Micot

# Shaanxi Micot Pharmaceutical Technology Co., Ltd.
# 陝西麥科奧特醫藥科技股份有限公司

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

Stock Code : 2335

# GLOBAL OFFERING

Joint Sponsors, Overall Coordinators, Sponsor-Overall Coordinators,
Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

建银国际 CCB International

CMS 招商證券國際

# IMPORTANT

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

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# 陝西麥科奧特醫藥科技股份有限公司

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## GLOBAL OFFERING

| | | |
|---|---|---|
| **Number of Offer Shares under the Global Offering** | **:** | **58,054,400 H Shares (subject to the Over-allotment Option)** |
| **Number of Hong Kong Offer Shares** | **:** | **5,805,600 H Shares (subject to reallocation)** |
| **Number of International Offer Shares** | **:** | **52,248,800 H Shares (subject to reallocation and the Over-allotment Option)** |
| **Maximum Offer Price** | **:** | **HK$21.0 per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and the Stock Exchange trading fee of 0.00565% (payable in full on application in Hong Kong Dollars, subject to refund)** |
| **Nominal Value** | **:** | **RMB0.02 per Offer Share** |
| **Stock Code** | **:** | **2335** |

***Joint Sponsors, Overall Coordinators, Sponsor-Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers***

建银国际 CCB International　CMS 招商證券國際

***Joint Bookrunners and Joint Lead Managers***

Jakota Capital　瑞邦證券　國金證券(香港)有限公司 SINOLINK SECURITIES (HK) CO. LTD.　SKYVAST 天澤證券　SOMERLEY CAPITAL LIMITED

老虎證券 TIGER BROKERS　uSMART　Webull　ZTSC 中泰國際　中募金融

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this prospectus, make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this prospectus.

A copy of this prospectus, having attached thereto the documents specified in Appendix V "Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display" 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 and the Registrar of Companies in Hong Kong take no responsibility for the contents of this prospectus or any other document referred to above.

The Offer Price is expected to be fixed by agreement between the Overall Coordinators and us on the Price Determination Date. The Price Determination Date is expected to be on or before Monday, June 22, 2026. The Offer Price will be not more than HK$21.0 and is currently expected to be not less than HK$18.20. Applicants for Hong Kong Offer Shares may be required to pay, on application (subject to application channels), the maximum offer price of HK$21.0 for each Hong Kong Offer Share together with brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%, subject to refund if the Offer Price should be lower than HK$21.0. If, for any reason, the Overall Coordinators and us are unable to reach an agreement on the Offer Price at or before 12: 00 noon on Monday, June 22, 2026, the Global Offering will not proceed and will lapse.

We are incorporated, and a majority of our business is located, in the PRC. Potential investors should be aware of the differences in the legal, economic and financial systems between the PRC and Hong Kong and that there are different risk factors relating to investment in PRC-incorporated businesses. Potential investors should also be aware that the regulatory framework in the PRC is different from the regulatory framework in Hong Kong and should take into consideration the different market nature of the H Shares. Such differences and risk factors are set out in "Risk Factors" and "Appendix III — Summary of Articles of Association".

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement to subscribe for, and to procure applicants for the subscription for, the Hong Kong Offer Shares, are subject to termination by the Overall Coordinators if certain grounds arise prior to 8:00 a.m. on the day that trading in the Shares commences on the Hong Kong Stock Exchange. Such grounds are set out in the section headed "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 law in the United States and may not be offered, sold, pledged or transferred within the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. The Offer Shares are being offered only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.

**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 websites of the Stock Exchange (**www.hkexnews.hk**) and our Company (**www.micot.cn**). If you require a printed copy of this prospectus, you may download and print from the website addresses above.

* *For identification purposes only*

Monday, June 15, 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 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.micot.cn If you require a printed copy of this prospectus, you may download and print from the websites 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**;

(2) apply through the **HKSCC EIPO channel** to electronically cause HKSCC Nominees to apply on your behalf by instructing your **broker** or **custodian** who is a HKSCC Participant to give **electronic application instructions** through 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 printed document 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 websites above.

Please refer to 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 200 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 H Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer Shares. If you are applying through the **HKSCC EIPO** channel, you are required to prefund your application based on the amount specified by your broker or custodian, as determined based on the applicable laws and regulations in Hong Kong.

| No. of Hong Kong Offer Shares applied for | Maximum Amount payable[2] on application/ successful allotment | No. of Hong Kong Offer Shares applied for | Maximum Amount payable[2] on application/ successful allotment | No. of Hong Kong Offer Shares applied for | Maximum Amount payable[2] on application/ successful allotment | No. of Hong Kong Offer Shares applied for | Maximum Amount payable[2] on application/ successful allotment |
|---|---|---|---|---|---|---|---|
| | *HK$* | | *HK$* | | *HK$* | | *HK$* |
| 200 | 4,242.36 | 3,000 | 63,635.35 | 40,000 | 848,471.40 | 500,000 | 10,605,892.50 |
| 400 | 8,484.71 | 4,000 | 84,847.15 | 50,000 | 1,060,589.26 | 600,000 | 12,727,071.00 |
| 600 | 12,727.07 | 5,000 | 106,058.93 | 60,000 | 1,272,707.10 | 700,000 | 14,848,249.50 |
| 800 | 16,969.43 | 6,000 | 127,270.71 | 70,000 | 1,484,824.96 | 800,000 | 16,969,428.00 |
| 1,000 | 21,211.79 | 7,000 | 148,482.50 | 80,000 | 1,696,942.80 | 900,000 | 19,090,606.50 |
| 1,200 | 25,454.14 | 8,000 | 169,694.28 | 90,000 | 1,909,060.66 | 1,000,000 | 21,211,785.00 |
| 1,400 | 29,696.49 | 9,000 | 190,906.06 | 100,000 | 2,121,178.50 | 2,000,000 | 42,423,570.00 |
| 1,600 | 33,938.86 | 10,000 | 212,117.86 | 200,000 | 4,242,357.00 | 2,902,800[1] | 61,573,569.50 |
| 1,800 | 38,181.22 | 20,000 | 424,235.70 | 300,000 | 6,363,535.50 | | |
| 2,000 | 42,423.56 | 30,000 | 636,353.56 | 400,000 | 8,484,714.00 | | |

(1) Maximum number of Hong Kong Offer Shares you may apply for and this is 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 any such application is liable to be rejected.

*If there is any change in the following expected timetable of the Global Offering, we will issue an announcement on the website of our Company at* ***http://www.micot.cn*** *and the website of the Stock Exchange at* ***http://www.hkexnews.hk****.*

Hong Kong Public Offering commences . . . . . 9:00 a.m. on Monday, June 15, 2026

Latest time to complete electronic applications under the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk**[2] . . . . . 11:30 a.m. on Thursday, June 18, 2026

Application lists open[3] . . . . . 11:45 a.m. on Thursday, June 18, 2026

Latest time to give **electronic application instructions** to HKSCC[4] . . . . . 12:00 noon on Thursday, June 18, 2026

Latest time to complete payment of **HK eIPO White Form** applications by effecting internet banking transfer(s) or PPS payment transfer(s) . . . . . 12:00 noon on Thursday, June 18, 2026

If you are instructing your **broker** or **custodian** who is a HKSCC Participant to give **electronic application instructions** *via* HKSCC's FINI System terminals to apply for the Hong Kong Offer Shares on your behalf, 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 close[3] . . . . . 12:00 noon on Thursday, June 18, 2026

(1) Announcement of the Offer Price, the level of applications in the Hong Kong Public Offering, the level of indications of interest in the International Offering and the basis of allocation of the Hong Kong Offer Shares to be published on our website at **www.micot.cn**[5] and the website of the Hong Kong Stock Exchange at **www.hkexnews.hk**[5] on or before . . . . . 11:00 p.m. on Tuesday, June 23, 2026

(2) Results of allocations in the Hong Kong Public Offering to be available through a variety of channels as described in "How to Apply for Hong Kong Offer Shares — B. Publication of Results" in this prospectus from . . . . . 11:00 p.m. on Tuesday, June 23, 2026

(3) A full announcement of the Hong Kong Public Offering containing (1) and (2) above to be published on the website of the Stock Exchange at **www.hkexnews.hk** and the Company's website at **www.micot.cn**[5] from . . . . . 11:00 p.m. on Tuesday, June 23, 2026

Result of allocations in the Hong Kong Public Offering (with successful applicants' identification document numbers, where appropriate) will be available at the "Allotment Results" page at **www.hkeipo.hk/IPOResult** (or **www.tricor.com.hk/ipo/result**) with a "search by ID" function from . . . . . 11:00 p.m. on Tuesday, June 23, 2026

H Share certificates in respect of wholly or partially successful applications to be despatched or deposited into CCASS on or before[6] . . . . . Tuesday, June 23, 2026

| | |
|---|---|
| **HK eIPO White Form** e-Auto Refund payment instructions/ refund cheques in respect of wholly or partially successful applications if the final Offer Price is less than the price payable on application (if applicable) and wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering to be despatched on or before[(7)(8)] | Wednesday, June 24, 2026 |
| Dealings in H Shares on the Hong Kong Stock Exchange expected to commence at | 9:00 a.m. on Wednesday, June 24, 2026 |

*Notes:*

(1) All dates and times refer to Hong Kong local dates and time, except as otherwise stated. For details of the structure of the Global Offering, including conditions of the Hong Kong Public Offering, please see "Structure of the Global Offering" in this prospectus.

(2) You will not be permitted to submit your application 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 through the designated website at **www.hkeipo.hk** and obtained an application reference number from the designated website before 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 signal and/or Extreme Conditions in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, June 18, 2026, the application lists will not open or close on that day. Please see "How to Apply for Hong Kong Offer Shares — E. Severe Weather Arrangements" in this prospectus.

(4) Applicants who apply for the Hong Kong Offer Shares by giving **electronic application instructions** to HKSCC *via* HKSCC's FINI system should see "How to Apply for Hong Kong Offer Shares — A. Applications for Hong Kong Offer Shares" in this prospectus.

(5) None of the websites or any of the information contained on the websites forms part of this prospectus.

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

(7) **HK eIPO White Form** e-Auto Refund payment instruction/refund cheques will be issued in respect of wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering and also in respect of wholly or partially successful applications in the event that the final Offer Price is less than the price payable per Offer Share on application.

(8) Applicants who have applied through the **HK eIPO White Form** service for 1,000,000 or more Hong Kong Offer Shares may collect H Share certificates in person from our H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong from 9:00 a.m. to 1:00 p.m. on Wednesday, June 24, 2026 or such other date as notified by us as the date of despatch/collection of H Share certificates/**HK eIPO White Form** e-Auto Refund payment instructions/refund cheques. Applicants being individuals who are eligible for personal collection may not authorize any other person to collect on their behalf. If you are a corporate applicant which is eligible for personal collection, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop. Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to our H Share Registrar. Applicants who have applied for Hong Kong Offer Shares through the **HKSCC EIPO** channel should see the section headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies" in this prospectus for details.

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

H Share certificates and/or refund cheques (if applicable) for applicants who have applied for less than 1,000,000 Hong Kong Offer Shares and any uncollected H Share certificates will be despatched by ordinary post, at the applicants' risk, to the addresses specified in the relevant applications.

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

The above expected timetable is a summary only. You should refer to "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this prospectus for details of the structure of the Global Offering, including the conditions of the Global Offering, and the procedures for application for the Hong Kong Offer Shares.

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## IMPORTANT NOTICE TO INVESTORS

*This prospectus is issued by us solely in connection with the Hong Kong Public Offering and the Hong Kong Offer Shares 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 making, and does not constitute, an offer or invitation in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Hong Kong Offer Shares in any jurisdiction other than Hong Kong and no action has been taken to permit the distribution of this prospectus in any jurisdiction other than Hong Kong. The distribution of this prospectus for purposes of a public offering and the offering and sale of the Hong Kong 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. The Hong Kong Public Offering is made solely on the basis of the information contained and the representations made in this prospectus. 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 authorised by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of our or their respective directors, officers, employees, agents, or representatives or any other person involved in the Global Offering. Information contained on our website (**www.micot.cn**) does not form part of this prospectus.*

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*This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all the information that may be important to you. You should read the entire prospectus carefully before you decide to invest in the Offer Shares.* ***In particular, we are a biotechnology company seeking a listing 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.*** *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 R&D activities for the Core Product, and the Core Product may not be successfully developed or marketed. Moreover, 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" You should read that section carefully.*

## OVERVIEW

### Who We Are

We are a biotechnology company specializing in the discovery, development and commercialization of bi-/multi-specific peptide drugs for the treatment of metabolic diseases as well as cardiovascular and cerebrovascular diseases. We have self-developed a product pipeline of one Core Product and other six product candidates. Our Core Product MT1013 is a self-developed, Phase III-stage, dual-targeting receptor agonist polypeptide that simultaneously targets the CaSR and the OGP receptor, primarily designed for the treatment of Chronic Kidney Disease-Secondary Hyperparathyroidism ("**CKD-SHPT**") with potential for expansion into additional indications such as Chronic Kidney Disease-Mineral and Bone Disorder ("**CKD-MBD**") with osteoporosis and CKD-SHPT not on Dialysis.

### WE MAY NOT ULTIMATELY BE SUCCESSFUL IN DEVELOPING AND/OR COMMERCIALIZING OUR CORE PRODUCT OR ANY OF OUR OTHER PIPELINE PRODUCTS

All of the drug candidates have been in-house developed by us. The chart below summarizes the development status of our clinical-stage product candidates as of the Latest Practicable Date:

| Drug Candidates | Target/Mechanism | Indication | Treatment regimen | Region | IND and IND Preparation / Phase I / Phase II / Phase III | Current Status/Projected Milestones | Commercialization Rights |
|---|---|---|---|---|---|---|---|
| **Metabolic drugs** | | | | | | | |
| ★ MT1013 | CaSR/OGP | CKD-SHPT | Monotherapy | PRC | | Complete Phase III clinical trial by the end of 2026 | Global[2] |
| | | | Monotherapy | U.S. | | * | |
| | | CKD-MBD with Osteoporosis | Monotherapy | PRC | | Commence Phase III clinical trial in early 2028[1] | Global |
| | | CKD-SHPT not on Dialysis | Monotherapy | PRC | | File IND by the end of 2027 | |
| ▲ XTL6001 | GLP-1R/ GCGR/MasR | Weight management for obesity or overweight | Monotherapy | PRC | | Complete Phase I clinical trial in Q2 of 2026 | |
| | | | Monotherapy | U.S. | | * | |
| | | Proteinuric CKD | Monotherapy | PRC | | Complete Phase I clinical trial in Q2 of 2026 | |
| | | MASH | Monotherapy | PRC | | File IND in early 2027 | |
| MT2004 | FXR (small-molecule) | DILI | Monotherapy | PRC | | Complete Phase II clinical trial by the end of 2027 | |
| | | MASLD | Monotherapy | PRC | | * | |
| | | | Monotherapy | U.S. | | * | |
| | | CLD | Monotherapy | PRC | | Commence Phase II clinical trial by the end of 2027[3] | |
| MT1009 | PTH1R/OGP | GIOP | Monotherapy | PRC | | Commence Phase I clinical trial in January 2026 | |
| | | | Monotherapy | U.S. | | * | |
| | | PMO | Monotherapy | PRC | | Commence Phase I clinical trial in January 2026 | |
| | | | Monotherapy | U.S. | | * | |
| **Cardio-cerebrovascular drugs** | | | | | | | |
| ▲ MT1002 | Coagulation Factor II/ GP IIb/IIIa | ACS-PCI | Monotherapy | PRC | | Complete Phase IIb[4] clinical trial by mid-2028 | Global |
| | | | Monotherapy | U.S. | | * | |
| | | Stroke | Monotherapy | PRC | | Commence Phase II clinical trial[5][6] by June 2026 | |
| | | HD | Monotherapy | PRC | | Commence Phase II clinical trial[5][7] by July 2026 | |
| | | | Monotherapy | U.S. | | * | |
| | | HD-PF4 | Monotherapy | PRC | | Commence Phase II clinical trial by the end of 2027[5] | |
| ▲ MT200605 | TrKB (small-molecule) | AIS | Monotherapy | PRC | | Complete Phase II clinical trial in 2026 | |
| | | | Monotherapy | U.S. | | * | |
| MT1011 | NOACs (small-molecule) | Universal Anticoagulant Reversal Agent | Monotherapy | PRC | | Complete Phase I clinical trial in Q2 of 2026 | |

★ Core product ▲ Key product ▨ Directly proceed to the next stage * Currently evaluating the competitive landscape and formulating the future Clinical Development Plan

Abbreviation: CaSR: Calcium-Sensing Receptor; OGP: Osteogenic Growth Peptide; CKD-MBD: Chronic Kidney Disease-Mineral and Bone Disorder; GLP-1R: Glucagon-like Peptide-1 Receptor; GCGR: Glucagon Receptor; MasR: Mas Receptor; MASH: Metabolic Dysfunction-associated Steatohepatitis; FXR: Farnesoid X Receptor; DILI: Drug-Induced Liver Injury; MASLD: Metabolic Dysfunction-associated Steatotic Liver Disease; CLD: Cholestatic Liver Disease; PTH1R: Parathyroid hormone 1 receptor; GIOP: Glucocorticoid-Induced Osteoporosis; PMO: Postmenopausal Osteoporosis; GP IIb/IIa: Glycoprotein IIb/IIIa Complex; ACS: Acute Coronary Syndrome; PCI: Percutaneous Coronary Intervention; HD: hemodialysis; HD-PF4: HD with heparin-platelet factor 4 complex positive; PF-4: Platelet Factor-4; AIS: acute ischemic stroke; TrkB: Tyrosine kinase receptor B; NOACs: Novel Oral Anticoagulants

*Notes:*

(1) We have completed Phase II clinical trial of the relevant product for the indication of CKD-SHPT, and as patients with CKD-SHPT are all within the CKD-MBD population, we plan to leverage data collected from respective trials to seek IND approvals from competent regulatory authorities to conduct Phase III clinical trial of the relevant product for the expanded indication of CKD-MBD with Osteoporosis.

(2) Researched and developed in-house. We have granted Everest Medicines (China) Co., Ltd. ("**Everest**") the exclusive right to sell, commercialize and promote MT1013 for the treatment of CKD-SHPT in Mainland China, Hong Kong, Macao and the Taiwan region as well as the Asia-Pacific region (excluding Japan) (the "**Territory**"). We reserved the rights to: (i) research, develop and manufacture MT1013 globally; (ii) commercialize MT1013 for any indications outside Territory; and (iii) commercialize MT1013 in the Territory for any indications other than CKD-SHPT. For more information, see "Business — Commercialization".

(3) The Phase I clinical trial of MT2004 had conducted adequate safety and dose-ranging evaluation to support the therapeutic dose range for the treatment of MASLD and CLD in the PRC, thereby providing the basis for directly commencing the respective Phase II clinical trials.

(4) The Phase IIb clinical trial forms part of MT1002-II-C04 and was conducted to further evaluate the selected dose(s) in a larger patient population. For more information, see "Business — Our Key Product MT1002 — Clinical Trial Overview of MT1002 — MT1002-II-C04 PRC Phase II Efficacy Study in ACS-PCI Patients ".

(5) The Phase I clinical trial of MT1002 had conducted adequate safety and dose-ranging evaluation to support the therapeutic dose range for the treatment of stroke, HD and HD-PF4 in the PRC, thereby providing the basis for directly commencing the respective Phase II clinical trials.

(6) In June 2023, we obtained IND approval from the NMPA to conduct a Phase II clinical trial of MT1002 for stroke. Trial preparation was initiated in March 2026, including the finalization of the clinical trial protocol.

(7) In July 2023, we obtained IND approval from the NMPA to conduct a Phase II clinical trial of MT1002 for HD. Trial preparation was initiated in March 2026, including the finalization of the clinical trial protocol.

**Our Core Product — MT1013**

Our Core Product, MT1013, is a dual-targeting receptor agonist polypeptide that simultaneously targets the CaSR and the OGP receptor. MT1013 is primarily developed with CKD-SHPT as its leading indication and is planned to expand into additional indications including CKD-MBD with Osteoporosis and CKD-SHPT not on Dialysis. MT1013's clinical studies have demonstrated the following:

- MT1013 demonstrated a roughly 2.5-fold higher comprehensive control rate of iPTH, serum calcium, and serum phosphorus compared to etelcalcetide in a head-to-head Phase II evaluation.
- MT1013 showed onset of efficacy within three weeks and sustained control of iPTH levels by week nine, as observed in a Phase II trial.
- MT1013 exhibited cardiovascular benefit potential. MT1013 was associated with greater FGF23 reduction, a biomarker directly linked to cardiovascular risk in CKD-SHPT, alongside effective control of iPTH, serum calcium, and serum phosphorus.
- MT1013 showed a generally favorable safety and tolerability profile, with no severe hypocalcemia reported across clinical trials.
- MT1013 enhanced bone mineral density and metabolism. A Phase II study suggested that MT1013 was associated with improved bone turnover, metabolism, and remodeling balance in CKD-SHPT patients.

The above safety and efficacy profiles are based on findings from early phase(s) of clinical trials and cannot be viewed as definitive. For more information of the clinical results, see "Business — Clinical Trial Overview of MT1013".

CKD-SHPT is caused by CKD as the primary disease, and its therapeutic approach must be determined on an individualized basis, taking into account the stage of the underlying disease, disease severity, serum calcium and phosphate levels, vitamin D metabolism, the degree of PTH elevation and comorbidities. Therapy of CKD-SHPT is primarily symptomatic and progressive in nature, following a stepwise and comprehensive treatment principle. Accordingly, treatment options vary according to individual patient conditions, including phosphate-lowering therapy, vitamin D or vitamin D analogues and calcimimetics etc. The foregoing treatment principles are consistent with prevailing international and domestic clinical guidelines and published reviews, including the KDIGO 2017 Clinical Practice Guideline Update for CKD-MBD and the Chinese Guidelines for the Diagnosis and Treatment of Chronic Kidney Disease-Mineral and Bone Disorder, neither of which classifies CKD-SHPT treatment into formal first-line, second-line or subsequent-line therapies. Frost & Sullivan further confirmed that there is no formal classification of CKD-SHPT treatment into any line of treatment.

We are actively expanding the indications for our Core Product MT1013 into areas such as CKD-MBD with Osteoporosis and CKD-SHPT not on Dialysis in light of the Phase II clinical results, which showed a positive effect on improving bone mineral density.

As of the Latest Practicable Date, MT1013 completed its Phase II clinical trials (MT1013-II-C01 and MT1013-II-C03) for the treatment of CKD-SHPT and has commenced a Phase III clinical trial with Cinacalcet as the active comparator, and all 424 planned patients have been enrolled. Etelcalcetide and Cinacalcet are approved CaSR agonist drugs, for more information, see "Industry Overview — Competitive landscape of CaSR agonist". In respect of the commercialization of MT1013, we have entered into an agreement with Everest. For more information, see "Business — Commercialization".

The market size of CKD-SHPT drugs in the PRC is estimated to reach RMB5.0 billion by 2030 and RMB13.1 billion by 2035, with the CAGR of 21.4%. In 2025, the global number for CKD-SHPT patients reached 160.4 million, and is expected to increase to 188.0 million by 2030.

**Our Key Products**

***XTL6001***

Our Key Product, XTL6001, is a GLP-1R/GCGR/MasR tri-target agonist that has received IND approval in both the PRC and the U.S. and has entered the clinical trial stage. The introduction of MasR into the target panel of GLP-1R/GCGR is novel among current GLP-1 drugs, with potential applications in the treatment of diseases such as

Chronic Weight Management in Obese or Overweight Populations, Proteinuric CKD, and MASH. XTL6001's preclinical studies have demonstrated its ability to preserve muscle mass, achieve weight loss through enhanced energy metabolism-driven mechanisms and deliver multi-organ protection. Phase I clinical trial data show that weekly XTL6001 dosing for 4-5 weeks achieves clinically meaningful reductions in waist circumference driven by visceral fat loss (markedly outperforming hip circumference changes), coupled with robust lipid lowering (TG, LDL-C, ApoB), reduced serum uric acid, and enhanced uric acid clearance, indicating its potential for multimodal cardiometabolic and renal risk control.

XTL6001 had obtained IND approvals in both the PRC and the United States for the treatment of Chronic Weight Management in Obese or Overweight Populations. As of the Latest Practicable Date, the LPLV (Last Patient Last Visit) occurred and the database lock was completed.

The global population affected by metabolic diseases continues to rise, with obesity becoming an increasingly severe issue. The overweight and obesity drug market in the PRC is expected to reach RMB23.5 billion in 2030 and RMB107.3 billion in 2035, with a CAGR of 35.5% from 2030 to 2035. The GLP1R polypeptide drug market in China is expected to grow to RMB81.4 billion in 2030 and RMB176.9 billion in 2035, with a CAGR of 16.8% from 2030 to 2035.

***MT1002***

Our Key Product, MT1002, is a coagulation factor II and GP IIb/IIIa dual-targeting peptide antagonist, primarily designed for clinical needs in anticoagulation and anti-thrombosis for indications such as ACS-PCI, Stroke, HD and HD-PF4. MT1002's clinical studies have demonstrated its potential to address the bleeding and ischemia balance in ACS-PCI, with a fast onset of action, recovery after discontinuation, stable pharmacokinetic profile, and favorable population adaptability.

MT1002 had successfully completed Phase I clinical trials in both the PRC and the United States for the treatment of ACS-PCI. A Phase II clinical trial is underway in the PRC. As of the Latest Practicable Date,five dose-exploration cohorts involving a total of 24 subjects have been completed, and enrollment of 26 subjects in the dose-expansion cohort was completed. In addition, commencement of Phase II clinical trials for Stroke and HD in the PRC is expected by June 2026 and July 2026, respectively.

In 2025, the antithrombotic drugs market in China reached RMB34.5 billion. It is estimated that the antithrombotic drugs market in China will grow to RMB47.2 billion in 2030, and RMB61.8 billion in 2035, with a CAGR of 6.4% from 2025 to 2030 and 5.6% from 2030 to 2035, respectively.

***MT200605***

Our Key Product, MT200605, is a neuroprotectant for injection. Its core breakthrough lies in a dual synergistic mechanism of action — by simultaneously activating the TrkB receptor and eliminating oxygen radicals, it blocks the post-AIS pathological cascade via dual pathways. MT200605's clinical studies have demonstrated its favorable safety and tolerability profile, as well as dual-pathway synergistic neuroprotective effects, offering a therapeutic option for patients.

As of the Latest Practicable Date, MT200605 has successfully completed Phase I clinical studies in both the PRC and the United States. A Phase II clinical trial is underway in the PRC, and enrollment of 360 subjects has been completed.

In 2025, the market size neuroprotective drugs in China reached RMB11.7 billion. It is estimated that the neuroprotective agent market in China will grow to RMB15.7 billion in 2030, and RMB24.6 billion in 2035, with a CAGR of 6.2% from 2025 to 2030 and 9.3% from 2030 to 2035 respectively.

**OUR TECHNOLOGY PLATFORMS**

We have established four core technology platforms, including (i) Bi-/Multi-specific Peptide and Peptide-based Macromolecule Technology Platform, (ii) Computer-Aided Peptide Design Platform, (iii) Oral Peptide Delivery Platform, and (iv) Druggability Evaluation Platform. These platforms collectively span the entire R&D continuum from basic research, drug discovery research, drug development research to NDA submission and serve as the foundational engine driving the advancement of our differentiated peptide-based pipeline. For details, see "Business — Our Technology Platforms".

## RESEARCH AND DEVELOPMENT

For the years ended December 31, 2024 and 2025, our R&D expenses amounted to RMB107.0 million and RMB130.1 million, respectively. We have been focusing our in-house R&D efforts on the development of our Core Product, MT1013. For the years ended December 31, 2024 and 2025, we incurred R&D expenses for MT1013 in amounts of RMB66.7 million and RMB84.4 million respectively, representing 62.3% and 64.9% of our total R&D expenses for the same period, respectively. As of the Latest Practicable Date, we had a team of 117 R&D professionals, representing approximately 80.7% of our total staff count.

## INTELLECTUAL PROPERTY

As of the Latest Practicable Date, we owned (i) 10 granted patents in the PRC, three granted patents in Hong Kong, 23 granted patents overseas, and (ii) three patent applications in the PRC, three patent applications in Hong Kong, 9 patent applications overseas and one PCT patent application. With respect to our Core Product MT1013, we owned (i) four granted patents, including one in the PRC, one in Hong Kong, one in Japan and one in Australia, and (ii) four patent applications, including one in the U.S., one in Europe, one in Canada and one in Korea.

## PRODUCTION

At current stage, as all our manufactured products are investigational drugs for clinical trial use, we arrange production schedules in accordance with clinical development plans and outsource the manufacturing of both active pharmaceutical ingredients (APIs) and drug products to third-party Contract Development and Manufacturing Organizations (CDMOs). Our CMC R&D center, comprising the CMC quality department, API department, formulation department and analytical department, provides support throughout the drug development process. Our CMC platform covers the key CMC development stages for APIs, formulations and sustained-release preparations. Leveraging this platform, our CMC R&D team is capable of independently conducting key activities including API process development, formulation process development and API scale-up at kilogram level.

## COMMERCIALIZATION

As of the Latest Practicable Date, we had not obtained marketing approval for any drug candidates, nor had we generated any revenue from product sales. Anticipating commercialization of our MT1013 in early 2028, we will implement a dual-track commercialization approach: domestically through collaborations with third party Contract Sales Organizations (CSOs) and internationally via license-out partnerships.

During the Track Record Period and up to the Latest Practicable Date, we had no commercialized drugs on the market either in China or overseas. When our drug candidates progress to commercialization in the future, we will determine their prices based on various factors, such as current medical needs, our drugs' pharmacoeconomic evaluation, our production costs, prices of prior line treatment options, competitive landscape and prices of competing drugs, differences in features between our drugs and competing drugs, and health economics in the country to market in. For more information, see "Business — Commercialization".

## SUPPLIERS AND PROCUREMENT

During the Track Record Period, we procure clinical and pre-clinical services, as well as administrative and operational services, from suppliers. For the years ended December 31, 2024 and 2025, the aggregate purchases attributable to our five largest suppliers in each year during the Track Record Period amounted to RMB31.3 million and RMB26.8 million, respectively, representing 39.5% and 27.6% of our total purchases for the respective periods. Purchases attributable to our single largest supplier in each year amounted to RMB7.6 million and RMB8.6 million for the same years, accounting for 9.6% and 8.9% of our total purchases for the respective periods.

## COMPETITION

Our industry is highly competitive and subject to significant change. While we believe that our technology platforms, our drug candidates and our experienced management team provide us with competitive advantages, we face potential competition from many others working to develop therapies targeting the same indications. These include major biopharmaceutical companies, specialty pharmaceutical and biotechnology companies, and academic institutions, government agencies and research institutions.

Any drug candidates that we successfully develop and commercialize will compete both with existing drugs and with any new drugs that may become available in the future. For more information on the competitive landscape of our drug candidates, please see "Industry Overview" in this prospectus.

**RISK FACTORS**

Our business and the Global Offering involve certain risks as set out in "Risk Factors" in this prospectus. You should read that section in its entirety carefully before you decide to invest in our H Shares. Some of our major risks we face include but are not limited to: (i) We face intense competition particularly from other peptide drugs with similar targets. Our competitors may discover, develop or commercialize competing drugs earlier or more successfully than we do; (ii) Our business and financial prospects depend substantially on the success of our clinical stage and pre-clinical stage product candidates, and we may be unable to successfully complete the clinical development, obtain relevant regulatory approvals or we may experience significant delays in doing so; (iii) Adverse events or undesirable side effects in clinical trials could interrupt, delay or halt clinical trials, delay or prevent regulatory approval, limit the commercial profile of an approved label, or result in significant negative consequences following any regulatory approval; (iv) We may allocate our limited resources to pursue a particular drug candidate or indication and fail to capitalize on drug candidates or indications that may later prove to be more profitable or for which there is a greater likelihood of success; (v) We may not be able to identify or discover new drug candidates, or to identify additional therapeutic opportunities for our drug candidates; (vi) We have little experience in manufacturing biopharmaceutical products on a large commercial scale and our business could be materially and adversely affected if we encounter problems in manufacturing our future drug products; (vii) We have limited experience in launching and marketing drug products. If we are unable to leverage third-party sales networks or build and manage our in-house commercialization team, we may not successfully commercialize our drug products; and (viii) Our drug candidates may fail to achieve or maintain the degree of market acceptance, and the actual scale of market sales of our product candidates may be smaller than we anticipate, which could render some product candidates ultimately unprofitable even if commercialized.

**OUR STRENGTHS**

We believe the following competitive strengths have contributed to our success and differentiate us from our competitors. (i) Scientific insights facilitating our development of next-generation bi-/multi-specific peptide drugs; (ii) Core Product MT1013 as the dual-targeting receptor agonist polypeptide targeting CaSR and OGP receptor, with demonstrated improvements in comprehensive control rate and patient survival benefits; (iii) Differentiated pipeline targeting high-potential areas with significant unmet clinical needs; (iv) Integrated end-to-end platform covering the full value chain from discovery to commercialization, enabling accelerated global expansion; and (v) Management team comprised of experts in peptide drug development.

**OUR STRATEGIES**

We intend to pursue the following strategies to further grow our business. (i) Accelerate clinical development and commercialization of our Product Candidates; (ii) Focus on clinical needs and advance peptide drug candidates with mechanisms and commercialisation potential; (iii) Deepen strategic collaborations to unlock the clinical and commercial potential of our Product Candidates; and (iv) Recruit and retain talent to promote systematic training and sustainable development.

**SUMMARY OF HISTORICAL FINANCIAL INFORMATION**

This summary of key financial information set forth below has been derived from, and should be read in conjunction with, the Accountants' Report in Appendix I to, and "Financial Information" of, this prospectus. Our historical financial information was prepared in accordance with IFRS Accounting Standards.

**Summary of Consolidated Statements of Profit or Loss and Other Comprehensive Income**

| | For the Year Ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Other income | 4,002 | 2,301 |
| Other gains and losses, net | 2,670 | 43,268 |
| Administrative expenses | (18,812) | (23,490) |
| Research and development expenses | (107,022) | (130,089) |
| Listing expenses | – | (9,901) |
| Finance costs | (37,646) | (67,003) |
| Loss before tax | (156,808) | (184,914) |
| Income tax expense | (24) | – |
| **Loss for the year** | **(156,832)** | **(184,914)** |

Our other gains and losses, net increased by 1,503.7% from RMB2.7 million for 2024 to RMB43.3 million for 2025, primarily due to gain on non-substantial modification of redemption liabilities arising from an extension of the redemption date in relation to our Pre-IPO Investment, partially offset by (i) a decrease in gain on fair value changes from financial assets at FVTPL which was in turn primarily due to a decrease in interest rates applicable to our financial assets at FVTPL, and (ii) a decrease in gains of early termination of a lease.

Our research and development expenses increased by 21.6% from RMB107.0 million for 2024 to RMB130.1 million for 2025, primarily due to (i) an increase in experiments and tests expenses, and (ii) an increase in staff costs and welfare expenses for our R&D personnel, in connection with our R&D activities with respect to, in particular, our Core Product, MT1013, and a Key Product, MT200605.

Our finance costs increased by 78.2% from RMB37.6 million for 2024 to RMB67.0 million for 2025, primarily attributable to the increase in interest expenses on redemption liabilities.

We recorded net losses of RMB156.8 million and RMB184.9 million for 2024 and 2025, respectively, primarily in relation to: (i) our ongoing investment in R&D activities, (ii) the increase in interest expenses on redemption liabilities which will be reclassified to equity upon Listing, and (iii) partially offset by the increase in other gains and losses, net.

For details, see "Financial Information — Description of Selected Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income".

**Summary of Consolidated Statements of Financial Position**

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Total non-current assets | 61,281 | 69,260 |
| Total current assets | 185,977 | 262,201 |
| Total current liabilities | 77,932 | 266,407 |
| Total non-current liabilities | 42,533 | 1,024,939 |
| Net current assets (liabilities) | 108,045 | (4,206) |
| Total equity (deficits) | 126,793 | (959,885) |

As of December 31, 2025, we recorded net current liabilities of RMB4.2 million compared to net current assets of RMB108.0 million as of December 31, 2024, primarily because (i) part of the non-current portion of our bank borrowings became current, and (ii) redemption liabilities of RMB134.3 million were classified as current liabilities.

As of December 31, 2025, we recorded net liabilities of RMB959.9 million, compared to net assets of RMB126.8 million as of December 31, 2024, primarily because of (i) the redemption liabilities recognized for the shares with preferential rights amounting to RMB1,137.3 million and (ii) loss for the year ended December 31, 2025 amounting to RMB184.9 million, partially offset by the capital injection from shareholders amounting to RMB235.5 million. We expect our net liabilities position to turn into net assets position upon Listing as certain investors' redemption rights will be terminated and the financial liabilities recognized for those rights will be released upon Listing.

For details, see "Financial Information — Discussion of Certain Selected Items from the Consolidated Statements of Financial Position".

**Summary of Consolidated Statements of Cash Flows**

| | For the Year Ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Net Cash used in Operating Activities | (107,742) | (137,130) |
| Net Cash from (used in) Investing Activities | 54,803 | (57,582) |
| Net Cash from Financing Activities | 21,123 | 212,235 |
| Net (Decrease) Increase in Cash and Cash Equivalents | (31,816) | 17,523 |
| Cash and Cash Equivalents at the Beginning of the Year | 95,942 | 64,661 |
| Effect of Foreign Exchange Rate Changes | 535 | (1,628) |
| Cash and Cash Equivalents at the End of the Year | **64,661** | **80,556** |

During the Track Record Period, we incurred negative cash flows from our operations and our operating cash outflows mainly resulted from our research and development expenses.

For details, see "Financial Information — Liquidity and Capital Resources — Cash Flows".

## OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Dr. Wang Bing (王冰), Dr. Wang Mei (王梅) and Xi'an Zhongrui directly held 40.56%, 6.60% and 5.48% of the interest in our Company, respectively. Dr. Wang Bing and Dr. Wang Mei are spouses. Dr. Wang Mei and Dr. Wang Bing held 99.00% and 1.00% of the equity interest, respectively, in Xi'an Zhongrui Zekang Enterprise Management Consulting Co., Ltd.* (西安眾瑞澤康企業管理諮詢有限公司) ("**Zhongrui Zekang**"), which acts as the general partner of Xi'an Zhongrui. Xi'an Zhongrui directly held 5.48% of the equity interest in the Company, such that Dr. Wang Mei and Dr. Wang Bing are deemed to be the beneficial owners of the 5.48% equity interest in the Company held by Xi'an Zhongrui. Therefore, Dr. Wang Bing, Dr. Wang Mei, Xi'an Zhongrui and Zhongrui Zekang will be regarded as our Controlling Shareholders under the Listing Rules before the Listing.

Immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised), Dr. Wang Bing, Dr. Wang Mei, Xi'an Zhongrui and Zhongrui Zekang will collectively be entitled to exercise approximately 43.43% voting rights in our Company and thus remain as our Controlling Shareholders.

## PRE-IPO INVESTORS

We have attracted certain Pre-IPO Investors and undergone six rounds of financing as of the Latest Practicable Date. Our Pre-IPO Investors include Sophisticated Investors, such as Northern Light Venture Capital (北極光創投) and NRL Capital (紐爾利資本), who have made meaningful investment in our Company in accordance with Chapter 2.3 of the Guide for New Listing Applicants. As of the Latest Practicable Date, Northern Light Venture Capital (through Beta Achieve) and NRL Capital (through Suzhou Mainiv) held approximately 6.48% and 9.99%, respectively, of our Company's total issued share capital, and will hold approximately 5.35% and 8.24%, respectively, upon the Listing (assuming that the Over-allotment Option is not exercised). For details, see "History, Development and Corporate Structure — Pre-IPO Investment — 3. Information about our Pre-IPO Investors".

To the best knowledge of our Directors, save as disclosed below, each of the Pre-IPO Investors and their respective ultimate beneficial owners is an independent third party, and has no relationship with any connected persons of our Company or other Pre-IPO Investors.

## GLOBAL OFFERING STATISTICS

The statistics in the following table are based on the assumptions that (i) the Global Offering has been completed and 58,054,400 H Shares are newly issued in the Global Offering, (ii) the Over-allotment Option for the Global Offering is not exercised, and (iii) 331,740,350 Shares are issued and outstanding following the completion of the Global Offering:

| | **Based on an Offer Price of HK$18.20 per Share** | **Based on an Offer Price of HK$21.00 per Share** |
|---|---|---|
| Market capitalization of our Shares[(1)] . . . | HK$6,037.7 million | HK$6,966.5 million |
| Unaudited pro forma adjusted net tangible (liabilities) assets per Share[(2)] . | HK$(0.37) | HK$0.12 |

*Notes:*

(1) The calculation of market capitalization is based on 331,740,350 Shares expected to be in issue immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised). The number of Shares in calculating the market capitalization is different from that in calculating the unaudited pro forma adjusted net tangible liabilities per Share as set out in note (2) below is primarily because the number of treasury shares are not excluded from the total number of Shares when calculating the market capitalisation. Those treasury shares refer to shares held by Xi'an Zhongrui, the Pre-IPO Share Incentive Plan of the Company and was treated as treasury shares under the relevant accounting treatment. However, those Shares held by Xi'an Zhongrui would be converted into H Shares and listed on the Stock Exchange, hence they are not excluded from the total share capital of the Company or the calculation of market capitalization.

(2) The unaudited pro forma adjusted net tangible (liabilities) assets per Share as of December 31, 2025 is calculated after making the adjustments referred to in Appendix II and on the basis that 316,740,350 Shares are expected to be in issue immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised).

(3) No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets (liabilities) of the Group attributable to owners of the Company as at December 31, 2025 to reflect any trading result or other transactions of the Group entered into subsequent to December 31, 2025. In particular, the unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company as shown in Appendix II to this prospectus have not been adjusted to illustrate the effect of the termination of the redemption and other preferential rights granted to the investors of Series A, B, B1, C and D Financings upon completion of the Global Offering ("**Termination of Preferential Rights**"), which would result in the reclassification of the redemption liabilities with carrying amount of RMB1,159,018,000 as at December 31, 2025 to equity.

Assuming the Series D Financing, Termination of Preferential Rights, Share Subdivision and Global Offering had been completed on December 31, 2025, the unaudited pro forma adjusted consolidated net tangible (liabilities) assets of the Group attributable to owners of the Company would have adjusted by RMB1,159,018,000, resulting in unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company of RMB1,057,188,000 and RMB1,192,806,000, based on an Offer Price of HK$18.2 and HK$21.0 per H Share, respectively. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at December 31, 2025 per Share after Termination of Preferential Rights would have been RMB3.34 per Share (approximately HK$3.84 per Share) and RMB3.77 per Share (approximately HK$4.33 per Share), respectively, calculated on the basis of 316,740,350 Shares in issue and based on an Offer Price of HK$18.2 and HK$21.0 per H Share.

For details, please see "Unaudited Pro Forma Financial Information" in Appendix II to this prospectus.

For the calculation of the unaudited pro forma adjusted net tangible asset value per Share attributed to our Shareholders, see "Unaudited Pro Forma Financial Information" in Appendix II to this prospectus.

## FUTURE PLANS AND USE OF PROCEEDS

We estimate that we will receive net proceeds of approximately HK$1,067.2 million after deducting the underwriting fees and expenses payable by us in the Global Offering assuming an Offer Price of HK$19.60 per Offer Share, being the mid-point of the indicative Offer Price range of HK$18.20 to HK$21.00 per Offer Share set out in this prospectus. We intend to use the net proceeds from the Global Offering for the following purposes: (i) approximately 39.1%, or HK$417.3 million, will be used for ongoing and planned clinical trials and planned commercial launch of our Core Product; (ii) approximately 36.3%, or HK$387.4 million, will be used for ongoing and planned clinical trials and planned commercial launch of our Key Products; (iii) approximately 14.6%, or HK$155.8 million, will be used for the R&D of our other product candidates and technology platforms; and (iv) approximately 10.0%, or HK$106.7 million, will be used for working capital and general corporate purposes.

## DIVIDENDS

No dividend has been proposed, paid or declared by our Company since its incorporation. As of the Latest Practicable Date, we did not have a formal dividend policy or fixed dividend payout ratio. We do not have any plan to declare or pay any dividends in the foreseeable future. The determination of whether to pay a dividend and in which amount is based on factors the Board may deem relevant. Any dividend distribution will also be subject to the approval of the Shareholders in the Shareholder's meeting. Under the PRC law and the Articles of Association, the general reserve requires annual appropriations of 10% of after-tax profits at each year-end until the balance reaches 50% of the relevant PRC entity's registered capital. In view of our accumulated losses, as advised by our PRC Legal Advisor, according to the relevant PRC laws and regulations and the Articles of Association, we shall not declare or pay dividend until the accumulated losses are covered by our after-tax profits and sufficient statutory common reserve are drawn in accordance with the relevant laws, regulations and our Articles of Association.

## LISTING EXPENSES

Listing expenses to be borne by us are estimated to be approximately RMB61.4 million (including underwriting commission, at the Offer Price of HK$19.60 per H Share, being the midpoint of the indicative Offer Price range of HK$18.20 to HK$21.00 per H Share), which represent 6.2% of the gross proceeds from the Global Offering, assuming no Shares are issued pursuant to the Over-allotment Option. The above listing expenses are comprised of (i) underwriting-related expenses, including sponsor fee and underwriting commission, of RMB39.6 million, and (ii) non-underwriting-related expenses of RMB21.8 million, including (a) the legal advisors and the reporting accountants' expenses of RMB13.0 million, and (b) other fees and expenses of RMB8.8 million. Approximately RMB19.4 million of our listing expenses shall be charged to our consolidated statements of profit or loss, among which, approximately RMB9.9 million has been charged during the Track Record Period, and approximately RMB42.0 million is expected to be deducted from equity upon Listing. The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

## APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Listing Committee for the granting of the listing of, and permission to deal in, our H Shares to be converted from the Unlisted Shares, our H Shares to be issued pursuant to the Global Offering (including any H Shares which may be issued pursuant to the Over-allotment Option). No part of our H Shares 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 in the near future.

Under section 44B(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any allotments made in respect of any applications will be invalid if the listing of, and permission to deal in, the Offer 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 the Stock Exchange.

## RECENT DEVELOPMENT

### Clinical Development

The Phase III clinical trial of MT1013 for CKD-SHPT was initiated in July 2025. As of the Latest Practicable Date, all 424 planned patients have been enrolled. The Phase I clinical trial of XTL6001 for overweight and obesity was initiated in June 2025. As of the Latest Practicable Date, the LPLV had occurred and the database lock had been completed.

### Expected Net Loss in 2026

We expect to record an increase in net loss in 2026, primarily due to (i) our continued investment in R&D as we advance the development of our drug candidates, and (ii) an increase in share-based payment expenses.

### Progress in Commercialization

In February 2026, in respect of the commercialization of MT1013 for the treatment of CKD-SHPT in Asia-Pacific (excluding Japan), we entered into an agreement with Everest. For more information, see "Business — Commercialization".

## NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, up to the date of this prospectus, there has been no material adverse change in our operations, financial performance, market position or prospects since December 31, 2025, being the end date of the periods reported on in the Accountants' Report 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 in Appendix I to this prospectus.

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

| | |
|---|---|
| "Accountants' Report" | the accountants' report of our Company, the text of which is set out in "Appendix I" |
| "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" | Accounting and Financial Reporting Council of Hong Kong |
| "Articles of Association" or "Articles" | the articles of association of our Company adopted on September 19, 2025 with effect from the Listing Date, as amended, supplemented or otherwise modified from time to time, a summary of which is set out in "Appendix III — Summary of Articles of Association" |
| "associate(s)" | has the meaning ascribed to it under the Listing Rules |
| "Audit Committee" | audit committee of our Board |
| "Board" or "Board of Directors" | the board of Directors of our Company |
| "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 |
| "CAGR" | the compound annual growth rate, annualized average growth rate between given years, assuming growth takes place at an exponentially compound rate |
| "Capital Market Intermediary(ies)" | the capital market intermediary(ies) participating in the Global Offering as set out in "Directors and Parties Involved in the Global Offering" in this prospectus |
| "CCASS" | Central Clearing and Settlement System established and operated by HKSCC |
| "China", "Mainland China" or "PRC" | the People's Republic of China, but for the purpose of this prospectus and for geographical reference only and except where the context requires otherwise, references in this prospectus to "China" and the "PRC" do not apply to Hong Kong, the Macau Special Administrative Region and Taiwan Region |
| "close associate(s)" | has the meaning ascribed to it under the Listing Rules |
| "Companies Ordinance" | 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 or supplemented from time to time |

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| "Company" or "our Company" | Shaanxi Micot Pharmaceutical Technology Co., Ltd. (陝西麥科奧特醫藥科技股份有限公司), established under the laws of the PRC on 19 January 2007 as a limited liability company and converted into a joint stock company under the laws of the PRC on January 17, 2025 |
| "Company Law" or "PRC Company Law" | the Company Law of the PRC (《中華人民共和國公司法》), as amended, supplemented or otherwise modified from time to time |
| "Controlling Shareholder(s)" | has the meaning ascribed thereto under the Listing Rules and unless the context requires otherwise, refers to Dr. Wang Bing, Dr. Wang Mei, Xi'an Zhongrui and Xi'an Zhongrui Zekang Enterprise Management Consulting Co., Ltd* (西安眾瑞澤康企業管理諮詢有限公司), further details of which are set out in "Relationship with our Controlling Shareholders" |
| "connected persons(s)" | has the meaning ascribed to it under the Listing Rules |
| "connected transaction(s)" | has the meaning ascribed to it under the Listing Rules |
| "core connected person" | 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 MT1013 |
| "Corporate Governance Code" | the Corporate Governance Code as set out in Appendix C1 to the Listing Rules |
| "CSDC" | China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司) |
| "CSRC" | the China Securities Regulatory Commission (中國證券監督管理委員會) |
| "Deed of Indemnity" | the deed of indemnity dated June 10, 2026 entered into by Dr. Wang Bing and Dr. Wang Mei, our Controlling Shareholders in favor of our Company (for our Company and as trustee for each of our subsidiaries) |
| "Director(s)" | the director(s) of our Company |
| "Domestic Share(s)" | ordinary share(s) in the share capital of our Company with a nominal value of RMB0.02 each upon the completion of the Share Subdivision, which is/are subscribed for and paid up in RMB; before the completion of the Share Subdivision, ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which is/are subscribed for and paid up in RMB |
| "Employee Incentive Platform(s)" | the employee shareholding platform(s) of our Company, namely Xi'an Zhongrui |
| "Exchange Participant(s)" | a person (a) who, in accordance with the Listing Rules, may trade on or through the Hong Kong Stock Exchange; and (b) whose name is entered in a list, register or roll kept by the Hong Kong Stock Exchange as a person who may trade on or through the Hong Kong Stock Exchange |

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| "Extreme Conditions" | the occurrence of "extreme conditions" as announced by any government authority of Hong Kong due to serious disruption of public transport services, extensive flooding, major landslides, large-scale power outage or any other adverse conditions before Typhoon Signal No. 8 or above is replaced with Typhoon Signal No. 3 or below |
| "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 possessing of specified information on subscription in and settlement for all new listing of equity securities or interests issued by a new applicant, irrespective of whether there is an offering of equity securities or interests |
| "Frost & Sullivan" or "Industry Consultant" | Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., our industry consultant, an independent market research and consulting company |
| "Global Offering" | the Hong Kong Public Offering and the International Offering |
| "General Rules of HKSCC" | the General Rules of HKSCC as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures |
| "Group," "our Group," "we," "our" or "us" | our Company and its subsidiaries (or our Company and any one or more of its subsidiaries, as the context may require) |
| "Guide for New Listing Applicants" | the Guide for New Listing Applicants issued by the Stock Exchange, as amended, supplemented or otherwise modified from time to time |
| "H Share(s)" | ordinary share(s) in the share capital of our Company with a nominal value of RMB0.02 each upon the completion of the Share Subdivision, which will be subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange; before the completion of the Share Subdivision, ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which will be subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange |
| "H Share Registrar" | Tricor Investor Services Limited |
| "**HK eIPO White Form**" | the application for Hong Kong Offer Shares to be issued in the applicant's own name by submitting applications 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 |

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| "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, containing the practices, procedures and administrative or other requirements relating to HKSCC's services and the operations and functions of CCASS, FINI or any other platform, facility or system established, operated and/or otherwise provided by or through HKSCC, 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 dollars" or "HK$" | Hong Kong dollars, the lawful currency of Hong Kong |
| "Hong Kong Offer Shares" | 5,805,600 H Shares initially offered by us 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 (as set out in "Structure of the Global Offering") at the Offer Price and on, and subject to, the terms and conditions described in this prospectus |
| "Hong Kong Underwriters" | the underwriters as set out in "Underwriting — Hong Kong Underwriters" |
| "Hong Kong Underwriting Agreement" | the underwriting agreement dated June 12, 2026 relating to the Hong Kong Public Offering, entered into by, among others, our Company, the Controlling Shareholders, the Joint Sponsors and the Hong Kong Underwriters, as set out in "Underwriting" |
| "IFRS" | International Financial Reporting Standards |
| "Independent Third Party(ies)" | any entity(ies) or person(s) who is not a connected person of our Company or an associate of any such entity(ies) or person(s) within the meanings ascribed thereto under the Listing Rules |
| "International Offering" | the offer of the International Offer Shares by the International Underwriters at the Offer Price, outside the United States in offshore transactions in accordance with Regulation S, as set out in "Structure of the Global Offering" |

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| "International Offer Shares" | 52,248,800 H Shares (subject to the exercise of the Over-allotment Option as set out in "Structure of the Global Offering") initially offered by our Company pursuant to the International Offering |
| "International Underwriters" | the underwriters of the International Offering |
| "International Underwriting Agreement" | the international underwriting agreement relating to the International Offering, which is expected to be entered into by, among others, our Company, our Controlling Shareholders, the Joint Sponsors and the International Underwriters on or around the Price Determination Date, as set out in "Underwriting" |
| "Jinan Liuji" | Jinan Liuji Enterprise Management Partnership Enterprise (Limited Partnership)* (濟南六驥企業管理合夥企業(有限合夥)) |
| "Joint Bookrunners" | the joint bookrunners as named in "Directors and Parties Involved in the Global Offering" |
| "Joint Global Coordinators" | the joint global coordinators as named in "Directors and Parties Involved in the Global Offering" |
| "Joint Lead Managers" | the joint lead managers as named in "Directors and Parties Involved in the Global Offering" |
| "Joint Sponsors", "Sponsor-Overall Coordinators" and "Overall Coordinators" | the joint sponsors, overall coordinators, and sponsor-overall coordinators as named in "Directors and Parties Involved in the Global Offering" |
| "Latest Practicable Date" | June 7, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this prospectus prior to its publication |
| "Linhai Qize" | Linhai Qize Maite Venture Investment Partnership (Limited Partnership) (臨海市啟澤麥特創業投資合夥企業(有限合夥)) |
| "Listing" | the listing of the H Shares on the Main Board of the Stock Exchange |
| "Listing Committee" | the listing sub-committee of the Stock Exchange |
| "Listing Date" | the date expected to be on or about Wednesday, June 24, 2026, on which the H Shares are listed and from which dealings therein are permitted to take place on the Main Board of the Stock Exchange |
| "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 |
| "Maicheng Century" | Maicheng Century (Xi'an) Enterprise Management Partnership Enterprise (Limited Partnership)* (麥誠世紀(西安)企業管理合夥企業(有限合夥)) |
| "Main Board" | the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange |

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| "Nasdaq" | National Association of Securities Dealers Automated Quotations |
| "NDRC" | 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) |
| "Nomination Committee" | the nomination committee of our Board |
| "Offer Price" | the final offer price per H Share (exclusive of a brokerage fee of 1.0%, a SFC transaction levy of 0.0027%, a Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), expressed in Hong Kong dollars, at which Hong Kong Offer Shares are to be subscribed for pursuant to the Hong Kong Public Offering and International Offer Shares are to be offered pursuant to the International Offering, to be determined as set out in "Structure of the Global Offering — Pricing and Allocation" |
| "Offer Share(s)" | the Hong Kong Offer Shares and/or the International Offer Share(s), as the context may require |
| "Over-allotment Option" | the option expected to be granted by our Company to the International Underwriters, exercisable by the Overall Coordinator (for itself and on behalf of the International Underwriters), pursuant to which our Company may be required to allot and issue up to an aggregate of 8,708,000 additional H Shares, representing up to 15.0% of the Offer Shares initially being offered under the Global Offering, at the Offer Price to, among other things, to cover over-allocations in the International Offering, if any, details of which are set out in "Structure of the Global Offering — Over-allotment Option" |
| "PBOC" | the People's Bank of China (中國人民銀行), the central bank of the PRC |
| "PRC Company Law" | Company Law of the PRC (《中華人民共和國公司法》), as amended, supplemented or otherwise modified from time to time |
| "PRC Legal Advisor" | JunHe LLP, our legal advisor as to PRC law |
| "PRC Intellectual Property Legal Advisor" | Tian Yuan Law Firm, our legal advisor as to PRC intellectual property law |
| "Pre-IPO Investment(s)" | the investment(s) in our Company undertaken by the Pre-IPO Investors, the details of which are set out in "History, Development and Corporate Structure" |
| "Pre-IPO Investor(s)" | the investor(s) as set out in "History, Development and Corporate Structure" |
| "Price Determination Date" | the date expected to be on or around Monday, June 22, 2026, but no later than 12:00 noon on Monday, June 22, 2026, on which our Company and the Overall Coordinators (for itself and on behalf of the Underwriters) determine the Offer Price for the purpose of the Global Offering |
| "prospectus" | this prospectus being issued in connection with the Hong Kong Public Offering |

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| "R&D" | research and development |
| "Regulation S" | Regulation S under the U.S. Securities Act |
| "Remuneration Committee" | the remuneration committee of our Board |
| "RMB" or "Renminbi" | Renminbi, the lawful currency of the PRC |
| "SFC" | Securities and Futures Commission of Hong Kong |
| "SFO" | Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time |
| "Shaanxi Innovation Relay" | Shaanxi Innovation Relay Equity Investment Partnership (Limited Partnership)* (陝西創新接力股權投資合夥企業(有限合夥)) |
| "Shaanxi Jingang" | Shaanxi Jingang Nongtou Biomedical Industry Development Equity Investment Partnership (Limited Partnership)* (陝西金港農投生物醫藥產業發展股權投資合夥企業(有限合夥)) |
| "Share(s)" | ordinary share(s) in the share capital of our Company with a nominal value of RMB0.02 each upon the completion of the Share Subdivision; before the completion of the Share Subdivision, ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, comprising Unlisted Share(s) and H Share(s) |
| "Share Subdivision" | the subdivision of each share in our Company's share capital with a nominal value of RMB1.00 each into 50 shares with a nominal value of RMB0.02 each effective immediately prior to the Listing |
| "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 |
| "Stabilising Manager" | CCB International Capital Limited |
| "State Council" | The State Council of the People's Republic of China (中華人民共和國國務院) |
| "Stock Exchange" or the "Hong Kong Stock Exchange" | The Stock Exchange of Hong Kong 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 |
| "Supervisor(s)" | the supervisor(s) of our Company |
| "Takeovers Code" | the Codes on Takeovers and Mergers and Share Buybacks issued by the SFC, as amended, supplemented or otherwise modified from time to time |
| "Track Record Period" | the two years ended December 31, 2024 and 2025 |

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| "treasury shares" | has the meaning ascribed to it under the Listing Rules |
| "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) in the share capital of our Company with a nominal value of RMB0.02 each upon the completion of the Share Subdivision, which is/are not listed on any stock exchange; before the completion of the Share Subdivision, ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which is/are not listed on any stock exchange |
| "U.S." or "United States" | the United States of America, its territories and possessions, any state of the United States and the District of Columbia |
| "U.S. dollars", "US$" or "USD" | the United States dollars, the lawful currency of the U.S. |
| "U.S. Securities Act" | the United States Securities Act 1933, as amended or supplemented from time to time |
| "Xi'an Zhongrui" | Xi'an Zhongrui Hongyuan Information Technology Partnership (Limited Partnership) (西安眾瑞弘元信息科技合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on July 18, 2019, an employee incentive platform of our Company |
| "Zhongrui Zekang" | Xi'an Zhongrui Zekang Enterprise Management Consulting Co., Ltd.(西安眾瑞澤康企業管理諮詢有限公司) a limited liability company incorporated under the laws of the PRC on July 10, 2019, a General Partner of Xi'an Zhongrui |
| "%" | percent |

*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 may not correspond to standard industry definitions and may not be comparable to similarly terms adopted by other companies.*

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| "absorption" | within the context of drug metabolism, the process by which drug compounds and other molecules move across cells and tissues such as the gastrointestinal tract into the circulatory system |
| "ACS" | acute coronary syndromes |
| "ACS-PCI" | Acute Coronary Syndrome-Percutaneous Coronary Intervention. ACS patients who undergo percutaneous coronary intervention (PCI) procedures |
| "ADMET" | Absorption, Distribution, Metabolism, Excretion and Toxicity |
| "AIDD" | artificial intelligence for drug design |
| "AIS" | acute ischemic stroke |
| "API" | active pharmaceutical ingredient, the component of a drug product that is intended to furnish pharmacological activity or other direct effect in the diagnosis, cure, mitigation, treatment, or prevention of disease, or to affect the structure or any function of the body |
| "AMD" | age-related macular degeneration |
| "ANG-(1-7)" | Angiotensin-(1-7), an important biologically active molecule |
| "BMI" | body mass index, a numerical value calculated from height and weight, providing a standardized measure to classify underweight, healthy weight, being overweight, and obesity |
| "CADD" | computer aided drug design |
| "CaSR" | calcium-sensing receptor, a G protein-coupled receptor located on the cell membrane |
| "CDE" | the Center for Drug Evaluation of the NMPA |
| "CDMO" | contract development and manufacturing organization, a company that serves other companies in the pharmaceutical industry on a contract basis, providing drug development and drug manufacturing services |
| "CHD" | consumer health data |
| "Cinacalcet" | a CaSR agonist drug approved by the FDA and the NMPA for the treatment of CKD-SHPT and Hypercalcemia |
| "CKD" | chronic kidney disease |

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| "CKD-MBD" | the coexistence of chronic kidney disease, mineral and bone disorder (CKD-MBD) and either osteoporosis or low bone mass (osteopenia) |
| "CKD-SHPT" | chronic kidney disease-secondary hyperparathyroidism, specifically at the advanced stage of CKD where maintenance hemodialysis is necessary, unless the context indicates otherwise |
| "CLD" | cholestatic liver disease |
| "clinical trial" | an experiment done in clinical research |
| "CMC" | chemistry, manufacturing, and controls, a term for the chemical composition, formulation, and quality control processes used in the manufacturing of a drug |
| "Comprehensive Control Rate" | the proportion achieving all three targets (iPTH, serum calcium, and serum phosphorus) simultaneously, where iPTH is maintained at 2-9 times the upper limit of normal (130-586 pg/mL), serum calcium at 2.10-2.50 mmol/L, and serum phosphorus at 1.13-1.78 mmol/L |
| "COVID-19" | coronavirus disease 2019, a disease caused by a novel virus designated as severe acute respiratory syndrome coronavirus |
| "CRO" | contract research organization, a company that provides research services to pharmaceutical and biotechnology companies on a contract basis |
| "DILI" | drug-induced liver injury, liver damage caused by the drug itself and/or its metabolites or due to hypersensitivity or reduced tolerance to the drug due to special physical conditions during drug use DIO mouse model |
| "distribution" | in the context of DMPK, the process by which molecules are transported throughout the body |
| "double-blind" | a type of clinical trial in which neither the participants nor the researcher knows which treatment or intervention participants are receiving until the clinical trial is completed |
| "DKD" | diabetic kidney disease |
| "DMPK" | Drug Metabolism and Pharmacokinetics |
| "EAP" | Efficacy Assessment Period |
| "ERAS" | enhanced recovery after surgery |
| "Etelcalcetide" | a CaSR agonist drug approved by the FDA and the NMPA for the treatment of CKD-SHPT |
| "FDA" | the United States Food and Drug Administration, a federal agency of the Department of Health and Human Services |
| "FGF23" | fibroblast growth factor 23 |

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| "FPI" | first patient in |
| "FXR" | Farnesoid X Receptor |
| "GA" | geographic atrophy |
| "GCP" | good clinical practice, an international ethical and scientific quality standard for the performance of a clinical trial on medicinal products involving humans |
| "GFR" | glomerular filtration rate, a quantitative measure of kidney function reflecting the volume of plasma filtered by the glomeruli per unit time |
| "GLP" | good laboratory practice, a quality system of management controls for research laboratories and organizations to try to ensure the uniformity, consistency, reliability, reproducibility, quality and integrity of chemical and pharmaceuticals non-clinical safety tests |
| "GIOP" | glucocorticoid-induced osteoporosis |
| "GLP-1" | glucagon-like peptide-1, a peptide hormone that exerts biological function through activation of GLP-1 receptors, which are expressing in various organs and tissues in the body, including adipose tissue, the liver, the cardiovascular system, and the central nervous system. In pancreatic islets, GLP-1 stimulates insulin secretion and suppresses glucagon release. Importantly, GLP-1 can increase cell regeneration. Furthermore, GLP-1-based therapy can also suppress appetite, delay gastric emptying, regulate blood lipid metabolism and reduce fat deposition |
| "GLP-1R/GLP1R" | glucagon-like peptide-1 receptor |
| "GLP-1 based therapy" | a class of therapy that mimics the biological function of GLP-1 for the treatment of diabetes, obesity and being overweight, metabolic dysfunction-associated steatohepatitis, other metabolic diseases and Alzheimer's disease |
| "GLP-1 receptor agonist/ GLP-1 RA" | a class of drug that activates the GLP-1 receptor for the treatment of diabetes, obesity and being overweight, metabolic dysfunction-associated steatohepatitis, other metabolic diseases |
| "glucagon" | a hormone that raises blood sugar levels by signaling the liver to release stored glucose |
| "glucagon receptor" or "GCGR" | a protein that is activated by glucagon that is a target of interest for developing innovative drugs for the treatment of diabetes |
| "GMP" | good manufacturing practice, a quality system imposed on pharmaceutical firms to ensure that products produced meet specific requirements for identity, strength, quality and purity, and enforced by public agencies, for example the FDA |
| "GP IIb/IIIa" | Glycoprotein IIb/IIIa Complex |

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| "GI side effect" | gastrointestinal side effect |
| "HD-PF4" | hemodialysis (HD) with heparin-platelet factor 4 complex positive |
| "half-life" | the time required for a quantity of substance to reduce to half of its initial quantity |
| "HD" | hemodialysis, clearing metabolic waste and excess water from the blood through extracorporeal circulation for renal replacement therapy in patients with acute and chronic renal failure |
| "hit to lead" | critical early-stage drug discovery process that involves optimizing initially identified "hits" (compounds showing desired biological activity in initial screens) into "leads" (promising drug candidates with improved potency, selectivity, pharmacokinetic properties, and preliminary safety profiles) |
| "ICH E1" | The Extent of Population Exposure to Assess Clinical Safety for Drugs Intended for Long-Term Treatment of Non-Life-Threatening Conditions E1, a clinical safety guideline issued by the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use on October 27, 1994, which provides guidance on the extent of patient exposure generally considered appropriate for the safety assessment of drugs intended for long-term treatment of non-life-threatening conditions |
| "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 |
| "in vitro activity validation" | the process of confirming and characterizing the biological activity, potency, and specificity of a compound outside a living organism |
| "in vivo exposure" | the administration of a compound to a living organism and the subsequent measurement of its systemic exposure, distribution, metabolism, and elimination over time |
| "in vitro druggability assessment" | an early-stage evaluation process in drug discovery that uses cell-free or cell-based assays to determine whether a biological target is amenable to modulation by drug-like molecules |
| "in vivo druggability assessment" | the evaluation of a compound's potential to exert its intended pharmacological effect in a living organism |
| "insulin" | a hormone that regulates blood glucose levels by facilitating the uptake of glucose from blood into cells and inhibiting the liver from producing more glucose |
| "*in vitro*" | latin for "within the glass", referring to studies that are performed with biological molecules outside their normal biological context |

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| "*in vivo*" | latin for "within the living", referring to studies in which the effects of various biological molecules are tested on whole, living organisms or cells, usually animals, including humans, and plants, as opposed to a tissue extract or dead org |
| "iPTH" | intact parathyroid hormone |
| "KOR" | kappa opioid receptor |
| "liver fibrosis" | the excessive accumulation of extracellular matrix proteins including collagen that occurs in most types of chronic liver diseases |
| "LPLV" | last patient last visit |
| "MACE" | major adverse cardiovascular events |
| "MAH" | the marketing authorisation holder, the entity that obtains a drug registration certificate from the relevant drug regulatory authority, who is allowed to market and sell a drug in the approved region and is responsible for the entire lifecycle of the drug, including R&D, manufacturing, marketing, and usage |
| "MAFLD" | metabolic dysfunction-associated fatty liver disease, a range of liver conditions in individuals with metabolic dysfunction |
| "MAPK/ERK" | a conserved signaling cascade (mitogen-activated protein kinase/extracellular signal-regulated kinase) that transmits extracellular stimuli to the nucleus, controlling cell growth, differentiation, migration, and apoptosis, implicated in inflammation and tissue repair |
| "MASLD" | metabolic dysfunction-Associated steatotic liver disease |
| "MASH" | metabolic dysfunction-associated steatohepatitis, the liver manifestation of a metabolic disorder, and the most severe form of MAFLD |
| "MaSR" | Mas receptor |
| "MBD" | mineral and bone disorder |
| "metabolic disease" | a kind of disorder that disrupts normal metabolism, the body's natural process of converting food into nutrients on a cellular level |
| "monotherapy" | the use of a single therapy |
| "MRCT" | multi-regional clinical trial, clinical trials conducted across multiple regions of the world |
| "NACE" | net adverse clinical events |
| "NASH" | non-alcoholic steatohepatitis |
| "NDA" | new drug application, the formal application to the FDA or NMPA proposing approval of a new pharmaceutical product for sale and marketing |

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| "NIHSS" | National Institutes of Health Stroke Scale |
| "NMPA" | the National Medical Products Administration of the PRC (中國國家藥品監督管理局) |
| "NSTEMI" | non-ST-segment elevation myocardial infarction |
| "obesity" | the abnormal or excessive fat accumulation in the body |
| "OGP" | osteogenic growth peptide, a polypeptide consisting of 14 amino acid residues |
| "onset" | the amount of time it takes for a drug to start producing its therapeutic effects after administration |
| "overweight" | a term used to refer an excess body weight relative to height |
| "Proteinuric CKD" | chronic kidney disease characterized by persistent proteinuria |
| "PCI" | percutaneous coronary intervention, a non-surgical, invasive procedure with a goal to relieve the narrowing or occlusion of the coronary artery and improve blood supply to the ischemic tissue |
| "PCT patent application" | a patent application filed under the Patent Cooperation Treaty (PCT), an international patent law treaty, concluded in 1970, which provides a unified procedure for filing patent applications to protect inventions in each of its contracting states |
| "pharmacodynamics" or "PD" | pharmacodynamics, the study of how a drug affects an organism, which, together with pharmacokinetics, influences dosing, benefit, and adverse effects of the drug |
| "pharmacology" | the branch of medicine concerned with the uses, effects, and modes of action of drugs |
| "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 |
| "PMO" | postmenopausal osteoporosis, a common disease related to aging |
| "pre-clinical" | a stage preceding a clinical stage |
| "PCC" | preclinical candidate compounds, candidate molecules identified as having further development potential during the drug discovery phase through target validation, lead compound optimization, and in vitro/in vivo experimental validation |

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| "PLCγ" | phospholipase C gamma, a cytosolic enzyme that hydrolyzes phosphatidylinositol 4,5-bisphosphate (PIP2) into inositol 1,4,5-trisphosphate (IP3) and diacylglycerol (DAG), initiating calcium signaling and protein kinase C (PKC) activation to mediate cell responses like contraction and secretion |
| "Pre-NDA" | pre-marketing communication for new drugs |
| "PTH" | parathyroid hormone |
| "PTH1R" | parathyroid hormone receptor 1 |
| "p-TrkB" | phospho-TrkB (Tyr705) |
| "P2Y12 receptor antagonists" | a class of important antiplatelet agents that prevent and treat thrombosis by blocking the P2Y12 receptor on the platelet surface, thereby inhibiting platelet aggregation |
| "PI3K/Akt" | a key intracellular signaling pathway activated by growth factors and cytokines, regulating cell proliferation, survival, metabolism, and angiogenesis, frequently dysregulated in cancer and cardiovascular disorders |
| "QA" | quality assurance, the systematic efforts taken to assure that a drug meets with all the quality expectations |
| "QC" | a process by which a company reviews the quality of all factors involved in the production of a drug |
| "RAS inhibitor" | a class of medications that blocks the renin-angiotensin-aldosterone system (RAS), used to treat hypertension, heart failure, and kidney disease by reducing vasoconstriction and fluid retention |
| "SAE" | the adverse medical event that results in death, is life-threatening, causes permanent or significant disability, requires hospitalization or extends hospital stays |
| "SAR" | structure-activity relationship |
| "SGLT2 inhibitors" | oral hypoglycemic agents that inhibit sodium-glucose cotransporter 2 in the kidneys, promoting urinary glucose excretion to lower blood sugar, with proven cardioprotective and renoprotective effects in type 2 diabetes, heart failure, and chronic kidney disease |
| "STEMI" | ST-Elevation myocardial infarction, a type of ACS characterized by complete occlusion of a coronary artery, leading to transmural myocardial ischemia and necrosis |
| "SMO" | Site Management Organization, an organization that provides clinical trial related services to a CRO, a pharmaceutical company, a biotechnology company, a medical device company or a clinical site |

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|---|---|
| "Stroke" | acute brain injury caused by sudden rupture or blockage of cerebral blood vessels, resulting in ischemia and hypoxia of brain tissue |
| "TEAE" | Treatment-Emergent Adverse Event |
| "TrkB" | one of the tyrosine kinase receptors |
| "Universal Anticoagulant Reversal Agent" | a therapeutic compound capable of neutralizing the anticoagulant effects of multiple classes of anticoagulants |

This prospectus contains, and the documents incorporated by reference herein may contain, forward-looking statements representing our goals, beliefs, expectations, intentions or predictions for the future. These forward-looking statements are contained principally in "Summary," "Risk Factors," "Industry Overview," "Business," "Financial Information" and "Future Plans and Use of Proceeds." Forward-looking statements typically can be identified by the use of words such as "aim," "anticipate," "aspire," "believe," "continue," "could," "estimate," "expect," "forecast," "goals," "intend," "may," "objective," "ought to," "outlook," "plan," "potential," "project," "schedules," "seek," "should," "target," "vision," "will," "would" and other similar terms. Forward-looking statements reflect the current views of the Directors 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 those listed in "Risk Factors," which are beyond our control and may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

Our forward-looking statements have been based on assumptions and factors concerning future events that may prove to be inaccurate. Those assumptions and factors are based on information currently available to us about the businesses that we operate. The risks, uncertainties and other factors, many of which are beyond our control, that could influence actual results include, but are not limited to:

- our operations and business prospects;
- our business and operating strategies and our ability to implement such strategies;
- our future business development, financial condition and results of operations;
- our ability to develop and manage our operations and business;
- our ability to control costs and expenses;
- our capital expenditure plan;
- our expectations regarding demand for and market acceptance of our products and services;
- our expectations regarding our relationships with customers, suppliers and other partners to conduct our business;
- our planned use of proceeds;
- future developments, trends and competitive landscape in the industries and markets in which we operate or plan to operate;
- relevant government policies and regulations relating to our industry;
- capital market developments in Hong Kong and the PRC; and
- economic, political and business conditions in the PRC.

By their nature, certain disclosures relating to these and other risks are only estimates. Should one or more of these risks or uncertainties, among others, materialize, or should the underlying assumptions prove to be incorrect, actual results may vary materially from those estimated, anticipated or projected, as well as from historical results. Accordingly, you should not place undue reliance on any forward-looking statements.

Any forward-looking statement speaks only as of the date on which such statement is made. Except as required by applicable laws, rules and regulations, including the Listing Rules, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. Statements of, or references to, our intentions or those of any of the Directors are made as of the date of this prospectus. Any such intentions may change in light of future developments. All forward-looking statements in this prospectus are expressly qualified by reference to this cautionary statement.

*In addition to other information in this prospectus, you should carefully consider the following risk factors before making any investment decision in relation to our H Shares. Any of the following risks may materially and adversely affect our business, financial condition or results of operations, or otherwise cause a decrease in the trading price of our H Shares and cause you to lose part or all of the value of your investment in our H Shares.*

## RISKS RELATING TO OUR BUSINESS AND INDUSTRY

**We face intense competition particularly from other peptide drugs with similar targets. Our competitors may discover, develop or commercialize competing drugs earlier or more successfully than we do.**

Our Company faces competition from global biopharmaceutical companies, including companies with substantially greater financial, technical, manufacturing, marketing and commercialization resources than us, particularly from other peptide drugs with similar targets. For example, our Core Product, MT1013, is a dual-target peptide agonist simultaneously acting on CaSR and OGP and is currently in development for CKD-SHPT as its lead indication. However, as of the Latest Practicable Date, there were two CaSR agonist drugs approved by the FDA and three CaSR agonist drugs approved by the NMPA, as well as five CaSR agonist drug candidates for CKD-SHPT at the clinical stage globally, including peptide-based therapies targeting similar pathways. In addition, existing therapies for CKD-SHPT, including cinacalcet, evocalcet and etelcalcetide, have established market presence and physician recognition. We also face intense competition in relation to our Key Product XTL6001 in the GLP-1-based obesity and metabolic disease treatment market. As of the Latest Practicable Date, there were 17 triple-target GLP1R peptide drug candidates for overweight and obesity at the clinical stage globally, among which 12 drug candidates target GLP-1R, GCGR and GIPR, two drug candidates target GLP-1R, GCGR, and FGF21, one drug candidate targets GLP1R, GIPR, and AMYR, and one drug candidate targets GLP1R, GIPR, and NPY2R. XTL6001 is the only triple-target GLP-1R peptide drug candidate targeting GLP-1R, GCGR, and MASR. Competing products may be approved earlier, achieve broader market acceptance or demonstrate superior efficacy, safety, convenience or pricing advantages over our products. As a result, if competing products are approved earlier, achieve broader market acceptance or demonstrate superior efficacy, safety, convenience or pricing advantages over our products, our competitive position, business, financial condition, results of operations and prospects could be materially and adversely affected.

