shares which may be issued pursuant to the exercise of the Over-allotment Option) and the 58,737,118 H Shares to be converted from Unlisted Shares.

No part of our Company's share or loan capital is listed on or dealt in on any other stock exchange and no such listing or permission to deal is being or proposed to be sought in the near future.

H SHARES WILL BE ELIGIBLE FOR CCASS

All necessary arrangements have been made enabling the H Shares to be admitted into CCASS. Subject to the granting of the listing of, and permission to deal in, the H Shares on the Stock Exchange and compliance with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares on the Stock Exchange or any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange (as defined in the Listing Rules) is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the General Rules of HKSCC and the HKSCC Operational Procedures in effect from time to time. Investors should seek the advice of their stockbroker or other professional advisors for details of the settlement arrangements as such arrangements may affect their rights and interests.

DEALING ARRANGEMENTS

Assuming that the Global Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Friday, June 5, 2026, it is expected that dealings in the H Shares on the Stock Exchange will commence at 9:00 a.m. on Friday, June 5, 2026. The H Shares will be traded in board lots of 50 H Shares. The stock code of the H Shares will be 01779.

IMPORTANT NOTICE TO INVESTORS OF HONG KONG OFFER SHARES

FULLY ELECTRONIC APPLICATION PROCESS

The Company has adopted a fully electronic application process for the Hong Kong Public Offering and below are the procedures for application.

This Prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the "HKEXnews > New Listings > New Listing Information" section, and the Company's website at www.longbio.com.

The contents of this Prospectus are identical to the prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

A. APPLICATION FOR HONG KONG OFFER SHARES

1. Who Can Apply

You can apply for Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are 18 years of age or older;
- have a Hong Kong address *(for the **HK eIPO White Form** service only)*; and
- are outside the United States, and are not a U.S. person (as defined in Regulation S under the U.S. Securities Act).

Unless permitted by the Listing Rules or a waiver and/or consent has been granted by the Stock Exchange to the Company, you cannot apply for any Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are an existing Shareholder of the Company;
- are a Director or chief executive of the Company and/or a director or chief executive of any of its subsidiaries;
- are a close associate (as defined in the Listing Rules) of any of the above persons;
- are a connected person (as defined in the Listing Rules) of the Company or will become a connected person of the Company immediately upon the completion of the Global Offering; or
- have been allocated or have applied for or indicated an interest in any International Offer Shares or otherwise participate in the International Offering.

2. Application Channels

The Hong Kong Public Offering period will begin at 9:00 a.m. on Thursday, May 28, 2026 and end at 12:00 noon on Tuesday, June 2, 2026 (Hong Kong time).

To apply for Hong Kong Offer Shares, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
HK eIPO White Form service . . .	**www.hkeipo.hk**	Applicants who would like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Thursday, May 28, 2026 until 11:30 a.m. on Tuesday, June 2, 2026 and the latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Tuesday, June 2, 2026 (Hong Kong time)
HKSCC EIPO channel	Your **broker** or **custodian** who is a HKSCC Participant will submit an EIPO application on your behalf through HKSCC's FINI system in accordance with your instruction	Applicants who would not like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in the name of HKSCC Nominees, deposited directly into CCASS and credited to your designated HKSCC Participant's stock account.	Contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

The **HK eIPO White Form** service and the **HKSCC EIPO** channel are facilities subject to capacity limitations and potential service interruptions and you are advised not to wait until the last day of the application period to apply for Hong Kong Offer Shares.

For those applying through the **HK eIPO White Form** service, once you complete payment in respect of any application instructions given by you or for your benefit through the **HK eIPO White Form** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. If you are a person for whose benefit the **electronic application instructions** are given, you shall be deemed to have declared that only one set of electronic application instructions has been given for your benefit. If you are an agent for another person, you shall be deemed to have declared that you have only given one set of **electronic application instructions** for the benefit of the person for whom you are an agent and that you are duly authorized to give those instructions as an agent.

For the avoidance of doubt, giving an application instruction under the **HK eIPO White Form** service more than once and obtaining different application reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you apply through the **HK eIPO White Form** service, you are deemed to have authorized the **HK eIPO White Form** Service Provider to apply on the terms and conditions in this prospectus, as supplemented and amended by the terms and conditions of the **HK eIPO White Form** service.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to apply for Hong Kong Offer Shares on your behalf and to do on your behalf all the things stated in this prospectus and any supplement to it.

For those applying through **HKSCC EIPO** channel, an actual application will be deemed to have been made for any application instructions given by you or for your benefit to HKSCC (in which case an application will be made by HKSCC Nominees on your behalf) provided such application instruction has not been withdrawn or otherwise invalidated before the closing time of the Hong Kong Public Offering.

HKSCC Nominees will only be acting as a nominee for you and neither HKSCC nor HKSCC Nominees shall be liable to you or any other person in respect of any actions taken by HKSCC or HKSCC Nominees on your behalf to apply for Hong Kong Offer Shares or for any breach of the terms and conditions of this prospectus.

3. Information Required to Apply

You must provide the following information with your application:

For Individual/Joint Applicants	For Corporate Applicants
• Full name(s)[2] as shown on your identity document	• Full name(s)[2] as shown on your identity document
• Identity document's issuing country or jurisdiction	• Identity document's issuing country or jurisdiction
• Identity document type, with order of priority: (i) Hong Kong identity ("**HKID**") card; or (ii) National identification document; or (iii) Passport; and	• Identity document type, with order of priority: (i) Legal entity identifier ("**LEI**") registration document; or (ii) Certificate of incorporation; or (iii) Business registration certificate; or (iv) Other equivalent document; and
• Identity document number	• Identity document number

Notes:

1. If you are applying through the **HK eIPO White Form** service, you are required to provide a valid e-mail address, a contact telephone number and a Hong Kong address. You are also required to declare that the identity information provided by you follows the requirements as described in Note 2 below. In particular, where you cannot provide a HKID number, you must confirm that you do not hold a HKID card. The number of joint applicants may not exceed four. If you are a firm, the applicant must be in the individual members' names.

2. The applicant's full name as shown on their identity document must be used and the surname, given name, middle and other names (if any) must be input in the same order as shown on the identity document. If an applicant's identity document contains both an English and Chinese name, both English and Chinese names must be used. Otherwise, either English or Chinese names will be accepted. The order of priority of the applicant's identity document type must be strictly followed and where an individual applicant has a valid HKID card (including both Hong Kong Residents and Hong Kong Permanent Residents), the HKID number must be used when making an application to subscribe for Hong Kong Offer Shares. Similarly for corporate applicants, a LEI number must be used if an entity has a LEI certificate.

3. If the applicant is a trustee, the client identification data ("**CID**") of the trustee, as set out above, will be required. If the applicant is an investment fund (i.e. a collective investment scheme, or CIS), the CID of the asset management company or the individual fund, as appropriate, which has opened a trading account with the broker will be required, as above.

4. The maximum number of joint applicants on FINI is capped at 4 in accordance with market practice.

5. If you are applying as a nominee, you must provide: (i) the full name (as shown on the identity document), the identity document's issuing country or jurisdiction, the identity document type; and (ii) the identity document number, for each of the beneficial owners or, in the case(s) of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.

6. If you are applying as an unlisted company and (i) the principal business of that company is dealing in securities; and (ii) you exercise statutory control over that company, then the application will be treated as being for your benefit and you should provide the required information in your application as stated above.

"Unlisted company" means a company with no equity securities listed on the Stock Exchange or any other stock exchange.

"Statutory control" means you:

- control the composition of the board of directors of the company;
- control more than half of the voting power of the company; or
- hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

For those applying through **HKSCC EIPO** channel, and making an application under a power of attorney, the Company and the Sole Sponsor-Overall Coordinator, as the Company's agent, have discretion to consider whether to accept it on any conditions it thinks fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

4. Permitted Number of Hong Kong Offer Shares for Application

Board lot size	:	50 H Shares
Permitted number of Hong Kong Offer Shares for application and amount payable on application/ successful allotment	:	Hong Kong Offer Shares are available for application in specified board lot sizes only. Please refer to the amount payable associated with each specified board lot size in the table below. The Offer Price is HK$96.06 per H Share. If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to pre-fund your application, in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for. By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the Offer Price, brokerage, SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy by debiting the relevant nominee bank account at the designated bank for your broker or custodian. If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of H Shares you have selected. You must pay the respective amount payable on application in full upon application for Hong Kong Offer Shares.

No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
50	4,851.44	800	77,623.01	7,000	679,201.36	100,000	9,702,876.51
100	9,702.87	900	87,325.88	8,000	776,230.12	200,000	19,405,753.02
150	14,554.31	1,000	97,028.76	9,000	873,258.89	300,000	29,108,629.54
200	19,405.76	1,500	145,543.15	10,000	970,287.65	400,000	38,811,506.05
250	24,257.20	2,000	194,057.53	20,000	1,940,575.30	500,000	48,514,382.56
300	29,108.63	2,500	242,571.91	30,000	2,910,862.95	600,000	58,217,259.05
350	33,960.07	3,000	291,086.29	40,000	3,881,150.60	709,650[1]	68,856,463.15
400	38,811.51	3,500	339,600.68	50,000	4,851,438.25		
450	43,662.94	4,000	388,115.06	60,000	5,821,725.91		
500	48,514.38	4,500	436,629.44	70,000	6,792,013.56		
600	58,217.27	5,000	485,143.83	80,000	7,762,301.21		
700	67,920.14	6,000	582,172.58	90,000	8,732,588.87		

(1) Maximum number of Hong Kong Offer Shares you may apply for and this is approximately 50% of the Hong Kong Offer Shares initially offered.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

5. Multiple Applications Prohibited

You or your joint applicant(s) shall not make more than one application for your own benefit, except where you are a nominee and provide the information of the underlying investor in your application as required under the paragraph headed "— A. Applications for Hong Kong Offer Shares — 3. Information Required to Apply" in this section. If you are suspected of submitting or cause to submit more than one application, all of your applications will be rejected.

Multiple applications made either through (i) the **HK eIPO White Form** service, (ii) **HKSCC EIPO** channel, or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **HK eIPO White Form** service or **HKSCC EIPO** channel, you or the person(s) for whose benefit you have made the application shall not apply for any International Offer Shares.

The H Share Registrar would record all applications into its system and identify suspected multiple applications with identical names and identification document numbers according to the Best Practice Note on Treatment of Multiple/Suspected Multiple Applications ("**Best Practice Note**") issued by the Federation of Share Registrars Limited.

Since applications are subject to personal information collection statements, identification document numbers displayed are redacted.

6. Terms and Conditions of an Application

By applying for Hong Kong Offer Shares through the **HK eIPO White Form** service or **HKSCC EIPO** channel, you (or as the case may be, HKSCC Nominees will do the following things on your behalf):

(i) undertake to execute all relevant documents and instruct and authorize the Company and/or the Sole Sponsor-Overall Coordinator, as the Company's agents, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association, and (if you are applying through the **HKSCC EIPO** channel) to deposit the allotted Hong Kong Offer Shares directly into CCASS for the credit of your designated HKSCC Participant's stock account on your behalf;

(ii) confirm that you have read and understand the terms and conditions and application procedures set out in this prospectus and the designated website of the **HK eIPO White Form** service (or as the case may be, the agreement you entered into with your broker or custodian), and agree to be bound by them;

(iii) (if you are applying through the **HKSCC EIPO** channel) agree to the arrangements, undertakings and warranties under the participant agreement between your broker or custodian and HKSCC and observe the General Rules of HKSCC and the HKSCC Operational Procedures for giving application instructions to apply for Hong Kong Offer Shares;

(iv) confirm that you are aware of the restrictions on offers and sales of H Shares set out in this prospectus and they do not apply to you, or the person(s) for whose benefit you have made the application;

(v) confirm that you have read this prospectus and any supplement to it and have relied only on the information and representations contained therein in making your application (or as the case may be, causing your application to be made) and will not rely on any other information or representations;

(vi) agree that the Company, the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, the Underwriters, any of their respective directors, officers, employees, partners, agents, advisors and any other parties involved in the Global Offering (the "**Relevant Persons**"), the H Share Registrar and HKSCC will not be liable for any information and representations not in this prospectus and any supplement to it;

(vii) agree to disclose the details of your application and your personal data and any other personal data which may be required about you and the person(s) for whose benefit you have made the application to the Company, the Relevant Persons, the H Share Registrar, HKSCC, HKSCC Nominees, the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, for the purposes under the paragraph headed "— G. Personal Data — 3. Purposes" and "— G. Personal Data — 4. Transfer of personal data" in this section;

(viii) agree (without prejudice to any other rights which you may have once your application (or as the case may be, HKSCC Nominees' application) has been accepted) that you will not rescind it because of an innocent misrepresentation;

(ix) agree that subject to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any application made by you or HKSCC Nominees on your behalf cannot be revoked once it is accepted, which will be evidenced by the notification of the result of the ballot by the H Share Registrar by way of publication of the results at the time and in the manner as specified in the paragraph headed "— B. Publication of Results" in this section;

(x) confirm that you are aware of the situations specified in the paragraph headed "— C. Circumstances in which You will not be Allocated Hong Kong Offer Shares" in this section;

(xi) agree that your application or HKSCC Nominees' application, any acceptance of it and the resulting contract will be governed by and construed in accordance with the laws of Hong Kong;

(xii) agree to comply with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Articles of Association and laws of any place outside Hong Kong that apply to your application and that neither the Company nor the Relevant Persons will breach any law inside and/or outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this prospectus;

(xiii) confirm that (a) your application or HKSCC Nominees' application on your behalf is not financed directly or indirectly by the Company, any of the directors, supervisors, chief executives, substantial shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates; and (b) you are not accustomed or will not be accustomed to taking instructions from the Company, any of the directors, supervisors, chief executives, substantial shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the H Shares registered in your name or otherwise held by you;

(xiv) warrant that the information you have provided is true and accurate;

(xv) confirm that you understand that the Company and the Sole Sponsor-Overall Coordinator will rely on your declarations and representations in deciding whether or not to allocate any Hong Kong Offer Shares to you and that you may be prosecuted for making a false declaration;

(xvi) agree to accept Hong Kong Offer Shares applied for or any lesser number allocated to you under the application;

(xvii) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;

(xviii) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit by giving **electronic application instructions** to HKSCC directly or indirectly or through the application channel of the **HK eIPO White Form** service or by any one as your agent or by any other person; and

(xix) (if you are making the application as an agent for the benefit of another person) warrant that (1) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person by giving **electronic application instructions** to HKSCC or to the **HK eIPO White Form** Service Provider and (2) you have due authority to give **electronic application instructions** on behalf of that other person as its agent.

B. PUBLICATION OF RESULTS

Results of Allocation

You can check whether you are successfully allocated any Hong Kong Offer Shares through:

Platform		Date/Time
Applying through the **HK eIPO White Form** service or **HKSCC EIPO** channel:		
Website . .	From the "Allotment Results" page at **www.hkeipo.hk/IPOResult** (or **www.tricor.com.hk/ipo/result**) with a "search by ID" function.	24 hours, from 11:00 p.m. on Thursday, June 4, 2026 to 12:00 midnight on Wednesday, June 10, 2026 (Hong Kong time)
	The full list of (i) wholly or partially successful applicants using the **HK eIPO White Form** service and **HKSCC EIPO** channel, and (ii) the number of Hong Kong Offer Shares conditionally allotted to them, among other things, will be displayed at **www.hkeipo.hk/IPOResult** (or **www.tricor.com.hk/ipo/result**).	
	The Stock Exchange's website at **www.hkexnews.hk** and the Company's website at **www.longbio.com** which will provide links to the above-mentioned websites of the H Share Registrar.	No later than 11:00 p.m. on Thursday, June 4, 2026 (Hong Kong time)
Telephone.	+852 3691 8488 — the allocation results telephone enquiry line provided by the H Share Registrar	between 9:00 a.m. and 6:00 p.m. from Friday, June 5, 2026 to Wednesday, June 10, 2026 (Hong Kong time) on a business day

For those applying through **HKSCC EIPO** channel, you may also check with your broker or custodian from 6:00 p.m. on Wednesday, June 3, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Wednesday, June 3, 2026 (Hong Kong time) on a 24-hour basis and should report any discrepancies on allotments to HKSCC as soon as practicable.

Allocation Announcement

The Company expects to announce the results of the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of Hong Kong Offer Shares on the Stock Exchange's website at **www.hkexnews.hk** and the Company's website at **www.longbio.com** by no later than 11:00 p.m. on Thursday, June 4, 2026 (Hong Kong time).

C. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOCATED HONG KONG OFFER SHARES

You should note the following situations in which Hong Kong Offer Shares will not be allocated to you or the person(s) for whose benefit you are applying for:

1. If your application is revoked:

Your application or the application made by HKSCC Nominees on your behalf may be revoked pursuant to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

2. If the Company or its agents exercise their discretion to reject your application:

The Company, the Sole Sponsor-Overall Coordinator, the H Share Registrar and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

3. If the allocation of Hong Kong Offer Shares is void:

The allocation of Hong Kong Offer Shares will be void if the Stock Exchange does not grant permission to list the H Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Stock Exchange notifies the Company of that longer period within three weeks of the closing date of the application lists.

4. If:

- you make multiple applications or suspected multiple applications. You may refer to the paragraph headed "— A. Application for Hong Kong Offer Shares — 5. Multiple Applications Prohibited" in this section on what constitutes multiple applications;
- your application instruction is incomplete;
- your payment (or confirmation of funds, as the case may be) is not made correctly;
- the Underwriting Agreements do not become unconditional or are terminated;
- the Company or the Sole Sponsor-Overall Coordinator believe that by accepting your application, it or the Company would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted Offer Shares:

Based on the arrangements between HKSCC Participants and HKSCC, HKSCC Participants will be required to hold sufficient application funds on deposit with their designated bank before balloting. After balloting of Hong Kong Offer Shares, the receiving banks will collect the portion of these funds required to settle each HKSCC Participant's actual Hong Kong Offer Share allotment from their designated bank.

There is a risk of money settlement failure. In the extreme event of money settlement failure by a HKSCC Participant (or its designated bank), who is acting on your behalf in settling payment for your allotted Offer Shares, HKSCC will contact the defaulting HKSCC Participant and its designated bank to determine the cause of failure and request such defaulting HKSCC Participant to rectify or procure to rectify the failure.

However, if it is determined that such settlement obligation cannot be met, the affected Hong Kong Offer Shares will be reallocated to the International Offering. Hong Kong Offer Shares applied for by you through the broker or custodian may be affected to the extent of the settlement failure. In the extreme case, you will not be allocated any Hong Kong Offer Shares due to the money settlement failure by such HKSCC Participant. None of the Company, the Relevant Persons, the H Share Registrar and HKSCC is or will be liable if Hong Kong Offer Shares are not allocated to you due to the money settlement failure.

D. DESPATCH/COLLECTION OF H SHARE CERTIFICATES AND REFUND OF APPLICATION MONIES

You will receive one H Share certificate for all Hong Kong Offer Shares allotted to you under the Hong Kong Public Offering (except pursuant to applications made through the **HKSCC EIPO** channel where the H Share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the Offer Shares. No receipt will be issued for sums paid on application.

H Share certificates will only become valid evidence of title at 8:00 a.m. on Friday, June 5, 2026 (Hong Kong time), provided that the Global Offering has become unconditional, and the right of termination described in the section headed "Underwriting" has not been exercised. Investors who trade H Shares prior to the receipt of H Share certificates or the H Share certificates becoming valid evidence of title do so entirely at their own risk.

The right is reserved to retain any H Share certificate(s) and (if applicable) any surplus application monies pending clearance of application monies.

The following sets out the relevant procedures and time:

	HK eIPO White Form service	HKSCC EIPO channel
Despatch/collection of H Share certificate[1]		
For application of 500,000 Hong Kong Offer Shares or more	Collection in person from the H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong **Time**: from 9:00 a.m. to 1:00 p.m. on Friday, June 5, 2026 (Hong Kong time), or any other place or date notified by the Company If you are an individual, you must not authorize any other person to collect for you. If you are a corporate applicant, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop.	H Share certificate(s) will be issued in the name of HKSCC Nominees, deposited into CCASS and credited to your Designated HKSCC Participant's stock account No action by you is required

1 Except in the event any Severe Weather Signals (as defined below) in force in Hong Kong in the morning on Thursday, June 4, 2026 rendering it impossible for the relevant H Share certificates to be dispatched to HKSCC in a timely manner, the Company shall procure the H Share Registrar to arrange for delivery of the supporting documents and H Share certificates in accordance with the contingency arrangements as agreed between them. You may refer to "— E. Severe Weather Arrangements" in this section.

	HK eIPO White Form service	HKSCC EIPO channel
	Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to the H Share Registrar.	
	Note: If you do not collect your H Share certificate(s) personally within the time above, it/they will be sent to the address specified in your application instructions by ordinary post at your own risk	
For application of less than 500,000 Hong Kong Offer Shares	Your H Share certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk	
	Date: Thursday, June 4, 2026	
Refund mechanism for surplus application monies paid by you		
Date	Friday, June 5, 2026	Subject to the arrangement between you and your broker or custodian
Responsible Party. . .	H Share Registrar	Your broker or custodian
Application monies paid through single bank account	**HK eIPO White Form** e-Auto Refund payment instructions to your designated bank account	Your broker or custodian will arrange refund to your designated bank account subject to the arrangement between you and it
Application monies paid through multiple bank accounts.	Refund check(s) will be despatched to the address as specified in your application instructions by ordinary post at your own risk	

E. SEVERE WEATHER ARRANGEMENTS

The Opening and Closing of the Application Lists

The application lists will not open or close on Tuesday, June 2, 2026 if, there is/are:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- an Extreme Condition,

(collectively, the "**Severe Weather Signals**"), in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Tuesday, June 2, 2026.

Instead they will open between 11:45 a.m. and 12:00 noon and/or close at 12:00 noon on the next business day which does not have Severe Weather Signals in force at any time between 9:00 a.m. and 12:00 noon.

Prospective investors should be aware that a postponement of the opening/closing of the application lists may result in a delay in the Listing Date. Should there be any changes to the dates mentioned in the section headed "Expected Timetable" in this prospectus, an announcement will be made and published on the Stock Exchange's website at **www.hkexnews.hk** and the Company's website at **www.longbio.com** of the revised timetable.

Dispatch and Collection of H Share Certificates

If a **Severe** Weather Signal is hoisted on Thursday, June 4, 2026, the H Share Registrar will make appropriate arrangements for the delivery of the H Share certificates to the CCASS Depository's service counter so that they would be available for trading on Friday, June 5, 2026.

If a **Severe** Weather Signal is hoisted on Thursday, June 4, 2026, for application of less than 500,000 Hong Kong Offer Shares, the despatch of physical H Share certificate(s) will be made by ordinary post when the post office re-opens after the **Severe** Weather Signal is lowered or cancelled (e.g. in the afternoon of Thursday, June 4, 2026 or on Friday, June 5, 2026).

If a **Severe** Weather Signal is hoisted on Friday, June 5, 2026, for application of 500,000 Hong Kong Offer Shares or more, physical H Share certificate(s) will be available for collection in person at the H Share Registrar's office after the **Severe** Weather Signal is lowered or cancelled (e.g. in the afternoon of Friday, June 5, 2026 or on Monday, June 8, 2026).

Prospective investors should be aware that if they choose to receive physical H Share certificates issued in their own name, there may be a delay in receiving the H Share certificates.

F. ADMISSION OF THE H SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the H Shares on the Stock Exchange and the Company complies with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares on the Stock Exchange or any other date HKSCC chooses. Settlement of transactions between Exchange Participants is required to take place in CCASS on the second settlement day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and the HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made enabling the H Shares to be admitted into CCASS.

You should seek the advice of your broker or other professional advisor for details of the settlement arrangement as such arrangements may affect your rights and interests.

G. PERSONAL DATA

The following Personal Information Collection Statement applies to any personal data collected and held by the Company, the H Share Registrar, the receiving banks and the Relevant Persons about you in the same way as it applies to personal data about applicants other than HKSCC Nominees. This personal data may include client identifier(s) and your identification information. By giving application instructions to HKSCC, you acknowledge that you have read, understood and agree to all of the terms of the Personal Information Collection Statement below.

1. Personal Information Collection Statement

This Personal Information Collection Statement informs the applicant for, and holder of, Hong Kong Offer Shares, of the policies and practices of the Company and the H Share Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

2. Reasons for the collection of your personal data

It is necessary for applicants and registered holders of Hong Kong Offer Shares to ensure that personal data supplied to the Company or its agents and the H Share Registrar is accurate and up-to-date when applying for Hong Kong Offer Shares or transferring Hong Kong Offer Shares into or out of their names or in procuring the services of the H Share Registrar.

Failure to supply the requested data or supplying inaccurate data may result in your application for Hong Kong Offer Shares being rejected, or in the delay or the inability of the Company or the H Share Registrar to effect transfers or otherwise render their services. It may also prevent or delay registration or transfers of Hong Kong Offer Shares which you have successfully applied for and/or the despatch of H Share certificate(s) to which you are entitled.

It is important that applicants for and holders of Hong Kong Offer Shares inform the Company and the H Share Registrar immediately of any inaccuracies in the personal data supplied.

3. Purposes

Your personal data may be used, held, processed, and/or stored (by whatever means) for the following purposes:

- processing your application and refund check and **HK eIPO White Form** e-Auto Refund payment instruction(s), where applicable, verification of compliance with the terms and application procedures set out in this prospectus and announcing results of allocation of Hong Kong Offer Shares;
- compliance with applicable laws and regulations in Hong Kong and elsewhere;
- registering new issues or transfers into or out of the names of the holders of the H Shares including, where applicable, HKSCC Nominees;
- maintaining or updating the register of members of the Company;
- verifying identities of applicants for and holders of the H Shares and identifying any duplicate applications for the H Shares;
- facilitating Hong Kong Offer Shares balloting;
- establishing benefit entitlements of holders of the H Shares, such as dividends, rights issues, bonus issues, etc.;
- distributing communications from the Company and its subsidiaries;
- compiling statistical information and profiles of the holder of the H Shares;
- disclosing relevant information to facilitate claims on entitlements; and
- any other incidental or associated purposes relating to the above and/or to enable the Company and the H Share Registrar to discharge their obligations to applicants and holders of the H Shares and/or regulators and/or any other purposes to which applicants and holders of the H Shares may from time to time agree.

4. Transfer of personal data

Personal data held by the Company and the H Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but the Company and the H Share Registrar may, to the extent necessary for achieving any of the above purposes, disclose, obtain or transfer (whether within or outside Hong Kong) the personal data to, from or with any of the following:

- the Company's appointed agents such as financial advisors, receiving banks and overseas principal share registrar;
- HKSCC or HKSCC Nominees, who will use the personal data and may transfer the personal data to the H Share Registrar, in each case for the purposes of providing its services or facilities or performing its functions in accordance with its rules or procedures and operating FINI and CCASS (including where applicants for the Hong Kong Offer Shares request a deposit into CCASS);
- any agents, contractors or third-party service providers who offer administrative, telecommunications, computer, payment or other services to the Company or the H Share Registrar in connection with their respective business operations;
- the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, including for the purpose of the Stock Exchange's administration of the Listing Rules and the SFC's performance of its statutory functions; and
- any persons or institutions with which the holders of Hong Kong Offer Shares have or propose to have dealings, such as their bankers, solicitors, accountants or brokers etc.

5. Retention of personal data

The Company and the H Share Registrar will keep the personal data of the applicants and holders of Hong Kong Offer Shares for as long as necessary to fulfill the purposes for which the personal data were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

6. Access to and correction of personal data

Applicants for and holders of Hong Kong Offer Shares have the right to ascertain whether the Company or the H Share Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. The Company and the H Share Registrar have the right to charge a reasonable fee for the processing of such requests. All requests for access to data or correction of data should be addressed to the Company and the H Share Registrar, at their registered address disclosed in the section headed "Corporate Information" in this prospectus or as notified from time to time, for the attention of the company secretary, or the H Share Registrar for the attention of the privacy compliance officer.

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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF LONGBIO PHARMA (SUZHOU) CO., LTD. AND SINOLINK SECURITIES (HONG KONG) COMPANY LIMITED

Introduction

We report on the historical financial information of LongBio Pharma (Suzhou) Co., Ltd. (the "Company") and its subsidiaries (together, the "Group") set out on pages I-3 to I-47, which comprises the consolidated statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended 31 December 2024 and 2025 (the "Relevant Periods"), and the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2024 and 2025 and material accounting policy information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-3 to I-47 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 28 May 2026 (the "Prospectus") in connection with the initial listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Directors' responsibility for the Historical Financial Information

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

Reporting accountants' responsibility

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

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

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

Opinion

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

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

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-3 have been made.

Dividends

We refer to note 11 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods.

Ernst & Young
Certified Public Accountants
Hong Kong
28 May 2026

I. HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

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

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants (the "Underlying Financial Statements").

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

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended 31 December	
		2024	2025
		RMB'000	*RMB'000*
Other income and gains	*5*	3,070	5,586
Research and development costs		(98,081)	(126,622)
Selling and distribution expenses		–	(484)
Administrative expenses		(11,266)	(34,797)
Other expenses		(51)	(2,408)
Finance costs	*7*	(30,993)	(16,858)
LOSS BEFORE TAX	*6*	(137,321)	(175,583)
Income tax expense	*10*	–	–
LOSS AND TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(137,321)	(175,583)
Attributable to:			
Owners of the parent		(137,321)	(175,583)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	*12*	(2.89)	(3.10)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 December 2024	As at 31 December 2025
		RMB'000	*RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment	*13*	11,614	10,292
Right-of-use assets	*14*	6,524	2,751
Prepayments, other receivables and other assets	*15*	7,369	12,440
Total non-current assets		25,507	25,483
CURRENT ASSETS			
Prepayments, other receivables and other assets	*15*	14,693	10,931
Cash and cash equivalents	*16*	66,624	95,051
Pledged deposits	*16*	1,990	–
Restricted cash	*16*	–	881
Financial assets at fair value through profit or loss ("FVTPL")	*17*	40,095	95,211
Total current assets		123,402	202,074
CURRENT LIABILITIES			
Trade and other payables	*18*	27,068	45,762
Interest-bearing bank borrowings	*19*	37,877	35,000
Deferred income	*20*	2,040	560
Redemption liabilities on a subsidiary's shares	*21*	23,636	–
Lease liabilities	*14*	4,113	2,129
Total current liabilities		94,734	83,451
NET CURRENT ASSETS		28,668	118,623
TOTAL ASSETS LESS CURRENT LIABILITIES		54,175	144,106
NON-CURRENT LIABILITIES			
Lease liabilities	*14*	2,923	794
Deferred income	*20*	2,410	2,797
Redemption liabilities on equity shares	*22*	358,738	–
Amounts due to a related party	*29*	20,388	–
Total non-current liabilities		384,459	3,591
Net (liabilities)/assets		(330,284)	140,515
EQUITY			
Equity attributable to owners of the parent			
Paid-in capital/Share capital	*24*	7,991	60,000
Reserves	*25*	(338,275)	80,515
Total		(330,284)	140,515
Total (deficits)/equity		(330,284)	140,515

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2024

	Attributable to owners of the parent					
	Paid-in capital	Capital reserve*	Share-based payment reserve*	Other reserve*	Accumulated losses*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2024	7,658	235,042	4,117	(241,059)	(199,447)	(193,689)
Loss and total comprehensive loss for the year	–	–	–	–	(137,321)	(137,321)
Capital contributions by shareholders *(note 24)*	333	59,667	–	–	–	60,000
Recognition of redemption liabilities on equity shares *(note 22)*	–	–	–	(60,000)	–	(60,000)
Recognition of share-based payment expenses *(note 26)*	–	–	726	–	–	726
At 31 December 2024	7,991	294,709	4,843	(301,059)	(336,768)	(330,284)

Year ended 31 December 2025

	Attributable to owners of the parent					
	Paid-in capital/Share capital	Capital reserve/Share premium*	Share-based payment reserve*	Other reserve*	Accumulated losses*	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025	7,991	294,709	4,843	(301,059)	(336,768)	(330,284)
Loss and total comprehensive loss for the year	–	–	–	–	(175,583)	(175,583)
Capital contributions by shareholders *(note 24)*	1,757	262,014	–	–	–	263,771
Recognition of redemption liabilities on equity shares *(note 22)*	–	–	–	(223,771)	–	(223,771)
Recognition of share-based payment expenses *(note 26)*	–	–	8,840	–	–	8,840
Termination of redemption rights *(note 22)*	–	–	–	597,542	–	597,542
Conversion into a joint stock company ("Capitalisation Issue")	50,252	(375,642)	–	(76,071)	401,461	–
At 31 December 2025	60,000	181,081	13,683	(3,359)	(110,890)	140,515

* The reserve accounts comprised RMB(338,275,000) and RMB80,515,000 in the consolidated statements of financial position as at 31 December 2024 and 2025, respectively.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended 31 December 2024	2025
		RMB'000	*RMB'000*
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(137,321)	(175,583)
Adjustments for:			
Finance costs	*7*	30,993	16,858
Interest income		(185)	(1,119)
Foreign exchange losses, net		37	1,919
Loss on disposal of items of property, plant and equipment	*6*	–	67
Gain on fair value changes of financial assets at FVTPL	*5*	(499)	(1,242)
Depreciation of property, plant and equipment	*6*	3,540	3,829
Depreciation of right-of-use assets	*6*	3,710	3,773
Share-based payment expenses	*26*	726	8,840
(Increase)/decrease in prepayments, other receivables and other assets		(12,266)	3,275
(Increase)/decrease in pledged deposits		(1,990)	1,990
Increase in restricted cash		–	(881)
Increase/(decrease) in deferred income		2,410	(1,093)
Increase in trade and other payables		6,764	18,328
Cash used in operations		(104,081)	(121,039)
Income tax paid		(41)	–
Net cash flows used in operating activities		(104,122)	(121,039)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		185	1,119
Purchases of items of property, plant and equipment		(6,145)	(4,386)
Net proceeds of purchase of financial assets at FVTPL		(39,596)	(53,874)
Net cash flows used in investing activities		(45,556)	(57,141)
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease payments		(4,308)	(4,308)
New interest-bearing bank borrowings		37,877	48,249
Repayment of interest-bearing bank borrowings		(13,000)	(51,126)
Interest on bank borrowings		(807)	(982)
Redemption of shares of a subsidiary		–	(23,990)
Loan from a related party		20,000	–
Repayment of the loan to a related party		–	(20,682)
Proceeds from capital contributions from shareholders	*24*	60,000	263,771
Payment of listing expense		(649)	(2,406)
Net cash flows from financing activities		99,113	208,526
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(50,565)	30,346
Cash and cash equivalents at beginning of year		117,226	66,624
Effect of foreign exchange rate changes, net		(37)	(1,919)
CASH AND CASH EQUIVALENTS AT END OF YEAR	*16*	66,624	95,051

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	Notes	As at 31 December 2024	As at 31 December 2025
		RMB'000	*RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment	*13*	11,935	12,447
Right-of-use assets		1,573	1,195
Investments in subsidiaries	*1*	61,574	23,022
Prepayments, other receivables and other assets	*15*	6,054	11,903
Total non-current assets		81,136	48,567
CURRENT ASSETS			
Prepayments, other receivables and other assets	*15*	14,256	9,767
Cash and cash equivalents	*16*	66,481	74,960
Pledged deposits	*16*	1,990	–
Restricted cash	*16*	–	881
Financial assets at FVTPL	*17*	40,095	95,211
Total current assets		122,822	180,819
CURRENT LIABILITIES			
Trade and other payables	*18*	26,336	44,864
Interest-bearing bank borrowings	*19*	37,877	35,000
Amounts due to a subsidiary		80,181	–
Deferred income		2,040	560
Lease liabilities		360	374
Redemption liabilities on a subsidiary's shares	*21*	4,004	–
Total current liabilities		150,798	80,798
NET CURRENT (LIABILITIES)/ASSETS		(27,976)	100,021
TOTAL ASSETS LESS CURRENT LIABILITIES		53,160	148,588
NON-CURRENT LIABILITIES			
Lease liabilities		1,168	794
Deferred income		1,460	1,847
Redemption liabilities on equity shares	*22*	358,738	–
Amounts due to a related party	*29*	20,388	–
Total non-current liabilities		381,754	2,641
Net (liabilities)/assets		(328,594)	145,947
EQUITY			
Paid-in capital/Share capital	*24*	7,991	60,000
Reserves	*25*	(336,585)	85,947
Total (deficits)/equity		(328,594)	145,947

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

LongBio Pharma (Suzhou) Co., Ltd. (the "Company") was a limited liability company established in China on 26 October 2020. The registered address of the Company is 5th Floor, Building F, Area A, No. 128, Yinhe Road, Southeast Street, Changshu City, Jiangsu Province, China. On 7 August 2025, the Company was converted to a joint stock limited liability company.

The Company is a clinical-stage biotechnology company. The Company and its subsidiaries (the "Group") are principally engaged in the research, development, manufacture and commercialisation of pharmaceutical products in the People's Republic of China (the "PRC").

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

Name	Place and date of registration and place of operations	Issued ordinary share/registered paid-in capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Shanghai Longyan Biotechnology Co., Ltd.* ("Longyan Shanghai") 隆延生物科技(上海)有限公司 *(note a)*	PRC/Chinese mainland 4 January 2021	RMB5,000,000	100%	–	Research and development of innovative drugs
Hangzhou Lingcheng Biotechnology Co., Ltd.* ("Hangzhou Lingcheng") 杭州領丞生物科技有限公司 *(note a)*	PRC/Chinese mainland 11 June 2025	RMB20,000,000	100%	–	Research and development of innovative drugs

* The English names of these companies registered in the PRC represent the best effort made by the directors of the Company to directly translate their Chinese names as they have not registered with any official English names.

a. No statutory accounts were prepared for these subsidiaries as these subsidiaries were not required by the local government to prepare statutory accounts.

The Company

The carrying amounts of the Company's investments in subsidiaries are as follows:

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Investment in subsidiaries	61,574	23,022

The Group assessed the impairment for investments in subsidiaries as at the end of each of the Relevant Periods and no impairment was provided for the investment in subsidiaries since no impairment indicator.

2.1 BASIS OF PREPARATION

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board (the "IASB"). All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2025, together with the relevant transitional provisions, have been consistently applied by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods.

The Historical Financial Information has been prepared under the historical cost convention, except for certain financial instruments which have been measured at fair value at the end of each of the Relevant Periods. The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

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

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

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

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

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

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

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

2.2 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

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

IFRS 18	*Presentation and Disclosure in Financial Statements*[2]
IFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[2]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[1]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to IAS 21	*Translation to a Hyperinflationary Presentation Currency*[2]
Annual Improvements to IFRS Accounting Standards — Volume 11	Amendments to: IFRS 1, IFRS7, IFRS 9, IFRS 10 and IAS 7[1]

1 Effective for annual periods beginning on or after 1 January 2026

2 Effective for annual/reporting periods beginning on or after 1 January 2027

3 No mandatory effective date yet determined but available for adoption

The Group is in the process of making an assessment of the impact of these new and amended IFRS Accounting Standards upon initial application. IFRS 18 introduces new requirements for presentation within the statement of profit or loss and other comprehensive income, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information. The new requirements are expected to impact the Group's presentation in the statement of profit or loss and other comprehensive income and disclosures of the Group's financial performance. The new standard is not expected to have any impact on the Group's results of operations and financial position but has impact on the presentation and disclosure of the Group's financial statements. Other than IFRS 18, so far, the Group considers that IFRS 19 and the amended IFRS Accounting Standards are unlikely to have a significant impact on the Group's results of operations and financial position.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION

Fair value measurement

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

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

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

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

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

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

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

As at 31 December 2024 and 2025, no indicators of the impairment for such non-financial assets are identified notwithstanding that the Group recorded a loss for the years ended 31 December 2024 and 2025, since (i) the assets' value have not declined significantly, and (ii) the assets are not obsolete or physically damaged.

Related parties

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

(a) the party is a person or a close member of that person's family and that person

  (i) has control or joint control over the Group;

  (ii) has significant influence over the Group; or

  (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

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

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

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

Laboratory equipment	9.50%
Office and electronic equipment	19% to 31.67%
Motor vehicles	23.75%
Leasehold improvements	Shorter of remaining lease terms and estimated useful lives

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

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

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

Research and development costs

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

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

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

Group as a lessee

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

(a) Right-of-use assets

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

Laboratories and office premises	1.1 to 5 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

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

The Group's lease liabilities are presented in a separate line on the consolidated statement of financial position.

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

The Group applies the short-term lease recognition exemption to its short-term leases (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

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

Investments and other financial assets

Initial recognition and measurement

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs.

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

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

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

Subsequent measurement

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

Financial assets at amortised cost (debt instruments)

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

Financial assets at fair value through profit or loss

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

Derecognition of financial assets

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

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

Impairment of financial assets

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

General approach

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

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

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

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

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

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

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as interest-bearing bank borrowings, redemption liabilities on a subsidiary's shares, redemption liabilities on equity shares, amounts due to a related party, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of interest-bearing bank borrowings, redemption liabilities on a subsidiary's shares, redemption liabilities on equity shares, amounts due to a related party and payables, net of directly attributable transaction costs.

The Group's financial liabilities mainly include trade and other payables, amounts due to a related party and redemption liabilities on a subsidiary's shares.

Subsequent measurement

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

Financial liabilities at amortised cost (trade and other payables, amounts due to a related party, redemption liabilities on a subsidiary's shares, and redemption liabilities on equity shares)

After initial recognition, trade and other payables, amounts due to a related party and redemption liabilities on a subsidiary's shares are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

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

Derecognition of financial liabilities

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

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

Cash and cash equivalents

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

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Income tax

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

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

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

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

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

Government grants

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

Other income

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

Share-based payments

The Company operates share incentive plans. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments ("equity-settled transactions"). The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer, further details of which are given in note 26 to the Historical Financial Information.

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

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

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

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

This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

Other employee benefits

Pension scheme

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

Events after the reporting period

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

Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Foreign currencies

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on

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

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Research and development costs

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

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the unused tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits, together with future tax planning strategies.

Estimation uncertainty

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

Accrual of research and development costs

The Group relies on contract research organisations, clinical site management operators and clinical trial centres (collectively referred to as "Outsourced Service Providers") to conduct, supervise, and monitor the Group's ongoing clinical trials. Determining the amounts of research and development expenses incurred up to the end of the reporting period requires the management of the Group to estimate and measure the progress of receiving research and development services.

Impairment of non-financial assets

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

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

Leases — Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("IBR") to measure lease liabilities. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Fair value of share-based payment transactions

Estimating the fair value of share-based payment transactions requires the determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires the determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

For the measurement of the fair value of share-based payment transactions with employees at the grant date, the Group uses the Black-Scholes option pricing model and the Back-solve model. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 26 to the Historical Financial Information.

4. OPERATING SEGMENT INFORMATION

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

Geographical information

Since all of the Group's non-current assets were located in the Chinese mainland, no geographical information in accordance with IFRS 8 *Operating Segments* is presented.

Information about major customers

No revenue was derived during the Relevant Periods. Therefore, no information about major customers is presented.

5. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Other income		
Government grants*	1,203	2,984
Bank interest income	1,331	1,347
Others	37	13
Total other income	2,571	4,344
Gains		
Gain on fair value changes of financial assets at FVTPL	499	1,242
Total gains	499	1,242
Total	3,070	5,586

* The government grants mainly represent subsidies received from local government authorities for the purpose of supporting the Company or its subsidiaries' operating activities, or for the purpose of compensation for expenditure arising from research and clinical trial activities.

6. LOSS BEFORE TAX

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

		Year ended 31 December	
	Notes	2024	2025
		RMB'000	*RMB'000*
Depreciation of property, plant and equipment*	*13*	3,540	3,829
Depreciation of right-of-use assets*	*14*	3,710	3,773
Research and development costs*		98,081	126,622
Government grants	*5*	(1,203)	(2,984)
Lease payments not included in the measurement of lease liabilities*	*14(c)*	33	–
Auditor's remuneration		69	–
Listing expenses		2,464	15,965
Employee benefit expense (excluding directors', chief executive's and supervisor's remuneration *(note 8)*)*:			
Wages and salaries		11,191	20,207
Share-based payment expenses		726	8,074
Pension scheme contributions		3,303	5,222
Total		15,220	33,503
Bank interest income	*5*	(1,331)	(1,347)
Loss on disposal of items of property, plant and equipment		–	67
Gain on fair value changes of financial assets at FVTPL	*5*	(499)	(1,242)

* Research and development costs include expenses relating to depreciation of property, plant and equipment, depreciation of right-of-use assets, lease payments not included in the measurement of lease liabilities and employee benefit expense, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

7. FINANCE COSTS

An analysis of finance costs from continuing operations is as follows:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Interest on bank borrowings	807	982
Interest on amounts due to a related party	388	294
Interest on lease liabilities	329	195
Interest on redemption liabilities on a subsidiary's shares	1,203	354
Interest on redemption liabilities on equity shares	28,266	15,033
Total	30,993	16,858

8. DIRECTORS', CHIEF EXECUTIVE'S AND SUPERVISOR'S REMUNERATION

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

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Fees	–	–
Other emoluments:		
Salaries, allowances and benefits in kind	495	1,404
Pension scheme contributions and social welfare	110	260
Share-based payment expenses	–	766
Subtotal	605	2,430
Total	605	2,430

(a) Directors and supervisors

	Salaries, allowances and benefits in kind	Pension scheme contributions and social welfare	Total
	RMB'000	*RMB'000*	*RMB'000*
Year ended 31 December 2024			
Chief executive and director:			
Dr. Liu Heng *(note (i))*	375	110	485
Directors:			
Dr. Sun Bill Nai-chau *(note (ii))*	60	–	60
Mr. Xu Wenchao *(note (iii))*	–	–	–
Ms. Gu Qin *(note (iv))*	–	–	–
Mr. Lin Jian *(note (iv))*	–	–	–
Supervisor:			
Ms. Sun Cecily Rou-yun *(note (viii))*	60	–	60
Total	495	110	605

	Salaries, allowances and benefits in kind	Pension scheme contributions and social welfare	Share-based payment expenses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2025				
Chief executive and director:				
Dr. Liu Heng *(note (i))*	700	123	–	823
Directors:				
Dr. Sun Bill Nai-chau *(note (ii))*	92	–	–	92
Ms. Gu Qin *(note (iv))*	–	–	–	–
Mr. Lin Jian *(note (iv))*	–	–	–	–
Dr. Xue Di *(note (v))*	–	–	–	–
Dr. Chen Kan *(note (vi))*	–	–	–	–
Mr. Xie Ming *(note (vii))*	580	137	766	1,483
Supervisor:				
Ms. Sun Cecily Rou-yun *(note (viii))*	32	–	–	32
Total	1,404	260	766	2,430

Notes:

(i) Dr. Liu Heng was appointed as a director of the Company with effect from 26 October 2020 and re-designated as an executive director of the Company with effect from 15 August 2025. Dr. Liu Heng was also the chief executive officer and the chairman of the Company and his remuneration disclosed above included the remuneration for the services rendered by him as the chief executive and chairman.

(ii) Dr. Sun Bill Nai-chau was appointed as a director of the Company with effect from 26 October 2020 and was re-designated as an executive director on 15 August 2025.

(iii) Mr. Xu Wenchao was appointed as a director of the Company with effect from 27 September 2021 and resigned on 27 December 2024.

(iv) Ms. Gu Qin and Mr. Lin Jian were appointed as directors of the Company with effect from 20 October 2022 and re-designated as non-executive directors of the Company with effect from 15 August 2025.

(v) Dr. Xue Di was appointed as a director of the Company with effect from 19 May 2025 and re-designated as a non-executive director of the Company with effect from 15 August 2025.

(vi) Dr. Chen Kan was appointed as a director of the Company with effect from 19 May 2025 and re-designated as a non-executive director of the Company with effect from 15 August 2025.

(vii) Mr. Xie Ming was appointed as a director of the Company with effect from 19 May 2025 and re-designated as an executive director of the Company with effect from 15 August 2025. His remuneration disclosed above included the remuneration for the services rendered by him before his appointment as a director.

(viii) Ms. Sun Cecily Rou-yun was appointed as a supervisor of the Company with effect from 26 October 2020 and resigned with effect from 15 July 2025.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the Relevant Periods.

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the Relevant Periods included nil and one director, details of whose remuneration are set out in note 8 above. Details of the remuneration for the Relevant Periods of the remaining five and four highest paid employees who are neither a director nor chief executive of the Company are as follows:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Salaries, bonuses and allowances	2,379	2,836
Pension scheme contributions and social welfare	737	615
Share-based payment expenses	878	5,452
Total	3,994	8,903

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

	Year ended 31 December	
	2024	2025
HKD500,001 to HKD1,000,000	4	–
HKD1,000,001 to HKD1,500,000	1	–
HKD2,000,001 to HKD2,500,000	–	1
HKD2,500,001 to HKD3,000,000	–	3
Total	5	4

During the Relevant Periods, share options and restricted share units were granted to the non-director and non-chief executive highest paid employees in respect of their services to the Group, further details of which are included in the disclosures in note 26 to the Historical Financial Information. The fair values of such share options and restricted share units, which have been recognised in profit or loss over the vesting period, were determined as at the dates of grant and the amount included in the Historical Financial Information for the Relevant Periods are included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

During the Relevant Periods, no highest paid employees waived or agreed to waive any remuneration and no remuneration was paid by the Group to any of the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

10. INCOME TAX

Chinese mainland

Pursuant to the Corporate Income Tax Law of the People's Republic of China and the respective regulations (the "CIT Law"), the entities which operate in the Chinese mainland are subject to corporation income tax at a rate of 25% on the taxable income during the Relevant Periods.

The Company is a qualified "High and New Technology Enterprise" ("HNTE") and enjoys a reduced tax rate of 15% from 2022 to 2024. This qualification is subject to review by the relevant tax authority in the PRC for every three years. And the Company is subject to corporation income tax at a rate of 25% on the taxable income as at 31 December 2025.

Pursuant to Caishui [2023] No. 12 "Circular of the Ministry of Finance, the State Administration of Taxation Issued on the Further support for Preferential Income Tax Policies for Small Low-profit Enterprises" (財政部税務總局關於進一步支持小微企業和個體工商戶發展有關税費政策的公告), one of the Group's PRC subsidiaries, Longyan Shanghai whose annual taxable income less than RMB3,000,000 will be included in the actual taxable income at 25% based on which the enterprise income tax payable will be calculated at the reduced tax rate of 20%. This policy has taken effect from 1 January 2023 and will expire on 31 December 2027.

Pursuant to the relevant CIT Law, the Company and Longyan Shanghai enjoyed a super deduction of 200% on qualified research and development costs so incurred as tax deductible expenses when determining their assessable profits for the Relevant Periods.

The income tax expense of the Group for the Relevant Periods is analysed as follows:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Current income tax	–	–
Deferred income tax	–	–
Total	–	–

A reconciliation of the tax expense applicable to loss before tax at the statutory rates for the jurisdictions in which the Company and its major subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Loss before tax	(137,321)	(175,583)
Tax at the statutory tax rate (25%)	(34,330)	(43,896)
Lower tax rate enacted by local authority	14,311	751
Expenses not deductible for tax purposes	4,708	5,820
Tax losses and temporary differences not recognised	28,969	65,472
Additional deductible allowance for qualified research and development costs	(13,658)	(28,147)
Tax charge at the Group's effective rate	–	–

11. DIVIDENDS

No dividend was paid or declared by the Company during the Relevant Periods.

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

On 7 August 2025, the Company was converted to a joint stock limited liability company. A total of 60,000,000 shares of par value of RMB1.00 each were issued and allotted to the respective shareholders of the Company according to the paid-in capital registered under these shareholders on that day. The conversion of paid-in capital to share capital with par value of RMB1.00 each is applied retrospectively for the Relevant Periods for the purpose of computation of basic loss per share.

The calculation of the basic loss per share amount is based on the loss attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 47,472,705, and 56,642,707 in issue during the Relevant Periods, respectively.

No adjustment has been made to the basic loss per share amounts presented for the Relevant Periods in respect of a dilution as the impact of the redemption liabilities on equity shares and share-based payments had an anti-dilutive effect on the basic loss per share amounts presented.

The calculation of basic and diluted loss per share is based on:

	Year ended 31 December	
	2024	2025
Loss		
Loss attributable to ordinary equity holders of the parent, used in the basic loss per share calculation (RMB'000)	(137,321)	(175,583)
Ordinary shares		
Weighted average number of ordinary shares in issue during the year used in the basic loss per share calculation	47,472,705	56,642,707
Loss per share (RMB per share)	(2.89)	(3.10)

13. PROPERTY, PLANT AND EQUIPMENT

The Group

	Leasehold improvements	Laboratory equipment	Office and electronic equipment	Motor vehicles	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 31 December 2024						
At 1 January 2024:						
Cost	–	13,013	4,881	–	5,009	22,903
Accumulated depreciation	–	(8,245)	(3,876)	–	–	(12,121)
Net carrying amount	–	4,768	1,005	–	5,009	10,782
At 1 January 2024, net of accumulated depreciation	–	4,768	1,005	–	5,009	10,782
Additions	–	126	216	226	3,804	4,372
Transfer	8,813	–	–	–	(8,813)	–
Depreciation provided during the year	(2,145)	(771)	(624)	–	–	(3,540)
At 31 December 2024, net of accumulated depreciation	6,668	4,123	597	226	–	11,614
At 31 December 2024:						
Cost	8,813	13,139	5,097	226	–	27,275
Accumulated depreciation	(2,145)	(9,016)	(4,500)	–	–	(15,661)
Net carrying amount	6,668	4,123	597	226	–	11,614

	Leasehold improvements	Laboratory equipment	Office and electronic equipment	Motor vehicles	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 31 December 2025					
At 1 January 2025:					
Cost	8,813	13,139	5,097	226	27,275
Accumulated depreciation	(2,145)	(9,016)	(4,500)	–	(15,661)
Net carrying amount	6,668	4,123	597	226	11,614
At 1 January 2025, net of accumulated depreciation	6,668	4,123	597	226	11,614
Additions	825	1,358	391	–	2,574
Disposal	–	–	(67)	–	(67)
Depreciation provided during the year	(3,011)	(541)	(223)	(54)	(3,829)
At 31 December 2025, net of accumulated depreciation	4,482	4,940	698	172	10,292
At 31 December 2025:					
Cost	9,638	14,497	5,421	226	29,782
Accumulated depreciation	(5,156)	(9,557)	(4,723)	(54)	(19,490)
Net carrying amount	4,482	4,940	698	172	10,292

The Company

	Leasehold improvements	Laboratory equipment	Office and electronic equipment	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 31 December 2024					
At 1 January 2024:					
Cost	–	10,992	3,536	–	14,528
Accumulated depreciation	–	(2,287)	(2,392)	–	(4,679)
Net carrying amount	–	8,705	1,144	–	9,849
At 1 January 2024, net of accumulated depreciation	–	8,705	1,144	–	9,849
Additions	–	126	213	3,804	4,143
Transfer	3,804	–	–	(3,804)	–
Depreciation provided during the year	(346)	(1,045)	(666)	–	(2,057)
At 31 December 2024, net of accumulated depreciation	3,458	7,786	691	–	11,935
At 31 December 2024:					
Cost	3,804	11,118	3,749	–	18,671
Accumulated depreciation	(346)	(3,332)	(3,058)	–	(6,736)
Net carrying amount	3,458	7,786	691	–	11,935

	Leasehold improvements	Laboratory equipment	Office and electronic equipment	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 31 December 2025				
At 1 January 2025:				
Cost	3,804	11,118	3,749	18,671
Accumulated depreciation	(346)	(3,332)	(3,058)	(6,736)
Net carrying amount	3,458	7,786	691	11,935
At 1 January 2025, net of accumulated depreciation	3,458	7,786	691	11,935
Additions	825	1,530	391	2,746
Disposal	–	–	(43)	(43)
Depreciation provided during the year	(871)	(1,080)	(240)	(2,191)
At 31 December 2025, net of accumulated depreciation	3,412	8,236	799	12,447
At 31 December 2025:				
Cost	4,629	12,648	4,097	21,374
Accumulated depreciation	(1,217)	(4,412)	(3,298)	(8,927)
Net carrying amount	3,412	8,236	799	12,447

14. LEASES

The Group as a lessee

The Group has lease contracts for various items of laboratories and office premises used in its operations. Leases of laboratories and office premises generally have lease terms between 1.1 and 5 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

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

	Laboratories and office premises
	RMB'000
31 December 2024	
As at 1 January 2024	8,347
Additions	1,887
Depreciation charge	(3,710)
As at 31 December 2024	6,524
31 December 2025	
As at 1 January 2025	6,524
Depreciation charge	(3,773)
As at 31 December 2025	2,751

(b) Lease liabilities

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

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Carrying amount at 1 January	9,128	7,036
Additions	1,887	–
Accretion of interest recognised during the year	329	195
Payments	(4,308)	(4,308)
Carrying amount at the end of the year	7,036	2,923
Analysed into:		
Current portion	4,113	2,129
Non-current portion	2,923	794

The maturity analysis of lease liabilities is disclosed in note 32 to the Historical Financial Information.

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

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Interest on lease liabilities	329	195
Depreciation charge of right-of-use assets	3,710	3,773
Expenses relating to short-term leases	33	–
Total amount recognised in profit or loss	4,072	3,968

(d) The total cash outflows for leases are disclosed in note 27 (c) to the Historical Financial Information.

15. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Non-current:		
Value-added tax recoverable	6,234	11,084
Rental deposits	1,135	111
Prepayment for property, plant and equipment	–	1,245
Total	7,369	12,440
Current:		
Prepayments	13,991	5,844
Other receivables	59	1,097
Deferred listing expense	643	3,990
Total	14,693	10,931

The Company

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Non-current:		
Value-added tax recoverable	5,943	10,547
Rental deposits	111	111
Prepayment for property, plant and equipment	–	1,245
Total	6,054	11,903
Current:		
Prepayments	13,604	5,759
Other receivables	9	18
Deferred listing expense	643	3,990
Total	14,256	9,767

The financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts. In addition, there is no significant change in the economic factors based on the assessment of the forward-looking information, so the directors of the Company are of the opinion that the ECLs in respect of these balances are minimal. The balances are not secured with collateral.