Our commercial opportunities may deteriorate if our competitors develop and commercialize drugs that are safer, more effective, more convenient, or less expensive than our products. Our competitors may also obtain approval from the NMPA, the FDA, or other comparable regulatory authorities for their drugs more quickly than we do, which could result in them establishing a stronger market position.

**Our business and financial prospects depend substantially on the success of our clinical stage and pre-clinical stage product candidates, and we may be unable to successfully complete the clinical development, obtain regulatory approvals or we may experience significant delays in doing so.**

Our ability to generate revenue and realize profitability depends on the successful completion of the development of our product candidates, obtaining regulatory approvals, which is contingent upon various factors. Such factors may include:

- successful completion of pre-clinical studies, enrollment in and completion of clinical trials, and favorable safety and efficacy data meeting the clinical trial endpoints therefrom;
- receipt of regulatory approvals;
- performance by CROs or other third parties of their duties in accordance with our trial protocols and applicable laws;

- obtaining, maintaining, protecting and enforcing our intellectual property and proprietary protection and regulatory exclusivity, and ensuring we do not infringe, misappropriate or otherwise violate any intellectual property and proprietary rights of third parties; and
- continued acceptable safety profile following regulatory approval.

While we have invested significant efforts and financial resources in the development, regulatory approval of our product candidates, and expect to continue the same, we may not be able to achieve one or more of the foregoing timely or at all. As a result, we could experience significant delays or inability in obtaining approval for our product candidates, which would render us unable to achieve our milestones as planned and materially harm our product development prospects.

**Adverse events or undesirable side effects in clinical trials could interrupt, delay or halt clinical trials, delay or prevent regulatory approval, limit the commercial profile of an approved label, or result in significant negative consequences following any regulatory approval.**

Adverse events in clinical trials could cause us or regulatory authorities to interrupt, delay or halt clinical trials and result in a more restrictive label or the delay or denial of regulatory approval. Results of our clinical trials could reveal a high and unacceptable seriousness or prevalence of adverse events. In such event, our clinical trials could be suspended or terminated, and regulatory authority could order us to cease development of, or deny approval of, our product candidates for any or all targeted diseases. Adverse events related to our product candidates could affect subject recruitment or the ability of enrolled subjects to complete the trial and result in potential product liability claims. Additionally, if any of our product candidates receives regulatory approval, and we or others later identify undesirable adverse events caused by such product, potentially significant negative consequences could result, including:

- regulatory authorities could interrupt, delay or halt pending clinical trials;
- we may suspend, delay or alter the development or marketing of our drug candidates;
- regulatory authorities may order us to cease further development of, or deny approval of, our drug candidates for any or all targeted indications if results of our trials reveal a high and unacceptable severity or prevalence of certain adverse events;
- regulatory authorities may delay or deny approval of our drug candidates;
- regulatory authorities may withdraw approvals or revoke licenses of an approved drug candidate, or we may determine to do so even if not required;
- regulatory authorities may require additional warnings on the label of, or impose other limitations on, an approved drug candidate;
- we may be required to develop a risk evaluation mitigation strategy for the drug candidate, or, if one is already in place, to enhance such strategy, or to develop a similar strategy as required by a comparable regulatory authority;
- we may be required to conduct post-market studies;
- we could be subject to litigation proceedings and held liable for harm caused to patients exposed to or taking our drug candidates;
- the patient enrollment may be insufficient or slower than we anticipate or patients may drop out or fail to return for post-treatment follow-up at a higher rate than anticipated; and
- the costs of clinical trials of our drug candidates may be substantially higher than anticipated.

**We may allocate our limited resources to pursue a particular drug candidate or indication and fail to capitalize on drug candidates or indications that may later prove to be more profitable or for which there is a greater likelihood of success.**

As we have limited financial and managerial resources, we focus our product pipeline on research programs and drug candidates that we identify for selected indications. For 2024 and 2025, we incurred R&D expenses for our Core Product MT1013 of RMB66.7 million and RMB84.4 million, respectively, representing 62.3% and 64.9% of

our total R&D expenses. As a result, we may forgo or delay pursuit of opportunities with other drug candidates or for other indications that may later prove to have greater commercial potential or a greater likelihood of success.

Our spending on current and future R&D programs and drug candidates for specific indications may not yield any commercially viable products. If we cannot accurately evaluate the commercial potential or target market for a particular drug candidate, we may relinquish valuable rights to that drug candidate through collaboration, licensing or other royalty arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such drug candidate, or we may allocate internal resources to a drug candidate in a therapeutic area in which it would have been more advantageous to enter into a collaboration arrangement.

**Clinical drug development involves a lengthy and expensive process with uncertain outcomes, and results of earlier studies and trials may not be predictive of future trial results.**

Research programs to discover new drug candidates, develop new formulations or pursue the development of our drug candidates for additional indications require substantial technical, financial and human resources. Clinical testing is expensive and can take years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the clinical trial process. The results of pre-clinical studies and early clinical trials of our drug candidates may not be predictive of the results of later-stage clinical trials, and initial or interim results of a trial may not be predictive of the final results. Drug candidates in later stages of clinical trials may fail to show the desired safety and efficacy traits. In some instances, there can be significant variability in safety and/or efficacy results between different trials of the same drug candidate due to numerous factors, including changes in trial procedures, differences in the size and type of the patient populations, including genetic differences, patient adherence to the dosing regimen, other trial protocol elements and the rate of dropout among clinical trial participants.

Moreover, a number of factors could affect clinical results including the different patient enrollment standards adopted in different trials, dose regimen, and the other aspects of clinical trial design. For our trials, results may differ from earlier trials due to the larger number of clinical trial sites and additional countries and languages involved in such trials. A number of pharmaceutical companies have suffered significant setbacks in advanced clinical trials due to lack of efficacy or adverse safety profiles, notwithstanding positive results in earlier trials. Our future clinical trial results may thus not be favorable, which may materially and adversely affect our business, results of operations and prospects.

**Negative results from off-label use of our products could materially and adversely affect our business, reputation, brand and results of operations, and could expose us to liability.**

The peptide drug market in the PRC has experienced accelerated growth due to favorable government policies, increasing treatment demand and technological advancements. The market has grown from RMB58.9 billion in 2020 to RMB70.0 billion in 2025, and is estimated to reach RMB174.2 billion by 2030. Peptide-based therapeutic products include GLP-1 receptor agonists, gonadotropin-releasing hormone (GnRH) agonists and other peptide-derived therapies, which are widely used in the treatment of diabetes and obesity, oncology, endocrine disorders, cardiovascular diseases, gastrointestinal diseases and infectious diseases.

As the peptide drug market continues to expand and peptide-based therapeutic products become increasingly popular and widely adopted, physician and patient awareness of such therapies may continue to increase. Coupled with their potential applicability across multiple therapeutic areas and patient populations, including metabolic diseases, cardiovascular diseases, tumors and immune-related disorders, peptide-based therapeutic products may be particularly vulnerable to off-label use, which refers to prescribing a product for an indication, dosage or in a dosage form that is not in accordance with regulatory approved usage and labeling.

There is a risk that our drug candidates, upon regulatory approval for certain indications, may be subject to off-label drug use with indications, dosages or dosage forms not approved by relevant authorities, and the occurrence of such off-label use could render our drug candidates less effective or entirely ineffective for those indications, or cause unexpected adverse events, particularly if used at inappropriate dosage levels. To the extent our products are used outside their approved indications and in turn result in

adverse patient outcomes, such incidents may create negative publicity and significantly harm our business reputation, product brand name, commercialization efforts and financial condition. These occurrences may also expose us to liability arising from off-label use of our drug candidates upon regulatory approval, which may subsequently cause, or lead to, delays in our ongoing or planned clinical trials and may also ultimately result in failure to obtain or maintain regulatory approval.

**If we encounter difficulties or delays in enrolling suitable subjects in our clinical trials, our clinical development activities could be delayed or otherwise adversely affected.**

The timely completion of clinical trials depends, among other things, on our ability to enroll a sufficient number of patients who remain in the trial until its conclusion. We may experience difficulties in patient enrollment in trials for a variety of reasons. For example, patient eligibility criteria defined in the protocols could be strict and it might increase the chances that we are not able to recruit and retain suitable patients for our clinical trials. Our clinical trials may compete with other clinical trials for drug candidates that are in the same therapeutic areas.

**We may not be able to identify or discover new drug candidates, or to identify additional therapeutic opportunities for our drug candidates.**

The success of our business depends in part upon our ability to identify or discover additional drug candidates. There can be no assurance that we will be successful in identifying new drug candidates in the future. We have also pursued, and may continue to pursue, collaboration with third parties in the discovery and development of potential drug candidates, including through co-development and licensing arrangements.

**We work with CROs and other collaboration partners to develop our drug candidates. If these third parties fail to duly perform their contractual obligations or meet expected timelines, we may be unable to obtain regulatory approvals for, or commercialize, our drug candidates.**

We have worked with and plan to continue to work with third-party CROs to execute our pre-clinical studies and clinical trials, and control only certain aspects of their activities. Nevertheless, we are responsible for ensuring that each of our studies is conducted in accordance with the applicable protocols, legal and regulatory requirements and scientific standards, and our collaboration with the CROs does not relieve us of our regulatory responsibilities. If we or any of our CROs or clinical investigators fail to comply with applicable GCP, the clinical data generated in our clinical trials may be deemed unreliable and the NMPA, the FDA, or comparable regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. In addition, our registrational clinical trials must be conducted with product produced under GMP regulations.

Our collaboration plays an important role in the R&D of our drug candidates. While we generally seek to establish and maintain productive relationships, there can be no assurance that all CROs will perform as expected. If any of our relationships with these CROs terminate, we may not be able to enter into arrangements with alternative CROs or to do so on commercially reasonable terms or timely. In addition, our CROs are not our employees, and except for remedies available to us under our agreements with such CROs, we cannot control whether or not they devote sufficient time and resources to our ongoing clinical and non-clinical programs. If CROs do not carry out their contractual duties or obligations or meet expected deadlines, or if they need to be replaced or if the quality or accuracy of the clinical data they or our clinical investigators obtain is compromised due to failure to adhere to our clinical protocols, regulatory requirements or for other reasons, our clinical trials may be extended, delayed or terminated and we may not be able to obtain regulatory approval for or successfully commercialize our drug candidates. If our CROs err in their experimental operations, the development projects of our drug candidates may be delayed or adversely affected. Switching or adding additional CROs involves additional cost and delays, which can materially influence our ability to meet our desired clinical development timelines. If any of the foregoing events occurs, our results of operations and the commercial prospects for our drug candidates would be adversely affected.

**If we cannot maintain or develop clinical collaborations and relationships with our principal investigators, key opinion leaders, physicians and experts, our results of operations and prospects could be adversely affected.**

Our relationships with principal investigators ("PIs"), KOLs, physicians and experts play an important role in our R&D and marketing activities. However, we cannot

assure you that we will be able to maintain or strengthen our clinical collaborations and relationships with our PIs, KOLs, physicians and experts, or that our efforts to maintain or strengthen such relationships will yield the successful development and marketing of new products. These industry participants may leave their roles, change their business or practice focus, choose to no longer cooperate with us or cooperate with our competitors instead. If we are unable to develop new drugs or generate returns from our relationships with industry participants as anticipated, or at all, our business, financial condition and results of operations may be materially and adversely affected.

**We have little experience in manufacturing biopharmaceutical products on a large commercial scale and our business could be materially and adversely affected if we encounter problems in manufacturing our future drug products.**

As of the Latest Practicable Date, we had not established any manufacturing facility for clinical and commercialization scale. We currently outsource the production of our drug candidates to CDMOs. We have no experience in large-scale manufacturing of our drug products for commercial use. Anticipating future commercialization, we plan to continue to engage third-party CDMOs to manufacture our approved drug products. We may in the future establish our own manufacturing facilities to support our development and commercialization.

If we construct manufacturing facilities in the future, any delays in construction, regulatory review or approval could limit our ability to produce sufficient quantities of our product candidates, if approved, and thereby limit our development and commercialization activities and our opportunities for growth. Cost overruns associated with constructing or maintaining our facilities could require us to raise additional funds.

Our future manufacturing facilities may be subject to ongoing, periodic inspection by the NMPA or other comparable regulatory agencies to ensure compliance with GMP. Our failure to follow and document our adherence to GMP regulations or other regulatory requirements may lead to significant delays in the availability of products for clinical or, in the future, commercial use; and result in the termination of or a hold on a clinical trial; or delay or prevent filing or approval of marketing applications for our product candidates or the commercialization of our products, if approved. Meanwhile, our future manufacturing facilities will need to comply with cGMP regulations and may be subject to unannounced inspections and ongoing periodic inspections. If our future manufacturing facilities or the equipment is damaged or destroyed, we may not be able to quickly or inexpensively replace our manufacturing capacity or replace it at all.

Manufacturing methods and formulation are sometimes altered through the development of drug candidates from clinical trials to approval, and further to commercialization, in an effort to optimize manufacturing processes and results. Such changes carry the risk that they will not achieve these intended objectives. Any of these changes could cause the drug products to perform differently and affect the results of planned clinical trials or other future clinical trials conducted with the altered materials. This could delay the commercialization of drug products and require bridging studies or the repetition of clinical trials, which may increases clinical trial costs, delay drug approvals and jeopardize our ability to commence product sales and generate revenue.

We may also encounter problems with achieving adequate or clinical-grade products that meet the standards or specifications of the NMPA, the FDA, or other comparable regulatory agencies, and maintaining consistent and acceptable production costs. We may experience shortages of qualified personnel, raw materials or key contractors, and experience unexpected damage to our facilities or the equipment. In these cases, we may be required to delay or suspend our manufacturing activities. We may be unable to secure temporary, alternative manufacturers for our drugs with the terms, quality and costs acceptable to us, or at all. Such an event could delay our clinical trials and/or the availability of our drugs for commercial sales. Moreover, we may spend significant time and costs to rectify these deficiencies before we can continue production.

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

The quality of our products, including drug manufactured or to be manufactured by our CDMO partner and drugs to be manufactured by us for commercial use in the future, depends significantly on the effectiveness of our quality control and quality assurance, which in turn depends on factors such as the production processes, the quality and reliability of equipment used, the quality of manufacturing staff and related training programs and our ability to ensure that manufacturing employees adhere to our quality control and quality assurance protocol. However, we cannot assure you that our quality

control and quality assurance procedures will be effective in consistently preventing and resolving deviations from our quality standards. Any significant failure or deterioration of our quality control and quality assurance protocol could render our products unsuitable for use, jeopardize any GMP certifications we may have and/or harm our market reputation and relationship with business partners. Any such event may have a material adverse effect on our business, financial condition and results of operations.

**Our operations are dependent on the supply of certain raw materials. If the supply of raw materials decreases or the cost increases, our ability to conduct our business could be materially impaired.**

During the Track Record Period, we relied on third parties to supply certain materials. We expect to continue to rely on third parties to supply such materials and equipment for the research, development, manufacturing and commercialization of our drug products. For details, please refer to the paragraphs headed "Business — Suppliers and Procurement" in this prospectus. There is a risk that, if supplies are interrupted, we may not be able to find alternative supplies in a timely and commercially reasonable manner, or at all, and it would materially harm our business.

Moreover, we require a stable supply of materials for our drug candidates in the course of our R&D activities, and such needs increase significantly as we enter commercial production of our products, but there is no assurance that current suppliers have the capacity to meet our demand. Any delay in receiving such materials in the quantity and quality that we need could delay the completion of our clinical studies, regulatory approval of our drug candidates or our ability to timely meet market demand for our commercialized products, as applicable. Our suppliers may not be able to cater to our growing demands or may reduce or cease their supply of materials to us at any time.

We are also exposed to the risk of increased costs, which we may not be able to pass on to customers and, as a result, lower our profitability. In the event of significant price increases for materials, we cannot assure you that we will be able to raise the prices of our future drug products sufficiently to cover the increased costs. As a result, any significant price increase for materials may have an adverse effect on our profitability.

Additionally, our suppliers may also fail to maintain adequate quality of the services, materials and equipment we need. We cannot assure you that we will be able to identify all of the quality issues. Suboptimal or even deficient supplies of services, materials and equipment may hinder the R&D of our drug candidates and the commercial-scale manufacturing of our approved products, subject us to product liability claims or otherwise have a material adverse effect on our operations.

In addition, we cannot assure you that these third parties will maintain and renew all licenses, permits and approvals necessary for their operations or comply with all applicable laws and regulations. Their failure to do so may lead to interruption in their business operations, which in turn may result in shortage of materials and equipment supplied to us, and cause delays in clinical trials and regulatory filings, or recall of our products. The non-compliance of third parties may also subject us to potential product liability claims, cause us to fail to comply with regulatory requirements, and incur significant costs to rectify such non-compliance, which may have a material adverse effect on our business, financial condition and results of operations.

**We have limited experience in launching and marketing drug products. If we are unable to effectively leverage third-party sales networks or build up or manage our in-house commercialization team as we expected, or if we otherwise fail to effectively commercialize our drugs after obtaining the regulatory approval, our business, financial condition, results of operations and prospects may be materially and adversely affected.**

We have not yet demonstrated an ability to launch and commercialize any of our drug products since our inception. The commercialization process involves numerous complex stages, including but not limited to regulatory approvals, quality control and scaled production, development of distribution channels, pricing strategy formulation, market and customer education, brand building and marketing. Failure by our management team to effectively coordinate and navigate these stages could result in significant delays in product launch, cost overruns, suboptimal market acceptance, regulatory or certification setbacks, loss of market share to competitors, and lower-than-expected profit margins. Any of these factors could materially impede our ability to achieve anticipated revenue and profitability targets and may have a material adverse effect on our financial condition, cash flows, and returns to investors.

We are preparing for the potential commercialization of our Core Product and other drug candidates, which may involve building sales and marketing capabilities and working with third parties such as CSOs. See "Business — Commercialization" for more information. Such commercialization requires significant expenditures, management resources and time. We may not be able to implement our commercialization strategies successfully. We will have to continuously compete with other pharmaceutical companies to recruit, hire, train and retain marketing and sales personnel. Additionally, there can be no assurance that we will be able to establish or maintain stable and reliable collaborative arrangements with third parties. We may have little or no control over the marketing and sales efforts of such third parties, and our revenue from product sales may be lower if our collaborating third parties do not perform as expected.

**Our drug candidates may fail to achieve or maintain the degree of market acceptance, and the actual scale of sales of our product candidates may be smaller than anticipated, which could render some product candidates unprofitable even if commercialized.**

The degree of market acceptance of our drug products, if approved for commercial sale, will depend on a number of factors, including, but not limited to: the clinical indications for which our drug products are approved; physicians, hospitals, medical treatment centers and patients considering our drug products as a safe and effective treatment; the potential and perceived advantages of our drug products over alternative treatments; the prevalence and severity of any side effects; product labelling or package insert requirements of regulatory authorities; limitations or warnings contained in the labelling approved by regulatory authorities; the timing of market introduction of our drug products as well as competitive drugs; the cost of treatment in relation to alternative treatments; the availability of adequate coverage and reimbursement under the NRDL, the PRDL and other government-sponsored medical insurance programs in the PRC or other jurisdictions worldwide, or from third-party payers such as commercial insurers; price control or downward adjustment by the government authorities or other pricing pressure, including the pricing constraints due to potential inclusion in the NRDL; the willingness of patients to pay out-of-pocket in the absence of coverage and reimbursement by third-party payers such as commercial insurers and government authorities; relative convenience and ease of administration, including as compared to alternative treatments and competitive therapies; adverse publicity about our products or favorable publicity about competitive products; and the effectiveness of our sales and marketing efforts. Our failure to achieve or maintain market acceptance for our future approved drug candidates would materially adversely affect our business, financial condition, results of operations and prospects.

The total addressable market opportunity will depend on, among other things, acceptance of the product by the medical community and patient access, product pricing and reimbursement. Moreover, the number of patients in the addressable markets may turn out to be lower than expected, patients may not be amenable to treatment with our products, or new patients may become increasingly difficult to identify or access. Further, new studies may change the estimated incidence or prevalence of the diseases that our product candidates target. Any of the above unfavorable developments could have a material adverse effect on our business, financial condition and results of operations. For details of the market size of the metabolic disease drug, antithrombotic drug and neurological disease drug markets, please refer to the section headed "Industry Overview" in this prospectus.

**Guidelines, recommendations, and studies published by various organizations could disfavor our approved drugs and drug candidates.**

Government agencies, professional societies, practice management groups, private health and science foundations and organizations focused on various diseases may publish guidelines, recommendations or studies that affect our or our competitors' drugs and drug candidates. Any such guidelines, recommendations or studies that reflect negatively on our drug products, either directly or indirectly relative to our competitive drug products, could result in current or potential decreased use of, sales of, and revenue from one or more of our drug products. Furthermore, our success depends in part on our ability to educate healthcare providers and patients about our drug products, and these education efforts could be rendered ineffective by, among other things, third-parties' guidelines, recommendations or studies. As a result, our business, reputation, financial condition and results of operations could be adversely affected.

**If our products are not included in or are removed from national, provincial or other government sponsored medical insurance programs, our business, financial condition, results of operations and prospects could be materially and adversely affected.**

The successful commercialization of our drugs when approved depends in part on the extent to which reimbursement for these drugs and related treatments will be

available from relevant health administrative authorities, private health insurers and other organizations. In China, the National Reimbursement Drug List ("NRDL") (《國家醫保藥品目錄》) and Provincial Reimbursement Drug Lists ("PRDL") (《省級醫保藥品目錄》) include drugs under the National Medical Insurance Catalogue, which affect the amounts reimbursable to program participants for those drugs. There can be no assurance that any of our drug products will be included in the NRDL or the PRDL after approval for commercial sale. Innovative drugs similar to our drug products have historically been more limited on their inclusion in the NRDL or the PRDL due to cost constraints. If we were to successfully launch commercial sales of our products but fail in our efforts to have our products included in the NRDL or the PRDL, our revenue from commercial sales will be highly dependent on patient self-payment and payment from third parties such as commercial insurers, which can make our products less competitive.

Government authorities and third-party payers, such as private health insurers and healthcare organizations, decide which medications they will pay for and stipulate reimbursement levels. With the trend of cost containment in the global healthcare industry, government authorities and third-party payers have attempted to control costs by limiting coverage and the amount of reimbursement for particular medications. Obtaining reimbursement for our drugs may be particularly difficult because of the higher prices often associated with drugs administered under the supervision of a doctor. If reimbursement is not available or is available only to limited levels, we may not be able to successfully commercialize MT1013 or any drug candidate that we have developed.

There may be significant delays in obtaining reimbursement for approved drug candidates, and coverage may be more limited than the indications and purposes for which the drug candidates are approved by the NMPA, the FDA or other comparable regulatory authorities. Moreover, eligibility for reimbursement does not imply that any drug will be paid for in all cases or at a rate that covers our costs, including research, development, manufacture, sale and distribution. Payment rates may vary according to the use of the drug and the clinical setting in which it is used, may be based on payments allowed for drugs with lower cost that have been covered in reimbursement policies, and may be incorporated into existing payments for other services. Our inability to promptly obtain coverage and profitable payment rates from both government-funded and private payers for any future approved drug candidates and any new drugs that we develop could have a material adverse effect on our business, financial condition, results of operations and prospects.

**The target market for CKD-SHPT may be limited, which may restrict the commercial potential of our Core Product.**

Clinically, CKD is classified into stages 1 to 5 based on GFR levels. In stage 1, renal function is basically normal; stage 5 is end-stage renal disease, where patients need to rely on dialysis or renal transplantation to sustain life. CKD-SHPT is particularly common in patients with CKD in middle and advanced stages.

Our Company aims to get marketing approval for MT1013 for indication of stage 5 CKD complicated with CKD-SHPT. We are currently expanding indications to treat CKD not on dialysis and CKD-MBD with Osteoporosis. According to Frost & Sullivan, the global population of patients with Stage 5 CKD complicated by SHPT expanded from 5.0 million in 2020 to 5.9 million in 2025. This cohort is projected to reach 6.9 million by 2030 and 8.1 million by 2035. Concurrently, the patient population in China grew from 0.60 million in 2020 to 0.65 million in 2025, and is forecasted to hit 0.69 million by 2030 and 0.73 million by 2035.

A limited target market size may restrict our ability to achieve significant commercial sales, and there can be no assurance that our Core Product will achieve sufficient market acceptance or generate meaningful revenue. If the addressable patient population is smaller than expected, our business, financial condition and results of operations may be materially and adversely affected.

**We may experience difficulties in our sales efforts as a result of pricing regulations or other policies that are intended to reduce healthcare costs, which could subject us to pricing and volume pressures and adversely affect our business, financial condition and results of operations.**

The regulations that govern regulatory approvals, pricing and reimbursement for new therapeutic products vary widely from country to country. Some countries require approvals of the sale price of a drug before marketing. In some markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after

initial approvals are granted. As a result, we might obtain regulatory approvals for a drug in a particular country, but then be subject to price regulations that delay our commercial launch of the drug and negatively impact the revenue we are able to generate from the sale of the drug in that country. Adverse pricing limitations may hinder our ability to recoup our investment in one or more drug candidates.

It is typical that the prices of pharmaceutical products will decline over the life of the products as a result of, among other things, the centralized tender process, government pricing regulation, or increased competition from substitute products. The importation of competing products from countries where government price controls or other market dynamics result in lower prices may also exert downward pressure on the prices of pharmaceutical products.

Prices of our products, if approved, may be susceptible to pricing pressure coming from competing products. In addition, the relevant government authorities may change the schemes of pricing control and statutory tender processes for pharmaceutical products or revise other policies affecting prices of pharmaceutical products. Any development of policies could create uncertainties materially and adversely affecting our product pricing, and accordingly, our revenue and profitability.

If the prices of our products decline due to government pricing regulation, pricing constraints due to potential inclusion in the NRDL, emergence of substitute products or other market factors, we may not be able to mitigate the adverse effects of such price reduction without incurring substantial expenses to improve our products, and our business and profitability could be materially and adversely affected.

## RISKS RELATING TO OUR INTELLECTUAL PROPERTY RIGHTS

**If we are unable to obtain and maintain adequate intellectual property protection for our product candidates throughout the world, or if the scope of such intellectual property rights obtained is not sufficiently broad, third parties could compete directly against us and our ability to successfully develop and commercialize any of our product candidates would be materially and adversely affected.**

Our success depends largely on our ability to protect our proprietary technology and product candidates from competition by obtaining, maintaining and enforcing our intellectual property rights, including patent rights. We seek to protect our technologies and product candidates by, among others, filing patent applications in the PRC, and other jurisdictions. However, applying for patent protection is expensive and time-consuming, and we may not be able to successfully file and prosecute all necessary or desirable patent applications at a reasonable cost or timely. We cannot assure you that our patent application will be approved eventually. In addition, we may fail to identify patentable aspects of our R&D output before it is too late to obtain patent protection.

Specifically, patents may be invalidated and patent applications may not be granted not only because of known or unknown prior deficiencies in the patent applications, but also due to the lack of novelty or inventiveness of the underlying invention or technology. Parties who have access to confidential or patentable aspects of our R&D output may breach our agreements and disclose such output before a patent application is filed, jeopardizing our ability to seek patent protection.

In addition, under the PRC patent law, any organization or individual that applies for a patent in a foreign country for an invention or utility model accomplished in China is required to report to the CNIPA, for confidentiality examination. Otherwise, if such application is later filed in China, the patent right will not be granted. Any of the foregoing could have a material adverse effect on our competitive position, business, financial condition, results of operations and prospects.

**Our current or any future patent applications may not be successful and any patent rights we or our licensing partners have may be challenged and invalidated even after issuance, which would materially adversely affect our ability to successfully commercialize any product or technology.**

Our current and future patent applications may not result in the issuance of patents at all, and even if were granted patents, they may not be issued in a form, or with a scope of claims, that will provide us with any meaningful protection, prevent competitors or other third parties from competing with us. In addition, the coverage claimed in a patent application can be significantly reduced before the patent is issued, and changes in either the patent laws or interpretation of the patent laws in China and other jurisdictions may diminish the value of our patent rights or narrow the scope of our patent protection. Our

patents may be challenged, narrowed, circumvented or invalidated by third parties, and the product candidates relating to such patents could also be adversely affected. If any of our patents are determined to constitute research achievements or service inventions of our employees while working at third parties, including academic institutions, or involve violations of non-compete obligations, they could adversely affect our patent rights and operations. We cannot predict whether the patent applications we or our licensing partners are currently pursuing and may pursue in the future will successfully result in the issuance of any patents in any particular jurisdiction or whether the claims of any issued patents will provide sufficient protection from competitors or other third parties.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and our patent rights may be challenged in the courts or patent offices in China and other jurisdictions. For example, if we or one of our licensors were to initiate legal proceedings against a third party to enforce a patent covering one of our product candidates, the defendant could counterclaim that our patent is invalid or unenforceable. Grounds for a validity challenge could be an alleged failure to meet statutory requirements, including lack of novelty, obviousness, lack of sufficient description or non-enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld material information from the relevant patent office, or made a misleading statement, during prosecution. Third parties may also raise similar patent invalidity claims before administrative bodies in China or in other jurisdictions. Such mechanisms include invalidation, revocation. The outcome following legal assertions of invalidity and unenforceability is unpredictable. Such proceedings could result in revocation of or amendment to our patents in such a way that they no longer adequately cover and protect our product candidates.

**Obtaining and maintaining our patent protection depends on compliance with various procedural, document submissions, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.**

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and patent applications are due to be paid to the CNIPA, the United States Patent and Trademark Office (the "USPTO") and other governmental patent agencies in several stages over the lifetime of a patent. The CNIPA, USPTO and various other governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application and maintenance process. We are also dependent on our licensors to take the necessary action to comply with these requirements with respect to our licensed intellectual property. There are situations in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Non-compliance events that could result in abandonment or lapse of a patent or patent application include failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. In any such event, our competitors might be able to enter the market, which would have a material adverse effect on our business.

**We may become involved in lawsuits to protect or enforce our intellectual property or being sued for infringing, misappropriating or other violating the intellectual property rights of third parties, which could be expensive, time-consuming and unsuccessful.**

Our commercial success depends upon our ability to develop, manufacture, market and sell our drug candidates without infringing, misappropriating or otherwise violating the intellectual property rights of others. The pharmaceutical industry is characterized by extensive litigation regarding patents and other intellectual property rights. We or our collaboration partners may be subject to claims that former employees, collaboration partners or other third parties have an interest in our owned patents or other intellectual property. It is also possible that we failed to identify, or may in the future fail to identify, relevant patents or patent applications held by third parties that cover our drug candidates. Additionally, pending patent applications which have been published can, subject to certain limitations, be later amended in a manner that could cover our products or their use.

Third parties might allege that we are infringing their patent rights or that we have misappropriated their trade secrets, or that we are otherwise violating their intellectual property rights, whether with respect to the manner in which we have conducted our research, use or manufacture of the compounds we have developed or are developing. Such third parties might resort to litigation against us or other parties we have agreed to

indemnify, which litigation could be based on either existing intellectual property or intellectual property that arises in the future.

Parties making infringement, misappropriation, or other intellectual property claims against us may obtain injunctive or other equitable relief, which could block our ability to further develop and commercialize one or more of our drug candidates. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of management and employee resources from our business. In addition, there is no assurance that a court would find in our favor on questions of validity, enforceability, priority, or non-infringement. A court of competent jurisdiction could hold that such third party patents are valid, enforceable, and infringed, which could materially and adversely affect our ability to commercialize any of our products or technologies covered by the asserted third-party patents.

In order to avoid or settle potential claims with respect to any patent or other intellectual property rights of third parties, we may choose or be required to seek a license from a third party and be required to pay license fees or royalties or both, which could be substantial. These licenses may not be available on acceptable terms, or at all. Ultimately, we could be prevented from commercializing future approved drugs, or be forced, by court order or otherwise, to cease some or all aspects of our business operations, if, as a result of actual or threatened patent or other intellectual property claims, we are unable to enter into licenses on acceptable terms. Further, we could be found liable for significant monetary damages as a result of claims of intellectual property infringement, including treble damages and attorneys' fees if we are found to willfully infringe a third party's patent. Defending against claims of patent infringement, misappropriation of trade secrets or other violations of intellectual property rights could be costly and time-consuming, regardless of the outcome.

**If our trademarks and trade names are not adequately protected, then we may not be able to build name recognition in our markets of interest and our business may be adversely affected.**

As of the Latest Practicable Date, we had 32 registered trademarks in the PRC and six registered trademarks overseas, any of which may be the subject of a governmental or third-party objection, which could prevent the registration or maintenance of the same. We cannot assure you that any currently pending trademark applications or any trademark applications we may file in the future will be approved. During trademark registration proceedings, we may receive rejections and may be unable to overcome such rejections. In addition, in proceedings before the CNIPA, the USPTO or comparable agencies in many foreign jurisdictions, third parties are given an opportunity to oppose pending trademark applications and to seek to cancel registered trademarks. Opposition or cancellation proceedings may be filed against our trademarks and our trademarks may not survive such proceedings. If we are unsuccessful in obtaining trademark protection for our primary brands, we may be required to change our brand names, which could materially and adversely affect our business. Moreover, as our products mature, our reliance on our trademarks to differentiate us from our competitors will increase, and as a result, if we are unable to prevent third parties from adopting, registering or using trademarks that infringe, dilute or otherwise violate our trademark rights, or engaging in conduct that constitutes unfair competition, defamation or other violation of our rights, our business could be materially and adversely affected.

**If we are unable to protect the confidentiality of our trade secrets and other confidential information, including unpatented know-how upon which we rely, our business and competitive position will be harmed. We may be subject to claims that our employees, consultants or advisers have wrongfully used or disclosed alleged trade secrets of their former employers, and we may be subject to claims asserting ownership of what we regard as our own intellectual property.**

In addition to our issued patents and pending patent applications, we rely on trade secrets and confidential information, including unpatented know-how, technology and other proprietary information, to maintain our competitive position and to protect our drug candidates. We seek to protect our trade secrets and confidential information, in part, by entering into non-disclosure and confidentiality agreements with parties that have access to trade secrets or confidential information, such as our employees, corporate collaborators, sponsored researchers, contract manufacturers, consultants, advisers and other third parties. However, we may not be able to prevent the unauthorized disclosure or use of our trade secrets and confidential information. Monitoring unauthorized uses and disclosures is difficult and we do not know whether the steps we have taken to protect

our proprietary technologies will be effective. Any of the parties with whom we enter into confidentiality agreements may breach or violate such agreements, and we may not be able to obtain adequate remedies for such breach or violation. As a result, we could lose our trade secrets and third parties could use our trade secrets to compete with us. Additionally, we cannot guarantee that we have entered into such agreements with each party that may have or has had access to our trade secrets or proprietary technology and processes. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret can be difficult, expensive and time-consuming, and the outcome is unpredictable. In addition, some courts in China, the U.S. and other jurisdictions may be less willing or unwilling to recognize certain information as trade secrets to be protected. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that to compete with us and our competitive position would be harmed.

Furthermore, many of our employees, consultants, and advisers, including our senior management, may currently be, or were previously employed at other pharmaceutical companies, including our competitors or potential competitors. Some of them, including each member of our senior management, may have executed proprietary rights, non-disclosure and non-competition agreements in connection with such previous employment. We cannot assure you that our employees, consultants and advisors do not use the proprietary information or know-how of others in their work for us, and we may be subject to claims that we or these individuals have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such individual's current or former employer. We may be subject to threatened or pending claims related to these matters or concerning the agreements with our senior management in the future. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or be required to obtain licenses to such intellectual property rights, which may not be available on commercially reasonable terms or at all. An inability to incorporate such intellectual property rights would materially and adversely affect our business and may prevent us from successfully commercializing our drug candidates. In addition, we may lose personnel as a result of such claims and any such litigation or the threat thereof may adversely affect our ability to hire employees or contract with independent contractors. A loss of key personnel or their work product could hamper or prevent our ability to commercialize our drug candidates and technology, which would have a material adverse effect on our business, results of operations, financial condition and prospects.

While we typically require our employees, consultants and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who in fact develops intellectual property that we regard as our own. Furthermore, even when we obtain agreements assigning intellectual property to us, the assignment of intellectual property rights may not be self-executing, or the assignment agreements may be breached, each of which may result in claims by or against us related to the ownership of such intellectual property to determine the ownership of what we regard as our intellectual property. Furthermore, individuals executing agreements with us may have pre-existing or competing obligations to a third party, such as an academic institution, and thus an agreement with us may be ineffective in perfecting ownership of inventions developed by that individual. If we fail in prosecuting or defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights.

In addition, we may in the future be subject to claims by former employees, consultants or other third parties asserting an ownership right in our owned or licensed patents or patent applications. An adverse determination in any such submission or proceeding may result in loss of exclusivity or freedom to operate or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar drug candidates or technology, without payment to us, or could limit the duration of the patent protection covering our drug candidates and technology. Such challenges may also result in our inability to develop, manufacture or commercialize our drug candidates without infringing third-party patent rights. In addition, if the breadth or strength of protection provided by our owned or licensed patents and patent applications is threatened, it could dissuade companies from collaborating with us to license, develop or commercialize current or future drug candidates. Any of the foregoing could have a material adverse effect on our competitive position, business, financial conditions, results of operations and prospects.

**Changes in patent and other intellectual property laws of China, the U.S., or other jurisdictions could diminish the value of patents in general, thereby impairing our ability to protect our drug candidates and future drugs.**

Obtaining and enforcing patents in the pharmaceutical and biopharmaceutical industry involves technological and legal complexity and is costly, time consuming and inherently uncertain. Changes in either the patent laws or their interpretation in China, the U.S. or other jurisdictions may increase the uncertainties and costs surrounding the prosecution of our patents, diminish our ability to protect our inventions, and, more generally, affect the value of our intellectual property or narrow the scope of our patent rights.

In China, the recent amendment to the PRC Patent Law, amended in October 2020 and implemented in June 2021, introduced patent term compensation mechanism for eligible invention patents related to new drugs. The patents owned by third parties may be extended, which may in turn affect our ability to commercialize our products (if approved) without facing infringement risks. According to the PRC Patent Law, the patent term compensation may not exceed five years, and the total effective term of the patent after the new drug approved for marketing shall not exceed 14 years. If we are required to delay commercialization for an extended period of time, technological advances may develop and new products may be launched, which may in turn render our products non-competitive. We cannot guarantee that any other changes to PRC intellectual property related laws would not have a negative impact on our intellectual property protection.

Under the America Invents Act, the AIA, enacted in 2011, the U.S. moved to First Inventor To File system under which the first to make the claimed invention was entitled to the patent. Assuming the other requirements for patentability are met, the first to file a patent application is entitled to the patent. Publications of discoveries in the scientific literatures often lag behind the actual discoveries, and patent applications in the U.S. and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot be certain that we were the first to make the inventions claimed in our patents or pending patent applications, or that we were the first to file for patent protection of such inventions.

## RISKS RELATING TO OUR OPERATIONS

**We are a biotechnology company with a limited operating history, which may make it difficult to evaluate our current business and predict our future performance.**

Our business can be traced back to our establishment in 2007, and we shifted our focus to the development of peptide drugs in 2011. To date, we have no product approved for commercial sale and have not become profitable from product sales. Our limited operating history, particularly in light of the evolving drug R&D industry in which we operate, the inherent uncertainties in drug R&D, and the changing regulatory and market environments we encounter, may make it difficult to evaluate our prospects for future performance. Consequently, any predictions about our future success or viability may not be as accurate as they could be if we had a longer operating history. We will encounter risks and difficulties frequently experienced by early-stage companies in evolving fields as we seek to transition into a company capable of supporting commercial activities. If we do not address these risks and difficulties successfully, our business will suffer.

**Our future success depends on our ability to retain key executives and to attract, hire, retain and motivate other qualified and highly skilled personnel.**

Our future success is dependent on our ability to attract a significant number of qualified employees and retain existing key employees. We are highly dependent on the continued contributions of Dr. Wang and our senior management, as well as other key clinical and scientific personnel. The loss of the services of any of our executive officers or other key employees could materially harm our business.

Competition for qualified employees in the biopharmaceutical industry is intense and the pool of qualified candidates is limited. Our need to significantly increase the number of our qualified employees and retain key employees may cause us to materially increase compensation-related costs, including share-based compensation. We may not be able to retain experienced senior management or key clinical and scientific personnel in the future. The departure of any key employees may disrupt our drug development progress and have a material and adverse effect on our business, financial condition, results of operations and prospects. Moreover, to the extent we hire personnel from

competitors, we also may be subject to allegations that they have been improperly solicited or divulged proprietary or other confidential information. In addition, our senior management team has limited experience in running public companies, which will require us to hire additional staff and incur additional costs and expenses. If we are unable to retain and motivate our employees and attract qualified personnel for important positions, we may be unable to manage our business effectively which could adversely affect our business, financial condition and results of operations.

**We may engage in acquisitions or strategic partnerships, which may increase our capital requirements, cause dilution for our Shareholders, cause us to incur debt or assume contingent liabilities and subject us to other risks.**

From time to time, to pursue our growth strategy, we may evaluate various acquisitions, joint ventures and strategic partnerships, including licensing or acquiring complementary products, intellectual property rights, technologies or businesses. Any completed, in-process or potential acquisition or strategic partnership may entail numerous risks, including: increased operating expenses and cash requirements; the assumption of additional indebtedness or contingent or unforeseen liabilities; the issuance of our equity securities; assimilation of operations, intellectual property and products of an acquired company, including difficulties associated with integrating new personnel; the diversion of our management's attention from our existing product programs and initiatives in pursuing such a strategic merger or acquisition; retention of key employees, the loss of key personnel, and uncertainties in our ability to maintain key business relationships; risks and uncertainties associated with the other party to such a transaction, including the prospects of that party and their existing drugs or drug candidates and regulatory approvals; and our inability to generate revenue from acquired technology and/or products sufficient to meet our objectives in undertaking the acquisition or even to offset the associated acquisition and maintenance costs.

**We may become involved in lawsuits or other legal proceedings, which could adversely affect our business, financial conditions, results of operations and reputation.**

We may become subject, from time to time, to legal proceedings and claims that arise in the ordinary course of business or pursuant to governmental or regulatory enforcement activity. Litigation to which we become a party might result in substantial costs and divert management's attention and resources. Additionally, it is possible that our liabilities could exceed our insurance coverage. A claim brought against us that is uninsured or underinsured could result in unanticipated costs and could have a material and adverse effect on our financial condition, results of operations or reputation.

**We have limited insurance coverage, and any claims beyond our insurance coverage may result in our incurring substantial costs and a diversion of resources.**

We maintain insurance policies required under the PRC laws and regulations as well as based on our assessment of our operational needs and industry practice. In line with industry practice in the PRC, we have elected not to maintain certain types of insurance. Our insurance coverage may be insufficient to cover any claims that we may have. Any liability or damage to, or caused by, our facilities or our personnel beyond our insurance coverage may result in substantial costs and a diversion of resources and may negatively impact our drug development and overall operations.

**Increased labor costs could slow our growth and affect our operations.**

Our success depends in part upon our ability to attract, motivate and retain a sufficient number of qualified employees, including management, technical, R&D, sales and marketing, production, quality control and other personnel. We have implemented a number of initiatives in an effort to attract, retain and motivate our qualified and competent staff. There is no assurance that these measures will be effective or that supply of skilled labor in local markets will be sufficient to fulfill our needs. Competition for competent and skilled labor is intensive in the industry. Our failure to hire and retain enough skilled employees could delay the anticipated pre-clinical studies or clinical trials timeframe or receipt of regulatory approvals to commercialize our drug candidates, or result in our expenses exceeding our initial budget. Any of the foregoing changes could have a material adverse effect on our business, profitability and prospects.

As of the Latest Practicable Date, we had 145 full-time employees, all based in China, where the average labor cost has been steadily increasing over the past years as a result of inflation, government-mandated wage increases and other changes in labor laws and local economics. For example, staff costs and welfare expenses of our management

and administrative personnel increased from RMB11.2 million for 2024 to RMB14.7 million for 2025. In particular, further changes in the labor laws, rules and regulations may be promulgated by the PRC government in the future and our operations may be materially and adversely affected if such laws, rules or regulations impose additional burden on the employers. The labor cost will continue to increase in the future which is in line with the economic growth in China. Competition for employees would require us to pay higher wages, which would result in higher labor costs.

**Our business faces considerable risks from health epidemics, natural disasters, acts of war, and terrorism, which have historically disrupted operations and could significantly impact our financial stability and operational effectiveness in the future.**

Our operations and business plans may be adversely affected by health epidemics, natural disasters, acts of war, terrorism, and other force majeure events. Events such as severe natural disasters, epidemics, or government responses to these crises could materially harm both the economy and our operations. Our operations are also vulnerable to floods, earthquakes, sandstorms, snowstorms, fires, droughts, resource shortages, system malfunctions, technical problems, and the potential impacts of wars or terrorist attacks. These disasters could result in loss of life, injury, destruction of assets, and significant disruption to our business.

**We may be unable to detect, deter and prevent all instances of fraud or other misconduct committed by our employees, principal investigators, consultants and commercial partners.**

We may be exposed to fraud, bribery or other misconduct committed by our employees or third parties that could subject us to financial losses and sanctions imposed by governmental authorities, which may adversely affect our reputation. During the Track Record Period and up to the Latest Practicable Date, we were not aware of any instances of fraud, bribery, or other misconduct involving employees and other third parties that had any material and adverse impact on our business and results of operations. However, we cannot assure you that there will not be any such instances in future. We may be unable to prevent, detect or deter all such instances of misconduct by our employees or third parties. Any such misconduct committed against our interests, which may include past acts that have gone undetected or future acts, may have a material adverse effect on our business, results of operations and reputation.

**We are subject to risks associated with leasing space.**

As of the Latest Practicable Date, we leased four properties for office and R&D uses in China. As our leases expire, we may fail to obtain renewals, either on commercially acceptable terms or at all, which could compel us to close such offices or manufacturing facilities. Our inability to enter into new leases or renew existing leases on terms acceptable to us could materially and adversely affect our business, results of operations or financial condition. In addition, as of the Latest Practicable Date, we had not registered two of our lease agreements for these properties with the PRC government authorities as required by laws of the PRC. We may be ordered by the PRC government authorities to rectify such non-compliance and, if such non-compliance is not rectified within a given period of time, we may be subject to fines imposed by PRC government authorities for lease agreements that has not been registered with the PRC government authorities.

**Our reputation is important to our business success, and damage to our reputation may adversely affect our business.**

Any negative publicity concerning us, our affiliates, our Shareholders, our beneficial owners, Directors, officers, employees and business partners, management, or any involvement in, or potential exposure to, claims, disputes, litigation, arbitration, governmental investigations, administrative proceedings, or penalties, could materially and adversely affect our business, financial condition, results of operations, and reputation. In addition, to the extent our Shareholders, Directors, officers, employees and business partners were incompliant with any laws or regulations or became involved in lawsuits, disputes, or other legal proceedings or became subject to administrative measures, penalties or investigations by regulatory authorities, we may also suffer negative publicity or harm to our reputation. Any negative publicity regarding our industry could also affect our reputation and commercialization. In addition, any negative publicity about us could adversely affect our ability to maintain our existing collaboration arrangements or attract new collaboration partners, and we may not be able to diffuse such negative publicity to the satisfaction of our investors. As a result, we may be required to spend significant time and incur substantial costs to respond and protect our

reputation, and we cannot assure you that we will be able to do so within a reasonable period of time, or at all, in which case our business, results of operations, financial condition and prospects may be materially and adversely affected.

**We may be exposed to the risks associated with potential expansion into global markets.**

We plan to explore market opportunities overseas. However, such activities may subject us to additional risks that may materially adversely affect our ability to attain or achieve profitable operations, including but not limited to: efforts to enter into license and collaboration arrangements with third parties may increase our expenses or divert our management's attention from the development of drug candidates; political and economic instability as well as geopolitical tensions, including the threat of war or terrorist attacks; differing regulatory requirements for drug approvals and marketing internationally; difficulty of effective enforcement of contractual provisions in local jurisdictions; and potentially reduced protection for intellectual property rights.

These and other risks may materially adversely affect our ability to attain or sustain revenue and profits from international markets.

## RISKS RELATING TO OUR FINANCIAL POSITION AND NEED FOR ADDITIONAL CAPITAL

**We may need to obtain additional financing to fund our expansion of R&D and our operations, and we may not have access to sufficient funding.**

During the Track Record Period, our Company invested a large amount of funds in preclinical research, clinical trials and pre-launch preparations for drug candidates in our product pipeline. For 2024 and 2025, our R&D expenses amounted to RMB107.0 million and RMB130.1 million, respectively. In the future, our business operations and the implementation of our strategies will require significant funding. For further information, please refer to "Future Plans and Use of Proceeds" in this prospectus.

In addition, many aspects of our general business operations have on-going funding requirements that may increase over time. While we expect that the implementation of our strategies and business plans will require us to rely in part on external financing sources, our ability to obtain additional capital on commercially reasonable terms is subject to a variety of factors, many of which are outside of our control, including our future financial condition, results of operations and cash flows, the global economic conditions, industry and competitive conditions, interest rates, prevailing conditions in the credit markets and government policies on lending. If we cannot do so successfully, our strategies and business plans will not be carried out as currently contemplated.

**We recorded net losses and net operating cash outflows historically. We may continue to incur net losses and net operating cash outflows for the foreseeable future and may not achieve or maintain profitability in the future.**

Investment in biopharmaceuticals is highly unpredictable in terms of commercial success. It entails substantial upfront capital expenditures and significant risk that a product candidate will fail to gain regulatory approval or become commercially viable. We incurred losses and net operating cash outflows in each period since our inception. For 2024 and 2025, we recorded a loss of RMB156.8 million and RMB184.9 million, respectively. A majority of our loss has resulted from costs incurred for R&D programs. We expect to continue to incur losses for the foreseeable future, and we expect these losses to increase as we continue to expand our R&D activities for our product and product candidates, as well as to enhance our sales and marketing efforts.

We recorded net cash used in operating activities of RMB107.7 million and RMB137.1 million for 2024 and 2025, respectively. For details, please refer to "Financial Information — Liquidity and Capital Resources — Cash Flows" in this prospectus. Negative operating cash flow may require us to obtain additional financing to meet our financing needs and obligations and support our expansion plans. We cannot assure you that we will have sufficient cash from other sources to fund our operations. If we resort to other financing activities, we will incur additional financing costs, and we cannot guarantee that we will be able to obtain the financing on terms acceptable to us, or at all. In the event that we are unable to generate sufficient cash flow from our operations or otherwise obtain sufficient external funds to finance our business, our liquidity and financial condition may be materially and adversely affected and we may not be able to expand our business as expected.

**We recorded net liabilities and net current liabilities historically, which may expose us to liquidity risk.**

As of December 31, 2025, we recorded net liabilities of RMB959.9 million and net current liabilities of RMB4.2 million. A net liabilities position can expose us to liquidity and financial risks. This in turn could require us to seek financing from external sources such as bank borrowings, which may not be available on terms favorably or commercially reasonable to us, or at all. If we are unable to maintain adequate working capital or obtain sufficient financings to meet our capital needs, we may be unable to continue our operations according to our plan, default on our payment obligations and fail to meet our capital expenditure requirements, which may have a material adverse effect on our business, financial condition, results of operations and prospects.

**Our ability to generate revenue from sales of drug products and become profitable depends significantly on our success in a number of factors that affect the sales volume, pricing levels and profit margins of such drug products, such as competition or change in market environment.**

Our ability to generate revenue and achieve profitability depends significantly on our success in many factors, including but not limited to: (i) obtaining regulatory approvals and marketing authorizations for drug candidates for which we complete clinical studies; (ii) completing research regarding, and nonclinical and clinical development of, our drug candidates; (iii) addressing any competing technological and market developments; (iv) identifying, assessing, acquiring and/or developing new drug candidates, intellectual property and technologies; (v) negotiating favorable terms in any collaboration, licensing, or other arrangements into which we may enter; (vi) maintaining, protecting, expanding and enforcing our portfolio of intellectual property rights, including patents, trademarks, trade secrets, and know-how; and (vii) attracting, hiring, and retaining qualified personnel.

We cannot guarantee that we will be able to obtain regulatory approvals for any of our drug candidates in a timely manner, or at all. Substantial investments may be incurred before and after we generate any revenue from product sales. We expect to continue incurring significant costs associated with the manufacturing and the commercial launch of the drug products. Moreover, our expenses could increase beyond expectations if we are required by the NMPA, the FDA or other applicable authorities to perform studies in addition to those that we currently anticipate.

Considering the potential approval to market our drug candidates in the future, our revenue will depend on factors that affect the sales volume, pricing level or profitability of such approved products. Factors that could adversely affect the sales volumes, pricing levels and profitability of the products we sell include: exclusion from, or reduced coverage under, the national, provincial or other government-sponsored medical insurance programs, the impact of government pricing regulations, sales of substitute products by competitors, interruptions in the supply of raw materials, increases in the cost of raw materials, issues with product quality or side effects, intellectual property infringements, adverse changes in our sales and distribution network, and unfavorable policy, regulatory or enforcement changes. These factors, many of which are outside of our control, could adversely affect our operations, revenue and profitability.

**We are exposed to changes in the fair value of financial assets at fair value through profit or loss ("FVTPL") and valuation uncertainties.**

As of December 31, 2024 and 2025, our financial assets at FVTPL were RMB54.6 million and RMB95.2 million, respectively. Our financial assets at FVTPL represent the structured deposits we purchased from banks in the PRC. We may incur fair value loss with respect to our financial assets in the future as such fair value could be subject to factors out of our control such as the macroeconomic conditions. For details, please refer to Notes 20 and 32 to the Accountants' Report in Appendix I to this prospectus.

**Share-based payment may cause shareholding dilution to our existing Shareholders and have a negative effect on our financial performance.**

We adopted employee incentive plans for the benefit of our employees (including directors) and consultants to incentivize and reward the eligible persons who have contributed to the success of our Company. See Note 28 of the Accountants' Report in Appendix I to this prospectus. During the Track Record Period, no share-based payment expenses were recognized. To further incentivize our employees to contribute to us, we may grant additional incentives in the future. Issuance of Shares with respect to such

incentives may dilute the shareholding percentage of our existing Shareholders. Expenses incurred with respect to such share-based payments may increase our operating expenses and have a material and adverse effect on our financial performance.

**The discontinuation of any government grants or preferential tax treatment currently available to us may adversely affect our business, financial condition and results of operations.**

We recorded government grants of RMB0.8 million and RMB0.3 million for 2024 and 2025, respectively. We generally do not have the ability to influence local government authorities in making these decisions. Local authorities may reduce or eliminate incentives at any time. In addition, some of the government financial incentives are granted on a project basis and subject to the satisfaction of certain conditions, including compliance with the applicable financial incentive agreements and completion of specific projects therein. We cannot guarantee that we will satisfy all conditions, the failure of which may deprive us of the incentives and have an adverse effect on our business, financial condition and results of operations.

## RISKS RELATING TO GOVERNMENT REGULATIONS

**All material aspects of the research, development, manufacturing and commercialization of our drug candidates are key concerns of the supervisory authorities and the related regulations are subject to change.**

All jurisdictions in which we intend to develop and commercialize our drug candidates and conduct other pharmaceutical-industry activities regulate these activities in great depth and detail. Major markets in the world all strictly regulate the pharmaceutical industry, and in doing so they employ broadly similar regulatory strategies, including regulation of the development and approval, manufacturing, marketing, sales and distribution of pharmaceutical products. However, there are differences in the regulatory regimes that make for a more complex and costly regulatory compliance burden for a company like us that plans to operate in these regions.

Moreover, the regulatory framework regarding the pharmaceutical industry is continuing to develop, and we cannot guarantee that amendments to the laws and regulations with regard to pharmaceutical industry would not adversely affect our business and prospects. Any such amendments may result in increased compliance difficulty and costs or cause delays in, or prevent the successful development or commercialization of, our drug candidates and reduce the current benefits. Developments in government regulations or in practices relating to the pharmaceutical industry such as a relaxation in regulatory requirements or the introduction of simplified approval procedures which would lower the entry barrier for potential competitors, or an increase in regulatory requirements which may increase the difficulty for us to satisfy such requirements, may have a material adverse impact on our business, financial condition, results of operations and prospects.

**Obtaining regulatory approvals for our drug candidates is lengthy, time-consuming and inherently unpredictable, and we may remain subject to extensive post-approval regulatory requirements.**

Significant time, efforts and expenses are required to bring our drug candidates to market in compliance with the regulatory process, and we cannot assure you that any of our drug candidates will be approved for sale. The time required to obtain approvals from the NMPA, the FDA and other comparable regulatory authorities is often unpredictable, and depends on numerous factors, including the substantial discretion of the regulatory authorities. Our drug candidates could fail to receive regulatory approval in a timely manner for many reasons, including but not limited to: failure to begin or complete clinical trials due to disagreements with regulatory authorities; failure to demonstrate that a drug candidate is safe and effective or, it is safe, pure, and potent for its proposed indication; failure of clinical trial results to meet the level of statistical significance required for approval; data integrity issues related to our clinical trials; disagreement with our interpretation of data from preclinical studies or clinical trials; failure to conduct a clinical trial in accordance with regulatory requirements or our clinical trial protocols; and clinical sites, investigators or other participants in our clinical trials deviating from a trial protocol, failing to conduct the trial in accordance with regulatory requirements, or dropping out of a trial.

In addition, the NMPA, the FDA or a comparable regulatory authority may require more information, including additional analyses, reports, data, non-clinical studies and clinical trials, or questions regarding interpretations of data and results, to support approval, which may prolong, delay or prevent approval and our commercialization plans, or we may decide to abandon the development programs. Changes in regulatory requirements and guidance may also occur, and we may need to amend clinical trial protocols submitted to competent regulatory authorities to reflect these changes. Resubmission may impact the costs, timing or successful completion of a clinical trial. The policies of the NMPA, the FDA and other comparable regulatory authorities may also change, and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our drug candidates. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we fail to maintain regulatory compliance, we may not obtain the regulatory approvals or may lose the approvals that obtained and we may not achieve or sustain profitability.

Additionally, clinical trials conducted in one country may not be accepted by regulatory authorities in other countries, and regulatory approval in one country does not mean that regulatory approval will be obtained in any other country. Approval procedures vary among countries and can involve additional product testing and validation and additional administrative review periods. Seeking regulatory approvals in various jurisdictions could result in significant delays, difficulties and costs for us and may require additional preclinical studies or clinical trials which would be costly and time consuming. We cannot assure you that we will meet regulatory requirements of different jurisdictions or that our drug candidates will be approved for sale in those jurisdictions.

If the NMPA, the FDA or a comparable regulatory authority approves any of our drug candidates, the manufacturing processes, labeling, packaging, storage, distribution, adverse event reporting, advertising, promotion, sampling, record-keeping and post-marketing studies for the drug will be subject to extensive and ongoing or additional regulatory requirements on pharmacovigilance. These requirements include submissions of safety and other postmarketing information and reports, registration, random quality control testing, adherence to any CMC, variations, continued compliance with GMPs, cGMPs, GCPs, good storage practices ("GSPs") and good vigilance practices ("GVPs") and potential post-approval studies for the purposes of license renewal.

Any regulatory approvals that we receive for our drug candidates may also be subject to limitations on the approved indicated uses for which the drug may be marketed or to the conditions of approval, or contain requirements for potentially costly post-marketing studies for the surveillance and monitoring of the safety and efficacy of the drug.

In addition, once a drug is approved by the NMPA, the FDA or a comparable regulatory authority for marketing, it is possible that there could be a subsequent discovery of previously unknown problems with the drug, including problems with third-party manufacturers or manufacturing processes. If any of the foregoing occurs with respect to our drug candidates, it may result in, among other things: restrictions on the marketing or manufacturing of our drugs, withdrawal of the product from the market, or voluntary or mandatory product recalls; fines, warning letters, or holds on clinical trials; refusal by the NMPA, the FDA or other comparable regulatory authorities to approve pending applications or supplements to approved applications filed by us or suspension or revocation of license approvals; product seizure or detention, or refusal to permit the import or export of our drug candidates; and injunctions or the imposition of civil, administrative or criminal penalties.

**We may face risks arising from IT system failures and cybersecurity breaches, any of which may require significant resources and may adversely affect our business, operations and financial performance.**

Our information technology systems and those of our business partners are vulnerable to damage from computer viruses, unauthorized access, cyber-attacks, natural disasters, terrorism, war and telecommunication and electrical failures. If such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our R&D programs. For example, our data may not be backed up in a timely manner and the loss of clinical trial data from ongoing or future clinical trials for any of our drug candidates could result in delays in regulatory approval efforts and significantly increase costs to recover or reproduce the data. To the extent that any disruption or security breach were to result in a loss of or damage to data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability and the further development of our drug candidates could be delayed.

We are subject to the relevant local, state, national and international data protection and privacy laws, directives, regulations and standards that apply to the collection, use, retention, protection, disclosure, transfer and other processing of personal data in the jurisdictions in which we may operate and conduct our clinical trials, as well as contractual obligations. These data protection and privacy law regimes continue to evolve and may result in ever-increasing public scrutiny and escalating levels of enforcement and sanctions and increased costs of compliance.

**Our operations are subject to extensive and evolving anti-kickback, anti-bribery, false claims, physician payment transparency, fraud and abuse, and other healthcare-related laws and regulations in multiple jurisdictions, and changes in the interpretation, enforcement or application of such laws and regulations may adversely affect our business, reputation, financial condition and results of operations.**

Healthcare providers, physicians and others play a primary role in the recommendation and prescription of any products for which we obtain regulatory approval. Our operations are subject to various applicable anti-kickback, false claims laws, physician payment transparency laws, fraud and abuse laws or similar healthcare and security laws and regulations in China and the United States. Violations of fraud and abuse laws may be punishable by criminal and/or civil sanctions, including penalties, fines and/or exclusion or suspension from governmental healthcare programs and debarment from contracting with governments.

There is no definitive guidance on the applicability of fraud and abuse laws to our business. Law enforcement authorities are increasingly focused on enforcing these laws, and the interpretation and application of such laws may evolve over time. As a result, our business arrangements with third parties may be subject to regulatory scrutiny or challenge. Efforts to ensure that our business arrangements with third parties comply with applicable healthcare laws and regulations will involve substantial costs. If regulatory authorities determine that any of our practices are not in compliance with applicable laws and regulations, we may be subject to civil, criminal and administrative penalties, damages, disgorgement, monetary fines, possible exclusion from participation in governmental healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of our operations, any of which could adversely affect our ability to operate our business and have a significant impact on our business and results of operations.

In addition, we are subject to anti-bribery laws in China that generally prohibit companies and their intermediaries from making payments to government officials for the purpose of obtaining or retaining business or securing any other improper advantage. Moreover, we are subject to the Foreign Corrupt Practices Act (the "FCPA"). The FCPA generally prohibits us from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. Non-compliance with anti-bribery laws may disrupt our business and lead to severe criminal and civil penalties, including imprisonment, criminal and civil fines, loss of our export licenses, suspension of our ability to do business with the government, denial of government reimbursement for our products and/or exclusion from participation in government healthcare programs. Other remedial measures could include further changes or enhancements to our procedures, policies, and controls and potential personnel changes and/or disciplinary actions, any of which could have a material adverse effect on our business, financial condition, results of operations and liquidity. We could also be adversely affected by any allegation that we violated such laws.

## RISKS RELATING TO CONDUCTING BUSINESS IN THE JURISDICTION WHERE WE MAINLY OPERATE

**The pharmaceutical industry in the jurisdiction where we mainly operate is highly regulated and such regulations are subject to change which may affect approval and commercialization of our drugs.**

We currently conduct most of our operations in China. The pharmaceutical industry in China is subject to comprehensive government regulation and supervision, encompassing the approval, registration, manufacturing, packaging, licensing and marketing of new drugs. Any changes or amendments regulations, that alter our Company's original mode of operation, may result in increased compliance costs on our business or cause delays in or prevent the successful development or commercialization of our drug candidates in China and reduce the benefits.

**We may face risks of having to transfer our scientific data.**

On March 17, 2018, the General Office of the State Council promulgated the Measures for the Management of Scientific Data (《科學數據管理辦法》), or the Scientific

Data Measures, which provided a broad definition of scientific data and rules for the management of scientific data. According to the Scientific Data Measures, if the provision of scientific data involving ''state secrets'' is required in foreign exchanges and cooperation, Chinese enterprises should clarify the type, scope and purpose of the data to be used, and report to the competent authority for approval in accordance with relevant procedures of confidentiality management regulations. When publishing a paper in a foreign academic journal requires the author to submit the relevant scientific data, the author should, prior to the publication, submit such scientific data to the belonged institution for unified management if such scientific data is generated with the government funding. Given the term ''state secret'' is not clearly defined, we cannot assure you that we can always obtain approvals for sending scientific data in the future, such as the results of our preclinical studies or clinical trials conducted within the PRC, abroad or to our foreign partners in the PRC. If we are unable to obtain necessary approvals timely, or at all, our R&D of drug candidates may be hindered, which could materially and adversely affect our business, financial condition, results of operations and prospects. If the relevant government authorities consider the transmission of our scientific data to be in violation of the Scientific Data Measures, we may be subject to rectification and other administrative penalties imposed by those government authorities.

**Investors of our H Shares may be subject to PRC income tax obligations.**

Under the PRC Enterprise Income Tax Law (《中華人民共和國企業所得税法》) and its implementation regulations, dividends paid by a PRC resident enterprise, such as our Company, to non-PRC resident enterprise investors are subject to a 10% withholding tax, unless a lower treaty rate applies. Pursuant to the PRC Individual Income Tax Law, dividends paid by a PRC company to non-PRC resident individual investors are subject to a 20% withholding tax. This rate may be reduced under an applicable tax treaty. To simplify tax administration for shares listed in Hong Kong, a withholding tax rate of 10% is generally applied to dividends paid to non-PRC resident individual investors. There remain uncertainties as to whether gains realized by non-PRC resident investors upon the sale or other disposition of our H Shares would be considered income derived from sources within the PRC and thus be subject to PRC income tax. If such gains are subject to PRC income tax, the applicable rate for non-resident enterprises would generally be 10%, and for non-resident individuals could be 20%, subject to any relief under applicable tax treaties. If you are a non-PRC resident investor, you should consult your own tax adviser regarding the tax implications of investing in our H Shares.

**Governmental supervision of currency conversion, and restrictions on the remittance of Renminbi into and out of China, may adversely affect the value of your investment.**

Renminbi is currently not a fully freely convertible currency. The PRC government imposes supervision on the convertibility of Renminbi into foreign currencies and, in certain cases, the supervision of currency out of China. A portion of our revenue may be converted into other currencies in order to meet our foreign currency obligations, e.g., to obtain foreign currency to make payments of declared dividends, if any, on our H Shares. Under China's existing laws and regulations on foreign exchange, following the completion of the Global Offering, we will be able to make dividend payments in foreign currencies by complying with certain procedural requirements and without prior approval from the State Administration of Foreign Exchange. However, in the future, the PRC government may, at its discretion, take measures to restrict access to foreign currencies for capital account and current account transactions under certain circumstances. As a result, we may not be able to pay dividends in foreign currencies to holders of our H Shares.

**Fluctuations in exchange rates could result in foreign currency exchange losses.**

All of our costs are denominated in Renminbi and our financial assets are denominated in Renminbi and U.S. dollars. However, our proceeds from the Global Offering will be denominated in Hong Kong dollars. The value of the Renminbi against U.S. dollars and Hong Kong dollars, may fluctuate and is affected by, among other things, changes in global political and economic conditions, which are out of our control. Therefore, any fluctuations in the exchange rate of the Renminbi against other currencies may expose us to exchange rate risks, and our results of operations may be adversely affected. In addition, we normally do not have a foreign currency hedging policy and our use of derivatives markets or foreign exchange hedging measures to minimize foreign exchange rate risk may fail. Accordingly, we are exposed to exchange rate fluctuations and such exposure may adversely affect our financial position and the performance of our business.

**There might be uncertainties in effecting service of legal process, enforcing foreign judgments against us or our Directors and senior management personnel in the PRC.**

We are incorporated under the laws of China, and substantially all of our assets are located in China. In addition, a majority of our Directors and senior management personnel reside within the PRC, with the majority of their assets located within the PRC. Therefore, it may be difficult for investors to effect service of process upon us or our Directors and senior management personnel in the PRC.

**The approval, filing or other requirements of the CSRC or other PRC government authorities may be required under PRC laws.**

On February 17, 2023, the CSRC promulgated the Trial Measures and five related guidelines, which became effective on March 31, 2023. The Trial Measures comprehensively improve and reform the existing regulatory regime for overseas offering and listing of PRC domestic companies' securities and regulate both direct and indirect overseas offering and listing of PRC domestic companies' securities through a filing-based regulatory regime.

Pursuant to the Trial Measures, PRC domestic companies that seek to offer and list securities in overseas markets, either through direct or indirect means, are required to go through the filing procedure with the CSRC and report relevant information. Where an issuer submits an application for initial public offering to competent overseas regulators, such issuer must file with the CSRC within three business days after such application is submitted.

We cannot assure you that we could meet such requirements, complete such filing in a timely manner. Any failure may restrict our ability to complete the proposed listing or any future equity capital raising activities, which would have a material adverse effect on our business and financial positions.

**Changes in international trade policies and rising political tensions may adversely impact our business and results of operations.**

We are susceptible to constantly changing international economic, regulatory, social and political conditions and local conditions in foreign countries and regions. China's political relationships with foreign countries and regions may affect the prospects of our relationships with third parties, such as business partners, suppliers and future customers. There can be no assurance that our existing or potential service providers or collaboration partners will not alter their perception of us or their preferences as a result of adverse changes to the state of political relationships between China and the relevant foreign countries or regions. Any tensions and political concerns between China and the relevant foreign countries or regions may cause a decline in the demand for our future products and adversely affect our business, financial condition, results of operations, cash flow and prospects. Rising trade and political tensions could reduce levels of trade, investments, technological exchanges and other economic activities between China and other countries and regions, which would have an adverse effect on global economic conditions, the stability of global financial markets, and international trade policies.

## RISKS RELATING TO THE GLOBAL OFFERING

**Any possible conversion of our Domestic Shares into H Shares in the future could increase the supply of our H Shares in the market and may negatively impact the market price of our H Shares.**

Subject to the approval of the CSRC, all of our Domestic Shares may be converted into H Shares in the future, and such converted Shares may be listed or traded on an overseas stock exchange, provided that prior to the conversion and trading of such converted Shares any requisite internal approval by our Shareholders and approval from relevant PRC regulatory authorities shall have been obtained. However, the PRC Company Law provides that in relation to the public offering of a company, the shares of that company which are issued prior to the public offering shall not be transferred within one year from the date of the listing. Therefore, upon obtaining the requisite approval, our Domestic Shares may be traded, after the conversion, in the form of H Shares on the Stock Exchange after one year of the Global Offering, which could further increase the supply of our H Shares in the market and may negatively impact the market price of our H Shares.

**No public market currently exists for our H Shares, and an active trading market for our H Shares may not develop, especially considering that our existing Shareholders are subject to a lock-up period.**

No public market currently exists for our H Shares. The initial Offer Price for our H Shares to the public will be the result of negotiations between our Company and the Overall Coordinator (on behalf of the Underwriters) and the Offer Price may differ significantly from the market price of the H Shares following the Global Offering. We have applied for listing of and permission to deal in our Offer Shares on the Stock Exchange. However, a listing on the Stock Exchange does not guarantee that an active and liquid trading market for the H Shares will develop, or if it does develop, that it will be sustained following the Global Offering, or that the market price of the H Shares will not decline following the Global Offering. In particular, certain part of the H Shares in issue as of the date of this prospectus will be subject to a lock-up period from the Listing Date, which may significantly affect the liquidity and trade volume of the H Shares in the short term following the Global Offering.

**The price and trading volume of our H Shares may be volatile, which could lead to substantial losses to investors.**

The price and trading volume of our Shares may be subject to significant volatility in response to various factors beyond our control, including the general market conditions of the securities in Hong Kong and elsewhere in the world. In particular, the business and performance and the market price of the shares of other companies engaging in similar business may affect the price and trading volume of our Shares. In addition to market and industry factors, the price and trading volume of our Shares may be highly volatile for specific business reasons, such as the results of clinical trials of our drug candidates, the results of our applications for regulatory approvals of our drug candidates, regulatory developments affecting the pharmaceutical industry, healthcare, health, insurance and other related matters, fluctuations in our revenue, earnings, cash flows, investments and expenditures, relationships with our suppliers, movements or activities of key personnel, and actions taken by competitors. Moreover, shares of other companies listed on the Stock Exchange with significant operations and assets in China have experienced price volatility in the past, and it is possible that our Shares may be subject to changes in price not directly related to our performance.

**Future sales or perceived sales of our H Shares in the public market by major Shareholders following the Global Offering could materially and adversely affect the price of our H Shares.**

Prior to the Global Offering, there has not been a public market for our H Shares. Future sales or perceived sales by our existing Shareholders of our H Shares after the Global Offering could result in a significant decrease in the prevailing market price of our H Shares. Only a limited number of the H Shares currently outstanding will be available for sale or issuance immediately after the Global Offering due to contractual and regulatory restrictions on disposal and new issuance. Nevertheless, after these restrictions lapse or if they are waived, future sales of significant amounts of our H Shares in the public market or the perception that these sales may occur could significantly decrease the prevailing market price of our H Shares and our ability to raise equity capital in the future.

**Payment of dividends is subject to restrictions under the PRC law and there is no assurance whether and when we will pay dividends.**

Under PRC law and regulations, we may only pay dividends out of distributable profits. Distributable profits are our after-tax profits, less any recovery of accumulated losses and appropriations to statutory and other reserves that we are required to make. As a result, we may not have sufficient or any distributable profit to enable us to make dividend distributions to our Shareholders, including in periods for which our financial statements indicate we are profitable. Any distributable profit not distributed in a given year is retained and available for distribution in subsequent years. The calculation of our distributable profits under the PRC GAAP differs in many aspects from the calculation under IFRS Accounting Standards. Moreover, our operating subsidiaries in China may not have distributable profit as determined under the PRC GAAP. Accordingly, we may not receive sufficient distributions from our subsidiaries for us to pay dividends. Failure by our operating subsidiaries to pay us dividends could adversely impact our ability to make dividend distributions to our Shareholders and our cash flow, including periods in which we are profitable.

**Raising additional capital may cause dilution to our Shareholders, restrict our operations or require us to relinquish rights to our technologies or drug candidates.**

We may finance our future cash needs through equity offerings, licensing arrangements or other collaborations, government funding arrangements, debt financings, or any combination thereof. In addition, we may seek additional capital due to favorable market conditions or strategic considerations. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms may include liquidation or other preferences that adversely affect your rights as a holder of our H Shares. The incurrence of additional indebtedness or the issuance of certain equity securities could result in increased fixed payment obligations and could also result in certain additional restrictive covenants, such as limitations on our ability to incur additional debt or issue additional equity, limitations on our ability to acquire or license intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. In addition, issuance of additional equity securities, or the possibility of such issuance, may cause the market price of our H Shares to decline.

**Potential investors will experience immediate and substantial dilution as a result of the Global Offering.**

The Offer Price of the H Shares is higher than the net tangible asset value per H Share immediately prior to the Global Offering. Therefore, purchasers of the H Shares in the Global Offering will experience an immediate dilution. In order to expand our business, we may consider offering and issuing additional Shares in the future. Purchasers of the H Shares may experience dilution if we issue additional Shares in the future at a price which is lower than the net tangible asset value per Share at that time. Furthermore, we may issue Shares through the employee incentive platforms, which would further dilute Shareholders' interests in our Company.

**We cannot make fundamental changes to our business without the consent of the Stock Exchange.**

On April 30, 2018, the Hong Kong Stock Exchange adopted rules under Chapter 18A of Listing Rules. Under these rules, without the prior consent of the Stock Exchange, we will not be able to effect any acquisition, disposal or other transaction or arrangement or a series of acquisitions, disposals or other transactions or arrangements, which would result in a fundamental change in our principal business activities as set forth in this prospectus. As a result, we may be unable to take advantage of certain strategic transactions that we might otherwise choose to pursue in the absence of Chapter 18A. Were any of our competitors that are not listed on the Stock Exchange to take advantage of such opportunities in our place, we may be placed at a competitive disadvantage, which could have a material adverse effect on our business, financial condition and results of operations.

**Facts, forecasts and statistics in this prospectus relating to the pharmaceutical industry are derived from various official government sources, which may not be accurate, reliable, complete or up to date and have not been independently verified by us.**

We have derived certain facts and other statistics in this prospectus, particularly the section headed "Industry Overview," from information provided by the PRC and other government agencies. However, the information from official government sources has not been independently verified by us, the Joint Sponsors, the Overall Coordinators, the underwriters, any of their respective directors, employees, agents or advisors or any other person or party involved in the Global Offering, and no representation is given as to its accuracy.

**Forward-looking statements contained in this prospectus are subject to risks and uncertainties.**

This prospectus contains certain future plans and forward-looking statements about us that are made based on the information currently available to our management. The forward-looking information contained in this prospectus is subject to certain risk and uncertainties. Whether we implement those plans, or whether we can achieve the objectives described in this prospectus, will depend on various factors including the market conditions, our business prospects, actions by our competitors and the global financial situations.