16. CASH AND CASH EQUIVALENTS, PLEDGED DEPOSITS AND RESTRICTED CASH

The Group

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Cash and bank balances	68,614	95,932
Less:		
Pledged deposits *(i)*	1,990	–
Restricted cash *(ii)*	–	881
Cash and cash equivalents	66,624	95,051
Denominated in		
RMB	36,467	47,550
USD	30,157	47,501
Total	66,624	95,051

The Company

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Cash and bank balances	68,471	75,841
Less:		
Pledged deposits *(i)*	1,990	–
Restricted cash *(ii)*	–	881
Cash and cash equivalents	66,481	74,960
Denominated in		
RMB	36,324	27,459
USD	30,157	47,501
Total	66,481	74,960

(i) It mainly represents pledged deposits in commercial banks primarily for bills payable as at 31 December 2024. None of these deposits are either past due or impaired.

(ii) A bank account of the Company was temporarily frozen in December 2025 due to a litigation related to a dispute on the settlement of payment to a financial advisor.

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

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one month and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group and the Company

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Structured deposits	40,095	95,211

The structured deposits were purchased from reputable banks in the Chinese mainland. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

18. TRADE AND OTHER PAYABLES

The Group

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Current:		
Trade and bills payables	12,761	5,717
Accrued research and development costs	10,304	28,952
Payroll payables	1,688	3,108
Other tax payables	65	207
Payables for purchase of property and equipment	1,209	642
Accrued listing expenses	106	4,798
Other payables	935	2,338
Total	27,068	45,762

The Company

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Current:		
Trade and bills payables	12,761	5,358
Accrued research and development costs	10,304	28,952
Payroll payables	1,447	3,042
Other tax payables	61	202
Payables for purchase of property and equipment	742	174
Accrued listing expenses	106	4,798
Other payables	915	2,338
Total	26,336	44,864

Other payables are unsecured and non-interest-bearing. The carrying amounts of financial liabilities included in trade and other payables as at the end of each of the Relevant Periods approximated to their fair values due to their short-term maturities.

An ageing analysis of the trade and bills payables as at the end of each of the Relevant Periods, based on the invoice date, is as follows:

The Group

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Within 3 months	9,455	4,472
3 months to 1 year	3,306	1,245
Total	12,761	5,717

Trade payables are non-interest-bearing and are normally settled on terms of 30 to 120 days.

19. INTEREST-BEARING BANK BORROWINGS

The Group and the Company

	As at 31 December 2024			As at 31 December 2025		
	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000
Current						
Bank loans-secured	2.55-2.80	2025	27,877	–	–	–
Bank loans-unsecured	3.00	2025	10,000	2.45-2.70	2026	35,000
			37,877			35,000

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Analysed into:		
Bank loans repayable:		
Within one year	37,877	35,000

The guarantee amounts provided by the related parties during the Relevant Periods are as follows:

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Dr. Liu Heng	20,877	–
Dr. Liu Heng, Ms. Lu Nan	7,000	–
Total	27,877	–

20. DEFERRED INCOME

The Group

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Income-related government grants	4,450	3,357
Analysed into:		
Current portion	2,040	560
Non-current portion	2,410	2,797

The movements in deferred income during the Relevant Periods are as follows:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
At beginning of the year	2,040	4,450
Grants received during the year	2,410	947
Credited to profit or loss during the year	–	(2,040)
At end of the year	4,450	3,357

21. REDEMPTION LIABILITIES ON A SUBSIDIARY'S SHARES

In February 2021, certain shareholders of the Company, the Company and LongBio Changshu, a subsidiary of the Company, entered into a share purchase agreement with Changshu Southeast Industrial Investment Co., Ltd. ("Southeast Investment"). Pursuant to the agreement, capital contributed by Southeast Investment which has been injected into LongBio Changshu shall all be redeemable by certain shareholders of the Company or other parties designated by these certain shareholders, the Company or LongBio Changshu upon occurrence of the following certain contingent events which cannot be controlled by the Company or LongBio Changshu:

(i) Dr. Liu Heng loses control of LongBio Changshu for any reason;

(ii) Dr. Liu Heng or LongBio Changshu's key management personnel incurs substantial integrity issues that prejudice the interests of LongBio Changshu;

(iii) Any material breach of the investment agreement, LongBio Changshu's articles of association, and the respective litigation and regulation requirements by Dr. Liu Heng, the existing shareholders and LongBio Changshu;

(iv) Any material omission or misleading of information and documents that relates to the execution of this investment agreement;

(v) Incompleteness of phase 1 clinical trial of LP-003 and LP-005 by end of 2023;

(vi) Failure to redeem the shares held by Southeast Investment by 31 December 2023.

The share purchase price is calculated as the higher of (i) the respective issue price, plus a 6% simple interest per annum accrued on the redeemable shares' issuance price from the issuance date, minus all dividends paid on such redeemable shares and (ii) the evaluated net assets of LongBio Changshu at the time of redemption attributable to Southeast Investment according to the share percentage.

In June 2024, the Company, LongBio Changshu and Southeast Investment entered into a supplementary agreement and extended the last date, 31 December 2023, for (vi) above: redemption of the shares held by Southeast Investment to 31 December 2024. Subsequently, the Company entered into an agreement with Southeast Investment to acquire the shares of LongBio Changshu held by Southeast Investment at the consideration of RMB23,990,000 in March 2025 and it was completed in April 2025.

Presentation and classification

The redemption obligations give rise to financial liabilities, which are measured at the net present value of the redemption amount in the consolidated financial statements and financial liabilities at FVTPL in the Company financial statements.

The movements of redemption liabilities during the Relevant Periods are set out below:

The Group

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
At beginning of year	22,433	23,636
Interest expense	1,203	354
Exercise of the redemption right	–	(23,990)
At end of year	23,636	–

The Company

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
At beginning of year	3,026	4,004
Fair value changes	978	(14)
Exercise of the redemption right	–	(3,990)
At end of year	4,004	–

22. REDEMPTION LIABILITIES ON EQUITY SHARES

The Group and the Company

In July 2021, the Company issued 1,641,667 series A registered capital with a par value of RMB1.00 per share ("Series A Shares") to several independent investors for a total consideration of RMB98,500,000 or RMB60.00 per share.

In August 2022, the Company issued 207,069 series A+ registered capital with a par value of RMB1.00 per share ("Series A+ Shares") to several independent investors for a total consideration of RMB17,000,000 or RMB82.10 per share.

In October 2022, the Company issued 97,603 series A++ registered capital with a par value of RMB1.00 per share ("Series A++ Shares") to several independent investors for a total consideration of RMB10,000,000 or RMB102.46 per share.

In October 2023, the Company issued 616,653 series B1 registered capital with a par value of RMB1.00 per share ("Series B1 Shares") to several independent investors for a total consideration of RMB97,200,000 or RMB157.63 per share.

In November 2023, the Company issued 95,163 series B1 registered capital with a par value of RMB1.00 per share ("Series B1 Shares") to several independent investors for a total consideration of RMB15,000,000 or RMB157.63 per share.

In December 2024, the Company issued 332,993 Series B2 registered capital with a par value of RMB1.00 per share ("Series B2 Shares") to several independent investors for a total consideration of RMB60,000,000 or RMB180.18 per share.

In March 2025, the Company issued 81,485 Series B3 registered capital with a par value of RMB1.00 per share ("Series B3 Shares") to several independent investors for a total consideration of RMB16,000,000 or RMB196.36 per share.

In May 2025, the Company issued 1,008,904 Series C registered capital with a par value of RMB1.00 per share ("Series C Shares") to several independent investors for a total consideration of RMB207,800,000 or RMB205.97 per share.

Series A Shares, Series A+ Shares, Series A++ Shares, Series B1 Shares, Series B2 Shares, Series B3 Shares and Series C Shares are collectively referred to as the "Shares". The holders of the Shares are collectively referred to as the "Shareholders".

The key terms of the Shares are summarised as follows:

(1) Redemption features

Upon occurrence of the following events which cannot be controlled by the Company, the Shares shall be redeemable by the Company at the option of the Shareholders:

(i) the Company fails to achieve a qualified Initial Public Offering ("IPO") or qualified overall sale of the Company before 31 December 2028;

(ii) the Company and its subsidiaries incur substantial impediments to the qualified IPO of the Company, which cannot be rectified in accordance with relevant laws and regulations or which the Company and its existing shareholders or controlling shareholders reject the rectification;

(iii) Dr. Liu Heng loses control of the Company for any reason;

(iv) any material breach of the investment agreement by Dr. Liu Heng and it cannot be rectified according to the Shareholders' requirement within a specific period;

(v) any Shareholder raises a redemption request with no occurrence of any redemption event, and it has been agreed by the Company, the co-founders of the Company and Dr. Liu Heng;

(vi) the Group or the co-founders of the Company undergo events that may cause significant obstacles to the qualified IPO of the Company or engage in significant actions that may cause significant loss to the interests of the Shareholders and which cannot be rectified within 60 days from receipt of the notification from the Shareholders; or

(vii) any Shareholder elects to exercise its redemption right upon occurrence of any of the redemption events.

The redemption amount is calculated as the higher of (i) the original investment principal from the Shareholders with an annual simple interest rate of 10% of the original investment principal minus any dividends paid for a period of time commencing from the actual investment payment date to the actual settlement date of redemption amount and (ii) the net assets of the Company at the time of transfer attributable to the Shareholders according to the share percentage.

(2) Liquidation preference

If the Company goes into liquidation, the Shareholders shall have the right of liquidation preference to the other shareholders of the Company. The Shareholders shall be entitled to be paid out of the funds and assets available for distribution to the members of the Company, an amount per share equal to the higher of the original issue price for each series equity share with an annual compound interest rate of 10% plus any dividends declared but unpaid or the liquidation assets available to the investors in proportion to its equity interest at that time thereon in the sequence as follows:

(1) Series C Shares

(2) Series B3 Shares and Series B2 Shares

(3) Series B1 Shares

(4) Series A Shares, Series A+ Shares and Series A++ Shares

(3) Anti-dilution right

If the Company increases its paid-in capital at a price lower than the price paid by the Shareholders on a per paid-in capital basis, the Shareholders have a right to require the Company to issue additional paid-in capital at the lowest issue price permitted by law to the Shareholders or receive cash compensation from the Company, the Shareholders also have a right to require the Controlling Shareholders to transfer shares to the investors at the lowest issue price permitted by law or receive cash compensation from the controlling shareholders, so that the total amount paid by the Shareholders divided by the total amount of the paid-in capital obtained is equal to the price per paid-in capital in the new issuance.

Presentation and Classification

The redemption obligations give rise to financial liabilities, which are measured at the net present value of the redemption amount in the consolidated financial statements and presented as redemption liabilities on equity shares in the statements of financial position. Accordingly, the carrying amount of the financial liabilities of all redemption liabilities was derecognised upon the termination of the redemption features.

Pursuant to the investment agreements of Series C Shares entered into by the Company and all Shareholders, the redemption rights involving the Group as the obligor were automatically terminated from 30 May 2025 and such redemption rights will not be reinstated.

The movements of the redemption liabilities on equity shares included in financial liabilities at amortised cost as at 31 December 2024 and 2025 are set out below:

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
At beginning of the year	270,472	358,738
Issuance of shares	60,000	223,771
Interest expense	28,266	15,033
Termination of redemption rights	–	(597,542)
At end of the year	358,738	–

23. DEFERRED TAX

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

Deferred tax liabilities

	Right-of-use assets
	RMB'000
At 1 January 2024	2,087
Deferred tax credited to profit or loss during the year	(467)
At 31 December 2024 and 1 January 2025	1,620
Deferred tax credited to profit or loss during the year	(931)
At 31 December 2025	689

Deferred tax assets

	Tax Losses	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2024	–	2,087	2,087
Deferred tax credit/(charged) to profit or loss during the year	162	(629)	(467)
At 31 December 2024 and 1 January 2025	162	1,458	1,620
Deferred tax credit/(charged) to profit or loss during the year	97	(1,028)	(931)
At 31 December 2025	259	430	689

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Net deferred tax assets recognised in the consolidated statement of financial position	–	–
Net deferred tax liabilities recognised in the consolidated statement of financial position	–	–

The Group has accumulated tax losses in the Chinese mainland of RMB476,006,000 and RMB742,663,000 as at 31 December 2024 and 2025, respectively, which would expire within one to ten years for offsetting against future taxable profits of the companies in which the losses arose.

The Group has unrecognised deductible temporary differences of RMB4,952,000 and RMB3,863,000 as at 31 December 2024 and 2025, respectively.

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

24. SHARE CAPITAL/PAID-IN CAPITAL

The Group and the Company

Pursuant to the shareholders' resolutions dated 15 July 2025, the then existing shareholders of the Company approved the conversion of the Company into a joint stock company with limited liability with 60,000,000 shares in a nominal value of RMB1.00 each. The net assets of the Company as of 31 May 2025 were converted to 60,000,000 ordinary shares at RMB1.00 each and issued to the then shareholders of the Company in proportion to their capital contribution to the Company. The remaining amount was converted into share premium. Upon the completion of registration on 7 August 2025, the Company was converted into a joint stock company with limited liability.

A summary of movements in the Company's paid-in capital and share capital is as follows:

	Paid-in capital/Share capital
	RMB'000
At 1 January 2024	7,658
Capital contributions by shareholders *(i)*	333
At 31 December 2024 and 1 January 2025	7,991
Capital contributions by shareholders *(ii)*	1,757
Conversion into a joint stock company	50,252
At 31 December 2025	60,000

(i) Pursuant to the share purchase agreement of the Series B2 Shares, shareholders of Series B2 Shares made capital injections of RMB30,000,000 and USD4,173,000 (equivalent to RMB30,000,000) in total into the Company in September 2024, among which RMB333,000 was credited to the Company's paid-in capital and the remaining RMB59,667,000 was credited to capital reserve.

(ii) Pursuant to the capital increase agreement in May 2022, certain ordinary shareholders agreed to made capital injections of a total amount of RMB40,000,000 into the Company and the capital injections were completed in May 2025, among which RMB666,000 was credited to the Company's paid-in capital and the remaining RMB39,334,000 was credited to capital reserve.

Pursuant to the share purchase agreement of the Series B3 Shares, shareholders of Series B3 Shares made a capital injection of RMB16,000,000 into the Company in March 2025, among which RMB82,000 was credited to the Company's paid-in capital and the remaining RMB15,918,000 was credited to capital reserve.

Pursuant to the share purchase agreement of the Series C Shares, shareholders of Series C Shares made capital injections of RMB134,600,000 and USD10,189,000 (equivalent to RMB73,200,000) into the Company in May 2025, among which RMB1,009,000 was credited to the Company's paid-in capital and the remaining RMB206,791,000 was credited to capital reserve.

25. RESERVES

The Group

The amounts of the Group's reserves and the movements therein are presented in the consolidated statements of change in equity on page I-6 of the Historical Financial Information.

Share premium

The share premium represents the difference between the par value of the shares issued and the consideration received.

Share-based payment reserve

The share-based payment reserve represents the reserve arising from share-based payment transactions, further details of which are included in note 26 to the Historical Financial Information.

Other reserve

Other reserve mainly represents recognition or termination of redemption liabilities on equity shares.

The Company

	Capital reserve/ Share premium	Share-based payment reserve	Other reserve	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2024	235,042	4,117	(237,700)	(201,676)	(200,217)
Capital contributions by shareholders	59,667	–	–	–	59,667
Loss and total comprehensive loss for the year	–	–	–	(136,761)	(136,761)
Recognition of redemption liabilities on equity shares	–	–	(60,000)	–	(60,000)
Recognition of share-based payment expenses	–	726	–	–	726
At 31 December 2024 and 1 January 2025	294,709	4,843	(297,700)	(338,437)	(336,585)
Capital contributions by shareholders	262,014	–	–	–	262,014
Loss and total comprehensive loss for the year	–	–	–	(171,841)	(171,841)
Recognition of redemption liabilities on equity shares	–	–	(223,771)	–	(223,771)
Recognition of share-based payment expenses	–	8,840	–	–	8,840
Termination of redemption rights	–	–	597,542	–	597,542
Capitalisation issue *(a)*	(375,642)	–	(76,071)	401,461	(50,252)
At 31 December 2025	181,081	13,683	–	(108,817)	85,947

(a) On 7 August 2025, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The net assets of the Company under PRC Generally Accepted Accounting Principles as of the conversion base date amounting to RMB241,081,000 were converted into 60,000,000 share capital at RMB1.00 each and RMB181,081,000 in share premium.

26. SHARE-BASED PAYMENT TRANSACTIONS

Share Options

The Company established an employee incentive platform and operated a share option scheme for core employees which was adopted pursuant to the resolution passed in 2021 (the "2021 Scheme") for the purpose of providing incentives and rewards to eligible employees who contribute to the success of the Group's operations. In June 2025, the 2021 Scheme was cancelled and the expense not yet recognised for the share options was recognised immediately, treated as an acceleration of vesting on the date of cancellation.

Under the 2021 Scheme, the directors of the Company approved up to 796,000 options to be granted and in year of 2021, a total number of 152,434 options have been granted to eligible employees of the Group to subscribe for shares in the Company. The exercise price is RMB1.00 per option and the 2021 Scheme will expire in 5 years. The Group accounts for the 2021 Scheme as equity-settled plans. Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

No options have been granted during the Relevant Periods. The numbers of the share options outstanding as at 31 December 2024 and 2025 were 124,972 and nil, respectively.

The fair values of the options as at the grant dates were determined by using the Black-Scholes option pricing model. Major inputs used for the determination of the fair values of ordinary shares are listed as follows:

	At grant dates
Expected volatility	50.00%
Risk-free interest rate	3.00%
Dividend yield	–

During the years ended 31 December 2024 and 2025, share-based payment expenses of RMB726,000 and RMB2,383,000 were charged to profit or loss, respectively.

Restricted share units (the "RSUs")

In 2025, the board of directors of the Company passed a resolution to adopted a share award scheme (the "RSUs Scheme") for the purpose of providing incentives and rewards to eligible employees and directors of the Company who contribute to the success of the Group's operations. Suzhou Taiwu holds the Company's paid-in capital of RMB796,000 (equal to 4,895,400 shares after conversion into a joint stock company), to implement the RSUs scheme, and under the RSUs Scheme, the eligible employees and directors shall subscribe for partnership interests of Suzhou Taiwu at a consideration price of RMB7.00 per registered capital (equal to RMB1.14 per share after conversion into a joint stock company) and indirectly hold the incentive shares of the Company.

Subject to the terms and conditions as set out in the RSUs Scheme, the RSUs are vested in the portions of 25%, 25%, 25% and 25% on the first, second, third and fourth anniversaries of the restricted share registration date, respectively. In addition to meeting the time-based vesting condition, the RSUs which shall vest also depends on the completion of public offering.

The fair value of services received in return for shares granted to employees and directors was measured by reference to the fair value of the shares granted and the subscription price paid by employees and directors. Details of the granted share units are as follows:

Date of grant	Number of restricted share units	Subscription price per share unit	Fair value of the share units
23 May 2025	262,257	RMB7.00	RMB93.45

The following RSUs were outstanding under the Scheme during the Relevant Periods:

	Number of RSUs
As at 1 January 2025	–
Granted during the year	262,257
As at 31 December 2025	262,257

The fair values of the restricted share units as at the grant date were determined with reference to the fair value of ordinary shares on the grant dates, using back-solve method. Major inputs used for the determination of the fair values of ordinary shares are listed as follows:

	At grant dates
Expected volatility	53.00%
Risk-free interest rate	1.52%
Dividend yield	–

During the two years ended 31 December 2024 and 2025, share-based payment expenses of nil and RMB6,457,000 were charged to profit or loss, respectively.

27. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the Relevant Periods, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB1,887,000 and nil in the consolidated statements of financial position as at 31 December 2024 and 2025, respectively.

During the year ended 31 December 2025, the Group had non-cash additions to other reserve of RMB597,542,000 in the consolidated statements of financial position as at 31 December 2025 due to the termination of redemption rights of the equity shares.

(b) Changes in liabilities arising from financing activities

	Lease liabilities	Interest-bearing bank borrowings	Amounts due to a related party	Redemption liabilities on a subsidiary's shares	Redemption liabilities on equity shares	Accrued listing expenses included in trade and other payable
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2024	9,128	13,000	–	22,433	270,472	–
Additions	1,887	–	–	–	–	671
Changes from financing cash flows	(4,308)	24,070	20,000	–	60,000	–
Accretion of interest	329	807	388	1,203	28,266	–
Payment	–	–	–	–	–	(649)
At 31 December 2024 and 1 January 2025	7,036	37,877	20,388	23,636	358,738	22
Changes from financing cash flows	(4,308)	(3,859)	(20,682)	(23,990)	223,771	(2,406)
Termination of redemption rights	–	–	–	–	(597,542)	–
Accretion of interest	195	982	294	354	15,033	–
Addition in deferred listing expense	–	–	–	–	–	3,358
At 31 December 2025	2,923	35,000	–	–	–	974

(c) Total cash outflow for leases

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

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Within operating activities	33	–
Within financing activities	4,308	4,308
Total	4,341	4,308

28. COMMITMENTS

The Group had the following capital commitments at the end of each of the Relevant Periods.

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Contracted, but not provided for:		
Acquisition of property, plant and equipment	197	1,245

29. RELATED PARTY TRANSACTIONS

Name and relationship of related parties

Name of related parties	Relationship
PharMab, Inc. (旭華(上海)生物研發中心有限公司) ("PharMab")	Controlled by a director of the Company
Dr. Liu Heng	The co-founder, chairman of the board, executive director, chief executive officer and general manager of the Company
Ms. Lu Nan	Spouse of Dr. Liu Heng

(a) The Group had the following transactions with related parties during the Relevant Periods:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Borrowings from PharMab	20,000	–
Interest expense to PharMab	388	294
Repayment of borrowings to PharMab	–	20,682

(b) Other transactions with related parties

Dr. Liu Heng and Ms. Lu Nan have guaranteed certain bank loans made to the Group as disclosed in note 19, and the guarantee has been fully released in August 2025.

(c) Outstanding balances with related parties:

The Group and the Company

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Non-trade		
Amounts due to a related party - PharMab	20,388	–

The amounts due to a related party, PharMab, including the loan principal and interest payable, were unsecured and repayable in March 2026. The interest is charged at 2.45% annually, and the principal and interest will be paid at maturity. The loan and its accrued interest were fully repaid by the Company in August 2025.

(d) Compensation of key management personnel of the Group:

	Year ended 31 December	
	2024	2025
	RMB'000	*RMB'000*
Salaries, allowances and benefits in kind	736	1,280
Pension scheme contributions	225	260
Share-based payment expenses	77	766
Total	1,038	2,306

Further details of directors', chief executive's and supervisor's emoluments are included in note 8 to the Historical Financial Information.

(e) Redemption rights of the pre-IPO investors granted by Dr. Liu Heng

Pursuant to the investment agreements of Series C Shares entered into by the Company and all Shareholders, the redemption rights involving the Group as the obligor were automatically terminated from 30 May 2025 and such redemption rights will not be reinstated. The redemption right involving Dr. Liu as the obligor was cease to be effective from the day before the listing application was submitted to the Stock Exchange, and the redemption right involving Dr. Liu as the obligor shall automatically be reinstated in the certain specific events, and all special rights involving Dr. Liu Heng as the obligor will be terminated upon the successfully listing on the Stock Exchange.

According to the management of the Company, there were no side agreements or arrangements between the Company and Dr. Liu Heng regarding the redemption rights of the pre-IPO investors, nor had the Company provided any form of guarantee in connection with any potential default or failure by Dr. Liu Heng to fulfil his obligations relating to such redemption rights. Although the Company was a signing party to the agreements entered into between the pre-IPO investors and Dr. Liu Heng, the Company had no connection or involvement in the arrangements concerning redemption rights between the pre-IPO investors and Dr. Liu Heng, nor did it bear any obligation to repurchase any Shares under such terms. As the Company has no obligation to repurchase the shares, no liability was recognized for the investments from the pre-IPO investors during the Relevant Periods.

30. FINANCIAL INSTRUMENTS BY CATEGORY

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

Financial assets

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Financial assets at FVTPL:		
Structured deposits	40,095	95,211
Financial assets at amortised cost:		
Financial assets included in prepayments, other receivables and other assets	1,193	1,208
Pledged deposits	1,990	–
Restricted cash	–	881
Cash and cash equivalents	66,624	95,051
Total	69,807	97,140

Financial liabilities

	As at 31 December	
	2024	2025
	RMB'000	*RMB'000*
Trade and other payables	25,315	42,447
Redemption liabilities on a subsidiary' shares	23,636	–
Redemption liabilities on equity shares	358,738	–
Amounts due to a related party	20,388	–
Interest-bearing bank borrowings	37,877	35,000
Total	465,954	77,447

31. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, the current portion of pledged deposits, restricted cash, financial assets included in prepayments, other receivables and other assets, financial liabilities included in trade and other payables, redemption liabilities on a subsidiary's shares, redemption liabilities on equity shares and amounts due to a related party approximate to their carrying amounts largely due to the short-term maturities of these instruments.

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

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

The fair values of the non-current portion of financial assets included in prepayments, other receivables and other assets have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

The fair value of redemption liabilities on a subsidiary's shares and equity shares is determined using the net present value of the redemption amount. Further details are set out in notes 21 and 22 to the Historical Financial Information.

Fair value hierarchy

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

Assets measured at fair value:

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
	(Level 1)	(Level 2)	(Level 3)	
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at FVTPL	–	40,095	–	40,095

As at 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
	(Level 1)	(Level 2)	(Level 3)	
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at FVTPL	–	95,211	–	95,211

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and cash equivalents, pledged deposits, restricted cash, financial assets at FVTPL, interest-bearing bank borrowings, redemption liabilities on equity shares and redemption liabilities on a subsidiary's shares. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various financial assets and liabilities such as financial assets included in prepayments, other receivables and other assets, financial liabilities included in trade and other payables and amounts due to a related party, which arise directly from its operations.

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

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from financing activities by subsidiaries in currencies other than the subsidiaries' functional currencies. The following table demonstrates the sensitivity at the end of each of the Relevant Periods to a reasonably possible change in the USD and RMB exchange rates, with all other variables held constant, of the Group's loss before tax and equity (due to changes in the fair value of monetary assets and liabilities).

	Increase/(decrease) in rate of foreign currency	Increase/(decrease) in loss before tax	Increase/(decrease) in equity
	%	*RMB'000*	*RMB'000*
31 December 2024			
If RMB weakens against USD	5	(1,508)	1,508
If RMB strengthens against USD	(5)	1,508	(1,508)
31 December 2025			
If RMB weakens against USD	5	(2,375)	2,375
If RMB strengthens against USD	(5)	2,375	(2,375)

Credit risk

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

The credit risk of the Group's financial assets, which comprise cash and cash equivalents, pledged deposits and financial assets included in prepayments, other receivables and other assets, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at the end of each of the Relevant Periods.

The amounts presented are gross carrying amounts for financial assets.

The Group

As at 31 December 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets included in prepayments, other receivables and other assets — Normal*	1,193	–	–	–	1,193
Pledged deposits — Not yet past due	1,990	–	–	–	1,990
Cash and cash equivalents — Not yet past due	66,624	–	–	–	66,624
Total	69,807	–	–	–	69,807

As at 31 December 2025

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets included in prepayments, other receivables and other assets — Normal*	1,208	–	–	–	1,208
Restricted cash — Not yet past due	881	–	–	–	881
Cash and cash equivalents — Not yet past due	95,051	–	–	–	95,051
Total	97,140	–	–	–	97,140

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

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. There is no significant concentration of credit risk.

Liquidity risk

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

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

The Group

	As at 31 December 2024		
	Less than 1 year or on demand	1 to 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*
Trade and other payables	25,315	–	25,315
Interest-bearing bank borrowings	38,510	–	38,510
Redemption liabilities on a subsidiary's shares	23,636	–	23,636
Redemption liabilities on equity shares	–	473,184	473,184
Lease liabilities	4,308	2,999	7,307
Amounts due to a related party	–	20,980	20,980
Total	91,769	497,163	588,932

	As at 31 December 2025		
	Less than 1 year or on demand	1 to 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*
Trade and other payables	42,447	–	42,447
Interest-bearing bank borrowings	35,558	–	35,558
Lease liabilities	2,184	814	2,998
Total	80,189	814	81,003

Capital management

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

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

33. EVENTS AFTER THE RELEVANT PERIODS

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

34. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any period subsequent to 31 December 2025.

The following information does not form part of the Accountants' Report from Ernst & Young, Certified Public Accountants, Hong Kong, the Company's reporting accountants, as set out in Appendix I to this prospectus, and is included for information purposes only. The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this prospectus and the Accountants' Report set out in Appendix I to this prospectus.

A. UNAUDITED PRO FORMA CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma consolidated net tangible assets has been prepared in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for illustration purpose only, and is set out below to illustrate the effect of the Global Offering on our consolidated net tangible liabilities as at 31 December 2025 as if Global Offering had taken place on that date. The unaudited pro forma consolidated net tangible assets attributed to the owners of the parent has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Global Offering been completed as at 31 December 2025 or any future date. It is prepared based on the consolidated net tangible assets as at 31 December 2025 as set out in the Accountants' Report in Appendix I to this prospectus, and adjusted as described below. The unaudited pro forma adjusted consolidated net tangible assets does not form part of the Accountants' Report on the Historical Financial Information as set out in Appendix I to this prospectus.

	Consolidated net tangible assets attributable to owners of the parent as at 31 December 2025	**Estimated net proceeds from the Global Offering**	**Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the parent as at 31 December 2025**	**Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the parent per Share as at 31 December 2025**	
	RMB'000 (Note 1)	*RMB'000 (Note 2)*	*RMB'000*	*RMB (Note 3)*	*HK$ (Note 4)*
Based on an Offer Price of HK$96.06 per Share.	140,515	1,115,379	1,255,894	16.93	19.37

Notes:

(1) The consolidated net tangible assets of the Group attributable to owners of the parent as at 31 December 2025 was arrived at after deducting other intangible assets of nil from the consolidated net assets attributable to owners of the parent as at 31 December 2025 of RMB140,515,000.

(2) The estimated net proceeds from the Global Offering are based on the Offer Price of HK$96.06 per Share after deduction of the underwriting fees and other related expenses payable by the Company (excluding the listing expense that have been charged to profit or loss during the Track Record Period) and do not take into account any Shares which may be issued upon exercise of the Over-allotment Option.

(3) The unaudited pro forma adjusted net tangible assets per share is arrived at after adjustments referred in note 2 above and on the basis that 74,193,150 shares in issue, assuming the Global Offering has been completed on 31 December 2025 and do not take into account any Shares which may be issued upon exercise of the Over-allotment Option.

(4) In connection with the preparation of the unaudited pro forma financial information, the unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the parent per Share are converted into Hong Kong dollars at a rate of HK$1 = RMB0.8741. No representation is made that the RMB amounts have been, could have been or may be converted into Hong Kong dollar, or vice versa at that rate.

(5) Except as disclosed above, no adjustment has been made to reflect any trading result or other transactions of our Group entered into subsequent to 31 December 2025.

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B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Directors of LongBio Pharma (Suzhou) Co., Ltd.

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of LongBio Pharma (Suzhou) Co., Ltd. (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated net tangible assets as at 31 December 2025 and related notes as set out on pages II-1 to II-2 of Appendix II to the prospectus dated 28 May 2026 (the "Prospectus") issued by the Company (the "Unaudited Pro Forma Financial Information"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 to II-2 of Appendix II to the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the global offering of shares of the Company on the Group's financial position as at 31 December 2025 as if the transaction had taken place at 31 December 2025. As part of this process, information about the Group's financial position, has been extracted by the Directors from the Group's financial statements for 31 December 2025, on which an accountants' report has been published.

Directors' responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline ("AG") 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Our independence and quality management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* as issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountants' responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* as issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 as issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the global offering of shares of the Company on unadjusted financial information of the Group as if the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and

- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

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

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Ernst & Young
Certified Public Accountants
Hong Kong

28 May 2026

TAXATION IN THE PRC

Taxation on Dividends

Individual Investors

Under PRC Individual Income Tax Law (《中華人民共和國個人所得税法》) (the "IIT Law"), promulgated on 10 September 1980 and amended on 31 August 2018, and its implementation rules (《中華人民共和國個人所得税法實施條例》), effective on 1 January 2019, dividends paid by PRC companies to individual investors are generally subject to a tax at a rate of 20%.

In accordance with the Notice on Issues Concerning Differentiated IIT Policies for Dividends and Bonuses of Listed Companies (《關於上市公司股息紅利差別化個人所得税政策有關問題的通知》) (Cai Shui [2015] No. 101), issued on 7 September 2015, where an individual acquires stocks of a listed company from public offering market or from the stock transfer market and holds the stocks for more than one year, the income from dividends is exempt from IIT; where an individual holds the stocks for one month or less, the full amount of such income from dividends shall be included in taxable income; if the individual holds the stocks for one month to one year, 50% of such income from dividends shall be included in taxable income; the aforesaid income is subject to a flat rate of 20%.

Pursuant to the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》), or the Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, executed on August 21, 2006, the PRC government may impose tax on dividends paid by a company in mainland China to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the total amount of dividends payable. If a Hong Kong resident directly holds 25% or more of the equity interests in a company in mainland China and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax shall not exceed 5% of the total amount of dividends payable by the company in mainland China. The Fifth Protocol to the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income(《<內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排>第五議定書》), or the Fifth Protocol, issued by the STA and effective on December 6, 2019 provides that such provisions shall not apply to arrangements or transactions made for one of the primary purposes of obtaining such tax benefits.

HK Individual Investors

Pursuant to the Arrangement between the Mainland PRC and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》), signed on 21 August 2006, tax on dividends paid by PRC companies to Hong Kong individuals will not exceed 10% of the total amount of the dividends.

Enterprise Investors

Foreign Enterprise Investors

In accordance with the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》) (the "EIT Law"), effective on 29 December 2018, and its implementation rules (《中華人民共和國企業所得税法實施條例》), effective on 20 January 2025, a non-resident enterprise is generally subject to a 10% enterprise income tax on PRC-sourced income, if a non-resident enterprise does not establish an institution or premise in the PRC or has an institution or premise in the PRC but the PRC-sourced income is not connected with such institution or premise in the PRC.

The Notice of the Issues Concerning Withholding EIT on the Dividends Distributed by PRC Resident Enterprises to Overseas H-share Non-PRC Resident Enterprise Shareholders (《國家税務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得税有關問題的通知》) (Guo Shui Han [2008] No. 897), came into effect on 6 November 2008, stipulates that with regard to dividends paid for 2008 onwards, PRC resident enterprises must withhold tax at a rate of 10% on dividends distributed to H-share non-PRC resident enterprise shareholders. The Reply of the Imposition of Enterprise Income Tax on B-share and Other Dividends of Non-resident Enterprises (《國家税務總局關於非居民企業取得B股等股票股息徵收企業所得税問題的批復》) (Guo Shui Han [2009] No. 394), that was promulgated on 24 July 2009, further provides that any PRC resident enterprise listed on any overseas stock exchange must withhold enterprise income tax at a rate of 10% on dividends distributed to non-PRC resident enterprise shareholders. The above tax rates may be further amended in accordance with tax treaties or agreements between China and relevant jurisdictions (if applicable).

HK Enterprise Investors

Pursuant to the Arrangement between the Mainland PRC and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》) signed on 21 August 2006, tax on dividends paid by PRC companies to Hong Kong enterprises shall not exceed 10% of the total amount of the dividends. If Hong Kong enterprises directly hold 25% or more of the equity interest in PRC companies, such tax shall not exceed 5% of the total dividends payable by the PRC companies.

Tax agreements

Non-PRC resident investors residing in countries which have entered into agreements for the avoidance of double taxation with the PRC are entitled to a reduction of the withholding taxes imposed on the dividends received from PRC companies. The PRC has entered into Avoidance of Double Taxation Arrangements with a number of countries and regions including but not limited to Hong Kong, Macau, Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States. Non-PRC resident enterprises entitled to preferential tax rates in accordance with the relevant income tax treaties or arrangements are required to apply to the Chinese tax authorities for a refund of the withholding tax in excess of the agreed tax rate, and the refund payment is subject to approval by the Chinese tax authorities.

Taxation on Income from Transfer of Equity

Individual Investors

According to the IIT Law and its implementation regulations, individuals shall pay the IIT at the rate of 20% on their income from the sale of equity in PRC resident enterprises.

In accordance with the Circular of the Declaring that IIT Continues to Be Exempted over Income of Individuals from Transfer of Shares (《財政部、國家税務總局關於個人轉讓股票所得繼續暫免徵收個人所得税的通知》) (Cai Shui Zi [1998] No. 61), promulgated on 30 March 1998, from 1 January 1997, income of individuals from the transfer of shares of listed companies remain exempt from IIT. According to the Announcement about the Catalogue of Preferential IIT Policies with Continued Effect (《財政部、國家税務總局關於繼續有效的個人所得税優惠政策目錄的公告》) (MOF SAT Announcement [2018] No. 177), promulgated on 29 December 2018, the Circular of the Declaring that IIT Continues to Be Exempted over Income of Individuals from Transfer of Shares will remain effective.

Foreign Enterprise Investors

In accordance with the EIT Law and its implementation provisions, a non-PRC resident enterprise is generally subject to a 10% enterprise income tax on PRC-sourced income, including gains derived from the disposal of equity interests in a PRC resident enterprise, if it does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but the PRC-sourced income is not connected in reality with such establishment or premise. Such income tax for non-resident enterprises shall be deducted at source, where the payer of the income is required to withhold the enterprise income tax from the amount to be paid to the non-resident enterprise when such payment is made or due. Such withholding tax may be reduced or exempted to avoid double taxation in accordance with applicable agreements or protocols.

Tax Policies for Shanghai-Hong Kong Stock Connect

Individual Investors

Taxation on Income from Transfer of Equity

Pursuant to Announcement on Continuation of Implementation of Individual Income Tax Policies Relating to Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect and Mutual Recognition of Funds between Mainland China and Hong Kong (《關於延續實施滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得税政策的公告》) (MOF Announcement [2023] No. 23), effective on 21 August 2023, the income from the transfer price difference obtained by Mainland PRC individual investors investing in stocks listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect is exempt from IIT.

Taxation on Dividend

Pursuant to the Circular of the MOF, SAT and China Securities Regulatory Commission on the Relevant Taxation Policies for the Pilot Interconnected Mechanism for Trading in the Stock Markets of Hong Kong and Shanghai (《財政部、國家税務總局、證監會關於滬港股票市場交易互聯互通機制試點有關税收政策的通知》) (Cai Shui [2014] No. 81), effective on 17 November 2014, in respect of dividends and bonuses received by mainland PRC individual investors from investing in the H shares listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect, the H share company should submit an application to CSDC, then CSDC will provide a list of the mainland PRC individual investors to the H share company, and the H share company shall withhold individual income tax based on 20% tax rate.

Enterprises Investors

Taxation on Income from Transfer of Equity and Dividend

Pursuant to the Circular of the MOF, SAT and China Securities Regulatory Commission on the Relevant Taxation Policies for the Pilot Interconnected Mechanism for Trading in the Stock Markets of Hong Kong and Shanghai (《財政部、國家税務總局、證監會關於滬港股票市場交易互聯互通機制試點有關税收政策的通知》) (Cai Shui [2014] No. 81), effective on 17 November 2014, the income derived from the difference in the price of the transfer of the stocks listed on the Hong Kong Stock Exchange obtained by mainland PRC enterprise investors through the Shanghai-Hong Kong Stock Connect shall be counted as part of their gross income and be subject to the enterprise income tax according to the law. Dividend and bonus income obtained by mainland PRC resident enterprises from their continuous holding of H shares for 12 months or more is exempted from enterprise income tax in accordance with the law. H share companies do not withhold dividend and bonus income tax on behalf of mainland PRC enterprises in respect of dividend and bonus income obtained by mainland PRC enterprises. The tax payable shall be declared and paid by the enterprise itself.

Tax Policies for Shenzhen-Hong Kong Stock Connect

Individual Investors

Taxation on Income from Transfer of Equity

Pursuant to Announcement on Continuation of Implementation of Individual Income Tax Policies Relating to Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect and Mutual Recognition of Funds between Mainland China and Hong Kong (《關於延續實施滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得税政策的公告》) (MOF, SAT and CSRC Announcement [2023] No. 23), effective on 21 August 2023, the income from the transfer price difference obtained by Mainland PRC individual investors investing in stocks listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect is exempt from IIT.

Taxation on Income from Dividend

Pursuant to the Circular on the Relevant Taxation Policy for the Pilot Programme of an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets (《關於深港股票市場交易互聯互通機制試點有關税收政策的通知》) (Cai Shui [2016] No. 127) which came into effect on 5 December 2016, for dividends and bonus obtained by individual investors of mainland PRC investing in the H shares listed on the Stock Exchange through Shenzhen-Hong Kong Stock Connect, the H share companies shall apply to CSDC for provision by CSDC to the H-share companies the register of mainland PRC individual investors, and the H-share companies shall withhold IIT at a rate of 20%.

Enterprises Investors

Taxation on Income from Transfer of Equity and Dividend

Pursuant to the Circular on the Relevant Taxation Policy for the Pilot Programme of an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets (《關於深港股票市場交易互聯互通機制試點有關税收政策的通知》) (Cai Shui [2016] No. 127) which came into effect on 5 December 2016, the income from the transfer price difference obtained by enterprise investors of mainland PRC investing in stocks listed on the Stock Exchange through Shenzhen-Hong Kong Stock Connect shall be included in their total income, and the EIT shall be levied on such income in accordance with the law.

Dividend and bonus income obtained by mainland PRC enterprise residents from their continuous holding of H shares for 12 months or more is exempted from enterprise income tax in accordance with the law. H share companies do not withhold dividend and bonus income tax on behalf of mainland PRC enterprises in respect of dividend and bonus income obtained by mainland PRC enterprises. The tax payable shall be declared and paid by the enterprise itself.

Stamp Duty in the PRC

In accordance with the Stamp Duty Law of the PRC (《中華人民共和國印花稅法》) which came into effect on 1 July 2022, (i) entities and individuals that conclude taxable certificates, or conduct securities transactions within the territory of the PRC shall be taxpayers of stamp duty, and shall pay the PRC stamp duty; (ii) entities and individuals who are located outside the territory of the PRC and conclude taxable certificates that are to be used within the territory of the PRC shall pay the PRC stamp duty. And the disposal of H Shares by non-mainland China investors outside of the mainland China is not subject to the requirements of the Stamp Duty Law of the PRC.

Estate Duty

The PRC currently has not imposed any estate duty yet.

Enterprise Income Tax

According to the EIT Law, the EIT rate in the PRC is 25%, which is in line with the rate applicable to foreign-invested enterprises and foreign enterprises. According to the Administrative Measures for Recognition of High and New-Technology Enterprises (《高新技術企業認定管理辦法》) that was promulgated by the Ministry of Science and Technology, the MOF and the SAT on 14 April 2008, amended on 29 January 2016 and came into effect on 1 January 2016, enterprises which are recognized as high and new-tech enterprises could apply for a preferential EIT rate of 15% in accordance with the EIT Law.

Value-added Tax ("VAT")

Pursuant to the Provisional Regulations on VAT of the PRC (《中華人民共和國增值稅暫行條例》), came into effect on 19 November 2017, all organizations and individuals engaged in sales of goods, provision of processing, repairs and replacement services, or import of goods etc. within the territory of the PRC are subject to VAT.

Pursuant to the Notice on the Implementation of the Pilot Programme of Replace the Business Tax with VAT (《關於全面推開營業稅改徵增值稅試點的通知》) (Cai Shui [2016] No. 36) and its appendix the Measures for the Implementation of the Pilot Programme of Replacing Business Tax with VAT (《營業稅改徵增值稅試點實施辦法》), effective on 1 May 2016, the tax rates applied to the taxpayer for the different goods it sells and different services it provides shall be 17%, 11%, 6% and zero, respectively. Pursuant to the Notice on Adjusting VAT Rates (《關於調整增值稅稅率的通知》) (Cai Shui [2018] No. 32), promulgated on 4 April 2018 and came into effect on 1 May 2018, for taxpayers engaging in taxable sales or import of goods, the previously applicable VAT rates are adjusted to 16% and 10%, respectively. Pursuant to the Announcement on Relevant Policies for Deepening the VAT Reform (《關於深化增值稅改革有關政策的公告》) (MOF SAT GACC Announcement [2019] No. 39), promulgated on 20 March 2019 and came into effect on 1 April 2019, for taxpayers engaging in taxable sales or import of goods, the previously applicable VAT rates of 16% and 10% are adjusted to 13% and 9%, respectively.

TAXATION IN HONG KONG

Tax on Dividends

Under the current practice of the Inland Revenue Department of Hong Kong, no tax is payable in Hong Kong in respect of dividends paid by us.

Capital Gains and Profit Tax

No tax is imposed in Hong Kong in respect of capital gains from the sale of H Shares. However, trading gains from the sale of H Shares by persons carrying on a trade, profession or business in Hong Kong, where such gains are derived from or arise in Hong Kong from such trade, profession or business will be subject to Hong Kong profits tax, which is currently imposed at the maximum rate of 16.5% on corporations and at the maximum rate of 15% on unincorporated businesses. Certain categories of taxpayers (for example, financial institutions, insurance companies and securities dealers) are likely to be regarded as deriving trading gains rather than capital gains unless these taxpayers can prove that the investment securities are held for long-term investment purposes.

Trading gains from sales of H Shares effected on the Stock Exchange will be considered to be derived from or arise in Hong Kong. Liability for Hong Kong profits tax would thus arise in respect of trading gains from sales of H Shares effected on the Stock Exchange realized by persons carrying on a business of trading or dealing in securities in Hong Kong.

Stamp Duty

Hong Kong stamp duty, currently charged at the *ad valorem* rate of 0.1% on the higher of the consideration for or the market value of H Shares, will be payable by the purchaser on every purchase and by the seller on every sale of Hong Kong securities, including H Shares (in other words, a total of 0.2% is currently payable on a typical sale and purchase transaction involving H Shares). In addition, a fixed duty of HK$5.00 is currently payable on any instrument of transfer of H Shares. Where one of the parties is a resident outside Hong Kong and does not pay the *ad valorem* duty due by it, the duty not paid will be assessed on the instrument of transfer (if any) and will be payable by the transferee. If no stamp duty is paid on or before the due date, a penalty of up to ten times the duty payable may be imposed.

Estate Duty

The Revenue (Abolition of Estate Duty) Ordinance 2005 abolished estate duty in respect of deaths occurring on or after February 11, 2006.

FOREIGN EXCHANGE

The lawful currency of the PRC is the RMB, which is currently subject to foreign exchange control and is not freely convertible into foreign exchange.

Pursuant to the Regulations of the People's Republic of China on Foreign Exchange Administration (《中華人民共和國外匯管理條例》) (the "Foreign Exchange Administration Regulations"), effective on 1 April 1996, all international payments and transfers are classified into current items and capital items, with most of the current items no longer subject to the approval of the foreign exchange administration agencies, while capital items are still subject to its approval. The latest Foreign Exchange Administration Regulations, amended on 5 August 2008, clarifies that the State does not impose restriction on international current item payments and transfers.

According to the "Regulations on the Administration of Settlement, Sale and Payment of Foreign Exchange" (《結匯、售匯及付匯管理規定》) (Yin Fa [1996] No. 210), issued on 20 June 1996, the existing restrictions on foreign exchange transactions under capital items were retained, while the residual restrictions under current items were abolished.

Pursuant to the Announcement on Reforms to Improve the Exchange Rate Formation Mechanism of Renminbi (《關於完善人民幣匯率形成機制改革的公告》) (PBOC Announcement [2005] No. 16), effective on 21 July 2005, the PRC began to implement a managed floating exchange rate system, under which the exchange rate is determined according to market demand and supply and adjusted with reference to a basket of currencies. The exchange rate of RMB is no longer pegged to the U.S. dollar. The PBOC will announce the closing price of foreign currencies, such as the U.S. dollar, against the RMB in the interbank foreign exchange market after the close of market on each business day, which will be used as the mid-rate for RMB transactions on the following business day.

On 23 October 2014, the State Council promulgated the Decisions on Matters including Canceling and Adjusting a Batch of Administrative Approval Items (《國務院關於取消和調整一批行政審批項目等事項的決定》) (Guo Fa [2014] No. 50), which canceled the administrative approval by the SAFE and its branches for the remittance and settlement of the proceeds raised from the overseas listing of the foreign shares into RMB domestic accounts.

On 26 December 2014, the SAFE issued the Notice of the State Administration of Foreign Exchange on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) (Hui Fa [2014] No. 54), pursuant to which, a domestic company shall, within 15 business days from the date of the completion of its overseas listing and issuance, register the overseas listing with the SAFE's local branch at the place of its establishment. The proceeds from an overseas listing of a domestic company may be remitted to the domestic account or deposited in an overseas account, but the use of the proceeds shall be consistent with the content of documents as publicly disclosed by the document.

According to the Notice of the State Administration of Foreign Exchange on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) (Hui Fa [2015] No. 13), promulgated on February 13, 2015, banks shall directly examine and handle foreign exchange registration under domestic direct investment and overseas direct investment, and the SAFE and its branch offices shall indirectly regulate the foreign exchange registration of direct investment through banks.

According to the Notice of the State Administration of Foreign Exchange of the PRC on Revolutionizing and Regulating Capital Account Settlement Management Policies (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) (Hui Fa [2016] No. 16), effective on 9 June 2016, foreign currency earnings in capital account that relevant policies of willingness exchange settlement have been clearly implemented on (including the recalling of raised capital by overseas listing) may undertake foreign exchange settlement in the banks according to actual business needs of the domestic institutions. The tentative percentage of foreign exchange settlement for foreign currency earnings in capital account of domestic institutions is 100%. The SAFE may adjust the above proportion in due time according to balance of payments.

On 26 January 2017, the SAFE issued the Circular of State Administration of Foreign Exchange on Further Promoting Foreign Exchange Management Reform and Improving the Verification of True Compliance (《國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知》) (Hui Fa [2017] No. 3) to further expand the scope of settlement of domestic and overseas foreign exchange loans by allowing the settlement of domestic foreign exchange loans with a background of exporting goods for trading, the redeployment of the funds under the domestic guaranteed foreign loans to be used in the domestic market, and the settlement of domestic foreign exchange accounts of foreign institutions in the pilot free trade zones; and implementing the full-scale external loan management in local and foreign currencies, where a domestic institution handles overseas lending business, the total balance of overseas lending in local currency and the balance of overseas lending in foreign currency shall not exceed the maximum of 30% of the owner's equity in its audited financial statements of the previous year.

On 23 October 2019, the SAFE issued the Circular of the State Administration of Foreign Exchange on Further Promoting Cross-border Trade and Investment Facilitation (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》) (Hui Fa [2019] No. 28), pursuant to which, on the basis that the foreign invested enterprises with an investment nature (including foreign invested companies with an investment nature, foreign-invested venture capital enterprises and foreign-invested equity investment enterprises) may make equity investments in the PRC with capital fund in accordance with the law, foreign invested enterprises without an investment nature are allowed to make equity investments in the PRC with capital in accordance with the law on the premise of not violating the existing special administrative measures for access to foreign investment (the Negative List), and that the projects they invest in the PRC are genuine and in compliance with the law.

According to the Circular of the State Administration of Foreign Exchange on Optimising Foreign Exchange Management to Support the Development of Foreign-Related Businesses (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》) (Hui Fa [2020] No. 8), effective on 10 April 2020, eligible enterprises are not required to provide proofs of truthfulness to the banks beforehand for each and every payment when they use the income from capital, foreign debts and overseas listings in the domestic market, provided that the use of the funds is genuine and regulation-abiding, and in compliance with the existing regulations on the use of income from capital items. The handling banks shall manage and control the relevant business risks in accordance with the principle of prudent business development and conduct retrospective random checks on the facilitation of capital item receipts and payments in accordance with the relevant requirements.

Pursuant to SAFE Notice on Further Deepening the Reform to Facilitate Cross-border Trade and Investment (《國家外匯管理局關於進一步深化改革促進跨境貿易投資便利化的通知》), effective on 4 December 2023, for the purpose of facilitating the payment and use of funds from equity transfer under domestic reinvestment and funds raised from overseas listing of foreign direct investment, the asset realization account under the capital item shall be adjusted to the settlement account under the capital item. Where a domestic equity transferor (including institutions and individuals) receives funds from equity transfer consideration paid by a domestic entity in a foreign currency and foreign exchange funds raised from overseas listing of a domestic enterprise, such funds may be directly remitted to the settlement account under the capital account. Funds in the settlement account under the capital item may be settled and used on its own. The funds from equity transfer consideration paid by a foreign-invested enterprise with RMB funds from income from foreign exchange settlement (sourced from income from direct foreign exchange settlement or RMB funds in the foreign exchange settlement account pending for payment) received by a domestic equity transferor may be directly transferred to the RMB account of the domestic equity transferor.

THE PRC LEGAL SYSTEM

The PRC legal system is based on the Constitution of the People's Republic of China (《中華人民共和國憲法》, the "**Constitution**"), which was adopted on September 20, 1954 and subsequently amended on January 17, 1975, March 5, 1978, December 4, 1982, April 12, 1988, March 29, 1993, March 15, 1999, March 14, 2004 and March 11, 2018. The PRC legal system is made up of written laws, administrative regulations, local regulations, autonomous regulations, separate regulations, rules and regulations of State Council departments, rules and regulations of local governments, laws of special administrative regions and international treaties of which the PRC government is a signatory and other regulatory document. Court judgments do not constitute legally binding precedents, although they are used for the purposes of judicial reference and guidance.

The NPC and its Standing Committee are empowered to exercise the legislative power of the State in accordance with the Constitution and the Legislation Law of the People's Republic of China (《中華人民共和國立法法》, the "**Legislation Law**"), which was adopted on March 15, 2000 and amended on March 15, 2015 and March 13, 2023. The NPC has the power to formulate and amend basic laws governing state authorities, civil, criminal and other matters. The SCNPC is empowered to formulate and amend laws other than those required to be enacted by the NPC and to supplement and amend parts of the laws enacted by the NPC during the adjournment of the NPC, provided that such supplements and amendments are not in conflict with the basic principles of such laws.

The State Council is the highest organ of state administration and has the power to formulate administrative regulations based on the Constitution and laws.

The people's congresses of the provinces, autonomous regions and municipalities and their respective standing committees may formulate local regulations based on the specific circumstances and actual needs of their respective administrative areas, provided that such local regulations do not contravene any provision of the Constitution, laws or administrative regulations. The people's congresses of cities divided into districts and their respective standing committees may formulate local regulations on aspects such as urban and rural construction and management, environmental protection and historical cultural protection based on the specific circumstances and actual needs of such cities, provided that such local regulations do not contravene any provision of the Constitution, laws, administrative regulations and local regulations of their respective provinces or autonomous regions. If the law provides otherwise on the matters concerning formulation of local regulations by cities divided into districts, those provisions shall prevail. Such local regulations will become enforceable after being reported to and approved by the standing committees of the people's congresses of the relevant provinces or autonomous regions but such local regulations shall conform with the Constitution, laws, administrative regulations, and the relevant local regulations of the relevant provinces or autonomous regions. People's congresses of national autonomous areas have the power to enact autonomous regulations and separate regulations in light of the political, economic and cultural characteristics of the ethnic groups in the areas concerned.

The ministries and commissions of the State Council, the People's Bank of China, National Audit Office and the subordinate institutions with administrative functions directly under the State Council may formulate departmental rules within the jurisdiction of their respective departments based on the laws and administrative regulations, and the decisions and orders of the State Council. Provisions of departmental rules should be the matters related to the enforcement of the laws and administrative regulations, and the decisions and orders of the State Council. The people's governments of the provinces, autonomous regions, municipalities and cities or autonomous prefectures divided into districts may formulate rules and regulations based on the laws, administrative regulations and local regulations of such provinces, autonomous regions and municipalities.

The Constitution has supreme legal authority and no laws, administrative regulations, local regulations, autonomous regulations or separate regulations or rules may contravene the Constitution. The authority of laws is greater than that of administrative regulations, local regulations and rules. The authority of administrative regulations is greater than that of local regulations and rules. The authority of the rules enacted by the people's governments of the provinces and autonomous regions is greater than that of the rules enacted by the people's governments of the cities divided into districts within their respective administrative regions.

The NPC has the authority to alter or annul any inappropriate laws enacted by the SCNPC, and to annul any autonomous regulations and separate regulations that have been approved by the SCNPC but contravene the Constitution and the Legislation Law; the SCNPC has the authority to annul administrative regulations that contravene the Constitution and laws, to annul local regulations that contravene the Constitution, laws and administrative regulations, and to annul autonomous regulations and separate regulations that have been approved by the standing committees of the people's congresses of the relevant provinces, autonomous regions or municipalities directly under the Central Government, but contravene the Constitution and the Legislation Law; the State Council has the authority to alter or annul any inappropriate ministerial rules and rules of local governments; the people's congresses of provinces, autonomous regions and municipalities directly under the Central Government have the authority to alter or annul any inappropriate local regulations enacted or approved by their respective standing committees; the standing committees of the local people's congresses have the authority to annul inappropriate rules enacted by the people's governments at the corresponding level; the people's governments of provinces and autonomous regions have the authority to alter or annul any inappropriate rules enacted by the people's governments at a lower level.

According to the Constitution and the Legislation Law, the power to interpret laws is vested in the SCNPC. Pursuant to the Resolution of the SCNPC Providing an Improved Interpretation of the Law (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》) implemented on June 10, 1981, issues related to the application of laws and decrees in a court trial shall be interpreted by the Supreme People's Court; and issues related to the application of laws and decrees in a prosecution process of a procuratorate should be interpreted by the Supreme People's Procuratorate. If there is any disagreement in principle between Supreme

People's Court's interpretations & Supreme People's Procuratorate's interpretations, such issues shall be reported to the SCNPC for interpretation or judgment. The other issues related to laws and decrees that do not pertain to the court trial or prosecution process should be interpreted by the State Council and the competent authorities. The State Council and its ministries and commissions are also vested with the power to give interpretations of the administrative regulations and departmental rules which they have promulgated. At the regional level, the power to interpret regional laws and administrative regulations is vested in the regional legislative and administrative authorities which promulgate such laws and administrative regulations.

THE PRC JUDICIAL SYSTEM

Under the Constitution and the Law of Organization of the People's Courts of the People's Republic of China (《中華人民共和國人民法院組織法》), which is adopted on September 21, 1954 and subsequently amended on July 5, 1979, September 2, 1983, December 2, 1986, October 31, 2006 and October 26, 2018, the people's courts of the PRC are divided into the Supreme People's Court, the local people's courts at all levels and special people's courts.

The local people's courts at all levels are comprised of the primary people's courts, the intermediate people's courts and the higher people's courts. The primary people's courts may set up certain people's tribunals based on the facts of the region, population and cases. The intermediate people's courts and primary people's courts have similar structures, and may set up other special divisions if needed. The Supreme People's Court is the highest judicial authority in the PRC. The Supreme People's Court shall supervise the administration of justice by the people's courts at all levels and special people's courts, and the people's courts at a higher level shall supervise the administration of justice of the people's courts at lower levels.