**You should read the entire prospectus carefully, and we caution you not to place any reliance on any information contained in press articles or other media regarding us or the Global Offering.**

Prior or subsequent to the publication of this prospectus, there may have been or be press and media coverage regarding us and the Global Offering, which includes certain information about us that does not appear in, or is different to what is contained in, this prospectus. We have not authorized the disclosure of any such information in the press or media. Financial information, financial projections, valuation and other information about us contained in such unauthorized press or media coverage may not truly reflect what is disclosed in the prospectus or the actual circumstances. We do not accept any responsibility for such unauthorized press and media coverage or for the accuracy or completeness of any such information. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information. To the extent that any information appearing in the press and media is inconsistent or conflicts with the information contained in this prospectus, we disclaim it. Investors should rely only on the information contained in this prospectus in making an investment decision.

In preparation for the Global Offering, we have sought the following waivers from strict compliance with the relevant provisions of 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**

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong. This normally means that at least two of its executive directors must be ordinarily resident in Hong Kong. Rule 19A.15 of the Listing Rules further provides that the requirement in Rule 8.12 of the Listing Rules may be waived by having regard to, among other considerations, the new applicant's arrangements for maintaining regular communication with the Stock Exchange, including but not limited to compliance by the new applicant with Rules 3.06, 3A.23 and 3A.24 of the Listing Rules.

Our Group's daily operations and major assets are primarily located in the PRC, and our Group's management members are, and expect to continue to be, based primarily in the PRC. Our Company considers that our Group's management members are best able to attend to its functions by being based in the PRC. Our Company's executive Director is not or will not be ordinarily resident in Hong Kong after the Listing of our Company. The Directors consider that relocation of our Company's executive Director to Hong Kong will be burdensome and costly for our Company, and it may not be in the best interests of our Company and its Shareholders as a whole to appoint additional executive Directors who are ordinarily resident in Hong Kong. Furthermore, if the executive Director or the additional ones are not able to be physically present at the location where our Group's daily operations take place, they may not be able to fully or promptly understand the daily business operation of our Group nor appreciate the circumstances affecting the business operations and development of our Group from time to time.

As such, our Company does not have, and for the foreseeable future will not have, sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rule 8.12 and Rule 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 Rule 8.12 and Rule 19A.15 of the Listing Rules. Our Company has made the following arrangements to maintain effective communication between the Stock Exchange and us:

(i) our Company has appointed and will continue to maintain Dr. Wang Bing (王冰) and Ms. Chan Yee Lam (陳綺藍) as its authorised representatives (the "Authorised Representatives") pursuant to Rules 3.05 and 3.06(2) of the Listing Rules. The Authorised Representatives will act as our Company's principal communication channel with the Stock Exchange. Each of the Authorised Representatives will be available to meet with the Stock Exchange within a reasonable time frame upon the request of the Stock Exchange and will be readily contactable by telephone, facsimile and email. Our Company has provided the Stock Exchange with the contact details of the Authorised Representatives and our Company will inform the Stock Exchange promptly in respect of any change to the contact details of the Authorised Representatives;

(ii) the Authorised Representatives have the means of contacting all Directors (including the independent non-executive Directors) promptly at all times as and when the Stock Exchange proposes to contact a Director with respect to any matter. To enhance communication between the Stock Exchange and the Authorised Representatives or the Directors, our Company will implement a policy whereby (i) the executive Director will provide a valid phone number or other means of communication for the Authorised Representatives when he is traveling or out of office, and (ii) each Director will provide his or her mobile phone number, office phone number, e-mail address and, where available, fax number to the Stock Exchange and our Company will inform the Stock Exchange promptly in respect of any changes to the contact details of the Directors;

(iii) all the Directors who are not ordinarily resident in Hong Kong have confirmed that they possess or can apply for valid travel documents to visit Hong Kong and will be able to meet with relevant members of the Stock Exchange in Hong Kong upon reasonable notice, when required; and

(iv) Pursuant to Rule 3A.19 of the Listing Rules, we have retained the services of Halcyon Capital Limited as Compliance Adviser upon Listing 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. The Compliance Adviser will have access at all times to the Authorised Representatives, our Company's Directors and senior management, who will act as the additional channel of communication with the Stock Exchange when the Authorised Representatives are not available. Our Company has provided the Stock Exchange with the contact details of the Compliance Adviser and will inform the Stock Exchange promptly in respect of any changes to the contact details of the Compliance Adviser.

Our Company will inform the Stock Exchange as soon as practicable in respect of any changes in the Authorised Representatives and/or the Compliance Adviser in accordance with the Listing Rules.

**WAIVER IN RESPECT OF APPOINTMENT OF JOINT COMPANY SECRETARIES**

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the company secretary of an issuer must be an individual who, by virtue of his or her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

(i) a member of The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries);

(ii) a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and

(iii) a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong).

Note 2 to Rule 3.28 of the Listing Rules further sets out the factors that the Stock Exchange will consider in assessing an individual's "relevant experience":

(i) length of employment with the issuer and other issuers and the roles he or she played;

(ii) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;

(iii) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and

(iv) professional qualifications in other jurisdictions.

Pursuant to paragraph 13 of Chapter 3.10 of the Guide for New Listing Applicants, the Stock Exchange will consider a waiver application by an issuer in relation to Rules 3.28 and 8.17 of the Listing Rules based on the specific facts and circumstances. Factors that will be considered by the Stock Exchange include:

(i) whether the issuer has principal business activities primarily outside Hong Kong;

(ii) whether the issuer was able to demonstrate the need to appoint a person who does not have the Acceptable Qualification (as defined under paragraph 11 of Chapter 3.10 of the Guide for New Listing Applicants) nor Relevant Experience (as defined under paragraph 11 of Chapter 3.10 of the Guide for New Listing Applicants) as a company secretary; and

(iii) why the directors consider the individual to be suitable to act as the issuer's company secretary.

Further, pursuant to paragraph 13 of Chapter 3.10 of the Guide for New Listing Applicants, such waiver, if granted, will be for a fixed period of time (the "Waiver Period") and on the following conditions:

(i) the proposed company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period; and

(ii) the waiver will be revoked if there are material breaches of the Listing Rules by the issuer.

Our Company considers that while it is important for the company secretary to be familiar with the relevant securities regulations in Hong Kong, he/she also needs to have experience relevant to our Company's operations, a nexus to our Board and a close working relationship with the management of our Company in order to perform the function of a company secretary and to take the necessary actions in the most effective and efficient manner. It is for the benefit of our Company to appoint a person who is familiar with our Company's business and affairs as company secretary.

Our Company has appointed Ms. Chan Yee Lam (陳綺藍), as one of the joint company secretaries.

We have applied to the Hong Kong Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules on the basis of the proposed arrangements below:

(i) Mr. Zou Ran (鄒然) will endeavor to attend relevant training courses, including briefings on the latest changes to the relevant applicable Hong Kong laws and regulations and the Listing Rules which will be organized by our Company's Hong Kong legal advisors on an invitation basis and seminars organized by the Stock Exchange for listed issuers from time to time;

(ii) Mr. Zou Ran (鄒然) has confirmed that he will be attending a total of no less than 15 hours of training courses on the Listing Rules, corporate governance, information disclosure, investors relation as well as the functions and duties of the company secretary of a Hong Kong listed issuer during each financial year as required under Rule 3.29 of the Listing Rules;

(iii) Ms. Chan Yee Lam (陳綺藍) will assist Mr. Zou Ran (鄒然) to enable him to acquire the relevant experience (as required under Rule 3.28 of the Listing Rules) to discharge the duties and responsibilities as the company secretary of our Company;

(iv) Ms. Chan Yee Lam (陳綺藍) will communicate regularly with Mr. Zou Ran (鄒然) on matters relating to corporate governance, the Listing Rules and any other laws and regulations which are relevant to our Company and its affairs. Ms. Chan Yee Lam (陳綺藍) will work closely with, and provide assistance for, Mr. Zou Ran (鄒然) in the discharge of his duties as a company secretary, including organizing our Company's Board meetings and Shareholders' general meetings;

(v) upon expiry of Mr. Zou Ran (鄒然)'s initial term of appointment as the company secretary of our Company, our Company will evaluate his experience in order to determine if he has acquired the qualifications required under Rule 3.28 of the Listing Rules, and whether on-going assistance should be arranged so that Mr. Zou Ran (鄒然)'s appointment as the company secretary of our Company continues to satisfy the requirements under Rules 3.28 and 8.17 of the Listing Rules. The waiver will be revoked immediately if Ms. Chan Yee Lam (陳綺藍) ceases to provide assistance to Mr. Zou Ran (鄒然) as a joint company secretary for the three-year period after the Listing or where there are material breaches of the Listing Rules by our Company;

(vi) our Company has appointed Halcyon Capital Limited as the Compliance Adviser pursuant to Rule 3A.19 of the Listing Rules which will act as the additional communication channel with the Stock Exchange (for a period commencing on the Listing Date and ending on the date on which our

Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year after the date of listing, or until the engagement is terminated, whichever is earlier). Halcyon Capital Limited will provide professional guidance and advice to our Company as to the compliance with the Listing Rules and all other applicable laws and regulations; and

(vii) the waiver is valid for an initial three-year period commencing from the Listing, and will be revoked immediately if Ms. Chan Yee Lam (陳綺藍) ceases to provide assistance and guidance to Mr. Zou Ran (鄒然), or if there are material breaches of the Listing Rules by our Company. Prior to the expiry of the initial three-year period, our Company will re-evaluate the qualifications and experiences of Mr. Zou Ran (鄒然) and liaise with the Stock Exchange to revisit the situation in the expectation that we should then be able to demonstrate to the Stock Exchange's satisfaction that Mr. Zou Ran (鄒然), having had the benefit of assistance from Ms. Chan Yee Lam (陳綺藍)'s for three years, would then have acquired the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules such that a further waiver would not be necessary.

**EXEMPTION FROM STRICT COMPLIANCE WITH SECTION 342(1)(B) 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**

Section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires all prospectuses to include matters specified in Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and set out the reports specified in Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

Paragraph 27 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires a company to include in its prospectus a statement as to the gross trading income or sales turnover (as the case may be) of the company during each of the three financial years immediately preceding the issue of the prospectus, including an explanation of the method used for the computation of such income or turnover and a reasonable breakdown between the more important trading activities.

Paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance further requires the company to include in its prospectus a report by the auditors of the company with respect to profits and losses of the company in respect of each of the three financial years immediately preceding the issue of the prospectus and the assets and liabilities of the company of each of the three financial years immediately preceding the issue of the prospectus.

Section 342A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance provides that 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 compliance with any or all of such requirements would be irrelevant or unduly burdensome, or would otherwise be unnecessary or inappropriate.

Rule 18A.03(3) of the Listing Rules requires that an eligible biotech company must have been in operation in its current line of business for at least two financial years prior to listing under substantially the same management. Rule 18A.06 of the Listing Rules requires that an eligible biotech company must comply with Rule 4.04 of the Listing Rules modified so that references to "three financial years" or "three years" in Rule 4.04 shall instead reference to "two financial years" or "two years", as the case may be. Further, pursuant to Rule 8.06 of the Listing Rules, the latest financial period reported on by the reporting accountants for a new applicant must not have ended more than six months from the date of the listing document.

Accordingly, we applied to the SFC for, and the SFC has granted, a certificate of exemption from strict compliance with section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to the requirements of paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance regarding the inclusion of the accountants' report covering the full three financial years immediately preceding the issue of this prospectus on the following grounds:

(i) our Company is a biotechnology company focusing on the field of bi-/multi-Specific peptide drug development, and falls within the scope of a biotech company as defined under Chapter 18A of the Listing Rules. Our Company is seeking a listing under Chapter 18A and will fulfill the additional conditions for listing required under Chapter 18A of the Listing Rules;

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

(iii) as of the Latest Practicable Date, our Company had developed a pipeline of bi-/multi-functional peptides and innovative drug candidates, including: (i) the Core Product, MT1013, the peptide drug targeting both CaSR and OGP receptors, primarily developed for the treatment of CKD-SHPT, with the potential to be further developed for additional indications such as CKD-MBD with Osteoporosis and CKD-SHPT not on Dialysis; and (ii) three Key Products, namely XTL6001, MT1002 and MT200605, as well as other product candidates. Major financing activities conducted by our Company since its incorporation include the Pre-IPO Investments, the details of which have been fully disclosed in the paragraphs headed "History, Development and Corporate Structure — Pre-IPO Investments" in this prospectus;

(iv) notwithstanding that the financial results set out in this prospectus are only for the two financial 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 the Companies (Winding Up and Miscellaneous Provisions) Ordinance has been adequately disclosed in this prospectus pursuant to the relevant requirements;

(v) furthermore, as 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 sales during the Track Record Period. For the years ended December 31, 2024 and 2025, we reported total comprehensive losses of RMB156.83 million and RMB184.91 million, respectively, which were primarily attributable to research and development expenses, administrative expenses and finance costs. Our Company did not record any revenue for the financial year ended December 31, 2023, and other income in 2023 mainly came from bank interest income and government grants. 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

(vi) our Directors and the Joint Sponsors are of the view that the Accountants' Report covering the two financial years ended December 31, 2025 (as set out in Appendix I to this prospectus), together with other disclosures in this prospectus, have already provided adequate and reasonable up-to-date information for the potential investors to make an informed assessment of the business, assets and liabilities, financial position, management and prospects and 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 interest 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 the exemption are set out in this prospectus; and (ii) this prospectus will be issued on or before June 15, 2026.

## CONSENT IN RESPECT OF CORNERSTONE INVESTMENT BY CLOSE ASSOCIATE OF EXISTING SHAREHOLDERS

Paragraph 1C(2) of Appendix F1 to the Listing Rules (the "**Placing Guidelines**") provides, inter alia, that without the prior written consent of the Stock Exchange, 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 of the Listing Rules are fulfilled.

Chapter 2.3 of the Guide for New Listing Applicants provides that existing shareholders and/or their close associates are allowed to participate in the initial public offering of a Biotech Company (as defined under Chapter 18A of the Listing Rules) provided that the applicant complies with Rules 8.08(1)/19A.13A and 8.08A/19A.13C of the Listing Rules. Further, pursuant to paragraph 18 of Chapter 2.3 of the Guide, an existing shareholder holding less than 10% of shares in a Biotech Company may subscribe for shares in the proposed listing as either a cornerstone investor or as a placee and an existing shareholder holding 10% or more of shares in a Biotech Company must subscribe for shares in the proposed listing as a cornerstone investor.

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 Junying Growth, Listing Reserve Fund, Junying Jiacheng, Xi'an Huiyu, Shaanxi Innovation Relay, Shaanxi Jingang and New Materials Fund are ultimately controlled by the People's Government of Shaanxi Province (the "**Existing Shareholders**"). Qiyuan High-tech Innovation Investment (Hong Kong) Limited ("**Qiyuan Hong Kong**"), one of our Cornerstone Investors, is also ultimately controlled by Shaanxi Provincial SASAC and hence a close associate of one of our Existing Shareholders (the "**Proposed Cornerstone Investment**"). For further details, please refer to the section headed "Cornerstone Investors" in this prospectus.

The Stock Exchange has granted the requested consent subject to the conditions that:

(a) our Company will comply with the public float requirements of Rule 19A.13A and the free float requirement under Rule 19A.13C of the Listing Rules. For details of the calculation of public float and free float of the Company, please refer to the section headed "History, Development and Corporate Structure" in this prospectus;

(b) the Offer Shares to be subscribed by and allocated to Qiyuan Hong Kong as a Cornerstone Investor under the Global Offering will be at the same Offer Price and on substantially the same terms as the other Cornerstone Investor (including being subject to a lock-up period of six months from the Listing Date, and Qiyuan Hong Kong shall pay and settle in full the consideration for the Offer Shares before the dealing commence on the Listing Date);

(c) no preference in allocation has been, nor will be, given to Qiyuan Hong Kong other than the preferential treatment of assured entitlement at the Offer Price under a cornerstone investment and the terms of the cornerstone investment agreement of the Qiyuan Hong Kong are substantially the same as the other cornerstone investment agreements following the principles set out in Chapters 2.3 and 4.15 of the Guide and each of the Company, the Joint Sponsors and the Overall Coordinators has provided the Stock Exchange with written confirmations in accordance with Chapters 2.3 and 4.15 of the Guide for New Listing Applicants; and

(d) details of the allocation of the Offer Shares to Qiyuan Hong Kong in the Global Offering as a cornerstone investor are disclosed in this prospectus, and details of the allocation will be disclosed in the allotment results announcement of our Company.

For further information about the Proposed Cornerstone Investment, please refer to the section headed "Cornerstone Investors" in this prospectus.

## DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

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 to the public 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 facts, the omission of which would make this prospectus or any statement in this prospectus misleading.

## CSRC FILING REQUIREMENT

We have filed the required documents with the CSRC, and the CSRC has issued the filing notice dated March 27, 2026, confirming our completion of the filing pursuant to the new filing regime introduced by the Overseas Listing Trial Measures for the Global Offering, the conversion of certain Unlisted Shares into H Shares and the listing of the H Shares on the Stock Exchange. The notice of filing only confirms the filing information of our Company's overseas offering and listing, and does not represent that the CSRC makes any substantial judgment or guarantee about the investment value of our Company's securities or the proceeds of investors, nor does it indicate that the CSRC makes any guarantee or affirmation about the authenticity, accuracy and completeness of this prospectus.

## UNDERWRITING

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 contain 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 herein and therein must not be relied upon as having been authorized by our Company, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, any of the Underwriters or Capital Market Intermediaries, any of their respective directors, agents, employees or advisors or any other party involved in the Global Offering.

The listing of the Offer Shares on the Stock Exchange is sponsored by the Joint Sponsors and the Global Offering is managed by the Overall Coordinators. Pursuant to the Hong Kong Underwriting Agreement, the Hong Kong Public Offering is underwritten by the Hong Kong Underwriters on a conditional basis, with one of the conditions being that the Offer Price is agreed between the Overall Coordinators (for themselves and on behalf of the Underwriters) and us. The International Offering is managed by the Overall Coordinators and is underwritten by the International Underwriters. The International Underwriting Agreement is expected to be entered into on or about the Price Determination Date, subject to agreement on the Offer Price between our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters). If, for any reason, the Offer Price is not agreed between our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters) on or before the Price Determination Date, or such later date or time as may be agreed between the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company, the Global Offering will not proceed. See "Underwriting" for details about the Underwriters and the underwriting arrangements.

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 at any date subsequent to the date of this prospectus.

## DETERMINATION OF THE OFFER PRICE

The Offer Shares are being offered at the Offer Price which the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company will determine on or before Monday, June 22, 2026, and in any event not later than 12:00 noon on Monday, June 22, 2026.

If, for any reason, the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company are unable to reach an agreement on the Offer Price on or before the Price Determination Date, or such later date or time as may be agreed between the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company, the Global Offering (including the Hong Kong Public Offering) will not become unconditional and will lapse.

## RESTRICTIONS ON OFFER AND SALE OF THE OFFER SHARES

No action has been taken to permit a Hong Kong Public Offering of the Offer Shares or the general distribution of this prospectus in any jurisdiction other than 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 pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom. Each person acquiring the Hong Kong Offer Shares under the Hong Kong Public Offering will be required to confirm, or be deemed by his or her acquisition of Hong Kong Offer Shares to confirm, that he or she is aware of the restrictions on offers and sales of the Offer Shares described in this prospectus. In particular, the Offer Shares have not been offered or sold, and will not be offered or sold, directly or indirectly, in the PRC.

The Offer Shares are offered for subscription 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 in connection with the Global Offering to give any information, 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 Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Underwriters, the Capital Market Intermediaries, any of their respective directors, officers, employees, agents, affiliates or advisers or any other persons or parties involved in the Global Offering. For further details of the structure of the Global Offering, including its conditions, and the procedures for applying for Hong Kong Offer Shares, see "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares".

## APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Listing Committee for the granting of the listing of, and permission to deal in, our H Shares to be converted from the Unlisted Shares, our H Shares to be issued pursuant to the Global Offering (including any H Shares which may be issued pursuant to the Over-allotment Option). No part of our H Shares 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 in the near future.

Under section 44B(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any allotments made in respect of any applications will be invalid if the listing of, and permission to deal in, the Offer 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 the Stock Exchange.

## COMMENCEMENT OF DEALINGS IN THE H SHARES

Dealings in the H Shares on the Stock Exchange are expected to commence on Wednesday, June 24, 2026. The H Shares will be traded in board lots of 200 H Shares. The stock code of the H Shares is 2335.

## COMPLIANCE WITH LISTING RULES

We will comply with applicable laws and regulations in Hong Kong (including the Listing Rules) and any other undertakings which have been given in favor of the Stock Exchange from time to time. If the Listing Committee finds that there has been a breach by us of the Listing Rules or such other undertakings which may have been given by us in favor of the Stock Exchange from time to time, the Listing Committee may instigate cancelation or disciplinary proceedings in accordance with the Listing Rules.

## H SHARE REGISTER OF MEMBERS AND STAMP DUTY

All H Shares issued pursuant to applications made in the Hong Kong Public Offering and the International Offering will be registered on our Company's H Share register of members to be maintained by our H Share Registrar, Tricor Investor Services Limited. We will maintain our Company's principal register of members at our current registered office in the PRC.

Dealings in the H Shares registered in our H Share register of members will be subject to the Hong Kong stamp duty. See "Statutory and General Information — Taxation of Holders of H Share" in Appendix IV to this prospectus. Investors should seek professional tax advice for further details of Hong Kong stamp duty.

Unless otherwise determined by our Board, dividends will be paid to Shareholders whose names are listed on our H Share register of members in Hong Kong, by ordinary post, at the Shareholders' risk in Hong Kong dollars to the registered address of each Shareholder.

## 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, the Overseas Listing Trial Measures 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 their making an application or purchase, to have represented that they are not associates of any of our Directors, or 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 the 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.

According to the Guide to the Program for "Full Circulation" of H-shares of the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited promulgated by the Shenzhen Branch of CSDC on September 20, 2024, cash dividends to domestic investors of H-share "full circulation" shall be distributed through Shenzhen Branch of CSDC. An H-share listed company shall transfer RMB cash dividends to the designated bank account of the Shenzhen Branch of CSDC, who shall complete the clearing of cash dividends by distributing the cash dividends to investors through domestic securities companies.

## H SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of listing of, and permission to deal in, the Offer 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 date of commencement of dealings in our H Shares on the Stock Exchange or any other date as determined by HKSCC. Settlement of any 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 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 stockbroker or other professional advisers for details of the settlement arrangements as such arrangements may affect their rights and interests.

## PROFESSIONAL TAX ADVICE RECOMMENDED

Applicants for the Offer Shares are recommended to consult their professional advisers if they are in any doubt as to the tax implications of subscribing for, purchasing, holding, disposing of and dealing in our H Shares or exercising rights attached to them. None of our Company, the Underwriters, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, any of their respective directors, supervisors, officers, employees, agents or advisers or representatives or any other persons involved in the Global Offering accepts responsibility for any tax effects on, or liabilities of, any holders of Shares resulting from the subscription, purchase, holding or disposal of, or dealing in, our H Shares or exercising any rights attached to them.

## OVER-ALLOTMENT AND STABILIZATION

In connection with the Global Offering, the Stabilizing Manager (on behalf of the International Underwriters) or any persons acting for it may over-allot shares or effect any other transactions with a view to prevent a decline in the market price of our H Shares for a limited period after the issue date. However, there is no obligation on the Stabilizing Manager or any person acting for it to do this. Such stabilization action, if taken, may be discontinued at any time and is required to end after a limited period. 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, our Company intends to grant to the International Underwriters the Over-allotment Option, exercisable by the Overall Coordinators (on behalf of the International Underwriters) for up to 30 days after the last day for the lodging of applications under the Hong Kong Public Offering. Pursuant to the Over-allotment Option, our Company may be required to allot and issue at the Offer Price up to an aggregate of 8,708,000 additional H Shares (representing not more than 15% of the Offer Shares initially available under the Global Offering), in connection with over-allocations in the Global Offering, if any.

See the section headed "Structure of the Global Offering" for further details with respect to stabilization and the Over-allotment Option.

## INFORMATION ON THE CONVERSION OF UNLISTED SHARES INTO H SHARES

Our Company has applied for conversion of Domestic Shares into H Shares, which involves 222,016,700 Unlisted Shares (taking into account the Subdivision) held by the existing Shareholders. See the sections headed "History, Development and Corporate Structure" and "Share Capital" for details of our existing Shareholders and their respective interests in our Company and relevant procedures for the conversion of Unlisted Shares into H Shares. Such H Shares to be converted from Unlisted Shares are restricted from trading for a period of one year after the Listing. The relevant filing procedure in relation to the conversion of certain Unlisted Shares into H Shares has been completed on March 27, 2026.

## PROCEDURES FOR APPLICATION FOR HONG KONG OFFER SHARES

The procedures for applying for the Hong Kong Offer Shares are set out in the section headed "How to Apply for Hong Kong Offer Shares."

## STRUCTURE OF THE GLOBAL OFFERING

See the section headed "Structure of the Global Offering" for details of the structure of the Global Offering, including its conditions.

## LANGUAGE

If there is any inconsistency between this prospectus and its Chinese translation, this prospectus shall prevail. The English names of the PRC nationals, entities, departments, facilities, certificates, titles, laws, regulations and the like are translations of their Chinese names and are included herein for identification purposes only. If there is any inconsistency, the Chinese name prevails.

## 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. Any discrepancies in any tables or charts between the total shown and the sums of the amounts listed are due to rounding.

## MARKET SHARE DATA

The statistical and market share information contained in this prospectus has been derived from official government publications, market data providers and other independent third-party sources. Unless otherwise indicated, the information has not been verified by us independently. This statistical information may not be consistent with other statistical information from other sources within or outside the PRC. While reasonable caution has been made in the process of reproducing the data and statistics extracted from such official government publications or other sources, the Joint Sponsors and our Company, or any of their directors, employees, agents, and representatives make no representation to the appropriateness, accuracy, completeness or reliability of any such statistical and market share information.

## EXCHANGE RATE CONVERSION

Solely for your convenience, certain translations among amounts in Renminbi, HK dollars or US dollars are contained in this prospectus. None should be regarded as and be interpreted as an amount in one currency that can be on the relevant dates or any other dates actually converted into that in another currency at the rates below or cannot be converted at all. Unless otherwise specified:

(i) all amounts in Renminbi are translated into HK dollars at an exchange rate of RMB0.87 to HK$1.00, being the middle exchange rate set by the PBOC prevailing on the Latest Practicable Date;

(ii) all amounts in Renminbi are translated into US dollars at an exchange rate of RMB6.82 to US$1.00, being the middle exchange rate set by the PBOC prevailing on the Latest Practicable Date; and

(iii) all amounts in HK dollars are translated into US dollars at an exchange rate of HK$7.83 to US$1.00 (calculated based on (i) and (ii) above).

Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

## DIRECTORS

| Name | Address | Nationality |
|---|---|---|
| **Executive Directors** | | |
| Wang Bing (王冰) | No. 2504, Unit 2, Building 5<br>North Area<br>Residential Area<br>Jiaotong Medical College<br>No. 239, Yanta West Road<br>Yanta District<br>Xi'an, Shaanxi Province<br>PRC | Chinese |
| Yu Weiping | 6-7780 Bridge Street<br>Richmond<br>British Columbia<br>Canada | Canadian |
| **Non-executive Directors** | | |
| Wang Mei (王梅) | No. 2504, Unit 2, Building 5<br>North Area<br>Residential Area<br>Jiaotong Medical College<br>No. 239, Yanta West Road<br>Yanta District<br>Xi'an, Shaanxi Province<br>PRC | Chinese |
| You Xiangdong (游向東) | No. 2101, Unit 1, Building 7<br>Binjiang Jinse Jiayuan<br>Shangcheng District<br>Hangzhou, Zhejiang Province<br>PRC | Chinese |
| Song Gaoguang (宋高廣) | No. 401, Unit 1, Building 4<br>Yujingyuan Residential Quarter<br>Yinghai Town<br>Daxing District<br>Beijing<br>PRC | Chinese |
| Wang Nayi (王娜禕) | Room F, 24th Floor, Building 2<br>Guozhong Apartment<br>Lane 20, Fuxin Road<br>Yangpu District<br>Shanghai<br>PRC | Chinese |

| Name | Address | Nationality |
|---|---|---|
| **Independent Non-executive Directors** | | |
| Xiangli Liuxu (相里六續) | Room 1804, Building 33<br>Jiaoda Third Village<br>Beilin District<br>Xi'an, Shaanxi Province<br>PRC | Chinese |
| Zhang Wenqiang (張文強) | No. 1502, Unit 1, Building 3<br>Courtyard 2<br>Guomei First City<br>Qingnian Road<br>Chaoyang District<br>Beijing<br>PRC | Chinese |
| Wang Kaifeng (王開峰) | Flat 31H, Block 21<br>South Horizons<br>Aberdeen<br>No. 18 South Horizons Drive<br>Southern District<br>Hong Kong | Chinese |

For further details, please refer to the section headed "Directors and Senior Management" in this prospectus.

**PARTIES INVOLVED**

| | |
|---|---|
| **Joint Sponsors, Overall Coordinators, Sponsor-Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers** | **CCB International Capital Limited**<br>12/F, CCB Tower<br>3 Connaught Road Central<br>Central<br>Hong Kong |
| | **China Merchants Securities (HK) Co., Limited**<br>32/F, One Exchange Square<br>8 Connaught Place<br>Central<br>Hong Kong |
| **Joint Bookrunners and Joint Lead Managers** | **Jakota Securities Group Limited**<br>Unit E, 24/F, Tai Yau Building<br>181 Johnston Road<br>Wanchai<br>Hong Kong |
| | **Ruibang Securities Limited**<br>9/F, Sang Woo Building<br>227-228 Gloucester Road<br>Wanchai<br>Hong Kong |
| | **Sinolink Securities (Hong Kong) Company Limited**<br>Unit 3501-08, 35/F Cosco Tower<br>183 Queen's Road Central<br>Sheung Wan<br>Hong Kong |

**Skyvast Securities Limited**
FLAT 3304, 33/F, Bank of America Tower
12 Harcourt Road
Central
Hong Kong

**Somerley Capital Limited**
20/F China Building
29 Queen's Road Central
Hong Kong

**Tiger Brokers (HK) Global Limited**
23/F, Li Po Chun Chambers
189 Des Voeux Road Central
Hong Kong

**uSmart Securities Limited**
Room 2602A, 26/F, Tower 1 Lippo Centre
89 Queensway
Admiralty
Hong Kong

**Webull Securities Limited**
Suites 2509-12, 25/F, Tower 6, The Gateway, Harbour City
9 Canton Road
Hong Kong

**Zhongtai International Securities Limited**
19 Floor, Li Po Chun Chambers
189 Des Voeux Road Central
Hong Kong

**ZMF Asset Management Limited**
2502, World Wide House
19 Des Voeux Road Central
Hong Kong

**Capital Market Intermediaries**

**CCB International Capital Limited**
12/F, CCB Tower
3 Connaught Road Central
Central
Hong Kong

**China Merchants Securities (HK) Co., Limited**
32/F, One Exchange Square
8 Connaught Place
Central
Hong Kong

**Jakota Securities Group Limited**
Unit E, 24/F, Tai Yau Building
181 Johnston Road
Wanchai
Hong Kong

**Ruibang Securities Limited**
9/F, Sang Woo Building
227-228 Gloucester Road
Wanchai
Hong Kong

**Sinolink Securities (Hong Kong) Company Limited**
Unit 3501-08, 35/F Cosco Tower
183 Queen's Road Central
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Hong Kong

**Skyvast Securities Limited**
FLAT 3304, 33/F, Bank of America Tower
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Central
Hong Kong

**Somerley Capital Limited**
20/F China Building
29 Queen's Road Central
Hong Kong

**Tiger Brokers (HK) Global Limited**
23/F, Li Po Chun Chambers
189 Des Voeux Road Central
Hong Kong

**uSmart Securities Limited**
Room 2602A, 26/F, Tower 1 Lippo Centre
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Admiralty
Hong Kong

**Webull Securities Limited**
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9 Canton Road
Hong Kong

**Zhongtai International Securities Limited**
19 Floor, Li Po Chun Chambers
189 Des Voeux Road Central
Hong Kong

**ZMF Asset Management Limited**
2502, World Wide House
19 Des Voeux Road Central
Hong Kong

**Legal Advisors to the Company**

*As to Hong Kong law:*
**Tian Yuan Law Firm LLP**
Suites 3304–3309, 33/F, Jardine House
One Connaught Place
Central Hong Kong

*As to PRC law:*
**JunHe LLP**
26/F, HKRI Centre One
HKRI Taikoo Hui 288 Shimen Road (No. 1)
Shanghai
PRC

*As to U.S. law in relation to our business operation in the U.S.:*
**King and Wood LLP**
600 Fifth Avenue
27th Floor
New York NY 10020

*As to PRC intellectual property law:*
**Tian Yuan Law Firm**
Unit 509 Tower A, Corporation Square
35 Financial Street, Xicheng District
Beijing
China

*As to PRC data compliance laws:*
**Grandall Law Firm (Shenzhen)**
42/F, 41/F, 31 DE, 2403, 2405
Shenzhen Special Zone Press Tower
6008 Shennan Avenue
Shenzhen
PRC

*As to U.S. data compliance laws:*
**Concord & Sage PC**
1360 Valley Vista Dr., Suite 140
Diamond Bar, CA 91765
USA

**Legal Advisers to the Joint Sponsors and the Underwriters**

*As to Hong Kong law:*
**Eric Chow & Co. in Associate with Commerce & Finance Law Offices**
3401, Alexandra House
18 Chater Road
Central
Hong Kong

*As to PRC law:*
**Commerce & Finance Law Offices**
12/F–15/F
China World Office 2
No. 1 Jian Guo Men Wai Avenue
Chaoyang District
Beijing
PRC

| | |
|---|---|
| **Reporting Accountants** | **Deloitte Touche Tohmatsu**<br>*Certified Public Accountants*<br>*Registered Public Interest Entity Auditor*<br>35th floor, One Pacific Place<br>88 Queensway<br>Hong Kong |
| **Industry Consultant** | **Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.**<br>Suite 2504 Wheelock Square<br>1717 Nanjing West Road<br>Shanghai<br>PRC |
| **Receiving Banks** | **CMB Wing Lung Bank Limited**<br>45 Des Voeux Road<br>Central<br>Hong Kong |

| | |
|---|---|
| **Registered Office** | Room B06, 26th Floor, Building 5<br>Digital China Science and Technology Park<br>No. 20, Zhangba 4th Road<br>High-tech Development Zone<br>Xi'an<br>Shaanxi Province<br>PRC |
| **Head Office and Principal Place of Business in the PRC** | Building 6, Collaborative Innovation Port<br>Chang'an District<br>Xi'an<br>Shaanxi Province<br>PRC |
| **Principal Place of Business in Hong Kong** | 31/F, Tower Two<br>Times Square, 1 Matheson Street<br>Causeway Bay<br>Hong Kong |
| **Company's Website** | **www.micot.cn**<br>*(The information contained on this website does not form part of this prospectus)* |
| **Joint Company Secretaries** | Mr. Zou Ran (鄒然)<br>Room B06, 26th Floor, Building 5<br>Digital China Science and Technology Park<br>No. 20, Zhangba 4th Road<br>High-tech Development Zone<br>Xi'an<br>Shaanxi Province<br>PRC<br><br>Ms. Chan Yee Lam (陳綺藍)<br>31/F, Tower Two<br>Times Square, 1 Matheson Street<br>Causeway Bay<br>Hong Kong |
| **Authorized Representatives** | Dr. Wang Bing (王冰)<br>No. 2504, Unit 2, Building 5<br>North Area<br>Residential Area<br>Jiaotong Medical College<br>No. 239, Yanta West Road<br>Yanta District<br>Xi'an, Shaanxi Province<br>PRC<br><br>Ms. Chan Yee Lam (陳綺藍)<br>31/F, Tower Two<br>Times Square, 1 Matheson Street<br>Causeway Bay<br>Hong Kong |
| **Audit Committee** | Mr. Zhang Wenqiang (張文強) *(Chairperson)*<br>Mr. Wang Kaifeng (王開峰)<br>Dr. Wang Mei (王梅) |

| | |
|---|---|
| **Nomination Committee** | Dr. Wang Bing (王冰) *(Chairperson)*<br>Dr. Wang Mei (王梅)<br>Mr. Zhang Wenqiang (張文強)<br>Dr. Xiangli Liuxu (相里六續)<br>Mr. Wang Kaifeng (王開峰) |
| **Remuneration Committee** | Dr. Xiangli Liuxu (相里六續) *(Chairperson)*<br>Mr. Wang Kaifeng (王開峰)<br>Dr. Wang Bing (王冰) |
| **Compliance Adviser** | **Halcyon Capital Limited**<br>Room 3401, 34/F.<br>Hopewell Centre<br>183 Queen's Road East<br>Wan Chai<br>Hong Kong |
| **H Share Registrar** | **Tricor Investor Services Limited**<br>17/F<br>Far East Finance Centre<br>16 Harcourt Road<br>Hong Kong |
| **Principal Bank** | **China Merchants Bank Limited**<br>(Xi'an Zhuque Street Branch)<br>1st floor, Block C<br>Nanfang Xingzuo<br>No. 19 Zhuque Street<br>Yanta District<br>Xi'an City, Shaanxi Province<br>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 Joint Sponsors, 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, and no representation is given as to its accuracy. Accordingly, you should not place undue reliance on information, statistics and data from official government sources. For more details of the risks relating to our industry, see "Risk Factors" in this Prospectus.*

## 1. OVERVIEW OF PEPTIDE DRUG MARKET

Peptide drugs are composed of a defined sequence of amino acids, typically possessing a molecular weight ranging from 500 to 5,000 Daltons. They function by acting as agonists or antagonists of endogenous peptides or proteins, exerting their therapeutic effects through high-affinity and high-specificity binding to biological targets.

The global peptide drug market has grown from USD62.8 billion in 2020 to USD139.3 billion in 2025 with a CAGR of 17.3%, and is estimated to reach USD267.6 billion by 2030, at a CAGR of 13.9%. Given the advantages of peptide drugs, their clinical applications will further expand to multiple areas such as cardiovascular diseases, tumors, and immune regulation. The peptide drug market in China has experienced an accelerated growth trend due to favorable policies, increasing treatment demand and technological iteration and upgrading. The peptide drug market in China has grown from RMB58.9 billion in 2020 to RMB70.0 billion in 2025, at a CAGR of 3.5%, and is estimated to reach RMB174.2 billion by 2030, at a CAGR of 20.0% during this period. Driven by aging populations, rising chronic disease rates and advances in costly innovative therapies, cost containment has become a key trend in global healthcare. Under fiscal pressure, governments and third-party payers (public and commercial insurers) are controlling surging medical spending by limiting coverage and adjusting reimbursement for specific drugs. Although healthcare cost control has become a global norm, this trend has also driven structural optimization of healthcare payment systems, channeling limited public healthcare funds and commercial insurance resources to prioritize coverage for innovative drugs with differentiated clinical value — specifically those featuring novel target combinations, new mechanisms of action and the ability to effectively address unmet clinical needs.

### Market Drivers of Peptide Drug Market

***Vast and unmet therapeutic demand created by the pandemic of chronic diseases:*** According to WHO, the global obese population has exceeded one billion and is closely linked to an increased risk of developing numerous conditions, including type 2 diabetes and certain cancers. Peptide drugs, exemplified by GLP-1 agonists, have, for the first time, achieved safe and effective weight loss comparable to bariatric surgery through pharmacological means, addressing this immense market need. Concurrently, the aging of the global population has led to a continuous expansion of the patient base for related chronic conditions such as CKD and osteoporosis. According to literature published in *The Lancet*, the prevalence and burden of CKD continue to rise in tandem with global population aging. Osteoporosis disrupts calcium and phosphorus metabolism and may induce or worsen chronic kidney disease-secondary hyperparathyroidism (CKD-SHPT), further driving corresponding treatment demand and providing a stable foundational market for peptide drugs.

***The advent and development of multi-target peptides:*** Compared with single-target peptides, multi-target peptides can simultaneously act upon multiple intrinsically linked targets within a disease, producing synergistic effects that hold promise for enhanced efficacy and safety. For instance, Eli Lilly's dual-target peptide, tirzepatide, has demonstrated significant clinical and commercial value in the fields of glucose control and weight reduction. Compared to single-target drugs, dual- or triple-target GLP-1 agonists demonstrate a 30-50% improvement in weight loss efficacy.

***Innovation in oral formulation development:*** The emergence and commercialization of oral formulations have marked a breakthrough in the field of peptide therapeutics, which significantly enhance patient convenience and treatment compliance. Unlike conventional peptide delivery methods, such as intravenous injection or intramuscular injection, which often require professional medical supervision or frequent clinic visits, oral peptide formulations enable patients to administer medications independently in the comfort of their homes.

## 2. OVERVIEW OF METABOLIC DISEASE DRUG MARKET

Metabolic diseases refer to a series of diseases caused by disorders of substance metabolism in the body (such as carbohydrates, lipids, proteins, purines, etc.). Disorders of substance metabolism in the body can damage organs such as the kidneys; if this condition persists for a long time, it may lead to organ failure, which in turn can induce or exacerbate diseases like CKD. Common metabolic diseases include CKD, obesity and being overweight, metabolic dysfunction-associated steatohepatitis, and other conditions.

### Overview of Chronic Kidney Disease (CKD) Market

CKD is a group of chronic diseases centered on abnormalities in renal structure or function. Its diagnostic criteria are renal damage or a decrease in glomerular filtration rate (GFR) lasting for 3 months or longer. The core feature of CKD is a progressive decline in renal function, which prevents the kidneys from normally performing key tasks such as excretion of metabolic waste products, regulation of water and electrolyte balance, and endocrine functions. Common etiologies include diabetic nephropathy, hypertensive nephropathy, primary glomerulonephritis, and polycystic kidney disease, among which diabetes and hypertension are the primary driving factors for the global incidence of CKD. Clinically, CKD is classified into stages 1 to 5 based on GFR levels. In stage 1, renal function is basically normal; stage 5 is end-stage renal disease, where patients need to rely on dialysis or renal transplantation to sustain life. CKD not only affects the kidneys themselves but also causes systemic multisystem complications, such as renal anemia, chronic kidney disease-secondary hyperparathyroidism (CKD-SHPT), and cardiovascular diseases (e.g., heart failure, arteriosclerosis). Among these, CKD-SHPT is particularly common in patients with CKD in middle and advanced stages, seriously endangering patients' quality of life and lifespan.

The global prevalence of CKD grew from 936.3 million in 2020 to 1,100.4 million in 2025, and is projected to reach 1,289.7 million by 2030 and 1,505.1 million by 2035. In China, the prevalence of CKD grew from 152.0 million in 2020 to 163.8 million in 2025, and is projected to reach 175.0 million by 2030 and 185.8 million by 2035.

***Market drivers of CKD drugs market***

- *Synergistic Effects of Increasing Prevalence and Population Aging.* The prevalence of CKD is continuously rising, attributable to the high incidence of metabolic disorders such as diabetes mellitus and hypertension, as well as the impacts of unhealthy lifestyles. The acceleration of population aging has led to an increase in the proportion of the elderly population, which are more prone to comorbid chronic diseases. The complexity of their conditions has also elevated the difficulty of diagnosis and treatment as well as the consumption of medical resources.
- *Innovations and Breakthroughs in Diagnostic and Monitoring Technologies.* Innovations in diagnostic and monitoring technologies have optimized the diagnostic and therapeutic workflow of CKD. AI algorithms can accurately identify early signs of renal injury, enhancing diagnostic precision; the integration of smart wearable devices with telemedicine has enabled real-time monitoring of renal function parameters, furnishing data support for early screening and personalized diagnosis and treatment.
- *Transformation of Chronic Disease Management Models.* The management model of CKD has shifted from end-stage treatment to full-cycle comprehensive management. The hierarchical diagnosis and treatment system has optimized the allocation of medical resources, digital tools have improved patients' treatment adherence, and the multidisciplinary collaboration model has provided integrated diagnostic and therapeutic services for patients, effectively decelerating the progression of CKD.

***Entry barriers of CKD drug market***

- *Technical Barriers.* CKD features a complex pathogenesis, and drug R&D requires target design for multiple pathological processes such as renal fibrosis and metabolic disorders, imposing extremely high demands on pharmaceutical enterprises' basic research capabilities and target development technologies. In addition, enterprises producing mainstream existing drugs have established a full-chain patent system covering compounds, processes and indications, forming a technical monopoly, and new entrants are prone to intellectual property disputes.
- *Policy Barriers.* Drug regulatory authorities worldwide implement high standards for the approval of CKD drugs, requiring the provision of clear clinical benefits and comprehensive safety data. The approval process for innovative drugs takes 3-5 years or even longer. Meanwhile, medical insurance access requires passing strict economic evaluations. Hospital procurement tends to favor mature brands, and new drugs face long cycles of academic promotion and access, further raising the policy threshold.
- *Financial Barriers.* CKD drug R&D is characterized by long cycles and high failure rates, with huge financial investment requirement. The production end needs to construct GMP-compliant production lines, entailing high upfront fixed costs. Meanwhile, after the launch of new drugs, continuous capital investment is necessary for market promotion. Enterprises lacking sufficient financial strength are unable to break through this barrier.

**Overview of Chronic Kidney Disease-Secondary Hyperparathyroidism (CKD-SHPT) Market**

CKD-SHPT is a common and severe complication in patients with CKD, particularly those with end-stage renal disease receiving dialysis, and represents one of the core manifestations of CKD-mineral and bone disorder. Its pathogenesis mainly arises from impaired phosphorus excretion caused by progressive renal function decline, leading to hyperphosphatemia, insufficient synthesis of active vitamin D and hypocalcemia; abnormalities in regulatory pathways including the calcium-sensing receptor and vitamin D receptor continuously stimulate excessive secretion of parathyroid hormone by the parathyroid glands, which further results in diffuse or nodular hyperplasia of the parathyroid glands and forms a vicious cycle of autonomous hypersecretion of PTH. In patients with CKD-SHPT, long-term, sustained excessive secretion of parathyroid hormone (PTH) over-activates osteoclast-mediated bone resorption and inhibits osteoblast-mediated bone formation, resulting in a rate of bone resorption that far exceeds bone formation. This causes continuous dissolution of hydroxyapatite crystals in bone and massive mobilization of calcium and phosphorus minerals into the bloodstream. The massive loss of bone calcium, combined with hyperphosphatemia caused by CKD-SHPT itself, significantly increases the calcium-phosphorus product beyond the normal threshold, leading to ectopic deposition of calcium-phosphate complexes in blood vessel walls, heart valves and other soft tissues. Consequently, CKD-SHPT may give rise to renal osteodystrophy, vascular and soft tissue calcification and other disorders, clinically manifesting as bone pain, increased bone fragility, pathological fractures, vascular stiffness and increased cardiovascular burden, and significantly increases the risk of adverse cardiovascular events and mortality among affected patients.

CKD-SHPT, as a secondary complication stemming from chronic diseases, is a chronic condition characterised by non-curability in the short term and a requirement for lifelong management. Per industry practice, prevalence data is generally utilised to measure and reflect the scale of the existing patient pool for such chronic illnesses. Given the insidious onset of CKD-SHPT, its exact time of onset is often difficult to be precisely determined, making incidence data quite challenging to compile and as such the data set might be biased. To date, there are few dedicated industry-wide studies focusing on the incidence of CKD-SHPT. Accordingly, prevalence data carries greater industry-referential value and practical research feasibility for CKD-SHPT when compared with incidence data. The global prevalence of CKD-SHPT grew from 136.5 million in 2020 to 160.4 million in 2025, and is projected to reach 188.0 million by 2030 and 219.4 million by 2035. The prevalence of CKD-SHPT in China grew from 13.0 million in 2020 to 14.0 million in 2025, and is projected to reach 15.0 million by 2030 and 15.9 million by 2035. The global population of patients with Stage 5 CKD complicated by SHPT expanded from 5.0 million in 2020 to 5.9 million in 2025. This cohort is projected to reach 6.9 million by 2030 and 8.1 million by 2035. Concurrently, the patient population in China grew from 0.60 million in 2020 to 0.65 million in 2025, and is forecasted to hit 0.69 million by 2030 and 0.73 million by 2035.

*Main treatment of CKD-SHPT*

In the field of CKD-SHPT treatment, there is no concept of first-line, second-line, or other sequential therapies. The choice of a specific treatment regimen depends entirely on whether the patient meets the eligibility criteria for the medication. In the early stages, CKD-SHPT can be effectively managed with medical therapy. For example, phosphorus binding agents, vitamin D and its analogs, and calcium-sensitive receptor agonists can control the patient's parathyroid hormone levels to some extent in the early stages of the disease. Phosphorus binding agents inhibit parathyroid cell proliferation by lowering blood phosphorus levels, which in turn reduces parathyroid hormone levels. Vitamin D and its analogs regulate calcium and phosphorus metabolism and inhibit parathyroid hormone production by inhibiting osteoclasts, promoting osteoblasts, and intestinal calcium absorption.

CaSR agonists inhibit parathyroid hormone production by increasing the sensitivity of calcium-sensitive receptors to extracellular calcium and binding to receptor variants. The potential for severe gastrointestinal reactions, drug-drug interactions, and side effects such as hypercalcemia and hyperphosphatemia greatly reduce patient compliance, while increased drug resistance further reduces efficacy as the patient's disease progresses. Surgical intervention is still needed for patients who fail drug therapy or have advanced CKD-SHPT, with parathyroidectomy being the main surgical procedure.

*Market size of CKD-SHPT drugs*

Between 2020 and 2025, core drugs for the treatment of CKD-SHPT in China have fully completed generic substitution and been successively included in the national volume-based procurement, resulting in a significant decline in the overall average selling price of the market. As of the end of 2025, all mainstream CKD-SHPT treatment drugs are small-molecule drugs, including oral CaSR agonist cinacalcet, vitamin D analog paricalcitol, traditional vitamin D drug calcitriol, and phosphate binders lanthanum carbonate and sevelamer, have been included in the national or local centralized drug procurement programs, leading to a substantial drop in the overall average selling price. Between 2020 and 2025, the average selling price of CKD-SHPT drugs declined by approximately 80%. The aforementioned mainstream CKD-SHPT drugs were all included in the NRDL at an early stage, and the implementation of volume-based procurement has further significantly reduced the financial burden on patients and greatly improved drug accessibility. Meanwhile, with the continuous increase in the dialysis rate of patients with CKD in China and the improvement in CKD-SHPT disease screening and diagnosis capabilities, the number of CKD-SHPT patients receiving standardized pharmacotherapy has achieved rapid growth. Between 2020 and 2025, annual sales volume of CKD-SHPT drugs increased by 3 to 5 times. The significant decline in the average selling price of CKD-SHPT drugs and the rapid growth in their sales volume have offset each other, resulting in a minimal growth of only 0.7% in the market size of CKD-SHPT drugs in China Mainland from 2020 to 2025, increasing from RMB2.0 billion to RMB2.1 billion.

With the approval and launch of peptide-based CaSR agonists, the domestic CKD-SHPT drug market is poised for rapid growth, with the specific market drivers outlined below:

- ***Multiple peptide-based CaSR agonists will be launched successively and included in the NRDL, improving drug accessibility:*** Etelcalcetide was approved by NMPA in May 2023 and has not yet been included in the NRDL. In addition, two other peptide-based CaSR agonists (MT1013 and SHR6508) are in Phase III clinical trials and nearing approval for launch. As most other drugs in the CKD-SHPT treatment field have already been included in the NRDL, all three drugs are expected to be successively included in the NRDL through national medical insurance negotiations within the next 2 to 3 years, enhancing their accessibility and achieving commercial volume expansion.
- ***The treatment cost of peptide-based CKD-SHPT drugs will be significantly higher than that of small-molecule SHPT drugs, driving up the average treatment cost of CKD-SHPT drugs:*** Currently, the monthly treatment cost of mainstream small-molecule CKD-SHPT drugs is less than RMB100, while the monthly treatment cost of peptide-based CaSR agonists exceeds RMB2,000.

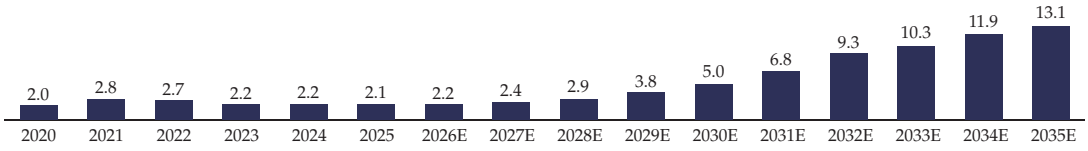
Even after being included in the NRDL, the projected monthly treatment cost of peptide-based CaSR agonists will still be more than 10 times that of the existing post-procurement small-molecule CaSR agonist cinacalcet, which will raise the overall average treatment cost of CKD-SHPT drugs.

- ***The small-molecule CaSR agonist cinacalcet is constrained by high incidence of gastrointestinal adverse reactions and poor patient treatment compliance, which hinders the improvement of its market penetration and expansion of its market space.*** Cinacalcet features a relatively high incidence of gastrointestinal adverse reactions, leading numerous patients to discontinue treatment due to intolerance to such reactions. Meanwhile, as an oral formulation, it comes with stringent administration requirements coupled with prominent side effects, further resulting in frequent missed doses, arbitrary dosage adjustment and even premature treatment cessation among patients, thus resulting in unsatisfactory overall treatment compliance. The aforesaid gastrointestinal adverse reactions and compliance issues not only constrain the market penetration of cinacalcet, but also restrict the overall treatment rate of CKD-SHPT patients, ultimately forming a bottleneck that curbs further growth of its market size.
- ***Peptide-based CaSR agonists avoid the common adverse reactions of small-molecule CaSR agonists and expand the eligible patient population:*** Peptide-based CaSR agonists are administered intravenously and directly enter the blood circulation, avoiding the severe gastrointestinal adverse reactions commonly associated with oral cinacalcet, enabling a large number of patients who were previously unable to tolerate oral treatment to receive standardized therapy. They also carry a lower risk of causing hypercalcemia and hyperphosphatemia, and their indication scope can be extended to patients with all stages of CKD-SHPT.
- ***Peptide-based CaSR agonists can be administered concurrently with dialysis, compared to small-molecule CaSR agonists, can significantly improve patient treatment adherence:*** These agents can be directly administered by medical staff through dialysis lines during patients' routine dialysis sessions, completely resolving the common problems of missed doses, self-medication reduction, and treatment discontinuation associated with oral drugs, and significantly improving patient treatment adherence.

Driven by the continuous increase in market penetration resulting from improved accessibility following the commercial launch and NRDL inclusion of peptide-based CKD-SHPT drugs, the rise in overall patient treatment rate and expansion of the eligible patient population brought about by their superior safety and treatment adherence advantages, as well as their higher treatment costs compared to small-molecule CKD-SHPT drugs, both the sales volume and average treatment cost per patient of CKD-SHPT drugs will be simultaneously boosted, thereby propelling the rapid expansion of the domestic CKD-SHPT drug market. It is projected that the market size will reach RMB5.0 billion by 2030 and RMB13.1 billion by 2035, representing CAGRs of 18.7% and 21.4% respectively during the corresponding periods.

**CKD-SHPT drug market in China, 2020-2035**

| Period | CAGR |
|---|---|
| 2020-2025 | 0.7% |
| 2025-2030E | 18.7% |
| 2030E-2035E | 21.4% |




*Source: Annual Reports of Listed Companies, Expert Interviews, Frost & Sullivan Report*

## Overview of Chronic Kidney Disease-Mineral and Bone Disorder (CKD-MBD) Market

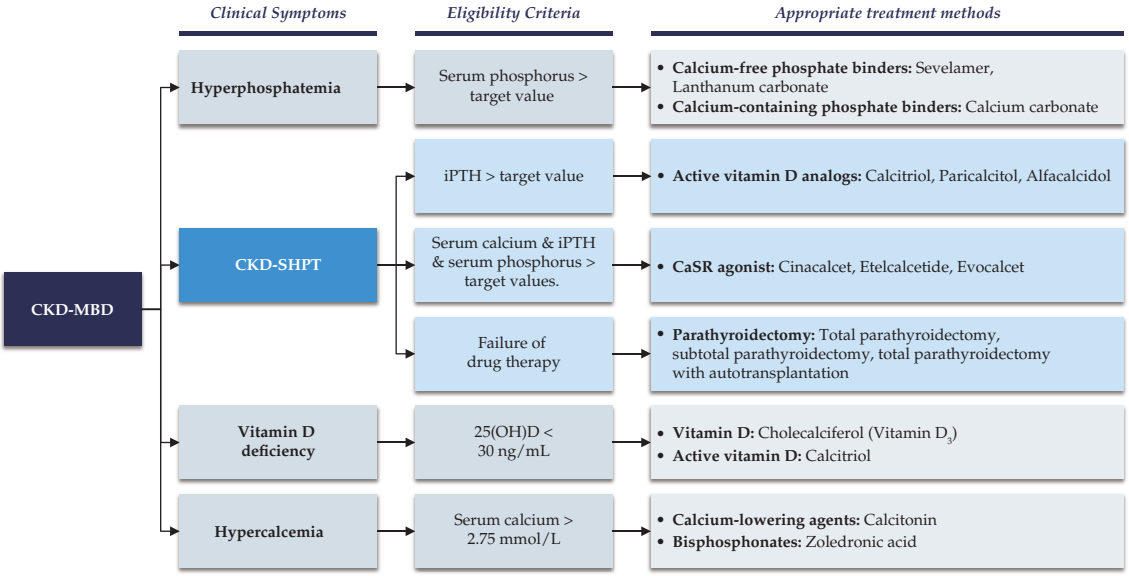
CKD-MBD is a common complication in CKD patients, characterized by mineral metabolism disorders, bone metabolism and structural abnormalities, as well as vascular and other soft tissue calcifications. It represents a systemic manifestation of multisystem involvement during CKD progression. Patients with CKD-MBD may experience bone pain, deformities, and increased fracture risk in the skeletal system, while children may also exhibit growth retardation. The cardiovascular system experiences accelerated atherosclerosis and elevated blood pressure due to vascular calcification, triggering coronary heart disease, heart failure, and even sudden death — a major contributor to elevated cardiovascular mortality risk. Additionally, soft tissue calcification causes localized pain, while hyperparathyroidism exacerbates metabolic imbalance, creating a vicious cycle that significantly increases disability rates and mortality while severely compromising quality of life and survival prognosis. The NHANES study found that CKD-MBD patients with serum phosphorus ≥4.5 mg/dL had a 28% increase in all-cause mortality and a 57% increase in cardiovascular mortality. The CORES study showed that CKD patients with serum calcium <9.5 mg/dL or >10.5 mg/dL both experienced elevated all-cause mortality.

The global prevalence of CKD-MBD grew from 291.7 million in 2020 to 342.8 million in 2025, and is projected to reach 403.0 million by 2030 and 470.3 million by 2035. The prevalence of CKD-MBD in China grew from 47.0 million in 2020 to 50.6 million in 2025, and is projected to reach 54.1 million by 2030 and 57.4 million by 2035.

### *Main treatment of CKD-MBD*

The treatment of CKD-MBD is a comprehensive regimen centered on correcting calcium-phosphorus metabolism imbalance and inhibiting hyperparathyroidism, mainly consisting of basic nutritional and lifestyle interventions, pharmacotherapy, and surgical treatment.

**Treatment Paradigm of CKD-MBD**



**Efficacy and Safety Profile of Standard Treatment for CKD-MBD**

| Standard Treatment (Representative Drug) | Recommended Indicated Patient | Global and Chinese Indicated Patients in 2025 | Efficacy | Safety Profile |
|---|---|---|---|---|
| Phosphate Binders (Lanthanum Carbonate) | Patients with Stage 3-5 CKD complicated with hyperphosphatemia | Global: 60.0 million China: 5.2 million | Potently reduces serum phosphorus levels, lowers the risk of vascular calcification, and serves as an adjuvant therapy to stabilize patients' PTH levels | The core adverse reactions are gastrointestinal reactions, with favorable tolerability and safety profile for long-term use |
| Phosphate Binders (Calcium Carbonate) | Patients with Stage 3-5 CKD complicated with hyperphosphatemia | Global: 60.0 million China: 5.2 million | Binds to phosphate to reduce its absorption and lower serum phosphorus levels, while supplementing calcium to correct hypocalcemia and inhibit excessive PTH secretion from the parathyroid glands, with a rapid onset of action | It may cause hypercalcemia; long-term excessive use may accelerate calcification of blood vessels and soft tissues, and gastrointestinal adverse reactions are common |
| Active Vitamin D (Calcitriol) | Patients with Stage 5 CKD complicated with CKD-SHPT | Global: 5.9 million China: 0.6 million | Directly acts on the vitamin D receptors of the parathyroid glands, potently inhibits the synthesis and secretion of PTH, and rapidly reduces serum PTH levels | The core adverse reactions include hypercalcemia and hyperphosphatemia. Excessively high dosage may induce overinhibition of PTH, resulting in adynamic bone disease |
| Active Vitamin D Analogues (Paricalcitol) | Patients with Stage 5 CKD complicated with CKD-SHPT | Global: 5.9 million China: 0.6 million | With high targeting specificity to the vitamin D receptors of the parathyroid glands, it potently inhibits the synthesis and secretion of PTH with a minimal impact on serum calcium and phosphorus levels. | It has a significantly lower incidence of hypercalcemia and hyperphosphatemia, with a superior safety profile and favorable long-term tolerability |
| CaSR agonist (Cinacalcet) | Patients with Stage 5 CKD complicated with CKD-SHPT | Global: 5.9 million China: 0.6 million | Activates the CaSR to enhance the sensitivity of the receptors to serum calcium. It potently inhibits the synthesis and secretion of PTH without increasing serum calcium, while simultaneously reducing serum phosphorus levels | The core adverse reaction is dose-dependent hypocalcemia, with common mild to moderate gastrointestinal reactions |
| Bisphosphonates (Alendronate Sodium) | Patients with CKD complicated with osteoporosis | Global: 121.3 million China: 10.8 million | Binds to bone mineralization sites with high affinity, specifically inhibits osteoclast activity and reduces bone resorption, significantly increases bone mineral density, lowers the risk of fragility fractures, and delays bone mass loss. | It has a favorable safety profile in patients with Stage 1-3 CKD; for patients with Stage 4-5 CKD, cautious use with dose reduction is required to avoid exacerbation of renal impairment |
| Calcium-lowering Agents (Calcitonin) | Patients with CKD complicated with osteoporosis | Global: 121.3 million China: 10.8 million | For patients with osteoporosis, it reduces bone calcium loss and relieves bone pain, with a rapid onset of action. However, it provides no long-term prognostic improvement | Short-term use has no risk of elevated serum calcium and phosphorus, with a favorable safety profile. Long-term use may cause dose-dependent hypocalcemia, and there is a risk of immunogenicity |

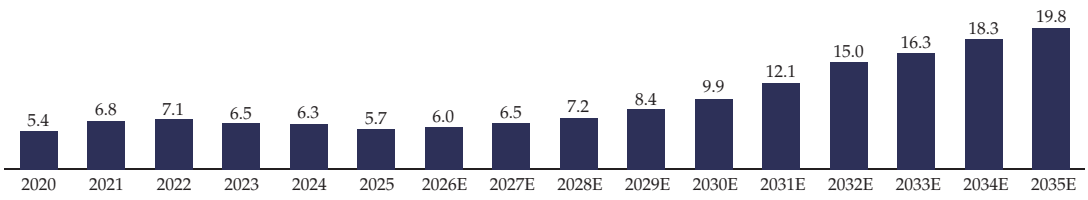
*Source: Chinese guidelines for the diagnosis and treatment of mineral and bone disorders in chronic kidney disease, Frost & Sullivan Report*

### *Market size of CKD-MBD drugs*

In 2025, the market size of CKD-MBD drugs in China reached RMB5.7 billion. It is estimated that the market size will reach RMB9.9 billion by 2030 and RMB19.8 billion by 2035, with the CAGR of 11.7% and 14.8%, respectively, during the period.

**CKD-MBD drugs market in China, 2020-2035**

| Period | CAGR |
|---|---|
| 2020-2025 | 1.3% |
| 2025-2030E | 11.7% |
| 2030E-2035E | 14.8% |




*Source: Annual Reports of Listed Companies, Expert Interviews, Frost & Sullivan Report*

**Overview of CaSR and OGP Agonist Drugs Market**

Calcium-sensing receptor (CaSR) is a G protein-coupled receptor distributed in parathyroid glands, kidneys, and other tissues, and its core function is to sense changes in extracellular calcium ion concentration and regulate the secretion of parathyroid hormone (PTH) through negative feedback to maintain calcium metabolism homeostasis. CaSR agonists enhance their sensitivity to extracellular calcium by binding to CaSR, which can activate the CaSR signaling pathway and directly inhibit the secretion of PTH by parathyroid master cells even when blood calcium levels are not high; at the same time, prolonged use of these agents reduces the proliferation of parathyroid cells and slows down the process of glandular hyperplasia. This mechanism can not only reduce the blood PTH level, but also indirectly improve the calcium and phosphorus metabolism disorder, thus alleviating the complications of bone pain, fracture and vascular calcification caused by CKD-SHPT.

The first generation of CaSR receptor agonists is cinacalcet, as the first approved drug, which is used to treat calcium metabolism disorders such as CKD-SHPT in chronic kidney disease by activating calcium-sensitive receptors to inhibit PTH secretion, but it has significant drawbacks, including a high incidence of gastrointestinal side effects, susceptibility to hypercalcemia, and limited effects on severe parathyroid hyperplasia and requires daily dosing. The second generation of drugs includes Evocalcet and Etelcalcetide, of which Evocalcet reduces the risk of gastrointestinal reactions and drug interactions through structural optimization, and Etelcalcetide avoids oral side effects and has a stronger activation effect due to intravenous injection, which improves the safety of the first generation as a whole, but there are still shortcomings to be solved, such as an increased incidence of hypocalcemia, and severe hypocalcemia still requires emergency intervention, and the insufficient efficacy for severe parathyroid hyperplasia requires combination therapy, and the convenience of drug administration is not easy. Combination therapy is needed for severe parathyroid hyperplasia, and the convenience of drug administration needs to be improved.

Osteogenic growth peptide (OGP) is an active peptide involved in the regulation of bone metabolism, which can promote the proliferation of osteoblasts, enhance osteogenic activity, stimulate the synthesis of collagen and the formation of bone matrix, and regulate the process of bone formation. OGP has the potential to combat the symptoms of excessive bone resorption activity and inhibited bone formation caused by CKD-SHPT. By promoting bone formation, it can reduce the excessive release of calcium from bones, facilitate the deposition of calcium and phosphorus to bone tissue, and indirectly stabilize the levels of blood phosphorus and blood calcium — thereby alleviating the stimulation to the parathyroid glands caused by calcium loss from bones. Although no OGP-targeting drugs have been approved, OGP's bone metabolism regulation mechanism holds therapeutic promise for CKD-MBD-related conditions.

***Competitive landscape of CaSR agonist***

As of the latest practicable date, there are two CaSR agonist drugs approved by FDA.

**Global competitive landscape of CaSR agonist**

| Target | Drug Name | Brand Name | Company | Indication | Dosage Form | Approval Date |
|---|---|---|---|---|---|---|
| CASR | Etelcalcetide | Parsabiv | Amgen | CKD-SHPT | Injection | 2017-02-07 |
| CASR | Cinacalcet | Sensipar | Amgen | CKD-SHPT, Hypercalcemia | Oral | 2004-03-08 |

*Source: FDA, Frost & Sullivan Analysis*

As of the latest practicable date, there are three CaSR agonist drugs approved by NMPA.

**Competitive landscape of CaSR agonist in China**

| Target | Drug Name | Brand Name | Company | Indication | Dosage Form | Annual Treatment Cost (thousand RMB) | NRDL Status | Market share in 2024 (by revenue) | Approval Date |
|---|---|---|---|---|---|---|---|---|---|
| CASR | Evocalcet | Orkedia | Kyowa Kirin | CKD-SHPT | Oral | 24.1 | List B | 0.0% | 2024-07-30 |
| CASR | Etelcalcetide | Parsabiv | Amgen | CKD-SHPT | Injection | 43.7 | Not Included | 0.4% | 2023-05-06 |
| CASR | Cinacalcet | Sensipar | Amgen | CKD-SHPT, Hypercalcemia | Oral | 5.9 | List B | 99.6% | 2014-08-21 |

*Source: NMPA, Frost & Sullivan Analysis*

As of the latest practicable date, there are five CaSR agonist drug candidates for CKD-SHPT in the clinical stage globally.

**Global competitive landscape of CaSR agonist pipelines**

| Target | Drug Code | Company | Dosage Form | Regulatory Authorities | Clinical Stage | Latest Update Date |
|---|---|---|---|---|---|---|
| CASR | Upacicalcet | Pathalys Pharma | Oral | FDA | Phase III | 2025-09-09 |
| CASR | Evocalcet | Kyowa Kirin | Oral | FDA | Phase III | 2022-04-25 |
| CASR, OGP | MT1013 | Shaanxi Micot Pharmaceutical Technology | Injection | NMPA | Phase III | 2025-10-09 |
| | | | | FDA | Phase I | 2022-07-29 |
| CASR | SHR-6508 | Hengrui Pharmaceutical | Injection | NMPA | Phase III | 2025-12-27 |
| CASR | ASP7991 | Astellas Pharma | Oral | FDA | Phase II | 2024-11-06 |

*Source: ClinicalTrials.gov, CDE, Frost & Sullivan Analysis*

**Overview of Overweight and Obesity Market**

Overweight and obesity are chronic diseases characterized by excessive fat accumulation that poses risks to health. These conditions are the major contributors to various other health issues, such as diabetes and cardiovascular diseases. The global prevalence of overweight and obesity patients grew from 2,275.7 million in 2020 to 2,687.4 million in 2025, and is projected to reach 3,070.6 million by 2030 and 3,477.2 million by 2035. In China, the prevalence of overweight and obesity increased from 570.7 million in 2020 to 659.1 million in 2025, and is projected to reach 756.5 million by 2030 and 860.5 million by 2035.

Currently, the treatment for overweight and obesity focuses on reducing and maintaining body weight, as well as managing any associated diseases and complications. A differentiated approach is typically used, depending on the degree of obesity. For patients who are overweight but do not have obesity-related conditions, weight control is primarily achieved through lifestyle interventions such as diet and exercise. For patients whose health condition process from overweight to obese, medication may be added alongside with lifestyle interventions to support weight loss. Surgery is considered a last resort, which is used for patients who are extremely obese and have no effective responses to other treatments. The current standard of care includes orlistat and GLP-1-based therapies (e.g., liraglutide, semaglutide, and tirzepatide). GLP-1 RAs are established as first-line treatments for obesity or overweight management due to their dual efficacy in glycemic control and weight reduction.

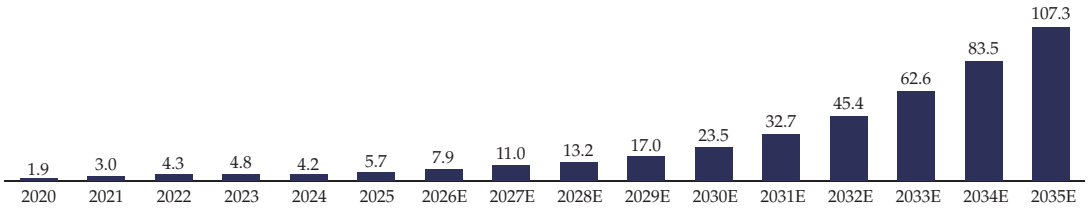
Currently, the primary GLP-1 drugs worldwide are semaglutide (a GLP-1 single-target agonist) and tirzepatide (a GIP/GLP-1 dual-target agonist). Although both drugs demonstrate significant weight-loss effects, they still face numerous limitations in clinical application. Semaglutide is associated with gastrointestinal side effects, and weight loss is accompanied by some muscle loss. Long-term medication is required for

maintenance, and weight rebound occurs after discontinuation. Tirzepatide demonstrates superior weight loss efficacy compared to semaglutide, but it also exhibits a higher incidence of gastrointestinal side effects, greater muscle loss, and faster weight rebound after discontinuation than semaglutide.

Historically, treatment options for overweight and obesity in China were relatively limited. The mismatch between existing treatment regimens and clinical needs has unlocked immense market opportunities for GLP-1 receptor agonists. The research and development of long-acting GLP-1 drugs can reduce dosing frequency and enhance patient compliance, which is expected to lift the penetration level of GLP-1 therapeutics. This will broaden the patient base and further raise market penetration of GLP-1 drugs, especially against the backdrop of sustained growth in China's overweight and obese population. In addition, numerous GLP-1 receptor agonist candidates for the treatment of overweight and obesity are currently in clinical development across China. In view of the limited availability of existing therapies, the launch of such novel GLP-1 receptor agonists is expected to significantly fuel the rapid growth of China's overweight and obesity drug market. In 2025, the overweight and obesity drug market in China is RMB5.7 billion. It is estimated that the overweight and obesity drug market in China will grow to RMB23.5 billion in 2030 and RMB107.3 billion in 2035, with a CAGR of 32.9% from 2025 to 2030 and 35.5% from 2030 to 2035 respectively.

**Overweight and obesity drugs market in China, 2020-2035**

| Period | CAGR |
|---|---|
| 2020-2025 | 24.4% |
| 2025-2030E | 32.9% |
| 2030E-2035E | 35.5% |




*Source: Annual Reports of Listed Companies, Expert Interviews, Frost & Sullivan Report*

***Market drivers and future trends of GLP1R polypeptide drugs market***

- ***Large unmet clinical needs.*** The prevalence of obesity and overweight has been rising rapidly among both children/adolescents and senior adults across China and globally, due to modern lifestyle factors such as excessive calorie intake and insufficient physical activity. Currently, a number of GLP-1R drugs have been approved; however, there are still many unmet clinical needs, including muscle loss after weight loss, severe rebound and deterioration of body composition profile after discontinuation of treatment, as well as the failure to fully address various comorbidities commonly associated with clinically obese patients.
- ***Rising awareness for obesity and overweight management.*** The rising public awareness regarding the health risks associated with obesity and overweight has led to a surge in demand for effective obesity and overweight management solutions. According to the China Public Weight Management and Nutrition Awareness Survey Report (2026), 91.7% of the public recognizes the importance of weight management. In particular, the younger generations, who are increasingly impacted by obesity and overweight, are showing a greater willingness to engage in weight management treatments.
- ***Multi-targeted GLP-1 peptide drugs become mainstream.*** Multi-targeted drugs have become the core track of competition among global pharmaceutical companies by activating multiple metabolism-related receptors (e.g., GLP-1R, GIPR, GCGR) at the same time to achieve synergistic efficacy and optimization of side effects. The multi-target GLP1-related peptide drugs of many companies have proved to be more effective than single-target drugs, and multi-target GLP1-related peptide drugs are expected to occupy a dominant position in the market.

- ***Indications for expansion.*** The earliest GLP-1 drugs were only indicated for hypoglycemic therapy in diabetic patients. With clinical exploration and the unmet needs of the large number of obese patients, the indications of GLP-1 peptide drugs have gradually expanded to include metabolic diseases such as obesity, CKD with albuminuria and MASH. According to *Prevalence of Chronic Kidney Disease in China, more than 80% of CKD patients present with albuminuria*. According to Guideline for Primary Care Diagnosis, Treatment and Management of Metabolic Associated Fatty Liver Disease (MAFLD) (2025), China has over 40 million MASH patients, yet current medications only provide symptomatic relief with limited efficacy. GLP-1 peptides possess the potential to address these unmet clinical needs and have emerged as one of the most significant therapeutic approaches in the field of metabolic diseases.

***Competitive landscape of GLP1R polypeptide drugs***

As of the latest practicable date, there are 17 triple-target GLP1R peptide drug candidates for overweight and obesity in the clinical stage globally. Among these, 12 drug candidates target GLP-1R, GCGR, and GIPR, two drug candidates target GLP-1R, GCGR, and FGF21, one drug candidate targets GLP1R, GIPR, and AMYR, and one drug candidate targets GLP1R, GIPR, and NPY2R. XTL6001, our GLP1R drug candidate, is the only triple-target GLP-1R peptide drug candidate targeting GLP-1R, GCGR, and MASR. Agonizing MasR can increase protein synthesis and preserve muscle mass. XTL6001 holds the potential to eliminate the side effect of muscle loss associated with GLP-1R agonists during weight loss.

**Global competitive landscape of triple-target GLP1R peptide drugs pipelines**

| Target | Drug Code | Company | Indication | Regulatory Authorities | Clinical Stage | Latest Update Date |
|---|---|---|---|---|---|---|
| GLP1R, GCGR, MASR | XTL6001 | Shaanxi Micot Pharmaceutical Technology | Overweight & Obesity, CKD with proteinuria | NMPA | Phase I | 2026-05-09 |
| | | | Overweight & Obesity | FDA | IND | 2024-12-20 |
| GLP1R, GCGR, GIPR | Retatrutide | Eli Lilly | Overweight & Obesity, Diabetes Type 2, Chronic Low Back Pain, ASCVD, CKD, Obstructive Sleep Apnea, Osteoarthritis | FDA | Phase III | 2026-05-22 |
| | | | MASLD | NMPA | Phase III | 2026-05-08 |
| | | | Overweight & Obesity, Diabetes Type 2 | FDA | Phase I | 2026-05-12 |
| | LY4086940 | | Overweight & Obesity | NMPA | Phase I | 2024-07-08 |
| | Efocipegtrutide | Hanmi Pharmaceutical | NAFLD | FDA | Phase II | 2025-11-19 |
| | | | Overweight & Obesity | FDA | Phase I | 2025-02-06 |
| | HM15275 | | Overweight & Obesity | FDA | Phase II | 2026-05-26 |
| | UBT251 | Federal Biotechnology | Overweight & Obesity, Type 2 diabetes, MASH, CKD with proteinuria | NMPA | Phase II | 2026-04-24 |
| | | Novo Nordisk | Overweight & Obesity | FDA | Phase II | 2026-02-17 |
| | ZX2021 | Jiangsu Kanion Pharmaceutical | Overweight & Obesity | NMPA | Phase II | 2025-06-18 |
| | DYX116 | Jiangsu Deyuan Pharmaceutical | Type 2 diabetes, Overweight & Obesity | NMPA | Phase II | 2026-05-18 |
| | MWN101 | Lepu Medical Technology | Type 2 diabetes, Overweight & Obesity | NMPA | Phase II | 2025-01-23 |
| | MWN109 | | Type 2 diabetes, Overweight & Obesity | NMPA | Phase II | 2026-05-30 |
| | | | Overweight & Obesity | FDA | Phase I | 2025-11-20 |
| | SAR441255 | Sanofi | Overweight | FDA | Phase I | 2025-09-22 |
| | HEC-007 | HEC Pharmaceutical | Type 2 diabetes, Overweight & Obesity | NMPA | Phase I | 2026-04-12 |
| | HRS-4729 | Hengrui Pharma | Overweight & Obesity | NMPA | Phase I | 2026-05-07 |
| GLP1R, GCGR, FGF21 | MWN105 | Lepu Medical Technology | Overweight & Obesity | NMPA | Phase II | 2025-09-05 |
| | | | Type 2 diabetes, Overweight & Obesity | NMPA | Phase I | 2024-12-27 |
| | DR10624 | Huadong Medicine | MAFLD, Hypertriglyceridemia | NMPA | Phase II | 2026-02-14 |
| GLP1R, GIPR, AMYR | NN9662 | Novo Nordisk | Overweight & Obesity, Diabetes Type 2 | FDA | Phase II | 2026-05-19 |
| GLP1R, GIP, NPY2R | BI 3034701 | Boehringer Ingelheim | Overweight & Obesity | FDA | Phase I | 2025-11-21 |

*Source: clinicaltrials.gov, CDE, Frost & Sullivan analysis*

## 3. OVERVIEW OF THE ANTITHROMBOTIC DRUG MARKET

### Overview of Antithrombotic Therapy for ACS-PCI

Acute coronary syndrome (ACS), a type of coronary heart disease (CHD), refers to a group of conditions that include ST-elevation myocardial infarction (STEMI), non-ST elevation myocardial infarction (NSTEMI), and unstable angina. From 2020 to 2025, the incidence of ACS worldwide increased from 23.8 million to 26.6 million. It is estimated that by 2030 and 2035, the incidence of ACS worldwide will reach 29.1 million and 31.4 million, respectively. From 2020 to 2025, the incidence of ACS in China increased from 4.6 million to 5.2 million. It is estimated that by 2030 and 2035, the incidence of ACS in China will reach 5.8 million and 6.3 million, respectively.

Percutaneous coronary intervention (PCI) is a non-surgical, invasive procedure with a goal to relieve the narrowing or occlusion of the coronary artery and improve blood supply to the ischemic tissue. From 2020 to 2025, the volume of PCI procedures worldwide increased from 6.2 million to 10.7 million. It is estimated that by 2030 and 2035, the volume of PCI procedures worldwide will reach 15.6 million and 21.7 million, respectively. From 2020 to 2025, the volume of PCI procedures in China increased from 1.0 million to 2.3 million. It is estimated that by 2030 and 2035, the volume of PCI procedures in China will reach 4.0 million and 6.0 million, respectively.

*Main perioperative treatment of PCI in ACS*

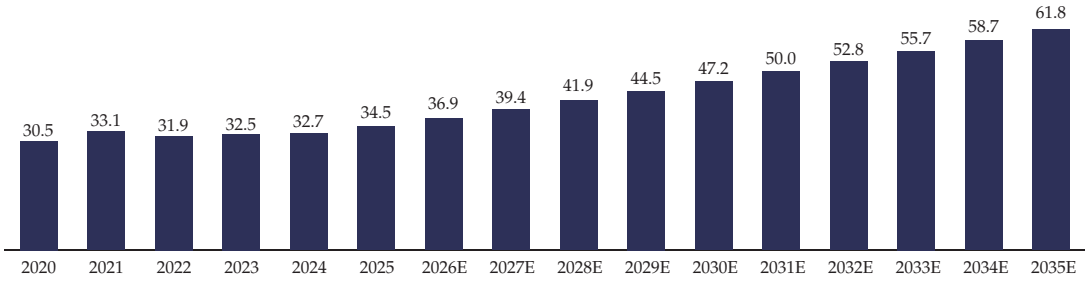
Although PCI has become increasingly technically mature, throughout the entire procedure related medical devices may cause damage to both the access vessel and the coronary artery, potentially leading to severe complications that threaten patient life. To prevent in-stent thrombosis, patients are required to undergo antithrombotic therapy, which includes dual antiplatelet therapy (DAPT) before and after PCI, intraoperative heparin-based anticoagulation, and the use of **glycoprotein IIb/IIIa inhibitors (GPIs)** when necessary.

China is witnessing accelerated population aging alongside a growing elderly population, and the morbidity rate of thromboembolic diseases rises progressively with age, forming the core demand group for antithrombotic drugs. Meanwhile, there exists a substantial patient base suffering from chronic illnesses including cardiovascular diseases, and the heavy socioeconomic and medical burden imposed by such ailments fuels sustained clinical treatment needs. The continuous refinement of national clinical diagnosis and treatment guidelines has facilitated the standardization and normalization of antithrombotic therapy, thereby further unlocking unmet clinical demand. Leveraging superior efficacy, favourable safety profiles and higher administration convenience, novel antithrombotic drugs are rapidly substituting conventional alternatives and reshaping the market structure. In addition, patients afflicted with thromboembolic diseases generally require long-term or even lifelong medication use, which underpins steady repeat purchasing demand. Collectively, the aforesaid factors drive the steady expansion of China's antithrombotic drug market.

In 2025, the antithrombotic drugs market in China reached RMB34.5 billion. It is estimated that the antithrombotic drugs market in China will grow to RMB47.2 billion in 2030 and RMB61.8 billion in 2035, with a CAGR of 6.4% from 2025 to 2030 and 5.6% from 2030 to 2035, respectively.

**Antithrombotic drugs market in China, 2020-2035**

| Period | CAGR |
|---|---|
| 2020-2025 | 2.5% |
| 2025-2030E | 6.4% |
| 2030E-2035E | 5.6% |




*Source: Annual Reports of Listed Companies, Expert Interviews, Frost & Sullivan Report*

***Market drivers and future trends of antithrombotic drugs market***

- ***High Incidence of Cardiovascular Diseases.*** Cardiovascular diseases (CVDs) are among the leading causes of mortality worldwide. With the accelerating progression of global population aging, the incidence and prevalence of CVDs continue to rise steadily, according to the *Report on Cardiovascular Health and Diseases in China 2024*, the incidence of CVDs and cerebrovascular diseases among Chinese residents reached 8.7 million in 2023, and the projected incidence and mortality rates of CVDs in China are expected to rise continuously over the period from 2020 to 2030, driving an increasing demand for antithrombotic therapies.
- ***Heightened Risk of Thrombosis in Interventional Therapies.*** The continuous development and widespread adoption of cardiovascular interventional procedures have significantly improved the treatment outcomes for patients with CVDs. Nevertheless, these interventions are associated with a heightened risk of thrombosis during and after the procedures. According to *Complications and Management of Coronary Artery Injury During Emergency PCI*, the overall incidence of thrombotic events during PCI is 7.7%, necessitating the use of antithrombotic agents for both prophylaxis and therapeutic management. This has driven the expanded application of antithrombotic therapies in the field of interventional cardiology and contributed to the growth of their market demand.
- ***Innovative Drug Targets and Mechanisms.*** Thrombosis involves complex interactions among the coagulation system including thrombin, platelet activation including GPIIb/IIIa receptor and $P2Y_{12}$ receptor, and the fibrinolytic system. Given that single-target agents struggle to comprehensively address all pathological procedures, dual-target and multi-mechanism drugs have emerged as hotspots in drug development. For instance, bifunctional antagonists simultaneously target both coagulation and platelet function such as dual-target agents against factor II and GPIIb/IIIa, along with innovative therapeutics combining anticoagulant and anti-inflammatory effects, represent key future directions in antithrombotic drug innovation.

***Competitive landscape of PCI drugs***

PCI drugs are primarily used in patients with ACS who are scheduled to undergo PCI. As of the latest practicable date, there were three drugs with an indication for PCI approved by NMPA and three drugs with an indication for PCI approved by FDA.

**Global competitive landscape of PCI drugs**

| Target | Drug Name | Brand Name | Company | Indication | Regulatory Authorities | Approval date |
|---|---|---|---|---|---|---|
| GPIIb/IIIa | Bevifibatide | Betagrin | Bio-Thera | • Perioperative antithrombotic therapy for PCI | NMPA | 2024-06-25 |
| P2RY12 | Cangrelor | Kengreal | CHIESI | • Adjunct to PCI | FDA | 2015-06-22 |
| GPIIb/IIIa | Eptifibatide* | NA | Hansoh Pharmaceutical etc. | • ACS patients who are scheduled to undergo PCI | NMPA | 2012-10-30 |
| Thrombin | Argatroban | Argatroban | Plano Pharmaceuticals | • HIT; Adult patients with or at risk for HIT undergoing PCI | FDA | 2011-05-09 |
| Thrombin | Bivalirudin* | NA | Salubris Pharmaceuticals etc. | • Patients undergoing PTCA or PCI | NMPA | 2011-01-01 |
| | | Angiomax | Sandoz | • Patients undergoing PCI | FDA | 2000-12-15 |

*Abbreviations: HIT = heparin-induced thrombocytopenia; PTCA = Percutaneous Transluminal Coronary Angioplast

**Note:* The original drug of Eptifibatide (Integrilin) discontinued manufacturing based on a supply issue with eptifibatide, the active pharmaceutical ingredient in Integrilin. In China, eptifibatide is only approved as a generic drug, with approved manufacturers including Hybio Pharmaceutical Co., Ltd., Beijing SL Pharmaceutical Co., Ltd., Shenyang Shuangding Pharmaceutical Co., Ltd., among others. Bivalirudin is only approved in China as a generic drug, with approved manufacturers including Shenzhen Salubris Pharmaceuticals Co.,Ltd., Yangzijiang Pharmaceutical Group Co., Ltd., among others.

*Source: NMPA, FDA, Frost & Sullivan Analysis*

As of the latest practicable date, there were ten PCI drug candidates for in the clinical stage globally.

**Global Competitive Landscape of PCI Drugs Pipeline**

| Target | Drug Code | Company | Indication | Regulatory Authorities | Clinical Stage | Latest Update Date |
|---|---|---|---|---|---|---|
| GPFactor II, GPIIb/IIIa | MT1002 | Shaanxi Micot Pharmaceutical Technology | • Anticoagulation therapy and antithrombotic therapy for ACS patients undergoing PCI;<br>• ACS patients undergoing PCI with HIT or HITT | NMPA | Phase II | 2024-05-11 |
| | | | • ACS patients undergoing PCI | FDA | Phase I | 2019-08-08 |
| P2RY12 | Vicagrel | Jiangsu vcare pharmaceutical | • Patients with ACS undergoing PCI | FDA | Phase III | 2024-10-01 |
| | DT678 | Beijing SL Pharmaceutical | • Antiplatelet therapy in patients following PCI | NMPA | Phase II | 2026-01-04 |
| | PRT060128 | Portola Pharmaceuticals | • Non-urgent PCI | FDA | Phase II | 2023-08-08 |
| | HY-022619 | Hefei medical and Pharmaceutical | • Antiplatelet therapy in the perioperative treatment of PCI in patients with ACS | NMPA | Phase I | 2026-01-28 |
| | CG-0255 | Shanghai CureGene Pharmaceutical | • Antiplatelet therapy in the perioperative treatment of PCI in patients with ACS | NMPA | Phase I | 2026-03-04 |
| | Cangrelor | Jiangsu Aosaikang Pharmaceutical | • Antithrombotic therapy in the perioperative treatment of PCI in patients with ACS | NMPA | Phase I | 2019-07-30 |
| LIAS, LIPT1, SLC5A6 | CMX-2043 | Ischemix, LLC | • Patients undergoing PCI and Perioperative reperfusion treatment | FDA | Phase II | 2011-06-20 |
| CDH5 | FX06 | Biopure Corporation | • Ischemia reperfusion injury in patients undergoing PCI | FDA | Phase II | 2007-12-04 |
| / | SBK009 | Chengdu Shibeikang Biopharmaceutical | • Antiplatelet therapy in the perioperative treatment of PCI in patients with ACS | NMPA | Phase I | 2025-12-23 |

*Abbreviations: HIT = heparin-induced thrombocytopenia; HITT=heparin-induced thrombocytopenia with thrombosis

*Source: ClinicalTrials.gov, CDE, Frost & Sullivan Analysis*

## 4. OVERVIEW OF NEUROLOGICAL DISEASES DRUG MARKET

### Overview of Ischemic Stroke Market

Ischemic stroke is the most common type of stroke, accounting for about 70%-80% of strokes. The global prevalence of ischemic stroke grew from 65.7 million in 2020 to 85.3 million in 2025, and is projected to reach 105.8 million by 2030 and 127.4 million by 2035. In China, the prevalence of ischemic stroke grew from 18.6 million in 2020 to 23.5 million in 2025, and is projected to reach 28.9 million by 2030 and 35.1 million by 2035. Ischemic stoke caused by the sudden reduction or interruption of blood supply to the brain, resulting in ischemia and hypoxia, necrosis and softening of brain tissues, and triggering neurological dysfunction. Acute ischemic stroke should be treated promptly within the time window, intravenous thrombolysis can be performed within 4.5 hours, and endovascular thrombolysis can be performed within 6 hours in case of large-vessel occlusion, and antiplatelet, plaque stabilization, etc. are required at the same time. The use of neuroprotective agents can reduce ischemia-induced nerve cell damage and protect brain tissue function.

*Main treatment of Ischemic Stroke*

The treatment of ischemic stroke is centered on restoring blood flow and preventing recurrence, and mainly includes surgery and medication. In terms of surgery, endovascular intervention can quickly open up occluded blood vessels, and carotid endarterectomy is suitable for patients with severe carotid stenosis; in medication, thrombolytic drugs are the key to restoring blood flow in the acute stage, antiplatelet and anticoagulant drugs can prevent the enlargement or formation of blood clots, and statins, and drugs for controlling blood pressure, glucose, and lipids are used for long-term prevention and treatment.

However, brain cell damage brought about during cerebral ischemia and the fact that reperfusion can make neutrophils more likely to recruit toward the ischemic area, triggering more severe immune inflammation, can have a significant negative impact on stroke prognosis. Neuroprotective drugs reduce necrosis and apoptosis of neuronal cells caused by ischemia by inhibiting oxidative stress, reducing intracellular calcium overload, and improving mitochondrial function, thereby protecting brain tissue function and effectively improving the prognosis of patients with ischemic stroke.

*Market size of neuroprotective drugs*

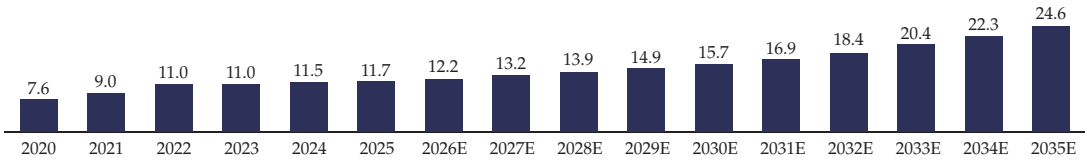
The patient population suffering from stroke in China continues to expand. The accelerating aging of the population, the simultaneous increase in incidence and prevalence rates, and the trend of younger onset have laid a solid foundation for the rigid demand for neuroprotective drugs. The nationwide construction of stroke centers and the implementation of the hierarchical medical system have significantly improved the diagnosis rate and standardized treatment rate of stroke at primary medical institutions, releasing a large amount of potential demand for medication. Core neuroprotective drugs have been included in the NRDL, which has greatly reduced the financial burden on patients and enhanced clinical accessibility and penetration rates. The launch of multi-target innovative drugs and optimized dosage forms has enriched clinical treatment options and extended the medication cycle for patients. Meanwhile, the growing popularity of stroke rehabilitation concepts has promoted the expansion of drug application scenarios from the traditional acute phase to the recovery phase and home-based treatment, all of which are driving the steady growth of China's neuroprotective drug market.

In 2025, the neuroprotective drugs market in China reached RMB11.7 billion. It is estimated that the market will expand to RMB15.7 billion in 2030 and 24.6 billion in 2035, representing a CAGR of 6.2% from 2025 to 2030 and 9.3% from 2030 to 2035.

**Neuroprotective drugs market in China, 2020-2035**

| Period | CAGR |
|---|---|
| 2020-2025 | 8.8% |
| 2025-2030E | 6.2% |
| 2030E-2035E | 9.3% |

*Billion RMB*




*Source: Annual Reports of Listed Companies, Expert Interviews, Frost & Sullivan Report*

***Market drivers and future trends of neuroprotective drugs market***

- ***Unmet clinical needs.*** Influenced by the aging population and changes in lifestyle, the incidence of neurological diseases represented by stroke has increased significantly, and Alzheimer's disease and Parkinson's disease have also shown a high prevalence. According to *the Panorama of the Burden of Neurological Diseases in China: A National and Provincial-Level Disease Burden Study (1990-2021)*, 16 types of neurological diseases affect 468 million people in China.
- ***Clinical application scenarios continue to expand.*** The clinical application scenarios of neuroprotective drugs continue to broaden, extending from traditional indications to multiple fields. In the field of acute cerebrovascular disease, the application scenarios have been expanded from the acute stage to pre-hospital emergency and recovery management. In the field of neurodegenerative diseases, relevant drugs are included in medical insurance as adjuvant therapy. Meanwhile, its application in the field of rare diseases has made breakthroughs, and gene-targeted neuroprotection cases have emerged.
- ***Accelerated development of drugs with new mechanisms.*** The mechanism of action of neuroprotective drugs has evolved from single target to multi-pathway synergy, and TrKB receptor agonists have shown potential in protection against neurological impairment in the brain. Preclinical data demonstrate that TrKB receptor agonists possess more than 40 times stronger free radical-scavenging activity than first-line drugs, and exert a significant therapeutic effect on cerebral ischemia-reperfusion injury.

***Competitive landscape of neuroprotective drugs***

As of the latest practicable date, there are three neuroprotective drugs approved by NMPA.

**Competitive landscape of neuroprotective drugs approved by NMPA, China**

| Target | Drug Name | Brand Name | Company | Indication | NMPA Approval Date |
|---|---|---|---|---|---|
| / | Edaravone and Dexborneol | 先必新 | Simcere Pharmaceutical | Neuroprotection in acute ischemic stroke | 2020-7-29 |
| Bradykinin B2 receptor | Urinary Kallidinogenase | 凯力康 | Tianpu Biochemical Pharmaceutical | Mild and moderate acute ischemic stroke | 2005-6-28 |
| / | Butylphthalide | Enbipu | CSPC | Neuroprotection in acute ischemic stroke | 2002-9-30 |

*Note:* Excludes drugs included in the National Key Monitoring List for Rational Drug Use.

As of the latest practicable date, there are 12 neuroprotective drug candidates for neuroprotection in acute ischemic stroke in the clinical stage in China.

**Competitive landscape of neuroprotective drug pipelines in China**

| Target | Drug Code | Company | Clinical Stage | Latest update date |
|---|---|---|---|---|
| NRF2, mTOR, AMPK | Nitrone Triazine injection | Guangzhou magpie Pharmaceuticals | Phase III | 2023-12-18 |
| PDE3 | Y-6 sublingual tablet | Neurodawn Pharmaceutical | Phase III | 2025-06-03 |
| Thromboxane A2 synthase | piragrel sodium | Hefei Institute of Pharmaceutical Industry | Phase III | 2023-08-31 |
| GRIN | Salfaprodil | Zhejiang Apeloa Medical | Phase III | 2022-01-01 |
| TrKB | MT200605 | Shaanxi Micot Pharmaceutical Technology | Phase II | 2025-10-21 |
| GRIN | Androtriol | Guangzhou Saipute Medicine | Phase II | 2025-06-18 |
| FXII, KLK | ZKLJ02 | Zhongke Longjin Biotechnology | Phase I | 2025-12-08 |
| / | hNPC-01 | Hopstem Biotechnology | Phase I | 2024-01-08 |
| / | HY0721 | Suzhou Pharmavan Natural & Health | Phase I | 2021-12-11 |
| / | GD-11 | Jiangsu Vanguard Pharmaceutical | Phase I | 2025-09-02 |
| Thromboxane A2 synthase | XY0507 | Nanjing Xiangyuan Biomedical Technology | Phase I | 2025-05-21 |

*Source: NMPA, CDE, Frost & Sullivan analysis*

**Source of Industry Information**

In connection with this Global Offering, we have engaged Frost & Sullivan to conduct a detailed analysis of our market and prepare an industry report. Frost & Sullivan, founded in 1961 and based in the United States, is an independent global market research and consulting firm. The company provides services including market assessment, competitive landscape analysis, and strategic and market planning for multiple industries. We have included excerpts from the Frost & Sullivan Report in this Prospectus as we believe such information will assist potential investors in understanding our market environment.

The Frost & Sullivan Report was prepared by Frost & Sullivan based on its internal databases, independent third party reports, and publicly available information from authoritative industry organizations. Frost & Sullivan believes that the fundamental assumptions (including those used for future forecasts) adopted in preparing the Frost & Sullivan Report are factual, accurate, and not misleading. We have agreed to pay Frost & Sullivan a fee of RMB560,000 for preparing the Frost & Sullivan Report. This payment is not conditional upon the success of our Listing or the contents of the Frost & Sullivan Report.

Other than the Frost & Sullivan Report, we have not commissioned any other industry report in connection with this Global Offering. Our Directors confirm that, upon reasonable and prudent care, there have been no material adverse changes in the overall market information since the date of the Frost & Sullivan Report that would materially qualify, contradict or affect such information.

We are subject to a variety of PRC laws, rules and regulations affecting many aspects of our business. This section summarizes the major PRC regulatory authorities and PRC laws and regulations that we believe are relevant to our business and operations in the PRC.

## PRINCIPAL REGULATORY AUTHORITIES

### NMPA and Center for Drug Evaluation

National Medical Products Administration (國家藥品監督管理局) (formerly known as the China Food and Drug Administration (國家食品藥品監督管理總局) (the "**CFDA**")) (the "NMPA") is the department in charge of the pharmaceutical industry of China. It is primarily responsible for supervision and management of safety of pharmaceuticals, medical devices and cosmetics, including drawing up the relevant laws and regulations; conducting standard management, registration management, quality management and post-market risk management for drugs, medical devices and cosmetics; and organizing and guiding the supervision and inspection of drugs, medical devices and cosmetics and etc.

Center for Drug Evaluation, NMPA (國家藥品監督管理局藥品審評中心) (the "**CDE**") is the technical evaluation unit for drug registration with NMPA. It is primarily responsible for conducting technical evaluation on the drugs application for registration and verifying the relevant drug registrations.

### NHC

The National Health Commission (國家衛生健康委員會) (formerly known as the National Health and Family Planning Commission (國家衛生和計劃生育委員會)) (the "**NHC**"), is primary national regulator for national public health and medical system.

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, launching an early warning mechanism for the monitoring of the use and clinical comprehensive evaluation of medicine as well as the drug shortage, giving suggestions on the pricing policy of national essential medicine, and regulating the operation of medical institutions and practicing of medical personnel.

### NHSA

The National Healthcare Security Administration (國家醫療保障局) (the "**NHSA**"), a new authority established in May 2018, is directly under the State Council and responsible for the management of the healthcare security system.It is primarily responsible for drafting and implementing policies and standards on medical insurance, maternity insurance and medical assistance; supervising and administering the healthcare security funds; 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.

## PRINCIPAL REGULATORY PROVISIONS

### Laws and Regulations on New Drugs

#### *Research and development of new drugs*

The Drug Administration Law of the PRC (《中華人民共和國藥品管理法》) (the "**Drug Administration Law**") promulgated by the Standing Committee of the National People's Congress (the "**SCNPC**") in September 1984, last amended on August 26, 2019 and became effective on December 1, 2019, and the Implementation Regulations of the Drug Administration Law of the PRC (《中華人民共和國藥品管理法實施條例》) (the "**Implementation Regulations**") promulgated by the State Council in August 2002 and last amended on December 6, 2024 and became effective on January 20, 2025, have laid down the legal framework for the establishment and maintenance of pharmaceutical manufacturing and trading enterprises, as well as for the administration of pharmaceutical products including the development and manufacturing of new drugs. According to the Drug Administration Law and the Implementation Regulations, the PRC encourages the R&D of new drugs, and protects the legal rights and interests in the R&D of new drugs. The developer and clinical trial applicant of any new drug shall truthfully submit the new drug's manufacturing method, quality specifications, results of pharmacological and toxicological tests and the related data, documents and samples to the NMPA for approval before any clinical trial is conducted.

In 2017, the drug regulatory system entered a new and significant period of reform. The General Office of the State Council and the General Committee of China Communist Party jointly issued the Opinions on Deepening the Reform of the Evaluation and Approval Systems and Encouraging Innovation on Drugs and Medical Devices (關於深化審評審批制度改革鼓勵藥品醫療器械創新的意見) (the "Innovation Opinions") on October 2017. According to the Innovation Opinions, institutions for drug clinical trials should establish an independent ethics committee and the clinical trial schemes are subject to examination, approval and signing with approval opinions by the ethics committee before implementation, in order to protect the rights and interests of human subjects in clinical trials. For a multi-center clinical trial conducted in the PRC, after ethical review by the leader unit of clinical trial, other member units should recognize the review results of the leader unit and may not conduct repeated review.

***Non-clinical research***

The non-clinical safety evaluation study for drugs for the purpose of applying for drug registration shall be conducted in accordance with the Administrative Measures for Good Laboratories Practice (《藥物非臨床研究質量管理規範》), which was promulgated in August 2003 and amended in July 2017 by the CFDA and became into effective on September 1, 2017. In April 2007, the CFDA issued the Circular on Measures for Certification of Good Laboratory Practice (《藥物非臨床研究質量管理規範認證管理辦法》), last amended on January 19, 2023 and taking effect on July 1, 2023, which set forth the requirements for an institution to apply for a Certification of Good Laboratory Practice to undertake non-clinical research on drugs.

***Animal Testing***

According to the Regulations for the Regulation on Administration of Experimental Animals (《實驗動物管理條例》) issued by the State Scientific and Technological Commission on November 14, 1988 and last amended by the State Council on March 1, 2017, the Administrative Measures on Good Practice of Experimental Animals (《實驗動物質量管理辦法》) jointly issued by the State Scientific and Technological Commission and the State Bureau of Quality and Technical Supervision on December 11, 1997 and the Administrative Measures on the Certificate for Experimental Animals (Trial) (《實驗動物許可證管理辦法(試行)》) issued by the Ministry of Science and Technology and other regulatory authorities on December 5, 2001 and effective from January 1, 2002, using, breeding, providing, transporting experimental animals shall be subject to some rules and requirements, and performing experimentation on animals requires a Certificate for Use of Experimental Animals.

***Application for clinical trial***

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, the decision on the approval of clinical trials of drugs shall be made by the CDE from May 1, 2017. According to the Administrative Measures for Drug Registration (《藥品註冊管理辦法》) (the "Circular 27"), which was promulgated on January 22, 2020 and took effect on July 1, 2020, drug clinical trials shall be divided into Phase I clinical trial, Phase II clinical trial, Phase III clinical trial, Phase IV clinical trial, and bioequivalence trial. In accordance with Circular 27 and the Announcement on Adjusting Evaluation and Approval Procedures for Clinical Trials for Drugs (《關於調整藥物臨床試驗審評審批程序的公告》) issued in July 2018, if a clinical trial applicant does not receive any negative or questioned opinions from the CDE within 60 days after the date when the trial application is accepted and the fees are paid, the applicant can proceed with the clinical trial in accordance with the trial protocol submitted to the CDE. According to the Announcement on Matters Related to Optimizing the Review and Approval of Clinical Trials for Innovative Drugs (《國家藥監局關於優化創新藥臨床試驗審評審批有關事項的公告》) promulgated by the NMPA on September 12, 2025, the NMPA shall complete the review and approval process for qualifying innovative drug clinical trial applications within 30 working days.

After obtaining the approval of clinical trial from the NMPA, the applicant must complete the clinical trial registration at the Drug Clinical Trial Information Platform for public disclosure in accordance with the Circular on Drug Clinical Trial Information Platform (《關於藥物臨床試驗信息平台的公告》), which came into effect in September 2013. The applicant shall complete the initial registration of the trial within one month after obtaining the approval of clinical trial to obtain an exclusive trial registration number, and then complete the subsequent information registration before the first patient is enrolled in the trial and submit the registration for public disclosure for the first time.

*Conduct of clinical trial*

After obtaining clinical trial approval, the applicant shall conduct clinical trials at qualified clinical trial institutions. The qualified clinical trial institution refers to institutions that have the conditions to conduct clinical trials in accordance with the requirements and technical guidelines set forth in the Regulations for the Administration of Drug Clinical Trial Institutions (《藥物臨床試驗機構管理規定》), which came into effect on December 1, 2019.

Clinical trials must be conducted in accordance with the Good Clinical Practice for Drug Trials (《藥物臨床試驗質量管理規範》) promulgated by NMPA and NHC on April 23, 2020 and effective on July 1, 2020, which stipulates the requirements for the procedures of conducting clinical trials, including preclinical trial preparation, trial protocols, protection of testees' rights and interests, duties of researchers, sponsors and monitors, as well as data management and statistical analysis.

According to the Announcement on Adjusting Evaluation and Approval Procedures for Clinical Trials for Drugs (《關於調整藥物臨床試驗審評審批程序的公告》), where the application for clinical trial of new drug has been approved, upon the completion of Phases I and II clinical trials and prior to Phase III clinical trial, the applicant shall submit the application for communication meetings to CDE to discuss with CDE the key technical questions including the design of Phase III clinical trial protocol. According to the Administrative Measures for Communication on the Research, Development and Technical Evaluation of Drugs (《藥物研發與技術審評溝通交流管理辦法》), revised by the NMPA on December 10, 2020, during the R&D periods and in the registration applications of, among others, the innovative new drugs, the applicants may propose to conduct communication meetings with the CDE. The communication meetings can be classified into three types. Type I meetings are convened to address key safety issues in clinical trials of drugs and key technical issues in the R&D of breakthrough therapeutic drugs. Type II meetings are held during the key R&D stages of drugs, mainly including meetings before submitting the clinical trial application, meetings upon the completion of Phase II trials and prior to Phase III trials and meetings before submitting the marketing application for a new drug. Type III meetings refer to other meetings not classified as Type I or Type II.

According to the Announcement on Matters Concerning the Optimization of Drug Registration Review and Approval (關於優化藥品註冊審評審批有關事宜的公告) jointly issued by the NMPA and the NHC on May 17, 2018, the CDE will prioritize the allocation of resources for review, inspection, examination and approval of registration applications that have been included in the scope of fast track clinical trial approval.

*New drug registration*

Pursuant to Circular 27, upon completion of clinical trials, determination of quality standards, completion of validation of commercial-scale production processes and completion of other related preparation works, the applicant may apply with the NMPA for the marketing authorization. The NMPA then determines whether to approve the application according to applicable laws and regulations. The applicant must obtain the marketing authorization for a new drag before the drug can be sold in the China market. According to Circular 27, the holders of any of the following drugs can apply for conditional approval of such drugs: (1) drugs which are used for the treatment of severe life-threatening diseases currently lacking effective treatment and the data of clinical trials can confirm their efficacy and forecast their clinical value; (2) drugs which are urgently needed for public health and data of clinical trials can demonstrate their efficacy and forecast their clinical value; and (3) vaccines which are urgently needed to deal with major public health emergencies or other vaccines which the NHC deems to be urgently needed, the benefits of both of which are assessed to be outweigh the risk.

Pursuant to the Reform Plan for Registration Category of Chemical Medicine (《化學藥品註冊分類改革工作方案》) issued by the CFDA on March 4, 2016, new registration of chemical drugs are divided into 5 categories: (i) Category 1: innovative drugs that have not been marketed in the PRC or abroad which shall contain new compounds with clear structure and pharmacological effects and clinical value; (ii) Category 2: improved new drugs that have not been marketed in the PRC or abroad with optimization in structure, dosage form, prescription technology, route of drug administration and indications on the basis of known active ingredients as well as obvious clinical advantages; (iii) Category 3: drugs imitated by domestic applicants which are marketed overseas while originator's drugs are not marketed in the PRC. Such drugs should possess quality and efficacy in line with that of the originator's drugs (i.e. the first drugs approved to be marketed in the PRC

or overseas with complete and sufficient safety and efficacy data to serve as the basis for its launch); (iv) Category 4: drugs imitated by domestic applicants while originator's drugs have been marketed in the PRC. The quality and efficacy of such drugs should be consistent with that of the originator's drugs; and (v) Category 5: drugs which have been marketed abroad with the applications to be marketed in the PRC. Among them, the reporting procedure for Category 1 and 2 shall comply with those for new drugs and for Category 3 and 4 it shall be in accordance with those for generic drugs, while Category 5 shall be reported pursuant to the procedures for imported drugs.

According to the Registration Classification of Chemical Drugs and the Reporting Information Requirements (《化學藥品註冊分類及申報資料要求》) issued by the NMPA on June 29, 2020 with implementation of the Registration Classification of Chemical Drugs from July 1, 2020, the registration of chemical drugs is categorized into innovative drugs, improved new drugs, generic drugs, and chemical drugs marketed abroad only.

***Accelerated Approval for Clinical Trial and New Drug Registration***

The Opinions of the State Council on the Reform of Evaluation and Approval System for Drugs and Medical Devices (《國務院關於改革藥品醫療器械審評審批制度的意見》) issued by the State Council on August 9, 2015, established a reform framework of the evaluation and approval system for drugs and medical devices, and specified the tasks of enhancing the standards of approval for, among others, drug registration, accelerating the evaluation and approval process for innovative drugs, and improving the approval for clinical trials of drugs.

The Announcement on Several Policies on Drug Registration Review and Approval (《關於藥品註冊審評審批若干政策的公告》) issued by the CFDA on November 11, 2015, provided fast-track clinical trial approvals and drug registration pathways for the following new drug applications: (i) registration of innovative new drugs treating HIV, malignant tumors (cancers), severe infectious diseases and rare diseases; (ii) registration of pediatric drugs; (iii) registration of geriatric drugs and drugs treating diseases specially or commonly contracted by the senior population; (iv) registration of drugs listed in national major science and technology projects or national key R&D plan; (v) registration of innovative drugs using advanced technology or innovative treatment methods, or having distinctive clinical benefits; (vi) registration of foreign innovative drugs to be manufactured locally in China; (vii) concurrent applications for new drug clinical trials which are already approved in the United States or the European Union or concurrent drug registration applications for drugs which have applied to the competent drug approval authorities for marketing authorization and passed such authorities' onsite inspections in the United States or European Union and are manufactured using the same production line in China; and (viii) clinical trial applications for drugs with urgent clinical need and patent expiry within three years, and manufacturing authorization applications for drugs with urgent clinical need and patent expiry within one year.

On October 8, 2017, the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council jointly issued the Opinions on Deepening the Reform of the Evaluation and Approval System and Encouraging Innovation of Drugs and Medical Devices (《關於深化審評審批制度改革鼓勵藥品醫療器械創新的意見》), aiming to simplify the clinical trial procedures and shorten the time.

Furthermore, according to the Announcement on Matters Concerning the Optimization of Drug Registration Review and Approval (《關於優化藥品註冊審評審批有關事宜的公告》) jointly issued by the NMPA and the NHC on May 17, 2018, the drug approval process shall be further streamlined and expedited.

Pursuant to the provisions of the Procedures for the Evaluation of Breakthrough Therapeutic Drugs (Trial) (《突破性治療藥物審評工作程序(試行)》) issued by the NMPA on July 7, 2020, during the clinical drug trials, the applicant is allowed to apply for the breakthrough therapeutic drug procedure during Phase I and Phase II clinical trials and normally no later than the commencement of Phase III clinical trials for the innovative or improved drugs etc. which are used for the prevention and treatment of diseases that seriously endanger life or seriously affect quality of life and there is no effective means of prevention and treatment or there is sufficient evidence to show a significant clinical advantage over existing treatment approach.

*Marketing Authorization Holder Mechanism*

Pursuant to the Drug Administration Law, China implements the marketing authorization holder mechanism for management of the drug industry. The drug marketing authorization holder shall be responsible for non-clinical research, clinical trials, production and operation, post-marketing research, adverse reaction monitoring, reporting and processing of drugs in accordance with the provisions of the law.

The marketing authorization holders may manufacture drugs by themselves or entrust a pharmaceutical manufacturing enterprise to manufacture drugs. Likewise, they may sell drugs by themselves or entrust a pharmaceutical distribution enterprise to sell drugs. However, marketing authorization holders may not entrust a pharmaceutical manufacturing enterprise to produce blood products, narcotic drugs, psychotropic drugs, medical-use toxic drugs or pharmaceutical precursor chemicals, except as otherwise stipulated by the drug regulatory department under the State Council.

The drug marketing authorization holder shall establish a drug quality assurance system and be equipped with special personnel to take charge of quality management on drugs independently. The drug marketing authorization holder shall regularly review the quality management system of the drug manufacturer and the drug distributor, and supervise its continuous quality assurance and control capabilities.

Where the marketing authorization holder is an overseas enterprise, its designated domestic enterprise shall perform the obligations of the marketing authorization holder and jointly assume responsibilities of the marketing authorization holder with the overseas enterprise.

**Laws and Regulations on Gathering, Collection and Filing of Human Genetic Resources**

On June 10, 1998, the Ministry of Science and Technology (the "MOST") and the Ministry of Health (the "MOH", which was canceled in the institutional reform of the State Council in 2013, its functions were first inherited by the National Health and Family Planning Commission and then by the NHC, which was established in 2018) promulgated the Interim Measures for the Management of Human Genetic Resources (《人類遺傳資源管理暫行辦法》), which sets out rules for the protection and use of human genetic resources in China. Pursuant to the Service Guide for Administrative Licensing of Gathering, Collection, Deal, Export and Exit Approval of Human Genetic Resources of Human genetic resources (《人類遺傳資源採集、收集、買賣、出口、出境審批行政許可事項服務指南》) promulgated by the MOST on July 2, 2015 and the Notice on the Implementation of the Administrative License for the Gathering, Collection, Deal, Export and Exit of Human Genetic Resources (《關於實施人類遺傳資源採集、收集、買賣、出口、出境行政許可的通知》) promulgated by the MOST on August 24, 2015, the gathering and collection of human genetic resources though clinical trials by a foreign-invested sponsor shall be filed for record with the China Human Genetic Resources Management Office through an online system. The Ministry of Science and Technology promulgated the Circular on Optimizing the Administrative Examination and Approval of Human Genetic Resources (《關於優化人類遺傳資源行政審批流程的通知》) on October 26, 2017, which became effective on December 1, 2017, simplifying the approval of sampling and collecting human genetic resources for the purpose of marketing a drug in the PRC.

Pursuant to the Regulations on the Management of Human Genetic Resources of the PRC (《中華人民共和國人類遺傳資源管理條例》), last amended by the State Council on March 10, 2024 and came into effect on May 1, 2024, the State supports the rational use of human genetic resources for scientific research, development of the biomedical industry, improvement of diagnosis and treatment technology, improvement of China's ability to guarantee biosafety and improvement of the level of people's health. Foreign organizations, individuals and institutions established or actually controlled by them shall not gather or preserve Chinese genetic resources in China, or provide Chinese genetic resources to foreign countries. In addition, the gathering, preservation, utilization and external provision of Chinese genetic resources shall conform to ethical principles and conduct ethical review in accordance with relevant regulations. The Implementing Rules of the Regulation on the Administration of 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 became effective on July 1, 2023, further provides specific requirements on the collection, preservation, utilization and external provision of China's human genetic resources.

The Biosecurity Law of the PRC (《中華人民共和國生物安全法》) (the "Biosecurity Law"), which was promulgated by SCNPC on October 17, 2020 and last amended on April

26, 2024, establishes a comprehensive legislative framework for the pre-existing regulations in such areas as epidemic control of infectious diseases for humans, animals and plants, research, development, and application of biology technology, biosecurity management of pathogenic microbial laboratories, security management of human genetic resources and biological resources, countermeasures for microbial resistance, and prevention of bioterrorism and defending threats of biological weapons. According to the Biosecurity Law, the R&D activities of high-risk and medium-risk biotechnology shall be carried out by a legal person organization established within the territory of the PRC in accordance with the law, upon obtaining the approval or record-filing. The following activities are subject to approval of the competent health department: (i) collecting human genetic resources of important genetic families or specific areas in the PRC, or collecting human genetic resources of which the types and quantities are subject to provisions of the competent health department under the State Council, (ii) preserving China's human genetic resources, (iii) using China's human genetic resources to carry out international scientific research cooperation, or (iv) transporting, mailing, and carrying China's human genetic resource materials out of the country.

**Laws and Regulations on the Manufacturing of Drugs**

***Drug Manufacturing Certificate***

Pursuant to the Drug Administration Law and the Implementing Regulations, a drug manufacturer must obtain a Drug Manufacturing Certificate (藥品生產許可證) from the drug regulatory authority at provincial, autonomous regional or municipal level before it may start manufacturing drugs in the PRC. The Drug Manufacturing Certificate shall indicate the validity period and the scope of production. Each Drug Manufacturing Certificate is valid for a period of five years and the manufacturer is required to apply for renewal of the permit within six months prior to its expiration date.

***Contract manufacturing of drugs***

Pursuant to the Administrative Regulations for the Contract Manufacturing of Drugs (《藥品委託生產監督管理規定》) (the "Contract Manufacturing Regulations") issued by the CFDA in August 2014, only when a drug manufacturer temporarily lacks manufacturing conditions due to technology upgrade or is unable to ensure market supply due to insufficient manufacturing capabilities, can such drug manufacturer entrust the manufacturing of the drug to another domestic drug manufacturer. Such contract manufacturing arrangements shall be approved by the provincial branch of the NMPA.

The Administrative Measures on Supervision of Drug Manufacturing (《藥品生產監督管理辦法》) (the "Revised Administrative Measures of Drug Manufacturing") promulgated by the State Administration for Market Regulation on January 22, 2020 and effective on July 1, 2020 further implements the drug marketing authorization holder system as stipulated in the Drug Administration Law. Drug marketing authorization holders entrusting others to manufacture drugs shall enter into outsourcing agreements and quality agreements with qualified drug manufacturing enterprises and submit the relevant agreements together with the actual manufacturing site application materials to the competent drug administrative authority in order to apply for the Drug Manufacturing Certificate.

***Drug Operation License***

According to the Drug Administration Law, the Measures for the Supervision and Administration of Drug Quality in Operation and Usage (《藥品經營和使用質量監督管理辦法》), which was issued by the SAMR on September 27, 2023 and came into effect on January 1, 2024, whoever engages in the wholesale or retail of drugs shall be subject to the approval of the drug regulatory authority, obtain a Drug Operation License in accordance with the law. The drug marketing authorization holders may sell the drugs for which they have obtained drug registration certificate on their own or entrust a drug operating enterprise with the sale of such drugs. However, the drug marketing authorization holders engaged in retail activities of drugs shall obtain a Drug Operation License. Each Drug Operation License is valid for five years. Where it is necessary to continue the operation of drugs upon the expiration of the period of validity of the Drug Operation License, a drug operating enterprise shall file an application with the license-issuing organ for re-examination and issuance of license in 6 to 2 months before the expiration of the period of validity.

**Laws and Regulations on Drug Supply**

***Drug Purchases by Hospitals***

According to the Opinion on the Guidance of the Reform of Urban Medical and Health Care System (《關於城鎮醫藥衛生體制改革的指導意見》) promulgated and took into

effect on February 16, 2000 and the Opinion on the Implementation of Classification Management of Urban Medical Institutions (《關於城鎮醫療機構分類管理的實施意見》) promulgated on July 18, 2000 and became effective from September 1, 2000, a medical institution must be defined as a profit-making or non-profit-making institution at the time when it is established. A non-profit-making medical institution is established to provide services to the general public, with its revenue used for maintaining and developing such institution, while a profit-making medical institution is established by investors for the purpose of investment return. The PRC government does not establish any profit-making medical institutions, while non-government entities may establish profit-making medical institutions. Any non-profit-making medical institutions must implement a collective tender system in respect of any drug purchases and any profit-making medical institutions need not to implement such a system according to PRC law.

According to the Notice on the Trial Implementation of the Centralized Tender with Respect to Drug Purchases by 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》) promulgated and became effective on July 7, 2000, the Notice on the Further Standardizing of the Centralized Tender with respect to Drug Purchases By Medical Institutions (《關於進一步做好醫療機構藥品集中招標採購工作的通知》) promulgated and became effective on July 23, 2001 and the Opinions concerning Further Regulating Purchase of Medicines by Medical Institutions through Centralized Tendering (《進一步規範醫療機構藥品集中採購工作的意見》) promulgated and took into effect on January 17, 2009, any non-profit-making medical institutions established and/or controlled by any government at a county level or above must implement the centralized tender system in respect of purchase of any drugs which are contained in the Medicines List for National Basic Medical Insurance and are generally used for clinical purposes and purchased in relatively large amount.

The Circular on the Good Practice of Medical Institutions with respect to Centralized Procurement of Drugs (《醫療機構藥品集中採購工作規範》) promulgated and was effective on July 7, 2010, provides stipulations in detail in respect of the catalog for centralized procurement and methods, procedures, evaluators, expert database construction and management of drugs, further regulating the centralized drug procurement and clarifying the code of conduct on the part of purchasing parties. According to the Good Practice of Medical Institutions with respect to Centralized Procurement of Drugs, any non-profit-making medical institutions established by the government at the county level or above or state-owned enterprises (including stock-holding enterprises) must participate in the centralized procurement of medical institutions. The centralized procurement management authority at provincial (municipal or district) level is responsible for compiling the catalog of drugs for centralized procurement by medical institutions within its own administrative region, and narcotic drugs and first class psychoactive drugs with respect to which the special administration is carried out by the state are not included in such catalog for centralized procurement; second class psychoactive drugs, radioactive pharmaceuticals, toxic drugs for medical use, crude drugs, traditional Chinese medicinal materials and traditional Chinese medicine decoction pieces may be excluded from such catalog for centralized procurement.

According to the Guidance Opinion of the General Office of the State Council on the Improvement of the Drug Centralized Procurement Work of 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》) promulgated and came into effect on February 9, 2015, the centralized procurement work of public hospitals will be improved through the classification purchase of drugs. All drugs used by public hospitals (with the exception of traditional Chinese medicine decoction pieces) should be procured through a provincial centralized pharmaceutical procurement platform. The provincial procurement agency should work out a summary of the procurement plans and budget submitted by hospitals and compile reasonably a drug procurement catalog of the hospitals with its own administration region, listing by classification the drugs to be procured through bids, negotiations, direct purchases by hospitals or to be manufactured by appointed manufacturers.

According to the Opinions of the General Office of the State Council on Further Reform and Improvement of Policy on Drug Production, Circulation and Use (《國務院辦公廳關於進一步改革完善藥品生產流通使用政策的若干意見》) promulgated by the General Office of the State Council on January 24, 2017, cross-regional and specialized hospitals are encouraged to make joint purchases; in areas where the reform of the payment method of health insurance is comprehensively implemented or where the payment standard for drugs under health insurance has already been formulated, public hospitals are allowed

to jointly carry out volume- and budget-based procurement on the provincial centralized drug procurement platform (the provincial public resources trading platform).

According to the Pilot Program of the Centralized Procurement and Use of Drugs Organized by the State (《國家組織藥品集中採購和使用試點方案》) issued by the General Office of the State Council on January 1, 2019, eleven pilot cities including Beijing, Tianjin, Shanghai, Chongqing, Shenyang, Dalian, Xiamen, Guangzhou, Shenzhen, Chengdu and Xi'an, are selected to launch pilot programs of the centralized procurement and use of drugs under the organization of the State. According to the Implementation Opinions on Expanding the Regional Scope in the Pilot Program of Centralized Drug Procurement and Use Organized by the State (《關於國家組織藥品集中採購和使用試點擴大區域範圍的實施意見》) issued by the National Healthcare Security Administration and other departments on September 25, 2019, the regional scope in the pilot program of centralized procurement and use of drugs organized by the State is being expanded and the volume-based procurement model of the pilot program for conducting the centralized procurement and use of drugs organized by the State is being promoted throughout the country.

The Opinions of the General Office of the State Council on Promoting the Centralized Volume-based Procurement of Drugs in a Normalized and Institutionalized Manner (《國務院辦公廳關於推動藥品集中帶量採購工作常態化制度化開展的意見》), which was promulgated by the General Office of the State Council on January 22, 2021, set out the promotion of the normalization and institutionalization of the centralized procurement of drugs. All public medical institutions (including military medical institutions, hereinafter referred to as the same) shall participate in the centralized procurement of drugs, with reference to the requirements of the management of designated social medical institutions and designated pharmacies in accordance with the management of designated agreements for medical insurance. In accordance with the principles of preserving the basics and the clinical care, emphasis shall be placed on including drugs that are listed in the Drug Catalogue of Basic Medical Insurance with large consumption and high procurement price in the procurement scope, and gradually covering various drugs which are clinically necessary and reliable, so as to achieve the procurement of all medicines as much as possible.

***Drug Price Management***

Pursuant to the Opinions on Promoting Drug Pricing Reform (《推進藥品價格改革的意見》), which was jointly promulgated by the authorities including the NDRC on May 4, 2015, from June 1, 2015, the original prices of the drugs formulated by the government will be canceled, except for narcotic drugs and Class I psychotropic drugs. The prices of narcotic drugs and Class I psychotropic drugs are still temporarily managed by the NDRC through the implementation of maximum factory prices and maximum retail prices. The drugs other than the narcotic drugs and Class I psychotropic drugs no longer adopted government-designated pricing. Such notice aimed to improve the mechanism of the drug purchase, give play to the role of health care insurance in drug fees controlling, and actual transaction prices of the drugs are mainly determined by the market competition.

***Two-invoice System***

In order to further optimize the order of purchasing and selling pharmaceutical products and reduce circulation steps, as required at the executive meeting of the State Council dated April 6, 2016 and under the 2016 List of Major Tasks in Furtherance of the Healthcare and Pharmaceutical Reforms (《深化醫藥衛生體制改革2016年重點工作任務》) issued by the General Office of the State Council on April 21, 2016, the "two-invoice System" (兩票制) will be fully implemented in the PRC. According to the Circular on Issuing the Implementing Opinions on Carrying out the Two-invoice System for Drug Procurement among Public Medical Institutions (for Trial Implementation) (《印發〈關於在公立醫療機構藥品採購中推行「兩票制」的實施意見(試行)〉的通知》) (the "Circular"), which was effective from December 26, 2016, the two-invoice system means one invoice between the pharmaceutical manufacturer and the pharmaceutical distributor, and one invoice between the pharmaceutical distributor and the hospital, and thereby only allows a single level of distributor for the sale of pharmaceutical products from the pharmaceutical manufacturer to the hospital. According to the Circular, two-invoice system will be promoted in pilot provinces (autonomous regions and municipalities directly under the Central Government) involved in the comprehensive medical reform program and pilot cities for public hospital reform on a priority basis, while other regions are encouraged to implement such system, so that such system can be promoted in full swing nationwide in 2018.

***Commercial Briberies in Pharmaceutical Industry***

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》), as amended on 27 June 2025 and implemented on 15 October

2025, promulgated by the Standing Committee of the National People's Congress, operators shall not bribe the following entities or individuals by means of offering money or other benefits in order to seek out transactional opportunities or competitive advantages: (i) Staff members of the counterparty to the transaction; (ii) Entities or individuals entrusted by the counterparty to handle relevant affairs; and (iii) Entities or individuals who may influence transactions through their authority or influence. Pursuant to the Provisional Regulations on Prohibiting Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》) issued by the former State Administration for Industry and Commerce on 15 November 1996, commercial bribery is defined as the offering of financial and material assets or other means by an operator to another organization or individual with the aim of influencing the sale or purchase of goods.

According to the Provisions on the Establishment of Adverse Records of Commercial Briberies in the Medicine Purchase and Sales Industry (《關於建立醫藥購銷領域商業賄賂不良記錄的規定》), which was promulgated by the National Health and Family Planning Commission (currently the NHC) and came into effect on March 1, 2014, an enterprise engaged in the manufacturing or distribution of medicines, medical devices or medical consumables (or its agent) that offers any items of value or other benefits to the staff of a medical institution may be listed in the Adverse Records of Commercial Bribery ("Adverse Records") by the relevant government authorities. As a result, its products cannot be purchased by public medical institutions or medical and health institutions receiving financial subsidies within the relevant provinces, and the scores of its products in the centralized procurement processes conducted by public medical institutions or medical and health institutions receiving financial subsidies in other provinces will be reduced. Where the relevant enterprise (or its agent) is listed in Adverse Records twice within a five-year period, its products cannot be purchased by public medical institutions or medical and health institutions receiving financial subsidies across China for two years.

**Regulations in relation to the Medical Insurance Program**

***Coverage of the national medical insurance program***

The national medical insurance program was first adopted according to the Decision of the State Council on the Establishment of the Urban Employee Basic Medical Insurance Program (《國務院關於建立城鎮職工基本醫療保險制度的決定》) issued by the State Council on December 14, 1998, under which all employers in urban cities are required to enroll their employees in the basic medical insurance program and the insurance premium is jointly contributed by the employers and employees. On July 10, 2007, the State Council issued the Guiding Opinions of the State Council about the Pilot Urban Resident Basic Medical Insurance (《國務院關於開展城鎮居民基本醫療保險試點的指導意見》), further enlarged the coverage of the basic medical insurance program, under which urban residents of the pilot district, rather than urban employees, may voluntarily join Urban Resident Basic Medical Insurance. In addition, on January 3, 2016, the Opinions of the State Council on Integrating the Basic Medical Insurance Systems 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》) issued by the State Council required the integration of the urban resident basic medical insurance and the new rural cooperative medical care system and the establishment of a unified basic medical insurance system, which will cover all urban and rural residents other than rural migrant workers and persons in flexible employment arrangements who participate in the basic medical insurance for urban employees.

***Medical Insurance Catalogue***

According to the Interim Measures for the Administration of Use of Drugs Covered by the Basic Medical Insurance (《基本醫療保險用藥管理暫行辦法》) or the NRDL Administrative Measures, which promulgated by the NHSA, on July 30, 2020 and took effect on September 1, 2020, the scope of drugs covered by the basic medical insurance shall be administered through a reimbursement drug list.

The 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 National Reimbursement Drug List (the "NRDL"), which promulgated by the NHSA and last amended on January 6, 2025, sets forth the payment standard for pharmaceutical products under the basic medical insurance, work-related injury insurance and maternity insurance funds. The local government shall strictly implement the NRDL and shall not adjust the contents contained in the NRDL at their own discretion. Medicines listed in the NRDL are divided into two parts, List A and List B. List A drugs are widely used clinical treatments with good efficacy and lower prices compared to similar

drugs, while List B drugs are clinical treatments with good efficacy and slightly higher prices compared to List A drugs.

According to the NRDL Administrative Measures, a Provincial Reimbursement Drug List ("PRDL") must be made by the provincial healthcare security authorities. Patients purchasing List A drugs can directly obtain reimbursement under the basic medical insurance program. Patients purchasing List B drugs shall pay a certain percentage of the purchase price first and then obtain reimbursement under the basic medical insurance program.

***National Essential Drug List***

On August 18, 2009, the Ministry of Health (the "MOH") and eight other ministries and commissions in the PRC issued the Provisional Measures on the Administration of the National Essential Drug List (《國家基本藥物目錄管理辦法(暫行)》), which was amended on February 13, 2015, and the Guidelines on the Implementation of the National Essential Drug List System (《關於建立國家基本藥物制度的實施意見》), which aims to promote essential medicines sold to consumers at fair prices in the PRC and ensure that the general public in the PRC has equal access to the drugs contained in the National Essential Drug List. The NHC promulgated the National Essential Drug List (2018) (《國家基本藥物目錄(2018年版)》), the "National Essential Drug List") on September 30, 2018, replacing the National Essential Drug List (2012) (《國家基本藥物目錄(2012年版)》) which was promulgated on March 13, 2013. According to these regulations, basic healthcare institutions funded by government shall store up and use drugs listed in National Essential Drug List. The drugs listed in National Essential Drug List shall be purchased by centralized tender process and shall be subject to the price control by 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 (the "NDRC")). Remedial drugs in the National Essential Drug List are all listed in the Medical Insurance Catalogue and the entire amount of the purchase price of such drugs is entitled to reimbursement.

**Laws and Regulations on Intellectual Properties**

In terms of international conventions, the PRC has entered into (including but not limited to) the Agreement on Trade-Related Aspects of Intellectual Property Rights (《與貿易有關的知識財產權協定》), the Paris Convention for the Protection of Industrial Property (《保護工業產權巴黎公約》), the Madrid Agreement Concerning the International Registration of Marks (《商標國際註冊馬德裡協定》) and the Patent Cooperation Treaty (《專利合作條約》).

***Patent***

Patents in the PRC are mainly protected by the Patent Law of the PRC (《中華人民共和國專利法》), which was promulgated by the SCNPC on March 12, 1984, last amended on October 17, 2020 and became effective on June 1, 2021, and the Implementation Rules of the Patent Law of the PRC (《中華人民共和國專利法實施細則》), which were promulgated by the State Council on June 15, 2001, last amended on December 11, 2023 and became effective on January 20, 2024. The Patent Law of the PRC and its Implementation Rules provide for three types of patents, "invention", "utility model" and "design." "Invention" refers to any new technical solution relating to a product, a process or improvement thereof; "utility model" refers to any new technical solution relating to the shape, structure, or their combination, of a product, which is suitable for practical use; and "design" refers to any new design of the shape, pattern, color or the combination of any two of them, of a product, which creates an aesthetic feeling and is suitable for industrial application. The duration of a patent right for "invention" is 20 years, the duration of a patent right for "utility model" is 10 years, and the duration of a patent right for "design" is 15 years, from the date of application. According to the Patent Law of the PRC, for the purpose of public health, the patent administrative department of the State Council may grant mandatory licensing to manufacture and export patented drugs to countries or regions in comply with provisions of the relevant international treaty participated by the PRC.

***Trade Secret***

According to the Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》), promulgated by the SCNPC in September 1993 and subsequently amended on November 4, 2017, April 23, 2019, June 27, 2025 and which will become effective on October 15, 2025, the term "trade secrets" refers to technical and business information that is unknown to the public, has utility, may create business interests or profits for its legal owners or holders, and is maintained as a secret by its legal owners or holders. Under the

Anti-Unfair Competition Law of the PRC, business persons are prohibited from infringing others' trade secrets by: (1) acquiring a trade secret from the right holder by theft, bribery, fraud, coercion, electronic intrusion, or any other means; (2) disclosing, using, or allowing another person to use a trade secret acquired from the right holder by any means as specified in the item (1) above; (3) disclosing, using, or allowing another person use a trade secret in its possession, in violation of its confidentiality obligation or the requirements of the right holder for keeping the trade secret confidential; (4) abetting a person, or tempting another person into or in acquiring, disclosing, using, or allowing another person to use the trade secret of the right holder in violation of his or her non-disclosure obligation of the requirements of the right holder for keeping the trade secret confidential.

***Trademark***

Pursuant to the Trademark Law of the PRC (《中華人民共和國商標法》) promulgated by the SCNPC on August 23, 1982, last amended on April 23, 2019 and became effective on November 1, 2019, the period of validity for a registered trademark is 10 years, commencing from the date of registration. Upon expiry of the period of validity, the registrant shall go through the formalities for renewal within twelve months prior to the date of expiry as required if the registrant needs to continue to use the trademark. Where the registrant fails to do so, a grace period of six months may be granted. The period of validity for each renewal of registration is 10 years, commencing from the day immediately after the expiry of the preceding period of validity for the trademark. In the absence of a renewal upon expiry, the registered trademark shall be canceled. Industrial and commercial administrative authorities have the authority to investigate any behavior in infringement of the exclusive right under a registered trademark in accordance with the law. In case of a suspected criminal offense, the case shall be timely referred to a judicial authority and decided in accordance with applicable laws.

***Copyright***

Copyright in the PRC is primarily protected by the Copyright Law of the PRC (《中華人民共和國著作權法》), which was promulgated by the SCNPC on September 7, 1990, last amended on November 11, 2020 and became effective on June 1, 2021, and Implementation Regulations of the Copyright Law of PRC (《中華人民共和國著作權法實施條例》), which was promulgated by the State Council on August 2, 2002 and last amended on January 30, 2013. These law and regulation provide provisions on the classification of works and the obtaining and protection of copyright.

***Domain Names***

In accordance with the Measures for the Administration of Internet Domain Names (《互聯網域名管理辦法》) which was issued by the Ministry of Information Industry on August 24, 2017 and came into effect on November 1, 2017, the Ministry of Industry and Information Technology is responsible for supervision and administration of domain name services in the PRC. Communications administrative bureaus at provincial levels shall conduct supervision and administration of the domain name services within their respective administrative jurisdictions. Domain name registration services shall, in principle, be subject to the principle of "first apply, first register." A domain name registrar shall, in the process of providing domain name registration services, ask the applicant for which the registration is made to provide authentic, accurate and complete identity information on the holder of the domain name and other domain name registration related information.

**Laws and 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 in July 1994 and last amended and came into effect in December 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 in June 2007 and amended in December 2012 and came into effect in July 2013, and the Implementing Regulations of the Labor Contracts 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 State Council and came into effect in September 2008, labor contracts in written form shall be executed to establish labor relationships between employers and employees. In addition, wages shall not be lower than local minimum wages. The employers must establish a system for labor safety and sanitation, strictly comply with national rules and standards, provide education regarding labor safety and sanitation to its employees, provide

employees with labor safety and sanitation conditions and necessary protection materials in compliance with national rules, and carry out regular health examinations for employees engaged in work involving occupational hazards.

***Labor, Social Insurance and Housing Provident Funds***

According to the Social Insurance Law of PRC (《中華人民共和國社會保險法》), which was promulgated by the SCNPC in October 2010 and last amended and came into effect in December 2018, and the Interim Regulations on the Collection and Payment of Social Security Funds (《社會保險費徵繳暫行條例》), which was promulgated by the State Council in January 1999 and last amended in March 2019, and the Regulations on the Administration of Housing Provident Funds (《住房公積金管理條例》), which was promulgated by the State Council in April 1999 and last amended in March 2019, employers are required to contribute, on behalf of their employees, to a number of social security funds, including funds for basic pension insurance, unemployment insurance, basic medical insurance, occupational injury insurance and maternity insurance and to housing provident funds. Any employer who fails to make the required contributions may be fined and ordered to compensate the deficit within a stipulated time limit.

On July 20, 2018, the General Office of the Communist Party of China and the General Office of the PRC State Council jointly issued the Reform Plan of the State Tax and Local Tax Collection Administration System (《國税地税徵管體制改革方案》), under which, starting from January 1, 2019, tax authorities are responsible for the collection of social insurance contributions in China. According to the Notice on Conducting the Relevant Work Concerning the Administration of Collection of Social Insurance Premiums in a Steady, Orderly and Effective Manner (《關於穩妥有序做好社會保險費徵管有關工作的通知》) issued by the SAT in September 2018 and the Urgent Notice on Implementing the Spirit of the Executive Meeting of the State Council in Stabilizing the Collection of Social Security Contributions (《關於貫徹落實國務院常務會議精神切實做好穩定社保費徵收工作的緊急通知》) issued by the General Office of the Ministry of Human Resources and Social Security in September 2018, all the local authorities responsible for the collection of social insurance are strictly forbidden to conduct self-collection of historical unpaid social insurance contributions from enterprises. The Notice on Implementing Several Measures to Further Support and Serve the Development of Private Economy (《關於實施進一步支持和服務民營經濟發展若干措施的通知》) issued by the SAT in November 2018, repeats that tax authorities at all levels may not organize self-collection of unpaid social insurance contributions of taxpayers including private enterprises in the previous years. The Notice on Issuing the Comprehensive Plan for the Reduction of Social Insurance Premium Rate (《關於印發降低社會保險費率綜合方案的通知》) promulgated by the General Office of the PRC State Council in April 2019, generally reduces the social insurance contribution burden of enterprises, underlines that the duties for collection of social insurances premium paid by the enterprises in any province shall not be transferred to tax authorities until the condition of the province is mature, and re-emphasizes that local authorities shall not conduct self collection of historical unpaid social insurance contributions from enterprises.

According to the Interpretation (II) of the Supreme People's Court on 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)), which was promulgated by the Supreme People's Court in July 2025 and came into effect in September 2025, an employer and an employee conclude an agreement, or an employee promises to an employer, that there is no need to pay social insurance premiums, such agreement or promise shall be determined invalid; where an employer fails to pay social insurance premiums in accordance with the law, and the relevant employee requests to terminate the labor contract and requests for the employer to pay economic compensation, the people's court shall support such requests in accordance with the law. Where an employer, after making up the social insurance contributions in accordance with the law under the circumstances stipulated in the preceding paragraph, requests the employee to return the social insurance compensation already paid, the people's court shall support such request in accordance with the law.

***Prevention and Control of Occupational Diseases***

The Prevention and Control of Occupational Diseases Law of the PRC (《中華人民共和國職業病防治法》), which was promulgated by the SCNPC on October 27, 2001 and latest amended on December 29, 2018 (the "Prevention and Control of Occupational Diseases Law"), is the basic law for the prevention and control of occupational diseases. According to the Prevention and Control of Occupational Diseases Law, budget for facilities for the

prevention and control of occupational diseases of a construction project shall be included in the budget of the project and those facilities shall be designed, constructed and put into operation simultaneously with the main body of the project. The entity that takes charge of the project should carry out the assessment of the effectiveness of measures for the prevention and control of occupational diseases before the final acceptance of the construction project. In addition, employers shall take required administrative measures to prevent and control occupational diseases in work.

**Laws and Regulations on Leasing**

On December 1, 2010, the Ministry of Housing and Urban-Rural Development promulgated the Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》),which became effective on February 1, 2011. According to such measures, the lessor and the lessee are required to complete property leasing registration and filing formalities within 30 days from execution of the property lease contract with the development authorities or real estate authorities of the municipality or county where the leased property is located. If a company fails to do as aforesaid, it may be ordered to rectify within a stipulated period, and if such company fails to rectify, a fine ranging from RMB1,000 to RMB10,000 may be imposed on each lease agreement.

According to the Civil Code of the PRC (《中華人民共和國民法典》), the relevant parties fail to complete property leasing registration and filing formality in accordance with the laws and regulations, the validity of the lease is not affected.

**Laws and Regulations on Environmental Protection, Health and Safety**

***Environment Protection***

The Environmental Protection Law of the PRC (《中華人民共和國環境保護法》) ("the Environmental Protection Law"), which was promulgated by the SCNPC on December 26, 1989 and last amended on April 24, 2014, came into effect on January 1, 2015, outlines the authorities and duties of various environmental protection regulatory agencies. The Ministry of Ecology and Environment is authorized to issue national standards for environmental quality and emissions, and to monitor the environmental protection scheme of the PRC. Meanwhile, local environment protection authorities may formulate local standards which are more rigorous than the national standards, in which case, the concerned enterprises must comply with both the national standards and the local standards.

***Environmental Impact Appraisal***

According to the Administration Rules on Environmental Protection of Construction Projects (《建設項目環境保護管理條例》), which was promulgated by the State Council on November 29, 1998, amended on July 16, 2017 and became effective on October 1, 2017, depending on the impact of the construction project on the environment, an construction employer shall submit an environmental impact report or an environmental impact statement, or file a registration form. As to a construction project, for which an environmental impact report or the environmental impact statement is required, the construction employer shall, before the commencement of construction, submit the environmental impact report or the environmental impact statement to the relevant authority at the environmental protection administrative department for approval. If the environmental impact assessment documents of the construction project have not been examined or approved upon examination by the approval authority in accordance with the law, the construction employer shall not commence the construction. According to the Environmental Impact Appraisal Law of PRC (《中華人民共和國環境影響評價法》) ("the Environmental Impact Appraisal Law"), which was promulgated by the SCNPC on October 28, 2002, amended on July 2, 2016 and December 29, 2018, for any construction projects that have an impact on the environment, an entity is required to produce either a report, or a statement, or a registration form of such environmental impacts depending on the seriousness of effect that may be exerted on the environment.

***Completion and Acceptance***

The Interim Measures for 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 former Ministry of Environmental Protection (now the MEE) on November 20, 2017, regulate the procedures and standards for environmental protection acceptance by construction entities upon the completion of construction projects.

***Fire Prevention***

According to the Fire Prevention Law of the PRC (《中華人民共和國消防法》), promulgated by the SCNPC on April 29, 1998 and last amended with effect from April 29,

2021, design and construction of the fire control facilities for a construction work shall comply with the national fire control technical standards. The developer, designer, constructors and project supervisor of a construction project shall be responsible for the quality of the design and construction of the fire control facilities for the construction work according to the relevant laws. If the design of fire control of a construction project has not been examined pursuant to the relevant laws or failed to pass the examination, the construction of such project is not allowed. If a completed construction project has not gone through the fire safety inspection or failed to satisfy the requirements of fire safety upon inspection, such project is not allowed to be put to use or business.

***Management of Waste Discharge***

Pursuant to the Catalog of Classified Management of Pollutant Discharge Permits for Stationary Pollution Sources (2019 Version) (《固定污染源排污許可分類管理名錄(2019年版)》) issued by the Ministry of Ecology and Environment of the PRC and became effective on December 20, 2019, the State implements the primary management, simplified management and registration management of pollutant discharge permits based on the pollutant production, emission amount and the extent of environmental impact of the pollutant discharge entities. A pollutant discharge unit under registration management does not need to apply for a pollutant discharge license.

Pursuant to the Regulations on the Administration of Pollutant Discharge Permits (《排污許可管理條例》) promulgated by the State Council on January 24, 2021 and became effective on March 1, 2021, based on the quantity of pollutants generated and discharged, their impacts on the environment and other factors, categorical administration of pollutant discharge permit system is implemented to regulate pollutant-discharging entities: (1) key administration of pollutant discharge permits shall be implemented for pollutant discharging entities which generate and discharge relatively large quantities of pollutants or have a relatively serious impact on the environment; and (2) administration of pollutant discharge permits shall be simplified for pollutant-discharging entities which generate and discharge relatively small quantities of pollutants and have a relatively small impact on the environment. The entities that generate and discharge relatively small quantities of pollutants and have a relatively small impact on the environment shall fill in the waste discharge registration form (排污登記表) and are no longer required to obtain a waste discharge license (排污許可證).

**Laws and Regulations on Foreign Investment**

***Company Law of the PRC***

The Company Law of the PRC (《中華人民共和國公司法》) (the "Company Law") which was promulgated by the Standing Committee of the NPC on December 29, 1993, came into effect on July 1, 1994, revised on December 25,1999, August 28, 2004, October 27, 2005 and December 28, 2013, October 26, 2018, December 29, 2023 respectively and the latest revision of which was implemented on July 1, 2024, governs the establishment, operation and management of companies in the PRC, including foreign-invested companies. Unless foreign investment laws provide otherwise, foreign-invested companies shall abide by the Company Law of the PRC.

***Foreign Investment***

On December 30, 2019, the Ministry of Commerce and the SAMR, jointly promulgated the Measures for Information Reporting on Foreign Investment (《外商投資信息報告辦法》), which became effective on January 1, 2020. Pursuant to the Measures for Information Reporting on Foreign Investment, where a foreign investor carries out investment activities in China directly or indirectly, the foreign investor or the foreign-invested enterprise shall submit the investment information to the competent commerce department through the enterprise registration system and the National Enterprise Credit Information Publicity System, and the reporting methods include initial reports, change reports, cancelation reports, and annual reports.

**Laws and Regulations on Outbound Investment**

Pursuant to the Administrative Measures on Outbound Investments (《境外投資管理辦法》) issued by the MOFCOM on March 16, 2009, and amended on September 6, 2014, and the Administrative Measures for the Outbound Investments of Enterprises (《企業境外投資管理辦法》) issued by the NDRC on December 26, 2017, and effective from March 1, 2018, if an enterprise in the PRC intends to make outbound investments, it shall be subject to approval or filing for the project, report relevant information, and cooperate in the supervisory inspections. Non-sensitive projects directly conducted by domestic

enterprise in China, involving direct contribution of assets or rights and interests or provision of financing or security, shall be subject to filing.

**Laws and Regulations on Foreign Exchange and Taxation**

***Foreign Exchange***

On January 29, 1996, the State Council promulgated the Administrative Regulations on Foreign Exchange of the PRC (《中華人民共和國外匯管理條例》) which became effective on April 1, 1996 and was amended on January 14, 1997 and August 5, 2008. Foreign exchange payments under current account items shall, pursuant to the administrative provisions of the foreign exchange control department of the State Council on payments of foreign currencies and purchase of foreign currencies, be made using self-owned foreign currency or foreign currency purchased from financial institutions engaging in conversion and sale of foreign currencies by presenting the valid document. Domestic entities and domestic individuals making overseas direct investments or engaging in issuance and trading of overseas securities and derivatives shall process registration formalities pursuant to the provisions of the foreign exchange control department of the State Council.

On November 19, 2012, the SAFE issued the Circular of Further Improving and Adjusting Foreign Exchange Administration Policies on Foreign Direct Investment (《國家外匯管理局關於進一步改進和調整直接投資外匯管理政策的通知》) ("the SAFE Circular 59"), which came into effect on December 17, 2012 and was revised on May 4, 2015, October 10, 2018 and partially abolished on December 30, 2019. The SAFE Circular 59 aims to simplify the foreign exchange procedure and promote the facilitation of investment and trade. According to the SAFE Circular 59, the opening of various special purpose foreign exchange accounts, such as pre-establishment expenses accounts, foreign exchange capital accounts and guarantee accounts, the reinvestment of RMB proceeds derived by foreign investors in the PRC, and remittance of foreign exchange profits and dividends by a foreign-invested enterprise to its foreign shareholders no longer require the approval or verification of SAFE, as well multiple capital accounts for the same entity may be opened in different provinces. Later, the SAFE promulgated the Circular on Further Simplifying and Improving Foreign Exchange Administration Policies in Respect of Direct Investment (《關於進一步簡化和改進直接投資外匯管理政策的通知》) on February 13, 2015, which was partially abolished on December 30, 2019 and prescribed that the bank instead of SAFE can directly handle the foreign exchange registration and approval under foreign direct investment while SAFE and its branches indirectly supervise the foreign exchange registration and approval under foreign direct investment through the bank.

On May 10, 2013, the SAFE issued the Administrative Provisions on Foreign Exchange in Domestic Direct Investment by Foreign Investors (《外國投資者境內直接投資外匯管理規定》) ("the SAFE Circular 21"), which became effective on May 13, 2013, amended on October 10, 2018 and partially abolished on December 30, 2019. The SAFE Circular 21 specifies that the administration by SAFE or its local branches over direct investment by foreign investors in the PRC must be conducted by way of registration and banks must process foreign exchange business relating to the direct investment in the PRC based on the registration information provided by SAFE and its branches.

According to 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》) issued by the SAFE on December 26, 2014, a domestic company shall, within 15 business days from the date of the end of its overseas listing issuance, register the overseas listing with the local branch office of state administration of foreign exchange 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 the document and other disclosure documents.

According to the Notice of the State Administration of Foreign Exchange on Reforming the Management Mode of Foreign Exchange Capital Settlement of Foreign Investment Enterprises (《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》) ("the SAFE Circular 19") promulgated on March 30, 2015, coming effective on June 1, 2015, partially abolished on December 30, 2019 and partially amended on March 23, 2023, foreign-invested enterprises could settle their foreign exchange capital on a discretionary basis according to the actual needs of their business operations.

On June 9, 2016, SAFE issued the Notice of the State Administration of Foreign Exchange on Reforming and Standardizing the Foreign Exchange Settlement Management

Policy of Capital Account (《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》) ("the SAFE Circular 16"), which came into effect on the same day and was partially amended according to Notice of the State Administration of Foreign Exchange on Further Deepening Reforming 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》) promulgated by the SAFE on December 4, 2023. The SAFE Circular 16 provides that discretionary foreign exchange settlement applies to foreign exchange capital, foreign debt offering proceeds and remitted foreign listing proceeds, and the corresponding RMB capital converted from foreign exchange may be used to extend loans to related parties or repay inter-company loans (including advances by third parties). However, there remain substantial uncertainties with respect to SAFE Circular 16's interpretation and implementation in practice.

On October 23, 2019, SAFE promulgated the Notice on Further Facilitating Cross-Board Trade and Investment (《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》), which became effective on the same date (except for Article 8.2, which became effective on January 1, 2020) and was partially amended according to Notice of the State Administration of Foreign Exchange on Further Deepening Reforming 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》) promulgated by the SAFE on December 4, 2023.

On September 15, 2025, SAFE promulgated the Notice of the State Administration of Foreign Exchange on Matters Concerning Deepening the Reform of Foreign Exchange Administration for Cross-Border Investment and Financing (《國家外匯管理局關於深化跨境投融資外匯管理改革有關事宜的通知》). This notice cancels the registration of basic information on pre-investment expenses for domestic direct investment and the registration of domestic reinvestment by foreign-invested enterprises, allows the domestic reinvestment of foreign exchange profits under foreign direct investment, expands cross-border financing convenience, simplifies the registration management requirements for cross-border financing facilitation business, and reduces the negative list for the use of income from capital projects.