According to the Constitution and the Law of Organization of the People's Procuratorate of the PRC (《中華人民共和國人民檢察院組織法》) which is adopted on July 1, 1979, and subsequently amended September 2, 1983, December 2, 1986, and October 26, 2018 and taking effect on January 1, 2019, the People's Procuratorate is the law supervision organ of the state. The people's procuratorates of the PRC are divided into the Supreme People's Procuratorate, the local people's procuratorates at all levels, Military Procuratorates and other special people's procuratorates. The Supreme People's Procuratorate shall be the highest procuratorial organ and it shall direct the work of the local people's procuratorates at all levels and of the special people's procuratorates; the people's procuratorates at higher levels shall direct the work of those at lower levels.

Under the Civil Procedure Law of the People's Republic of China (《中華人民共和國民事訴訟法》) (the "**PRC Civil Procedure Law**", which is adopted on April 9, 1991 and subsequently amended on October 28, 2007, August 31, 2012, June 27, 2017, and September 1, 2023, which became effective from January 1, 2024), a people's court takes the rule of the second instance as the final rule. A party may appeal against the judgment or ruling of the first instance of a local people's court. The people's procuratorate may present a protest to the

people's court at the next higher level in accordance with the procedures stipulated by the laws. In the absence of any appeal by the parties and any protest by the people's procuratorate within the stipulated period, the judgments or rulings of the people's court are final. Judgments or rulings of the second instance of the intermediate people's courts, the higher people's courts and the Supreme People's Court, and judgments or rulings of the first instance of the Supreme People's Court are final. However, if the Supreme People's Court finds some definite errors in a legally effective judgment, ruling or conciliation statement of the people's court at any level, or if the people's court at a higher level finds such errors in a legally effective judgment, ruling or conciliation statement of the people's court at a lower level, it has the authority to review the case itself or to direct the lower-level people's court to conduct a retrial. If the chief judge of all levels of people's courts finds some definite errors in a legally effective judgment, ruling or conciliation statement, and considers a retrial is preferred, such case shall be submitted to the judicial committee of the people's court at the same level for discussion and decision.

The PRC Civil Procedure Law prescribes the conditions for instituting a civil action, the jurisdiction of the people's courts, the procedures for conducting a civil action, and the procedures for enforcement of a civil judgment or ruling. All parties to a civil action conducted within the PRC must abide by the PRC Civil Procedure Law. Generally, a civil case is initially heard by the court located in the defendant's place of domicile. The court of jurisdiction in respect of a civil action may also be chosen by explicit agreement among the parties to a contract, provided that the people's court having jurisdiction should be located at places substantially connected with the disputes, such as the plaintiff's or the defendant's place of domicile, the place where the contract is executed or signed or the place where the object of the action is located, provided that the provisions regarding the level of jurisdiction and exclusive jurisdiction shall not be violated.

A foreign individual, a person without nationality, a foreign enterprise or a foreign organization is typically given the same litigation rights and obligations as a citizen, a legal person or other organizations of the PRC when initiating actions or defending against litigations at a PRC court. Should a foreign court limit the litigation rights of PRC citizens or enterprises, the PRC court may apply the same limitations to the citizens and enterprises of such foreign country. A foreign individual, a person without nationality, a foreign enterprise or a foreign organization must engage a PRC lawyer in case he or it needs to engage a lawyer for the purpose of initiating actions or defending against litigations at a PRC court. In accordance with the international treaties to which the PRC is a signatory or participant or according to the principle of reciprocity, a people's court and a foreign court may request each other to serve documents, conduct investigation, collect evidence and conduct other actions on its behalf. A people's court shall not accommodate any request made by a foreign court which will result in the violation of sovereignty, security or public interests of the PRC. All parties to a civil action shall perform the legally effective judgments and rulings. If any party to a civil action refuses to abide by a judgment or ruling made by a people's court or an award made by an arbitration tribunal in the PRC, the other party may apply to the people's court for the enforcement of the same within two years subject to application for postponed enforcement or revocation. If a

party fails to satisfy within the stipulated period a judgment which the court has granted an enforcement approval, the court may, upon the application of the other party, mandatorily enforce the judgment on the party.

The PRC Securities Laws and Regulations

The PRC has promulgated a series of regulations relating to the issue and trading of shares and disclosure of information. In October 1992, the State Council established the Securities Committee and the CSRC. The Securities Committee is responsible for coordinating the drafting of securities regulations, formulating securities-related policies, planning the development of securities markets, directing, coordinating and supervising all securities related institutions in the PRC and administering the CSRC. The CSRC is the regulatory arm of the Securities Committee and is responsible for the drafting of regulatory provisions of securities markets, supervising securities companies, regulating public offering of securities by PRC companies in the PRC or overseas, regulating the trading of securities, compiling securities related statistics and undertaking relevant research and analysis. In April 1998, the State Council merged and restructured the two departments into the CSRC.

On April 22, 1993, the State Council promulgated the Interim Provisional Regulations on the Administration of Share Issuance and Trading (《股票發行與交易管理暫行條例》), governing the public offerings of equity securities, trading in equity securities, the acquisition of listed companies, deposit, clearing and transfer of listed equity securities, the disclosure of information with respect to a listed company, investigation, penalties and dispute settlement.

On December 25, 1995, the State Council promulgated the Regulations of the State Council Concerning Domestic Listed Foreign Shares of Joint Stock Limited Companies (《國務院關於股份有限公司境內上市外資股的規定》). These regulations principally govern the issue, subscription, trading and declaration of dividends and other distributions of domestic listed foreign shares and disclosure of information of joint stock limited companies having domestic listed foreign shares.

The Securities Law of the People's Republic of China (《中華人民共和國證券法》, the "**PRC Securities Law**", which took effect on July 1, 1999, was revised on August 28, 2004, October 27, 2005, June 29, 2013, August 31, 2014 and December 28, 2019, respectively, and came into effect on March 1, 2020) is divided into 14 chapters and 226 articles, regulating, among other things, the issue and trading of securities, the listing of securities, takeovers of listed companies, and the duties and responsibilities of the securities exchanges, securities companies, securities clearing institutions and securities regulatory authorities.

Article 224 of the PRC Securities Law provides that domestic enterprises which, directly or indirectly, issue securities or list and trade their securities outside the PRC shall comply with the relevant regulations of the State Council. Currently, the issue and trading of foreign issued securities (including H shares) are principally governed by the regulations and rules promulgated by the State Council and the CSRC.

On November 14, 2019, the CSRC promulgated the Guidance for the Application for the "Full Circulation" of the Domestic Unlisted Shares of H-share Companies (《H股公司境內未上市股份申請"全流通"業務指引》), which came into effect on the same day and was partly revised on August 10, 2023 according to the Decision on Revising and Abolishing Part of Securities and Futures Policy Documents by the CSRC (《中國證券監督管理委員會關於修改、廢止部分證券期貨制度文件的決定》). This guidance is to regulate the listing and circulation (hereinafter referred to as "**Full Circulation**") of unlisted domestic shares of domestic joint-stock limited companies (hereinafter referred to as H-share Companies) listed on the Stock Exchange (including unlisted domestic shares held by domestic shareholders before overseas listing, unlisted domestic shares issued in China after overseas listing and unlisted shares held by foreign shareholders).

H-share Companies applying for "Full Circulation" shall submit the application to the CSRC for filing procedures. H-share companies may submit the application for "Full Circulation" separately or simultaneously when applying for overseas refinancing. Unlisted domestic joint stock limited companies may submit the application for "Full Circulation" simultaneously when applying for overseas initial public offering and listing.

ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARD

The Arbitration Law of the People's Republic of China (《中華人民共和國仲裁法》) (the "**PRC Arbitration Law**") was enacted by the SCNPC on August 31, 1994, which became effective on September 1, 1995 and was amended on August 27, 2009 and September 1, 2017, respectively. It is applicable to, among other matters, economic disputes involving foreign parties where all parties have entered into a written agreement to resolve disputes by arbitration before an arbitration committee constituted in accordance with the PRC Arbitration Law. The PRC Arbitration Law provides that an arbitration committee may, before the promulgation of arbitration regulations by the PRC Arbitration Association, formulate interim arbitration rules in accordance with the PRC Arbitration Law and the PRC Civil Procedure Law. Where the parties have agreed to settle disputes by means of arbitration, a people's court will refuse to handle a legal proceeding initiated by one of the parties at such people's court, unless the arbitration agreement is invalid.

Under the PRC Arbitration Law and the PRC Civil Procedure Law, an arbitral award shall be final and binding on the parties involved in the arbitration. If any party fails to comply with the arbitral award, the other party to the award may apply to a people's court for its enforcement. The people's court can issue a ruling prohibiting the enforcement of an arbitral award made by an arbitration commission after verification by collegial bench formed by the people's court if there is any procedural irregularity (including but not limited to irregularity in the composition of the arbitration tribunal or arbitration proceedings, the jurisdiction of the arbitration commission, or the making of an award on matters beyond the scope of the arbitration agreement).

Any party seeking to enforce an award of a foreign affairs arbitral body of the PRC against a party who or whose property is not located within the PRC shall apply to a foreign court with jurisdiction over the case for recognition and enforcement of the award. Likewise, an arbitral award made by a foreign arbitral body may be recognized and enforced by a PRC people's court in accordance with the principle of reciprocity or any international treaties concluded or acceded to by the PRC.

The PRC acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (《承認及執行外國仲裁裁決公約》, the "**New York Convention**") adopted on June 10, 1958 pursuant to a resolution passed by the SCNPC on December 2, 1986. The New York Convention provides that all arbitral awards made in a state which is a party to the New York Convention shall be recognized and enforced by other parties thereto subject to their rights to refuse recognition and enforcement under certain circumstances, including where the recognition or enforcement of the arbitral award is against the public policy of that state. At the time of the PRC's accession to the Convention, the SCNPC declared that (i) the PRC will only apply the Convention to the recognition and enforcement of arbitral awards made in the territories of other parties based on the principle of reciprocity; and (ii) the New York Convention will only be applied to disputes deemed under PRC laws to be arising from contractual or non-contractual mercantile legal relations.

An arrangement for mutual enforcement of arbitral awards between Hong Kong and the Supreme People's Court of China was reached. The Supreme People's Court of China adopted the Arrangements on the Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region (《關於內地與香港特別行政區相互執行仲裁裁決的安排》) on June 18, 1999, which took effect on February 1, 2000. The arrangement reflects the spirit of the New York Convention. Under the arrangement, the awards by the Mainland arbitral bodies in accordance with the PRC Arbitration Law may be enforced in Hong Kong, and the awards by the Hong Kong arbitral bodies according to the Arbitration Ordinance of Hong Kong SAR may also be enforced in the Mainland China. If the Mainland court finds that the enforcement of awards made by the Hong Kong arbitral bodies in the Mainland will be against public interests of the Mainland, or the court of Hong Kong SAR decides that the enforcement of the arbitral awards in Hong Kong SAR will be against public policies of Hong Kong SAR, the awards may not be enforced. The Supreme People's Court of China promulgated the Supplementary Arrangements on the Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的補充安排》) (the "**Supplementary Arrangements**") on November 26, 2020. According to the Supplementary Arrangements, before or after the acceptance of an application for enforcement of an arbitration award, the relevant court may, upon application and in accordance with the law of the place where the arbitration award is enforced, adopt preservation or enforcement measures.

JUDICIAL JUDGMENT AND ITS ENFORCEMENT

According to the Arrangement on Mutual Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland China and of the Hong Kong Special Administrative Region Pursuant to Agreed Jurisdiction by Parties Concerned (《最高人民法院關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》) (the "**Arrangement**") promulgated by the Supreme People's Court on July 3, 2008 and implemented on August 1, 2008, in the case of final judgment, defined with payment amount and enforcement power, made between the court of Mainland China and the court of the Hong Kong Special Administrative Region in a civil and commercial case with written jurisdiction agreement, any party concerned may apply to the People's Court of China or the court of the Hong Kong Special Administrative Region for recognition and enforcement based on this arrangement. "Written jurisdiction agreement" refers to a written agreement defining the exclusive jurisdiction of either the People's Court of China or the court of the Hong Kong Special Administrative Region in order to resolve any dispute with particular legal relation occurred or likely to occur by the party concerned. Therefore, the party concerned may apply to the People's Court of China or the court of the Hong Kong Special Administrative Region to recognize and enforce the final judgment made in China or Hong Kong that meets certain conditions of the aforementioned regulations. On 18 January 2019, a further arrangement was reached between Hong Kong Special Administrative Region and the Supreme People's Court, the Arrangements for Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Cases between Courts of the Mainland and Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) (the "**New Arrangement**"), which became effective and replace the Arrangement on 29 January 2024, privileged that "Written Agreement on Jurisdiction" reached under the Arrangement before 29 January 2024 will still apply. This New Arrangement further stipulates the scope and content of judgments applicable to the reciprocal recognition and enforcement and corresponding procedures and methods for applying, the circumstances concerning review, non-recognition and enforcement upon the jurisdiction of the court of first instance and the means of remedy. Non-monetary judgments and judgments on some intellectual property cases are included in the reciprocal recognition and enforcement of judgments in accordance with this New Arrangement.

THE PRC COMPANY LAW, THE TRIAL MEASURES AND THE GUIDELINES

The Company Law of the People's Republic of China (《中華人民共和國公司法》) (the "**PRC Company Law**") was adopted by the SCNPC on December 29, 1993 and came into effect on July 1, 1994, subsequently amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018, and December 29, 2023, and took effect on July 1, 2024.

The Trial Administrative Measures for Overseas Securities Offering and Listing by Domestic Enterprises (《境內企業境外發行證券和上市管理試行辦法》) (the "**Trial Measures**") which were promulgated by the CSRC on February 17, 2023 and came into effect on March 31, 2023, are applicable to the overseas offering and listing of PRC domestic companies' securities.

The Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》) (the "**Guidelines**") which were issued by the CSRC on December 16, 1997, latest revised on March 28, 2025 and came into effect on the same date, provide the guidelines for the articles of association. As such, the contents provided in the Guidelines are set out in the Articles of Association of the Company, the summary of which is set out in the section entitled "Appendix V — Summary of Articles of Association" in this prospectus.

Set out below is a summary of the major provisions of the PRC Company Law, the Trial Measures and the Guidelines applicable to the Company.

General

A joint stock limited company refers to an enterprise legal person incorporated in China under the PRC Company Law with its registered capital divided into shares of equal par value. The liability of the company for its own debts is limited to all the properties it owns and the liability of its shareholders for the company is limited to the extent of the shares they subscribe for.

A joint stock limited company must conduct its business in accordance with laws and administrative regulations. A joint stock limited company may invest in other limited liability companies and joint stock limited companies. The liabilities of the joint stock limited company to such invested companies are limited to the amount invested. If it is prescribed by any law that a company shall not become a capital contributor that shall bear the joint and several liability for the debts of the enterprises it invests in, such provisions shall prevail.

Incorporation

A joint stock limited company may be established by promotion or subscription.

A joint stock limited company shall have a minimum of one but no more than 200 people as its promoters, and over half of the promoters must be resident within the PRC.

The promoters of the joint stock limited company shall convene an inauguration meeting within 30 days from the date of subscription monies of the shares that shall be issued at the time of the incorporation of the company. The promoters shall notify each subscriber of or announce the date of the inauguration meeting 15 days before it is held. The inauguration meeting may be held only if subscribers holding more than half of the voting rights are present. Upon the inauguration meeting, matters including the adoption of the Company's articles of

association and the election of directors and supervisors shall be considered. Any resolution passed at the inaugural meeting requires approval by more than half of the voting rights held by subscribers present at the meeting.

Within 30 days after the conclusion of the inauguration meeting, the board of directors shall authorize a representative to apply to the company registration authority for registration of the establishment of the company. A company is formally established and has the capacity of a legal person after the registration authority has issued a business license.

Share Capital

The promoters of a company may make a capital contribution in currencies, or non-monetary assets such as in kind, intellectual property rights, land use rights, equity interests and creditor's rights which can be appraised with monetary value and transferred lawfully, except for assets which are prohibited from being contributed as capital by the laws or administrative regulations. If a capital contribution is made in non-monetary assets, a valuation and verification of the fair value of the assets contributed must be carried out, and may not be overvalued or undervalued. If a law or administrative regulation provides for the appraisal, such provision of the law or administrative regulation applies.

A shareholder shall transfer its shares through a lawfully established securities exchange or by other means prescribed by the State Council.

Shares may be transferred by endorsement of the shareholders or in any other manner specified by the laws or administrative regulations.

Increase in Share Capital and Issuance of Shares

Under the PRC Company Law, where a company is issuing new shares, resolutions shall be passed at shareholder's meeting in accordance with the articles of association in respect of the class and amount of the new shares, the issue price of the new shares. The issuance of shares shall be conducted in a fair and equitable manner. The same class of shares must carry equal rights.

For shares issued at the same time and within the same class, the conditions and price per share must be the same. The share offering price of the par value share may be equal to or greater than the nominal value of the share but may not be lower than the nominal value.

After the subscription monies that a company making offering of shares has been paid up, a public announcement shall be made accordingly.

Under the PRC Company Law, when the Company issue shares, it shall maintain a list of shareholders recording the following particulars:

- name (for individuals) or designation (for entities) and domicile of each shareholder;
- amount of shares held by each shareholder;
- serial number of the capital contribution certificate; and
- date on which shareholding status was acquired.

Reduction of Share Capital

A company may reduce its registered capital in accordance with these procedures under the PRC Company Law:

- prepare a statement of financial position and a property list;
- pass resolution on reduction in registered capital by shareholder's meeting;
- inform its creditors within 10 days, from the date of resolution on reduction in registered capital, and publish an announcement in newspapers or on the national enterprise credit information publicity system within 30 days after the resolution approving the reduction of registered capital has been passed;
- creditors may within 30 days after receiving the notice, or within 45 days of the public announcement if no notice has been received, require the company to pay its debts or provide guarantees covering the debts;
- the company shall apply to the relevant company registration authority for the registration of the reduction in registered capital.

Repurchase of Shares

Under the PRC Company Law, a company shall not purchase its own shares except under any of the following circumstances: (i) reducing the registered capital of the company; (ii) merging with another company that holds its shares; (iii) using shares for employee stock ownership plan or equity incentives; (iv) acquiring its shares at the request of its shareholder who objects to a resolution of the shareholders' meeting on the merger or division of the company; (v) using shares for converting convertible corporate bonds issued by the listed company; (vi) where it is necessary for a listed company to protect the corporate value and the rights and interests of shareholders.

A company purchasing its own shares under any of the circumstances set forth in items (i) and (ii) of the preceding paragraph shall be subject to a resolution of the shareholders' meeting; and a company purchasing its own shares under any of the circumstances set forth in items (iii), (v) and (vi) of the preceding paragraph may, pursuant to the articles of association or the authorization of the shareholders' meeting, be subject to a resolution of a meeting of the board of directors at which more than two-thirds of directors are present.

After purchasing its own shares pursuant to the above, a company shall, under the circumstance set forth in item (i), cancel them within 10 days after the purchase; while under the circumstance set forth in either item (ii) or (iv), transfer or cancel them within six months; and while under the circumstance set forth in item (iii), (v) or (vi), aggregately hold not more than 10% of the total shares that have been issued by the company, and transfer or cancel them within three years.

A listed company purchasing its own shares shall perform the obligation of information disclosure according to the provisions of the PRC Securities Law. A listed company purchasing its own shares under any of the circumstances set forth in items (iii), (v) and (vi) shall carry out trading in a public and centralized manner.

No company may accept the shares of its own as the subject matter of a pledge.

Transfer of Shares

Shares held by shareholders may be transferred legally. Under the PRC Company Law, a shareholder should effect a transfer of his shares on a stock exchange established in accordance with laws or by any other means as required by the State Council.

No changes shall be made to the register of shareholders during a period of 20 days prior to convening a shareholders' meeting or five days prior to the record date for the purpose of determining entitlements to dividend distributions, however, if laws, administrative regulations, or the securities regulatory authority of the State Council has different provisions on the changes in the register of shareholders of listed companies, those provisions shall prevail.

Under the PRC Company Law, shares of the company issued prior to the public issuance of shares may not be transferred within one year of the date on which the shares of a company are listed on a stock exchange. Where it is otherwise provided for by laws, administrative regulations or the securities regulatory authority of the State Council on the transfer of shares held by the shareholders or actual controllers of a listed company, such provisions shall prevail. Directors and the senior management of a company shall declare to the company their shareholdings in the company and any changes in such shareholdings. During their terms of office as determined when they assume the posts, they may transfer no more than 25% of the total number of shares they hold in the company every year. The articles of association may set out other restrictive provisions in respect of the transfer of shares in the company held by its directors and the senior management.

Shareholders

Under the PRC Company Law and the Guidelines, the rights of shareholders of a joint stock limited company include the rights:

- to attend shareholders' meetings either in person or by proxy and exercise the corresponding voting right;
- to transfer their shares in accordance with the laws, administrative regulations, and the articles of association;
- to acquire relevant information, including the duplicate of the articles of association, register of shareholders, minutes of shareholders' meetings, resolutions of the meeting of the board of directors, financial and accounting statements of the company, and to bring forward suggestions or raise inquiries about the business operation of the company;
- to ask the People's Court to revoke resolution if the content of any resolution passed at a shareholders' or board meeting violates the company's articles of association;
- to receive dividends and profit distributions in any other form in proportion to their shareholdings;
- in the event of the termination or liquidation of the company, to participate in the distribution of the remaining property of the company in proportion to the shares held by them; and
- any other shareholders' rights provided for in laws, administrative regulations, other regulatory documents and the articles of association.

The obligations of shareholders include the obligation to abide by the articles of association, to pay the subscription monies according to the number of shares subscribed for and the method of subscription, to be liable for the company to the extent of the amount of his or her subscribed shares and any other shareholder obligation specified in the articles of association.

Shareholders' Meeting

The shareholders' meeting is the organ of authority of the company, which exercises its powers in accordance with the PRC Company Law. The shareholders' meeting may exercise the following powers:

- to elect and remove the directors and to decide on the matters relating to the remuneration of directors;
- to review and approve the reports of the board of directors;
- to review and approve the company's profit distribution proposals and loss recovery proposals;
- to decide on any increase or reduction of the company's registered capital;
- to decide on the issue of corporate bonds;
- to decide on merger, division, dissolution and liquidation of the company or change of its corporate form;
- to amend the articles of association; and
- to exercise other authorities stipulated in the articles of association.

Under the PRC Company Law, shareholders' meeting is required to be held once every year. An extraordinary meeting is required to be held within two months of the occurrence of any of the following:

- the number of directors is less than the number stipulated by the PRC Company Law or less than two-thirds of the number specified in the articles of association;
- the outstanding losses of the company amounted to one-third of the company's total share capital;
- shareholders individually or in aggregate holding 10% or more of the company's shares request the convening of an extraordinary meeting;
- the board of directors deems necessary;
- the Audit Committee proposes to hold;
- any other circumstances as provided for in the articles of association.

According to the PRC Company Law and Guidelines, a shareholders' meeting shall be convened by the board of directors and presided over by the chairperson of the board of directors. In the event that the chairperson is incapable of performing or is not performing his duties, the meeting shall be presided over by the vice chairperson. In the event that the vice chairperson is incapable of performing or is not performing his duties, a director nominated by more than half of the directors shall preside over the meeting.

A shareholders' meeting convened by the Audit Committee on its own initiative shall be presided over by the convener of the Audit Committee. If the convener of the Audit Committee is incapable of performing or is not performing his/her duties, a member of the Audit Committee nominated by half or more of the Audit Committee members shall preside over the meeting.

A shareholders' meeting convened by shareholders on their own initiative shall be presided over by the convener(s) or a representative designated by the convener(s).

In accordance with the PRC Company Law, a notice of the shareholders' meeting stating the date and venue of the meeting and the matters to be considered at the meeting shall be given to all shareholders 20 days before the meeting. A notice of extraordinary meeting shall be given to all shareholders 15 days prior to the meeting.

The PRC Company Law does not specify any quorum requirement for shareholders' general meeting.

Under the PRC Company Law, shareholders present at a shareholders' meeting have one vote for each share they hold, save that the company's shares held by the company are not entitled to any voting rights.

An accumulative voting system may be adopted for the election of directors at the shareholders' meeting pursuant to the provisions of the articles of association or a resolution of the shareholders' meeting. Under the accumulative voting system, each share shall be entitled to the number of votes equivalent to the number of directors to be elected at the shareholders' meeting, and shareholders may consolidate their votes for one or more directors when casting a vote.

Under the PRC Company Law, resolutions of the shareholders' meeting must be passed by more than half of the voting rights held by shareholders present at the meeting, with the exception of matters relating to (i) amendments to the articles of association; (ii) increase or reduction of registered share capital; (iii) merger, division, dissolution or liquidation of the company or change of corporate form; (iv) other events specified in the articles of association, which in each case must be passed by at least two-thirds of the voting rights held by the shareholders present at the meeting.

Under the PRC Company Law, minutes shall be prepared in respect of matters considered at the shareholders' meeting and the chairperson and directors attending the meeting shall endorse such minutes by signature. The minutes shall be kept together with the shareholders' attendance register and the proxy forms.

Board of Directors

A company shall have a board, which shall consist of no less than 3 members. The term of a director shall be stipulated in the articles of association, provided that no term of office shall last for more than three years. After the term of a director expires, the director may serve consecutive terms if re-elected. A director shall continue to perform his/her duties as a director in accordance with the laws, administrative regulations and the articles of association until a duly newly-elected director takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office or if the resignation of directors results in the number of directors being less than the quorum.

Under the PRC Company Law, the board of directors may exercise the following powers:

- to convene shareholders' meetings and report on its work to the shareholders' meetings;
- to implement the resolutions passed by the shareholders at the shareholders' meetings;
- to decide on the company's operational plans and investment proposals;
- to formulate the company's profit distribution proposals and loss recovery proposals;
- to formulate proposals for the increase or reduction of the company's registered capital and the issue of corporate bonds;
- to formulate proposals for the merger, division or dissolution of the company or change of corporate form;
- to decide the establishment of the internal management body of the company;
- to appoint or dismiss the company's manager and decide on his/her remuneration and, based on the manager's recommendation, to appoint or dismiss any deputy general manager and financial officer of the company and to decide on their remuneration;
- to formulate the company's basic management system; and
- to exercise any other authority stipulated in the articles of association or granted by the shareholders.

According to the PRC Company Law, meetings of the board of directors shall be convened at least twice each year. Notices of meeting shall be given to all directors 10 days before the meeting. Interim board meetings may be proposed to be convened by shareholders representing more than 10% of the voting rights, more than one-third of the directors. The chairperson shall convene the meeting within 10 days of receiving such proposal, and preside over the meeting. The board may otherwise determine the means and the period of notice for convening an interim board meeting.

Meetings of the board of directors shall be held only if more than half of the directors are present. Resolutions of the board shall be passed by more than half of all directors. Each director shall have one vote for a resolution to be approved by the board. Directors shall attend board meetings in person. If a director is unable to attend for any reason, he/she may appoint another director to attend the meeting on his/her behalf by a written power of attorney specifying the scope of authorization.

If a resolution of the board of directors violates the laws, administrative regulations or the articles of association or resolutions of the shareholders' meeting, and as a result of which the company sustains serious losses, the directors participating in the resolution are liable to compensate the company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director shall be relieved from that liability.

Under the PRC Company Law, the board of directors shall have one chairman and may have one vice-chairman. The chairman and vice-chairman are elected by a majority of all directors. The chairman must convene and preside over board meetings and oversee the implementation of board resolutions. The vice-chairman shall assist the chairman. If the chairman is unable or fails to perform his or her duties, the vice-chairman shall act in his or her place. If the vice-chairman is unable or fails to perform those duties, a majority of the directors shall jointly elect one director to perform them.

Qualifications of Directors

Under the PRC Company Law, the following person may not serve as a director:

- a person who is unable or has limited ability to undertake any civil liabilities;

- a person who has been convicted of an offense of bribery, corruption, embezzlement, misappropriation of property or destruction of the socialist market economic order, or who has been deprived of his political rights due to his crimes, in each case where less than five years have elapsed since the date of completion of the sentence, or the person who has been sentenced to a probation, due to his crimes, where less than two years have elapsed since the date of expiration of the probation term;

- a person who has been a former director, factory manager or manager of a company or an enterprise that has entered into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the bankruptcy and liquidation of the company or enterprise;

- a person who has been a legal representative of a company or an enterprise that has had its business license revoked due to violations of the law or has been ordered to close down by law and the person was personally responsible, where less than three years have elapsed since the date of such revocation;

- a person subject to enforcement by the people's court who has failed to repay a relatively large amount of overdue debts.

Audit Committee of Board of Directors

The board of directors establish the audit committee, exercising the powers of supervisors stipulated in the PRC Company Law.

The Audit Committee shall comprise three members, all of whom shall be directors not serving as senior management of the Company. Among them, two shall be independent directors, and the convener of the Committee shall be an accounting professional selected from the independent directors. Employee representatives serving on the Board of Directors may be members of the Audit Committee.