***Taxation***

***Enterprise Income Tax***

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, came into effect on January 1, 2008 and amended on February 24, 2017 and December 29, 2018, as well as the Implementation Rules of the EIT Law (《中華人民共和國企業所得税法實施條例》) ("the Implementation Rules"), promulgated by the State Council on December 6, 2007, came into force on January 1, 2008 and last amended on December 6, 2024, are the principal law and regulation governing enterprise income tax in the PRC. According to the EIT Law and its Implementation Rules, enterprises are classified into resident enterprises and non-resident enterprises Resident enterprises refer to enterprises that are legally established in the PRC, or are established under foreign laws but whose actual management bodies are located in the PRC. And non-resident enterprises refer to enterprises that are legally established under foreign laws and have set up institutions or sites in the PRC but with no actual management body in the PRC, or enterprises that have not set up institutions or sites in the PRC but have derived incomes from the PRC. A uniform income tax rate of 25% applies to all resident enterprises and non-resident enterprises that have set up institutions or sites in the PRC to the extent that such incomes are derived from their set-up institutions or sites in the PRC, or such income are obtained outside the PRC but have an actual connection with the set-up institutions or sites. And non-resident enterprises that have not set up institutions or sites in the PRC or have set up institutions or sites but the incomes obtained by the said enterprises have no actual connection with the set-up institutions or sites, shall pay enterprise income tax at the rate of 10% in relation to their income sources from the PRC.

***Value-Added Tax (the "VAT")***

Pursuant to the Provisional Regulations of the PRC on Value-added Tax (《中華人民共和國增值税暫行條例》) amended in November 2017, and the Detailed Rules for the Implementation of the Interim Regulations of the PRC on Value-Added Taxes (《中華人民共和國增值税暫行條例實施細則》) amended in October 2011, all entities or individuals engaged in the sale of goods, provision of processing, repair and maintenance services, or importation of goods within China shall be value-added tax taxpayers and subject to value-added tax in accordance with relevant laws and regulations. Through the

value-added tax reform in China, value-added tax rates have undergone multiple adjustments and value-added tax are regulated by the Value-Added Tax Law of the PRC (《中華人民共和國增值税法》), which was implemented in January 2026.

**Laws and Regulations on Information Security and Data**

***Privacy Data Security and Data Export***

The SCNPC promulgated the Data Security Law of the PRC (《中華人民共和國數據安全法》) on June 10, 2021, which became effective from September 1, 2021, for the establishment of a data classification and grading protection system to conduct classified and hierarchical protection of data. Entities engaged in data processing activities shall, in accordance with laws and regulations, establish a sound full-process data security management system, organize data security education and training, and take corresponding technical measures and other necessary measures to ensure data security.

On December 28, 2021, the Cyberspace Administration of China (the "CAC") and other twelve PRC regulatory authorities jointly revised and promulgated the Measures for Cybersecurity Review (《網絡安全審查辦法》) (the "Cyber Review Measures"), which came into effect on February 15, 2022. The Cyber Review Measures stipulate that, among others, (i) when the purchase of network products and services by a critical information infrastructures operator (the "CIIO") (關鍵信息基礎設施運營者) or the data processing activities conducted by a network platform operator (網絡平台運營者) affect or may affect national security, a cybersecurity review shall be conducted pursuant to the Cyber Review Measures; (ii) an application for cybersecurity review shall be made by an issuer who is a network platform operator holding personal information of more than one million users before such issuer applies to list its securities abroad; and (iii) the relevant PRC governmental authorities may initiate cybersecurity review if such governmental authorities determine that the issuer's network products or services, or data processing activities affect or may affect national security.

According to the Measures on Security Assessment of Cross-border Data Transfer (《數據出境安全評估辦法》) issued by the CAC on July 7, 2022 and effective on September 1, 2022, a data processor that provides data overseas under any of the following circumstances shall apply to the national cyberspace administration for the security assessment of the outbound data transfer through local provincial cyberspace administration: (i) a data processor provides important data abroad; (ii) the CIIO or the data processor that has processed the personal information of more than 1 million people provides personal information abroad; (iii) the data processor that has provided the personal information of over 100,000 people or the sensitive personal information of over 10,000 people cumulatively since January 1 of the previous year provides personal information abroad; and (iv) any other circumstance where an application for the security assessment of outbound data transfer is required by the national cyberspace administration.

According to the Measures for Standard Contract for Outbound Transfer of Personal Information (《個人信息出境標準合同辦法》) issued by the CAC on February 22, 2023 and effective from June 1, 2023, to provide personal information to an overseas recipient through the conclusion of the standard contract, a personal information processor shall meet all of the following circumstances: (i) it is not a CIIO; (ii) it has processed the personal information of less than one million individuals; (iii) it has cumulatively provided the personal information of less than 100,000 individuals to overseas recipients since January 1 of the previous year; and (iv) it has cumulatively provided the sensitive personal information of less than 10,000 individuals since January 1 of the previous year.

According to the Provisions on Promoting and Regulating Cross-border Data Flows (《促進和規範數據跨境流動規定》), which was promulgated by the CAC on March 22, 2024 and came into effect on the same day, if the data have not been informed or publicly announced as important data by relevant departments or regions, data handlers are not required to declare security assessment for cross-border provision of the data as important data.

***Personal Information Protection***

According to the Civil Code of the PRC (《中華人民共和國民法典》), personal information of natural persons is protected by law. If any organization or individual needs to obtain other people's personal information, they should obtain it in accordance with the law, ensure the security of the information, and must not illegally collect, use, process, or transmit other people's personal information or illegally buy, sell, provide, or disclose the information. The Personal Information Protection Law of the PRC (《中華人民共和國個人信

息保護法》) promulgated by the SCNPC on August 20, 2021 and implemented on November 1, 2021 further emphasizes the obligations and responsibilities of processors for the protection of personal information, and requests higher level of protective measures on the processing of sensitive personal information.

According to the Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》) promulgated by the SCNPC on November 7, 2016 and effective on June 1, 2017, and amended on 28 October 2025, with the latest revised version becoming effective on 1 January 2026, network operators must follow the principles of legality, legitimacy and necessity when collecting and using personal information, publicly disclose the rules for collection and use, clearly state the purpose, method and scope of collecting and using information, and obtain the consent of the person whose data is being collected. Network operators shall not collect personal information unrelated to the services they provide. Network operators are not allowed to leak, tamper with, or damage the personal information they collect, and are not allowed to provide personal information to others without the consent of the person whose data is being collected. However, this does not apply to cases where a specific individual cannot be identified, and the identity cannot be recovered after processing. Network operators should take technical measures and other necessary measures to ensure the security of the personal information they collect and prevent leakage, damage and loss of information.

**Laws and Regulations on Overseas Securities Offering and Listing by Domestic Companies**

***Securities Law of the PRC***

The Securities Law of the People's Republic of China (《中華人民共和國證券法》) (the "Securities Law") took effect on July 1, 1999 and was revised on August 28, 2004, October 27, 2005, June 29, 2013, August 31, 2014 and December 28, 2019, respectively. The latest revised Securities Law came into effect on March 1, 2020. This is the first national securities law in the PRC, which is divided into 14 chapters and 226 articles regulating, among other things, the issuance and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of the State Council's securities regulatory authorities. The Securities Law comprehensively regulates activities in the PRC securities market. Article 224 of the Securities Law provides that domestic enterprises shall comply with the relevant provisions of the State Council to list its shares outside the PRC. Currently, the issuance and trading of foreign issued shares (including H shares) are mainly governed by the rules and regulations promulgated by the State Council and the CSRC.

***Overseas Listing***

On February 17, 2023, the CSRC promulgated the Overseas Listing Trial Measures (《境內企業境外發行證券和上市管理試行辦法》), and relevant supporting guidelines, which came into effect on March 31, 2023. The Overseas Listing Trial Measures comprehensively improves and reforms the existing regulatory regime for overseas offering and listing of PRC domestic companies' securities and regulates both direct and indirect overseas offering and listing of PRC domestic companies' securities. Any domestic company that is deemed to conduct overseas offering and listing activities shall file with the CSRC in accordance with the Overseas Listing Trial Measures.

The Overseas Listing Trial Measures provide that the overseas securities offering and listing will be considered a direct overseas offering by a PRC domestic company if the issuer is a company limited by shares registered and established in mainland China.

Pursuant to the Overseas Listing Trial Measures, an issuer shall file with the CSRC within three business days after its application for initial public offering is submitted to competent overseas securities regulators.

***H-share Full Circulation***

"Full circulation" means listing and circulating on the 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. On November 14, 2019, the CSRC issued 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》) (the "Guidelines for the Full Circulation"), which was partly revised on August 10, 2023 according to the Decision on Revising and Abolishing Part of Securities and Futures Policy Documents by 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》).

According to the Guidelines for the Full Circulation, 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 the said application for full circulation. To apply for full circulation, an H-share listed company shall file the application with the CSRC according to the administrative filing procedures necessary for the Overseas Listing Trial Measures. After the application for full circulation has been approved by the CSRC, the H-share listed company shall submit a report on the relevant situation to the CSRC within 15 days after the registration with CSDCC of the shares related to the application has been completed.

On December 31, 2019, CSDCC and the Shenzhen Stock Exchange ("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 in relation to the H-share full circulation business, such as cross-border transfer registration, maintenance of deposit and holding details, transaction entrustment and instruction transmission, settlement, management of settlement participants, services of nominal holders, etc. are subject to the Measures for Implementation.

On June 30, 2025, the Shenzhen Branch of CSDC issued the latest Guidelines to the Program for "Full Circulation" of H-shares of 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》), which are applicable to the business preparation, cross-border share transfer registration and overseas centralized custody, the initial maintenance of details of domestic shareholding and the maintenance of its changes, corporate actions, clearing, settlement and risk management measures. On the same day, China Securities Depository and Clearing (Hong Kong) Company Limited issued the H-Share Full Circulation Business Guide of China Securities Depository and Clearing (Hong Kong) Limited (《中國證券登記結算(香港)有限公司H股「全流通」業務指南》), which is applicable to businesses such as share custody and depository, agent service, arrangement for settlement and delivery, and risk management measures.

***Confidentiality and Archives Administration***

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 and take necessary measures to fulfill the confidentiality and archives administration obligations, and shall not divulge state secrets or work secrets of state organs, or harm the interests of the state or the public in the overseas securities offering and listing activities of such domestic companies.

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.

## OVERVIEW

We are a biotechnology company specializing in the discovery, development and commercialization of bi-/multi-specific peptide drugs for the treatment of metabolic diseases as well as cardiovascular and cerebrovascular diseases, with our Core Product in Phase III clinical trials. Our history can be traced back to the establishment of our predecessor, Shaanxi Micot Technology Co., Ltd.* (陝西麥科奧特科技有限公司) in January 2007 under the laws of the PRC, and our Group was founded by Dr. Wang Bing, our Chairman, Chief Executive Officer and executive Director. At inception, our Company first focused on the R&D of medical devices, and in particular a medical device designed to separate rare cells from human blood. Due to funding constraints at the time, the Group discontinue the medical device project. Following that and leveraging Dr. Wang Bing's extensive experience in peptide research as well as the Group's assessment of the broad market potential, in 2011, we shifted our focus to the development of peptide drugs, and secured our first significant funding through the National Major Scientific and Technological Special Project for Major New Drug Development, a government-funded R&D program, under which we have cumulatively received approximately RMB 3.0 million in funding since 2013 to support our R&D activities. In particular, we directed efforts towards our previous pipeline product MT1001 (Prifibatide) for treating acute coronary syndrome, the patent applications and patents related to which were out-licensed by us to a third party and will be transferred to such third party upon among other things the drug manufacture approval of MT1001 being issued. Save for the MT1001 project, we have been conducting and will continue to conduct discovery, development and commercialization of drugs in-house. The Group's historical operations since its transition to peptide drug development in 2011 are consistent with and supportive of its current business and development strategies. Since our transition to peptide drug development in 2011, we have maintained a consistent and focused strategic direction. Our accumulated R&D experience of over a decade forms the foundation of our current business, including our pipeline of globally leading bi-/multi-functional peptide drug candidates anchored by our Core Product MT1013, and supports our strategies to accelerate clinical development and commercialization, advance peptide drug candidates with innovative mechanisms, and deepen strategic collaborations. In January 2025, we converted from a limited liability company into a joint stock limited company with our corporate name changed to Shaanxi Micot Pharmaceutical Technology Co., Ltd. (陝西麥科奧特醫藥科技股份有限公司). As of the Latest Practicable Date, the registered capital of our Company was RMB5,473,719, divided into 273,685,950 Shares, with a nominal value of RMB0.02 each.

## MILESTONES

The following sets out a summary of our key development milestones:

| Year | Milestone(s) |
|---|---|
| 2007 . . . . . | The predecessor of our Company, Shaanxi Micot Technology Co., Ltd.* (陝西麥科奧特科技有限公司) was established in January |
| 2013 . . . . . | We completed the National Major Scientific and Technological Special Project for major new drug development, focusing on the R&D of key sustained-release technologies and products for protein and peptide-based pharmaceuticals* (國家科技重大專項新藥創製專案—蛋白多肽類藥物緩釋關鍵技術及產品研發) |
| 2014 . . . . . | We successfully out-licensed our self-developed pipeline product MT1001 to Shandong Danhong Pharmaceutical Co., Ltd* (山東丹紅製藥有限公司) (previously known as Heze Buchang Pharmaceutical Co., Ltd.* (菏澤步長製藥有限公司)) |
| 2016 . . . . . | Our application for the National Major Scientific and Technological Special Project for "Major New Drug Development" — clinical research on Prifibatide for Injection, a category 1.1 new drug for the treatment of acute coronary syndrome* (國家科技重大專項新藥創製專案—治療急性冠脈綜合症1.1類新藥「注射用普瑞巴肽」的臨床研究) was accepted |

| Year | Milestone(s) |
|---|---|
| 2019 | We obtained IND approval from the FDA for the development of MT1002 for the treatment of ACS+PCI |
| 2021 | We obtained IND approval from the FDA for the development of MT1013 for the treatment of CKD-SHPT and was accepted by the NMPA |
| | We obtained IND approval from the NMPA for the development of MT1002 for the treatment of ACS+PCI |
| | We obtained IND approval from the FDA for the development of MT200605 for the treatment of ischemic stroke |
| 2023 | We obtained IND approval from the NMPA for the development of MT200605 for the treatment of acute ischemic stroke |
| | We obtained IND approval from the NMPA for the development of MT1002 for the treatment of Stroke and HD-PF4 |
| | We obtained IND approval from the FDA for the development of MT1002 for the treatment of HD and was accepted by the NMPA |
| 2024 | We obtained IND approval from the FDA for the development of XTL6001 for the treatment of obesity and weight management |
| 2025 | We obtained IND approval from the NMPA for the development of XTL6001 for the treatment of Proteinuric CKD |

## OUR SUBSIDIARIES

As of the Latest Practicable Date, our Group comprised our Company, eight subsidiaries and two branches. The following table sets out certain information of our subsidiaries as of the Latest Practicable Date:

| Name of Subsidiaries | Date and place of incorporation | Authorized share capital/ Registered capital | Equity interest attributable to our Group | Principal business activities |
|---|---|---|---|---|
| Micot (Suzhou) Pharmaceutical Co., Ltd.* (麥科奧特(蘇州)醫藥有限公司) | September 2, 2022, PRC | RMB10,000,000 | 100% | Medical and engineering technology R&D, technology services and transfers, and sales of medical equipment |
| Micot (Suzhou) Technology Co., Ltd.* (麥科奧特(蘇州)科技有限公司) | August 20, 2020, PRC | RMB80,000,000 | 100% | Medical research and experimental development; technology services, development, consultation, exchange, transfer, and promotion |
| Xi'an Biocare Pharma Ltd. (西安奧立泰醫藥科技有限公司) | August 11, 2017, PRC | RMB60,000,000 | 100% | Biopharmaceutical R&D, manufacturing, and commercial distribution |
| Micot (Taizhou) Pharmaceutical Technology Co., Ltd.* (麥科奧特(台州)醫藥科技有限公司) | May 16, 2025, PRC | RMB50,000,000 | 100% | Medical R&D, and drug production, clinical trial services and distribution |
| Shanghai Xitaili Biomedical Technology Co., Ltd.* (上海西泰利生物醫藥科技有限公司) | November 22, 2022, PRC | RMB33,683,333 | 89.06% | Medical and cellular technology R&D, technical services and sales of medical equipment |

| Name of Subsidiaries | Date and place of incorporation | Authorized share capital/ Registered capital | Equity interest attributable to our Group | Principal business activities |
|---|---|---|---|---|
| Micot (Hong Kong) Technology Limited (麥科奧特(香港)科技有限公司) . . . . | October 29, 2021, Hong Kong | HKD10,000 | 100% | Pharmaceuticals and medical devices R&D, production, promotion and distribution |
| Micot (U.S.) Technology Co., Ltd (麥科奧特(美國)科技有限公司) . . . . | November 29, 2021, US | USD20,000 | 100% | Overseas R&D and operations |
| Micot (U.S.) Biopharmaceutics Co., Ltd (麥科奧特(美國)醫藥有限公司) . . . . | September 21, 2022, US | USD1,000 | 100% | Overseas R&D and operations |

The following table sets out certain information of our branches as of the Latest Practicable Date:

| Name of branches | Date of incorporation | Location | Principal business activities |
|---|---|---|---|
| Shaanxi Micot Pharmaceutical Technology Co., Ltd. Beijing Branch (陝西麥科奧特醫藥科技股份有限公司北京分公司) . . . . . | March 1, 2021 | Beijing, PRC | Providing administrative and operational support to the Group |
| Shaanxi Micot Pharmaceutical Technology Co., Ltd. Shanghai Branch (陝西麥科奧特醫藥科技股份有限公司上海分公司) . . . . . | August 28, 2024 | Shanghai, PRC | Providing administrative and operational support to the Group |

**Former pipeline product – MT1001 (Prifibatide)**

In 2011, our Company started focusing on developing peptide drugs and in particular, we commenced R&D activities on our previous pipeline product Prifibatide which is indicated for treating acute coronary syndrome.

Having conducted pre-clinical studies on the API and injectable formulation of Prifibatide (a class 1.1 novel anti-platelet chemical drug), and after taking into account its relatively limited financial and R&D resources at the time, and having considered the respective development capabilities, the collaboration model and the expected economic benefits, the Group decided to adopt an out-licensing model to conduct collaborative development of the project, we entered into a technical development agreement with Shandong Danhong Pharmaceutical Co., Ltd.* (山東丹紅製藥有限公司) (formerly known as Heze Buchang Pharmaceutical Co., Ltd.* 菏澤步長製藥有限公司) ("Shandong Danhong") on October 30, 2013 ("Technical Development Agreement") which is an Independent Third Party for the cooperation on the development thereof. According to the Technical Development Agreement, we were responsible for pre-clinical research, preparing and submitted application for clinical trial approval, and providing technical guidance for process validation and sample production, and Shandong Danhong was responsible for phases I, II and III clinical trials, application for new drug certificate and production approval, providing GMP production facilities, and bearing all associated costs for these activities.

The development fee to be paid by Shandong Danhong to our Company was RMB120 million, to be paid in five installments. The settlement date of the five installments were tied to specific milestones as follows: (i) RMB12 million upon the signing of the Technical Development Agreement; (ii) RMB58 million upon obtaining clinical trial approval; (iii) RMB20 million upon completion of phase I clinical trials and obtaining approval for phase II trials; (iv) RMB20 million upon completion of phase II trials and approval for phase II trials; and (v) RMB10 million upon obtaining the new drug certificate and production approval for MT1001. The development fee was determined between the parties through arm's length negotiation taking into account, among other things, our costs in the early research and intellectual property development of MT1001 up to the date of the Technical Development Agreement, costs for completing the remaining preclinical work and preparing the clinical trial application, our scientific expertise, technical know-how, resources dedicated to the project and the transfer of the relevant intellectual properties.

Pursuant to the Technical Development Agreement, patents in respect of MT1001 shall be transferred to Shandong Danhong upon the full settlement of the RMB120 million development fee, and any new discoveries during clinical trials shall belong to both parties, with terms to be negotiated separately.

Following the completion of the preclinical development of MT1001, we entered into agreements with Shandong Danhong from 2016 to 2018 for phase I clinical study of Prifibatide whereby Shandong Danhong had engaged our Company for, among other things, the design, management, oversight and reporting of the phase I study for Prifibatide and managing trial execution at third-party clinical sites at the aggregate fees of RMB13.14 million, which determined by the parties through arm's length negotiation. All fees under these clinical agreements have been settled.

As of the Latest Practicable Date, Shandong Danhong has paid RMB83.15 million of the fee under the Technical Development Agreement in accordance with the terms thereof. The project has been stalled since the completion of phase I, as Shandong Danhong halted further development thereon, and therefore did not advance to later clinical stages or trigger subsequent milestone for payment under the Technical Development Agreement. Following the completion of the phase I clinical trial, our Company did not receive any notification from Shandong Danhong regarding the advancement to subsequent development stages, nor did Shandong Danhong provide any explanation as to the reasons for halting further development. The Technical Development Agreement imposed no obligation on Shandong Danhong to disclose or explain its internal development decisions to us, and accordingly our Company is not aware of the specific reasons for the discontinuation. To the best of our Company's knowledge, there were no disputes, disagreements or outstanding issues between us and Shandong Danhong under the Technical Development Agreement, nor was there any fault on the part of us that led to the halting of the project. The project was not terminated by us and our Company has fulfilled its obligations under the Technical Development Agreement.

The development and commercialization rights for MT1001 belonged to Shandong Danhong under the Technical Development Agreement and Purabatide is not part of our current pipeline.

## ESTABLISHMENT AND MAJOR CORPORATE DEVELOPMENT

### Establishment and Shareholding Changes prior to 2011

On January 19, 2007, the predecessor of our Company was established under the laws of the PRC known as Shaanxi Micot Technology Co., Ltd.* (陝西麥科奧特科技有限公司) with an initial registered capital of RMB3,000,000 by Dr. Wang Bing (王冰), Mr. Wang Yan (王晏), Mr. Guo Dapeng (郭大鵬), Ms. Ren Yaping (任雅平), and Mr. Yu Gang (尉剛), holding 60.00%, 20.00%, 10.00%, 5.00% and 5.00% of our Company's then registered capital, respectively.

### Equity Transfers in October 2011

Mr. Guo Dapeng, Mr. Yu Gang and Mr. Wang Yan invested in our Company when we initially focused on the R&D of medical devices. In 2011, our Company made a strategic pivot to shift our focus towards the R&D of innovative drugs. Following this reorientation, Mr. Guo Dapeng, Mr. Yu Gang and Mr. Wang Yan whose investment thesis was aligned with the original medical device focus had intended to exit our Company in October 2011 and Dr. Wang Bing had intended to acquire their respective equity interest in our Company at the time. However, as Dr. Wang Bing would like to devote more time in his academic research and related areas, he had decided to entrust his equity interest in our Company, including the equity interest under his own name and those to be acquired from Mr. Guo Dapeng, Mr. Yu Gang and Mr. Wang Yan, to his family members so as to reduce his personal administrative burden.

Against such background, on October 10, 2011, Mr. Guo Dapeng, Dr. Wang Bing and Mr. Yu Gang each entered into an equity transfer agreement with Ms. Wang Qiuxia (being the mother of Dr. Wang Bing), and Mr. Wang Yan entered into an equity transfer agreement with Mr. Wang Anmin (being the father of Dr. Wang Bing).

Pursuant to the aforesaid agreements, Mr. Guo Dapeng, Dr. Wang Bing and Mr. Yu Gang transferred their respective equity interest of 10%, 60% and 5% in our Company to Ms. Wang Qiuxia at consideration of RMB300,000, RMB1,800,000 and RMB150,000, respectively. On the same date, Mr. Wang Yan transferred 20.00% equity interest in our Company to Mr. Wang Anmin at a total consideration of RMB600,000, reflecting the amount of registered capital transferred.

Such entrustment arrangement was terminated in March 2020. For details, see "— Release of Equity Interest Entrusted by Dr. Wang Bing" in this section.

Upon completion of the above transfers in October 2011, our Company was owned by Ms. Wang Qiuxia, Mr. Wang Anmin and Ms. Ren Yaping as to 75.00%, 20.00% and 5.00%, respectively.

**Equity Transfer in September 2014**

On August 18, 2014, Ms. Ren Yaping intended to exit and entered into an equity transfer agreement with Ms. Wang Qiuxia to transfer all her equity interest, totaling 5.00% equity interest in our Company to Ms. Wang Qiuxia at a total consideration of RMB150,000, reflecting the amount of registered capital transferred.

Upon completion of the above transfer in September 2014, our Company was owned by Ms. Wang Qiuxia and Mr. Wang Anmin as to 80.00% and 20.00%, respectively.

**Equity Transfer in March 2016**

Following the passing of the late Mr. Wang Anmin in the first half of 2015, the 20% equity interest held in the name of the late Mr. Wang Anmin was recognized as part of his estate, where 10% equity interest had been transferred to Ms. Wang Qiuxia and 10% equity interest had been transferred to Dr. Wang Bing. Subsequently, as a part of their family arrangement, Dr. Wang Bing and Ms. Wang Qiuxia had agreed to transfer such 20% equity interest to Dr. Wang Mei, Dr. Wang Bing's spouse. As such, an equity transfer agreement was entered into by Ms. Wang Qiuxia, Dr. Wang Bing and Dr. Wang Mei on March 16, 2016, pursuant to which, each of Ms. Wang Qiuxia and Dr. Wang Bing agreed to transfer their respective 10% equity interest in our Company to Dr. Wang Mei. As a result of such transfers, the entrustment arrangement between the late Mr. Wang Anmin and Dr. Wang Bing had then been terminated.

Upon completion of the above transfer in March 2016, our Company was owned by Ms. Wang Qiuxia and Dr. Wang Mei as to 80.00% and 20.00%, respectively.

**Equity Transfer in August 2019**

On July 22, 2019, Ms. Wang Qiuxia and Dr. Wang Mei each entered into an equity transfer agreement with Xi'an Zhongrui, for the purpose of transferring the incentive equity interest to our employee incentive platform. Pursuant to the aforesaid agreements, Ms. Wang Qiuxia and Dr. Wang Mei transferred 6% and 4% equity interest to Xi'an Zhongrui, at the consideration of RMB180,000 and RMB120,000, respectively, reflecting the amount of registered capital transferred.

Upon completion of the above transfers in July 2022, our Company was owned by Ms. Wang Qiuxia, Dr. Wang Mei and Xi'an Zhongrui as to 74.00%, 16.00% and 10.00%, respectively.

**Series A Financing**

Our Company underwent series A financing through capital increases ("**Series A Financing**"). Under the capital contribution agreement dated July 30, 2019 entered into among our Company, the Series A Financing investors set forth below and the then Shareholders of our Company, the registered capital of our Company was increased to RMB3,690,000 and the following Series A Financing investors agreed to subscribe for a total amount of RMB690,000 in the registered capital of our Company at an aggregate consideration of RMB115,000,000. The respective subscription amount and consideration paid by the subscribers in Series A Financing are set out as follow:

| Subscribers | Registered capital subscribed for | Consideration | Basis of consideration |
|---|---|---|---|
| | *(RMB)* | *(RMB)* | |
| Beta Achieve Limited (越焯有限公司) ("**Beta Achieve**") . . . | 300,000 | 50,000,000 | |
| Tianjin Huaxin Pharmaceutical Venture Capital Partnership (Limited Partnership)* (天津華新醫藥創業投資合夥企業(有限合夥)) ("**Huaxin Pharmaceutical Venture Capital**") . . . . . | 120,000 | 20,000,000 | Determined based on arm's length negotiations among the relevant parties taking into account various R&D advancements of our Company, including the completion of the MT1002 US IND approval and the initiation of its Phase I clinical trial. |
| Shaanxi Junying Growth Industry Development Fund Partnership (Limited Partnership)* (陝西君盈成長產業發展基金合夥企業(有限合夥)) ("**Junying Growth**") . . . . . | 120,000 | 20,000,000 | |
| Shaanxi New Materials High-Tech Venture Investment Fund (Limited Partnership)* (陝西省新材料高技術創業投資基金(有限合夥)) ("**New Materials Fund**") . . . . . | 120,000 | 20,000,000 | |
| Xi'an Jingcheng Daxing Enterprise Management Partnership (Limited Partnership) (西安精誠大興企業管理合夥企業(有限合夥)) ("**Jingcheng Daxing**") . . . . . | 30,000 | 5,000,000 | |

**Release of Equity Interest Entrusted by Dr. Wang Bing**

On March 30, 2020, in order to release the equity interest entrusted by Dr. Wang Bing, Ms. Wang Qiuxia and Dr. Wang Bing entered into an equity transfer agreement, pursuant to which, Ms. Wang Qiuxia transferred all her equity interest, totaling approximately 60.17% equity interest in our Company to Dr. Wang Bing at a total consideration of RMB2,220,000, reflecting the amount of registered capital transferred. Upon completion of the Series A Financing and the aforementioned equity transfer, Dr. Wang Bing, Dr. Wang Mei, Beta Achieve, Xi'an Zhongrui, Huaxin Pharmaceutical Venture Capital, Junying Growth, New Materials Fund and Jingcheng Daxing hold 60.17%, 13.01%, 8.13%, 8.13%, 3.25%, 3.25%, 3.25% and 0.81% of the Company's equity respectively.

**Equity Transfer in January 2021**

On December 29, 2020, Dr. Wang Mei and Xi'an Tongshang Investment Partnership (Limited Partnership)* (西安同尚投資合夥企業(有限合夥)) ("**Xi'an Tongshang**") entered into an equity transfer agreement. Pursuant to the aforesaid agreement, Dr. Wang Mei agreed to transfer 3.22% equity interest in our Company to Xi'an Tongshang as Xi'an Tongshang intended to invest in our Company at a total consideration of RMB4,276,800 and the consideration was determined based on arm's length negotiations among the relevant parties. Upon completion of the aforesaid transfer, Dr. Wang Bing, Dr. Wang Mei, Beta Achieve, Xi'an Zhongrui, Huaxin Pharmaceutical Venture Capital, Junying Growth, New Materials Fund, Jingcheng Daxing and Xi'an Tongshang hold 60.17%, 9.79%, 8.13%, 8.13%, 3.25%, 3.25%, 3.25%, 0.81% and 3.22% of the Company's equity respectively.

**Series B and B1 Financing**

Our Company underwent series B and B1 financing through capital increases and equity transfer ("**Series B Financing**"). Under the capital contribution agreements dated February 21, 2021 and August 30, 2021 ("**Series B Subscription Agreement(s)**") entered into among our Company, the Series B Financing investors set forth below and the then Shareholders of our Company, the registered capital of our Company was increased to RMB4,674,000 and RMB4,812,095, respectively, and the following Series B Financing investors agreed to subscribe for a total amount of RMB984,000 and RMB138,095 in the registered capital of our Company at an aggregate consideration of RMB360,000,000 and RMB65,000,000, respectively.

On May 11, 2021, Shanghai NRL Investment Holding Co., Ltd* (上海紐爾利投資控股有限公司) ("**Shanghai NRL**"), being one of the initial Series B Financing investors who agreed to subscribe for a total amount of RMB546,667 in the registered capital of our Company at an aggregate consideration of RMB200,000,000 under the Series B Subscription Agreements, entered into an equity transfer agreement with Suzhou Mainiv Venture Investment Partnership (Limited Partnership)* (蘇州麥紐創業投資合夥企業(有限合夥)) ("**Suzhou Mainiv**") to transfer all of its rights and obligations under the Series B Subscription Agreement to Suzhou Mainiv.

Pursuant to the aforementioned agreements, the respective subscription amount and consideration paid by the subscribers in Series B Financing are set out as follow:

| Subscribers | Registered capital subscribed for | Consideration | Basis of consideration |
|---|---|---|---|
| | *(RMB)* | *(RMB)* | |
| Beta Achieve | 54,667 | 20,000,000 | |
| Huaxin Pharmaceutical Venture Capital | 35,533 | 13,000,000 | |
| Jingcheng Daxing | 71,501 | 29,500,000 | Determined based on arm's length negotiations among the relevant parties taking into account various R&D advancements of our Company, including the IND approval from the FDA for the development of MT1013 and the subsequent initiation of its Phase I clinical trial in the US, the IND approval from FDA for the development of MT2004 and the subsequent initiation of its Phase I clinical trial in the US, as well as the approval of the IND approval from the NMPA for the development of MT1002. |
| Suzhou Mainiv | 546,667 | 200,000,000 | |
| Suzhou Rongsheng Xianxing Venture Investment Partnership (Limited Partnership)* (蘇州融晟先行創業投資合夥企業(有限合夥)) ("**Suzhou Rongsheng**") | 136,667 | 50,000,000 | |
| Ningbo Meishan Bonded Port Area Fengchuan Hongbo Investment Management Partnership (Limited Partnership)* (寧波梅山保稅港區豐川弘博投資管理合夥企業(有限合夥)) ("**Fengchuan Hongbo**") | 102,500 | 37,500,000 | |
| Xinyu Shanjin Runji Equity Investment Partnership (Limited Partnership)* (新余善金閏濟股權投資合夥企業(有限合夥)) ("**Shanjin Runji**") | 78,956 | 30,000,000 | |
| Xi'an Tangxing Technology Venture Capital Investment Partnership (Limited Partnership)* (西安唐興科創投資基金合夥企業(有限合夥)) ("**Tangxing Technology**") | 95,605 | 45,000,000 | |

**Series C Financing**

Our Company underwent series C financing through capital increases ("**Series C Financing**"). Under the capital contribution agreement dated January 16, 2023 entered into among our Company, the Series C Financing investors set forth below and the then Shareholders of our Company, the registered capital of our Company was increased to RMB4,984,604 and the following Series C Financing investors agreed to subscribe for a total amount of RMB172,509 in the registered capital of our Company at an aggregate consideration of RMB95,000,000. The respective subscription amount and consideration paid by the subscribers in Series C Financing are set out as follow:

| Subscribers | Registered capital subscribed for | Consideration | Basis of consideration |
|---|---|---|---|
| | *(RMB)* | *(RMB)* | |
| Xi'an Huiyu Investment Fund Partnership (Limited Partnership)* (西安匯譽投資基金合夥企業(有限合夥)) ("**Xi'an Huiyu**") | 18,159 | 10,000,000 | Determined based on arm's length negotiations among the relevant parties taking into account various R&D advancements of our Company, including the completion of Phase I clinical trials for MT1013 and MT1002 in China and US, the IND approval from the NMPA for the development of MT2004 and the completion of its Phase I clinical trials in the US, as well as the IND approvals for the development of MT1009 and MT200605 from the FDA and the development of MT1011 from the NMPA. |
| Shaanxi Huichang Listed Reserve Enterprise Equity Investment Fund Partnership (Limited Partnership)* (陝西省匯創上市後備企業股權投資基金合夥企業(有限合夥)) ("**Listing Reserve Fund**") | 72,635 | 40,000,000 | |
| Hangzhou Quandewang Enterprise Management Co., Ltd.* (杭州全德旺企業管理有限公司) ("**Hangzhou Quandewang**") | 18,159 | 10,000,000 | |
| Hainan Ruizheng Enterprise Management Partnership (Limited Partnership)* (海南瑞正企業管理合夥企業(有限合夥)) ("**Hainan Ruizheng**") | 18,159 | 10,000,000 | |
| Shengzhou Yinyun Heman Enterprise Management Partnership (Limited Partnership)* (嵊州隱雲合曼企業管理合夥企業(有限合夥)) ("**Yinyun Heman**") | 18,159 | 10,000,000 | |
| Hainan Wanfeng Investment Partnership (Limited Partnership)* (海南萬風投資合夥企業(有限合夥)) ("**Hainan Wanfeng**") | 27,238 | 15,000,000 | |

**Equity Transfer in March 2024**

On March 15, 2024, Junying Growth and Shaanxi Junying Jiacheng Pharmaceutical Industry Development Fund Partnership (Limited Partnership)* (陝西君盈佳成醫藥產業發展基金合夥企業(有限合夥)) ("**Junying Jiacheng**") entered into an equity transfer agreement. Pursuant to the aforesaid agreement, Junying Growth agreed to transfer approximately 0.81% equity interest in our Company to Junying Jiacheng at a total consideration of RMB20,000,000. The consideration was determined on arm's length negotiations among the relevant parties taking into account the timing of the transfer and relevant shareholder's strategic plan.

**Conversion into a Joint Stock Company**

On December 9, 2024, a Shareholders' resolution was passed for the conversion of our Company into a joint stock company with its corporate name changed to Shaanxi Micot Pharmaceutical Technology Co., Ltd. (陝西麥科奧特醫藥科技股份有限公司) and the registration thereof was completed on January 17, 2025. Upon completion of the conversion, the registered capital of our Company became RMB4,984,604 divided into 4,984,604 Shares with a nominal value of RMB1.00 each.

**Series D Financing**

Our Company underwent series D financing through capital increases ("**Series D Financing**"). Under the capital contribution agreements entered into among our Company, the Series D Financing investors set forth below and the then Shareholders of our Company, the registered capital of our Company was increased to RMB5,473,719 and the following Series D Financing investors agreed to subscribe for a total amount of RMB489,115 in the registered capital of our Company at an aggregate consideration of RMB235,500,000. The respective subscription amount and consideration paid by the subscribers in Series D Financing are set out as follow:

| Date of the capital contribution agreement(s) | Subscribers | Number of Shares subscribed for | Consideration |
|---|---|---|---|
| | | | *(RMB)* |
| June 27, 2025 . . . . . | Linhai Qize Maite Venture Investment Partnership (Limited Partnership)* (臨海市啟澤麥特創業投資合夥企業(有限合夥)) ("**Linhai Qize**") | 287,653 | 138,500,000 |
| September 19, 2025 . . . . | Maicheng Century (Xi'an) Enterprise Management Partnership Enterprise (Limited Partnership)* (麥誠世紀(西安)企業管理合夥企業(有限合夥)) ("**Maicheng Century**") | 31,154 | 15,000,000 |
| September 19, 2025 . . . . | Jinan Liuji Enterprise Management Partnership Enterprise (Limited Partnership)* (濟南六驥企業管理合夥企業(有限合夥)) ("**Jinan Liuji**") | 24,923 | 12,000,000 |
| September 24, 2025 . . . . | Shaanxi Jingang Nongtou Biomedical Industry Development Equity Investment Partnership (Limited Partnership)* (陝西金港農投生物醫藥產業發展股權投資合夥企業(有限合夥)) ("**Shaanxi Jingang**") | 62,308 | 30,000,000 |
| September 26, 2025 . . . . | Shaanxi Innovation Relay Equity Investment Partnership (Limited Partnership)* (陝西創新接力股權投資合夥企業(有限合夥)) ("**Shaanxi Innovation Relay**") | 83,077 | 40,000,000 |

## EMPLOYEE INCENTIVE SCHEME

### Xi'an Zhongrui

In recognition of the contributions of our employees and to incentivize them to further promote our development, we established Xi'an Zhongrui as our employee incentive platform, with Xi'an Zhongrui Zekang Enterprise Management Consulting Co., Ltd* (西安眾瑞澤康企業管理諮詢有限公司) ("**Zhongrui Zekang**") (a limited partnership established in the PRC, owned as to approximately 99.00% by Dr. Wang Mei, of which 99.00% is held for her own benefit and the remaining 1.00% is held by Dr. Wang Bing) being their general partner. Xi'an Zhongrui was established as a limited partnership on July 18, 2019, and owned approximately 5.48% of our issued Shares as of the Latest Practicable Date.

| | | As of the Latest Practicable Date | |
|---|---|---|---|
| Employee Incentive Platform | Date of Establishment | Percentage of Shareholding in our Company | Limited Partners |
| Xi'an Zhongrui . . . | July 18, 2019 | 5.48% | Dr. Yu Weiping (our Executive Director and Senior Vice President), holding the partnership interest through Nexarcana Limited, Wang Xiangling (our Chief Medical Officer), Zou Ran (our Chief Financial Officer), Wang Ruiling, Fu Guoqin, and together with the foregoing individuals, a total of 43 current employees of our Group |

Wang Xiangling, Zou Ran, Wang Ruiling and Fu Guoqin had become limited partners of Xi'an Zhongrui as part of our employee incentive scheme. For information on Wang Xiangling and Zou Ran, see the section headed "Directors and Senior Management" in this prospectus. Wang Ruiling joined the Group in June 2018 and serves as a clinical pharmacology associate director of our Company. Fu Guoqin joined the Group in August 2016 and serves as a senior pharmaceuticals director, a director of the analytical department of our Company and a deputy general manager of Micot (Suzhou) Pharmaceutical Co., Ltd., our subsidiary. Wang Ruiling and Fu Guoqin were both supervisors of our Company as at the Latest Practicable Date.

### PRC Legal Advisors' View on the Employee Incentive Schemes

Our PRC Legal Advisors are of the view that our Company's equity incentive matters have been approved and adopted by the relevant decision-making body of our Company. The Employee Incentive Schemes are formulated in accordance with the applicable PRC Company Law and other relevant regulations in all material respects. The relevant equity incentive agreements comply with the provisions of the PRC Civil Code in all material respects.

## MATERIAL ACQUISITIONS AND DISPOSALS

During the Track Record Period and up to the Latest Practicable Date, we did not conduct any material acquisition or disposal.

## SHARE SUBDIVISION

Pursuant to the resolutions of the Shareholders dated September 19, 2025 and April 2, 2026, the Shares had been split on a one-for-fifty basis, and the nominal value of the Shares had been changed from RMB1.0 each to RMB0.02 each (the "**Share Subdivision**"). As of the Latest Practicable Date, the registered share capital of our Company had been RMB5,473,719 with 273,685,950 Shares in a nominal value of RMB0.02 each.

## PRE-IPO INVESTMENT

### 1. Overview

We underwent rounds of Pre-IPO Investments since our establishment, the details of which are set forth below:

| | Series A Financing | Series B Financing | Series B1 Financing | Series C Financing | Equity Transfer in March 2024 | Series D Financing |
|---|---|---|---|---|---|---|
| Date of Agreement(s) | July 30, 2019 | February 21, 2021<br>May 11, 2021 | August 30, 2021 | January 16, 2023 | December 11, 2023 | June 27, 2025<br>September 19, 2025<br>September 19, 2025<br>September 24, 2025<br>September 26, 2025 |
| Amount of registered capital and/or shares subscribed and/or transferred | RMB690,000 | RMB984,000[2] | RMB138,095 | RMB172,509 | RMB40,353 | RMB489,115 |
| Amount of consideration paid in connection with the equity subscription and transfers | RMB115,000,000 | RMB360,000,000[2] | RMB65,000,000 | RMB95,000,000 | RMB20,000,000 | RMB235,500,000 |
| Date of payment of full consideration | September 25, 2019 | July 15, 2021[2] | September 6, 2021 | February 6, 2023 | December 27, 2023 | September 26, 2025 |
| Approximate cost per RMB1.0 of the registered capital paid before conversion into a joint-stock company/per Share[1] | RMB166.67 | RMB365.85[2] | RMB470.69 | RMB550.70 | RMB495.63 | RMB481.48 |
| Discount to the Offer Price[3] | 80.45% | 57.09%[2] | 44.79% | 35.41% | 41.87% | 43.53% |
| Post-money valuation (approximate) of our Company[4] | RMB615,000,000 | RMB1,710,000,000[5] | RMB2,265,000,000[6] | RMB2,745,000,000[7] | RMB2,470,499,839[8] | RMB2,635,500,000[9] |
| Basis of determination of the valuation and consideration | The valuation and considerations for each round of Pre-IPO Investments were determined based on arm's length negotiation amongst the respective Pre-IPO Investors and our Group (as the case may be) after taking into consideration of the status of our business operations and product development. Other factors were also taken into account in the determination of the consideration including but not limited to (i) the investment risk assumed by the relevant Pre-IPO Investors under the market conditions at the time of the relevant investments and (ii) the strategic benefits which would be brought by the Pre-IPO Investors to our Group as described below. | | | | | |
| Lock-up period | Under the applicable PRC laws, all existing Shareholders (including the Pre-IPO Investors) are subject to a lock-up period of 12 months following the Listing Date. | | | | | |

| | Series A Financing | Series B Financing | Series B1 Financing | Series C Financing | Equity Transfer in March 2024 | Series D Financing |
|---|---|---|---|---|---|---|
| Use of proceeds | We utilized the proceeds from our Pre-IPO Investors to support, among others, the R&D activities of our Group, including clinical promotion of our Core Product pipelines, R&D of pre-clinical product pipelines and the payment of our daily operation and management fees. As of the Latest Practicable Date, the amount of proceeds from our Pre-IPO Investors that had not been utilized was approximately 31.76% of all the proceeds from our Pre-IPO Investors. The remaining proceeds will mainly be used to support the R&D activities and the business operations of our Group. | | | | | |
| Strategic benefits to our Company | At the time of the Pre-IPO Investments, the Directors were of the view that (i) our Company would benefit from the additional capital provided by the Pre-IPO Investors and their market influence, knowledge and experience and (ii) the Pre-IPO Investments demonstrated the Pre-IPO Investors' confidence in the operation and development of our Group. | | | | | |

[1] The calculation was based on the amount of consideration paid in connection with the equity/share subscription and transfers by the amount of registered capital/share subscribed and/or transferred;

[2] The investment amount for Series B Financing does not include the transfer of RMB546,667 registered capital in the Company between Shanghai NRL and Suzhou Mainiv, given that no new capital was injected to the Company pursuant to the equity transfer agreement entered into on May 11, 2021. For further details, please refer to "Series B and B1 Financing" in the section.

[3] The discount to the Offer Price is calculated based on the currency translation of HK$1.00 to RMB0.87 and on the basis of the Offer Price of HK$19.60, the mid-point of the proposed range of the Offer Price.

[4] Post-money valuation is calculated on the basis of (a) cost per Share; and (b) the total number of Shares our Company upon completion of the relevant round of the Pre-IPO investment.

[5] The increase in the valuation of our Company from the Series A Financing to the Series B Financing was primarily due to significant progress of our R&D progress, including but not limited to the IND approval from the FDA for the development of MT1013 and the subsequent initiation of its Phase I clinical trial in the US, the IND approval from FDA for the development of MT2004 and the subsequent initiation of its Phase I clinical trial in the US, as well as the approval of the IND approval from the NMPA for the development of MT1002.

[6] The increase in the valuation of our Company from the Series B and B1 Financing to the Series C Financing was primarily due to significant progress of our R&D progress, including but not limited to the completion of Phase I clinical trials for MT1013 and MT1002 in China and US, the IND approval from the NMPA for the development of MT2004 and the completion of its Phase I clinical trials in US, as well as the IND approvals for the development of MT1009 and MT200605 from the FDA and the development of MT1011 from the NMPA.

[7] The decrease in the valuation of our Company from the Series C Financing to the Series D Financing was primarily due to the downturn in the overall biopharmaceutical market financing activity in China. In and around 2022, there was contraction in the availability of capital, investment appetite and transaction volumes within China's biopharmaceutical sector which persisted through the Series D Financing round. Key manifestations of this downturn included tightened regulatory and capital that led to increased risk aversion among investors, steering investors towards later-stage assets with clearer near-term commercialization pathways.

[8] Series C Financing was completed during a period of more buoyant market sentiment and higher sector valuations. As the March 2024 Equity Transfer was a transfer of existing shares between related parties, namely Junying Growth and Junying Jiacheng. Transactions between related parties may reflect pricing that differs from market valuations due to the distinct commercial considerations and arrangements inherent in such transfers.

[9] The increase in the valuation of our Company from the Series D Financing to the expected market capitalisation upon Listing is primarily attributable to the significant progress made across our R&D activities and overall business operations since the completion of the Series D Financing. The Series D Financing was completed at a post-money valuation of RMB2,635,500,000. Such progress includes, but is not limited to, the advancement of our core and key pipeline products through critical clinical stages in China, the execution of a business development transaction in respect of MT1013 with Everest Medicines for a total potential consideration of up to RMB1.24 billion, and the submission of our listing application which has been filed with the CSRC.

**2. Special Rights of the Pre-IPO Investors**

Certain Pre-IPO Investors have been granted certain special rights in relation to our Company, including, among others, pre-emptive rights, rights of first refusal, co-sale rights, information rights, redemption rights, liquidation preference rights, anti-dilution rights, and appointment rights of observers to the Board.

The Company and the Series A, Series B, Series B1 and Series C investors entered into a preferential rights termination agreement on April 29, 2024, pursuant to which the Company's obligations in respect of the redemption rights, anti-dilution rights and liquidation preference rights held by these investors were terminated with effect from April 30, 2024, while the founders' corresponding obligations remained effective (the "**obliged founders**"). On June 27, 2025, the Company and the relevant investors entered into the Series D Shareholding Agreements, pursuant to which the aforementioned preferential rights, including redemption rights, anti-dilution rights and liquidation preference rights, were re-granted to investors of Series A, Series B, Series B1 and Series C with effect from June 27, 2025, and the Company's corresponding obligations were reinstated as of that date. The preferential rights for the Series D investors became effective in July 2025 upon the closing of the Series D financing. For further details of the termination and re- grant of these rights and their accounting treatment, please refer to Note 25 to "Appendix I — Accountants' Report" in this prospectus. Accordingly, the redemption right had three phases: (1) prior to April 30, 2024, it was granted jointly by the Company and the obliged founders; (2) from April 30, 2024 to June 27, 2025, the Company's obligations were terminated and, accordingly, the redemption right was granted solely by the obliged founders; and (3) from June 27, 2025, pursuant to the Series D Shareholding Agreements, the Company's obligations were reinstated and the redemption right was again granted jointly by both parties.

Pursuant to a shareholders' agreement entered into between, amongst others, our Company and the Pre-IPO Investors (the "**Shareholders Agreement**"), and the Articles of Association of our Company currently in effect, all special rights granted shall be automatically terminated on the date immediately before the date of our first submission of listing application to the Stock Exchange, provided that such rights shall be automatically and immediately reinstated and restored in the event of rejection, return and/or termination of our Company's listing application and/or the filing application by the Stock Exchange and/or the CSRC (as the case may be) or withdrawal of the listing application by our Company.

In respect of the redemption right granted by the obliged founders, (i) the Company did not provide any guarantee; (ii) there is no side agreement; and (iii) as advised by our PRC Legal Advisor, based on the Shareholders Agreement, from April 30, 2024 to June 27, 2025, the redemption obligation was solely a liability of the obliged founders, and the Company had no corresponding obligation. During such period, no financial liability regarding the redemption right was recorded. See Note 25 to "Appendix I — Accountants' Report" in this prospectus.

**3. Information about our Pre-IPO Investors**

Our Pre-IPO Investors include Sophisticated Investors, such as Northern Light Venture Capital (北極光創投) and NRL Capital (紐爾利資本), who have made meaningful investment in our Company in accordance with Chapter 2.3 of the Guide for New Listing Applicants. Northern Light Venture Capital (through Beta Achieve) and NRL Capital (through Suzhou Mainiv) will hold approximately 5.35% and 8.24%, respectively, of our Company's total issued share capital upon the Listing (assuming that the Over-allotment Option is not exercised). The background information on our Pre-IPO Investors is set out below. To the best knowledge of the Directors, save as disclosed below, (i) each of the Pre-IPO Investors and their respective ultimate beneficial owners is an independent third party, (ii) has no relationship with any connected persons of our Company or other Pre-IPO Investors, and (iii) the limited partners of our Pre-IPO Investors (if applicable) are independent from each other.

***Northern Light Venture Capital***

Beta Achieve made its initial investment in the Company in July 2019. Beta Achieve is a limited liability company incorporated under the laws of Hong Kong on December 15, 2017, and is an investment arm of Northern Light Venture Capital. NLVF holds a 91.67% equity interest in Beta Achieve and is ultimately controlled by Mr. Deng Feng (鄧鋒), an independent third party to our Company. NL Partners is the general partner of NLVF and

its general partner is Northern Light Venture Capital V, Ltd., a company ultimately controlled by Mr. Deng Feng. The value of assets under management of Northern Light Venture Capital as of the Latest Practicable Date was approximately RMB30 billion. The investment portfolio of Northern Light Venture Capital in the medical and healthcare and related industries include, among others, GenFleet Therapeutics (Shanghai) Inc. (勁方醫藥科技(上海)股份有限公司) (a company listed on the Hong Kong Stock Exchange, stock code: 2595), Suzhou Zelgen Biopharmaceuticals Co., Ltd. (蘇州澤璟生物製藥股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 688266), Brain Aurora Medical Technology Limited (腦動極光醫療科技有限公司) (a company listed on the Hong Kong Stock Exchange, stock code: 6681); and iRay Group (奕瑞電子科技集團股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 688301). Northern Light Venture Capital is therefore a Sophisticated Investor. Beta Achieve is an investment institution of Northern Light Venture Capital, a venture capital dedicated to investing in early-stage, technology-driven innovative companies, primarily focusing on enterprises in new technology, healthcare and new customer industries.

***NRL Capital***

Suzhou Mainiv made its initial investment in the Company in May 2021. Suzhou Mainiv is a limited partnership established in the PRC on March 25, 2021, and its general partner is Hainan Nivmai Enterprise Management Partnership (Limited Partnership)* (海南紐麥企業管理合夥企業(有限合夥)) ("**Hainan Nivmai**"), which is controlled by its general partner, Suzhou NRL Capital Management Co., Ltd. (蘇州紐爾利資本管理有限公司) ("**Suzhou NRL**"), and is held as to 71.43%, 14.29% and 14.29% by Ms. Meng Si (an Independent Third Party), Shanghai NRL and Suzhou NRL, respectively. Each of Suzhou Mainiv, Suzhou NRL and Shanghai NRL is ultimately controlled by Mr. Lin Xianghong (林向紅), a former non-executive Director appointed by NRL Capital and resigned in August 2025 to focus on his other business and personal commitments, and is an investment vehicle managed by NRL Capital. The value of assets under management of NRL Capital as of the Latest Practicable Date, exceeds RMB8 billion. The investment portfolio of NRL Capital in the medical and healthcare and related industries include, among others, Shanghai BioEngine Sci-Tech Co., Ltd. (上海倍諳基生物科技有限公司) (A biotechnology company specializing in cell culture process technologies, with a registered capital of approximately RMB32.99 million) and Shanghai Xinchuang Huimei Technology Co., Ltd.* (上海新創惠每科技有限公司) (A healthcare company specializing in medical artificial intelligence with a registered capital of approximately RMB28.33 million), Jiangsu Gairu Health Technology Co., Ltd. (江蘇蓋睿健康科技有限公司) (a company specializing in digital solutions for primary healthcare, with a registered capital of approximately RMB56.52 million), and Zhejiang Fuli Analytical Instrument Co., Ltd. (浙江福立分析儀器有限公司) (a company specializing in the manufacture of analytical instruments for the pharmaceutical, food, energy and other industries, with a registered capital of approximately RMB50 million). NRL Capital is therefore a Sophisticated Investor ultimately controlled by Mr. Lin Xianghong. As of the Latest Practicable Date, Suzhou Mainiv had six partners, comprising one general partner and five limited partners (namely Nanjing Weixin Real Estate Development Co., Ltd. holding 25.39%, Shanghai Newerly Investment Holdings Co., Ltd. holding 24.65%, Suzhou Newerly Xincheng Equity Investment Partnership (Limited Partnership) holding 24.65%, Lhasa Economic and Technological Development Zone Baihui Yihe Phase III Equity Investment Partnership (Limited Partnership) holding 15.23%, and an independent third-party individual holding 7.62%), and was ultimately owned as to approximately 49.30% by Mr. Lin Xianghong, and no other ultimate beneficial owners owned more than 30% benefits in it. Suzhou Mainiv is a venture capital fund primarily engaged in investment in unlisted enterprises.

***Entities controlled by the People's Government of Shaanxi Province***

**(i) Junying Growth**

Junying Growth is a limited partnership established in the PRC on December 17, 2018 and its general partner is Shaanxi Growth Enterprise Leading Fund Co., Ltd.* (陝西省成長性企業引導基金管理有限公司) ("**Shaanxi Growth Enterprise Guidance Fund**"), who held approximately 0.98% of the partnership interest. Shaanxi Growth Enterprise Guidance Fund was owned as to 70.00% of shares by Shaanxi Shaanxi Investment Capital Management Co., Ltd.* (陝西陝投資本管理有限公司) and 30.00% of shares by Xi'an Zhongke Chuangxing Growth Enterprise Service Partnership Enterprise (Limited Partnership)* (西安中科創星成長企業服務合夥企業(有限合夥)), respectively. As of the Latest Practicable Date, Junying Growth had two limited partners, Shaanxi Province

Growth Enterprise Leading Fund Partnership (Limited Partnership)* (陝西省成長性企業引導基金合夥企業(有限合夥)), who held approximately 98.04% of its partnership interest, and Xi'an Jiuying Fenglong Investment Management Partnership (Limited Partnership)* (西安玖盈豐隆投資管理合夥企業(有限合夥)) ("**Jiuying Fenglong**"), who held approximately 0.98% of its partnership interest. Junying Growth is mainly engaged in investment management, venture capital, and equity investment. Shaanxi Growth Enterprise Guidance Fund and Shaanxi Province Growth Enterprise Leading Fund Partnership (Limited Partnership) were both ultimately controlled by the State-owned Assets Supervision and Administration Commission of the Shaanxi Provincial People's Government ("**Shaanxi Provincial SASAC**").

**(ii) Listing Reserve Fund**

Listing Reserve Fund is a limited partnership established in the PRC on December 13, 2022 and its general partners are (i) Changan Huitong Private Equity Fund Management Co., Ltd.* (長安匯通私募基金管理有限公司) ("**Changan Huitong**"), which held 0.50% of the partnership interest. Chang'an Huitong was solely owned by Chang'an Huitong Group Co., Ltd.* (長安匯通集團有限責任公司) and ultimately controlled by the Shaanxi Provincial SASAC; and (ii) Yulin City Coal Conversion Fund Investment Management Co., Ltd.* (榆林市煤炭轉化基金投資管理有限公司), which held 0.50% of the partnership interest, and whose ultimate beneficial owner is the Shaanxi Provincial SASAC. As of the Latest Practicable Date, Listing Reserve Fund had three limited partners, including (i) Changan Huitong Asset Management Co., Ltd.* (長安匯通資產管理有限公司) ("**Changan Huitong Asset**") which held 49.00% of partnership interest in Listing Reserve Fund and was ultimately owned by Shaanxi Provincial SASAC; (ii) Yulin Investment Fund Management Co., Ltd.* (榆林投資基金管理有限責任公司), which held 30.00% of partnership interest in Listing Reserve Fund and was ultimately owned by Yulin Municipal Finance Bureau (榆林市財政局); and (iii) Yulin City Yuyang District State-owned Assets Operation Co., Ltd.* (榆林市榆陽區國有資產運營有限公司), which held approximately 20.00% of partnership interest in Listing Reserve Fund. As of the latest Practicable Date, as confirmed by Listing Reserve Fund, Listing Reserve Fund is primarily engaged in equity investment, investment management and asset management activities as a private fund.

**(iii) Junying Jiacheng**

Junying Jiacheng is a limited partnership established in the PRC on October 28, 2022 and its general partner is Shaanxi Growth Enterprise Guidance Co., which held 10.00% of the partnership interest. Shaanxi Growth Enterprise Guidance Co. was ultimately controlled by the Shaanxi Provincial SASAC and was owned as to 70.00% of shares by Shaanxi Shaanxi Investment Capital Management Co., Ltd.* (陝西陝投資本管理有限公司) (which is ultimately owned by Shaanxi Provincial SASAC) and 30.00% of shares by Xi'an Zhongke Chuangxing Growth Enterprise Service Partnership Enterprise (Limited Partnership)* (西安中科創星成長企業服務合夥企業(有限合夥)) (which is controlled by Li Hao, an Independent Third Party), respectively. As of the Latest Practicable Date, Junying Jiacheng had eight limited partners, including (i) Shaanxi Junyuan Huike Investment Fund Partnership (Limited Partnership)* (陝西君源惠科投資基金合夥企業(有限合夥)) which held 33.00% of partnership interest in Junying Jiacheng and was ultimately owned by Shaanxi Provincial SASAC; (ii) Xi'an Innovation Investment Fund Partnership (Limited Partnership)* (西安市創新投資基金合夥企業(有限合夥)), which held 25.00% of partnership interest in Junying Jiacheng and was ultimately owned by Xi'an Municipal Finance Bureau (西安市財政局); (iii) Xi'an Small and Medium Enterprises Development Fund (Limited Partnership)* (西安市中小企業發展基金(有限合夥)), which held 20.00% of partnership interest in Junying Jiacheng and was ultimately owned by Xi'an Municipal Finance Bureau (西安市財政局); (iv) Tianjin Shenlong Supply Chain Co., Ltd.* (天津神龍供應鏈有限公司), which held 5.00% of partnership interest in Junying Jiacheng; (v) Hainan Linfengyan Investment Partnership (Limited Partnership)* (海南林豐岩投資合夥企業(有限合夥)), which held 4.75% of partnership interest in Junying Jiacheng; (vi) Shaanxi Hongdaxin Construction Engineering Co., Ltd.* (陝西宏達信建築工程有限公司), which held 1.25% of partnership interest in Junying Jiacheng; (vii) Xi'an Caijin Huifeng Private Equity Fund Management Co., Ltd.* (西安財金惠風私募基金管理有限公司), which held 0.50% of partnership interest in Junying Jiacheng; and (viii) Xi'an Jiuying Fenglong Investment Management Partnership (Limited Partnership)* (西安玖盈豐隆投資管理合夥企業(有限(合夥)), which held 0.50% of partnership interest in Junying Jiacheng. Junying Jiacheng is primarily engaged in equity investment, investment management and asset management activities as a private fund.

**(iv) Xi'an Huiyu**

Xi'an Huiyu is a limited partnership established in the PRC on September 23, 2021 and its general partner is Changan Huitong, who held 2.50% of the partnership interest. Changan Huitong was solely owned by Chang'an Huitong Group Co., Ltd.* (長安匯通集團有限責任公司) which was ultimately controlled by the Shaanxi Provincial SASAC. As of the Latest Practicable Date, Xi'an Huiyu had one limited partner, being Shaanxi Provincial Scientific and Technological Innovation Master Fund Partnership (Limited Partnership)* (陝西省科技創新母基金合夥企業(有限合夥)), who held 97.5% of its partnership interest and was ultimately controlled by the Shaanxi Provincial SASAC. Xi'an Huiyu is mainly engaged in investment activities with self-owned funds, equity investment, investment management and asset management.

**(v) Shaanxi Innovation Relay**

Shaanxi Innovation Relay is a limited partnership established in the PRC on December 23, 2024 and its general partners consist of (i) Shaanxi New Era Capital Management Co., Ltd.* (陝西新時代資本管理有限公司), and (ii) Shaanxi Jinzi, each of whom held approximately 0.20% of the partnership interest. Shaanxi Jinzi largest ultimate beneficial owner was the Shaanxi Provincial SASAC, and Shaanxi New Era Capital Management Co., Ltd. was ultimately controlled by the Department of Finance of Shaanxi Province of the PRC. Shaanxi Innovation Relay had two limited partners, including (i) Shaanxi Financial Holding Group Co., Ltd.* (陝西金融控股集團有限公司), which held approximately 59.76% of the partnership interest and was ultimately owned by the Shaanxi Provincial Department of Finance; and (ii) Shaanxi Jinzi Rongtong Equity Investment Partnership Enterprise (Limited Partnership)* (陝西金資通融股權投資合夥企業(有限合夥)), which held approximately 39.84% of the partnership interest and was controlled by Shaanxi Jinzi. Shaanxi Innovation Relay is primarily engaged in investment activities with its own funds.

**(vi) Shaanxi Jingang**

Shaanxi Jingang is a limited partnership established in the PRC on December 23, 2024 and its general partners consist of (i) Shaanxi Jinzi Fund Management Co., Ltd* (陝西金資基金管理有限公司) ("**Shaanxi Jinzi**"), and (ii) Xi'an Agricultural Investment Management Co., Ltd* (西安農投投資管理有限公司), each of whom held 0.50% of the partnership interest. Shaanxi Jinzi largest ultimate beneficial owner was the Shaanxi Provincial SASAC, and Xi'an Agricultural Investment Management Co., Ltd was ultimately controlled by the State-owned Assets Supervision and Administration Commission of the Xi'an Municipal People's Government (西安市人民政府國有資產監督管理委員會). As of the Latest Practicable Date, Shaanxi Jingang had four limited partners, including (i) Shaanxi Jinyi Biotechnology Development Co., Ltd.* (陝西金益生物科技發展有限公司), which held 39.50% of the partnership interest and was wholly owned by Shaanxi Jinzi; (ii) Xi'an Industrial Doubling Fund Partnership Enterprise (Limited Partnership)* (西安市工業倍增基金合夥企業(有限合夥)), which held 30.00% of the partnership interest and was ultimately owned by Xi'an Municipal Finance Bureau (西安市財政局); (iii) Xi'an Port Capital Management Co., Ltd.* (西安港資本管理有限公司), which held 15.00% of the partnership interest; (iv) Xi'an Industrial Poverty Alleviation (Agriculture) Investment Fund Partnership Enterprise (Limited Partnership)* (西安市產業扶貧(農業)投資基金合夥企業(有限合夥)), which held 14.50% of the partnership interest. Shaanxi Jingang is primarily engaged in investment activities with its own funds.

**(vii) New Materials Fund**

New Materials Fund is a limited partnership established in the PRC on March 21, 2014 and its general partner is Shaanxi Detongfufang Investment Management Co., Ltd.* (陝西德同福方投資管理有限公司) ("**Shaanxi Detongfufang**"), which held approximately 1.95% of the partnership interest. Shaanxi Detongfufang was owned as to 40.00% of shares by Shaanxi Province Industry Investment Co.,Ltd.* (陝西省產業投資有限公司) ("**Shaanxi Industry Investment**") (which is ultimately owned by the Shaanxi Provincial Department of Finance through Shaanxi Financial Holding Group Co., Ltd.* (陝西金融控股集團有限公司) ("**Shaanxi Financial**")) and 60.00% of shares by Shaanxi Detong Investment Management Co., Ltd.* (陝西德同投資管理有限公司), respectively and was ultimately controlled by Mr. Geng Jian (耿健), an independent third party. As of the Latest Practicable Date, New Materials Fund had six limited partners, including (i) Shanghai Detonggongying Equity Investment Fund Center (Limited Partnership)* (上海德同共盈股權投資基金中心(有限合夥)) which held approximately 19.92% of partnership interest in New Materials Fund; (ii) Shaanxi Industrial Investment, which held approximately

19.53% of partnership interest in New Materials Fund; (iii) Shaanxi Financial, which held approximately 19.53% of partnership interest in New Materials Fund and was ultimately owned by the Shaanxi Provincial Department of Finance; (iv) Yingfutech Venture Capital Co., Ltd. (盈富泰克創業投資有限公司), which held approximately 19.53% of partnership interest in New Materials Fund and was ultimately owned by Liu Tingru (劉廷儒), an Independent Third Party; (v) Baoji High-tech Investment Holding Group Co., Ltd* (寶雞高新投資控股集團有限公司) ("**Baoji High-tech Investment**"), which held approximately 11.72% of partnership interest in New Materials Fund; and (vi) Baoji High-tech Innovation Service Center Co. Ltd.* (寶雞高新創業服務中心有限公司) ("**Baoji High-tech Innovation**"), which held approximately 7.81% of partnership interest in New Materials Fund. Baoji High-tech Investment and Baoji High-tech Innovation are owned by Baoji High-tech Industries Development Zone Administrative Committee (寶雞高新技術產業開發區管理委員會). New Materials Fund is primarily engaged in venture investment business, investment consulting and venture management services.

***Linhai Qize***

Linhai Qize is a limited partnership established in the PRC on May 20, 2025 and its general partner is ZheShang Venture Capital Co., Ltd.* (浙商創投股份有限公司) ("**ZheShang Venture Capital**"), who held approximately 0.07% of the partnership interest. ZheShang Venture Capital was owned as to approximately 38.71% by Zhejiang Zhongjian Enterprise Management Co., Ltd.* (浙江中鑒企業管理有限公司) (ultimately beneficially owned by Chen Yuemeng, an independent third party). No other shareholders hold more than 30.00% shares of ZheShang Venture Capital Co., Ltd.. As of the Latest Practicable Date, Linhai Qize had three limited partners, Linhai Jingyue Financial Investment Group Co., Ltd.* (臨海市靖越金融投資集團有限公司) ("**Linhai Jingyue**"), who held approximately 79.95% of its partnership interest and was ultimately owned by the Linhai Municipal Finance Bureau, Mr. Wang Yiqiang (王一強) (a former non-executive Director who resigned in August 2025 to focus on his other business and personal commitments), who held approximately 19.32% of its partnership interest, and Mr. Yang Renlong (楊人龍), an independent third party who held approximately 0.67% of the partnership interest. Linhai Qize is mainly engaged in venture capital (limited to investment in unlisted companies) and equity investment.

***Huaxin Pharmaceutical Venture Capital***

Huaxin Pharmaceutical Venture Capital is a limited partnership established in the PRC on May 16, 2018 and its general partner is Shenzhen Chongshi Private Equity Investment Fund Management Co., Ltd.* (深圳崇石私募股權投資基金管理有限公司) ("**Shenzhen Chongshi**"), who held approximately 1.48% of the partnership interest. Shenzhen Chongshi was owned as to 51.00% of shares by Yan Kaijing (閆凱境) and 49.00% of shares by Tianjin Tianshili Health Industry Investment Group Co., Ltd.* (天士力大健康產業投資集團有限公司) ("**Tianjin Tianshili Health**"), respectively. As of the Latest Practicable Date, Huaxin Pharmaceutical Venture Capital had only one limited partner, being Tianjin Tasly Venture Capital Co., Ltd.* (天津天士力創業投資股份有限公司) ("**Tianjin Tasly**"), who held approximately 98.52% of its partnership interest. Tianjin Tianshili Health and Tianjin Tasly were ultimately owned by Mr. Yan Kaijing. Huaxin Pharmaceutical Venture Capital is mainly engaged in investment in unlisted companies and non-public offerings of stocks by listed companies and is controlled by Mr. Yan Kaijing (閆凱境), an independent third party.

***Suzhou Rongsheng***

Suzhou Rongsheng is a limited partnership established in the PRC on January 25, 2021, and its general partner is Suzhou High-Tech Venture Capital Group Rongsheng Investment Management Co., Ltd.* (蘇州高新創業投資集團融晟投資管理有限公司) ("**Suzhou Rongsheng**"), who held 1% of the partnership interest. Suzhou Rongsheng was owned as to 35.00% of equity interest by Suzhou High-tech Venture Capital Group Co., Ltd.* (蘇州高新創業投資集團有限公司) ("**Suzhou High-tech Venture**") and 65.00% of equity interest by Suzhou Rongyu Venture Capital Partnership Enterprise (Limited Partnership)* (蘇州融毓創業投資合夥企業(有限合夥)) ("**Suzhou Rongyu**"), respectively. The remaining two limited partners of Suzhou Rongsheng were Suzhou Xushuguan Economic Development Zone Xuchuang Asset Management Co., Ltd.* (蘇州滸墅關經開區滸創資產經營有限公司), who held 50.00% of the partnership interest and was ultimately owned by Suzhou Hushuguan Economic and Technological Development Zone Administrative Committee (蘇州滸墅關經濟技術開發區管理委員會); and Suzhou High-Tech Venture Capital Group Co., Ltd.* (蘇州高新創業投資集團有限公司), who held 49.00% of the partnership interest and was ultimately owned by Suzhou Huqiu District

People's Government (蘇州市虎丘區人 民政府). Suzhou Rongsheng, Suzhou Rongyu and Suzhou High-Tech Venture were both ultimately controlled by Mr. Miao Lv (繆律). Suzhou Rongsheng is a venture capital fund primarily engaged in investment in unlisted enterprises. As of the Latest Practicable Date, its total capital contribution amount was RMB500 million.

***Xi'an Tongshang***

Xi'an Tongshang is a limited partnership established in the PRC on July 27, 2020 and its general partner is Mr. Ju Hangsheng (巨杭生), a former non-executive Director as appointed by Xi'an Tongshang and resigned in August 2025 to focus on his other business and personal commitments, who held approximately 72.73% of the partnership interest. As of the Latest Practicable Date, Xi'an Tongshang had only one limited partner, being Ms. Nie Xiaoxi (聶曉曦), an independent third party who held approximately 27.27% of its partnership interest. Xi'an Tongshang is mainly engaged in investment activities with its own funds.

***Fengchuan Hongbo***

Fengchuan Hongbo is a limited partnership established in the PRC on March 7, 2017 and its general partner is Jingning Fengchuan Jiahong Equity Investment Partnership (Limited Partnership)* (景寧豐川佳弘股權投資合夥企業(有限合夥)) ("**Fengchuan Jiahong**"), who held approximately 3.85% of the partnership interest and was ultimately controlled by Mr. Xiang Duan (相端), an independent third party. Fengchuan Jiahong was owned as to 99.00% of partnership interest by Xiang Duan (相端) and 1.00% of partnership interest by Beijing Fengchuan Private Equity Fund Management Co., Ltd.* (北京豐川私募基金管理有限公司), respectively. As of the Latest Practicable Date, Fengchuan Hongbo had two limited partners, Tianjin Longyaohengda Enterprise Management Consulting Co., Ltd.* (天津瓏曜恆達企業管理諮詢有限公司), who held approximately 67.31% of its partnership interest and was ultimately owned by Zhang Ruimin (張瑞敏), an Independent Third Party, and Zhejiang Wahaha Venture Capital Co., Ltd.* (浙江娃哈哈創業投資有限公司), who held approximately 28.85% of its partnership interest and was ultimately owned by Zong Fuli (宗馥莉), an Independent Third Party. Fengchuan Hongbo is mainly engaged in equity investment management.

***Jingcheng Daxing***

Jingcheng Daxing is a limited partnership established in the PRC on July 18, 2019 and its general partner is Mr. Wang Yiqiang (王一強), and independent third party who held approximately 19.90% of the partnership interest. As of the Latest Practicable Date, Jingcheng Daxing had eight limited partners who were each an independent third party, including (i) Xi'an Jiaotong University Siyuan Puhui Investment Partnership (Limited Partnership)* (西安交大思源普惠投資合夥企業(有限合夥)) which held approximately 31.40% of the partnership interest in Jingcheng Daxing and was ultimately owned by Education Foundation of Xi'an Jiaotong University (西安交通大學教育基金會); (ii) Ms. Xue Miao (薛苗), who held approximately 30.97% of partnership interest in Jingcheng Daxing; (iii) Mr. Gai Wenliang (蓋文亮), who held approximately 4.60% of partnership interest in Jingcheng Daxing; (iv) Mr. Wang Jianqiao (王劍喬), who held approximately 4.60% of partnership interest in Jingcheng Daxing; (v) Ms. Wang Yanying (王艷迎), who held approximately 2.43% of partnership interest in Jingcheng Daxing; (vi) Mr. Qiu Juntao (仇軍濤), who held approximately 2.41% of partnership interest in Jingcheng Daxing; (vii) Mr. Gao Ke (高柯), who held approximately 1.85% of partnership interest in Jingcheng Daxing; and (viii) Mr. Huang Xuefeng (黃雪峰), who held approximately 1.85% of partnership interest in Jingcheng Daxing. Each of the above limited partners of Jingcheng Daxing is an Independent Third Party. Jingcheng Daxing is primarily engaged in enterprise marketing planning, management consulting and business information consulting.

***Tangxing Kechuang***

Tangxing Kechuang is a limited partnership established in the PRC on August 6, 2019 and its general partner is Tangxing Tianxia Investment Management (Xi'an) Co., Ltd.* (唐興天下投資管理(西安)有限責任公司) ("**Tangxing Tianxia**"), which held 1.05% of the partnership interest. Tangxing Tianxia was owned as to 51.00% of shares by Xi'an Qiushi Commercial Operation Management Co., Ltd.* (西安秋實商業運營管理有限公司) ("**Xi'an Qiushi**"), 34.00% of shares by Xi'an Hechuang Tonghui Enterprise Management Consulting Partnership Enterprise (Limited Partnership)* (西安合創同輝企業管理諮詢合夥企業(有限合夥)) (which is ultimately owned by Feng Xue, an Independent Third Party), and 15.00% of shares by Xi'an Heli Tonghui Enterprise Management Consulting

Partnership Enterprise (Limited Partnership)* (西安合力同輝企業管理諮詢合夥企業(有限合夥)) (which is ultimately owned by Yang Shengrong, an Independent Third Party), respectively. Tangxing Tianxia was ultimately controlled by Ms. Gong Puling (宮蒲玲) through Xi'an Qiushi, an independent third party. As of the Latest Practicable Date, Tangxing Kechuang had six limited partners who were each an independent third party, including (i) Shaanxi Mingyuan Real Estate Co., Ltd.* (陝西名苑置業有限責任公司) which held 28.42% of partnership interest in Tangxing Kechuang; (ii) New Quality Productivity Promotion Center of the Ministry of Science and Technology* (科學技術部新質生產力促進中心), which held 26.32% of partnership interest in Tangxing Kechuang; (iii) Mr. Yang Shengrong (楊生榮), which held 16.84% of partnership interest in Tangxing Kechuang; (iv) Shaanxi Provincial Government Investment Guidance Fund Partnership (Limited Partnership)* (陝西省政府投資引導基金合夥企業(有限合夥)), which held 10.53% of partnership interest in Tangxing Kechuang; (v) Xi'an Industrial Investment Fund Co., Ltd.* (西安產業投資基金有限公司), which held 9.47% of partnership interest in Tangxing Kechuang; and (vi) Xi'an Fudi Nanotechnology Co., Ltd.* (西安福地納米科技有限公司), which held 7.37% of partnership interest in Tangxing Kechuang. Tangxing Kechuang is primarily engaged in equity investment, investment management, and investment consulting.

***Shanjin Runji***

Shanjin Runji is a limited partnership established in the PRC on July 28, 2020 and its general partner is Shanghai Shanjin Private Equity Fund Management Co., Ltd.* (上海善金私募基金管理有限公司) ("**Shanghai Shanjin**"), which held approximately 1.02% of the partnership interest. Shanghai Shanjin was owned as to 36.00% of shares by Liu Jing (劉婧), 34.00% of shares by Lv Yuanyuan (呂園園), and 30.00% of shares by Shanghai Maisi Lai Enterprise Management Consulting Partnership Enterprise (Limited Partnership)* (上海勱思來企業管理諮詢合夥企業(有限合夥)) (which is ultimately owned by Liu Jing), respectively. Each of Liu Jing and Lv Yuanyuan was an independent third party. As of the Latest Practicable Date, Shanjin Runji had thirty limited partners, and Mr. Zhu Chen (朱晨), being its largest limited partner, held approximately 8.47% of partnership interest in Shanjin Runji. None of the ultimate beneficial owners of Shanjin Runji owned more than 10% benefits in it and each of them was an independent third party. As of the latest Practicable Date, as confirmed by Shanjin Runji, Shanjin Runji is primarily engaged in equity investment.

***Hainan Wanfeng***

Hainan Wanfeng is a limited partnership established in the PRC on December 21, 2022 and its general partner is Mr. Jia Shaochi (賈少馳), who held 50.00% of the partnership interest. Mr. Jia has many years of investment experience, focusing primarily on the intelligent manufacturing and pharmaceutical sectors. Hainan Wanfeng's investment in us is primarily driven by its recognition of our long-term growth potential and value creation capabilities. As of the Latest Practicable Date, Hainan Wanfeng had only one limited partner, being Ms. Qiu Bo (秋波), who held 50.00% of its partnership interest. Hainan Wanfeng is primarily engaged in investment activities and provide asset management services for self-owned fund investments. Mr. Jia Shaochi and Ms. Qiu Bo are each an independent third party.

***Hangzhou Quandewang***

Hangzhou Quandewang is a limited company incorporated in the PRC on August 5, 2022 and is mainly engaged in corporate headquarters management, corporate management consulting, and information consulting services. Hangzhou Quandewang is owned as to 99% by Mr. Xu Junqing (徐君清) and 1% by Mr. Xu Zhiqiang (徐志強), both independent third parties, with a registered share capital of RMB10 million. Mr. Xu has many years of investment experience, focusing primarily on the photovoltaic power generation, pharmaceutical, and drone sectors. Hangzhou Quandewang's investment in us is primarily driven by its optimism towards the prospects of the biopharmaceutical industry and its recognition of our development potential.

***Hainan Ruizheng***

Hainan Ruizheng is a limited partnership established in the PRC on June 15, 2020 and its general partner is Ms. Tang Zhijun (唐智君), an independent third party who held 40.00% of the partnership interest. Ms. Tang has many years of investment experience, focusing primarily on the consumer goods sector.Hainan Ruizheng's investment in us is primarily driven by its confidence in our business development and the innovative drug space. As of the Latest Practicable Date, Hainan Ruizheng had only one limited partner,

being Mr. Cao Zheng (曹正), an independent third party who held 60.00% of its partnership interest. Hainan Ruizheng is mainly engaged in other business management services, market research, and business marketing planning.

***Yinyun Heman***

Yinyun Heman is a limited partnership established in the PRC on December 7, 2022 and its general partner is Ms. Fu Dongjin (傅冬瑾), an independent third party who held 10.00% of the partnership interest. Ms. Fu's investments are primarily focused on the production and sales of apparel. Yinyun Heman's investment in us is primarily driven by its optimism towards the broad prospects of innovative drugs, as well as its recognition of our development and growth potential. As of the Latest Practicable Date, Yinyun Heman had five limited partners, who were each an independent third party, including (i) Mr. Yuan Xuejun (袁學軍) who held 60.00% of partnership interest in Yinyun Heman; (ii) Ms. Chen Xian (陳嫻), who held 10.00% of partnership interest in Yinyun Heman; (iii) Ms. Ye Huili (葉慧麗), who held 10.00% of partnership interest in Yinyun Heman; (iv) Mr. Dong Songzhen (董松鎮), who held 5.00% of partnership interest in Yinyun Heman; and (v) Ms. Shi Xiaohong (史小紅), which held 5.00% of partnership interest in Yinyun Heman. Yinyun Heman is primarily engaged in enterprise management, management consulting and socio-economic consulting services.

***Maicheng Century***

Maicheng Century is a limited partnership established in the PRC on September 17, 2025 and its general partner is Mr. Zhao Yajun (趙亞軍), an independent third party who held approximately 3.33% of the partnership interest. Mr. Zhao has many years of investment experience, focusing primarily on the biopharmaceutical and high-technology sectors. Maicheng Century's investment in us is primarily driven by its confidence in our development and growth prospects. As of the Latest Practicable Date, Maicheng Century had four limited partners who were each an independent third party, including (i) Ms. Wu Haiping (吳海萍), who held approximately 36.67% of the partnership interest; (ii) Ms. Zhang Aifang (張愛芳), who held approximately 13. 33% of the partnership interest; (iii) Mr. Gou Lei (苟磊), who held approximately 13.33% of the partnership interest; (iv) Mr. Gao Yan (高言), who held approximately 33.33% of the partnership interest. Maicheng Century is primarily engaged in investment activities with its owned funds.

***Jinan Liuji***

Jinan Liuji is a limited partnership established in the PRC on September 16, 2025 and its general partner is Mr. Guo Jiaxin (郭家鑫), an independent third party who held approximately 16.67% of the partnership interest. Mr. Guo has many years of experience in equity investment, with a dedicated focus on long-term value investing. Jinan Liuji's investment in us is primarily driven by its optimism towards our long-term development prospects and its recognition of our value creation capabilities. As of the Latest Practicable Date, Jinan Liuji had five limited partners who were each an independent third party, including Mr. Zheng Xiaobin (鄭小賓), Mr. Yan Dong (閆冬), Mr. Meng Zhihai (孟智海), Ms. Ren Yali (任亞麗), and Mr. Wang Jin (王晋), and each of whom owned approximately 16.67% of the partnership interest. Jinan Liuji is primarily engaged in business management, marketing planning and some consulting services.

**4. PRC Legal Advisor's confirmation**

As advised by our PRC Legal Advisor, our Company is in the course of making all necessary registration or filings with the relevant local branch of SAMR in respect of the Pre-IPO Investments set out above, and the Pre-IPO Investments were conducted in compliance with the applicable PRC laws and regulations in all material respects.

**5. Joint Sponsors' Confirmation**

On the basis that (i) the Listing Date, being the first day of trading of the H Shares on the Stock Exchange, will take place no earlier than 120 clear days after completion of the Pre-IPO Investments and (ii) the special rights granted to the Pre-IPO Investors pursuant to the relevant pre-IPO investment agreements have been terminated immediately before submission of the first listing application and/or will be terminated no later than the Listing, as the case may be, the Joint Sponsors confirm that the investments by the Pre-IPO Investors are in compliance with Chapter 4.2 of the Guide published by the Stock Exchange.

**6. Public Float and Free Float**

Following the conversion of 222,016,700 Unlisted Shares into H shares and upon completion of the Share Subdivision and the Global Offering (assuming the Over-allotment Option is not exercised):

(a) each of Dr. Wang Bing, Dr. Wang Mei and Xi'an Zhongrui will be our Controlling Shareholders and a total of 144,060,050 Shares held by them will not be counted towards either the public float or the free float, representing 43.43% of our share capital in aggregate;

(b) a total of 222,016,700 Unlisted Shares will be converted into H Shares and excluding such Unlisted Shares held by our core connected persons, a total of 122,356,650 of such Unlisted Shares will be counted as part of the public float, representing 36.88% of our share capital in aggregate. However, as the H Shares held by the current Shareholders holding Unlisted Shares will be subject to a lock-up period, those H Shares will not count towards the free float at the time of the Listing; and

(c) as Qiyuan Hong Kong, one of the Cornerstone Investors, is a close associate of each of Junying Growth, Listing Reserve Fund, Junying Jiacheng, Xi'an Huiyu, Shaanxi Innovation Relay, Shaanxi Jingang and New Materials Fund (collectively, the "**Existing Shareholders**"), all of which are ultimately controlled by the People's Government of Shaanxi Province. Upon its subscription of Offer Shares as a Cornerstone Investor: (i) at the indicative Offer Price of HK$18.20 (being the low end of the indicative Offer Price range), Qiyuan Hong Kong will subscribe for 18,756,200 Offer Shares, and Existing Shareholders and Qiyuan Hong Kong will in aggregate hold 42,565,150 Shares, representing approximately 12.83% of the total Shares; and (ii) at the indicative Offer Price of HK$21.00 (being the high end of the indicative Offer Price range), Qiyuan Hong Kong will subscribe for 16,255,400 Offer Shares, and such entities will in aggregate hold 40,064,350 Shares, representing approximately 12.07% of the total Shares, in each case, whose Shares will not be counted towards the public float.

(d) as all existing Shareholders (including Pre-IPO Investors) are subject to a lock-up period of twelve months following the Listing Date under applicable PRC law, Shares held by them will not count towards free float, and a total of 58,054,400 H Shares to be issued pursuant to the Global Offering will be counted as part of free float at the time of the Listing, representing 17.50% of our share capital in aggregate.

Rule 19A.13A of the Listing Rules requires that where the expected market value of the Shares at the time of Listing is over HK$6,000,000,000 but not exceeding HK$30,000,000,000, the minimum prescribed percentage of the Shares which must be H Shares held by the public is determined at the higher of: (i) the percentage that would result in the expected market value of the H Shares held by the public to be HK$1,500,000,000 at the time of Listing; and (ii) 15%.

Based on the indicative Offer Price of HK$18.20 (being the low-end of the indicative Offer Price range), HK$19.60 (being the mid-point of the indicative Offer Price range), and HK$21.00 (being the high-end of the indicative Offer Price range), and assuming the Over-allotment Option is not exercised, the expected market value of the H Shares of our Company would be approximately HK$6,037.7 million, HK$6,502.1 million and HK$6,966.5 million, respectively. As the market value of our H Shares will exceed HK$6,000,000,000 but will not exceed HK$30,000,000,000, at least 24.84%, 23.07% and 21.53% of our total issue share shall be held by the public based on the low-end, mid-point and high-end of the indicative Offer Price range.

It is expected that, immediately following completion of the Global Offering (assuming that the Over-allotment Option is not exercised), based on the indicative Offer Price of HK$18.20 (being the low-end of the indicative Offer Price range), a total of 145,115, 150 H Shares, representing 43.74% of our total issued Share upon the completion of the Global Offering (assuming that the Over-allotment Option is not exercised) will be held by the public, which will satisfy the public float requirement under Rule 19A.13A of the Listing Rules. It is expected that, immediately following completion of the Global Offering (assuming that the Over-allotment Option is not exercised), based on the indicative Offer Price of HK$21.00 (being the high-end of the indicative Offer Price range), a total of 147,615,950 H Shares, representing 44.50% of our total issued Share upon the completion of the Global Offering (assuming that the Over-allotment Option is not exercised) will be held by the public, which will satisfy the public float requirement under Rule 19A.13A of the Listing Rules. Therefore, the Company will be able to meet the public float requirement under Rule 19A.13A of the Listing Rules.

Rule 19A.13C(1) of the Listing Rules provides 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 at the time listing must normally (i) 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 (ii) have an expected market value at the time of listing of not less than HK$600,000,000.

It is expected that, immediately upon completion of the Global Offering (assuming the Over-Allotment Option is not exercised), based on the indicative Offer Price of HK$18.20 (being the low-end of the indicative Offer Price range), except for (i) 273,685,950 Shares held by all existing Shareholders that are subject to a lock-up period of twelve months following the Listing Date under applicable PRC law; and (ii) 24,681,000 Shares held by Cornerstone Investors that are subject to a lockup period of six months from and including the Listing Date, all remaining 33,373,400 Shares, representing 10.06% of the total Shares, will be counted toward the free float. It is expected that, immediately upon completion of the Global Offering (assuming the Over-Allotment Option is not exercised), based on the indicative Offer Price of HK$21.00 (being the high-end of the indicative Offer Price range), except for (i) 273,685,950 Shares held by all existing Shareholders that are subject to a lock-up period of twelve months following the Listing Date under applicable PRC law; and (ii) 21,390,200 Shares held by Cornerstone Investors that are subject to a lockup period of six months from and including the Listing Date, all remaining 36,664,200 Shares, representing 11.05% of the total Shares, will be counted toward the free float. Therefore, our Company will be able to satisfy the free float requirement under Rule 19A.13C(1)(a) of the Listing Rules.

## CAPITALIZATION OF OUR COMPANY

The table below is a summary of the capitalization of our Company as of Latest Practicable Date and immediately following the Share Subdivision, conversion of the Unlisted Shares into H Shares and the Global Offering (assuming the Over-Allotment Option is not exercised):

| Shareholder | As of the Latest Practicable Date without taking into account the Share Subdivision | | Immediately Following the Completion of the Share Subdivision Conversion of the Unlisted Shares into H Shares and the Global Offering | | | | | | Whether the H Shares count towards public float or not |
|---|---|---|---|---|---|---|---|---|---|
| | Unlisted Shares | | H Shares | | Unlisted Shares | | Total Shares | | |
| | *Number of Shares* | *Percentage of Shareholding in the Shares* | *Number of H Shares* | *Percentage of Shareholding in the H Shares* | *Number of Unlisted Shares* | *Percentage of Shareholding in the Unlisted Shares* | *Number of Shares* | *Percentage of Shareholding in the Shares* | |
| **Controlling Shareholders** | | | | | | | | | |
| Dr. Wang Bing | 2,220,000 | 40.56% | 66,600,000 | 23.78% | 44,400,000 | 85.93% | 111,000,000 | 33.46% | No |
| Dr. Wang Mei | 361,201 | 6.60% | 18,060,050 | 6.45% | – | – | 18,060,050 | 5.45% | No |
| Xi'an Zhongrui | 300,000 | 5.48% | 15,000,000 | 5.36% | – | – | 15,000,000 | 4.52% | No |
| *Subtotal* | *2,881,201* | *52.64%* | *99,660,050* | *35.58%* | *44,400,000* | *85.93%* | *144,060,050* | *43.43%* | *No* |
| **The People's Government of Shaanxi Province** | | | | | | | | | |
| Junying Growth | 79,647 | 1.46% | 3,982,350 | 1.42% | – | – | 3,982,350 | 1.20% | No |
| Listing Reserve Fund | 72,635 | 1.33% | 3,631,750 | 1.30% | – | – | 3,631,750 | 1.09% | No |
| Junying Jiacheng | 40,353 | 0.74% | 2,017,650 | 0.72% | – | – | 2,017,650 | 0.61% | No |
| Xi'an Huiyu | 18,159 | 0.33% | 907,950 | 0.32% | – | – | 907,950 | 0.27% | No |
| Shaanxi Innovation Relay | 83,077 | 1.52% | – | – | 4,153,850 | 8.04% | 4,153,850 | 1.25% | No |
| Shaanxi Jingang | 62,308 | 1.14% | – | – | 3,115,400 | 6.03% | 3,115,400 | 0.94% | No |
| New Materials Fund | 120,000 | 2.19% | 6,000,000 | 2.14% | – | – | 6,000,000 | 1.81% | No |
| *Subtotal* | *476,179* | *8.70%* | *16,539,700* | *5.9%* | *7,269,250* | *14.07%* | *23,808,950* | *7.18%* | *No* |
| **Other Shareholders** | | | | | | | | | |
| Suzhou Mainiv | 546,667 | 9.99% | 27,333,350 | 9.76% | – | – | 27,333,350 | 8.24% | Yes |
| Beta Achieve | 354,667 | 6.48% | 17,733,350 | 6.33% | – | – | 17,733,350 | 5.35% | Yes |
| Linhai Qize | 287,653 | 5.26% | 14,382,650 | 5.14% | – | – | 14,382,650 | 4.34% | Yes |
| Huaxin Pharmaceutical Venture Capital | 155,533 | 2.84% | 7,776,650 | 2.78% | – | – | 7,776,650 | 2.34% | Yes |
| Suzhou Rongsheng | 136,667 | 2.50% | 6,833,350 | 2.44% | – | – | 6,833,350 | 2.06% | Yes |
| Xi'an Tongshang | 118,799 | 2.17% | 5,939,950 | 2.12% | – | – | 5,939,950 | 1.79% | Yes |
| Fengchuan Hongbo | 102,500 | 1.87% | 5,125,000 | 1.83% | – | – | 5,125,000 | 1.54% | Yes |
| Jingcheng Daxing | 101,502 | 1.85% | 5,075,100 | 1.81% | – | – | 5,075,100 | 1.53% | Yes |
| Tangxing Technology | 95,604 | 1.75% | 4,780,200 | 1.71% | – | – | 4,780,200 | 1.44% | Yes |
| Shanjin Runji | 78,955 | 1.44% | 3,947,750 | 1.41% | – | – | 3,947,750 | 1.19% | Yes |
| Hainan Wanfeng | 27,238 | 0.50% | 1,361,900 | 0.49% | – | – | 1,361,900 | 0.41% | Yes |
| Yinyun Heman | 18,159 | 0.33% | 907,950 | 0.32% | – | – | 907,950 | 0.27% | Yes |
| Hangzhou Quandewang | 18,159 | 0.33% | 907,950 | 0.32% | – | – | 907,950 | 0.27% | Yes |
| Hainan Ruizheng | 18,159 | 0.33% | 907,950 | 0.32% | – | – | 907,950 | 0.27% | Yes |
| Maicheng Century | 31,154 | 0.57% | 1,557,700 | 0.56% | – | – | 1,557,700 | 0.47% | Yes |
| Jinan Liuji | 24,923 | 0.46% | 1,246,150 | 0.44% | – | – | 1,246,150 | 0.38% | Yes |
| *Subtotal* | *2,116,339* | *38.67%* | *105,816,950* | *37.78%* | – | – | *105,816,950* | *31.9%* | *Yes* |
| H Shareholders under the Global Offering[(1)] | – | – | 58,054,400 | 20.73% | – | – | 58,054,400 | 17.50% | |
| **Total** | **5,473,719** | **100.00%** | **280,071,100** | **100.00%** | **51,669,250** | **100.00%** | **331,740,350** | **100.00%** | |

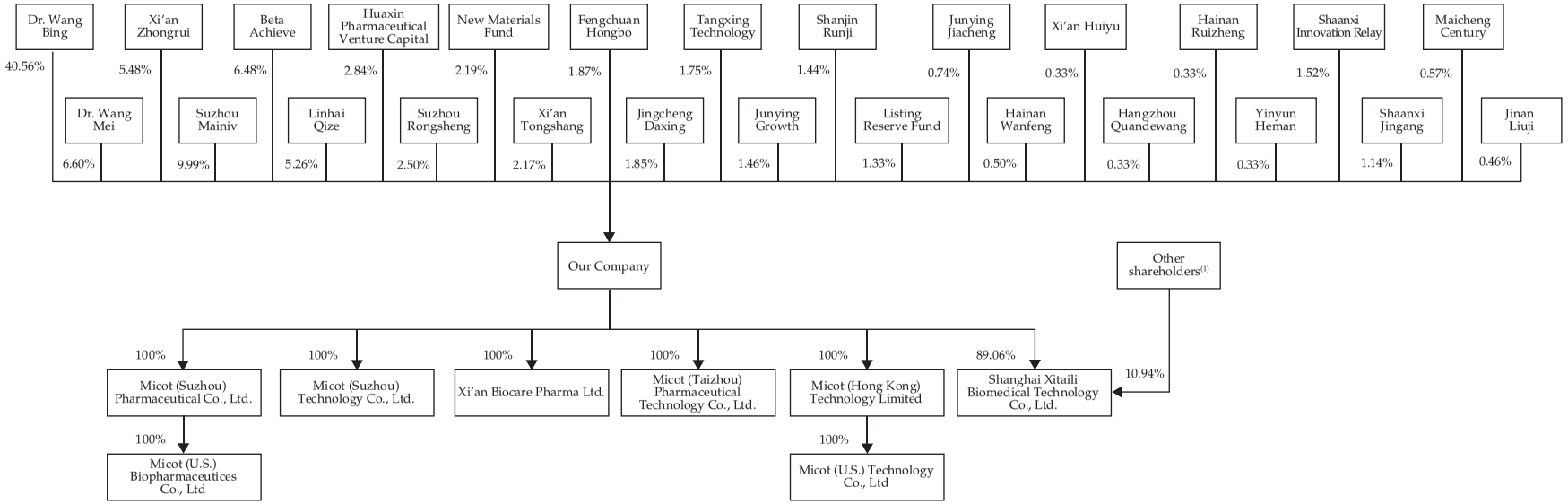
*Note:*

(1) The Shares to be subscribed by Qiyuan Hong Kong as a Cornerstone Investor will not be counted towards the public float.

Except for the 99,660,050 H Shares to be held by our Controlling Shareholders upon Listing and the 51,669,250 Unlisted Shares that will not be converted into H Shares before the Listing as illustrated above, the rest of the Shares in our Company, namely 180,411,050 H Shares, will be counted towards public float upon Listings.

## CORPORATE STRUCTURE IMMEDIATELY BEFORE COMPLETION OF THE GLOBAL OFFERING

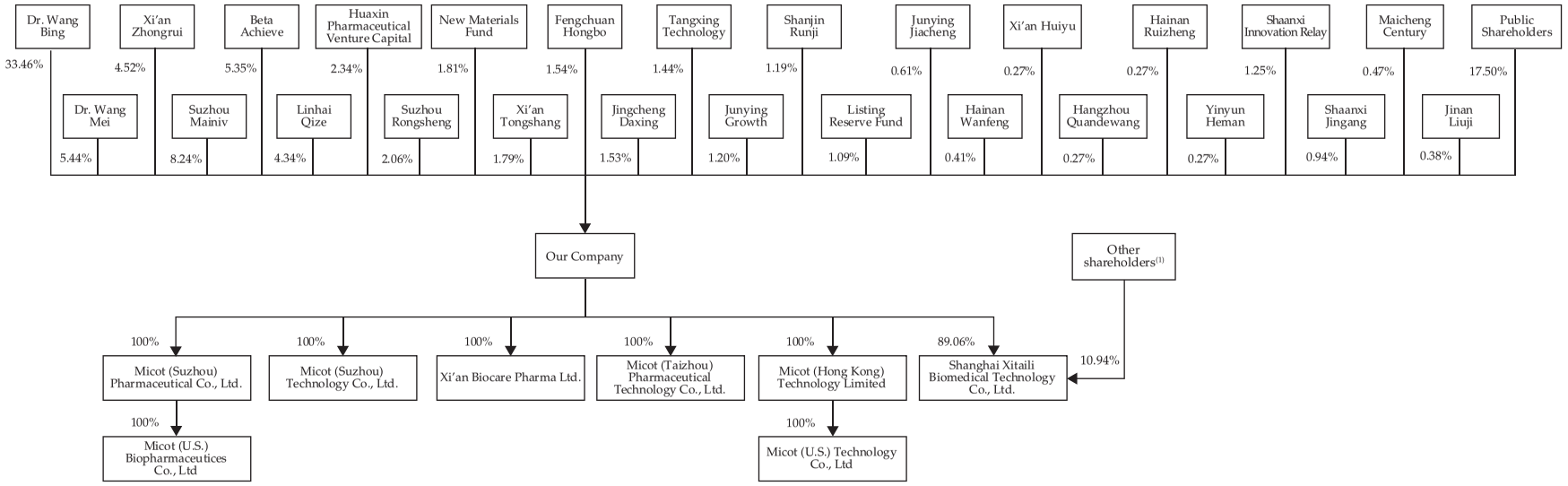
The following chart sets forth our Group's corporate structure immediately prior to the completion of the Global Offering:




(1) As of the Latest Practicable Date, Shanghai Xitaili Biomedical Technology Co., Ltd* was owned as to approximately 89.06% by our Company, approximately 4.95% by Shanghai Huitai Biopharmaceutical Partnership (Limited Partnership)* (上海暉肽生物醫藥合夥企業(有限合夥)), approximately 2.47% by Ms. Wang Xin (王欣), approximately 2.47% by Xi'an Xijiao 1896 Kechuang Investment Partnership (Limited Partnership)* (西安西交一八九六科創投資合夥企業(有限合夥)) ("**Xijiao 1896 Kechuang Investment**") and approximately 1.04% by Xijiao 1896 (Xi'an) Innovation Service Co., Ltd.* (西安一八九六(西安)創新服務有限公司) ("**Xijiao 1896 Innovation**"). Ms. Wang Xin, an independent third party to our Company, is engaged in the investment in companies in the biomedicine industry. Xijiao 1896 Kechuang Investment and Xijiao 1896 Innovation are ultimately controlled by Mr. Wei Changqing (魏長青), an independent third party to our Company, who holds investment vehicles to invest in companies in the new materials, new energy, biomedicine and high-end equipment manufacturing industries. Our Company became acquainted with Ms. Wang Xin and representatives of Xijiao 1896 Kechuang Investment and Xijiao 1896 Innovation through the alumni network of Xi'an Jiaotong University of which Dr. Wang Bing was an alumnus.

## CORPORATE STRUCTURE IMMEDIATELY FOLLOWING COMPLETION OF THE GLOBAL OFFERING

The following chart sets forth our corporate and shareholding structure immediately following completion of the Global Offering, assuming the Over-allotment Option is not exercised.




(1) As of the Latest Practicable Date, Shanghai Xitaili Biomedical Technology Co., Ltd* was owned as to approximately 89.06% by our Company, approximately 4.95% by Shanghai Huitai Biopharmaceutical Partnership (Limited Partnership)* (上海暉肽生物醫藥合夥企業(有限合夥)), approximately 2.47% by Ms. Wang Xin (王欣), approximately 2.47% by Xi'an Xijiao 1896 Kechuang Investment Partnership (Limited Partnership)* (西安西交一八九六科創投資合夥企業(有限合夥)) ("**Xijiao 1896 Kechuang Investment**") and approximately 1.04% by Xijiao 1896 (Xi'an) Innovation Service Co., Ltd.* (西安一八九六(西安)創新服務有限公司) ("**Xijiao 1896 Innovation**"). Ms. Wang Xin is engaged in the investment in companies in the biomedicine industry. Xijiao 1896 Kechuang Investment and Xijiao 1896 Innovation are ultimately controlled by Mr. Wei Changqing (魏長青) who holds investment vehicles to invest in companies in the new materials, new energy, biomedicine and high-end equipment manufacturing industries. Our Company became acquainted with Ms. Wang Xin and representatives of Xijiao 1896 Kechuang Investment and Xijiao 1896 Innovation through the alumni network of Xi'an Jiaotong University of which Dr. Wang Bing was an alumnus.

## OVERVIEW

### Who We Are

We are a biotechnology company specializing in the discovery, development and commercialization of bi-/multi-specific peptide drugs for the treatment of metabolic diseases as well as cardiovascular and cerebrovascular diseases, with our Core Product in Phase III clinical trials.

We are committed to advancing peptide drugs as cornerstone therapies across multiple disease areas. Leveraging over a decade of experience in peptide drug R&D, we have established a fully integrated platform supporting the industrialization of bi-/multi-functional peptide drug candidates. As of the Latest Practicable Date, we had developed a pipeline of bi-/multi-functional peptides and innovative drug candidates, including: (i) our Core Product, MT1013, the peptide drug targeting both CaSR and OGP receptors, primarily developed for the treatment of CKD-SHPT, with the potential to be further developed for additional indications such as CKD-MBD with Osteoporosis and CKD-SHPT not on Dialysis; and (ii) three Key Products, namely XTL6001, MT1002 and MT200605, as well as other product candidates.

All of the drug candidates have been in-house developed by us. The chart below summarizes the development status of our clinical-stage product candidates as of the Latest Practicable Date:

| Drug Candidates | Target/Mechanism | Indication | Treatment regimen | Region | IND and IND Preparation / Phase I / Phase II / Phase III | Current Status/Projected Milestones | Commercialization Rights |
|---|---|---|---|---|---|---|---|
| **Metabolic drugs** | | | | | | | |
| ★ MT1013 | CaSR/OGP | CKD-SHPT | Monotherapy | PRC | | Complete Phase III clinical trial by the end of 2026 | Global[2] |
| | | | Monotherapy | U.S. | | * | |
| | | CKD-MBD with Osteoporosis | Monotherapy | PRC | | Commence Phase III clinical trial in early 2028[1] | Global |
| | | CKD-SHPT not on Dialysis | Monotherapy | PRC | | File IND by the end of 2027 | |
| ▲ XTL6001 | GLP-1R/ GCGR/MasR | Weight management for obesity or overweight | Monotherapy | PRC | | Complete Phase I clinical trial in Q2 of 2026 | |
| | | | Monotherapy | U.S. | | * | |
| | | Proteinuric CKD | Monotherapy | PRC | | Complete Phase I clinical trial in Q2 of 2026 | |
| | | MASH | Monotherapy | PRC | | File IND in early 2027 | |
| MT2004 | FXR (small-molecule) | DILI | Monotherapy | PRC | | Complete Phase II clinical trial by the end of 2027 | |
| | | MASLD | Monotherapy | PRC | | * | |
| | | | Monotherapy | U.S. | | * | |
| | | CLD | Monotherapy | PRC | | Commence Phase II clinical trial by the end of 2027[3] | |
| MT1009 | PTH1R/OGP | GIOP | Monotherapy | PRC | | Commence Phase I clinical trial in January 2026 | |
| | | | Monotherapy | U.S. | | * | |
| | | PMO | Monotherapy | PRC | | Commence Phase I clinical trial in January 2026 | |
| | | | Monotherapy | U.S. | | * | |
| **Cardio-cerebrovascular drugs** | | | | | | | |
| ▲ MT1002 | Coagulation Factor II/ GP IIb/IIIa | ACS-PCI | Monotherapy | PRC | | Complete Phase IIb[4] clinical trial by mid-2028 | Global |
| | | | Monotherapy | U.S. | | * | |
| | | Stroke | Monotherapy | PRC | | Commence Phase II clinical trial[5][6] by June 2026 | |
| | | HD | Monotherapy | PRC | | Commence Phase II clinical trial[5][7] by July 2026 | |
| | | | Monotherapy | U.S. | | * | |
| | | HD-PF4 | Monotherapy | PRC | | Commence Phase II clinical trial by the end of 2027[5] | |
| ▲ MT200605 | TrKB (small-molecule) | AIS | Monotherapy | PRC | | Complete Phase II clinical trial in 2026 | |
| | | | Monotherapy | U.S. | | * | |
| MT1011 | NOACs (small-molecule) | Universal Anticoagulant Reversal Agent | Monotherapy | PRC | | Complete Phase I clinical trial in Q2 of 2026 | |

★ Core product ▲ Key product Directly proceed to the next stage * Currently evaluating the competitive landscape and formulating the future Clinical Development Plan

Abbreviation: CaSR: Calcium-Sensing Receptor; OGP: Osteogenic Growth Peptide; CKD-MBD: Chronic Kidney Disease-Mineral and Bone Disorder; GLP-1R: Glucagon-like Peptide-1 Receptor; GCGR: Glucagon Receptor; MasR: Mas Receptor; MASH: Metabolic Dysfunction-associated Steatohepatitis; FXR: Farnesoid X Receptor; DILI: Drug-Induced Liver Injury; MASLD: Metabolic Dysfunction-associated Steatotic Liver Disease; CLD: Cholestatic Liver Disease; PTH1R: Parathyroid hormone 1 receptor; GIOP: Glucocorticoid-Induced Osteoporosis; PMO: Postmenopausal Osteoporosis; GP IIb/IIIa: Glycoprotein IIb/IIIa Complex; ACS: Acute Coronary Syndrome; PCI: Percutaneous Coronary Intervention; HD: hemodialysis; HD-PF4: HD with heparin-platelet factor 4 complex positive; PF-4: Platelet Factor-4; AIS: acute ischemic stroke; TrkB: Tyrosine kinase receptor B; NOACs: Novel Oral Anticoagulants

*Notes:*

(1) We have completed Phase II clinical trial of the relevant product for the indication of CKD-SHPT, and as patients with CKD-SHPT are all within the CKD-MBD population, we plan to leverage data collected from respective trials to seek IND approvals from competent regulatory authorities to conduct Phase III clinical trial of the relevant product for the expanded indication of CKD-MBD with Osteoporosis.

(2) Researched and developed in-house. We have granted Everest Medicines (China) Co., Ltd. ("**Everest**") the exclusive right to sell, commercialize and promote MT1013 for the treatment of CKD-SHPT in Mainland China, Hong Kong, Macao and the Taiwan region as well as the Asia-Pacific region (excluding Japan) (the "**Territory**"). We reserved the rights to: (i) research, develop and manufacture MT1013 globally; (ii) commercialize MT1013 for any indications outside Territory; and (iii) commercialize MT1013 in the Territory for any indications other than CKD-SHPT. For more information, see "Business — Commercialization".

(3) The Phase I clinical trial of MT2004 had conducted adequate safety and dose-ranging evaluation to support the therapeutic dose range for the treatment of MASLD and CLD in the PRC, thereby providing the basis for directly commencing the respective Phase II clinical trials.

(4) The Phase IIb clinical trial forms part of MT1002-II-C04 and was conducted to further evaluate the selected dose(s) in a larger patient population. For more information, see "Business — Our Key Product MT1002 — Clinical Trial Overview of MT1002 — MT1002-II-C04 PRC Phase II Efficacy Study in ACS-PCI Patients ".

(5) The Phase I clinical trial of MT1002 had conducted adequate safety and dose-ranging evaluation to support the therapeutic dose range for the treatment of stroke, HD and HD-PF4 in the PRC, thereby providing the basis for directly commencing the respective Phase II clinical trials.

(6) In June 2023, we obtained IND approval from the NMPA to conduct a Phase II clinical trial of MT1002 for stroke. Trial preparation was initiated in March 2026, including the finalization of the clinical trial protocol.

(7) In July 2023, we obtained IND approval from the NMPA to conduct a Phase II clinical trial of MT1002 for HD. Trial preparation was initiated in March 2026, including the finalization of the clinical trial protocol.

***MT1013***

Our Core Product, MT1013, is the dual-targeting receptor agonist polypeptide that simultaneously targets the CaSR and the OGP receptor. It is designed for the treatment of CKD-SHPT, CKD-MBD with Osteoporosis and CKD-SHPT not on Dialysis. MT1013's clinical studies have demonstrated its significant improvement in comprehensive control rate of iPTH/serum calcium/serum phosphorus levels, fast-acting and sustained efficacy in lowering iPTH, cardiovascular benefit potential, enhanced bone mineral density and metabolism, and a favorable safety and tolerability profile.

- ***Market and Clinical Needs:*** The market size of CKD-SHPT drugs in the PRC is estimated to reach RMB5.0 billion by 2030 and RMB13.1 billion by 2035. Currently, the clinical management of CKD-SHPT primarily relies on single-target drugs, which may present limitations such as suboptimal efficacy in severe cases with significantly elevated iPTH levels, inadequate improvement in bone metabolism abnormalities, and safety concerns such as the risk of hypocalcemia and gastrointestinal adverse reactions.
- ***Promising Clinical Data:*** MT1013 (i) demonstrated a roughly 2.5-fold higher comprehensive control rate of iPTH, serum calcium, and serum phosphorus compared to etelcalcetide in a head-to-head Phase II evaluation; (ii) showed onset of efficacy within three weeks and sustained control of iPTH levels by week nine, as observed in a Phase II trial; (iii) exhibited cardiovascular benefit potential as it was associated with greater FGF23 reduction, a biomarker directly linked to cardiovascular risk in CKD-SHPT, alongside effective control of iPTH, serum calcium, and serum phosphorus; (iv) showed a generally favorable safety and tolerability profile, with no severe hypocalcemia reported across clinical trials; and (v) enhanced bone mineral density and metabolism, as a Phase II study suggested that MT1013 was associated with improved bone turnover, metabolism, and remodeling balance in CKD-SHPT patients.
- ***Clinical Progress:*** MT1013 completed its Phase II clinical trials (MT1013-II-C01 and MT1013-II-C03) for the treatment of CKD-SHPT and has entered a Phase III clinical trial using Cinacalcet as the active comparator, which is expected to be completed by the end of 2026. The Pre-NDA submission is planned in late 2026, followed by the NDA submission in early 2027.

***XTL6001***

Our Key Product, XTL6001, is a GLP-1R/GCGR/MasR tri-target agonist. The introduction of MasR into the target panel of GLP-1R/GCGR is novel among current GLP-1 drugs, with potential applications in the treatment of diseases such as Chronic Weight Management in Obese or Overweight Populations, Proteinuric CKD, and MASH. XTL6001's preclinical studies have demonstrated its ability to preserve muscle mass, achieve weight loss through enhanced energy metabolism-driven mechanisms and deliver multi-organ protection.

- ***Market and Clinical Needs:*** The global population affected by metabolic diseases continues to rise, with obesity becoming an increasingly severe issue. The overweight and obesity drug market in the PRC is expected to reach RMB23.5 billion in 2030 and RMB107.3 billion in 2035, with a CAGR of 35.5% from 2030 to 2035. Current GLP-1-based therapies face clinical limitations including muscle loss and gastrointestinal adverse reactions, highlighting the urgent need for safer and more effective treatment options.
- ***Preclinical and Clinical Data:*** The introduction of MasR, into the GLP-1R/GCGR panel provides additional benefits. In terms of muscle preservation, XTL6001 activates renal MasR receptors to promote protein synthesis and has demonstrated a breakthrough effect of "fat loss without muscle loss" in DIO mouse models. In terms of tolerability, the tri-agonist synergy enables weight loss without significant appetite suppression, suggesting a lower risk of gastrointestinal adverse events compared to GLP-1-based drugs that primarily act by delaying gastric emptying. Phase I clinical trial results further suggest that XTL6001 reduces body weight and waist circumference, improves lipid profiles, and lowers serum uric acid levels.

- ***Clinical Progress:*** XTL6001 had obtained IND approvals in both the PRC and the United States for the treatment of Chronic Weight Management in Obese or Overweight Populations. As of the Latest Practicable Date, the Phase I clinical trial of XTL6001 in the PRC had completed the LPLV and the database lock. We are also exploring its potential in other metabolic diseases. A Phase II clinical trial for the treatment of Proteinuric CKD is expected to commence in mid 2027, and an IND application for the treatment of MASH is expected to be submitted in early 2027.

***MT1002***

Our key product, MT1002, is a coagulation factor II and GP IIb/IIIa dual-targeting peptide antagonist, primarily designed for clinical needs in anticoagulation and anti-thrombosis for indications such as ACS-PCI, Stroke, HD and HD-PF4. MT1002's clinical studies have demonstrated its potential to address the bleeding and ischemia balance in ACS-PCI, with a fast onset of action, recovery after discontinuation, stable pharmacokinetic profile, and favorable population adaptability.

- ***Market and Clinical Needs:*** The global population of ACS patients continues to grow, accompanied by a steady increase in the volume of PCI procedures. The antithrombotic drugs market in the PRC is estimated to reach RMB47.2 billion in 2030 and RMB61.8 billion in 2035. The current standard of care involves a combination of anticoagulants and antiplatelet agents, which may lead to challenges such as complex drug-drug interactions and an increasing risk of bleeding. MT1002, administered via intravenous bolus followed by continuous infusion is intended for use in emergency PCI settings especially when oral antiplatelet agents are not yet effective or cannot be administered.
- ***Clinical Data:*** Results from the Phase II clinical trials of MT1002 showed that all subjects successfully completed PCI procedures under the anticoagulant and antiplatelet effect of MT1002 without thrombotic events or major bleeding. No deaths, SAEs or early withdrawals due to TEAEs were observed, and all adverse events were mild or moderate in severity, supporting the favorable safety and efficacy profile of MT1002.
- ***Clinical Progress:*** As of the Latest Practicable Date, MT1002 had completed Phase I clinical trials in both the PRC and the United States for the treatment of ACS-PCI. A Phase II clinical trial is underway in the PRC. Upon completion, we plan to initiate an EOP II meeting with the CDE and proceed to a confirmatory Phase III clinical trial. We have also obtained Phase II clinical trial approvals in the PRC for additional indications, including Stroke, HD and HD-PF4, and plan to commence the Phase II clinical trials of Stroke and HD in the PRC by June 2026 and July 2026, respectively, and to initiate the Phase II clinical trial of HD-PF4 in the PRC by the end of 2027.

***MT200605***

Our Key Product, MT200605, is a neuroprotectant for injection. Its core breakthrough lies in a dual synergistic mechanism of action — by simultaneously activating the TrkB receptor and eliminating oxygen radicals, it blocks the post-AIS pathological cascade via dual pathways. MT200605's clinical studies have demonstrated its favorable safety and tolerability profile, as well as dual-pathway synergistic neuroprotective effects, offering a therapeutic option for patients.

- ***Market and Clinical Needs:*** In the PRC, the market size of neuroprotective drugs is estimated to reach RMB15.7 billion in 2030 and RMB24.6 billion in 2035. Existing neuroprotective agents may face limitations such as single mechanisms of action, modest efficacy and low blood-brain barrier penetration rates which may hinder their ability to comprehensively address the complex cascade of neural damage following an ischemic event.
- ***Clinical Data:*** MT200605 promotes neuronal repair by activating the p-TrkB signaling pathway and exerts antioxidant radical effects by enhancing SOD and GSH-Px activities, thereby reducing neuronal cell death. Clinical studies have shown that MT200605 was safe and well tolerated in healthy subjects, with all TEAEs related to MT200605 being Grade 1 in severity. No SAEs or withdrawals due to adverse events were reported, and all TEAEs were reversible or resolved.

- ***Clinical Progress:*** MT200605 has completed Phase I clinical studies in both the PRC and the United States. A Phase II clinical trial is currently underway in the PRC to evaluate its neuroprotective effect in patients with AIS, which is expected to be completed in 2026.

***Other Clinical-Stage Pipeline Candidates***

We have established a diversified pipeline focused on metabolic diseases (particularly renal-related) and cardiovascular and cerebrovascular diseases. As of the Latest Practicable Date, in addition to our Core Product and Key Products, we have been developing three other clinical-stage drug candidates, including MT2004 for DILI, MASLD and CLD; MT1009 for GIOP and PMO; and MT1011 for anticoagulant reversal therapy. Leveraging differentiated mechanisms, these candidates are designed to provide therapeutic options for diseases with limited effective treatments. See "— Our Drug Candidates" for more information.

**R&D System and Technology Platforms**

We have established four core technology platforms covering the full R&D cycle of multi-functional peptide drugs, including (i) Bi-/Multi-specific Peptide and Peptide-based Macromolecule Technology Platform, which adopts a multi-target synergistic design to precisely identify targets and optimize drug structures,extending half-life, enhancing metabolic stability, improving specificity and reducing adverse effects through fusion protein engineering and related techniques; (ii) Computer-aided Peptide Design Platform, which leverages AI algorithms to accelerate molecular design and optimization, thereby enabling an intelligent R&D workflow from molecular generation to druggability evaluation; (iii) Oral Peptide Delivery Platform, which is being developed to overcome the limitations of injectable peptide therapies with the aim of enhancing patient convenience and improving treatment adherence; and (iv) Druggability Evaluation Platform, which supports the selection of clinical candidates from target validation by leveraging approximately 100 animal models and completing numerous in vivo and in vitro evaluations annually.

**Clinical Development and CMC Capability**

We have adopted a self-operated model for clinical development in the PRC, under which our in-house professional team is responsible for protocol design, management and execution oversight, with the aim of improving the quality, cost-effectiveness and efficiency of clinical development. This model ensures closer alignment between trial design and R&D objectives while enhancing data quality and regulatory compliance. We have established an integrated CMC platform covering API, formulation and sustained-release development, with in-house capabilities to conduct process development. Our CMC R&D center is equipped to support core process development and optimization from the preclinical to clinical stages without reliance on third-party partners in process development.

**Management Team**

Led by our founder, Chairman and Chief Executive Officer Dr. Wang Bing, we have achieved significant milestones. Dr. Wang has over 20 years of experience in the biopharmaceutical industry, underpinned by a solid academic foundation and scientific expertise. He has served in key industry roles, including as a review expert for the National Major New Drug Innovation Program ("重大新藥創制專項"), and has a proven track record of professional recognition. Our senior management team possesses expertise spanning the full drug development lifecycle, from preclinical research to clinical execution. The team members bring extensive experience at global pharmaceutical companies and research institutions, and possess capabilities in drug development, regulatory submission and commercialization.

## OUR STRENGTHS

### 1. Scientific Insights Facilitating Our Development of Next-Generation Bi-/Multi-Specific Peptide Drugs

Compared with small-molecule chemical drugs, peptide drugs offer higher biological activity and specificity; and compared with protein-based drugs, they provide stability, higher purity and lower manufacturing costs. As such, peptide drugs combine the advantages of both modalities and address treatment across various therapeutic areas. Globally, the peptide drug industry is gaining momentum, with several products already approved, such as Semaglutide (USD34.5 billion), Dulaglutide (USD4.3 billion), Tirzepatide (USD36.5 billion) and Pegcetacoplan (USD1.0 billion) in sales in 2024. Their clinical application has expanded from metabolic diseases to a broad range of indications, including cardiovascular, CNS, endocrine, gastrointestinal, hematological, ophthalmic and orthopedic diseases.

Driven by continued development, the global peptide drug market is expected to grow from USD109.6 billion in 2024 to USD267.6 billion in 2030, representing a CAGR of 13.9%. The peptide drug market in the PRC is also experiencing growth, with its market size projected to increase from RMB60.2 billion in 2024 to RMB174.2 billion in 2030, representing a CAGR of 20.0%. Given their precision, safety and broad therapeutic potential, peptide drugs are well positioned to address significant unmet medical needs, underpinning their growth trajectory.

Against this backdrop, bi-functional and multi-functional peptides have emerged as one of the most promising directions in the peptide drug field, offering substantial competitive barriers. Such peptides are designed to selectively modulate two or more molecular targets through a single compound. For complex and multi-etiological diseases, including cardiovascular and cerebrovascular diseases, metabolic disorders, central nervous system diseases and immune-related conditions, bi- or multi-specific peptides are capable of simultaneously targeting interrelated disease pathways, thereby producing synergistic therapeutic effects and achieving clinical outcomes.

As a key innovator in the peptide-based therapeutic field in the PRC, we have established a differentiated portfolio of bi/multi-functional peptide drug candidates, particularly in the non-GLP-1 segment, where we have built technical barriers and unique competitive advantages. Our clinical-stage multifunctional peptide assets include MT1013, XTL6001, MT1002, MT1009. For more information of efficacy and advantages of these clinical-stage assets, see "— Our Drug Candidates" in this section.

### 2. Core Product MT1013 as a Bi-functional Peptide Agonist Targeting CaSR and OGP Receptor, with Demonstrated Improvements in Comprehensive Control Rate and Patient Survival Benefits

MT1013 is a dual-targeting receptor agonist polypeptide that concurrently targets the CaSR of the parathyroid gland and OGP. Through our in-house development efforts, MT1013 is primarily designed for the treatment of CKD-SHPT, with potential for expansion into additional indications such as CKD-MBD with osteoporosis and CKD-SHPT not on Dialysis.

***Significant improvement in comprehensive control rate of iPTH/serum calcium/serum phosphorus levels:*** MT1013 has demonstrated a significant advantage in improving the comprehensive control rate of iPTH/serum calcium/serum phosphorus levels. In a head-to-head Phase II clinical trial against Etelcalcetide, after 26 weeks of treatment,the proportion of subjects in the MT1013 group achieving simultaneous control of iPTH, serum calcium and serum phosphorus was approximately 2.5 times that of Etelcalcetide. A higher triple-target attainment rate is indicative of a substantial reduction in all-cause mortality, more effective prevention of vascular calcification, comprehensive bone protection and improved patient quality of life.

***Fast-acting, and sustained efficacy:*** MT1013 has demonstrated fast-acting, and sustained efficacy in reducing iPTH levels. Results from the Phase II clinical trials showed significant improvement in iPTH levels shortly after treatment initiation and sustained efficacy with continued treatment. In a head-to-head clinical trial against Etelcalcetide, MT1013 showed favorable efficacy in achieving the target iPTH range.

***Cardiovascular benefit potential:*** FGF23, a key biomarker of vascular calcification and cardiovascular risk, has been shown to correlate with improved cardiovascular outcomes when reduced. In the head-to-head Phase II clinical trial against Etelcalcetide, MT1013 achieved efficacy in both absolute FGF23 reduction and the proportion of subjects with a reduction of more than 30%, consistent with its higher attainment rates of iPTH, calcium and phosphorus, suggesting potential to substantially reduce cardiovascular events and mortality risk.

***Enhanced bone mineral density and metabolism:*** MT1013 has shown favorable effects on bone health. Results from the Phase II clinical trials showed that MT1013 can effectively improve the high-turnover bone status frequently in CKD-SHPT patients, promote bone metabolic balance, and establish a more favorable bone remodeling profile. These results support the clinical potential of MT1013 in treating CKD-MBD-related bone disorders.

***A favorable safety and tolerability profile:*** The most common adverse events associated with existing calcimimetics are hypocalcemia and gastrointestinal reactions. No severe hypocalcemia was observed in any of the clinical trials of MT1013. In addition, only a small number of subjects experienced gastrointestinal adverse reactions, such as nausea and vomiting during long-term treatment, with incidence rates lower than those observed with existing calcimimetics. These results support the favorable safety and tolerability profile of MT1013.

***Broad potential for indication expansion:*** The Phase II clinical trials of MT1013 observed improvement in bone mineral density. To fully leverage the therapeutic potential of MT1013, we have been actively expanding its indications to include CKD-MBD with Osteoporosis and CKD-SHPT not on Dialysis. See "— Our Drug Candidates" for more information of MT1013's clinical results.

**3. Differentiated Pipeline Targeting High-Potential Areas with Significant Unmet Clinical Needs**

We focus on addressing significant unmet clinical needs in metabolic (especially renal-related) and cardiovascular diseases, aiming to offer effective treatment options globally. Beyond our Core Product MT1013, we have advanced several Key Products with differentiated mechanisms to expand treatment pathways.

***Chronic Weight Management in Obese or Overweight Populations:*** The obesity and weight management therapeutics market presents substantial growth opportunities, driven by the continuously rising prevalence of obesity and associated complications. The overweight and obesity drug market in the PRC is expected to reach RMB23.5 billion in 2030 and RMB107.3 billion in 2035, with a CAGR of 32.9% from 2030 to 2035. The GLP1R polypeptide drug market in the PRC is estimated to reach RMB81.4 billion in 2030 and RMB176.9 billion in 2035, with a CAGR of 16.8% from 2030 to 2035.

Against this backdrop, we are developing XTL6001, a long-acting tri-agonist peptide drug candidate intended for the treatment of obesity, Proteinuric CKD and MASH. Existing anti-obesity therapies face multiple limitations, including gastrointestinal adverse events, hepatic toxicity, and impaired absorption of fat-soluble vitamins during clinical use. GLP-1-based therapies primarily induce weight loss by delaying gastric emptying, but are frequently associated with gastrointestinal side effects such as nausea and vomiting, resulting in limited patient tolerance. Leveraging its differentiated mechanism of action, XTL6001 is designed to enhance basal metabolic rate while potentially addressing key challenges observed with single- or dual-agonist therapies, including muscle loss, severe gastrointestinal adverse reactions, and weight rebound following drug discontinuation. In addition, XTL6001 offers potential liver- and kidney-protective benefits beyond weight reduction, targeting the complex comorbidity profile commonly seen in obese patients.

***ACS-PCI:*** ACS is an acute manifestation of CAD, continues to demonstrate a progressively increasing incidence trend. It is estimated that by 2030 and 2035, the incidence of ACS in China will reach 5.8 million and 6.3 million, respectively. The volume of PCI procedures in China will reach 4.0 million and 6.0 million, respectively. The antithrombotic drugs market in the PRC is estimated to reach RMB47.2 billion in 2030, and RMB61.8 billion in 2035, with a CAGR of 5.6% from 2030 to 2035.

MT1002 is the first domestically developed dual-functional antithrombotic peptide drug with both anticoagulant and antiplatelet activities. It simultaneously targets coagulation factor II and GPIIb/IIIa, exerting dual anticoagulant and antiplatelet effects. Unlike conventional anticoagulants used during PCI procedures, MT1002 does not require combination therapy and is designed to reduce both bleeding risk and the incidence of in-stent thrombosis. It may serve as an alternative to heparin while avoiding HIT, and addresses the unmet clinical need in emergency PCI procedures for patients who are unresponsive to antiplatelet agents or unable to take oral medications. Results from the Phase II clinical trial have demonstrated favorable safety and dual activity in thrombin inhibition and platelet aggregation suppression.

***AIS:*** AIS is the acute phase of ischemic stroke. The global prevalence of ischemic stroke is projected to reach 127.4 million by 2035, while in the PRC it is projected to reach 35.1 million. The neuroprotective drugs market in the PRC is estimated to reach RMB15.7 billion in 2030 and RMB24.6 billion in 2035.

MT200605 is the first flavonoid-based small molecule compound that acts as an agonist of the TrkB receptor. MT200605 promotes neural regeneration through TrkB receptor activation and reduces free radical-induced neuronal damage via its antioxidant effects, thereby forming a dual protective mechanism. Preclinical studies have shown that MT200605 demonstrates good brain tissue distribution, the ability to cross the blood-brain barrier, and efficacy in improving stroke-related behavioral outcomes and reducing infarct volume compared with existing neuroprotective agents, supporting its therapeutic potential and future development prospects.

***Other Indications:*** We are advancing a tiered pipeline of product candidates addressing unmet clinical needs to accelerate translation and capture market opportunities. Our product candidates include MT2004 for DILI, MASLD and CLD, MT1011 for anticoagulant reversal therapy, and MT1009 for GIOP and PMO, which collectively strengthen and expand our portfolio in metabolic diseases (particularly renal-related) and cardiovascular and cerebrovascular diseases. See "— Our Drug Candidates" for more information.

**4. Integrated End-to-End Platform Covering the Full Value Chain from Discovery to Commercialization, Enabling Accelerated Global Expansion**

We have established a fully integrated system covering early target discovery, preclinical research, clinical development and CMC process development. Our R&D and operations headquarters is located in Xi'an, clinical and regulatory center in Beijing and large molecule development platform in Shanghai. This structured and collaborative network enables end-to-end capabilities from laboratory research to commercial translation.

***Platform Development***

We have established four core technology platforms that operate in a coordinated manner, encompassing our entire R&D process and establishing an integrated drug R&D system that spans from molecular design to clinical translation. Leveraging our four technology platforms, we have generated and developed multiple drug candidates that have entered various stages of preclinical and clinical development, further demonstrating the maturity and translational capability of our platforms.

- *Bi-/Multi-specific Peptide and Peptidebased Macromolecule Technology Platform:* The core advantage of the platform lies in its ability to address limitations associated with traditional single-function peptides, including restricted target engagement and limited therapeutic outcomes. Centered on a peptide-based modular architecture, our platform enables the integration of precise target binding, multi-target synergistic pharmacological regulation and optimized pharmacokinetics into a single molecular entity, making it well-suited to address the long-term treatment needs of chronic diseases. To address the limitations of peptide drugs in metabolic stability and biological half-life, particularly in chronic diseases requiring long-term administration, we have established a macromolecule platform based on functional peptides as an extension of our Bi-/Multi-functional Peptide Platform.
- *Computer-aided Peptide Design Platform:* The core advantage of our platform lies in its ability to accelerate early-stage peptide drug discovery through the synergistic application of homology modeling, molecular dynamics simulation and virtual screening modules. This enables precise prediction of peptide–target binding conformations, thereby shortening the discovery cycle and reducing the cost of screening.

- *Oral Peptide Delivery Platform:* The core advantage of this platform lies in its application of solid dosage technologies, including solid dispersion, inclusion complexation, dry granulation and direct compression. To enhance absorption of protein and peptide drugs, the platform employs permeation enhancers and inclusion techniques to modulate local pH, inhibit enzymatic degradation and molecular aggregation, stabilize the microenvironment at the administration site, preserve the active conformation of the drug, improve mucosal permeability and enhance overall formulation stability.
- *Drugability Evaluation Platform:* The core advantage of this platform lies in its comprehensive animal model coverage tailored to our pipeline and a standardized evaluation system for safety, efficacy and pharmacokinetics. It enables in vitro studies such as target selectivity and plasma protein binding, and in vivo assessments including PK, PD and toxicology, supporting full-spectrum developability evaluation in-house. The candidate molecules evaluated through this platform have demonstrated a high success rate in clinical trial applications.

For more information on our technology platforms and the drug candidates derived from these platforms, see "— Our Technology Platforms" in this section.

***Pipeline Development***

We have established a clinical development and registration system covering both the PRC and the United States, with full-process execution capabilities for international multi-regional clinical trials (MRCTs). Adopting a "dual China-U.S. filing and global commercialization" model, we aim to accelerate the global time-to-market of our drug candidates. We have established collaborations with clinical trial centers in China, the United States and other regions to support registration trials. For our core pipeline programs, we have generally adopted a dual China-U.S. filing strategy. As of the Latest Practicable Date, seven drug candidates had entered clinical trials in China and/or the United States, and six had completed dual regulatory filings in both jurisdictions. We have built a fully functional clinical operations team and collaborate with leading international principal investigators (PIs) and academic institutions to ensure data integrity and registration efficiency. We have implemented a self-operated clinical trial management model, which has demonstrated advantages in execution efficiency, data quality and cost control, particularly in multi-program parallel settings, and has laid a solid foundation for future multi-regional clinical development.

***CMC Capability and Commercialization Strategy***

We have established in-house R&D capabilities covering API and formulation development, and are able to conduct process development without reliance on third-party partners. As of the Latest Practicable Date, we had developed manufacturing processes and quality standards for multiple APIs and formulations, including a cost-effective, environmentally friendly and scalable synthetic process for the API of our Core Product MT1013, and a scalable manufacturing process for its injectable formulation. We have continued to optimize key steps such as solution preparation and lyophilization to enhance product quality and consistency, while improving cost efficiency to support future commercial production.

For commercialization, we intend to pursue a dual-track strategy combining external partnerships and internal sales team development to gradually support product launches. For more information of our commercialization strategy, see "Business — Commercialization". We believe that our integrated capabilities and experience across product development, regulatory filings and CMC Capability will continue to support the successful translation of our innovative drug candidates and drive the ongoing expansion of our business scale and market competitiveness.

**5. Management Team Comprised of Experts in Peptide Drug Development**

We are led by a management team with proven track record, which consists of professionals with academic backgrounds in the peptide industry and comprehensive experience across the entire drug development chain — from research and clinical development to commercialization. Several members have led the development and commercialization of multiple globally successful drugs, providing support for our sustained development.

Our founder, Dr. Wang Bing, holds a Ph.D. in pharmacology and has over 20 years of experience in peptide-based drug research, with academic and scientific expertise in the field. Dr. Wang focuses on the pathological mechanisms of cardiovascular, cerebrovascular, metabolic, anti-inflammatory, and analgesic diseases, as well as the R&D of novel peptide drugs.

Our management team consists of professionals with extensive industry experience. Our Executive Director and Senior Vice President, Dr. Yu Weiping, has over 40 years of experience in pharmaceutical R&D and senior management and is primarily responsible for our Group's CMC and quality control. Our Chief Medical Officer, Ms. Wang Xiangling, has nearly 20 years of experience in the pharmaceutical industry and oversees all clinical development and related functional operations. Our Chief Financial Officer, Mr. Zou Ran, has more than 17 years of experience in corporate finance, management, and equity investments, and is responsible for formulating our Group's financial and development strategies, as well as overall financial management and corporate development.

In addition, we have also received support from a number of institutional and industrial investors, including Northern Light Venture Capital, NRL Capital and TASLY Group.

## OUR STRATEGIES

### 1. Accelerate Clinical Development and Commercialization of Our Product Candidates

We plan to accelerate the clinical development of our Core Product and Key Product candidates to expedite their registration in priority indications and enable commercialisation. In parallel, we intend to leverage existing clinical and mechanistic data to explore their potential applications in other related disease areas, with a view to extending product lifecycle and expanding market opportunities. Specifically, we have formulated the following development plans:

- For MT1013, we plan to pursue our first marketing approval for the treatment of CKD-SHPT Undergoing Maintenance Hemodialysis and we expect to submit the pre-NDA in late 2026 and the NDA in early 2027. Furthermore, we are developing new indications for MT1013 as set forth below:

  (i) CKD-MBD with Osteoporosis: We have completed Phase II clinical trial of MT1013 for the indication of CKD-SHPT, and plan to leverage data collected from respective trials to seek IND approvals from competent regulatory authorities to conduct Phase III clinical trial of MT1013 for the expanded indication of CKD-MBD with Osteoporosis. We expect to initiate the Phase III trial for this indication in early 2028.

  (ii) CKD-SHPT not on Dialysis: we plan to submit the IND application by the end of 2027.

  For more information of our future development plans, see "Business — Our Drug Candidates — Our Core Product MT1013 — Clinical Development Plan".

- For XTL6001, we plan to advance XTL6001 primarily for the treatment of Chronic Weight Management in Obese or Overweight Populations, while also exploring its potential in other metabolic diseases. We plan to initiate a Phase II clinical trial for the treatment of Proteinuric CKD in mid 2027, and to submit an IND application for the treatment of MASH in early 2027.

  For more information of our future development plans, see "Business — Our Drug Candidates — Our Key Product — XTL6001 — Clinical Development Plan".

- For MT1002, following the completion of the China Phase II (MT1002-II-C04) study, we plan to initiate an EOP II meeting with the CDE and proceed to a confirmatory Phase III clinical trial with NACE and MACE events as primary efficacy endpoints to support subsequent NDA submission. We have also obtained Phase II clinical trial approvals in the PRC for additional indications, including stroke, HD and HD-PF4, and plan to commence the Phase II clinical trials of Stroke and HD in the PRC by June 2026 and July 2026, respectively, and to initiate the Phase II clinical trial of HD-PF4 in the PRC at the end of 2027.

- For MT200605, we plan to complete the Phase II clinical trial of MT200605 in the PRC in 2026. This study is a randomized, double-blind, placebo-controlled, multi-center trial designed to evaluate the efficacy, safety and pharmacokinetic profile of MT200605 in patients with AIS. As of the Latest Practicable Date, enrollment of 360 subjects has been completed.

**2. Focus on Clinical Needs and Advance Peptide Drug Candidates with Differentiated Mechanisms and Commercialisation Potential**

Leveraging our deep industry knowledge in the peptide field, extensive R&D experience, and forward-looking product strategy, we will continue to focus on major disease areas such as metabolic disorders (particularly renal-related) and cardiovascular and cerebrovascular diseases to develop differentiated treatment solutions with differentiated advantages.

**3. Deepen Strategic Collaborations to Unlock the Clinical and Commercial Potential of Our Product Candidates**

With a portfolio of assets advancing in global clinical development, we have been actively seeking collaboration opportunities to accelerate their clinical progress and commercialization. In the PRC, we are advancing the clinical studies of our pipeline candidates, while also planning to establish partnerships to expedite development and expand into major international markets.

We intend to form strategic collaborations with industry participants both domestically and overseas to drive commercialization and enhance our global market potential. In addition, we will continue to explore and evaluate external collaboration models such as license-out, co-development and the establishment of new joint ventures (NewCo). For more information of our commercialization strategy, see "Business — Commercialization".

**4. Recruit and Retain Talent to Promote Systematic Training and Sustainable Development.**

The majority of our Board members possess extensive backgrounds in the medical field and substantial industry experience, and place emphasis on the selection and development of professional talent. To further enhance our market competitiveness, we will continue to bring in additional experts specialized in drug research, clinical development, commercialization, and other critical functions, injecting renewed vitality into our Company's long-term growth. For our existing team, we regularly organize systematic training programs designed to align individual career development with our Company's future objectives, ensuring mutual growth and consistent progress.

**OUR DRUG CANDIDATES**

Leveraging our expertise in polypeptide therapies and relying on our four major technology platforms, we independently develop dual-target and multi-target specific polypeptide drugs. As of the Latest Practicable Date, we have established an extensive pipeline of drugs under development. The diagram below summarises the development progress of our clinical-stage drug candidates:

| Drug Candidates | Target/Mechanism | Indication | Treatment regimen | Region | IND and IND Preparation / Phase I / Phase II / Phase III | Current Status/Projected Milestones | Commercialization Rights |
|---|---|---|---|---|---|---|---|
| **Metabolic drugs** | | | | | | | |
| ★ MT1013 | CaSR/OGP | CKD-SHPT | Monotherapy | PRC | | Complete Phase III clinical trial by the end of 2026 | Global[2] |
| | | | Monotherapy | U.S. | | * | |
| | | CKD-MBD with Osteoporosis | Monotherapy | PRC | | Commence Phase III clinical trial in early 2028[1] | |
| | | CKD-SHPT not on Dialysis | Monotherapy | PRC | | File IND by the end of 2027 | |
| ▲ XTL6001 | GLP-1R/ GCGR/MasR | Weight management for obesity or overweight | Monotherapy | PRC | | Complete Phase I clinical trial in Q2 of 2026 | |
| | | | Monotherapy | U.S. | | * | |
| | | Proteinuric CKD | Monotherapy | PRC | | Complete Phase I clinical trial in Q2 of 2026 | |
| | | MASH | Monotherapy | PRC | | File IND in early 2027 | |
| MT2004 | FXR (small-molecule) | DILI | Monotherapy | PRC | | Complete Phase II clinical trial by the end of 2027 | Global |
| | | MASLD | Monotherapy | PRC | | * | |
| | | | Monotherapy | U.S. | | * | |
| | | CLD | Monotherapy | PRC | | Commence Phase II clinical trial by the end of 2027[3] | |
| MT1009 | PTH1R/OGP | GIOP | Monotherapy | PRC | | Commence Phase I clinical trial in January 2026 | |
| | | | Monotherapy | U.S. | | * | |
| | | PMO | Monotherapy | PRC | | Commence Phase I clinical trial in January 2026 | |
| | | | Monotherapy | U.S. | | * | |
| **Cardio-cerebrovascular drugs** | | | | | | | |
| ▲ MT1002 | Coagulation Factor II/ GP IIb/IIIa | ACS-PCI | Monotherapy | PRC | | Complete Phase IIb[4] clinical trial by mid-2028 | Global |
| | | | Monotherapy | U.S. | | * | |
| | | Stroke | Monotherapy | PRC | | Commence Phase II clinical trial[5][6] by June 2026 | |
| | | HD | Monotherapy | PRC | | Commence Phase II clinical trial[5][7] by July 2026 | |
| | | | Monotherapy | U.S. | | * | |
| | | HD-PF4 | Monotherapy | PRC | | Commence Phase II clinical trial by the end of 2027[5] | |
| ▲ MT200605 | TrKB (small-molecule) | AIS | Monotherapy | PRC | | Complete Phase II clinical trial in 2026 | |
| | | | Monotherapy | U.S. | | * | |
| MT1011 | NOACs (small-molecule) | Universal Anticoagulant Reversal Agent | Monotherapy | PRC | | Complete Phase I clinical trial in Q2 of 2026 | |

★ Core product ▲ Key product Directly proceed to the next stage * Currently evaluating the competitive landscape and formulating the future Clinical Development Plan

Abbreviation: CaSR: Calcium-Sensing Receptor; OGP: Osteogenic Growth Peptide; CKD-MBD: Chronic Kidney Disease-Mineral and Bone Disorder; GLP-1R: Glucagon-like Peptide-1 Receptor; GCGR: Glucagon Receptor; MasR: Mas Receptor; MASH: Metabolic Dysfunction-associated Steatohepatitis; FXR: Farnesoid X Receptor; DILI: Drug-Induced Liver Injury; MASLD: Metabolic Dysfunction-associated Steatotic Liver Disease; CLD: Cholestatic Liver Disease; PTH1R: Parathyroid hormone 1 receptor; GIOP: Glucocorticoid-Induced Osteoporosis; PMO: Postmenopausal Osteoporosis; GP IIb/IIa: Glycoprotein IIb/IIIa Complex; ACS: Acute Coronary Syndrome; PCI: Percutaneous Coronary Intervention; HD: hemodialysis; HD-PF4: HD with heparin-platelet factor 4 complex positive; PF-4: Platelet Factor-4; AIS: acute ischemic stroke; TrkB: Tyrosine kinase receptor B; NOACs: Novel Oral Anticoagulants

*Notes:*

(1) We have completed Phase II clinical trial of the relevant product for the indication of CKD-SHPT, and as patients with CKD-SHPT are all within the CKD-MBD population, we plan to leverage data collected from respective trials to seek IND approvals from competent regulatory authorities to conduct Phase III clinical trial of the relevant product for the expanded indication of CKD-MBD with Osteoporosis.

(2) Researched and developed in-house. We have granted Everest Medicines (China) Co., Ltd. ("**Everest**") the exclusive right to sell, commercialize and promote MT1013 for the treatment of CKD-SHPT in Mainland China, Hong Kong, Macao and the Taiwan region as well as the Asia-Pacific region (excluding Japan) (the "**Territory**"). We reserved the rights to: (i) research, develop and manufacture MT1013 globally; (ii) commercialize MT1013 for any indications outside Territory; and (iii) commercialize MT1013 in the Territory for any indications other than CKD-SHPT. For more information, see "Business — Commercialization".

(3) The Phase I clinical trial of MT2004 had conducted adequate safety and dose-ranging evaluation to support the therapeutic dose range for the treatment of MASLD and CLD in the PRC, thereby providing the basis for directly commencing the respective Phase II clinical trials.

(4) The Phase IIb clinical trial forms part of MT1002-II-C04 and was conducted to further evaluate the selected dose(s) in a larger patient population. For more information, see "Business — Our Key Product MT1002 — Clinical Trial Overview of MT1002 — MT1002-II-C04 PRC Phase II Efficacy Study in ACS-PCI Patients ".

(5) The Phase I clinical trial of MT1002 had conducted adequate safety and dose-ranging evaluation to support the therapeutic dose range for the treatment of stroke, HD and HD-PF4 in the PRC, thereby providing the basis for directly commencing the respective Phase II clinical trials.

(6) In June 2023, we obtained IND approval from the NMPA to conduct a Phase II clinical trial of MT1002 for stroke. Trial preparation was initiated in March 2026, including the finalization of the clinical trial protocol.

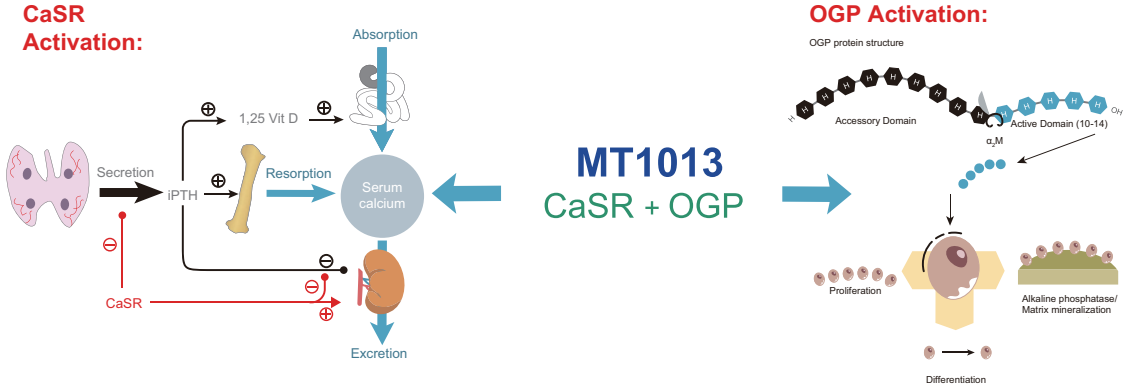
(7) In July 2023, we obtained IND approval from the NMPA to conduct a Phase II clinical trial of MT1002 for HD. Trial preparation was initiated in March 2026, including the finalization of the clinical trial protocol.

**Our Core Product — MT1013**

Our Core Product, MT1013, is a dual-targeting receptor agonist polypeptide that adopts an OGP-like structure and simultaneously activates the CaSR and mimics the OGP mechanism. It targets two key pathogenic links of CKD-SHPT/CKD-MBD by acting on the CaSR in the parathyroid gland and concurrently on disease-related OGP. It simultaneously regulates the two key metabolic pathways of calcium and phosphorus, demonstrating advantages in regulating the key indicators of calcium and phosphorus metabolism, thereby achieving the dual synergistic benefits of both calcimimetic and pro-osteogenic effects. This distinguishes it from traditional single-target calcimimetics, which directly regulate iPTH but lack a direct pro-osteogenic effect. MT1013 is primarily developed for the treatment of CKD-SHPT, with planned expansion to indications such as CKD-MBD with Osteoporosis and CKD-SHPT not on Dialysis.

*Mechanism of Action*

MT1013 adopts an OGP-like structure and simultaneously activates the CaSR and mimics the OGP mechanism, thereby targeting and controlling CKD-SHPT and related bone disorders. On one hand, by activating the CaSR on the surface of parathyroid cells, MT1013 mimics the action of calcium ions to inhibit the synthesis and secretion of iPTH, thus lowering iPTH levels to counteract the damage to bone and kidneys caused by high iPTH; reducing Ca reabsorption in the renal tubules and increasing urinary Ca excretion. On the other hand, its OGP-like structure promotes the proliferation and differentiation of osteoblasts, enhances alkaline phosphatase activity, and facilitates bone matrix mineralization, which helps to ameliorate osteoporosis and treat renal osteodystrophy. Through this synergistic CaSR+OGP mechanism, MT1013 can achieve comprehensive regulation of iPTH, serum calcium, and serum phosphorus in CKD-SHPT patients, resulting in a higher comprehensive control rate and providing cardiovascular protection benefits; improving bone metabolism and addressing the challenge of the lack of effective treatment for renal osteodystrophy in patients with CKD (G5D) and concomitant CKD-SHPT.




*Source: Company data*

CaSR is a G protein-coupled receptor distributed in parathyroid glands, kidneys, and other tissues, and its core function is to sense changes in extracellular calcium ion concentration and regulate the secretion of iPTH through negative feedback to maintain calcium metabolism homeostasis. In CKD-SHPT, the abnormal decrease in extracellular calcium concentration due to impaired phosphorus excretion and decreased calcium absorption caused by chronic kidney disease will weaken the CaSR's ability to sense calcium, making it unable to effectively inhibit iPTH secretion; at the same time, long-term calcium-phosphorus disorders will stimulate the proliferation of parathyroid glands, which will further reduce the sensitivity of the CaSR, forming a iPTH. At the same time, long-term calcium and phosphorus disorders will stimulate parathyroid hyperplasia, further reducing CaSR sensitivity, forming a vicious cycle of "iPTH over-secretion — parathyroid hyperplasia", aggravating bone metabolism abnormalities and cardiovascular damage.

OGP is an active peptide involved in the regulation of bone metabolism, which can promote the proliferation of osteoblasts, enhance osteogenic activity, stimulate the synthesis of collagen and the formation of bone matrix, and regulate the process of bone formation. OGP has the potential to counteract the symptoms of CKD-SHPT-induced bone resorption hyperactivity and inhibition of bone formation, and indirectly stabilizes the blood calcium level by reducing the excessive release of calcium from the bone through the promotion of bone formation, thus alleviating the stimulation of parathyroid gland by the loss of calcium from the bone.

*Source:*

(1) Bab, I.; Gazit, D.; Chorev, M.; Muhlrad, A.; Shteyer, A.; Greenberg, Z.; Namdar, M.; Kahn, A. Histone H4-related osteogenic growth peptide (OGP): a novel circulating stimulator of osteoblastic activity. EMBO J 1992, 11, 1867-1873

(2) Pigossi SC, Medeiros MC, Saska S, Cirelli JA, Scarel-Caminaga RM. Role of Osteogenic Growth Peptide (OGP) and OGP(10-14) in Bone Regeneration: A Review. Int J Mol Sci. 2016 Nov 22;17(11):1885.

***Market Opportunities and Competition***

*CKD-SHPT*

CKD-SHPT is a parathyroid dysfunction caused by disorders in calcium, phosphorus, and vitamin D metabolism, characterized by parathyroid hyperplasia and excessive secretion of iPTH. CKD-SHPT is particularly common in patients with CKD in middle and advanced stages, seriously endangering patients' quality of life and lifespan. In 2025, the global number for CKD-SHPT patients reached 160.4 million, and is expected to increase to 188.0 million by 2030. As of the Latest Practicable Date, there are two CaSR agonist drugs approved by FDA and three CaSR agonist drugs approved by NMPA. In addition, there are five CaSR agonist drug candidates for CKD-SHPT in the clinical stage globally, including MT1013 (currently in Phase III). For more information, see "Industry Overview — Competitive landscape of CaSR agonist."

CKD-SHPT is caused by CKD as the primary disease, and its therapeutic approach must be determined on an individualized basis, taking into account the stage of the underlying disease, disease severity, serum calcium and phosphate levels, vitamin D metabolism, the degree of PTH elevation and comorbidities. Therapy of CKD-SHPT is primarily symptomatic and progressive in nature, following a stepwise and comprehensive treatment principle. Accordingly, treatment options vary according to individual patient conditions, including phosphate-lowering therapy, vitamin D or vitamin D analogues and calcimimetics etc. The foregoing treatment principles are consistent with prevailing international and domestic clinical guidelines and published reviews, including the KDIGO 2017 Clinical Practice Guideline Update for CKD-MBD and the Chinese Guidelines for the Diagnosis and Treatment of Chronic Kidney Disease-Mineral and Bone Disorder, neither of which classifies CKD-SHPT treatment into formal first-line, second-line or subsequent-line therapies. Frost & Sullivan further confirmed that there is no formal classification of CKD-SHPT treatment into any line of treatment.

*CKD-MBD with Osteoporosis*

The global prevalence of CKD-MBD grew from 291.7 million in 2020 to 342.8 million in 2025, and is projected to reach 403.0 million by 2030 and 470.3 million by 2035. The prevalence of CKD-MBD in China grew from 47.0 million in 2020 to 50.6 million in 2025, and is projected to reach 54.1 million by 2030 and 57.4 million by 2035.

*CKD-SHPT not on Dialysis*

The global prevalence of CKD-SHPT not on hemodialysis grew from 133.2 million in 2020 to 156.5 million in 2025. It is projected to reach 185.3 million by 2030 and 216.2 million by 2035. In China, the number of CKD-SHPT patients not on hemodialysis grew from 12.3 million in 2020 to 12.9 million in 2025, and is projected to reach 13.1 million by 2030.