The Audit Committee shall be responsible for reviewing the Company's financial information and disclosures, overseeing and evaluating internal and external audits, and monitoring internal controls. The following matters shall be submitted to the Board for deliberation only after obtaining approval by a simple majority of all Audit Committee members:

- disclose financial statements and financial information in periodic reports, as well as internal control evaluation reports;

- appoint or dismiss of accounting firms engaged for the Company's audit services;

- appoint or remove the Company's chief financial officer;

- change accounting policies or estimates, or correct material accounting errors, except those resulting from changes to accounting standards;

- other events stipulated by the law, administrative regulations, regulations by CSRC and the Company's articles of association.

The Audit Committee shall convene at least quarterly. Interim meetings may be convened upon the request of two or more members or at the discretion of the convener.

Meetings require the attendance of at least two-thirds of members to constitute a quorum.

Resolutions of the audit committee should be adopted by more than half of the members of the audit committee.

Each member of the Audit Committee shall have one vote.

Minutes shall be prepared in respect of resolutions in accordance with applicable rules and members attending the meeting shall endorse such minutes by signature.

Manager and Senior Management

Under the PRC Company Law, a company shall have a manager who shall be appointed or removed by the board of directors. The manager shall be responsible to the board of directors and exercise functions and powers according to the articles of association or the authorization of the board of directors.

The manager shall follow the regulations stipulated in the articles of association regarding his/her obligations. The manager shall be present at meetings of the board of directors.

Under the PRC Company Law, senior management refers to the manager, deputy manager(s), financial officer, secretary of the board of directors of a listed company and other personnel as stipulated in the articles of association.

Duties of Directors and Senior Management

Under the PRC Company Law, directors and senior management are required to comply with the relevant laws, administrative regulations and the articles of association, and owe the duties of loyalty and diligence towards the company.

Directors and senior management are prohibited from:

- embezzling company properties and misappropriating company funds;
- depositing company funds into accounts under their own names or the names of other individuals;
- giving bribes or accepting any other illegal proceeds by taking advantage of his/her powers;

- accepting commissions paid by a third-party for transactions conducted with the company to oneself;

- unauthorized divulgence of confidential information of the company; and

- other acts in violation of their duty of loyalty to the company.

Where any director or senior management directly or indirectly enters into a contract or conducts a transaction with the company, he/she shall report the matters relating to the contract or transaction to the board of directors or shareholders' meeting, which shall be subject to the resolution of the board of directors or shareholders' meeting according to the articles of association. Where any of the close relatives of the directors or senior management, or any of the enterprises directly or indirectly controlled by the directors or senior management or any of their close relatives, or any of the related parties who has any other related relationship with the directors or senior management, enters into a contract or conducts a transaction with the company, the aforementioned provision shall apply.

No director or senior management may take advantage of his/her position to seek any business opportunity that belongs to the company for himself/herself or any other person except under any of the following circumstances:

- where he/she has reported to the board of directors or the shareholders' meeting and has been approved by a resolution of the board of directors or the shareholders' meeting according to the articles of association; or

- where the company cannot make use of the business opportunity as stipulated by laws, administrative regulations or the articles of association.

Without reporting to the board of directors or the shareholders' meeting and obtaining an approval by resolution of the board of directors or the shareholders' meeting according to the articles of association, no director or senior management may engage in any business that is similar to that of the company where he/she holds office, for himself/herself or for any other person. Income generated by directors or senior management in violation of aforementioned regulations shall be returned to the company.

A director or senior management who contravenes law, administrative regulation or articles of association in the performance of his/her duties resulting in any loss to the company shall be liable to the company for compensation.

Where a director or senior management is required to attend a shareholders' meeting, such director or senior management shall attend the meeting and answer the inquiries from shareholders.

Where a director or senior management other than members of the Audit Committee contravenes law, administrative regulation or articles of association in the performance of his/her duties resulting in any loss to the company, shareholder(s) holding individually or in aggregate no less than 1% of the Company's shares consecutively for at least 180 days may request in writing that the Audit Committee institute litigation at a people's court on its behalf. Where the Audit Committee violates the laws or administrative regulations or the articles of association in the discharge of its duties resulting in any loss to the company, such shareholder(s) may request in writing that the Board of Director institute litigation at a people's court on its behalf. If the Audit Committee or the board of directors refuses to institute litigation after receiving this written request from the shareholder(s), or fails to institute litigation within 30 days of the date of receiving the request, or in case of emergency where failure to institute litigation immediately will result in irrecoverable damage to the Company's interests, such shareholder(s) shall have the power to institute litigation directly at a people's court in its own name for the company's benefit. For other parties who infringe the lawful interests of the company resulting in loss to the company, such shareholder(s) may institute litigation at a people's court in accordance with the procedure described above. Where a director or senior management contravenes any laws, administrative regulations or the articles of association in infringement of shareholders' interests, a shareholder may also institute litigation at a people's court.

Finance and Accounting

A company shall establish its own financial and accounting systems according to the laws, administrative regulations and the regulations of the competent financial departments of the State Council. At the end of each financial year, a company shall prepare a financial report which shall be audited by an accounting firm in accordance with the laws. The financial and accounting reports shall be prepared in accordance with the laws, administrative regulations and the regulations of the financial departments of the State Council.

Under the PRC Company Law, the company's financial accounting reports shall be made available for shareholders' inspection at the company 20 days before the convening of an annual shareholders' meeting. A company that makes public stock offerings shall publish its financial reports.

When distributing each year's profits after taxation, the company shall set aside 10% of its profits after taxation for the company's statutory common reserve fund until the fund has reached 50% or more of the company's registered capital.

When the company's statutory common reserve fund is not sufficient to make up for the company's losses for the previous years, the current year's profits shall first be used to make up for the losses before any allocation is set aside for the statutory common reserve fund.

After the company has made allocations to the statutory common reserve fund from its profits after taxation, it may, upon passing a resolution at a shareholders' meeting, make further allocations from its profits after taxation to the discretionary common reserve fund.

After making up for its losses and making allocations to its discretionary common reserve fund, the company shall distribute the remaining profits after taxation in proportion to the number of shares held by the shareholders, unless otherwise provided by the articles of association.

The company shall not be entitled to any distribution of profits in respect of shares held by it.

The premium over the nominal value of the shares of the company earned from the issue of share, the amount of proceeds from the issue of no-par value shares that is not calculated in the registered capital, and other income as required by finance department of the State Council to be treated as the capital reserve fund shall be accounted for as the capital reserve fund.

The common reserve fund of a company shall be applied to make up for the company's losses, expand its business operations or increase its registered capital. Where the common reserve fund of a company is applied to make up for the company's losses, the discretionary common reserve fund and statutory common reserve fund shall be firstly applied; and if losses still cannot be made up, the capital reserve can be used in accordance with the relevant provisions. Upon the transfer of the statutory common reserve fund into registered capital, the balance of the fund shall not be less than 25% of the registered capital of the company before such transfer.

The company shall have no accounting books other than the statutory books. The company's assets shall not be deposited in any account opened under the name of an individual.

Appointment and Retirement of Accounting Firms

Pursuant to the PRC Company Law, the engagement or dismissal of an accounting firm responsible for the company's auditing shall be determined by the shareholders' meeting or the board of directors in accordance with the articles of association. The accounting firm should be allowed to make statements when the shareholders' meeting or the board of directors conduct a vote on the dismissal of the accounting firm. The company should provide true and complete accounting evidence, accounting books, financial and accounting reports and other accounting information to the engaged accounting firm without any refusal, withholding or falsification of information.

Profit Distribution

Under the PRC Company Law, a company shall not distribute profits before losses are covered and the statutory common reserve fund is provided.

Amendments to the Articles of Association

Under the PRC Company Law, the resolution of a shareholders' meeting regarding any amendment to a company's articles of association requires affirmative votes by at least two-thirds of the votes held by shareholders attending the meeting.

Dissolution and Liquidation

Under the PRC Company Law, a company shall be dissolved for any of the following reasons: (i) the term of its operation set out in the articles of association has expired or other events of dissolution specified in the articles of association have occurred; (ii) the shareholders' meeting has resolved to dissolve the company; (iii) the company is dissolved by reason of its merger or division; (iv) the business license of the company is revoked or the company is ordered to close down or to be suspended in accordance with the laws; or (v) the company is dissolved by a people's court in response to the request of shareholders holding shares that represent more than 10% of the voting rights of all shareholders of the company, on the grounds that the operation and management of the company has encountered serious difficulties that cannot be resolved through other means, rendering ongoing existence of the company a cause for significant losses to the shareholders.

In the event of item (i) or (ii) above, the company may carry on its existence by amending its articles of association or upon a resolution of the shareholders' meeting under the condition that the company has not distributed the assets to its shareholders. The amendments to the articles of association in accordance with the provisions described above shall require the approval of more than two-thirds of voting rights of shareholders attending a shareholders' meeting.

Where the company is dissolved under the circumstances set forth in item (i), (ii), (iv), or (v) above, it should establish a liquidation committee within 15 days of the date on which the dissolution matter occurs.

The liquidation committee shall be composed of directors or any other person determined by a shareholders' meeting or as stipulated in the articles of association. If a liquidation committee fails to be established within the prescribed period or fails to carry out the liquidation after its establishment, interested parties may file an application with a people's court to appoint relevant personnel to form a liquidation committee to administer the liquidation. The people's court should accept such application and form a liquidation committee to conduct liquidation in a timely manner.

The liquidation committee may exercise following powers during the liquidation:

- to sort out the company's assets and to prepare a statement of balance sheet and an inventory of assets, respectively;

- to notify creditors by notice or public announcement;
- to deal with any outstanding business related to the liquidation;
- to pay outstanding tax together with any tax arising during the liquidation process;
- to settle claims and liabilities;
- to distribute the company's remaining assets after its debts have been paid off; and
- to represent the company in any civil procedures.

The liquidation committee shall notify the company's creditors within 10 days of its establishment and publish an announcement in newspapers or on the national enterprise credit information publicity system within 60 days. A creditor shall lodge his claim with the liquidation committee within 30 days of receipt of the notification or within 45 days of the date of the announcement if he has not received any notification. A creditor shall report all matters relevant to his claimed creditor's rights and furnish relevant evidence. The liquidation committee shall register such creditor's rights. The liquidation committee shall not make any settlement to creditors during the period of the claim.

Upon disposal of the company's property and preparation of the required statement of balance sheet and inventory of assets, the liquidation committee shall draw up a liquidation plan and submit this plan to a shareholders' meeting or a people's court for confirmation.

The remaining part of the company's assets, after payment of liquidation expenses, employee wages, social insurance expenses and statutory compensation, outstanding taxes and the company's debts, shall be distributed to shareholders in proportion to shares held by them. The company shall continue to exist during the liquidation period, although it cannot conduct operating activities that are not related to the liquidation. The company's assets shall not be distributed to shareholders before repayments are made in accordance with the requirements described above.

Upon liquidation of the company's property and preparation of the required statement of financial position and inventory of assets, if the liquidation committee becomes aware that the company does not have sufficient assets to meet its liabilities, it must apply to a people's court for a bankruptcy liquidation in accordance with the laws.

After the people's court accepts the application for bankruptcy, the liquidation committee shall hand over the liquidation matters to the bankruptcy administrator designated by the people's court.

Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report and submit it to the shareholders' meeting or a people's court for confirmation. Following such confirmation, the report shall be submitted to the company registration authority to cancel the company's registration, and the company shall publish an announcement of the termination of operations. Members of the liquidation committee shall perform their liquidation obligations subject to the duties of loyalty and diligence and relevant laws.

Members of the liquidation committee shall not abuse their positions by accepting bribes or other unlawful income, and not misappropriate company's assets.

Members of the liquidation committee are liable to indemnify the creditors in respect of any losses arising from their willful or gross negligence.

Merger and Division

The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company. A company that absorbs other company is known as merger by absorption whereby the company being absorbed shall be dissolved. The merger of two or more companies by the establishment of a new company is known as merger by the establishment of a new company whereby the companies being merged shall be dissolved.

Overseas Listing

Pursuant to the Trial Measures, where a Chinese company seeking for an overseas listing, it shall file an application to the CSRC in accordance with the administrative procedure required under the Trial Measures.

This Appendix contains a summary of the principal provisions of the Company's Articles of Association. The major objective of this Appendix is to provide potential investors with an overview of the Company's Articles of Association, and therefore it may not contain all the information that may be important to potential investors.

SHARES AND REGISTERED CAPITAL

Shares of the Company shall take the form of share certificates. The par value of the shares shall be denominated in RMB.

The shares of the Company shall be issued in accordance with the principles of open, fairness and justice. Each share of the same class shall carry the same rights.

Shares of the same class and the same issuance shall be issued on the same conditions and at the same price. Any entity or individual shall pay the same price for each of the Shares it/he/she subscribes for.

INCREASE, REDUCTION, REPURCHASE AND TRANSFER OF SHARES

Increase and Reduction of Shares

Based on its operation and development needs, in accordance with the relevant laws and regulations, and subject to the resolutions of the general meeting, the Company may increase its capital by any of the following ways:

(i) public issuance of shares;

(ii) non-public issuance of shares;

(iii) distribution of bonus shares to existing Shareholders;

(iv) conversion of capital reserve into share capital;

(v) other means permitted by laws, administrative regulations, securities regulatory rules of the place where the shares of the Company are listed and approved by the CSRC.

The Company may reduce its registered capital. The reduction of registered capital shall comply with the PRC Company Law and other relevant regulations as well as the procedures stipulated in the Articles of Association.

Repurchase of Shares

The Company shall not buy back its shares, except in one of the following circumstances:

(i) reduction of the Company's registered capital;

(ii) mergers with another company holding shares of the Company;

(iii) use of shares for employee shareholding scheme or equity incentives;

(iv) Shareholders who object to resolutions of the general meeting on merger or division of the Company requesting the Company to purchase their shares;

(v) use of shares for conversion of corporate bonds issued by the Company which are convertible into shares;

(vi) where it is necessary for the Company to preserve its value and Shareholders' interest;

(vii) other circumstances permitted by laws, administrative regulations, departmental rules, regulatory rules of the place, etc., where the shares of the Company are listed.

Where the Company purchases its shares under the circumstances set forth in items (i) and (ii) above, it shall be resolved at a general meeting. Where the Company purchases its shares under the circumstances set forth in items (iii), (v) and (vi) above, a resolution thereon may, pursuant to the securities regulatory rules of the place where the shares of the Company are listed, be resolved at a Board meeting that is attended by more than two-thirds of the Directors.

Upon the purchase of its shares by the Company pursuant to the above provisions, under the circumstance set forth in item (i), such shares shall be cancelled within 10 days from the day of purchase; under the circumstances set forth in items (ii) and (iv), such shares shall be transferred or cancelled within six months; under the circumstances set forth in items (iii), (v) and (vi), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within three years.

Upon the purchase of its shares by the Company, it shall perform the disclosure duty pursuant to the Securities Law and securities regulatory rules of the place where the shares of the Company are listed. Under the circumstances set forth in items (iii), (v), (vi), the Company shall purchase its own shares by the centralized trading on the stock exchange.

Transfer of Shares

The Company's shares can be transferred pursuant to the law. The Company shall not accept its own shares as the subject of a pledge.

Shares issued by the Company before its public offering cannot be transferred within 1 year of the listing date of its shares in a stock exchange. The directors and senior management personnel of the Company shall declare to the Company the shares in the Company they hold and the changes in such shares, and the shares transferred each year during the term of office determined at the time of appointment shall not exceed 25% of the total number of the Company's shares held by them; the Company's shares held by them shall not be transferred within one year of the listing date of the Company's shares. The aforesaid persons shall not transfer the Company's shares held by them within half year from their resignation. If the laws, administrative regulations or the Hong Kong Listing Rules have other provisions on the transfer restriction of listed shares, such provisions shall prevail.

Where the Company's shareholders, directors and senior management personnel holding more than 5% of shares sell the Company's shares or other securities with equity nature held by them within six months after purchase or purchase the same within six months after sale, the proceeds thereof shall belong to the Company, and the board of directors of the Company will take back such proceeds. Except when a securities company holds more than 5% of the Company's shares due to purchase of any remaining shares after a package sale, or under any other circumstances stipulated by the CSRC.

The aforesaid shares or other securities with equity nature held by directors, senior management personnel and natural-person shareholders include shares or other securities with equity nature held by their spouses, parents, children, and held by them by using other's accounts.

Where the board of directors of the Company fails to perform the aforesaid provisions, the shareholders shall have the right to require the board of directors to perform the duties within 30 days. Where the board of directors of the Company fails to perform the duties within the aforesaid period, the shareholders shall have the right to file a lawsuit directly in a people's court in their own name for the benefit of the Company.

Where the board of directors of the Company fails to perform the aforesaid provisions, the directors who take responsibility shall bear joint liability pursuant to the law.

SHAREHOLDERS AND GENERAL MEETINGS

Shareholders

The Company shall establish a register of members with the evidence provided by the securities registration authority of the place where the Company's shares are listed. The register of members shall be sufficient evidence of the holding of the shares of the Company by the Shareholders. The original copy of the register of members of H shares listed in Hong Kong shall be kept in Hong Kong for shareholders inspection. However, the Company may suspend the registration of Shareholders in accordance with the provisions of the applicable laws and regulations and the securities regulatory rules of the place where shares of the Company are listed. Shareholders shall enjoy the rights and assume the obligations according to the class of the shares they hold. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

Shareholders of the Company shall enjoy the following rights:

(i) to receive dividends and other distributions in proportion to the shares they hold;

(ii) to request, convene, hold, attend or appoint a proxy to attend general meetings and exercise the corresponding voting rights in accordance with laws;

(iii) to supervise, present suggestions on or make inquiries about the operations of the Company;

(iv) to transfer, gift or pledge the shares it holds in accordance with laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed and regulations of the Articles of Association;

(v) to inspect or copy the Articles of Association, register of members, minutes of general meetings, resolutions of Board meetings and financial reports;

(vi) in the event of termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion with the number of shares held by them;

(vii) to require the Company to purchase their shares in the event of objection to the resolutions of the general meeting on merger or division of the Company;

(viii) to enjoy other rights stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are listed and regulations of the Articles of Association.

If any resolution of a general meeting or the Board is in violation of the laws or administrative regulations, Shareholders shall have the right to request the People's Court to invalidate the said resolution. If the convening procedures and voting method of the general meetings or Board meetings are in violation of the laws, administrative regulations or the Articles of Association or if the contents of any resolution are in breach of the Articles of Association, Shareholders shall have the right to request the People's court to revoke such resolution within 60 days from the date on which the resolution is approved.

Shareholders of the Company shall assume the following obligations:

(i) to abide by the laws, administrative regulations and the Articles of Association;

(ii) to pay capital contribution as per the shares subscribed for and the method of subscription;

(iii) not to return Shares unless prescribed otherwise in laws and regulations;

(iv) not to abuse Shareholders rights to impair the interests of the Company or other Shareholders, otherwise it shall be liable for loss compensation;

(v) to assume other obligations prescribed by the laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

Where Shareholders of the Company abuse the Company's position as an independent legal person and the limited liabilities of Shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such Shareholders shall be jointly and severally liable for the debts owed by the Company. Where a Shareholder uses two or more companies under its control to commit the conduct in the preceding paragraph, each company is jointly and severally liable for the debts of any of the other companies.

General Provisions for General Meeting

The general meeting is the organ of authority of the Company and shall exercise the following duties and powers in accordance with laws:

(i) to elect and replace Directors who are not employee representatives and to determine matters relating to the remuneration of the Directors;

(ii) to consider and approve the reports of the Board;

(iii) to consider and approve the profit distribution plan and loss recovery plans of the Company;

(iv) to resolve on the increase or reduction of the registered capital of the Company;

(v) to resolve on the issue of corporate bonds or any class of shares, warrants and other similar securities and listing;

(vi) to resolve on the merger, division, dissolution, liquidation or change in corporate form of the Company;

(vii) to amend the Articles of Association;

(viii) to resolve on the appointment and dismissal of accounting firms by the Company;

(ix) to consider and approve the guarantee issues specified in Article 46 of the Articles of Association;

(x) to consider matters relating to the purchase and sale by the Company within 12 months of material assets valued at more than 30% of the audited total assets of the Company as at the most recent period;

(xi) to consider and approve matters relating to changes in the use of proceeds;

(xii) to consider share incentive scheme and share-based payments;

(xiii) to consider changes to the Company's profit distribution policy;

(xiv) to consider other matters to be resolved by the general meeting as required by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

The following provision of external guarantees by the Company is subject to the consideration and approval of the general meeting:

(i) the total amount of the external guarantees provided by the Company and its holding subsidiaries exceeding 50% of the latest audited net assets;

(ii) the total amount of the external guarantees provided by the Company exceeding 30% of the latest audited total assets;

(iii) the amount of the guarantees provided by the Company within one year exceeding 30% of the latest audited total assets;

(iv) any guarantee to be provided to a recipient of such security whose asset to liability ratio is over 70%;

(v) any single guarantee with an amount exceeding 10% of the latest audited net assets;

(vi) any guarantee provided to Shareholders, de facto controllers, and their related parties;

(vii) any guarantees to be considered and approved by the general meeting as required by relevant laws and regulations or securities regulatory rules of the place where the shares of the Company are listed.

When a guarantee mentioned in item (iii) above is considered at the general meeting, it shall be passed by more than two-thirds of the voting rights held by the Shareholders present at the meeting. When a guarantee mentioned in item (vi) above is considered at the general meeting, such shareholder or a shareholder dominated by the de facto controller shall not participate in voting and the resolution shall be passed by more than half of the voting rights held by the Shareholders present at the meeting.

The general meetings are classified into annual general meetings and extraordinary general meetings. The annual general meetings shall be convened once a year within six months from the end of the previous fiscal year.

The Company shall convene an extraordinary general meeting within two months from the date of occurrence of any of the following circumstances:

(i) when the number of Directors is less than the statutory minimum quorum provided for in the PRC Company Law or two-thirds of the number specified in the Articles of Association;

(ii) when the uncovered loss of the Company reaches one-third of its total paid-up share capital;

(iii) upon written requests by shareholder(s) individually or collectively holding 10% or above of the shares of the Company;

(iv) when the Board deems it necessary;

(v) when the Audit Committee proposes such a meeting be held;

(vi) other circumstances required by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

Summoning of General Meetings

Subject to the consent of more than half of all independent Directors, the independent Directors shall have the right to propose to the Board to convene an extraordinary general meeting. The Board shall, in accordance with relevant laws, administrative regulations and the Articles of Association, give a written response on whether or not it agrees to convene such an extraordinary general meeting within 10 days after the receipt of the proposal. If the Board agrees to convene an extraordinary general meeting, it shall give a notice convening such meeting within 5 days after it has so resolved. If the Board does not agree to convene the extraordinary general meeting, it shall give the reasons and make an announcement.

The Audit Committee shall have the right to propose to the Board in writing to convene an extraordinary general meeting. The Board shall, in accordance with relevant laws, administrative regulations, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association, give a written response on whether or not it agrees to convene such an extraordinary general meeting within 10 days after the receipt of the proposal. If the Board agrees to convene an extraordinary general meeting, it shall give a notice convening such meeting within 5 days after it has so resolved. Any changes to be made to the original request in the notice shall be subject to approval of the Audit Committee. If the Board does not agree to convene an extraordinary general meeting or fails to give a response within 10 days after the receipt of the proposal, the Audit Committee may convene and preside over such meeting on its own.

Shareholders that hold, individually or collectively, 10% or more of the shares in the Company shall have the right to request in writing the Board to convene an extraordinary general meeting. The Board shall, in accordance with relevant laws, administrative regulations and the Articles of Association, give a written response on whether or not it agrees to convene such an extraordinary general meeting within 10 days after the receipt of the proposal. If the Board agrees to convene an extraordinary general meeting, it shall give a notice convening such meeting within 5 days after it has so resolved. Any changes to be made to the original request in the notice shall be subject to approval of the relevant Shareholders. If the Board does not agree to convene an extraordinary general meeting or fails to give a response within 10 days after the receipt of the proposal, the Shareholders that hold, individually or collectively, 10% or more of the Shares of the Company may propose to the Audit Committee to convene an extraordinary general meeting. If the Audit Committee agrees to convene an extraordinary general meeting, it shall give a notice convening such meeting within 5 days after it has so resolved. Any changes to be made to the original request in the notice shall be subject to approval of the relevant Shareholders. If the Audit Committee fails to give the notice convening such meeting within the period specified hereinabove, it shall be deemed to have failed to convene and preside over such meeting. The Shareholders that hold, individually or collectively, 10% or more of the shares in the Company for 90 days or more consecutively may convene and preside over such meeting on their own.

Where the Audit Committee or the Shareholder(s) decide to convene a general meeting on its or their own, it or they shall notify the Board in writing and file with the stock exchange(s) where the shares of the Company are listed. Before the announcement of the resolutions of the general meeting is made, the shareholding of the convening shareholder(s) shall not be less than 10%. If the laws, administrative regulations and securities regulatory rules have other provisions, such provisions shall prevail.

Where the Audit Committee or the Shareholder(s) convene a general meeting on its or their own, the Board shall provide assistance. The Board will provide the register of members as of the date of the share registration.

PROPOSALS AND NOTICES OF GENERAL MEETINGS

The content of proposals shall fall within the functions and powers of the general meeting, have clear subject for discussion and specific matters to be resolved and comply with relevant requirements of the laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

The Board, the Audit Committee or Shareholders that hold, individually or collectively, 1% or more of the Shares of the Company shall have the right to propose resolutions.

Shareholders that hold, individually or collectively, 1% or more of the Shares of the Company may submit ad hoc proposals in writing to the convener 10 days before the convening of the general meeting. The convener shall give a supplemental notice of the general meeting within 2 days upon receipt of the proposals and announce the contents of the ad hoc proposals, except for an ad hoc proposal that violates laws, administrative regulations, or the Articles of Association or does not fall within the scope of powers of the shareholders' meeting.

The convener of an annual general meeting shall notify all Shareholders in written (including announcement) 21 days before the meeting; the convener of an extraordinary general meeting shall notify all Shareholders in written (including announcement) 15 days before the meeting. If, pursuant to the securities regulatory rules of the place where the Company's shares are listed, a shareholders' meeting is required to be postponed due to the issuance of a supplementary notice, such shareholders' meeting shall be postponed in accordance with the requirements of the securities regulatory rules of the place where the Company's shares are listed.

A notice of a general meeting shall include the following:

(i) the time, venue and duration of the meeting;

(ii) matters and proposals submitted to the meeting for consideration;

(iii) a prominent written statement that all Shareholders are entitled to attend general meeting and are entitled to appoint in writing a proxy to attend and vote at the meeting and that such proxy need not be a shareholder of the Company;

(iv) the record date of registration of Shareholders entitled to attend the general meeting;

(v) the name and contact method of the regular contact person for the meeting;

(vi) the time and procedure for voting online or through other means;

(vii) other requirements by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

Notices or supplementary notices of general meetings shall adequately and completely disclose the specific contents of all proposals. Where the opinions of an independent Director are required on the matters to be discussed, such opinions and reasons thereof shall also be disclosed when the notices or supplementary notices of general meetings are served.

CONVENING OF GENERAL MEETINGS

All Shareholders registered on the share right registration date or their proxies shall be entitled to attend the general meetings and exercise voting rights in accordance with relevant laws, regulations and the Articles of Association. Shareholder may attend the general meeting in person, or appoint a proxy (need not be a shareholder) to attend or vote on behalf of such Shareholder.

Individual shareholders attending the meeting in person shall present his or her identity card or other valid license or certificate or stock account card that can prove his or her identity. Proxies appointed to attend the meeting shall present valid proof of their identities and the power of attorney from the appointing shareholder.

Shareholder that is a legal person shall attend the meeting by its legal representative or by proxies appointed by it. If a legal representative attends the meeting, he/she shall present his/her identity card or valid certificate proving his/her qualifications as a legal representative. Where the meeting is attended by proxy, he/she shall present his/her identity card and written power of attorney issued by the legal representative of the corporate shareholder unit in accordance with the law.

Where such Shareholder is a Recognized Clearing House (or its nominees) as defined by the relevant ordinances or regulations enacted in Hong Kong from time to time, it may authorize one or more persons or company representatives as it thinks fit to act as its representative at any meeting (including but not limited to general meeting and creditor meeting); however, if more than one person are so authorized, the power of attorney shall specify the number and class of shares in respect of which each such person is so authorized,

and be signed by the person authorized by the Recognized Clearing House. The person(s) so authorized will be entitled to attend meetings (without being required to present share certificate, notarized authorization and/or further evidence of formal authorization) to speak and exercise the same power on behalf of the Recognized Clearing House (or its nominees) at the meeting as if such person was an individual shareholder of the Company.

Shareholders shall appoint a proxy in writing, signed by the appointing shareholder or the agent entrusted by him in writing; if the appointing shareholder is a legal person, it shall be affixed with the seal of the legal person or signed by its director or formally appointed agent.

The power of attorney issued by a shareholder to appoint a proxy to attend any general meeting shall contain the following:

(i) name of the proxy;

(ii) whether there are voting rights;

(iii) instructions for voting for, against or abstaining from voting on each matter to be considered on the agenda of general meeting;

(iv) the date of issuance and term of validity of the power of attorney;

(v) the signature of the principal (or official seal); and a corporate seal should be affixed or signed by a legally authorized person if the principal is a corporate shareholder.

If the Shareholder does not give specific instructions on authorizing a proxy to attend the general meeting, the power of attorney shall state whether the proxy may vote as he/she thinks fit.