***Competitive Advantages***

*(1) Significant improvement in comprehensive control rate of iPTH/serum calcium/serum phosphorus levels*

Numerous studies suggest that when targets for the three indicators of iPTH, serum calcium, and serum phosphorus are simultaneously met, the risks of hospitalisation due to cardiovascular disease, cardiac death and all-cause mortality are significantly lower for

patients compared to when targets for only two or one of these indicators are met. In a Phase II head-to-head clinical study against Etelcalcetide, MT1013 demonstrated that after 26 weeks of treatment, it not only potently lowered iPTH and maintained serum calcium within the normal range, but also significantly reduced serum phosphorus, outperforming Etelcalcetide (MT1013 groups: 11.2%-11.6% vs. Etelcalcetide: 5.3%), with a phosphorus-lowering effect 2.1 to 2.2 times greater. Consequently, the proportion of subjects achieving the simultaneous targets for the three indicators of iPTH, serum calcium, and serum phosphorus (iPTH: 2-9 times the upper limit of normal (130-586 pg/mL); serum calcium: 2.10-2.50 mmol/L; serum phosphorus: 1.13-1.78 mmol/L) was higher than the existing single-target calcimimetic Etelcalcetide (MT1013 groups: 34.48%-39.29% vs. Etelcalcetide: 15.63%), with the comprehensive control rate for the two MT1013 dose groups being 220%-251% of that of the single-target calcimimetic Etelcalcetide. A higher comprehensive control rate suggests a significant reduction in all-cause mortality, effective prevention of vascular calcification, comprehensive maintenance of skeletal health, and improved quality of life for patients. For more information of the clinical results, see "— Clinical Trial Overview of MT1013" below in this section.

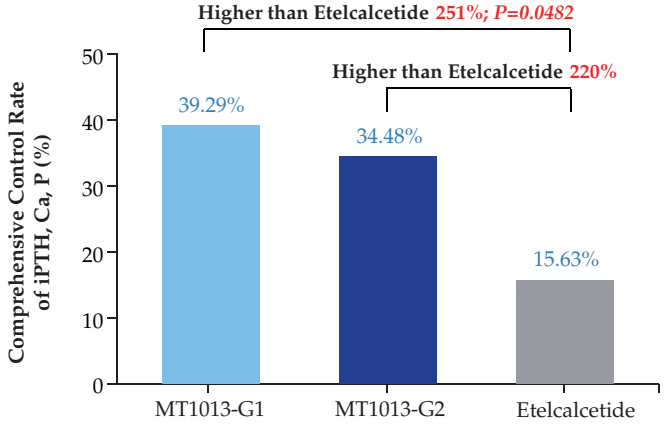



**Figure: Comprehensive Control Rate of iPTH, Serum Calcium (Ca), and Serum Phosphorus (P) by Group during Weeks 20-27 (%)**

*Comprehensive Control Rates: Week 20-27,*
*iPTH: 2-9 times the upper limit of normal (130-586 pg/mL);*
*serum calcium: 2.10-2.50 mmol/L; Serum Phosphorus: 1.13-1.78 mmol/L*
*Note: EAP treatment group N=28-32/group*

*(2) Fast-acting, and sustained efficacy in reducing iPTH*

The iPTH-lowering effect of MT1013 is characterised by early onset, potent achievement of targets, and long-lasting, stable efficacy; therefore, earlier use by patients leads to earlier benefits. Based on the results of two clinical studies (II-C01/C02), it was observed that after 3 weeks of treatment, iPTH levels in one-third of the subjects had decreased by over 30%; after 9 weeks of treatment, a stable state of efficacy was achieved, with nearly 80% of patients showing an iPTH reduction of over 30%. After 26 and 52 weeks of continuous treatment, the proportion of patients with an iPTH reduction of >30% reached 80%-90%, and the proportion with an iPTH reduction of >50% reached 65%-70%.

Based on the results of a dual-controlled clinical study with placebo and Etelcalcetide as the active comparator (MT1013-II-C03), a head-to-head comparison showed that 54.8%–56.7% of subjects in the MT1013 groups achieved the ideal iPTH standard (150≤iPTH≤300 pg/ml), which was higher than the 43.8% in the Etelcalcetide group. Furthermore, MT1013 demonstrated greater advantages in patients with severe CKD-SHPT (baseline iPTH >600 pg/ml). MT1013 group 2 reduced iPTH by 69.6% from a baseline mean of 938.5 pg/ml to a mean of 274.2 pg/ml (within the guideline-recommended ideal target range of 150-300 pg/ml), which was significantly higher than Etelcalcetide (a 61.8% reduction from a baseline mean of 912.5 pg/ml to 350.7 pg/ml, which did not reach the guideline-recommended ideal target range of 150-300 pg/ml). For more information of the clinical results, see "— Clinical Trial Overview of MT1013" below in this section.

*(3) Cardiovascular benefit potential*

High iPTH, hypercalcemia, and hyperphosphatemia are significantly associated with the risks of cardiovascular events, fractures, and mortality, and have become one of

the major risk factors for complications in CKD-MBD patients. In clinical studies, MT1013 has demonstrated comprehensive control of high iPTH, hypercalcemia, and hyperphosphatemia within target ranges. This suggests the potential to reduce the risk of cardiovascular events in CKD-SHPT patients, thereby achieving potential cardiovascular protection benefits. FGF23, an indicator of vascular calcification recommended by the 2017 KDIGO CKD-MBD guidelines, is also a key indicator for assessing cardiovascular risk. The EVOLVE study demonstrated that a >30% reduction in FGF-23 from baseline in the target population is associated with improved cardiovascular outcomes (reduced risk of cardiovascular mortality, heart failure, and sudden death). In the head-to-head study between MT1013 and Etelcalcetide, it was observed that MT1013 was higher than Etelcalcetide in both the absolute reduction of FGF-23 and the proportion of subjects with a >30% reduction in FGF-23. This trend is consistent with its composite endpoint achievement rate for iPTH/serum calcium/serum phosphorus compared to Etelcalcetide. This indicates that MT1013 has the potential to significantly reduce the incidence of cardiovascular events and the risk of mortality. For more information of the clinical results, see "— Clinical Trial Overview of MT1013" below in this section.

*Source:*

(1) Tentori F, Blayney MJ, Albert JM, Gillespie BW, Kerr PG, Bommer J, Young EW, Akizawa T, Akiba T, Pisoni RL, Robinson BM, Port FK. Mortality risk for dialysis patients with different levels of serum calcium, phosphorus, and iPTH: the Dialysis Outcomes and Practice Patterns Study (DOPPS). Am J Kidney Dis. 2008 Sep;52(3):519-30

(2) Block GA, Kilpatrick RD, Lowe KA, Wang W, Danese MD. CKD-mineral and bone disorder and risk of death and cardiovascular hospitalization in patients on hemodialysis. Clin J Am Soc Nephrol. 2013 Dec;8(12):2132-40

*(4) A favorable safety and tolerability profile with no new safety signals observed beyond those associated with calcimimetics.*

The most common adverse events associated with existing calcimimetics are hypocalcemia and gastrointestinal adverse reactions: (i) No severe hypocalcemia occurred in any of the MT1013 clinical trials; (ii) In the MT1013-II-C01 and C02 studies, after receiving MT1013, as iPTH levels decreased, the hypercalcemic state of subjects improved, and Ca levels gradually declined. After 52 weeks of continuous treatment, the mean corrected calcium levels of the subjects remained consistently within the normal range; (iii) In the head-to-head study with Etelcalcetide, the incidence of hypocalcemia in the MT1013 groups was significantly lower than in the Etelcalcetide group (7.7% vs. 12.1%); (iv) In the head-to-head study with Etelcalcetide, the incidence of adverse reaction leading to temporary drug discontinuation in the MT1013 group was lower than that of the Etelcalcetide group (MT1013: 27.7% vs. Etelcalcetide: 33.3%); and (v) In the MT1013-II-C01 and C02 studies, a total of 133 subjects were treated for up to 52 weeks. The incidences of the gastrointestinal adverse reactions of nausea (1.5%) and vomiting (1.5%) were both significantly lower than those of existing calcimimetics.

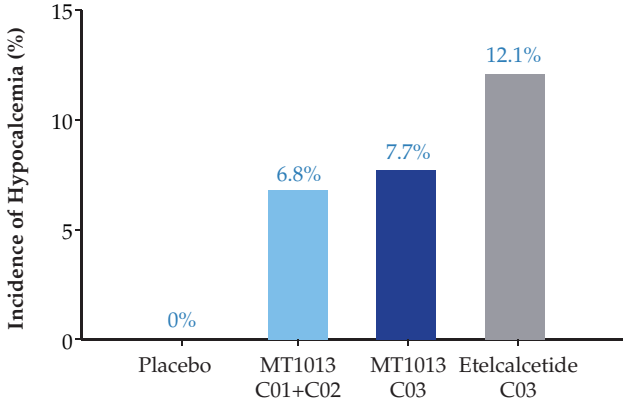



**Figure: Incidence of Hypocalcemia in Each Group of MT1013-II-C01/C02 and MT1013-II-C03 Studies (%)**

*MT1013-II-C01+C02：MT1013 N=133*

*MT1013-II-C03: MT1013 group 1/33 subjects, MT1013 group 2/32 subjects, etelcalcetide/33 subjects, placebo group/16 subjects*

*Source: Company data*

For more information of the clinical results, see "— Clinical Trial Overview of MT1013" below in this section.

*(5) Enhanced bone mineral density and metabolism*

In the Phase II study (II-C01), subjects with baseline bone mass reduction/osteoporosis showed a significant increase in lumbar spine and femoral neck bone mineral density after 24 and 52 weeks of treatment with MT1013 (at 52 weeks of treatment, lumbar spine increased by 1.65% and femoral neck by 4.44% from baseline). Bone turnover markers (b-ALP, OC, PINP, CTX, TRAP-5b) in all subjects were significantly reduced relative to baseline (at week 53, ALP decreased by 27.06% and TRAP-5b by 45.55%), indicating that MT1013 significantly ameliorated the high bone turnover state in CKD-SHPT patients, improved bone metabolism, and established better bone balance. This demonstrates its promising clinical application prospects in the field of CKD-MBD-related bone diseases. For more information of the clinical results, see "— Clinical Trial Overview of MT1013" below in this section.

***Summary of Clinical Trial Results***

The table below sets out a summary of the completed and ongoing clinical trials for MT1013:

| Study ID | | Study Phase | Location | No. of (Planned) Subjects | Dosing Period | Primary Study Design | Status |
|---|---|---|---|---|---|---|---|
| MT1013-I-A01 | | Phase I | U.S. | 40 | Single dose | Healthy Subjects SAD: 2.5 mg, 5 mg, 10 mg, 15 mg, 20 mg | Completed in October 2021 |
| MT1013-I-C02[1] | | Phase I | PRC | 44 | Single dose | Healthy Subjects SAD: 1.25 mg, 2.5 mg, 5 mg, 10 mg, 15 mg, 20 mg | Completed in September 2022 |
| MT1013-I-C03[2] | | Phase I | PRC | 4-6 | Single-dose administration on Day 1; continuous dosing from Week 6 for 3 weeks. | Patients with CKD-SHPT Undergoing Maintenance Hemodialysis in the PRC; A single-center, non-randomized, open-label study design | Ongoing |
| MT1013-II-C01[1] | SAD | Phase II | PRC | 40 | Single dose | Patients with CKD-SHPT Undergoing Maintenance Hemodialysis SAD: 5mg, 10 mg, 20 mg, 40 mg, 60 mg | |
| | MAD | | | 24 | 2w/4w | Patients with CKD-SHPT Undergoing Maintenance Hemodialysis MAD: 5 mg (2w), 10 mg (4w), 20 mg (4w) | Completed in May 2025 |
| | Long-term cohort | | | 33 | 52w | Patients with CKD-SHPT Undergoing Maintenance Hemodialysis, single-arm; titrated dosing | |
| MT1013-II-C02[2] | | Supportive Phase III, registered as IIb | PRC | 350 | 52w | Patients with CKD-SHPT Undergoing Maintenance Hemodialysis, single-arm; titrated dosing; safety as the primary endpoint; efficacy as the secondary endpoint | Ongoing |

| Study ID | Study Phase | Location | No. of (Planned) Subjects | Dosing Period | Primary Study Design | Status |
|---|---|---|---|---|---|---|
| MT1013-II-C03[(1)(3)] | Phase II | PRC | 114 | 26w | Patients with CKD-SHPT Undergoing Maintenance Hemodialysis, randomized, active comparator (Etelcalcetide) and placebo-controlled, titrated dosing; efficacy as the primary endpoint | Completed in March 2026 |
| MT1013-III-C01[(1)] | Phase III | PRC | 424 | 26w | Patients with CKD-SHPT Undergoing Maintenance Hemodialysis; multicenter, randomized, double-blind, double-dummy, with cinacalcet as the active comparator | Ongoing |

*Notes:*

(1) Clinical trials that are registrational or for advancing the Core Product to the next phase of clinical trial/NDA in the PRC. For details of each clinical trial, see "— Clinical Trial Overview of MT1013" below in this section.

(2) Clinical trials that are supplementary and voluntary in nature and intended to provide supportive clinical data as part of the overall clinical data package for the NDA in the PRC. For details of each clinical trial, see "— Clinical Trial Overview of MT1013" and "— Material Communications" below in this section.

(3) (i) During the EOP2 communication meeting with the CDE in July 2024, the CDE recommended that the Company conduct a small-scale comparative study of MT1013 against Etelcalcetide and placebo, with a treatment period of approximately 14 to 16 weeks to observe efficacy, and did not require completion of MT1013-II-C03 as a prerequisite for commencement of the Phase III clinical trial. (ii) MT1013-II-C03 was designed by the Company with a 26-week treatment period in order to facilitate a more comprehensive evaluation of the efficacy and safety profile. As of the June 2025 EOP2 communication meeting, 22-week data from MT1013-II-C03 had already been obtained, which exceeded the 14-to-16-week treatment period recommended by the CDE and sufficiently reflected the efficacy and safety profile of MT1013. The CDE considered that, based on the available Phase II clinical data submitted by our Company, MT1013 demonstrated efficacy comparable with marketed drug products and agreed that we could proceed to the Phase III clinical trial, notwithstanding that MT1013-II-C03 had not yet been completed.

### *Clinical Trial Overview of MT1013*

*MT1013-I-A01 U.S. Phase I Study*

**Overview:** This study was a Phase I clinical study with single ascending doses conducted in healthy subjects in the U.S. The primary objective was to evaluate the safety and tolerability, and the secondary objective was to characterize the pharmacokinetics and pharmacodynamics of MT1013.

**Trial design:** A single-center, randomized, placebo-controlled, double-blind, single ascending dose study, comprising five dose cohorts with dose levels of 2.5, 5, 10, 15, and 20 mg, respectively. Each subject received a single-dose administration. Cohorts received treatment sequentially in an ascending dose manner, with each cohort comprising 8 subjects (6 subjects receiving the active investigational drug and 2 subjects receiving a matching placebo). Subjects underwent a follow-up visit on Day 8 (±1 day).

A total of 40 subjects were enrolled in the US in this trial. The key inclusion criteria included, among others: (1) male or female non-smokers aged between 18 and 55 years, with a body mass index (BMI) greater than 18.0 kg/m² and less than 30.0 kg/m², and a body weight of no less than 45.0 kg; and (2) healthy subjects without clinically significant medical history or conditions. The key exclusion criteria included but were not limited to: (1) any clinically significant abnormalities identified during physical examination at medical screening, including abnormal laboratory test results, or positive findings for HIV, hepatitis B virus (HBV), hepatitis C virus (HCV) or Treponema pallidum antibody; and (2) other clinically significant abnormalities identified during screening, including abnormalities in ECG, vital signs or laboratory findings.

**Trial status:** The Phase I clinical trial was conducted in the United States, with the first subject receiving the first dose in June 2021 and the last subject completing the last visit in October 2021.

**Pharmacokinetics (PK) results:** The geometric mean values of PK exposure parameters for each dose level were as follows: $AUC_{0-t}$ were 205.87, 435.43, 714.29, 1,328.67, and 1,602.78 h*ng/mL, respectively; $AUC_{0-inf}$ were 211.97, 447.68, 729.02, 1,340.27, and 1,625.27 h*ng/mL, respectively; $C_{max}$ were 197.20, 425.70, 576.72, 1,128.90, and 1,218.03 ng/mL, respectively, with the mean $T_{max}$ ranging from 0.114 to 0.181 hours. Results from a power model analysis indicated that exposure increased proportionally with the dose in the 2.5–20 mg range.

**Safety data:** In healthy subjects, single intravenous (IV) administration of MT1013 in the dose range of 2.5 mg to 20 mg was well tolerated. Among the 40 subjects who received any dose of MT1013 or placebo, 3 subjects (7.5%) reported a total of 4 TEAEs. Among the 30 subjects who received any dose of MT1013, 2 subjects (6.66%) reported 3 TEAEs, and among the 10 subjects who received placebo, 1 subject (10%) reported 1 TEAE. A total of 3 subjects (7.5%) reported headache, and 1 subject reported nausea. All TEAEs reported during the study were mild in severity. No moderate or severe TEAEs were reported. Of these 4 TEAEs, 3 were considered unrelated, and 1 (headache) was considered related to MT1013. No drug-related SAEs were reported. No life-threatening AEs occurred, nor did any AE lead to patient withdrawal or study discontinuation.

**Efficacy data:** At different doses from 2.5 to 20 mg, MT1013 significantly reduced serum iPTH, with maximum inhibition rates of 32.1%, 19.8%, 66.6%, 63.0%, and 74%, respectively. The reduction was reversible, with levels gradually recovering after 6 hours. The preliminary pharmacodynamic effect lasted for 24 - 48 hours. In the placebo group, iPTH levels ranged from 11.70 to 98.50 pg/ml. For MT1013, at different doses and time points, iPTH levels ranged from 5.30 to 82.90 pg/ml.

*MT1013-I-C02 PRC Phase I Study*

**Overview:** This study was a Phase I clinical study with single ascending doses in healthy adult subjects in the PRC. Its objective was to evaluate the safety, tolerability, pharmacokinetics, and preliminary pharmacodynamics of MT1013.

**Trial design:** A single-center, randomized within each dose group, placebo-controlled, double-blind, single ascending dose study. Six dose groups were designed within the 1.25 mg to 20 mg range. Group A1 consisted of 4 subjects (investigational drug: placebo = 3:1), and groups A2-A6 each consisted of 8 subjects (investigational drug: placebo = 6:2). The trial proceeded from the lowest dose group to the highest. Subjects underwent a safety assessment on Day 3 and were discharged from the study thereafter.

A total of 44 subjects were enrolled in the PRC in this trial. The key inclusion criteria included: (1) male or female healthy subjects of Chinese nationality with an appropriate gender ratio; (2) aged between 18 (inclusive) and 45 (inclusive) years; and (3) body weight of no less than 50.0 kg for male subjects and no less than 45.0 kg for female subjects, with a body mass index (BMI) between 19.0 kg/m² and 26.0 kg/m² (inclusive). The key exclusion criteria included but were not limited to: (1) subjects with clinically significant abnormalities in cardiovascular, hepatic, renal, endocrine, metabolic, gastrointestinal, hematologic or respiratory laboratory findings as determined by the investigator, or with a confirmed diagnosis of any of the above diseases, or with a history of infections, malignancy or psychiatric disorders; (2) subjects with a history of clinically significant ECG abnormalities or long QT syndrome, or a history of epileptic seizures; and (3) subjects with clinically significant abnormalities in physical examination, vital signs, laboratory tests or ECG results, as determined by the investigator.

**Trial status:** The Phase I clinical trial was initiated in January 2022 and completed in September 2022.

**Pharmacokinetics (PK) results:** For the 1.25 mg to 20 mg MT1013 dose groups, the geometric mean $C_{max}$ values were 129.28, 284.91, 537.21, 1,038.90, 1,570.64, and 2,264.62 ng/mL, respectively; the geometric mean $AUC_{0-t}$ values were 97.75, 194.04, 350.78, 709.75, 1,110.29, and 1,723.16 ng·h/mL, respectively; and the geometric mean $t_{1/2}$ values were 1.18, 1.30, 1.13, 1.16, 1.29, and 1.47 h, respectively. A power model was used for linear pharmacokinetic analysis of blood PK parameters ($C_{max}$, $AUC_{0-t}$, $AUC_{0-\infty}$), which met the criteria for linear pharmacokinetics.

**Safety data:** MT1013 demonstrated good safety and tolerability. The number of subjects with adverse reactions (and incidence rates) in the MT1013 1.25 mg, 2.5 mg, 5 mg, 10 mg, 15 mg, 20 mg, and placebo groups were 1 (33.3%), 4 (66.7%), 4 (66.7%), 5 (83.3%), 4 (66.7%), 6 (100.00%), and 6 (54.5%), respectively. There was no significant association between AE incidence or severity and the administered dose. No drug-related TEAEs of Grade 3 or above were observed, and no drug-related SAEs were reported. No life-threatening AEs occurred, nor did any AE lead to patient withdrawal or study discontinuation.

**Efficacy data:** In the MT1013 1.25 mg to 20 mg groups, serum parathyroid hormone levels began to decrease after intravenous bolus injection of MT1013, reaching a nadir approximately 6 hours post-injection. At this time point, the percentage change from baseline in serum parathyroid hormone concentration for the placebo group and the various dose groups were -36.42(16.80)%, -46.42(19.12)%, -39.99(17.75)%, -52.65(7.96)%, -68.51(7.07)%, -71.51(5.74)%, and -80.35(5.98)%, respectively. Serum parathyroid hormone levels reached their nadir 6 hours after a single intravenous bolus injection of MT1013. This pharmacodynamic effect lasted for up to 24 hours and returned to baseline by 48 hours.

*MT1013-I-C03 PRC Phase I Mass Balance Study*

**Overview:** This is an in vivo mass balance study conducted in the PRC in patients with CKD-SHPT Undergoing Maintenance Hemodialysis. Its objective was to quantitatively analyze the total radioactivity and radioactive metabolite profile in excreta, as well as the pharmacokinetic parameters and safety, after intravenous injection of [$^{14}$C]MT1013.

**Trial design:** A single-center, non-randomized, open-label study design. During the first week, a single intravenous dose of [$^{14}$C]MT1013 (comprising 10 mg of non-labeled MT1013 and approximately 50 μCi of radiolabeled compound) was administered after the first hemodialysis session. Beginning from Week 6, MT1013 was administered intravenously after each of the three weekly hemodialysis sessions for a total duration of three weeks, with the final dose given after the first hemodialysis session in Week 9, at a dose of 5 mg per administration. Subjects entered a follow-up period of one week thereafter. The study is planned to enroll 4-6 participants in the PRC with CKD-SHPT Undergoing Maintenance Hemodialysis.

The key inclusion criteria included: (1) male or postmenopausal female participants aged 18 years or above who were clearly diagnosed with CKD-SHPT; (2) BMI between 18.0 kg/m² and 35.0 kg/m² (based on pre-dialysis body weight); and (3) subjects who had received adequate and regular hemodialysis for at least 12 weeks prior to screening and had undergone sufficient dialysis within four weeks prior to screening. The key exclusion criteria included but were not limited to: (1) subjects who had undergone parathyroidectomy within six months prior to screening, or who planned to undergo parathyroidectomy, ablation, radiation or other related procedures during the study period; (2) subjects with a history of gastrointestinal bleeding or peptic ulcer within six months prior to screening; and (3) subjects who had experienced myocardial infarction or undergone percutaneous coronary intervention or coronary artery bypass grafting within six months prior to screening.

**Trial status:** The trial was initiated in July 2025. As of the Latest Practicable Date, all subjects had completed the trial.

*MT1013-II-C01 Phase II Single- and Multiple-Ascending Dose and 52-week Long-term Treatment Study in the Target Population*

**Overview:** This was a Phase II clinical study conducted in patients with CKD-SHPT Undergoing Maintenance Hemodialysis, aiming to evaluate the safety, efficacy and pharmacokinetics of MT1013 after a single dose, continuous dosing for 2-4 weeks, and long-term continuous dosing for 52 weeks in HD subjects with CKD-SHPT. Safety evaluation was the primary objective of the SAD and MAD studies, while the efficacy evaluation was the primary objective of the long-term cohort.

**Trial design:** A multi-center, Phase II, randomized, double-blind, SAD and MAD study, as well as a single-arm clinical study to evaluate the long-term efficacy and safety of MT1013. The study population comprised patients with CKD-SHPT Undergoing Maintenance Hemodialysis. The SAD study included 5 cohorts with doses of 5, 10, 20, 40, and 60 mg. The MAD study included 3 cohorts with doses of 5, 10, and 20 mg. Each cohort in the SAD and MAD studies included 8 subjects (6 subjects received the active

investigational drug and 2 subjects received matching placebo) and were conducted sequentially. All subjects in the long-term dosing cohort underwent hemodialysis 3 times a week and were administered the drug once after each hemodialysis session for a duration of 52 weeks. Subjects in the SAD study underwent a follow-up visit on Day 8 (±1 day), subjects in the MAD study underwent a follow-up visit within one week after the last dose, and subjects in the long-term dosing cohort underwent follow-up for a total period of 52 weeks.

The key inclusion criteria included: (1) male subjects aged 18 years or above and below 80 years, and female subjects who were non-pregnant and non-lactating; (2) patients who had received adequate hemodialysis and maintained stable treatment for more than three months prior to screening; (3) subjects with an iPTH level of at least 300 pg/mL; and (4) subjects with serum calcium (corrected for albumin <40 g/L) of no less than 2.25 mmol/L (9.0 mg/dL). The key exclusion criteria included but were not limited to: (1) subjects with a history of severe ventricular arrhythmia, symptomatic ventricular arrhythmia at screening, or QTc interval> 470 ms for males or > 480 ms for females at screening; (2) subjects with NYHA class II or V heart failure symptoms at screening; (3) subjects with a history of myocardial infarction, percutaneous coronary intervention or coronary artery bypass grafting within six months prior to screening; and (4) subjects with a history of epileptic seizures or who had received treatment for seizures.

**Trial status:** SAD and MAD studies: The first subject signed the informed consent form on April 7, 2023, and the last subject completed the trial on December 17, 2023. A total of 65 subjects were actually enrolled (64 were randomized for dosing). Long-term dosing cohort: The first subject signed the informed consent form on February 27, 2024, and the last subject completed the trial on May 12, 2025. A total of 33 subjects were actually enrolled.

**Pharmacokinetics results:** After intravenous bolus injection of MT1013 in the 5, 10, 20, 40, and 60 mg dose groups of the single ascending dose (SAD) study, the geometric mean $C_{max}$ values of MT1013 were 434.2, 1,008.8, 1,544.9, 3,311.3, and 4,580.5 ng/mL, respectively; the geometric mean $AUC_{0-t}$ values were 362.710, 856.968, 1,529.749, 3,329.690, and 4,281.925 ng·h/mL, respectively; and the geometric mean $t_{1/2}$ values were 1.492, 1.567, 1.857, 2.062, and 2.164 h, respectively. After intravenous bolus injection of MT1013 in the 5, 10, and 20 mg dose groups of the multiple ascending dose (MAD) study, the geometric mean $C_{max}$ values of MT1013 at the last dose were 441.5, 1,115.8, and 1,896.4 ng/mL, respectively; the geometric mean $AUC_{0-t}$ values at the last dose were 373.110, 830.400, and 1,654.778 ng·h/mL, respectively; and the geometric mean $t_{1/2}$ values at the last dose were 1.131, 1.896, and 2.175 h, respectively. Regression analysis using a power model showed that the in vivo pharmacokinetic processes of dose and exposure in the single-dose 5 mg to 60 mg groups and the multiple ascending dose 5 mg to 20 mg groups exhibited linear pharmacokinetic characteristics. No significant accumulation of exposure was observed after multiple doses.

**Safety data:** MT1013 demonstrated good safety and tolerability in target population following treatment with single doses (5-60 mg) and multiple doses (5-20 mg, for 2-4 weeks). The most common (observed in >2 subjects) adverse events related to the investigational product were blood calcium decrease associated with the pharmacodynamic effect of MT1013 (incidence of 30.0% in the SAD study and 38.9% in the MAD study), hypocalcemia (incidence of 16.7% in the MAD study), and QT interval prolongation (incidence of 16.7% in the MAD study). One participant permanently discontinued due to a TEAE of moderate hypocalcemia in the MAD 20 mg cohort, which did not meet the criteria for severe intensity, nor SAE.

In the long-term dosing (52-week) cohort, the most common (≥10%) adverse events related to the investigational product were blood calcium decrease associated with the pharmacodynamic effect of MT1013 (29 cases, 87.9%) and hypocalcemia (5 cases, 15.2%). No severe TEAEs related to MT1013, no SAEs related to MT1013, no deaths related to MT1013, and no adverse events leading to permanent drug discontinuation occurred during the trial. In the long-term treatment (starting dose of 5 mg or 10 mg, titrated, for 52 weeks) of patients with CKD-SHPT on hemodialysis, MT1013 demonstrated good overall safety with manageable risks.

**Efficacy data:** After treatment with MT1013 in the target population, the SAD study showed a significant decrease in serum parathyroid hormone in dose groups of 5 mg and above compared to the placebo group, with the most significant effects observed in the 40 mg dose group (percentage change from baseline: -79.114%) and the 60 mg dose group (percentage change from baseline: -75.950%). In the MAD study, the number (proportion)

of patients with a >30% reduction from baseline in mean serum iPTH for the 5 mg to 20 mg groups and the placebo group were 3 (50.0%), 4 (66.7%), 5 (100%), and 2 (33.3%), respectively. Dose groups of 5 mg and above showed a significant decrease in serum parathyroid hormone compared to the placebo group, with the most significant effect observed in the 20 mg dose group. A comprehensive analysis showed that iPTH, serum corrected calcium, and serum phosphorus decreased from baseline in all dose groups. Furthermore, as the dose increased, iPTH and serum corrected calcium gradually decreased, showing a clear dose-response relationship.

The trial results indicated that patients with CKD-SHPT on maintenance hemodialysis received clinical benefits from a relatively long-term treatment of 52 weeks with MT1013. In the long-term dosing cohort, among CKD-SHPT patients treated with MT1013, from week 9 onwards, the mean reduction in iPTH from baseline reached 50%, the proportion of subjects with a >30% reduction reached 80%, and the proportion with a >50% reduction reached 60%. By week 52, these metrics were 57.2%, 93.1%, and 75.9%, respectively. The proportion of subjects with iPTH <300 pg/mL was 65.6%, and the proportion achieving the target range of 150-300 pg/mL was 53.1%. The study results demonstrated that CKD-SHPT patients could generally achieve a stable pharmacodynamic state after 9 weeks of MT1013 treatment and continued to benefit from long-term therapy.

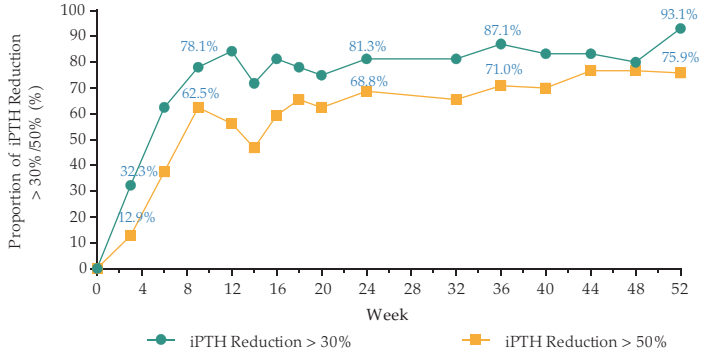



**Figure: Proportion of Subjects with >30% and >50% iPTH Reduction at Each Visit Point in MT1013-II-C01 (%)**

*N=33*

The trial results showed that serum corrected calcium (cCa) decreased to its lowest level at week 9 of MT1013 administration, then slowly recovered and began to stabilize, decreasing from a relatively high calcium level to within the normal range and remaining stable long-term, demonstrating that treatment can improve high calcium levels to the physiological normal range with long-term stable benefits.

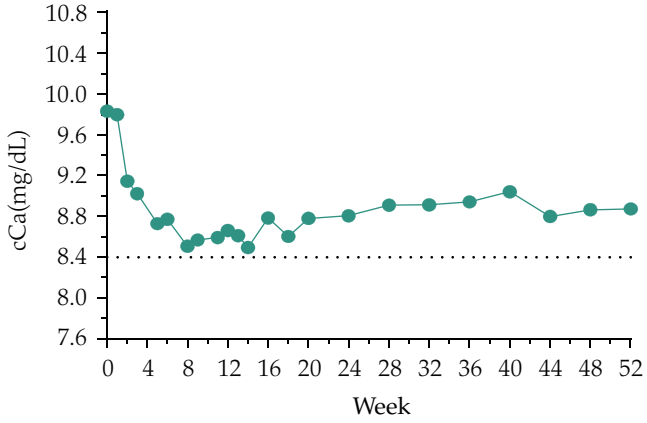



**Figure: Mean Change in Serum Corrected Calcium (cCa) at Each Visit Point in MT1013-II-C01 (mg/dL)**

*N=33*

The efficacy data showed that after long-term treatment with MT1013, bone turnover markers shifted from a high-turnover state to a low-turnover state and remained relatively stable long-term, which corroborates and aligns with the conclusion of stable iPTH improvement after long-term MT1013 treatment. The bone mineral density examination results further suggested potential bone benefits after a relatively long-term treatment of 52 weeks, corroborating and aligning with the conclusion of bone marker benefits suggested by the bone marker results.

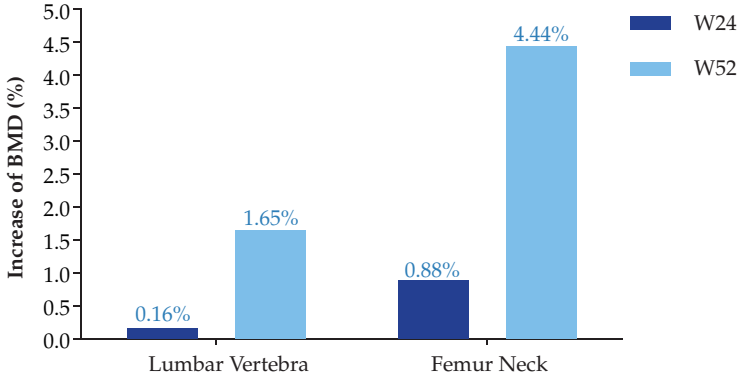



**Figure: Change in Lumbar Spine and Femoral Neck Bone Mineral Density (BMD) in Subjects with Baseline Osteoporosis in MT1013-II-C01 (%)**

*N=33*

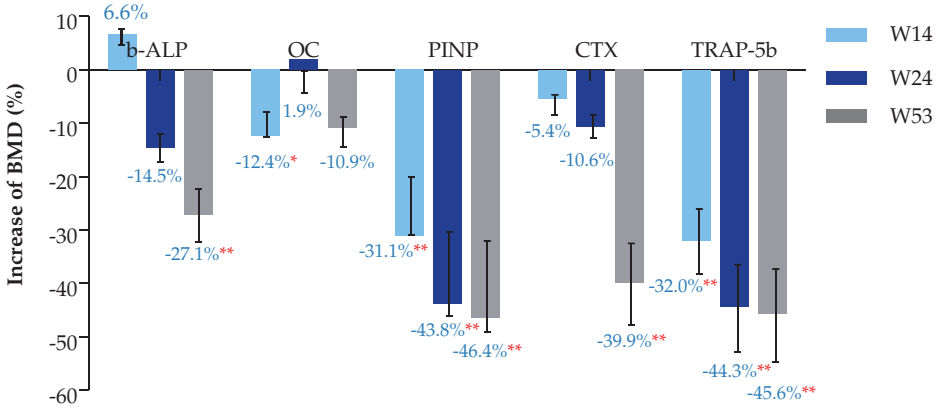



**Figure: Change from Baseline (%) in Bone Turnover Markers in Subjects of MT1013-II-C01**

*N=33, compared with baseline, *P<0.05, **P<0.01*

*Source: Company data*

*MT1013-II-C02 PRC Long-Term Dosing Study (Supportive Phase III Clinical Study)*

**Overview:** This is a Phase IIb clinical study (supportive Phase III clinical study) of MT1013 for injection for the treatment of patients with CKD-SHPT Undergoing Maintenance Hemodialysis. Its primary objective was to evaluate the safety, and the secondary objective was to evaluate the efficacy and improvement in bone mineral density of MT1013.

**Trial design:** A multi-center, open-label, single-arm clinical study in a population of patients with CKD-SHPT Undergoing Maintenance Hemodialysis. It is planned to enroll 350 subjects who undergo hemodialysis 3 times a week or 5 times every two weeks. They will receive MT1013 at the end of each hemodialysis session for 52 consecutive weeks. After completing the aforementioned dosing, subjects will enter an extended treatment period to continue receiving MT1013 until the trial sponsor decides to terminate the study. Subjects will undergo a safety follow-up assessment 7 days (±3 days) after the last dose.

A total of 350 subjects are planned to be enrolled in this trial. The key inclusion criteria included, among others: (1) subjects who had received maintenance hemodialysis three times per week or five times every two weeks for at least three months prior to

screening; (2) subjects whose dialysate calcium concentration was no less than 2.5 mEq/L (1.25 mmol/L), maintained at a stable level for at least four weeks prior to the laboratory assessments during the screening period, and required to remain at no less than 2.5 mEq/L (1.25 mmol/L) throughout the study; (3) subjects diagnosed with CKD-SHPT and with an iPTH level of more than 300 pg/mL at screening; for subjects who were receiving cinacalcet, etelcalcetide, MT1013 or other calcimimetics prior to screening, the pre-dialysis iPTH level measured during screening was required to be greater than 100 pg/mL. The key exclusion criteria included but were not limited to: (1) subjects with primary hyperparathyroidism; (2) subjects who refused to discontinue cinacalcet, etelcalcetide or other calcimimetics during the study; and (3) subjects who had received denosumab or other receptor activator of nuclear factor kappa-B ligand (RANKL) inhibitors within six months prior to screening.

**Trial status:** The Phase II clinical trial was initiated in March 2024. As of the Latest Practicable Date, enrollment of all 350 subjects had been completed.

**Safety data:** An interim analysis of the 52-week data from the first 100 subjects in this study showed that the most common adverse events related to the investigational product were blood calcium decrease associated with the pharmacodynamic effect of MT1013 (81 subjects, 234 events, 81%) and hypocalcemia (5 subjects, 5 events, 5%). There were no cases of severe or serious hypocalcemia. In the adverse reaction, the incidences of nausea (2 cases, 2%) and vomiting (2 cases, 2%) were low. No severe TEAEs related to MT1013, no SAEs related to MT1013, no deaths related to MT1013, and no adverse events leading to patient withdrawal or permanent drug discontinuation occurred during the trial. In the long-term treatment (starting dose of 5 mg or 10 mg, titrated, for 52 weeks) of patients with CKD-SHPT on hemodialysis, MT1013 demonstrated good overall safety with manageable risks, and no unexpected safety signals or risks were identified.

**Efficacy data:** An interim analysis of the 52-week data from the first 100 subjects in this study showed that, regardless of prior use of calcimimetics, the proportion of patients achieving a >30% reduction in iPTH from baseline after 52 weeks of MT1013 treatment reached 79.8%, and the proportion achieving a >50% reduction reached 64.3%. The proportion achieving the target iPTH range of 150-300 pg/mL was 45.6%. Patients' relatively high calcium levels were reduced to within the normal range and remained stable long-term. In summary, the study results demonstrated that, regardless of whether patients were previously using calcimimetics, over 80% of patients experienced further improvement in iPTH after using MT1013, and high calcium levels were significantly improved and maintained within the physiological normal range long-term.

iPTH Reduction Profile:

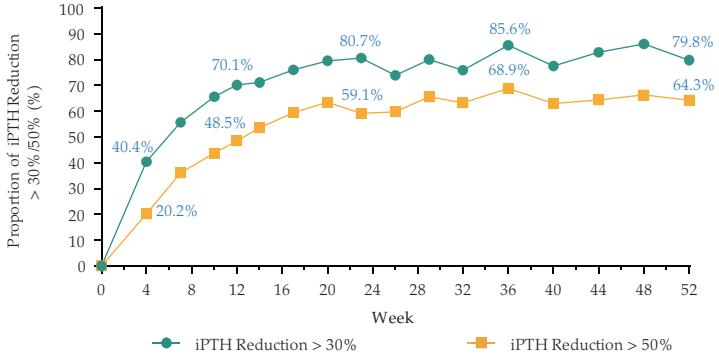



**Figure: Proportion of Subjects with >30% and >50% iPTH Reduction at Each Visit Point in MT1013-II-C02 (%)**

*N=100*

Corrected Serum Calcium Profile:

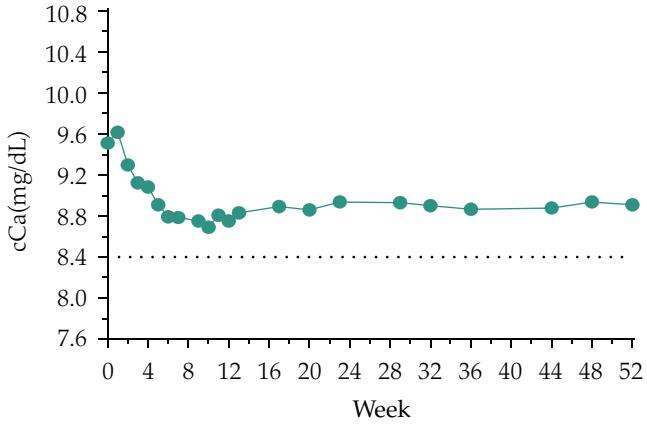



**Figure: Mean Change in Serum Corrected Calcium (cCa) at Each Visit Point in MT1013-II-C02 (mg/dL)**

*N=100*

*Source: Company data*

***MT1013-II-C03***

**Overview:** A Phase II clinical study of MT1013 for injection for the treatment of patients with CKD-SHPT Undergoing Maintenance Hemodialysis, with continuous dosing for 26 weeks to evaluate the efficacy, safety, immunogenicity and pharmacokinetic of MT1013. Efficacy evaluation was the primary objective of the study.

**Trial design:** A multi-center, randomized, active-controlled, and placebo-controlled clinical study in a population of patients with CKD-SHPT Undergoing Maintenance Hemodialysis. It is planned to enroll 112 subjects, who will be randomly assigned in a 2:2:1:1 ratio to MT1013 Group 1, MT1013 Group 2, the Etelcalcetide group, and the placebo group. Stratified randomization will be performed based on the mean iPTH level during the screening period (mean of two pre-dialysis measurements on different days within 14 days before randomization) of ≤800 pg/ml or >800 pg/ml. The drug was administered via intravenous injection through the venous line of the dialysis circuit after each hemodialysis session, three times a week, for 26 consecutive weeks. Subjects will undergo a safety follow-up assessment within one week (+3 days) after the last dose.

A total of 114 subjects were enrolled in this trial. The key inclusion criteria included, among others: (1) male or female subjects aged 18 years or above at the time of signing the informed consent form; (2) subjects who had received regular maintenance hemodialysis three times per week for at least three months prior to screening, and had undergone adequate dialysis within four weeks prior to screening, defined as a single-pool Kt/V (spKt/V) ≥1.2 or urea reduction ratio (URR) ≥65%; and (3) subjects diagnosed with CKD-SHPT with dialysate calcium concentration and pre-dialysis serum iPTH level meeting the study requirements as specified in the protocol. The key exclusion criteria included but were not limited to: (1) subjects who had undergone parathyroidectomy within six months prior to screening or who planned to undergo parathyroidectomy, ablation, radiation or other related treatments during the study period; (2) subjects with a history of gastrointestinal bleeding or peptic ulcer within six months prior to screening; and (3) subjects with a history of myocardial infarction, percutaneous coronary intervention or coronary artery bypass grafting within six months prior to screening.

**Trial status:** The Phase II clinical trial was initiated in November 2024 and completed in March 2026.

**Safety data:** In this study, MT1013 demonstrated good overall safety and tolerability, with no unexpected safety signals or risks identified. There was no difference in SAEs between groups, which were comparable to placebo. No severe TEAEs or SAEs related to the investigational product were observed in the study. The incidence of temporary drug discontinuation due to adverse reactions was higher in the Etelcalcetide group (33.3%) than in the MT1013 groups (27.7%). No patients permanently discontinued the drug due to adverse events. Regarding the incidence of hypocalcemia, a pharmacodynamic effect of special concern for calcimimetics, the rate was significantly lower for MT1013 (7.7%) compared to Etelcalcetide (12.1%), with no cases of severe or serious hypocalcemia in either group. The MT1013 group showed a lower incidence of gastrointestinal TRAEs compared with the Etelcalcetide group. Specifically, the incidences of vomiting, nausea, diarrhea and abdominal discomfort were each 1.54% in the MT1013 group, as compared with 6.06%, 3.03%, 0% and 3.03%, respectively, in the Etelcalcetide group, suggesting that MT1013 may have a more favorable gastrointestinal tolerability profile.

Two subjects (both in the Placebo group) withdrew from the study due to TEAEs, including one case of weakness and one case of arthralgia.

**Efficacy data:** After 26 weeks of treatment in the target population, the number (proportion) of patients with a >30% reduction from baseline in mean serum iPTH during the EAP period for MT1013 Group 1, MT1013 Group 2 and the Etelcalcetide group was 25 (80.65%), 28 (93.33%) and 29 (90.63%), respectively. The number (proportion) of patients with a >50% reduction was 23 (74.19%), 24 (80.0%), and 24 (75%), respectively. For patients with severe CKD-SHPT (baseline iPTH >600 pg/mL), MT1013 showed greater improvement in iPTH compared to Etelcalcetide: during the EAP period, the number (proportion) of patients with a >30% reduction from baseline in mean serum iPTH was 17 (85.0%), 19 (100%), and 18 (85.71%) for MT1013 Group 1, MT1013 Group 2, and the Etelcalcetide group, respectively. The number (proportion) of patients with a >50% reduction was 15 (75.0%), 16 (84.21%), and 15 (71.43%), respectively. The iPTH achievement rate (150-300 pg/mL) during the EAP period was higher for MT1013 compared to Etelcalcetide (54.8% for MT1013 Group 1, 56.7% for Group 2, and 43.8% for the Etelcalcetide group).

During the course of treatment, the proportion of patients whose serum calcium was controlled within the normal range was slightly better in the MT1013 groups compared to the Etelcalcetide group (71% for MT1013 Group 1, 80% for Group 2, and 68.8% for the Etelcalcetide group). In terms of serum phosphorus control, MT1013 was more effective than Etelcalcetide in lowering serum phosphorus (percentage reduction in serum phosphorus from baseline at Week 27: 11.2% for MT1013 Group 1, 11.6% for Group 2, and 5.3% for the Etelcalcetide group). In terms of achieving the composite endpoint for all three indicators (iPTH: 2-9 times the upper limit of normal (130-586 pg/mL); serum calcium: 2.10-2.50 mmol/L; serum phosphorus: 1.13-1.78 mmol/L), MT1013 was also more effective than Etelcalcetide (34.48%-39.29% for MT1013 groups vs. 15.63% for Etelcalcetide). The composite endpoint achievement rates for the two MT1013 dose groups were 220%-251% of that of Etelcalcetide.

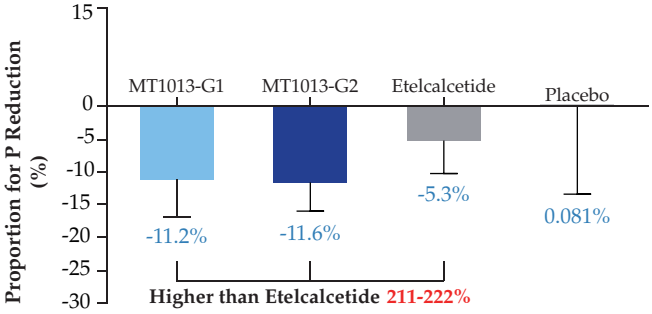



**Figure: Reduction Rate (%) of Serum P from Baseline in Each Group at W27**

*Treatment groups at W27 N=28-32/group, placebo group N=9*

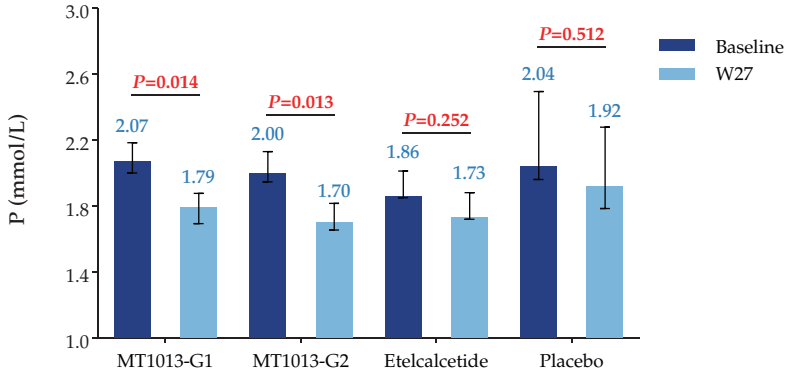



**Figure: Change in Serum P (mmol/L) in Each Group Before and After Treatment (Mean±SEM)**

*Note: treatment groups/28-32 subjects, placebo group/9 subjects*

*Source: Company data*

The efficacy data showed that MT1013 demonstrated larger reductions compared with Etelcalcetide in terms of absolute reduction in FGF-23 and a higher proportion of subjects with a> 30% reduction in FGF-23. This trend is consistent with the trend of composite achievement rate of iPTH/serum calcium/serum phosphorus over Etelcalcetide. Showing that MT1013 has the potential to reduce the incidence of cardiovascular events and the risk of death.

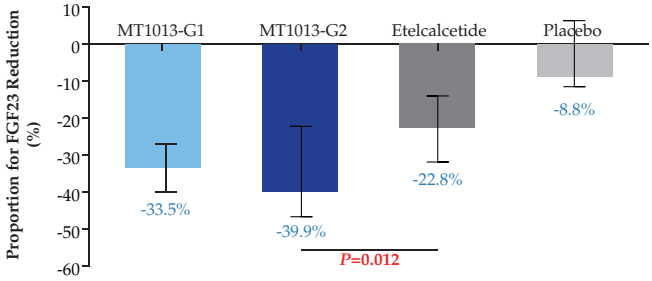



**Figure: Reduction Rate (%) of FGF23 from Baseline in Each Group at W27 (Mean±SEM)**

*Notes: Treatment groups at W27 N=27-30/group, placebo group N=8*

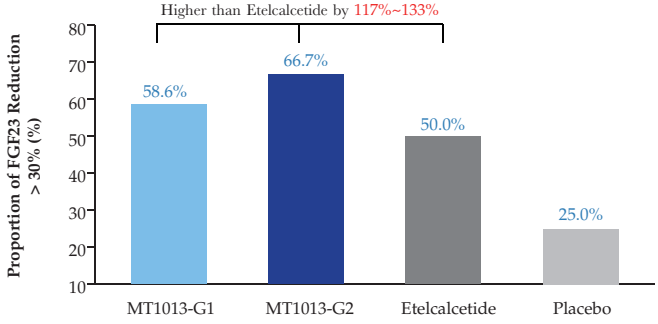



**Figure: Proportion of Subjects (%) with> 30% Reduction in FGF-23 from Baseline in Each Group at W27**

*Note: W27: treatment groups N=27-30 per group; placebo group N=8*

*Source: Company Data*

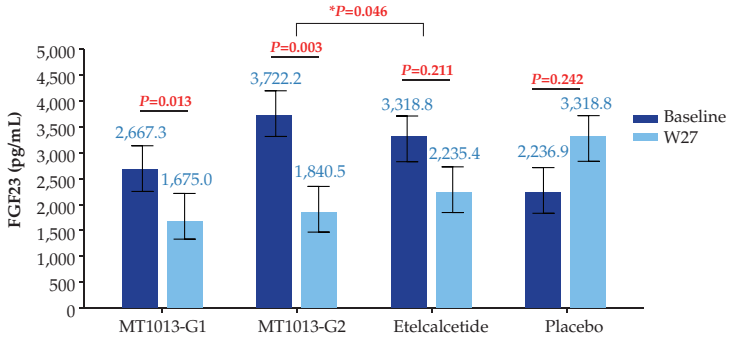



**Figure: Change in FGF23 (pg/mL) in Each Group Before and After Treatment (Mean±SEM)**

*Treatment groups at W27 N=27-30/group, placebo group N=7. *P=0.046: For the log value of change from baseline at W27, MT1013 was more effective than etelcalcetide*

*Source: Company data*

*MT1013-III-C01*

**Overview:** This is a Phase III clinical study of MT1013 for injection for the treatment of patients with CKD-SHPT Undergoing Maintenance Hemodialysis, aiming to evaluate the safety and efficacy of MT1013. The primary endpoint 1 was the proportion of subjects achieving a reduction of >50% in serum iPTH from baseline during the EAP with MT1013 compared to Cinacalcet. The primary endpoint 2 was the proportion of subjects achieving a reduction of> 30% in serum iPTH from baseline during the EAP with MT1013 compared to Cinacalcet.

**Trial design:** A multi-center, randomized, double-blind, double-dummy clinical study with cinacalcet as the active comparator. The study population comprises subjects with CKD-SHPT Undergoing Maintenance Hemodialysis. It is planned to enroll 424 subjects, randomized 1:1 into the MT1013 group and the cinacalcet group, to receive either MT1013 + cinacalcet placebo or cinacalcet + MT1013 placebo, respectively. MT1013/MT1013 placebo: Subjects undergo regular hemodialysis three times a week. After each dialysis session, MT1013 is administered directly through the venous line of the dialysis circuit or intravenously after the full flush is complete, for 26 consecutive weeks. Cinacalcet/cinacalcet placebo: Except for the post-dialysis dose on D1, subjects take cinacalcet orally with or after a meal once a day (QD). It is recommended to take the medication at the same time each day, ensuring an interval of ≥12 hours before iPTH blood sampling, for 26 consecutive weeks. Subjects will enter a 4-week safety follow-up period after the last dose.

A total of 424 subjects are planned to be enrolled in this trial. The key inclusion criteria included, among others: (1) subjects who fully understood and voluntarily agreed to participate in the study and signed the informed consent form; (2) male or female subjects aged 18 years or above at the time of signing the informed consent form, with BMI between 18 kg/m² and 35 kg/m², calculated based on post-dialysis body weight; (3) subjects who had been receiving regular maintenance hemodialysis three times per week for at least 12 weeks prior to screening, and had undergone adequate dialysis within four weeks prior to screening, defined as a urea clearance index (Kt/V) ≥1.2 or urea reduction ratio (URR) ≥65%, with each dialysis session lasting 3 to 4.5 hours (inclusive). The key exclusion criteria included but were not limited to: (1) subjects who had undergone parathyroidectomy within six months prior to screening or who planned to undergo parathyroidectomy, ablation, radiation or other related treatments during the study period; (2) subjects with a history of gastrointestinal bleeding or peptic ulcer within six months prior to screening; (3) subjects with a history of myocardial infarction, percutaneous coronary intervention or coronary artery bypass grafting within six months prior to screening.

**Trial status:** The Phase III clinical trial was initiated in July 2025 and as of the Latest Practicable Date, enrollment of all 424 planned subjects had been completed.

*Clinical Development Plan*

In May 2025, MT1013 completed the Phase II-C01 clinical study for CKD-SHPT in the PRC and has entered a Phase III clinical study with cinacalcet as a comparator. It is the only dual-functional polypeptide drug to have completed Phase II clinical studies. The ongoing Phase III clinical trial, in addition to evaluating the primary efficacy endpoints, also places special focus on changes in bone metabolism-related parameters. We plan to seek marketing approval for MT1013 with the treatment of CKD-SHPT Undergoing Maintenance Hemodialysis. We expect to submit a Pre-NDA in late 2026, and an NDA in early 2027.

Concurrently, we are actively expanding the indications for our Core Product MT1013 into areas such as CKD-MBD with Osteoporosis and CKD-SHPT not on Dialysis. MT1013 not only demonstrates performance in controlling mineral levels such as iPTH, serum calcium, and serum phosphorus, but the results of the phase-II clinical trial also show a positive effect on improving bone mineral density, particularly significant in high-risk patients with osteopenia. For more information of the clinical results, see "Business — Clinical Trial Overview of MT1013". This clinical benefit not only validates the potential clinical value of MT1013 in the treatment of bone diseases related to mineral metabolism disorders but also lays the foundation for its development for broader indications within CKD-MBD. We plan to leverage data collected from the phase II clinical trials to seek IND approvals from competent regulatory authorities to conduct Phase III clinical trial of MT1013 for the expanded indication of CKD-MBD with Osteoporosis.

The table below sets out our clinical development plan:

| Indication | Current Status/Trial Phase | Location | Upcoming Milestones |
|---|---|---|---|
| CKD-SHPT . . . . | MT1013-I-C03 PRC Phase I Mass Balance Study | PRC | Expected to complete by mid-2026 |
| | MT1013-II-C02 PRC Phase IIb Long-Term Dosing Study (Supportive Phase III Clinical Study) | PRC | Expected to complete by end of 2026 |
| | MT1013-III-C01 Confirmatory Phase III Study with Cinacalcet as Active Comparator | PRC | Expected to complete by the end of 2026; Expected to submit Pre-NDA in late 2026, and NDA in early 2027. |
| CKD-SHPT . . . . | IND reactivated[(1)] | U.S. | Potential advancement of Phase II clinical development in the U.S., subject to identification of suitable collaboration partner(s) |
| CKD-MBD with Osteoporosis . . | IND in preparation | PRC | Expected to commence Phase III clinical trial in early 2028 |
| CKD-SHPT not on Dialysis[(2)] . . . . | IND in preparation | PRC | Expected to file IND by the end of 2027 |

*Notes:*

(1) Following completion of the MT1013-I-A01 U.S. Phase I trial, our Group faced financing constraints amid a downturn in the global biopharmaceutical financing environment. As a result, we prioritized resources on development activities in the PRC and suspended the U.S. development program, which was not due to any safety or efficacy concerns relating to MT1013. Consequently, the IND application for MT1013 in dialysis CKD-SHPT patients in the U.S. was placed on inactive status in October 2023. Following improvements in the overall financing environment and receipt of proceeds from our Group's Series D financing in 2025, we reactivated the IND for MT1013 in the U.S. primarily to facilitate the submission of an application for Breakthrough Therapy Designation to the FDA and to maintain the possibility of potential future development and collaboration opportunities in the U.S.. The IND was reactivated on February 13, 2026, and approval from the FDA was obtained on March 20, 2026 to proceed to a Phase II clinical trial. In addition, we submitted an application to the FDA for Breakthrough Therapy Designation on April 10, 2026. As of the Latest Practicable Date, we had not identified any suitable collaboration partner and had not commenced any new clinical trials in the U.S..

(2) We plan to further advance the clinical development of MT1013 for the treatment of CKD-SHPT in patients not on dialysis and to develop an oral formulation for such indication, as oral administration is more suitable for non-dialysis CKD-SHPT patients and may improve compliance. We will rely on clinical data generated from existing clinical trials of MT1013 in CKD-SHPT patients to further progress the clinical development of MT1013 for non-dialysis CKD-SHPT patients, including data relating to the relationship between drug exposure and efficacy, as well as safety profiles.

***Material Communications***

As of the Latest Practicable Date, we had not received any objection from any relevant regulatory authorities to our clinical development plans.

The table below sets out our key regulatory communications with regulatory authorities regarding the development of MT1013 for the treatment of CKD-SHPT:

| Study | Study number | Phase | Competent authorities | Study sites | Details of communications | Status |
|---|---|---|---|---|---|---|
| CKD-SHPT . . | MT1013-I-A01 | I | FDA | US | (i) In January 2021, we filed IND application with the FDA for MT1013 for the treatment of CKD-SHPT. The FDA subsequently initiated the technical review of the IND submission and did not raise any further comments on the clinical trial protocol during the review process.<br>(ii) In March 2021, the FDA issued Study May Proceed Letter to allow us to proceed the Phase I clinical study to evaluate the safety, tolerability, pharmacokinetics and preliminary pharmacodynamics of MT1013 in healthy subjects. | Completed: we achieved each objective set out in the clinical trial overview on June 21, 2022. |
| | MT1013-I-C02 | I | NMPA | PRC | (i) In April 2021, we filed an IND application with the NMPA for the clinical development of MT1013 for the treatment of CKD-SHPT, and the NMPA accepted our IND application in the same month.<br>(ii) In July 2021, the NMPA issued an umbrella IND approval[1] for Phase I, Phase II and Phase III clinical studies of MT1013 for the treatment of CKD-SHPT, and required us to (1) revise the Phase I clinical trial protocol under this application with particular attention to the starting dose, which was recommended to be set with at least a tenfold safety margin; (2) closely monitor the potential risks of the product and strictly implement the risk management plan; (3) closely track the development progress of drugs with similar targets and, based on the existing non-clinical and clinical data of the product, evaluate its efficacy and safety profile and ensure adequate risk control and subject protection; and (4) apply for a communication meeting with the CDE upon the completion of Phases I and II clinical trials before commencing the Phase III clinical trial. | Completed: we achieved each objective set out in the clinical trial overview on September 24, 2022. |
| | MT1013-I-C03[2] | I | NMPA | PRC | (i) In March 2025, we submitted a communication meeting application to the CDE for the mass balance study of MT1013.<br>(ii) In August 2025, we reached a consensus with the CDE on the clinical trial protocol of the mass balance study. | Ongoing (all subjects completed the trial as of the Latest Practicable Date) and is expected to be completed by mid-2026. |

| Study | Study number | Phase | Competent authorities | Study sites | Details of communications | Status |
|---|---|---|---|---|---|---|
| | MT1013-II-C01 | II | NMPA | PRC | (i) In September 2022, the initial clinical study report (CSR) of MT1013-I-C02 was issued, marking the completion of the Phase I clinical trial. In October 2022, we submitted an application to the CDE for an end-of-Phase I (EOP1) communication meeting to seek guidance on the initiation of the Phase II clinical trial of MT1013.<br>(ii) In January 2023, based on the results of our Phase I clinical study (MT1013-I-C02), the CDE, in its written feedback, had no objection for the Company to proceed with the Phase II clinical study to further evaluate the efficacy and safety of MT1013 in patients with CKD-SHPT, with a view to providing a basis for determining the dosing regimen and dosage for the confirmatory Phase III clinical study. | Completed: we achieved each objective set out in the clinical trial overview for the SAD and MAD studies on April 8, 2025, and for the long-term cohort on August 25, 2025. |
| | MT1013-II-C02 | IIb[3] | NMPA | PRC | | Ongoing[4] (enrollment of all 350 subjects completed as of the Latest Practicable Date) and is expected to be completed by the end of 2026. |
| | MT1013-II-C03 | II | NMPA | PRC | (i) In February 2024, upon completion of the single-ascending-dose and multiple-ascending-dose Phase II clinical studies (the first part of MT1013-II-C01), we submitted the first end-of-Phase II (EOP2) communication meeting application to the CDE to seek guidance on the initiation of the Phase III clinical trial of MT1013.<br>(ii) In July 2024, based on the results of the existing Phase II clinical studies, the CDE recommended conducting a small-scale comparative study of MT1013 in comparison with Etelcalcetide and placebo to further justify the rationale of the starting dose, titration scheme and dose adjustment, and to provide supportive data for the subsequent confirmatory Phase III clinical study.<br>(iii) In July 2024, we commenced preparatory work for the MT1013-II-C03 study based on the recommendation of the CDE. | Completed: we achieved each objective set out in the clinical trial overview in March 2026. |

| Study | Study number | Phase | Competent authorities | Study sites | Details of communications | Status |
|---|---|---|---|---|---|---|
| | MT1013-III-C01 | III | NMPA | PRC | (i) In May 2025, upon completion of the Phase II clinical study (MT1013-II-C01) and obtaining part of the key data from the MT1013-II-C02 and MT1013-II-C03 studies, we submitted another end-of-Phase II (EOP2) communication meeting application to the CDE to seek guidance on the initiation of the Phase III clinical trial of MT1013. | Ongoing and is expected to be completed by the end of 2026. |
| | | | | | (ii) In June 2025, based on the Phase II data submitted, including (a) the completed results of MT1013-II-C01, (b) available data from MT1013-II-C02, and (c) data from the head-to-head study MT1013-II-C03, for which 22-week data had been obtained, which demonstrated efficacy comparable to the marketed calcimimetics, the CDE confirmed that MT1013 demonstrated efficacy comparable with marketed drug product and agreed that we could proceed to the Phase III clinical trial. The CDE did not impose any additional requirements in respect of the Phase II clinical trials or required any additional communication before the commencement of the Phase III clinical trial. Further, a consensus was reached with the CDE that, if the Phase III clinical trial of MT1013 achieves the expected results, the subject exposure level would be sufficient to support the subsequent NDA submission and approval. | |

*Notes:*

(1) In July 2021, the NMPA issued an umbrella IND approval for the clinical development of MT1013 for the treatment of CKD-SHPT, covering Phase I, Phase II and Phase III clinical trials. According to the Announcement on Several Policies on Drug Registration Review and Approval (《關於藥品註冊審評審批若干政策的公告》) issued by the NMPA, the INDs of new drugs are subject to one-time approvals instead of phased declarations, reviews and approvals. Pursuant to such IND approval, we are required to communicate with the CDE after completion of the Phase I and Phase II clinical trials and prior to commencement of the Phase III clinical trial.

The IND approval issued by the NMPA in July 2021 does not cover endpoints including mass balance, long-term safety and patient exposure. Therefore, MT1013-I-C03 and MT1013-II-C02 (the "**Ongoing Trials**") were initiated voluntarily by our Company and not requested or mandated by the NMPA or any other regulatory authority in light of results of earlier trials or as a condition for further development of MT1013 (i.e. Phase III). As the NMPA issued an umbrella IND approval for the clinical development of MT1013 for the treatment of CKD-SHPT in July 2021, the Ongoing Trials do not require additional IND approval. The Ongoing Trials are supportive in nature and will be submitted as part of the NDA package to supplement the overall clinical data package, and do not constitute one of the phases of clinical trial for advancing MT1013 to the next phase of clinical trial.

(2) The ongoing Phase I clinical trial (MT1013-I-C03) is a mass balance study designed to quantitatively analyze the total radioactivity, radioactive metabolite profiles, pharmacokinetic parameters and safety following intravenous administration of [$^{14}$C] MT1013. This mass balance study is not intended to evaluate clinical efficacy or to determine the optimal therapeutic dose. Instead, it focuses on the disposition of the drug in the human body, based on the principle of mass conservation, to understand the fate of the drug and its metabolites following administration. The results from this study are intended to support the overall clinical development of MT1013 by providing a comprehensive understanding of its pharmacokinetic and metabolic characteristics in humans, rather than to inform efficacy or dose selection decisions. As confirmed by Frost & Sullivan, such mass balance study is an ADME (absorption, distribution, metabolism and excretion)-related clinical pharmacology supporting study. It will not alter the established study design for the Phase I/II clinical trials, nor will it delay or preclude the initiation of Phase III clinical trials.

(3) The MT1013-II-C02 trial is a long-term dosing study, the primary objective of which is to evaluate safety. According to Frost & Sullivan, Phase II clinical trials are generally designed to generate preliminary efficacy data to inform key development decisions, including progression into Phase III clinical trials. However, MT1013-II-C02 was not designed to establish confirmatory efficacy or to serve as a principal basis for such progression. Instead, its primary role is to provide additional safety data and patient exposure information in accordance with ICH E1 guidance on the extent of population exposure to assess clinical safety for drugs intended for long-term treatment of non-life-threatening conditions. MT1013-II-C02 does not form part of the basis for progression to MT1013-III-C01 as the safety and efficacy profile necessary for advancement into the Phase III clinical trial had already been established by MT1013-I-C02, MT1013-II-C01 and MT1013-II-C03. As further confirmed during the EOP2 communication meeting with the CDE in June 2025, based on the Phase II clinical data already obtained, MT1013 demonstrated efficacy comparable with marketed drug product, and the CDE agreed that we could proceed to the Phase III clinical trial. In the event that such study is not completed as scheduled or the study results are not satisfactory, it would not affect the validity of the existing Phase III clinical trial data.

(4) The MT1013-II-C02 trial was initiated in March 2024 and enrollment of all 350 subjects was completed as of the Latest Practicable Date. The relatively extended enrollment period was mainly due to the increase in the planned sample size to approximately 350 subjects following the feedback from the CDE during the EOP2 communication, and we expanded the study to achieve the required patient exposure level. Although CKD-SHPT falls within the scope of ICH E1 for chronic non-life-threatening conditions, the CDE has not issued specific guidance on patient exposure requirements for CKD-SHPT. Accordingly, we voluntarily communicated with the CDE in relation to MT1013-II-C02 in order to align with the CDE on the adequacy of long-term patient exposure and safety data for CKD-SHPT and to facilitate the effective continued conduct of MT1013-II-C02. It does not constitute a reassessment of the safety of the Core Product as a result of any safety concern identified in earlier clinical trials. Rather, safety evaluation is a continuous process throughout the clinical development of innovative drug candidates and continues to evolve with the accumulation of long-term dosing data and increased patient exposure. In particular, given that CKD-SHPT is a chronic disease requiring long-term treatment, continuous safety monitoring and accumulation of patient exposure data are routine components of the clinical development process for relevant therapeutic agents. According to Frost & Sullivan, our conduct of continuous safety evaluation throughout the clinical development process (not limited to early-stage clinical trials), is consistent with the general clinical development practice for therapeutic agents intended for chronic diseases.

Based on the completion of the Phase I clinical trial (MT1013-I-C02) for the treatment of CKD-SHPT in the PRC, and CDE having no objection for the Company to proceed into Phase II clinical trials, the Company's clinical development demonstrates that for CKD-SHPT, MT1013 has been developed beyond concept stage and is eligible as Core Product.

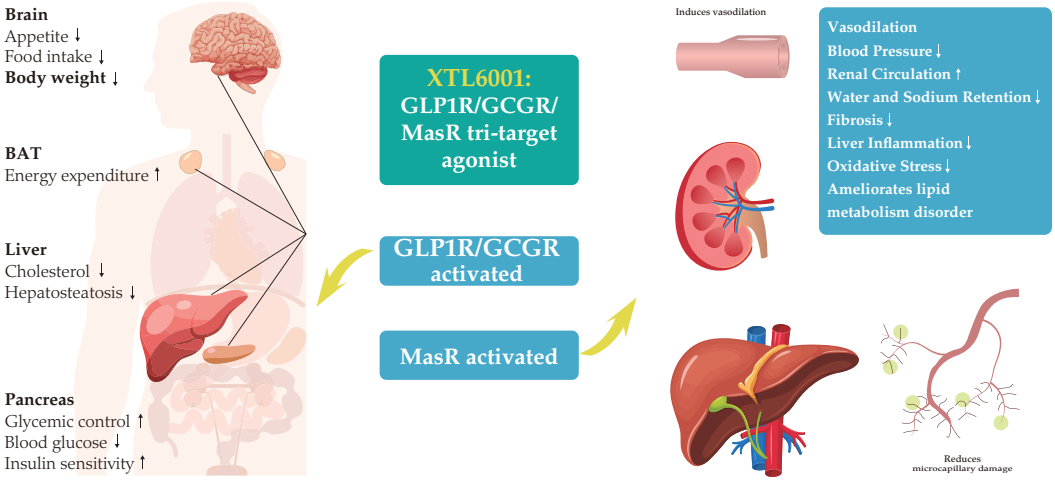
WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET MT1013 SUCCESSFULLY

**Our Key Product — XTL6001**

Our Key Product, XTL6001, is a GLP-1R/GCGR/MasR triple-agonist that has received IND approval in both the PRC and the US and has entered the clinical trial stage, with potential applications in the treatment of diseases such as obesity, chronic kidney disease (CKD) with proteinuria, and MASH. Through its mechanism of action, XTL6001 is expected to address issues associated with current GLP-1 weight-loss drugs, such as muscle loss, appetite suppression or GI side effect, and rebound after drug withdrawal, offering a new multi-organ protective therapeutic option for metabolic diseases.

*Mechanism of Action*

XTL6001 is a recombinant tri-target peptide-Fc fusion protein that activates GLP-1R, GCGR and MasR to exert pharmacological effects.




- *Effect of XTL6001 on Chronic Weight Management in Obese or Overweight Populations*

GLP-1R activation can slow down gastric emptying, and increase satiety signals to reduce food intake; Upon activation, GCGR acts on the liver to inhibit insulin secretion and stimulate hepatic gluconeogenesis and glycogenolysis, promoting fatty acid oxidation, regulating purine metabolism, and stimulating lipid catabolism and metabolic processes to reduce body fat. The energy expenditure effect from GCGR activation and the food intake reduction effect from GLP-1 receptor activation can synergistically reduce body weight. Activation of MasR also promotes brown adipose tissue mass, improves thermogenesis, reduces lipid droplets, promotes lipolysis, reduces inflammation, improves overall thermogenesis, and increases muscle mass. Upon activation, renal MasR leads to vasodilation, lowers blood pressure, improves renal circulation, reduces water and sodium retention, ameliorates liver and kidney inflammation, reduces fibrosis, and alleviates oxidative stress.

Therefore, the GLP-1R, GCGR, and MasR triple-agonist XTL6001, through multi-target synergy promotes lipolysis, increases muscle mass (fat reduction and muscle gain), thereby potentially achieving sustained weight loss.

*Source:*

(1) Proença AB, et al. Adipose tissue plasticity mediated by the counterregulatory axis of the renin-angiotensin system: Role of Mas and MrgD receptors. J Cell Physiol. 2024 Jun;239(6):e31265

(2) Gironacci MM, et al. Unraveling the crosstalk between renin-angiotensin system receptors. Acta Physiol (Oxf). 2024 May;240(5):e14134

(3) Passos-Silva DG, Verano-Braga T, Santos RA. Angiotensin-(1-7): beyond the cardio-renal actions. Clin Sci (Lond). 2013 Apr;124(7):443-56. doi: 10.1042/CS20120461. PMID: 23249272

- *Effect of XTL6001 on Proteinuric CKD*

XTL6001 exerts synergistic effects after multi-target activation. It can simultaneously regulate glomerular hemodynamics and protect mechanically sensitive podocytes, directly targeting the pathophysiological mechanisms of CKD onset and progression to protect renal function. It directly improves hemodynamics by activating MasR and GLP-1R, reducing glomerular capillary pressure and protecting the filtration barrier; It exerts stronger anti-inflammatory and anti-fibrotic effects by activating MasR and GLP-1R, reducing glomerular and tubulointerstitial damage; Activation of MasR can combat oxidative stress, directly protect podocytes, inhibit podocyte apoptosis and nephrin loss, and repair the filtration barrier; In addition, GCGR/GLP-1R/MasR activation can reduce weight and improve insulin resistance, inhibit uric acid synthesis, and promote uric acid excretion, thereby ameliorating the hyperuricemia common in CKD patients and further protecting renal function by mitigating kidney damage caused by high uric acid; Other indirect effects stem from its potential beneficial effects on blood glucose, lipids, and blood pressure.

*Source:*

(1) Kanbay M, Copur S, Bakir CN, Covic A, Ortiz A, Tuttle KR. Glomerular hyperfiltration as a therapeutic target for CKD. Nephrol Dial Transplant. 2024 Jul 31;39(8):1228-1238

(2) Simões E Silva AC, Teixeira MM. ACE inhibition, ACE2 and angiotensin-(1-7) axis in kidney and cardiac inflammation and fibrosis. Pharmacol Res. 2016 May;107:154-162

- *Effect of XTL6001 on MASH*

XTL 6001 combines the extrahepatic benefits of GLP-1 receptor agonism (glycemic control, appetite reduction, and weight loss) with the direct hepatic effects of glucagon receptor agonism (increased energy expenditure, lipolysis, and hepatic fat mobilization), creating a powerful synergy of complementary advantages. Activation of Ang1-7/MasR can activate AMP-activated protein kinase (AMPK), inhibit HSC activation, and accelerate HSC apoptosis, thereby inhibiting and blocking the pathogenesis and progression of liver fibrosis. Therefore, the GLP-1R, GCGR, and MasR triple-agonist XTL6001, through synergistic effects, is expected to comprehensively improve MASH and block its progression.

*Source:*

(1) Spezani R, Mandarim-de-Lacerda CA.The current significance and prospects for the use of dual receptor agonism GLP-1/glucagon. Life Sci 2022;288:120188

(2) Valdecantos MP, Pardo V, Ruiz L, Castro-Sánchez L, Lanzón B, Fernández-Millán E, García-Monzón C, Arroba AI, González-Rodríguez Á, Escrivá F, Álvarez C, Rupérez FJ, Barbas C, Konkar A, Naylor J, Hornigold D, Santos AD, Bednarek M, Grimsby J, Rondinone CM, Valverde ÁM. A novel glucagon-like peptide 1/glucagon receptor dual agonist improves steatohepatitis and liver regeneration in mice. Hepatology. 2017 Mar;65(3):950-968

***Market Opportunities and Competition***

*Overweight and Obesity*

Overweight and obesity are chronic diseases characterized by excessive fat accumulation that poses risks to health. These conditions are the major contributors to various other health issues, such as diabetes and cardiovascular diseases. The global prevalence of overweight and obesity patients is projected to reach 3,070.6 million by 2030 and 3,477.2 million by 2035, while in the PRC it is projected to reach 756.5 million by 2030 and 860.5 million by 2035. As of the Latest Practicable Date, there are 17 triple-target GLP-1R peptide drug candidates for overweight and obesity in the clinical stage globally. Among these, 12 drug candidates target GLP-1R,GCGR and GIPR, two drug candidates target GLP-1R,GCGR and FGF21, one drug candidate targets GLP1R, GIPR, and AMYR, and one drug candidate targets GLP1R, GIPR, and NPY2R. XTL6001, our GLP-1R drug candidate, is the only triple-target GLP-1R peptide drug candidate targeting GLP-1R, GCGR and MasR. Agonizing MasR can increase protein synthesis and preserve muscle mass. XTL6001 holds the potential to eliminate the side effect of muscle loss associated with GLP-1R agonists during weight loss. For more information, see "Industry Overview — Main treatment of Overweight and Obesity" and "Industry Overview — Competitive landscape of GLP1R polypeptide drugs."

*Proteinuric CKD*

In the PRC, the prevalence of CKD with proteinuria grew from 76.0 million in 2020 to 81.9 million in 2025 at a CAGR of 1.5% and is projected to reach 87.5 million by 2030 and 92.9 million by 2035. For more information on the treatment of Proteinuric CKD, see "Industry Overview — Overview of CKD with Proteinuria."