If the power of attorney is signed by other personnel authorized by consignor, the power of attorney for authorized signature or other authorization documents should be certified by a notary. The power of attorney or other authorization documents upon notarized shall, together with the power of attorney for voting, be placed at the domicile of the Company or such other location as specified in the notice of the meeting. If the consignor is a legal person, its legal representative or any person authorized by resolutions of the Board or other decision-making institutions shall attend the general meeting on behalf of the consignor.

All Directors shall attend general meetings of the Company, and the general manager and other senior management shall attend the meeting as non-voting participants. Subject to compliance with the securities regulatory rules of the place where the shares of the Company are listed, the aforementioned persons may attend the meeting through the internet, video, telephone or other means with equivalent effect.

A general meeting shall be presided over by chairman of the Board. Where the chairman of the Board is unable or fails to perform his/her duties, the meeting shall be presided over by a Director jointly elected by more than half of the Directors. A general meeting convened by the Audit Committee shall be presided over by the convener of the Audit Committee. Where the chairman of the Audit Committee is unable or fails to perform his/her duties, the meeting shall be presided over by a member of the Audit Committee jointly elected by more than half of the members of Audit Committee. A general meeting convened by Shareholders shall be presided over by a representative elected by convener. Where the host of the meeting violates the rules of procedure and makes it impossible to continue the meeting, with the consent of more than half of the Shareholders present at the meeting with voting rights, the general meeting may elect a person to serve as the host of the meeting and continue the meeting.

Voting of General Meetings

Resolutions of a general meeting are divided into ordinary resolutions and special resolutions. Ordinary resolutions of a general meeting shall be passed by votes representing more than half of the voting rights held by Shareholders (including proxies thereof) attending the general meeting. Special resolutions of a general meeting shall be passed by votes representing more than two-thirds of voting rights held by Shareholders (including proxies thereof) attending the general meeting.

The following matters shall be passed by ordinary resolutions at a general meeting:

(i) work reports of the Board;

(ii) profit distribution plans and plans for recovery of losses formulated by the Board;

(iii) appointment and dismissal of members of the Board, their remuneration and methods of payment;

(iv) matters other than those required by the laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association to be passed by special resolution.

The following matters shall be passed by special resolutions at a general meeting:

(i) increase or reduction of registered capital of the Company;

(ii) division, spin-off, merger, dissolution and liquidation of the Company;

(iii) the amendment of the Articles of Association;

(iv) the purchase and sale of material assets or amount of guarantee provided by the Company within one year valued at more than 30% of the audited total assets of the Company as at the most recent period;

(v) share incentive scheme;

(vi) other matters as required by the laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association, and considered by the general meeting, by way of an ordinary resolution, to be of a nature which may have a material impact on the Company, shall be passed by a special resolution.

Shareholders (including proxies thereof) shall exercise their voting rights based on the number of voting shares they represent. Each share is entitled to one vote.

The shares of the Company held by the Company do not carry voting rights, and shall not be counted in the total number of voting shares represented by Shareholders attending a general meeting.

Shareholders who purchase the voting shares of the Company in violation of the provisions of Clause 1 and Clause 2 of Article 63 of the Securities Law shall not exercise the voting right of the shares that exceed the prescribed ratio within 36 months after the purchase, and such number shall not be counted in the total number of voting shares represented by Shareholders attending a general meeting.

The Board, independent Directors and Shareholders who hold more than one percent of voting shares of the Company or investors protection institutes established in accordance with laws, administrative regulations or the securities regulatory rules of the stock exchange(s) where the shares of the Company are listed may publicly solicit for the voting shares from Shareholders. Information including the specific voting intention shall be fully disclosed to the Shareholders from whom voting rights are being collected. Consideration or de facto consideration for soliciting Shareholders voting rights is prohibited. Except for statutory conditions, the Company shall not impose any minimum shareholding limitation for soliciting voting rights.

When a connected transaction is considered at a general meeting, the connected shareholders shall refrain from voting and the number of voting shares that they represent shall not be counted the total number of valid voting shares. Announcement of resolutions of the general meeting shall fully disclose the voting of non-connected shareholders.

BOARD OF DIRECTORS

Directors

Directors may include executive Directors, non-executive Directors, and independent non-executive Directors. Directors of the Company shall be natural persons and shall be subject to the qualification required by the laws, administrative regulations and the securities regulatory rules of the place where the shares of the Company are listed. A person may not serve as a Director of the Company in case of any of the following circumstances:

(i) the person is without civil conduct capacity or with limited civil conduct capacity;

(ii) the person who has committed an offence of corruption, bribery, conversion of property, misappropriation of property or sabotaging the market economic order of socialism and has been punished therefor; or who has been deprived of his/her political rights, in each case where less than five years have elapsed since the date of the completion of implementation of such punishment or deprivation; or who has been placed on probation less than two years have elapsed since the expiration of the probation period;

(iii) the person who is a former director, factory director or manager of a company or enterprise which is insolvent and under liquidation and he/she is personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of such insolvency and liquidation of the company or enterprise;

(iv) the person who is a former legal representative of a company or enterprise which had its business license revoked and was ordered to shut down due to a violation of the law and who incurred personal liability, where less than three years have elapsed since the date of such revocation of the business license;

(v) the person is listed by the People's Court as a dishonest judgment debtor for failing to repay a relatively large amount of due debts;

(vi) other contents stipulated by laws, administrative regulations or departmental rules or the securities regulatory rules of the place where the shares of the Company are listed.

Directors shall be elected or replaced at the general meeting and may be dismissed by the general meeting prior to the expiry of the term of their office. The general meeting may depose any director whose term has not expired by resolution. A Director shall serve a term of three years and may serve consecutive terms if re-elected upon the expiration of their terms in accordance with securities regulatory rules of the place where the shares of the Company are listed.

The term of office of a Director shall commence from the date of taking the position until the expiry of the term of office of the current session of the Board. Where a re-election fails to be carried out in a timely manner upon the expiry of the term of office of a Director, such Director shall continue to perform his/her duties as a Director in accordance with the laws, administrative regulations, departmental rules and the Articles of Association until the newly elected Director assumes the office.

Senior management officers may serve concurrently as Directors, provided that the total number of such Directors who concurrently serve as senior management officers and the employee representatives shall not exceed a half of the total number of the Directors of the Company.

Directors may resign prior to the expiration of their terms of office. The Directors who resign shall submit to the Board a written report in relation to their resignation. Relevant information shall be disclosed by the Board within 2 days.

The terms of appointment, nomination and election procedures, functions and powers of independent Directors shall be implemented in accordance with the laws, the relevant the securities regulatory rules of the place where the shares of the Company are listed. The number of independent Directors shall not be less than three and shall not be less than one-third of all Directors, and at least one shall include financial or accounting expertise in compliance with the requirements of the Listing Rules. One independent Director should be permanently resident in Hong Kong. All independent Directors must possess the independence as provided under the Listing Rules.

Unless otherwise specified by relevant laws, administrative regulations, and the securities regulatory rules of the place where the shares of the Company are listed, the term "independent Director" as referred to in the Articles of Association includes "independent non-executive Directors" as defined in the Listing Rules.

Board of Directors

The Company has established a Board which shall be accountable to the general meetings.

The Board shall comprise 11 Directors.

The Board shall exercise the following duties and powers:

(i) to convene general meetings and report its work to the general meetings;

(ii) to implement the resolutions of the general meetings;

(iii) to formulate business operation plans and investment plans of the Company;

(iv) to formulate the profit distribution plans and plans for recovery of losses of the Company;

(v) to formulate plans of the Company regarding increase or reduction of the registered capital, issuance of bonds or other securities and listing;

(vi) to draft plans for major acquisitions of the Company, the purchase of Shares of the Company, merger, division, dissolution or change in the form of the Company;

(vii) to determine, to the extent authorized by the general meeting, on such matters as the external investments, purchase or sale of assets, assets mortgage, external guarantee, entrusted wealth management, connected transactions and external donations of the Company;

(viii) to determine the internal management structure of the Company;

(ix) to determine the appointment or dismissal of the general manager or other senior management officers, and decide on their remuneration, rewards and penalties; and based on the nomination of the general manager, to determine the appointment or dismissal of the senior management including vice general manager and determine their remuneration, rewards and penalties;

(x) to formulate the basic management system of the Company;

(xi) to formulate proposals for any amendment of the Articles of Association;

(xii) to manage the information disclosure of the Company;

(xiii) to propose to the general meeting for appointment or replacement of the accounting firms which provide audit services to the Company;

(xiv) to listen to work reports of the general manager and review his/her work;

(xv) other duties as stipulated in laws, administrative regulations, departmental rules, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

Special committees are set up under the Board of the Company, namely Audit Committee, Nomination Committee and Remuneration Committee.

Borrowing Powers

The Articles of Association do not contain any specific provisions regarding Directors exercise of borrowing powers, but there are relevant provisions regarding Directors power to determine, to the extent authorized by the general meeting, on such matters as the external investments, purchase or sale of assets, assets mortgage, external guarantee, entrusted wealth management, connected transactions and external donations of the Company.

The Board shall consider the following major transactions within the scope of permissions: (save for the Company's provision of guarantee):

(i) the total amount of assets involved in the transaction exceeds 10% of the latest audited total assets of the Company. If the total amount of assets involved in the above transaction has both book value and assessed value, the higher shall be used for calculation.

(ii) the transaction consideration exceeds 10% of the latest market value of the Company.

(iii) the net assets involved in the subject matter (such as equity interest) of the transaction in the most recent financial year exceeds 10% of the latest market value of the Company.

(iv) the operating revenue generated by the subject matter (such as equity interest) of the transaction in the most recent financial year exceeds 10% of the audited operating revenue of the Company in the most recent financial year.

(v) the profit arising from the transaction exceeds 10% of the audited net profit of the Company in the most recent financial year, and the absolute amount of which exceeds RMB1 million.

(vi) the net profit generated by the subject matter (such as equity interest) of the transaction in the most recent financial year exceeds 10% of the audited net profit of the Company in the most recent financial year, and the absolute amount of which exceeds RMB1 million.

(vii) transactions that may constitute transactions subject to disclosure under Chapter 14 and Chapter 14A of the Hong Kong Listing Rules.

The chairman of the Board shall be elected by more than half of all the Directors. The chairman of the Board shall exercise the following duties and powers:

(i) to convene and preside over Board meetings, and to preside over general meetings;

(ii) to supervise and examine the implementation of resolutions of Board;

(iii) to execute shares, debentures and other valuable securities of the Company;

(iv) to execute material documents of the Board of Directors and other documents required to be signed by the legal representative of the Company;

(v) to exercise the powers of the legal representative;

(vi) in emergency circumstances arising from force majeure events such as exceptionally severe natural disasters, to exercise special authority over the Company's affairs in compliance with laws and regulations and the Company's interests, and report thereafter to the Board of Directors and shareholders' meeting;

(vii) other duties and powers as authorized by the Board.

Where the chairman of the Board is unable or fails to perform his/her duties, the duties shall be performed by a Director jointly elected by more than half of the Directors.

The Board shall convene at least four meetings per year, and at least one meeting per quarter. Shareholders representing more than one-tenth of the voting rights, more than one-third of the Directors or the Audit Committee may propose to convene an extraordinary meeting of the Board. The chairman of the Board shall convene and preside over the extraordinary meeting of the Board within 10 days from the receipt of the proposal. The Board of Directors shall notify all Directors in writing 14 days before convening the regular meeting of the Board, while 2 days before convening the extraordinary meeting of the Board. If the notice is not delivered directly, it shall also be confirmed by telephone and recorded accordingly.

The quorum of a Board meeting shall consist of more than one half of all Directors. A resolution of the Board shall be passed by more than half of all Directors. When the Board considers a resolution on the guarantees of the Company within the Board's decision-making authority, the resolution shall be passed by more than two-thirds of the Directors present at the meeting. When voting on the resolutions of the Board, each Director shall have one vote.

Where a Director has any connected relationship with the enterprise involved in the matter to be decided at the meeting, he/she shall not exercise his/her voting rights on the resolution, nor shall he/she exercise his/her voting rights on behalf of other Directors. Such a Board meeting may be held only if more than one half of the Directors without a connected relationship are present, and the resolutions made at such a Board meeting shall require adoption by more than one half of the Directors without a connected relationship. If the number of non-connected Directors in presence is less than 3 persons, the matter shall be submitted to the general meeting for consideration. If there are any additional restrictions imposed by laws and regulations and the securities regulatory rules of the place where the shares of the Company are listed on the participation of Directors in the Board meetings and voting, such provisions shall apply.

The voting in respect of a resolution made at a Board meeting shall be by open ballot. Each Director has the right to one vote. Resolutions of extraordinary meetings of the Board may be adopted by voting through telecommunication (including but not limited to telephone, facsimile etc.), provided that the Directors are allowed to freely express their views and the resolutions shall be signed by the attending Directors.

Directors shall attend Board meetings in person. If any Director is unable to attend the meeting for any reason, he/she may by a written power of attorney appoint another Director to attend the meeting on his/her behalf. The power of attorney shall include the name of the proxy, the subject, scope of authorization and validity period, which shall be signed or officially sealed by the appointing Director. A Director appointed as the representative of another Director to attend the meeting shall exercise the rights of a Director within the scope of authorization. Where a Director does not attend a Board meeting and does not appoint a proxy to attend the meeting on his behalf, he/she shall be deemed to have waived his/her voting right at the meeting.

General manager and other senior management

The Company shall have one general manager, who shall be appointed or dismissed by the Board. The Company may have a deputy general manager. Deputy general manager shall be nominated by the general manager and appointed or dismissed by the Board, and the deputy general manager shall assist the general manager in his/her work.

The circumstances of disqualification for Directors prescribed in Article 100 of the Articles of Association, the fiduciary duty of the Directors prescribed in Article 102 of the Articles of Association, and the diligence duty of the Directors prescribed in Article 103 shall also be applicable to senior management.

The general manager shall serve for a term of 3 years and may serve consecutive terms if re-appointed.

The general manager shall report to the Board and exercise the following duties and powers:

(i) to take charge of the production, operation and management of the Company, organize the implementation of the Board, and report to the Board;

(ii) to organize the implementation annual business plans and investment plans of the Company;

(iii) to draft the plans for establishment of the internal management organization of the Company;

(iv) to draft the basic management system of the Company;

(v) to formulate the rules and regulations of the Company;

(vi) to propose to the Board the appointment or dismissal of the deputy general manager and Chief Financial Officer of the Company;

(vii) to determine the appointment or dismissal of management personnel other than those whose appointment or dismissal shall be determined by the Board;

(viii) other duties and powers as may be conferred by the Articles of Association or by the Board.

The senior management of the Company shall perform their duties faithfully and safeguard the best interests of the Company and all Shareholders. If the senior management of the Company fails to perform their duties faithfully or violates their fiduciary duties, causing damage to the interests of the Company and public Shareholders, they shall be liable for compensation in accordance with the laws.

Audit Committee

The Board of the Company shall establish an Audit Committee, which shall exercise the powers and duties of Audit Committee as stipulated in the Company Law.

The Audit Committee shall consist of independent non-executive Directors and shall be chaired (convened) by an independent non-executive Director with appropriate professional qualification, or accounting or related financial management expertise.

FINANCIAL ACCOUNTING SYSTEM, DISTRIBUTION OF PROFITS AND AUDIT

Financial Accounting System

The Company shall formulate its financial and accounting systems in accordance with laws, administrative regulations and requirements of the securities regulatory rules of the place where the shares of the Company are listed.

The Company shall, in accordance with the relevant laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and the provisions of the securities regulatory authorities and stock exchanges of the place where the Company's shares are listed, prepare, publish, distribute, submit, disclose, make available and announce the Company's annual reports and interim reports.

The Company shall not keep accounts other than those provided by law. Any assets of the Company shall not be kept under any account opened in the name of any individual.

Profit distribution

When distributing after-tax profits of the year, the Company shall set aside 10% of its after-tax profits for the Company's statutory reserve fund. When the aggregate balance in the statutory reserve fund has reached 50% or more of the Company's registered capital, the Company needs not make any further allocations to that fund.

Where the Company's statutory reserve fund is not enough to make up losses of the Company for the preceding year, the current year's profits shall be applied firstly to make up the losses before being allocated to the statutory reserve in accordance with the preceding provision.

Subject to a resolution passed at a general meeting, after allocation has been made to the Company's statutory reserve fund from its after-tax profits, the Company may set aside funds for the discretionary reserve fund.

Except for those not distributed in proportion as prescribed in the Articles of Association, the remaining after-tax profit, after recovery of losses and appropriation of statutory reserve funds, shall be distributed to Shareholders in proportion to their shareholdings.

Where the general meeting distributes its profits before recovery of losses and appropriation of statutory reserve funds to the shareholders in breach of the provisions of the preceding provision, Shareholders must refund to the Company the profits distributed in violation of the provisions.

No profit shall be distributed in respect of the shares of the Company which are held by the Company.

The reserve fund of the Company shall be used for making up for the loss, expansion of the operation or increase of capital of the Company, provided that the capital reserve fund shall not be used for making up for the loss of the Company. When the statutory reserve fund is capitalized, the retained portion of the fund shall not be less than 25% of the registered capital of the Company before the capitalization.

The Company may distribute profits in the form of cash, shares or a combination of both, or in any other manner permitted by laws and regulations. The Company shall prioritize the use of cash dividends for profit distribution.

Internal audit

The Company shall implement an internal audit system which is equipped with dedicated audit personnel to conduct internal audits for supervision of financial income and expenditure and economic activities of the Company.

The internal audit system of the Company and the duties of audit personnel shall be implemented upon approval by the Board. The head of audit shall be accountable and report to the Board.

Appointment of an Accounting Firm

The Company shall appoint such accounting firm which has complied with the securities regulatory rules of the place where the shares of the Company are listed for carrying out the audit for the accounting statements, net asset verification, and other relevant consultancy services. The term of appointment shall be 1 year and can be re-appointed.

The appointment of accounting firm by the Company shall be subject to the approval of general meetings. The Board shall not appoint accounting firm before the approval of the general meeting.

The Company guarantees that it shall provide the appointed accounting firm with true and complete accounting proofs, accounting books, financial and accounting reports and other accounting information, and that it engages without any refusal, withholding, and misrepresentation.

The auditing fee of the accounting firm shall be determined by the general meeting.

In the event of termination of the appointment or non-renewal of appointment of an accounting firm, the Company shall notify the accounting firm 15 days in advance; when the general meeting votes on termination of appointment of an accounting firm, the accounting firm shall be allowed to make its representation.

An accounting firm proposing to resign shall state at a general meeting whether the Company has committed any improper act.

MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

Merger, Division, Capital Increase and Capital Reduction

Merger of the Company may take the form of absorption or establishment of a new company.

In case of merger by absorption, a company absorbs any other company and the absorbed company is dissolved. In case of merger by new establishment, two or more companies merge into a new one and the parties to the merger are dissolved.

If the Company is involved in a merger, the parties to the merger shall enter into a merger agreement, and shall prepare a balance sheet and a property list. The Company shall notify its creditors within 10 days as of the date of the resolution for the merger and shall publish an announcement on the designated newspapers (or National Enterprise Credit Information Publicity System) and websites within 30 days as of the date of such resolution. A creditor may within 30 days as of the receipt of the notice or, in case where he/she fails to receive such notice within 45 days of the date of the announcement, to demand the Company to repay its debts or provide guarantees for such debts. Other listing rules at the place where the shares of the Company are listed shall prevail.

When the Company is merged, the claims and debts of each party to the merger shall be succeeded to by the company surviving the merger or the new company established subsequent to the merger.

Where there is a division of the Company, its assets shall be divided accordingly.

Where there is a division of the Company, a balance sheet and property list shall be prepared. The Company shall notify its creditors within 10 days as of the date of the resolution for the division and shall publish an announcement on the designated newspapers (or National Enterprise Credit Information Publicity System) and websites within 30 days as of the date of such resolution. Other listing rules at the place where the shares of the Company are listed shall prevail.

Unless a written agreement has been entered into, before the division, by the Company and its creditors in relation to the repayment of debts, debts of the Company prior to the division shall be jointly assumed by the surviving companies after the division.

Where the Company needs to reduce its registered capital, it shall prepare a balance sheet and property list.

The Company shall notify its creditors within 10 days as of the date of the resolution for the reduction of its registered capital and shall publish an announcement on the designated newspapers (or National Enterprise Credit Information Publicity System) and websites within

30 days as of the date of such resolution. A creditor may within 30 days as of the receipt of the notice or, in case where he/she fails to receive such notice within 45 days of the date of the announcement, to demand the Company to repay its debts or provide guarantees for such debts. Other listing rules at the place where the shares of the Company are listed shall prevail.

The registered capital of the Company after the reduction shall not be less than the statutory minimum amount.

Where there is a merger or division of the Company, the Company shall, in accordance with the laws, apply for change in its registration with the company registration authority for any changes of its registered information caused thereby. Where the Company is dissolved, the Company shall apply for cancellation of its registration in accordance with the laws. Where a new company is established, the Company shall apply for registration of incorporation in accordance with the laws.

Where there is an increase or reduction in the registered capital, the Company shall, in accordance with the laws, apply for change in registration with the company registration authority.

Dissolution and Liquidation

The Company shall be dissolved upon the occurrence of any of the following events:

(i) expiry of the term of business provided in the Articles of Association or other cause of dissolution as specified therein;

(ii) a resolution on dissolution is passed by general meeting;

(iii) dissolution is required due to the merger or division of the Company;

(iv) the business license of the Company is revoked or the Company is ordered to close down or dissolved in accordance with the laws;

(v) the Company suffers significant hardships in operation and management that cannot be resolved through other means, and its continuation may cause substantial loss in Shareholders interests, Shareholders representing 10% or above of the total voting rights of the Company may plead the people's court to dissolve the Company.

With regard to the occurrence of the situation described in sub-paragraph (i), (ii) above, the Company may continue to exist by amending the Articles of Association. Amendments to the Articles of Association pursuant to the preceding paragraph shall be subject to the approval of Shareholders representing two-thirds or above of the voting rights present at the general meetings.

Where the Company is dissolved pursuant to sub-paragraph (i), (ii), (iv) or (v) above, it shall establish a liquidation committee within 15 days as of the dissolution circumstance arises, and the liquidation shall be thereby started. The liquidation committee shall comprise Directors or those determined by the general meeting. If the liquidation committee is not duly set up, the creditors may plead the people's court to designate related persons to form a liquidation committee to carry out the liquidation.

As of the date of its establishment, the liquidation committee shall notify the creditors within 10 days and make public announcement on the designated newspapers (or the National Enterprise Credit Information Publicity System) and websites within 60 days. Creditors shall, within 30 days as of the receipt of the notice or, in case where he/she fails to receive such notice, within 45 days as of the date of the announcement, declare their claims to the liquidation committee. Other listing rules at the place where the shares of the Company are listed shall prevail.

Creditors shall provide explanations and evidence for their claims upon their declarations of such claims. The liquidation committee shall record the creditors' claims.

The liquidation committee shall not pay off any debts to any creditors during period of credit declaration.

After checking the assets of the Company and preparing a balance sheet and property list, the liquidation committee shall formulate a liquidation plan for the confirmation by general meeting or the people's court. The remaining properties of the Company, after the payment for liquidation expenses, wages, social insurance premiums and statutory compensation of staffs, taxes and debts of the Company, shall be distributed to the shareholders in proportion to their shareholdings. During the liquidation period, the Company shall continue to exist but shall not carry out any business activities unrelated to liquidation. The assets of the Company shall not be distributed to the shareholders until the settlement of debts in accordance with the preceding article.

If the liquidation committee, after checking the assets of the Company and preparing a balance sheet and property list, finds that the assets of the Company are insufficient to pay off its debts, it shall immediately file an application to the people's court for bankruptcy. After the Company is declared bankrupt by the people's court, the liquidation committee shall hand over the liquidation matters to the people's court.

Upon completion of liquidation of the Company, the liquidation committee shall prepare a liquidation report and submit the report to the general meeting or the people's court for confirmation, and submit the report to the company registration authority to apply for de-registration of the Company and announce the termination of the Company.

Where the Company is declared bankruptcy in accordance with law, it shall implement bankruptcy liquidation in accordance with the relevant laws relating to bankruptcy of enterprise.

Amendments to the Articles of Association

The Company shall amend the Articles of Association in any of the following circumstances:

(i) after amendments are made to the PRC Company Law or other relevant laws, administrative regulations and regulatory rules at the place where the shares of the Company are listed, any term contained in the Articles of Association become inconsistent with the said amendments;

(ii) if certain changes of the Company occur resulting in the inconsistency with certain terms specified in the Articles of Association;

(iii) the general meeting has resolved to amend the Articles of Association.

Where the amendments to the Articles of Association passed by resolutions of the general meetings require approval of the competent authorities, the amendments shall be submitted to the relevant authorities for approval. Where the amendments involve registration matters of the Company, the involved change shall be registered in accordance with the laws.

The Board shall amend the Articles of Association in accordance with the resolution of the general meetings on amendment to the Articles of Association and the examination and approval opinions from relevant authorities.

FURTHER INFORMATION ABOUT OUR COMPANY

1. Incorporation of Our Company

Our Company was established as a limited liability company in the PRC on October 26, 2020 and was converted into a joint stock company with limited liability on August 7, 2025 under the laws of the PRC. As of the Latest Practicable Date, the registered share capital of our Company was RMB60,000,000 divided into 60,000,000 Shares with a nominal value of RMB1.00 each.

Our Company has established a place of business in Hong Kong at 40/F, Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong, and has registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on September 1, 2025. Ms. YUNG Mei Yee (翁美儀), our company secretary, has been appointed as our authorized representative for the acceptance of service of process in Hong Kong whose correspondence address is the same as our place of business in Hong Kong.

2. Changes in Share Capital of Our Company

On October 26, 2020, our Company was established as a limited liability company with a registered capital of RMB5,000,000.

On November 1, 2024, the registered capital of our Company increased from RMB8,324,822 to RMB8,657,815.

On April 24, 2025, the registered capital of our Company increased from RMB8,657,815 to RMB8,739,300.

On May 26, 2025, the registered capital of our Company increased from RMB8,739,300 to RMB9,748,204.

For further details, see "History, Development and Corporate Structure" in this prospectus. Save as disclosed above, there has been no alteration in our share capital within two years immediately preceding the date of this prospectus.

3. Changes in the Share Capital of Our Subsidiaries

Our subsidiaries as of the Latest Practicable Date are set out in note 1 to the Accountants' Report.

On March 28, 2025, our Company acquired approximately 30.77% of the equity interests of LongBio Biotechnology (Changshu) Co., Ltd. (天辰生物科技(常熟)有限公司) ("**LongBio Changshu**") held by Changshu Southeast Industrial Investment Co., Ltd. (常熟東南產業投資有限公司) at the consideration of RMB23,990,000. Immediately after completion of the acquisition, LongBio Changshu was wholly owned by our Company. LongBio Changshu was deregistered on May 29, 2025.

On June 11, 2025, Hangzhou Lingcheng Biotechnology Co., Ltd. (杭州領丞生物科技有限公司) was established with a registered capital of RMB20,000,000 and was wholly owned by our Company.

Save as disclosed above, no alteration in the share capital of our subsidiaries within two years immediately preceding the date of this prospectus.

4. Resolutions of the Shareholders

Pursuant to a general meeting of our Company held on August 15, 2025, the following resolutions, among others, were passed by our Shareholders:

(a) the issue by our Company of H Shares of a nominal value of RMB1.00 each and that such H Shares be listed on the Hong Kong Stock Exchange;

(b) that the number of H Shares to be issued shall not be more than 25% of the total issued share capital of our Company as enlarged by the Global Offering (without taking into account the H Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option), and the grant to the underwriters (or their representatives) of the Over-allotment Option of not more than 15% of the number of H Shares issued pursuant to the Global Offering;

(c) subject to the completion of the Global Offering, the adoption of the Articles of Association which shall become effective on the Listing Date, and the authorization to the Board to amend the Articles of Association in accordance with the requirements of the relevant laws and regulations and the Listing Rules; and

(d) authorization of our Board to handle all relevant matters relating to, among other things, the issue and listing of the H Shares.

FURTHER INFORMATION ABOUT THE BUSINESS OF OUR COMPANY

1. Summary of Material Contracts

We have entered into the following contracts (not being a contract entered into in the ordinary course of business) within the two years immediately preceding the date of this prospectus that are or may be material:

(a) an agreement for transfer of state-owned property rights (國有產權轉讓合同) entered into between Changshu Southeast Industrial Investment Co., Ltd. (常熟東南產業投資有限公司) (as the transferor) and the Company (as the transferee) dated March 28, 2025, pursuant to which, Changshu Southeast Industrial Investment Co., Ltd. (常熟東南產業投資有限公司) agreed to transfer approximately 30.77% equity interests in LongBio Biotechnology (Changshu) Co., Ltd. (天辰生物科技(常熟)有限公司) to our Company at the consideration of RMB23,990,000;

(b) a cornerstone investment agreement dated May 26, 2026 entered into among the Company, OrbiMed Genesis Master Fund, L.P., The Biotech Growth Trust LLP and the Sole Sponsor-Overall Coordinator, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$18.0 million;

(c) a cornerstone investment agreement dated May 26, 2026 was entered into among the Company, TruMed Healthcare Master Fund, TruMed Health Innovation Fund LP and the Sole Sponsor-Overall Coordinator, with respect to a subscription of H Shares at the Offer Price in an aggregate amount of HK$93,932,271;

(d) a cornerstone investment agreement dated May 26, 2026 entered into among the Company, Huatai Capital Investment Limited and the Sole Sponsor-Overall Coordinator, pursuant to which Huatai Capital Investment Limited has agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollars equivalent of US$12 million and to hold such Offer Shares on a non-discretionary basis to hedge a series of cross border over-the-counter swap transactions entered into by Huatai Capital Investment Limited, Huatai Securities Co., Ltd. and Shanghai Gaoyi Asset Management Partnership (Limited Partnership) (上海高毅資產管理合夥企業(有限合夥)) as investment manager for and on behalf of certain private investment schemes;

(e) a cornerstone investment agreement dated May 26, 2026 entered into among the Company, Huatai Capital Investment Limited and the Sole Sponsor-Overall Coordinator, pursuant to which Huatai Capital Investment Limited has agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollars equivalent of US$8 million and hold such Offer Shares on a non-discretionary basis to hedge a series of cross border over-the-counter swap

transactions entered into by Huatai Capital Investment Limited, Huatai Securities Co., Ltd. and Wisdomshire Asset Management Co., Ltd* (上海睿郡資產管理有限公司) as investment manager for and on behalf of certain private investment schemes;

(f) a cornerstone investment agreement dated May 26, 2026 was entered into among the Company, Foresight Global Superior Choice SPC — Global Superior Choice Fund 1 SP, Foresight Global Superior Choice SPC — Vision Fund 1 SP, Foresight Global Superior Choice SPC — Horizon Fund 1 SP, Foresight Global Superior Choice SPC — Horizon Next Fund SP, and the Sole Sponsor-Overall Coordinator, with respect to a subscription of H Shares at the Offer Price in an aggregate amount of the Hong Kong dollar equivalent of US$10 million;

(g) a cornerstone investment agreement dated May 26, 2026 was entered into among the Company, Fullgoal Asset Management (HK) Limited (富國資產管理(香港)有限公司) and the Sole Sponsor-Overall Coordinator, with respect to a subscription of H Shares at the Offer Price in an aggregate amount of the Hong Kong dollar equivalent of US$1.6 million;

(h) a cornerstone investment agreement dated May 26, 2026 was entered into among the Company, Fullgoal Fund Management Co., Ltd. (富國基金管理有限公司) and the Sole Sponsor-Overall Coordinator, with respect to a subscription of H Shares at the Offer Price in an aggregate amount of the Hong Kong dollar equivalent of US$8.4 million;

(i) a cornerstone investment agreement dated May 26, 2026 entered into among our Company, Value Partners Limited and the Sole Sponsor-Overall Coordinator, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of HK$7,828,890;

(j) a cornerstone investment agreement dated May 26, 2026 entered into among the Company, Value Partners Hong Kong Limited and the Sole Sponsor-Overall Coordinator, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of HK$54,792,624;

(k) a cornerstone investment agreement dated May 26, 2026 entered into among the Company, Greater Bay Area Development Fund Management Limited for and on behalf of the managed account of Mega Prime Development Limited and the Sole Sponsor-Overall Coordinator, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$5.0 million;

(l) a cornerstone investment agreement dated May 26, 2026 was entered into among the Company, FR M CONSULTING CO., LTD and the Sole Sponsor-Overall Coordinator, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$2.0 million;

(m) a cornerstone investment agreement dated May 26, 2026 was entered into among the Company, China Galaxy International Investment Company Limited and the Sole Sponsor-Overall Coordinator, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$2.0 million; and

(n) the Hong Kong Underwriting Agreement.

2. Intellectual Property Rights

(a) Trademarks

(i) As of the Latest Practicable Date, we have registered the following trademarks which we consider to be material to our business:

No.	Owner	Registration no.	Place of registration	Trademark	Class	Validity period
1. . . .	Our Company	67270702	PRC	inCibitor	42	From May 28, 2023 to May 27, 2033
2. . . .	Our Company	63015891	PRC	CAPbody	42	From November 7, 2022 to November 6, 2032
3. . . .	Our Company	63024205	PRC	NeXine	42	From August 21, 2022 to August 20, 2032
4. . . .	Our Company	63013385	PRC	BEEbody	42	From August 21, 2022 to August 20, 2032
5. . . .	Our Company	32496434	PRC	LongBio	5	From April 7, 2019 to April 6, 2029
6 . . .	Our Company	304612572	Hong Kong	LongBio	5	From July 26, 2018 to July 25, 2028
7 . . .	Our Company	86002987	PRC	智得乐	5	From January 7, 2026 to January 6, 2036
8 . . .	Our Company	86009436	PRC	天辰宁	5	From January 7, 2026 to January 6, 2036
9 . . .	Our Company	86009430	PRC	辰悦宁	5	From January 7, 2026 to January 6, 2036

No.	Owner	Registration no.	Place of registration	Trademark	Class	Validity period
10 . .	Our Company	86012484	PRC	辰安泰	5	From January 7, 2026 to January 6, 2036
11 . .	Our Company	86010860	PRC	辰乘通	5	From January 7, 2026 to January 6, 2036
12 . .	Our Company	86009099	PRC	辰萤安	5	From January 7, 2026 to January 6, 2036
13 . .	Our Company	86000877	PRC	恒卓美	5	From January 7, 2026 to January 6, 2036
14 . .	Our Company	86020441	PRC	乃奥立达	5	From January 7, 2026 to January 6, 2036
15 . .	Our Company	86009085	PRC	辰恒舒乐	5	From January 7, 2026 to January 6, 2036
16 . .	Our Company	86004167	PRC	辰乃舒欣	5	From January 7, 2026 to January 6, 2036
17 . .	Our Company	86016216	PRC	辰奥立舒	5	From January 7, 2026 to January 6, 2036
18. . .	Our Company	306928624	Hong Kong	(A) longbio 天辰生物 (B) longbio 天辰生物 (C) longbio 天辰生物 (D) longbio 天辰生物	5 and 42	From June 12, 2025 to June 11, 2035
19 . .	Our Company	86914409	PRC	InCibitor	5	From February 21, 2026 to February 20, 2036

(ii) As of the Latest Practicable Date, we have applied for the registration of the following trademarks which we consider to be material to our business:

No.	Applicant	Application no.	Place of registration	Trademark	Class	Date of Application
1 . . .	Our Company	86915645	PRC	longbio	5	August 5, 2025
2 . . .	Our Company	83119435	PRC	天辰生物	35	January 15, 2025
3 . . .	Our Company	83122466	PRC	天辰生物	5	January 15, 2025

(b) Domain Names

As of the Latest Practicable Date, we have registered the following domain names which we consider to be material to our business:

No.	Owner	Domain name	Registration date	Expiry date
1. . . .	Our Company	longbiopharma.xyz	January 5, 2018	January 5, 2027
2. . . .	Our Company	longbio.com	May 10, 2006	May 10, 2029
3. . . .	Our Company	longbio.com.cn	January 5, 2018	January 5, 2027
4. . . .	Our Company	longbiopharma.com	January 5, 2018	January 5, 2027

(c) Patents

For a discussion of details of the material patents and patent applications in connection with our products and product candidates, see "Business — Intellectual Properties" in this prospectus.

Save as disclosed above, as of the Latest Practicable Date, there was no other trade or service mark, patent, intellectual or industrial property right which was material in relation to our business.

FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interests

Save as disclosed below, immediately following completion of the Global Offering (without taking into account the H Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option), so far as our Directors are aware, none of our Directors or chief executive has any interest or short positions in our Shares, underlying Shares or debentures of our Company or any associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to our Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules.

Interests/Short Positions in our Shares

Name	Position	Capacity/nature of interest	Number of Shares held	Approximate percentage of shareholding in the relevant proportion of Shares[1]	Approximate percentage of shareholding in the total issued share capital of our Company[1]
				(%)	*(%)*
Dr. Liu[2, 3]	Chairman and Executive Director	Beneficial Owner	– Unlisted Shares	–	–
			8,447,692 H Shares	11.58	11.39
		Interest in Controlled Corporations	– Unlisted Shares	–	–
			4,899,364 H Shares	6.72	6.60
		Interest held jointly with another person	– Unlisted Shares	–	–
			13,150,103 H Shares	18.03	17.72

Name	Position	Capacity/nature of interest	Number of Shares held	Approximate percentage of shareholding in the relevant proportion of Shares[1]	Approximate percentage of shareholding in the total issued share capital of our Company[1]
				(%)	*(%)*
Dr. Sun[2], [4], [5] . .	Executive Director	Beneficial Owner	– Unlisted Shares	–	–
			6,668,921 H Shares	9.14	8.99
		Interest of spouse	– Unlisted Shares	–	–
			5,797,991 H Shares	7.95	7.81
		Interest in Controlled Corporations	– Unlisted Shares	–	–
			683,191 H Shares	0.94	0.92
		Interest held jointly with another person	– Unlisted Shares	–	–
			13,347,056 H Shares	18.30	17.99

Notes:

(1) The calculation is based on the total number of 1,262,882 Unlisted Shares in issue and 72,930,268 H Shares (assuming the Over-allotment Option is not exercised) in issue upon Listing.

(2) Pursuant to the AIC Agreement, Dr. Liu, Suzhou Taiwu, Dr. Sun, Ms. Chow and Shanghai Rising Suns agreed to act in concert with Dr. Liu and reach consensus on matters relating to the material operation of our Company during the term of the AIC Agreement, which shall be effective from the date of the AIC Agreement until five years after the date of the initial public offering of our Shares on any stock exchange in China, and the AIC Agreement shall be automatically renewed for another five years unless terminated by the Concert Parties in accordance with the AIC Agreement. Dr. Sun and Ms. Chow together constitute the largest shareholder, holding 60.5% registered share capital in PharMab as at the Latest Practicable Date, and occupy two out of three board seats in PharMab. Given their control over both the board meeting and the shareholders' meeting, Dr. Sun and Ms. Chow have control over all the voting rights attached to the Shares of our Company held by PharMab. Pursuant to the AIC Agreement, Dr. Sun and Ms. Chow shall procure PharMab to act in concert with Dr. Liu at the Shareholders' meeting of our Company on matters relating to the material operation of our Company. PharMab is therefore regarded as a party acting-in-concert with the Concert Parties. Pursuant to the AIC Agreement, prior to taking action on major operational matters of our Company, as well as prior to voting on matters to be deliberated by the Shareholders' meetings and the board meetings of our Company, the Concert Parties should engage in thorough consultation and communication to ensure consistency of action. If the Concert Parties are unable to reach a consensus through consultation, each Concert Party shall exercise its voting rights at the Shareholders' meeting or board meeting in accordance with Dr. Liu's opinion. See "Relationship with our Controlling Shareholders — Our Controlling Shareholders." By virtue of the SFO, each of our Controlling Shareholders are all deemed to be interested in the total Shares directly held by Dr. Liu, Suzhou Taiwu, Dr. Sun, Ms. Chow, Shanghai Rising Suns and PharMab. The total Shares directly held by Dr. Liu, Suzhou Taiwu, Dr. Sun, Ms. Chow, Shanghai Rising Suns and PharMab are 8,447,692, 4,899,364, 6,668,921, 3,643,748, 2,154,243, 683,191, respectively.

(3) Dr. Liu is the general partner of Suzhou Taiwu. Accordingly, Dr. Liu is deemed to be interested in all our Shares held by Suzhou Taiwu under the SFO.

(4) Dr. Sun is the spouse of Ms. Chow. Accordingly, Dr. Sun is deemed to be interested in all our Shares held by Ms. Chow under the SFO, and Ms. Chow is deemed to be interested in all our Shares held by Dr. Sun.

(5) PharMab is owned as to 39.3% by Dr. Sun and 21.2% by Ms. Chow. Accordingly, Dr. Sun is deemed to be interested in all our Shares held by PharMab. Shanghai Rising Suns is owned as to 27% by Teresa CHOU (周立芸) (being a sibling of Ms. Chow), 27% by Cherie Chihyun SUNG (周稚芸) (being a sibling of Ms. Chow), 13.57% by Jay Jiekuen LOU (婁捷昆) (being a nephew-in-law of Ms. Chow), 27% by Wing Pun FUNG (馮榮彬) (being a brother-in-law of Ms. Chow) and 5.43% by Dylan I-Ping CHANG (章一平), respectively. Ms. Chow serves as the sole director and legal representative of Shanghai Rising Suns. Considering that Dr. Sun and Ms. Chow are the founding shareholders of our Company and based on the trust in Ms. Chow, Teresa CHOU (周立芸), Cherie Chihyun SUNG (周稚芸), Jay Jiekuen LOU (婁捷昆), Wing Pun FUNG (馮榮彬) and Dylan I-Ping CHANG (章一平) (collectively, "**Shanghai Rising Sun's Shareholders**") jointly established Shanghai Rising Suns for the sole purpose of investing in our Company. In light of the above, in June 2021, Shanghai Rising Sun's Shareholders and Ms. Chow entered into a voting rights proxy agreement ("**Voting Rights Proxy Agreement**"), under which, among others, Shanghai Rising Sun's Shareholders irrevocably undertake to authorize Ms. Chow for exercising all voting rights of the Shares held by Shanghai Rising Suns concerning matters related to our Company's operation and management, investment and exit decisions. The Voting Rights Proxy Agreement will remain effective until termination with mutual consent of all parties. Shanghai Rising Suns is a corporation controlled by Ms. Chow and accordingly, Ms. Chow is deemed to be interested in all our Shares held by Shanghai Rising Suns.

2. Substantial Shareholders

For the information on the persons who will, immediately following the completion of the Global Offering, have interests or short positions in our Shares or underlying Shares which would be required to be disclosed to our Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, see "Substantial Shareholders" in this prospectus.

Save as disclosed in the section headed "Substantial Shareholders" in this prospectus, as of the Latest Practicable Date, our Directors are not aware of any other person (other than our Directors or chief executive) who will, immediately following completion of the Global Offering, have interests or short positions in our Shares or underlying Shares which would be required to be disclosed to our Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group other than our Company.

3. Service Contracts

Each of our Directors has entered into a service contract or a letter of appointment with our Company. The principal particulars of these service contracts or a letter of appointment comprise (a) a term of three years commencing from the date of appointment; and (b) termination provisions in accordance with their respective terms. Our Directors may be re-appointed subject to Shareholders' approval.

Save as disclosed above, none of our Directors has or is proposed to have entered into any service contract or letter of appointment with any member of our Group (excluding contracts expiring or determinable by any member of our Group within one year without payment of compensation other than statutory compensation).

4. Remuneration of Directors

Save as disclosed in the section headed "Directors and Senior Management" in this prospectus and note 8 to the Accountants' Report, for the two financial years ended December 31, 2024 and 2025, none of our Directors received other remuneration or benefits in kind from us.

5. Disclaimers

(a) Save as disclosed in this section and the section headed "History, Development and Corporate Structure" in this prospectus, none of our Directors or any of the parties listed in the paragraph headed "— Other Information — 5. Qualifications of Experts" in this Appendix is:

(i) interested in our promotion, or in any assets which have been, within two years immediately preceding the date of this prospectus, acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to any member of our Company; or

(ii) materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to our business;

(b) Save in connection with the Hong Kong Underwriting Agreement and the International Underwriting Agreement, none of the parties listed in the paragraph headed "— Other Information — 5. Qualifications of Experts" in this Appendix:

(i) is interested legally or beneficially in any shares in any member of our Group; or

(ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of our Group;

(c) Save as disclosed in this section and the section headed "Directors and Senior Management" in this prospectus, none of our Directors is a director or employee of a company that has an interest in the share capital of our Company which, once the H Shares are listed on the Hong Kong Stock Exchange, would have to be disclosed pursuant to Divisions 2 and 3 of Part XV of the SFO; and

(d) So far as is known to our Directors, none of our Directors or their respective close associates (as defined under the Listing Rules) or Shareholders who own more than 5% of the issued shares of our Company has any interests in the five largest customers or the five largest suppliers of our Group.

EMPLOYEE INCENTIVE SCHEME

We have approved and adopted the Employee Incentive Scheme in 2025. The Employee Incentive Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as the Employee Incentive Scheme does not involve the grant of new shares or awards by the Company after the Listing.

Suzhou Taiwu is the employee incentive platform of our Company. As of the Latest Practicable Date, Suzhou Taiwu held in aggregate 4,899,364 Shares, representing approximately 8.17% of the share capital of our Company. For details of Suzhou Taiwu, see "History, Development and Corporate Structure — Employee Incentive Platform" in this prospectus.

Purpose

By adopting the employee incentive scheme and granting incentives thereunder, our Company aims to attract, motivate, retain, and reward selected employees within our Company and our subsidiaries. This scheme is intended to further stimulate employees' enthusiasm and creativity, promote sustainable growth in our Company's performance, and create added value for employees while increasing our Company's overall value and ultimately achieving shared development between employees and our Company.

Administration

Pursuant to the Articles of Association and the rules of the Employee Incentive Scheme, our Board is responsible for reviewing and approving the implementation, alteration and termination of the Employee Incentive Scheme. Our Board has further established an employee equity incentive scheme daily management working committee (the "**Employee Incentive Scheme Working Committee**"), whose members are appointed at the sole discretion of our Board, to assist in the implementation of the Employee Incentive Scheme and carry out other matters delegated by our Board.

Participants

The participants include the employees of our Company and our subsidiaries (the "**Participants**").

Grant of Incentive Awards

As of the Latest Practicable Date, our employee incentive platform, Suzhou Taiwu, held in aggregate 4,899,364 Shares, representing approximately 8.17% of the share capital of our Company. For details of Suzhou Taiwu, see "History, Development and Corporate Structure — Employee Incentive Platform" in this prospectus.

The Participants subscribe for limited partnership interests from Suzhou Taiwu (the "**Incentive Awards**"), thereby indirectly holding our Shares in our Company by virtue of their capacity as a limited partner of Suzhou Taiwu. All Participants agree that Dr. Liu, the general partner of Suzhou Taiwu, shall exercise the voting rights attached to our Shares held by the employee incentive platform.

Having comprehensively considered various factors such as years of service, employment status, role value, job level, cultural alignment, and work contributions to our Company, the Employee Incentive Scheme Working Committee determines the identities of the Participants, the amount of Incentive Awards and subscription price of the Incentive Awards (the "**Subscription Price**").

The Participants then sign an equity incentive agreement with the Company, contribute the corresponding Subscription Price to Suzhou Taiwu as capital contributions, and sign a Partnership Agreement with Dr. Liu and the other limited partners of Suzhou Taiwu.

Subscription Price of the Incentive Awards

The Subscription Price is RMB7.00 per registered capital of the Company. The subscription price shall be paid by the Participants out of their own funds.

Lock-up Period

The Incentive Awards shall be vested as follows:

Vesting Period	Vested Portion
12 months after completion of registration/filing . .	1/4 of the Incentive Awards
24 months after completion of registration/filing . .	1/4 of the Incentive Awards
36 months after completion of registration/filing . .	1/4 of the Incentive Awards
48 months after completion of registration/filing . .	1/4 of the Incentive Awards

The lock-up period shall commence on the date on which the relevant industrial and commercial registration or filing procedures for the Participants are completed, and shall end upon the end of the vesting period or the later of: (i) the expiration of the lock-up period stipulated by the Listing Rules and the regulatory requirements of the Hong Kong Stock Exchange at the time of Listing, or (ii) the expiration of the lock-up period undertaken by our Company.

If our Company completes its Listing before the end of the vesting period, the Participants shall voluntarily undertake not to transfer any of their unvested Incentive Awards during the lock-up period, nor to create or permit any pledge or other encumbrance on such shares, nor to dispose of them in any other manner, whether directly or indirectly. Otherwise, the relevant Participants shall unconditionally agree to the general partner's repurchase of their Incentive Awards in accordance with the provisions of this plan. With respect to the vested Incentive Awards, the Participants may realize their vested Incentive Awards in accordance with the Employee Incentive Scheme, provided that any lock-up period required under the Listing Rules and regulatory requirements of the Hong Kong Stock Exchange has expired.

Repurchase of Incentive Awards

During the lock-up period, if any of the following events occur, Dr. Liu, the general partner of our employee incentive platform, Suzhou Taiwu, reserves the right to repurchase the relevant Incentive Awards within three months of any of the following events:

(i) retirement, death, or certified loss of work capacity of the Participant;

(ii) termination of employment for any reason, including dismissal, resignation, or mutual separation;

(iii) unauthorized transfer or pledge of Incentive Awards, or the establishment of any third-party rights over such shares;

(iv) nominee shareholding arrangements or any conduct deemed to adversely affect Listing of our Company;

(v) failure to fulfill duties diligently, including but not limited to criminal liability arising from unlawful acts; violations of laws, company policies, or employment agreements causing reputational or financial harm; breach of confidentiality or ethical standards, including bribery, embezzlement, or theft; engagement in competing business without prior written consent, or employment with a competitor; any other conduct causing material harm to our Company, as determined by our Company and resulting in dismissal;

(vi) withdrawal or expulsion from Suzhou Taiwu in accordance with applicable laws, its partnership agreement, or related agreements.

Details of the Incentive Awards Granted Under the Employee Incentive Scheme

As of the Latest Practicable Date, there are 15 Participants holding partnership interests in Suzhou Taiwu, and all of the Incentive Awards under the Employee Incentive Scheme have been fully granted and no awards will be granted after the Listing under the Employee Incentive Scheme. Details of the Incentive Awards granted to Directors or senior management under the Employee Incentive Scheme are set out below:

Name	Position	Approximate Partnership Interests of Suzhou Taiwu	Approximate Number of Shares Corresponding to the Incentive Awards Held by the Participant	Approximate Shareholding Percentage Corresponding to the Incentive Awards Held by the Participant in the Total Number of Shares in Issue Immediately Prior to the Global Offering	Approximate Shareholding Percentage Corresponding to the Incentive Awards held by the Participant in the Total Number of Shares in Issue Immediately after the Global Offering
Xie Ming (謝鳴)	Executive Director and Deputy General Manager	3.0003%	146,996	0.24%	0.20%
Ma Haili (馬海立)	Head of New Drug Discovery	6.00%	293,991	0.49%	0.40%
Xu Linfeng (徐臨鳳)	Head of Analysis and Formulation	6.00%	293,991	0.49%	0.40%
Xu Weitao (徐衛濤)	Head of Production Process	6.00%	293,991	0.49%	0.40%
Yang Jie (楊傑)	Head of Clinical Department	3.00%	146,996	0.24%	0.20%
Tao Songshu (陶松樹)	Manager of Analytical Sciences	2.04%	99,957	0.17%	0.13%
Gao Qi (高琪)	Manager of Antibody Discovery Team	1.17%	57,372	0.10%	0.08%
Su Huili (蘇慧麗)	Manager of Purification Team	1.17%	57,372	0.10%	0.08%
Chen Tianpei (陳天培)	Supervisor of Sample Preparation Team	1.17%	57,372	0.10%	0.08%
Xiao Xingbing (肖興兵)	Supervisor of Cell Culture	1.17%	57,372	0.10%	0.08%
Han Cuicui (韓翠翠)	Manager of Medical Affairs	0.60%	29,401	0.05%	0.04%
Lin Haijing (林海靜)	Senior Manager of Quality Assurance	0.60%	29,401	0.05%	0.04%

Name	Position	Approximate Partnership Interests of Suzhou Taiwu	Approximate Number of Shares Corresponding to the Incentive Awards Held by the Participant	Approximate Shareholding Percentage Corresponding to the Incentive Awards Held by the Participant in the Total Number of Shares in Issue Immediately Prior to the Global Offering	Approximate Shareholding Percentage Corresponding to the Incentive Awards held by the Participant in the Total Number of Shares in Issue Immediately after the Global Offering
Sun Jianyu (孫見宇)	Senior Researcher in Antibody Discovery	0.60%	29,401	0.05%	0.04%
Li Qing (李清)	Document Control Engineer	0.21%	10,289	0.02%	0.01%
Liu Yunhua (劉運華)	Supervisor of Bioactivity Testing Team	0.21%	10,289	0.02%	0.01%

OTHER INFORMATION

1. Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to impose on our Company or any of our subsidiaries under the laws of the PRC.

2. Litigation

As of the Latest Practicable Date, no member of our Group was involved in any litigation, arbitration or claim of material importance, and, so far as we are aware, no litigation, arbitration or claim of material importance is pending or threatened against any member of our Group, which would have a material adverse effect on our financial condition or results of operations, taken as a whole.

3. Sole Sponsor

The Sole Sponsor has made an application on behalf of our Company to the Hong Kong Stock Exchange for the listing of, and permission to deal in, our H Shares. All necessary arrangements have been made to enable the securities to be admitted into CCASS.

The Sole Sponsor satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules. The Sole Sponsor will receive a fee of US$500,000 to act as a sponsor to our Company in connection with the Global Offering.

4. Preliminary Expenses

As of the Latest Practicable Date, our Company has not incurred material preliminary expenses.

5. Qualifications of Experts

The qualifications of the experts (as defined under the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance) who have given opinions and/or advice in this prospectus are as follows:

Name	Qualifications
Sinolink Securities (Hong Kong) Company Limited	Licensed to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) of regulated activities as defined under the SFO
Ernst & Young	Certified Public Accountants and Registered Public Interest Entity Auditor
Hai Run Law Firm	Company's PRC legal advisor
Frost & Sullivan	Independent industry consultant

6. Consents

Each of the experts as referred to in the paragraph headed "— Other Information — 5. Qualifications of Experts" in this Appendix has given and has not withdrawn its respective written consents to the issue of this prospectus with the inclusion of certificates, letters, opinions or reports and the references to its name included herein in the form and context in which it respectively included.

7. Taxation of Holders of H Shares

(a) Hong Kong

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty. The current rate charged on each of the purchaser and seller is 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred. For further details in relation to taxation, see Appendix III to this prospectus.

(b) Consultation with Professional Advisors

Potential investors in the Global Offering are urged to consult their professional tax advisors if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in our H Shares (or exercising rights attached to them). None of our Company, our Directors, the Sole Sponsor, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, or any other person or party involved in the Global Offering accept responsibility for any tax effects on, or liabilities of, any person, resulting from the subscription, purchase, holding or disposal of, dealing in or the exercise of any rights in relation to our H Shares.

8. No Material Adverse Change

Our Directors confirm that, as of the date of this prospectus, there has been no material adverse change in the financial or trading position of our Company since December 31, 2025 (being the latest balance sheet date of our consolidated financial statements as set out in the Accountants' Report).

9. Promoters

The promoters of our Company are all then 31 shareholders of our Company as of August 7, 2025 before our conversion into a joint stock company with limited liability. Save as disclosed in the section headed "History, Development and Corporate Structure" in this prospectus, within the two years preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given or is proposed to be paid, allotted or given to any promoter in connection with the Global Offering and the related transactions described in this prospectus.

10. Restrictions on Repurchase

For details, see Appendices IV and V to this prospectus.

11. Binding Effect

This prospectus shall have the effect, if an application is made in pursuance of it, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

12. Bilingual Prospectus

The English and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided under section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

13. Miscellaneous

Save as otherwise disclosed in this prospectus:

(a) within the two years preceding the date of this prospectus, (i) our Company has not issued nor agreed to issue any share or loan capital fully or partly paid either for cash or for a consideration other than cash; and (ii) no commission, discount, brokerage or other special term has been granted in connection with the issue or sale of any shares of our Company;

(b) no Share or loan capital of our Company, if any, is under option or is agreed conditionally or unconditionally to be put under option;

(c) our Company has not issued nor agreed to issue any founder shares, management shares or deferred shares;

(d) our Company has no outstanding convertible debt securities or debentures;

(e) there is no arrangement under which future dividends are waived or agreed to be waived;

(f) there has been no interruption in our business which may have or have had a significant effect on the financial position in the last 12 months;

(g) our Company is not presently listed on any stock exchange or traded on any trading system; and

(h) our Company is a joint stock limited company and is subject to the PRC Company Law.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to a copy of this prospectus and delivered to the Registrar of Companies in Hong Kong for registration were:

(i) a copy of the material contracts referred to in the paragraph headed "Further Information about the Business of Our Company — 1. Summary of Material Contracts" in Appendix VI to this prospectus; and

(ii) the written consents referred to in the paragraph headed "Other Information — 6. Consents" in Appendix VI to this prospectus.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of the Hong Kong Stock Exchange at **www.hkexnews.hk** and our website at **www.longbio.com** during a period of 14 days from the date of this prospectus:

(a) the Articles of Association;

(b) the Accountants' Report prepared by Ernst & Young, the text of which is set out in Appendix I to this prospectus;

(c) the audited consolidated financial statements of our Group for the two financial years ended December 31, 2024 and 2025;

(d) the report prepared by Ernst & Young on the unaudited pro forma financial information of our Group, the text of which is set out in Appendix II to this prospectus;

(e) the industry report issued by Frost & Sullivan referred to in the section headed "Industry Overview" in this prospectus;

(f) the PRC legal opinion issued by Hai Run Law Firm, our legal advisor as to PRC law, in respect of, among other things, the general matters and property interests of our Group under the PRC laws;

(g) the material contracts referred to in the paragraph headed "Further Information about the Business of Our Company — 1. Summary of Material Contracts" in Appendix VI to this prospectus;

(h) the service contracts referred to in the paragraph headed "Further Information about Our Directors and Substantial Shareholders — 3. Service Contracts" in Appendix VI to this prospectus;

(i) the written consents referred to in the paragraph headed "Other Information — 6. Consents" in Appendix VI to this prospectus; and

(j) the PRC Company Law, the PRC Securities Law, the Overseas Listing Trial Measures and the Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》) issued by the CSRC, together with unofficial English translations thereof.

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天辰生物醫藥（蘇州）股份有限公司

LongBio Pharma (Suzhou) Co., Ltd.