*MASH*

In the PRC, the prevalence of MASH grew from 38.7 million in 2020 to 45.5 million in 2025 at a CAGR of 3.3% and is projected to reach 53.7 million by 2030 and 63.1 million by 2035. For more information on the treatment of MASH, see "Industry Overview — Overview of MASH."

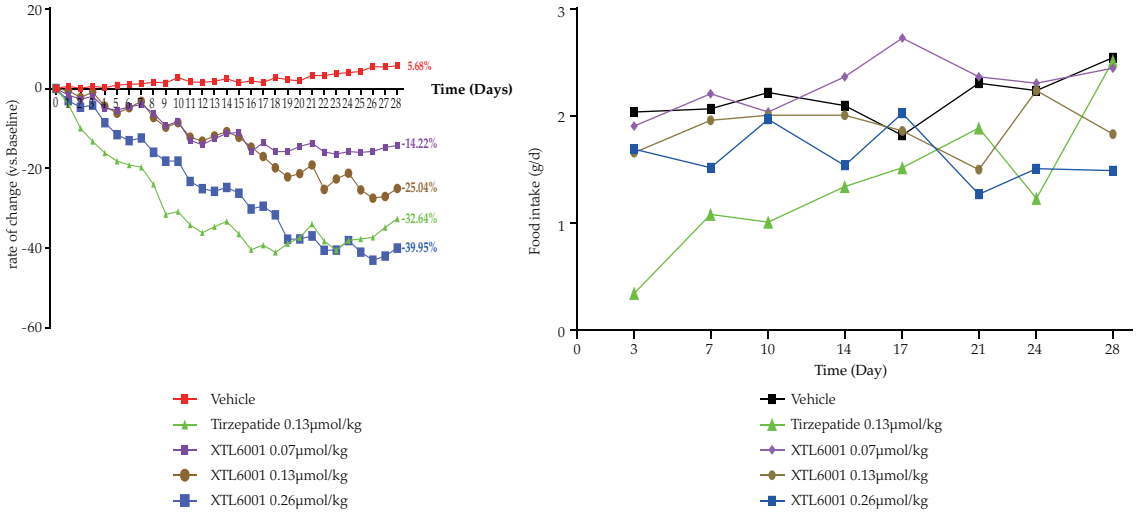
***Competitive Advantages***

*Chronic Weight Management in Obese or Overweight Populations*

(1) Focus on a weight-loss mechanism through enhanced energy metabolism

XTL6001 achieves weight loss primarily by increasing energy expenditure rather than by strongly suppressing appetite. Compared to other GLP-1 class drugs that primarily rely on delaying gastric emptying, XTL6001 has the potential to significantly reduce gastrointestinal adverse reactions while achieving weight loss.

Preclinical studies have shown that XTL6001 can progressively, dose-dependently, and significantly reduce the body weight of diet-induced obesity (DIO) mice without significantly affecting food intake, attributable to its mechanism of promoting energy expenditure to achieve weight control, which may improve tolerability and treatment adherence while achieving weight reduction.

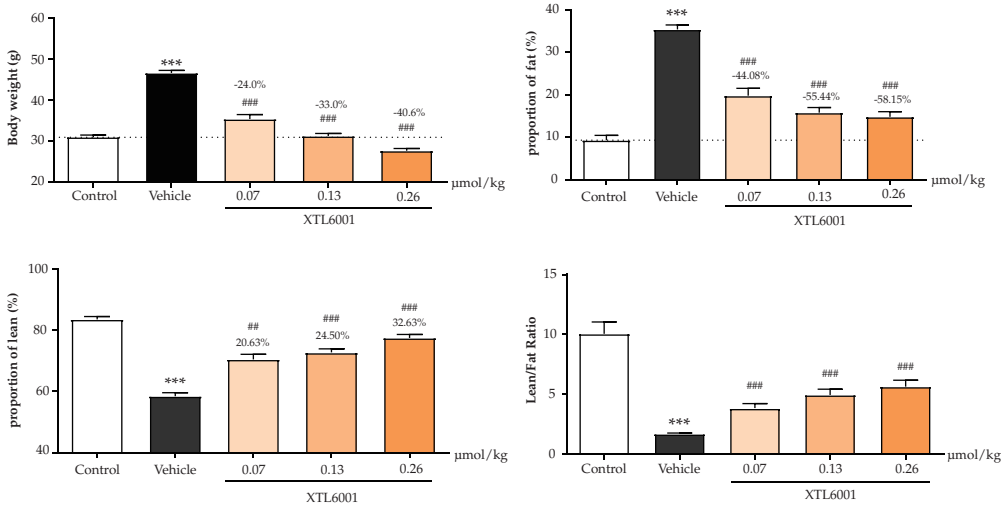



**Effects of XTL6001 vs. Tirzepatide on body weight and food intake in a DIO mouse model (n=12)**

*Source: Company data*

(2) Precise fat reduction and effective prevention of muscle loss

The preclinical study has shown that XTL6001 dose-dependently reduces body weight and total fat mass, increases total lean body mass, and raises the total lean mass/fat mass ratio to normal levels in DIO mice.




**Effect of XTL6001 on total lean body mass and fat mass (MRI) (n=10)**

***P<0.001 vs. Control; ##P<0.01; ###P<0.001 vs. Vehicle

*Source: Company data*

Phase I clinical trial results further suggest that XTL6001 may reduce waist circumference and waist-to-hip ratio (WHR), with effects observed to persist following treatment discontinuation. For more information, see "— Clinical Trial Overview of XTL6001" below in this section.

(3) Significantly lowers blood lipids, hepatic lipids, and uric acid; reverses fatty liver; reduces proteinuria; and addresses obesity-related organ damage

Preclinical studies have shown that compared to Tirzepatide, XTL6001 shows a greater reduction in reversing fatty liver (reducing hepatic fat by over 93.95%) (Figure 1). In comparison with Finerenone, XTL6001 reduced urinary albumin-to-creatinine ratio (UACR) by an additional 15% to 50% (Figure 2).

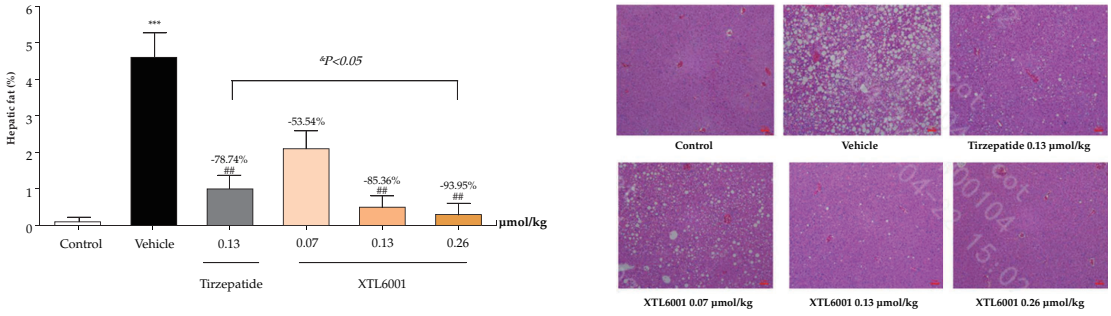
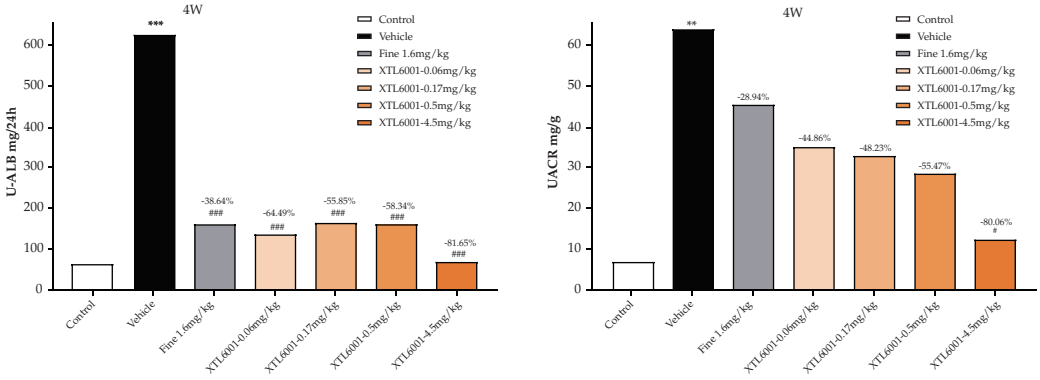



**Figure 1: Effect of XTL6001 on hepatic fat in DIO obese mice (vs. Tirzepatide, n=12)**




*** $P$<0.001 vs. control; #$P$<0.05、##$P$<0.01、###P<0.001vs. Vehicle

**Figure 2: In a rat model of diabetic nephropathy with proteinuria induced by alloxan combined with unilateral nephrectomy, the reduction rate of UACR by XTL6001 was 15% to 50% higher than that of finerenone. (n=12)**

*Source: Company data*

Phase I clinical trial results further suggest that XTL6001 may improve lipid profiles and reduce serum uric acid levels, with increases in uric acid clearance observed. For more information, see "— Clinical Trial Overview of XTL6001" below in this section.

(4) Favorable safety and potential for long-acting administration

Phase I study results showed that XTL6001 exposure increases with dose escalation, and once-weekly dosing maintained effective plasma drug concentrations for over one week. Safety data showed that XTL6001 has a good overall safety profile, with no serious adverse events (SAEs) occurring. Apart from the expected pharmacodynamically-related gastrointestinal adverse reactions (which were transient and dose-dependent) associated with GLP-1 class drugs at high doses, no other significant safety signals were observed. For more information of the clinical results, see "— Clinical Trial Overview of XTL6001" below in this section.

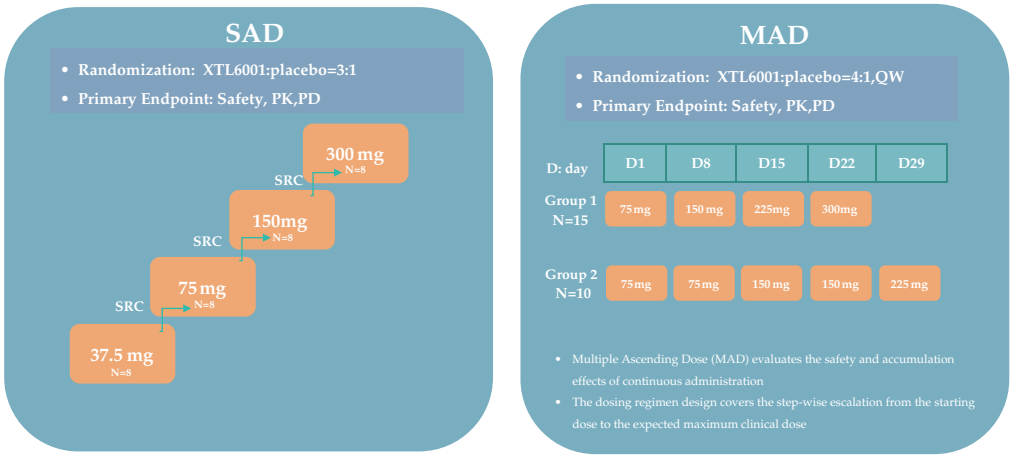
*Clinical Trial Overview of XTL6001*

*XTL6001-I-C01 PRC Phase I Clinical Study*

**Overview:** This is a randomized, double-blind, placebo-controlled Phase I clinical trial involving single ascending dose (SAD) and multiple ascending dose (MAD) in healthy and obese subjects. Its primary objective was to evaluate the safety and tolerability, and the secondary objective was to characterize the pharmacokinetics, pharmacodynamics and immunogenicity of XTL6001, to inform optimal dose selection and dosing regimen for Phase II studies. The trial covers both indications of weight management for obesity and Proteinuric CKD.

**Trial design:**

**A randomized, double-blind, SAD and MAD Phase I clinical study in healthy volunteers**



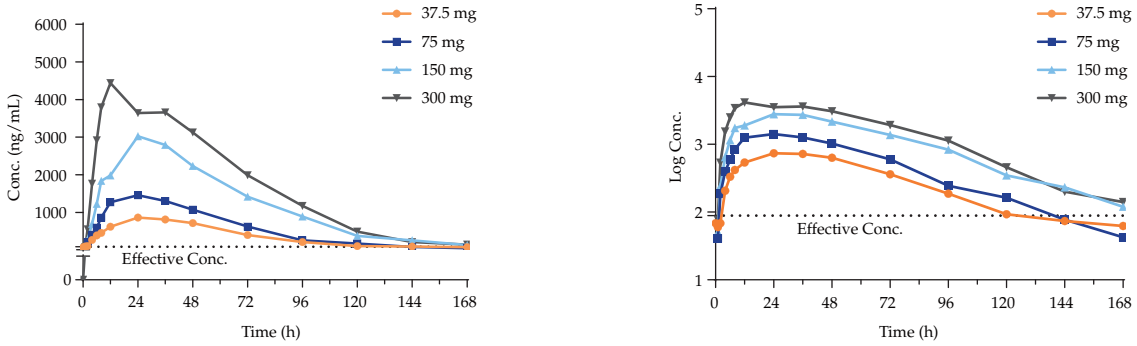

A total of 57 subjects are planned to be enrolled in this trial. The key inclusion criteria included: (1) subjects aged 18 years or above and below 65 years at the time of screening; (2) subjects with BMI of no less than 18.5 kg/m² and below 40.0 kg/m²; and (3) subjects with a body weight of no less than 50.0 kg for males and no less than 45.0 kg for females at screening. The key exclusion criteria included but were not limited to: (1) subjects with a history of type I or type II diabetes mellitus, or with glycated hemoglobin (HbA1c)> 6.5% or fasting plasma glucose> 7.0 mmol/L at screening; (2) subjects who had used prescription or over-the-counter (OTC) medications known to cause weight loss within three months prior to screening; (3) subjects with known clinically significant gastric emptying disorders, chronic use of medications that directly affect gastrointestinal motility, severe chronic gastrointestinal diseases, or who had undergone gastrointestinal surgery; (4) subjects with a history of acute or chronic pancreatitis, symptomatic gallbladder disease, malignancy within five years prior to screening, medullary thyroid carcinoma, or multiple endocrine neoplasia syndrome type 2A or type 2B.

**Trial status:** The Phase I clinical trial was initiated in June 2025. As of the Latest Practicable Date, the LPLV had occurred and the database lock had been completed.

**Safety data:** XTL6001 demonstrated an overall favorable safety profile. No serious adverse events were reported. Gastrointestinal adverse events were all Grade 1-2, with no treatment discontinuation due to such events, and were dose-related. The incidence of such adverse events may be reduced with a prolonged dose titration period.

**Efficacy data:**

**PK profile:** XTL6001 exposure increases with dose escalation; Peak concentration is reached 20-30 hours post-dose, with an elimination half-life of approximately 30 hours, showing no significant differences between dose cohorts:

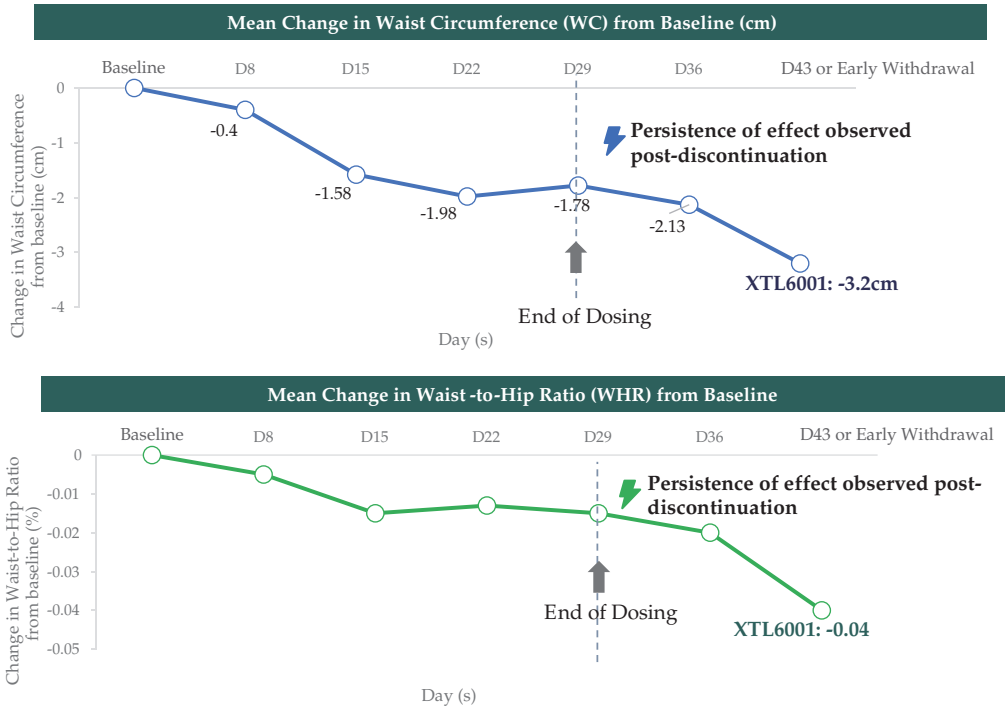



*Drug Time-Concentration and Semi-logarithmic Plots of XTL6001-I-C01 SAD Study (N=6/group)*

**Effective drug concentration maintained for >1 week:** doses ≥150 mg can maintain this effective concentration for over 168 hours (7 days), meeting the requirement for once-weekly administration.

Reductions in Waist Circumference and Waist-to-Hip Ratio: in the MAD cohort, after 4-5 weeks of treatment, subjects with BMI <28 kg/m² achieved a body weight reduction of 2.06% to 2.21%. In obese subjects (BMI ≥28 kg/m²), waist circumference decreased by approximately 2 cm, and waist-to-hip ratio (WHR) decreased by 0.015. The reductions were sustained after treatment discontinuation: at two weeks following the last dose, the total reduction reached 0.04 in WHR and 3.2cm in waist circumference.

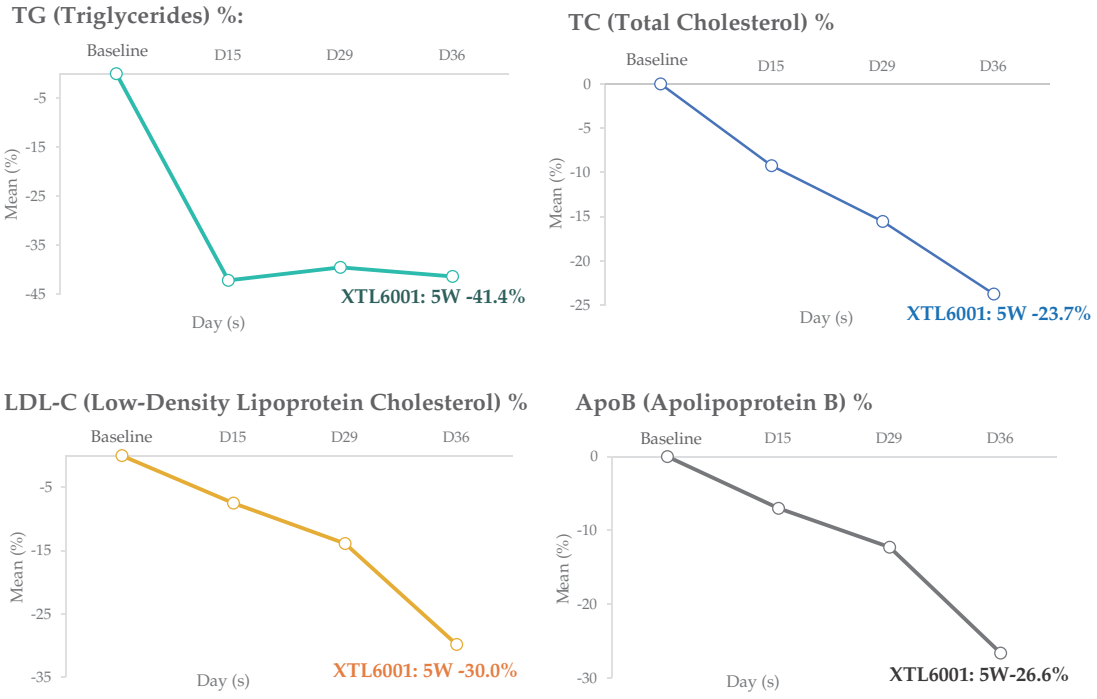
The results indicate that XTL6001 leads to a substantially greater reduction in waist circumference (visceral fat) compared to changes in hip circumference (subcutaneous fat and muscle mass).




WC: Waist Circumference; WHR: Waist-to-Hip Ratio

*Source: Company data*

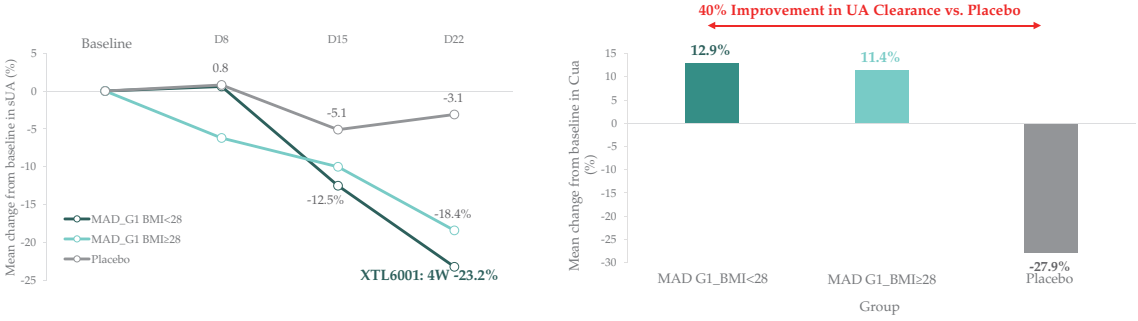
Reductions in Atherogenic Lipid Parameters: Compared with baseline, in obese subjects, XTL6001 reduced triglycerides (TG) by 41.4%, low-density lipoprotein cholesterol (LDL-C) by 30%, and apolipoprotein B (ApoB) by 26.6% at Week 5, suggesting a robust lipid-lowering effect.




MAD Group 2 (BMI ≥ 28) | Mean Percent Change from Baseline (%), N=8

*Note:* The potent lipid-lowering signals observed in healthy volunteers with normal baseline levels

Reduction in Serum Uric Acid (sUA) Levels: Compared with baseline, after four weeks of treatment with XTL6001, sUA levels in all subjects decreased by 18.4% to 23.2%, as compared to a reduction of 3.1% in the placebo group. Uric acid clearance increased by approximately 40% compared with placebo. These results suggest that XTL6001 may reduce sUA levels by decreasing uric acid production and promoting its excretion.




*Source:* *Company data*

*Clinical Development Plan*

The following table sets forth the planned clinical studies and plans for XTL6001 for the treatment of obesity/weight loss, CKD with proteinuria, and MASH:

| Indication | Clinical Trial | Location | Upcoming Milestones |
|---|---|---|---|
| Chronic Weight Management in Obese or Overweight Populations . . . . . | A randomized, double-blind, controlled Phase II clinical trial to evaluate the efficacy, safety, and pharmacokinetics of XTL6001 for injection in obese/overweight subjects. Sample size of approximately 240 subjects. | PRC | The trial is planned to be initiated in the third quarter of 2026 and is expected to be completed in the third quarter of 2027. |
| Proteinuric CKD . . . . | A randomized, double-blind, controlled Phase II clinical trial to evaluate the efficacy, safety, and pharmacokinetics of XTL6001 for injection in subjects with chronic kidney disease and proteinuria. Sample size of approximately 150 subjects | PRC | The trial is planned to be initiated in mid 2027 and is expected to be completed in the fourth quarter of 2027. |
| MASH . . . . . | IND preparation stage | PRC | IND application expected in early 2027 |

*Material Communications*

As of the Latest Practicable Date, we had not received any objection from any relevant regulatory authorities to our clinical development plans. The following table sets forth our important regulatory communications with regulatory authorities regarding the development of XTL6001 for the treatment of obesity/weight loss and CKD with proteinuria:

| Indication | Time | Regulatory Authority | Details |
|---|---|---|---|
| Chronic Weight Management in Obese or Overweight Populations . . . . . | 2024.5 | FDA | IND Submission |
| | 2024.12.20 | FDA | IND Approval |
| | 2025.2.12 | NMPA | IND Submission |
| | 2025.4.22 | NMPA | IND Approval |
| Proteinuric CKD . . . | 2025.4.21 | NMPA | IND Submission |
| | 2025.6.30 | NMPA | IND Approval |

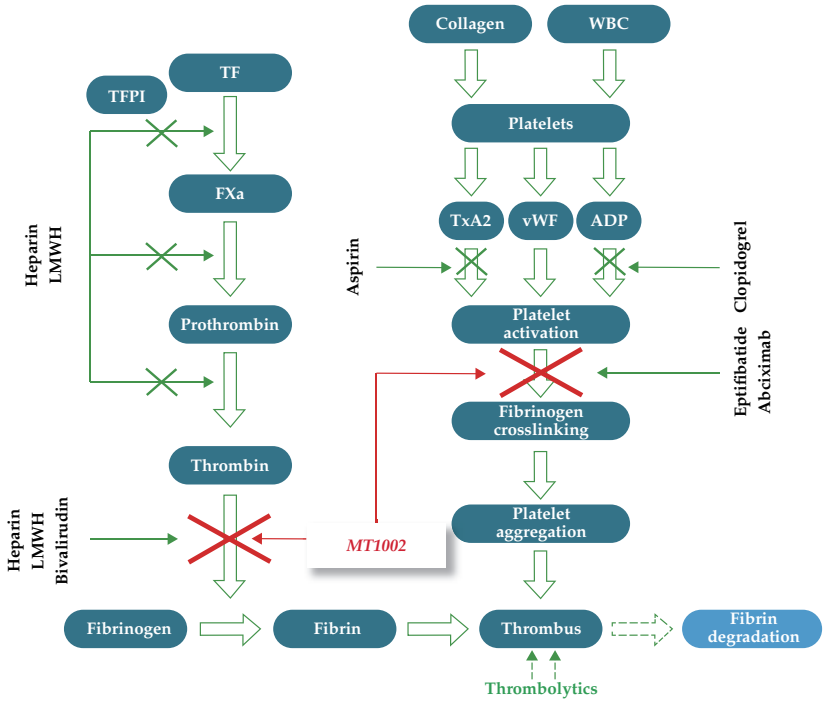
WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET XTL6001 SUCCESSFULLY

**Our Key Product — MT1002**

Our Key Product, MT1002, is a dual antagonist of coagulation factor II and the GP IIb/IIIa receptor, primarily targeting clinical needs in anticoagulation and anti-thrombosis for indications such as ACS-PCI, Stroke, HD and HD-PF4.

*Mechanism of Action*

MT1002 simultaneously antagonizes coagulation factor II and GPIIb/IIIa, possessing dual effects of anticoagulation and anti-platelet aggregation. It inhibits thrombosis through dual pathways and has clinical advantages such as early onset, convenient administration, no need for frequent monitoring, no dose adjustment required in patients with hepatic or renal impairment, and prompt recovery of parameters after discontinuation without affecting normal coagulation and platelet function.




*Source: Company data*

Coagulation factor II, namely thrombin (a serine protease in plasma), is generated by activation of the liver-synthesized precursor prothrombin (the precursor of coagulation factor II). It is a key enzyme in the coagulation cascade (a series of enzymatic reactions leading to blood clot formation) that converts fibrinogen (a plasma protein converted by thrombin into fibrin) into an insoluble fibrin mesh. It also promotes platelet (cell fragments involved in hemostasis and thrombosis) activation and the activation of other coagulation factors (enzymes and proteins involved in hemostasis), representing a critical step in the formation of stable thrombus.

GPIIb/IIIa (integrin αIIbβ3, an integrin receptor on the platelet membrane) is the primary integrin receptor on the platelet surface. Upon activation of platelets by ADP (adenosine diphosphate, a platelet activator), $TXA_2$ (thromboxane $A_2$, a platelet-secreted pro-aggregatory substance), and vWF (von Willebrand factor, a glycoprotein mediating platelet adhesion), this receptor undergoes a conformational change enabling it to bind fibrinogen (fibrinogen, a plasma protein involved in thrombus formation) or vWF, bridging multiple platelets to form aggregates — this is the core mechanism of white thrombus formation (particularly arterial thrombosis).

*Market Opportunities and Competition*

*ACS-PCI*

ACS, a type of CHD, refers to a group of conditions that include ST-elevation myocardial infarction (STEMI), non-ST elevation myocardial infarction (NSTEMI), and unstable angina. ACS is related to sudden reduced blood flow to the heart. PCI is a non-surgical, invasive procedure with a goal to relieve the narrowing or occlusion of the coronary artery and improve blood supply to the ischemic tissue. From 2020 to 2025, the volume of PCI procedures worldwide increased from 6.2 million to 10.7 million. It is estimated that by 2030 and 2035, the volume of PCI procedures worldwide will reach 15.6 million and 21.7 million, respectively. From 2020 to 2025, the volume of PCI procedures in China increased from 1.0 million to 2.3 million. It is estimated that by 2030 and 2035, the volume of PCI procedures in China will reach 4.0 million and 6.0 million, respectively.

PCI drugs are primarily used in patients with ACS who are scheduled to undergo PCI. As of the Latest Practicable Date, there were three drugs with an indication for PCI approved by the NMPA and three drugs with an indication for PCI approved by the FDA. In addition, there were ten PCI drug candidates in the clinical stage globally, including MT1002 (currently in Phase II).

*Stroke*

Stroke has become the leading cause of death and disability in China, posing a significant threat to the health of residents as a major chronic disease. In China, the prevalence of ischemic stroke grew from 18.6 million in 2020 to 23.5 million in 2025, and is projected to reach 28.9 million by 2030 and 35.1 million by 2035.

*HD*

The number of patients receiving HD treatment worldwide increased from 3.3 million in 2020 to 3.7 million in 2025. It is projected to reach 4.6 million by 2030 and 5.5 million by 2035. In China, the number of patients receiving HD treatment grew from 0.7 million in 2020 to 1.1 million in 2025 at a CAGR of 10.1% and is projected to reach 1.8 million by 2030 and 2.8 million by 2035.

*HD-PF4*

HIT is one of the major adverse effects associated with commonly used anticoagulants in dialysis. Type II HIT occurs when heparin forms a complex with platelet factor 4 (PF4), inducing conformational changes that trigger the production of autoantibodies. These antibodies lead to platelet activation, aggregation, and consumption, and may also damage the vascular endothelium, resulting in arterial and venous thrombosis, which is heparin-induced thrombocytopenia and thrombosis, (HITT). The incidence of Type II HIT following initial heparin exposure ranges from 3% to 5%, making it a potentially life-threatening and severe complication.

***Competitive Advantages***

*(1) A direct thrombin + GP IIb/IIIa dual-target antagonist addresses the challenge of balancing bleeding and ischemia in ACS-PCI.*

Unfractionated heparin has a high bleeding risk and large inter-individual variability, and some patients are intolerant to heparin treatment, leading to heparin-induced thrombocytopenia; Certain existing anticoagulants may have a high risk of acute in-stent thrombosis, increasing ischemic risk; Combination therapy (e.g., an anticoagulant plus a GP IIb/IIIa inhibitor) tends to increase bleeding risk, and without an established dosing basis for combined use, it is difficult to balance the risks of bleeding and ischemia. As a "direct thrombin + GP IIb/IIIa dual-target antagonist," MT1002's dual-function polypeptide design may address the challenge of balancing bleeding and ischemia in ACS-PCI. It has demonstrated a favorable efficacy and safety profile in ACS-PCI patients, and has the potential to overcome the limitations of conventional anti-thrombotic regimens.

In the Phase II clinical trials in the U.S. and the PRC, MT1002 has shown good efficacy and safety at various dose levels. In the U.S. trial, all 6 enrolled patients in the 0.90 mg/kg + 1.8 mg/kg/h × 4 hours dose group successfully completed the PCI procedure without any MACE or major bleeding events. In the PRC trial, all 15 subjects who underwent PCI successfully completed the procedure without any MACE or major bleeding events. Combining the results of both trials, all subjects, under the effect of MT1002's anticoagulant and antiplatelet targets, successfully completed the PCI procedure without any thrombotic or major bleeding events. There were no deaths, SAEs, or early withdrawals due to TEAEs. All adverse events were mild or moderate, fully validating its good safety and efficacy.

*(2) MT1002 demonstrates dose-dependent anticoagulant and antiplatelet activity with early onset and quick recovery after discontinuation. It can fill the therapeutic need in emergency PCI where antiplatelet drugs have not taken effect or patients are unable to take oral medication, while ensuring a good safety profile.*

In the U.S. Phase II clinical trial, the treatment regimen of 0.90 mg/kg + 1.8 mg/kg/h × 4 hours for MT1002 was able to stably maintain the clinical anticoagulation target during the procedure. In the PRC Phase II clinical trial, the pharmacodynamic effect showed anticoagulant activity closely related to the administered dose, taking effect within 5 minutes of administration. PD indicators returned to near-normal levels within 2 hours after discontinuation, validating MT1002's characteristics of early onset and quick recovery after withdrawal. For more information of the clinical results, see "— Clinical Trial Overview of MT1002" below in this section.

*(3) Stable pharmacokinetic properties and good population adaptability*

MT1002 has demonstrated consistent and stable pharmacokinetic and pharmacodynamic profiles across different populations. The Phase II clinical study showed that the in vivo exposure (Cmax and AUC) of MT1002 in ACS patients increased with dose, demonstrating good dose dependency. The PK curve was consistent with the Phase I results, showing no significant difference at the same dose levels, which supports its stable pharmacokinetic characteristics. PK/PD modeling results further showed that the typical values of ACT and APTT and their 95% confidence intervals were highly consistent between the PRC and U.S. populations under the same dosing regimen, verifying its good comparability across different ethnic groups. Furthermore, MT1002 is primarily metabolized via plasma enzymatic hydrolysis, consistent with the characteristics of a typical polypeptide drug. It is not affected by ethnic differences and demonstrates good population adaptability.

***Clinical Trial Overview of MT1002***

*MT1002-I-C01 U.S. Phase I Clinical Study*

**Overview:** This is a randomized, open-label, sequential parallel-group, single-dose escalation study. Its primary objective was to evaluate the safety and tolerability, and the secondary objective was to characterize the pharmacokinetics and pharmacodynamics of MT1002 in healthy subjects.

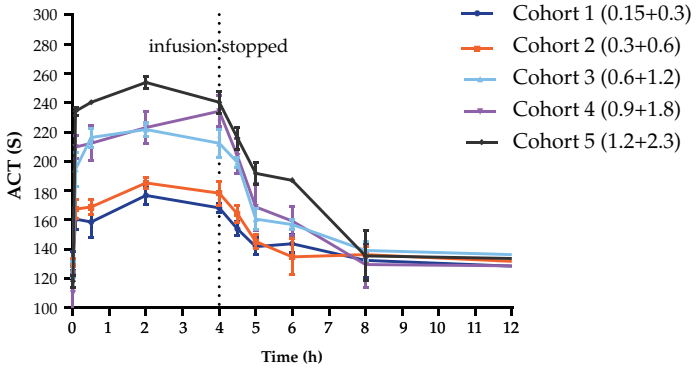
**Trial design:** 6 subjects were enrolled in each of the 5 cohorts (a total of 30 subjects) to receive different bolus + infusion doses of MT1002. The total infusion time was 4 hours. Pharmacokinetic and pharmacodynamic parameters were measured at different time points after administration to assess the pharmacokinetic and pharmacodynamic characteristics, while also evaluating the safety and tolerability of MT1002 in healthy subjects. Subjects underwent follow-up until Day 8 from the initiation of dosing. No additional administration was provided during the follow-up period.

A total of 30 healthy subjects were enrolled in this trial. The key inclusion criteria included: (1) male or female subjects aged between 18 and 60 years; (2) BMI between 18.0 and 34.0 $kg/m^2$; (3) abstinence from xanthine-, quinine- or caffeine-containing beverages and avoidance of prolonged intense physical activity during the study period (from 72 hours prior to dosing to the last visit). The key exclusion criteria included: (1) presence of any medical condition, abnormal clinical laboratory findings or other circumstances that, in the opinion of the investigator or designee, would render the subject unsuitable for the study; (2) inability to tolerate venipuncture or poor venous access; (3) participation in another investigational drug study and receipt of study treatment within 30 days or five half-lives (whichever is longer) prior to the screening visit, or concurrent participation in another clinical trial; (4) occurrence of acute illness within 14 days prior to the screening visit; and (5) known hypersensitivity to MT1002 for injection.

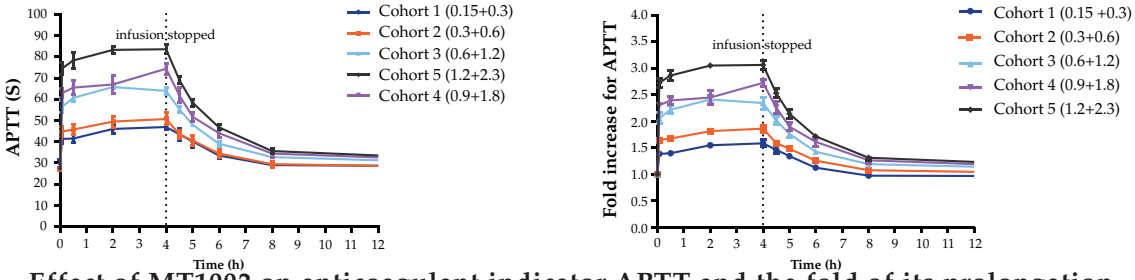
**Trial status:** The Phase I clinical trial was initiated in April 2019 and is completed in August 2019. A total of 30 healthy subjects completed the study drug administration in 5 dose groups. In a dose-escalation design, the safety and tolerability of MT1002 in healthy individuals were explored across 5 dose groups (6 subjects per group). The Phase I clinical trial was completed by the Group on its own.

**Safety data:** MT1002 for injection showed good safety and tolerability. No SAEs were reported. No life-threatening AEs occurred, nor did any AE lead to patient withdrawal or study discontinuation. All TEAEs were Grade 1 in severity with mild symptoms, none of which required clinical intervention, and all subjects fully recovered/resolved in a short period.

**Efficacy data:**



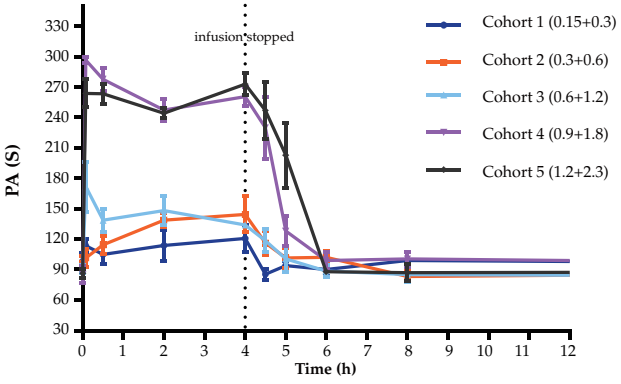

**Effect of MT1002 on anticoagulant indicator ACT**
(N=6/group, dose unit: mg/kg + mg/kg/h)




**Effect of MT1002 on anticoagulant indicator APTT and the fold of its prolongation**
(N=6/group, dose unit: mg/kg + mg/kg/h)

*Source: Company data*

**Anticoagulant effect:** MT1002 demonstrated a dose-dependent anticoagulant activity by prolonging APTT, ACT, INR, PT, and TT. These parameters returned to the normal range after discontinuation, with no impact on the human coagulation function.




**Effect of MT1002 on the anti-platelet indicator, platelet aggregation (PA) function**

*Note:* The PA results for cohort 3 were not accurately obtained as most reported values were >134s due to an equipment malfunction during sample testing.

*Source: Company data*

**Anti-platelet effect:** MT1002 prolonged platelet aggregation time, demonstrating a dose-dependent anti-platelet activity. Platelets were immediately inhibited after administration, and the function returned to the normal range after discontinuation, with no impact on human platelet function.

Results from the Phase I study demonstrated that MT1002 exhibited a favorable safety profile, with pharmacokinetic and pharmacodynamic parameters showing a consistent correlation. Dose-dependent anticoagulant and antiplatelet activities were observed. Coagulation and platelet function returned to within normal ranges following treatment discontinuation. The objectives set out in the overview were achieved.

*MT1002-I-C02 PRC Phase I Clinical Study*

**Overview:** This study adopted a single-center, randomized, double-blind, placebo-controlled, single-dose escalation design. Its primary objective was to evaluate the safety and tolerability, and the secondary objective was to characterize the pharmacokinetics and pharmacodynamics of MT1002 for injection in healthy subjects in the PRC.

**Trial design:** The study included a dose escalation/de-escalation study with 2 dose groups. Each group consisted of 10 healthy subjects, with 8 receiving MT1002 and 2 receiving placebo. MT1002 was administered as a bolus injection followed by a continuous 4-hour infusion. Subjects underwent follow-up until Day 7 from the initiation of dosing. No additional administration was provided during the follow-up period.

A total of 20 healthy subjects were enrolled in this trial. The key inclusion criteria included: (1) aged 30 years or above, with children and no plans for future reproduction or sperm/egg donation at the time of signing the informed consent form; (2) body weight not less than 50.0 kg for males and 45.0 kg for females; and (3) BMI within the range of 18.0 to 28.0 kg/m$^2$. The key exclusion criteria included: (1) history of severe allergy or known hypersensitivity to any component of the investigational product or its excipients; (2) inability to comply with standardized meals or fasting requirements; and (3) history or presence of clinically significant cardiovascular, cerebrovascular, hepatic, renal, endocrine, metabolic, gastrointestinal, hematological, respiratory, infectious, oncological or psychiatric disorders, as determined by the investigator.

**Trial status:** The Phase I clinical trial was initiated in September 2021 and is completed in April 2022. A total of 6 subjects in dose group 1 and 7 subjects in dose group 2 completed the trial. All 4 subjects in the placebo group completed the trial. The Phase I clinical trial was completed by the Group on its own.

**Safety data:** All TEAEs were Grade 1 or 2 in severity, with no clinical symptoms, and did not require corresponding measures. No drug-related SAEs were reported. No life-threatening AEs occurred, nor did any AE lead to patient withdrawal or study discontinuation.

**Efficacy data:** After administration, coagulation indicators and platelet aggregation time showed dose-dependent anticoagulant and anti-platelet activities. These functions returned to the normal range after discontinuation, with no impact on human coagulation or platelet function.

Phase I results showed good safety, linear pharmacokinetics with dose-proportionality, and a clear PK/PD relationship. The objectives set out in the overview were achieved.

*MT1002-II-C01 U.S. Phase II Efficacy Study in NSTEMI-PCI Patients*

**Overview:** A dose escalation/de-escalation study was conducted in the U.S. in NSTEMI-PCI patients to evaluate the efficacy and safety of MT1002.

**Trial design:** The target population was patients with non-ST-segment elevation myocardial infarction (NSTEMI) undergoing PCI. A total of 18 patients were planned for enrollment into 3 dose groups of 6 patients each. All patients were to receive MT1002 via bolus injection + 4-hour infusion during the peri-procedural period of PCI. Safety and efficacy endpoints included BARC type 3-5 bleeding events and MACE events. PD endpoints included coagulation-related indicators. Subjects underwent follow-up until Day 30 from the initiation of dosing. No additional administration was provided during the follow-up period.

A total of 6 subjects were enrolled in this trial. The key inclusion criteria included: (1) male or female subjects aged ≥18 years and ≤85 years; (2) confirmed diagnosis of NSTEMI; and (3) patients who were hospitalized for this episode of NSTEMI and planned to undergo PCI. The key exclusion criteria included: (1) cardiogenic shock or a history of prolonged cardiopulmonary resuscitation (CPR); (2) active bleeding, bleeding diathesis or coagulopathy; (3) history of intracranial hemorrhage or structural abnormalities in the brain; and (4) history of transient ischemic attack (TIA) or stroke within the past six months.

**Trial status:** The Phase II clinical trial was initiated in December 2020 and the study for the first dose group has been completed, with a total of 6 subjects enrolled who received MT1002 via bolus injection + continuous 4-hour infusion. The study was terminated due to commercial considerations, primarily relating to the prioritization of financial resources, and was not related to any safety or efficacy concerns. In March 2024, we submitted an application to the FDA to terminate the trial, at which time one cohort of six patients had completed dosing, all of whom successfully completed the procedure without bleeding or thrombotic events, and no safety concerns were identified. We had determined by the end of 2023 to prioritize clinical development in the PRC and initiated a Phase II clinical trial. The Company intends to adopt a bridging strategy to potentially waive the requirement for a separate Phase II trial in the U.S. and to consider conducting an MRCT at the Phase III stage, with simultaneous implementation in both the PRC and the U.S. and joint patient enrolment, with a view to reducing overall clinical development costs, maintaining continuity of development and ultimately achieving concurrent development in both markets. Our Directors confirm that the termination has no adverse impact on the corresponding clinical development in the PRC and was not related to any safety or efficacy concerns.

**Safety data:** Interim results showed that all 6 patients successfully completed the PCI procedure without any thrombotic or major bleeding events. A total of 9 AEs were reported by 2 subjects, the majority (66.7%) of which were mild. No drug-related SAEs were reported. No life-threatening AEs occurred, nor did any AE lead to patient withdrawal or study discontinuation.

**Efficacy data:** Interim results showed that after administration of MT1002, the pharmacodynamic effect was exerted within 5 minutes, with anticoagulant indicators reaching desired levels. All 6 patients successfully completed the PCI procedure without any thrombotic or MACE events. MT1002 demonstrated early-onset characteristics, meeting the urgent need for anticoagulation during the peri-procedural period of PCI and providing timely and reliable protection against thrombosis.

*MT1002-II-C04 PRC Phase II Efficacy Study in ACS-PCI Patients*

**Overview:** This is a dose escalation/de-escalation study conducted in the PRC in ACS-PCI patients. Its primary objective was to identify the safe and well-tolerated dose of MT1002, and the secondary objective was to evaluate the safety and tolerability.

**Trial design:** The target population was ACS patients undergoing PCI, including those with ST-segment elevation myocardial infarction (STEMI), non-ST-segment elevation myocardial infarction (NSTEMI), and unstable angina (UA). A total of 53 to 65 patients are planned to be enrolled in six cohorts, including five dose-exploration cohorts and one dose-expansion cohort. All patients are to receive MT1002 via bolus injection + 4-hour infusion during the peri-procedural period of PCI. Safety and efficacy endpoints included BARC type 3-5 bleeding events and MACE events. PD endpoints included indicators related to coagulation and platelet function. Subjects underwent follow-up until Day 30 from the initiation of dosing. No additional administration was provided during the follow-up period.

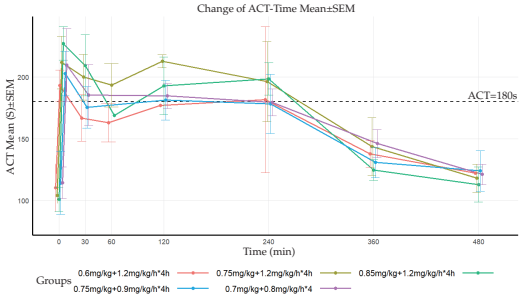
The key inclusion criteria included: (1) male or female subjects aged between 18 and 85 years; (2) subjects diagnosed with ACS who were hospitalized and planned to undergo PCI; (3) subjects who were able to understand and willing to sign a written informed consent form prior to any study-related procedures. The key exclusion criteria included: (1) subjects with cardiogenic shock or those who had undergone CPR; (2) subjects suspected of having aortic dissection, pericarditis or endocarditis; (3) subjects with a history of intracranial hemorrhage or structural abnormalities in the brain; (4) subjects who experienced TIA or stroke within the past six months; and (5) subjects with a history of gastrointestinal or genitourinary bleeding within the past month.

**Trial status:** The Phase II clinical trial was initiated in February 2024. As of the Latest Practicable Date, five dose-exploration cohorts involving a total of 24 subjects had been completed, and enrollment of 26 subjects in the dose-expansion cohort was completed.

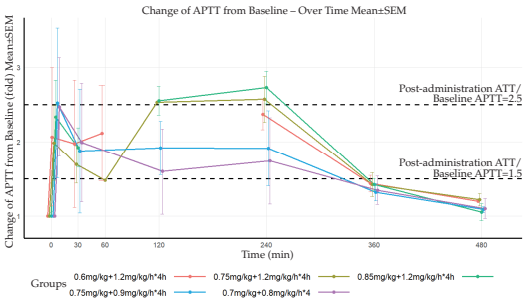
The relatively long interval between the Phase I and Phase II clinical trials was primarily attributable to the prioritization of internal resources, with a focus on our Core Product. In addition, MT1002 is an anticoagulant and antiplatelet drug, and its Phase III clinical trial is expected to require a large sample size and significant investment. Accordingly, the early-stage cohorts of the Phase II trial (MT1002-II-C04) employed a small sample size (n=6 per cohort) appropriately designed to explore dose-level trends and safety signals primarily in light of limited financial resources. Given the small sample size and inherent inter-subject variability, such exploratory cohorts were not primarily designed to establish a conclusive correlation between dose levels and clinical events. Therefore, following improvements in our Company's funding position, an adequately-sized Phase IIb trial — forming part of the same MT1002-II-C04 study — is being conducted to build upon these initial findings, enabling a robust assessment of the exposure-response relationship between PD biomarkers and drug exposure, as well as a preliminary exploration of MACE and bleeding events, which is necessary for informing the subsequent large-scale Phase III trial.

**Safety data:** MT1002 demonstrated good safety and tolerability. As of the Latest Practicable Date, one thrombotic event that was assessed as unrelated to the study drug was reported, and no MACE events, NACE events, or BARC type 3-5 bleeding events occurred. With the exception of one moderate AE unrelated to the study drug, all other AEs were mild.

**Efficacy data:** After administration of MT1002, the pharmacodynamic effect was exerted within 5 minutes. All 28 subjects successfully completed the PCI procedure without any drug-related thrombotic or MACE events. The study showed that PCI procedures could be successfully completed and thrombotic events prevented even with an ACT of 200s or below, suggesting MT1002's good ability to balance ischemic and bleeding risks. It demonstrates the characteristic of preventing thrombosis at lower ACT levels, thereby avoiding the high risk of major bleeding associated with traditional anticoagulants. Unlike existing standard therapies, the synergistic anticoagulant and anti-platelet effects of MT1002 ensure anti-thrombosis while avoiding the high risk of major bleeding associated with traditional anticoagulants. After exploring the optimal balanced dose in Phase II studies, a large-sample validation will be conducted in a Phase III study.




**Effect of MT1002 on Activated Clotting Time (ACT) in the PRC Phase II Clinical Study**




**Effect of MT1002 on Activated Partial Thromboplastin Time (APTT) in the PRC Phase II Clinical Study**

*Source: Company data*

***Clinical Development Plan***

For ACS-PCI: We plan to further communicate with the CDE in an EOP II meeting after completing the PRC Phase II MT1002-II-C04 study, to advance a large-sample confirmatory Phase III clinical study with NACE and MACE events as efficacy endpoints, in support of a subsequent NDA filing.

For Stroke: We have obtained the PRC Phase II clinical trial approval and plan to commence the Phase II clinical trial[(1)] in the PRC by June 2026.

For HD: We have obtained the PRC Phase II clinical trial approval and plan to commence the Phase II clinical trial[(1)] in the PRC by July 2026.

For HD-PF4: We have obtained the PRC Phase II clinical trial approval and plan to initiate the PRC Phase II clinical trial[(1)] by the end of 2027.

*Note:*

(1) The Phase I clinical trial of MT1002 had conducted adequate safety and dose-ranging evaluation to support the therapeutic dose range for the treatment of stroke, HD and HD-PF4 in the PRC, thereby providing the basis for directly commencing the respective Phase II clinical trials. The relatively long interval between obtaining regulatory approval and commencing the relevant clinical trials was primarily attributable to pipeline prioritization and the allocation of financial resources. The Phase II clinical trial preparation was initiated in March 2026, including the finalization of the clinical trial protocol.

***Material Communications***

As of the Latest Practicable Date, we had not received any objection from any relevant regulatory authorities to our clinical development plans. The table below sets forth our key regulatory communications with regulatory agencies regarding the development of MT1002 for ACS-PCI, Stroke, HD, and HD-PF4:

| Indication | Time | Regulatory Authority | Details |
|---|---|---|---|
| ACS-PCI . . . . . | 2019.1 | FDA | IND Submission |
| | 2019.3.1 | FDA | IND Approval |
| | 2021.3.10 | NMPA | IND Submission |
| | 2021.6.2 | NMPA | IND Approval |
| | 2022.12.27 | NMPA | EOP1 Meeting |
| | 2024.8.15 | NMPA | EOP2 Meeting |
| Stroke . . . . . | 2023.4.17 | NMPA | IND Submission |
| | 2023.6.25 | NMPA | IND Approval |
| HD . . . . . | 2023.10 | FDA | IND Submission |
| | 2023.11.13 | FDA | IND Approval(1) |
| | 2023.5.18 | NMPA | IND Submission |
| | 2023.7.27 | NMPA | IND Approval |
| HD-PF4 . . . . . | 2023.3.22 | NMPA | IND Submission |
| | 2023.6.6 | NMPA | IND Approval |

*Notes:*

(1) For the treatment of HD in the U.S., we have not yet formulated a definitive clinical development plan and has not commenced any clinical trials as of the Latest Practicable Date despite obtaining IND approval from the FDA in 2023. We are exploring potential collaboration opportunities with overseas partners and may initiate clinical development upon securing an appropriate collaboration arrangement.

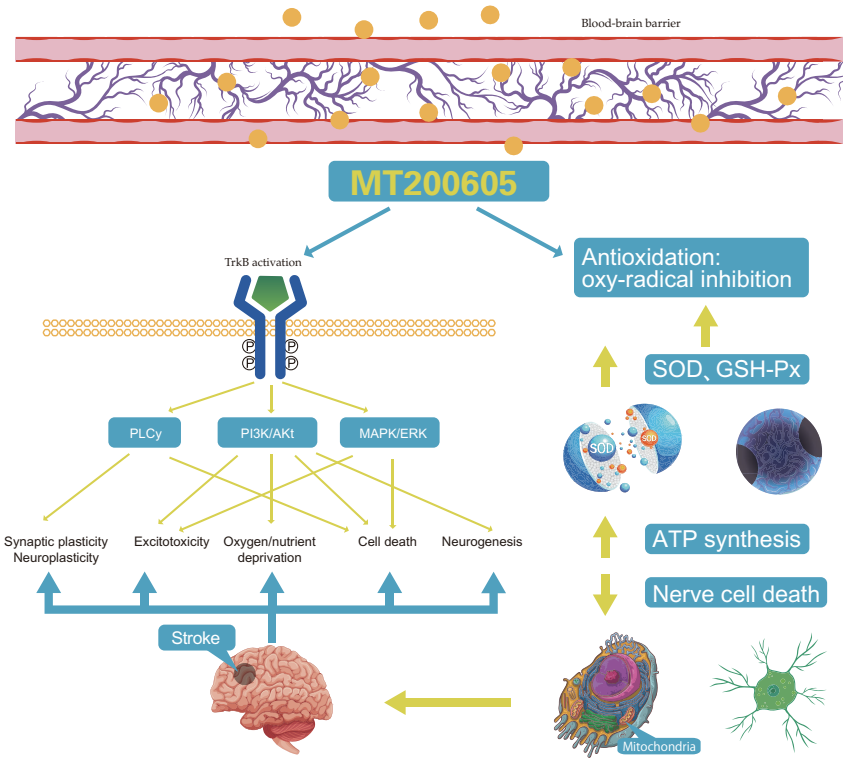
WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET MT1002 SUCCESSFULLY

**Our Key Product — MT200605**

Our Key Product, MT200605, is a neuroprotectant for injection. Its core breakthrough lies in a dual synergistic mechanism of action — by simultaneously activating the TrkB receptor and eliminating oxygen radicals, it blocks the post-acute AIS pathological cascade via dual pathways, offering a therapeutic solution for patients with currently unmet clinical needs.

***Mechanism of Action***

MT200605 has a dual mechanism of action: on one hand, by activating the TrkB receptor, it initiates the BDNF signaling pathway, further activating signaling pathways such as ERK, PI3K/Akt, and PLC. This promotes the growth, repair, and regeneration of neural cells, counteracts damage from toxic substances, enhances learning and memory functions, and demonstrates a significant neuroprotective effect in stroke models. On the other hand, it exerts the anti-oxygen free radical effect of flavonoids. Acute ischemic stroke leads to the release of a large number of reactive oxygen species, triggering inflammatory responses and ischemia-reperfusion injury. Flavonoid compounds possess multiple mechanisms, including directly blocking or scavenging free radicals, inhibiting lipid peroxidation, and chelating with metal ions, thereby exerting antioxidant and neuroprotective effects.




*Source: Company data*

TrKB receptor is a transmembrane receptor with tyrosine kinase activity in the Trk family, which mainly binds to brain-derived neurotrophic factor and neurotrophin-4/5. After binding to ligands, TrKB receptor activates the downstream signaling pathways such as PI3K/Akt, MAPK/ERK, and PLCγ by dimerization, and regulates neuronal survival, proliferation and differentiation, axonal dendritic development, and synaptic plasticity, which is essential for the development of the nervous system, It is a core molecule in the development of the nervous system, maintenance of function and repair of damage.

TrKB receptor agonist binds to TrKB and exerts neuroprotective effects through multiple mechanisms: activating the PI3K/Akt pathway to inhibit neuronal apoptosis and reduce ischemic or toxic injury; promoting axonal regeneration and synaptic reconstruction via the MAPK/ERK pathway to facilitate the repair of the neural network; enhancing the regulation of PLCγ-mediated calcium signaling to improve synaptic transmission and alleviate cognitive impairment; down-regulating proinflammatory drugs; and down-regulating the calcium signaling pathway to improve synaptic transmission and alleviate cognitive impairment. It also enhances PLCγ-mediated calcium signaling and improves synaptic transmission to alleviate cognitive deficits; down-regulates the pro-inflammatory pathway to inhibit glial over-activation and reduce inflammatory damage; and stimulates neurogenesis in the hippocampus and other regions to facilitate functional recovery. These potential multiple therapeutic mechanisms make TrKB agonists have the potential to treat stroke, neurodegenerative diseases, depression and other neurological disorders.

***Market Opportunities and Competition***

AIS is the most common type of stroke, accounting for about 70%-80% of strokes. The global prevalence of ischemic stroke grew from 65.7 million in 2020 to 85.3 million in 2025, and is projected to reach 105.8 million by 2030 and 127.4 million by 2035. In China, the prevalence of ischemic stroke grew from 18.6 million in 2020 to 23.5 million in 2025, and is projected to reach 28.9 million by 2030 and 35.1 million by 2035.

As of the Latest Practicable Date, there are three neuroprotective drugs approved by NMPA. In addition, there were a total of 12 neuroprotective drug candidates for AIS in the clinical stage in the PRC, including our Key Product MT200605 (currently in phase II). For more information, see "Industry Overview — Main treatment of Ischemic Stroke" and "Industry Overview — Competitive landscape of neuroprotective drugs."

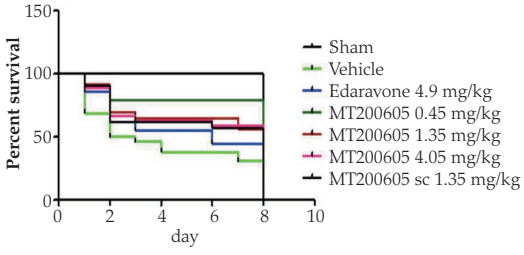
***Competitive Advantages***

*(1) Favorable safety and tolerability profile*

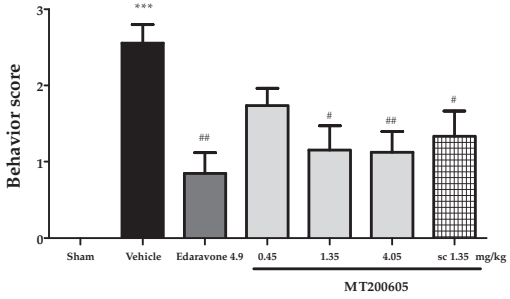
MT200605 has successfully completed Phase I clinical studies in both the PRC and the U.S. Study results showed that MT200605 has good safety and tolerability in healthy subjects. All TEAEs related to MT200605 were Grade 1, with no SAEs or events leading to subject withdrawal. All adverse events were resolved or recovered, further validating the safety foundation of MT200605 as a neuroprotective agent for stroke in the early clinical stage. Furthermore, results from the Phase I single and multiple dose studies indicated that the in vivo exposure of MT200605 is clearly linearly correlated with the dose, demonstrating a good dose-exposure relationship. There was no accumulation after multiple administrations, providing support for subsequent dose exploration and clinical application. For more information of the clinical results, see "— Clinical Trial Overview of MT200605" below in this section.

*(2) Synergistic neuroprotective effect via dual pathways*

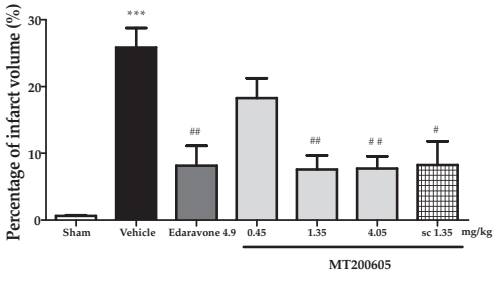
MT200605 has a well-defined dual mechanism of action, which is supported by existing clinical data. On one hand, the drug promotes neurogenesis by activating the TrkB receptor; on the other hand, it leverages the antioxidant properties of flavonoids to inhibit free radical damage, thereby achieving a synergistic neuroprotective effect. Existing preclinical pharmacodynamic studies (MCAO-CIR rat model) show that MT200605 is well-distributed in brain tissue and has the ability to cross the blood-brain barrier; it is more effective existing neuroprotective agents in improving stroke-related behavioral indicators, increasing brain SOD and GSH-Px content, reducing cerebral infarction volume, prolonging the survival rate of model mice, and delaying the time of animal death, demonstrating significant therapeutic advantages and good development potential.




**MT200605 can significantly prolong the survival rate of model rats and delay the time of death.**
*(79.2% vs. Edar 44.8%, n=10~29)*

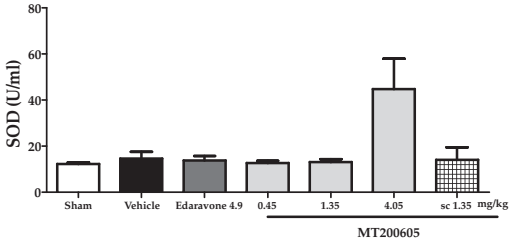



**MT200605 can reduce the behavioral scores of rats in a dose-dependent manner.**
*(n=10~29)*

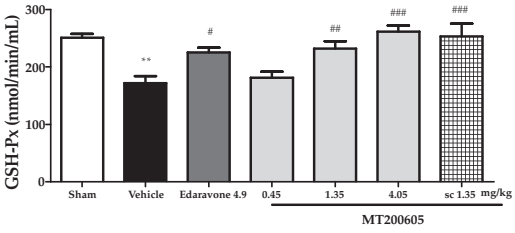



**Effect on the percentage of cerebral infarction volume in rats**
*(n=10-19) ***P<0.001 vs. Sham; #P<0.05, ##P<0.01 vs. Vehicle*


**Typical photos of cerebral infarction**




**MT200605 increases SOD content**
*(44.7% vs. Edar 13.7%, n=10~29)*




**MT200605 increases GSH-Px content**
*(52.6% vs. Edar 31.3%, n=10~29)*

*Source: Company data*

***Clinical Trial Overview of MT200605***

*MT200605-I-C01 PRC Phase I Clinical Study*

**Overview:** We conducted a randomized, double-blind, placebo-controlled Phase I clinical trial in healthy subjects in the PRC to evaluate single ascending dose (SAD) and multiple ascending dose (MAD) administration of MT200605 for injection. Its primary objective was to evaluate the safety and tolerability, and the secondary objective was to characterize the pharmacokinetic of MT200605 in healthy individuals in the PRC, and to recommend the optimal dosing regimen and dose for Phase II clinical trials.

**Trial design:** This was a single-center, Phase I, randomized, double-blind, placebo-controlled, sequential-dosing SAD and MAD study. The SAD study consisted of 5 cohorts (MT200605 0.15mg/Kg, 0.3mg/Kg, 0.6mg/Kg, 0.9mg/Kg, and 1.2mg/Kg, single dose). The 4 subjects in the first cohort all received MT200605, while the remaining cohorts each had 8 subjects (6 on MT200605 + 2 on placebo). A total of 36 healthy subjects were enrolled in the entire SAD study. The MAD study comprised 3 cohorts (0.3mg/Kg, 0.6mg/Kg, and 1.2mg/Kg, dosed every 12 hours for 7 consecutive days), with 8 subjects in each cohort (6 on MT200605 + 2 on placebo), for a total of 24 subjects. Subjects in the SAD study will undergo follow-up 11 days after dosing, while those in the MAD study will undergo follow-up 7 days after completion of dosing. The primary endpoint of the study was the safety and tolerability of MT200605 in healthy subjects, with its pharmacokinetic characteristics as a secondary endpoint.

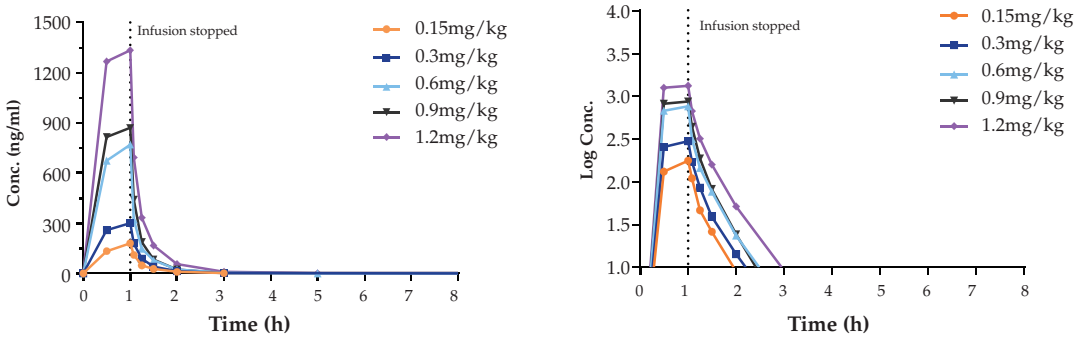
A total of 60 subjects were enrolled in the PRC in this trial. The key inclusion criteria included: (1) subjects aged between 18 and 50 years at the time of screening, with a BMI of no less than 18.0 kg/m² and no more than 28.0 kg/m²; (2) healthy subjects without clinically significant medical history or conditions; (3) subjects with no plan for conception, sperm donation or egg donation within six months following screening, who voluntarily agree to use effective contraceptive measures, and for female subjects, with a negative serum pregnancy test result; and (4) subjects who are able to understand the study procedures and have signed the informed consent form prior to participation in the study. The key exclusion criteria included but were not limited to: (1) any clinically significant abnormal findings identified during physical examination; (2) any clinically significant abnormalities in laboratory test results at screening, or positive findings for HBsAg, anti-HCV antibody, HIV antibody, serological testing, or active infection; (3) female subjects with a positive pregnancy test result or who are lactating; (4) positive results in urine drug screening or breath alcohol test; and (5) a clinically significant history of allergic reactions, such as anaphylaxis, hypersensitivity or angioedema, as determined by the investigator.

**Trial status:** The Phase I clinical trial was initiated in July 2023 and completed in December 2023 with 60 subjects enrolled in the PRC. We completed the Phase I clinical trial on our own.

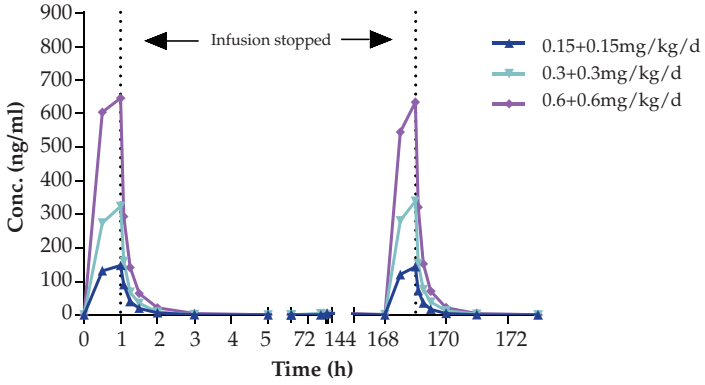
**Safety data:** The PRC Phase I clinical study showed a good safety profile. No drug-related TEAEs of Grade 3 or above were observed, and no drug-related SAEs were reported. No life-threatening AEs occurred, nor did any AE lead to patient withdrawal or study discontinuation. The objective set out in the overview was achieved.

**Pharmacokinetic data:** The SAD study showed that within the 0.15mg/kg to 1.2mg/kg range, the pharmacokinetic (PK) characteristics of both total MT200605 and free MT200605 showed a clear positive dose-exposure correlation, and the main pharmacokinetic parameters followed linear kinetic characteristics. The MAD study

showed that within the 0.3mg/kg to 1.2mg/kg range, there was no significant accumulation after multiple doses of MT200605, and steady state trough concentration was reached on day 5. The main pharmacokinetic parameters of free MT200605 followed linear kinetic characteristics, while the increase in exposure (AUC0-t,ss) of total MT200605 was slightly higher than dose-proportional (approximately 1.85-fold).




**Time-Concentration and Semi-logarithmic Plots of MT200605 Parent Drug in Each Dose Group of the MT200605 SAD Study**
(N=6/group)




**Time-Concentration Plots of MT200605 Parent Drug in Each Dose Group of the MT200605 MAD Study**
(N=6/group)

*Source: Company data*

Results from the Phase I study demonstrated a favorable safety profile of MT200605, with pharmacokinetic parameters showing a linear correlation with the administered dose. The objectives set out in the overview were achieved.

*MT200605-101-US U.S. Phase I Clinical Study*

**Overview:** We conducted a randomized, double-blind, Phase I clinical trial in the U.S. to evaluate the safety, tolerability, and pharmacokinetics of single ascending doses (SAD) of MT200605 for injection in healthy subjects. Its primary objective was to evaluate the safety and tolerability, and the secondary objective was to characterize the pharmacokinetic of MT200605 in healthy subjects in the U.S., and to recommend the optimal dosing regimen and dose for Phase II clinical trials.

**Trial design:** The U.S. Phase I clinical study included 2 cohorts (MT200605 0.1mg/Kg and 0.3mg/Kg), both with single-dose administration. Each cohort comprised 8 subjects (6 on MT200605 + 2 on placebo). Subjects will undergo a safety follow-up assessment 7 days after dosing. A total of 16 healthy subjects were enrolled in the study.

A total of 16 subjects were enrolled in the US in this trial. The key inclusion criteria included: (1) male or non-childbearing potential female, ≥ 18 and ≤ 65 years of age with BMI ≥ 18.0 and ≤ 32.0 kg/$m^2$ at screening; (2) healthy subject without clinically significant medical history or conditions; (3) female subjects of non-childbearing potential; (4) female subjects (except for post-menopausal women) must have agreed to use two forms of acceptable non-hormonal methods of contraception, for the duration of the study and for 30 days following the completion of the study; and (5) subjects able to understand the

study procedures and provide signed informed consent to participate in the study. The key exclusion criteria included but were not limited to: (1) any abnormalities identified during physical examination (including examination of the administration site); (2) abnormal laboratory test results at screening, or positive findings for hepatitis B surface antigen (HBsAg), anti-hepatitis C virus (HCV) antibody, HIV antigen or antibody, or evidence of active infection; (3) positive pregnancy test result or lactation at screening; (4) positive urine drug screening, positive urinary cotinine test or positive breath alcohol test; and (5) a history of severe allergic reactions (e.g., anaphylaxis, hypersensitivity or angioedema) considered clinically significant by the investigator.

**Trial status:** The Phase I clinical trial was initiated in October 2022 and completed in January 2023 with 16 subjects enrolled in the US.

**Safety data:** The U.S. Phase I clinical study showed a good safety profile. No drug-related TEAEs of Grade 3 or above were observed, and no drug-related SAEs were reported. No life-threatening AEs occurred, nor did any AE lead to patient withdrawal or study discontinuation.

**Pharmacokinetic data:** The increase in pharmacokinetic exposure of free MT200605 was dose-proportional, whereas the increase in pharmacokinetic exposure of total MT200605 was slightly greater than dose-proportional. MT200605 is minimally excreted in urine. At doses of 0.1 mg/kg and 0.3 mg/kg, the percentage of urinary excretion was 0.07% and 0.10% for free MT200605, and 2.46% and 5.39% for total MT200605, respectively.

The Phase I study demonstrated that MT200605 had a favorable safety profile and exhibited linear pharmacokinetic characteristics with dose-proportional exposure. The objectives set out in the overview were achieved.

*MT200605-II-C01 PRC Phase II Clinical Study*

**Overview:** This is a multi-center, randomized, double-blind, placebo-controlled study in patients with acute ischemic stroke in the PRC. Its purpose is to investigate the efficacy, safety, and pharmacokinetic characteristics of different doses of MT200605 in patients with acute ischemic stroke, and to explore an appropriate dose for the Phase III confirmatory trial. Efficacy evaluation was the primary objective of the study.

**Trial design:** The study will select 360 patients with acute ischemic stroke within 24 hours of onset and an NIHSS score between 6 and 25 (inclusive), including those who have or have not received intravenous thrombolysis or reperfusion therapy. They will be randomized in a 1:1:1:1 ratio into low, medium, and high dose groups of MT200605 and a placebo group, to receive intravenous infusions of MT200605 at 10 mg BID, 20 mg BID, 40 mg BID, or placebo for 14 consecutive days, followed by a follow-up period up to day 90 from the first dose. The primary efficacy endpoint of the study is the proportion of subjects with a modified Rankin Scale (mRS) score of ≤1 on day 90 after onset. A secondary efficacy endpoint is the change in NIHSS score from baseline within 14 days of treatment.

A total of 360 subjects are planned to be enrolled in this trial. The key inclusion criteria included: (1) male or female subjects aged 18 years or above and no more than 80 years; (2) subjects diagnosed with ischemic stroke in accordance with the Guidelines for the Diagnosis and Treatment of Acute Ischemic Stroke in China (2023); (3) subjects whose onset of symptoms and expected administration of the investigational product occurred within 24 hours, including those who had not received reperfusion therapy or who had received intravenous thrombolytic therapy; and (4) subjects who were able to understand and comply with the study procedures and voluntarily signed the informed consent form. The key exclusion criteria included but were not limited to: (1) subjects with intracranial hemorrhagic diseases confirmed by imaging examinations; (2) subjects presenting with significant disturbance of consciousness after onset, defined as a score greater than 1 on item 1a (level of consciousness) of the NIHSS; (3) subjects with TIA; and (4) subjects requiring endovascular therapy for the current acute ischemic stroke, including intra-arterial thrombolysis, mechanical thrombectomy or angioplasty.

**Trial status:** The Phase II clinical trial was initiated in July 2025 and enrollment of 360 subjects has been completed as of the Latest Practicable Date. The gap between the completion of our Phase I clinical trial and the initiation of the Phase II clinical trial was primarily due to our prioritization of financial resources toward our Core Product MT1013.

*Clinical Development Plan*

The Phase II study of MT200605 is a randomized, double-blind, placebo-controlled, multi-center Phase II clinical study designed to explore the efficacy, safety, and pharmacokinetic characteristics of MT200605 in patients with acute ischemic stroke. We expect to complete this study in August 2026, with EOP2 communications planned thereafter.

We have not yet formulated a definitive clinical development plan in the U.S., and are exploring potential collaboration opportunities with overseas partners. The absence of a U.S. plan is primarily due to financial resource allocation considerations rather than any safety or efficacy concerns. Based on available data to as of the Latest Practicable Date, MT200605 has demonstrated an acceptable safety profile and preliminary efficacy signals.

*Material Communications*

As of the Latest Practicable Date, we had not received any objection from any relevant regulatory authorities to our clinical development plans.

The table below sets forth our key regulatory communications with regulatory agencies regarding the development of MT200605 for the treatment of ischemic stroke:

| Time | Regulatory Authority | Details |
|---|---|---|
| 2021.11 | FDA | IND Submission |
| 2021.12.29 | FDA | IND Approval |
| 2023.1.5 | NMPA | IND Submission |
| 2023.3.24 | NMPA | IND Approval |
| 2025.3.13 | NMPA | EOP1 Meeting |

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET MT200605 SUCCESSFULLY

**MT2004**

MT2004 adopts a prodrug design, leveraging concentration gradients inside and outside hepatocytes to achieve targeted delivery to the liver. Non-clinical studies demonstrated that the parent compound MT2004 does not activate FXR, while its metabolite MT2004-met1 significantly activates the FXR receptor, with an efficacy approximately 10 times stronger than chenodeoxycholic acid (CDCA), thereby validating the rationale of its prodrug design.

Following hepatic metabolism by CYP3A4 and CYP3A5 into the active metabolite MT2004-met1, the compound specifically and locally activates hepatic FXR receptors in situ. By modulating bile acid metabolism (inhibiting bile acid synthesis, reducing bile acid reabsorption, and promoting bile acid excretion) as well as glucose and lipid metabolism, MT2004 is designed to alleviate cholestasis and its clinical symptoms, slow disease progression, and repair liver damage. This targeted design avoids the high systemic exposure of FXR agonists in peripheral blood, which has been associated with adverse events, and has the potential to substantially reduce side effects observed with existing FXR agonists in clinical use. As a result, MT2004 may provide a more favorable safety profile and improve patient compliance.

Preclinical studies have demonstrated therapeutic potential in DILI, NASH, and CLD. MT2004 has obtained IND approval in the United States for the treatment of NASH and in the PRC for the treatment of DILI, MASLD, and CLD. For DILI in the PRC, we independently completed the Phase I clinical trial in January 2023, and initiated the Phase II clinical trial in July 2023. For MASLD in the U.S., the Phase I clinical trial commenced in January 2020 and was completed in April 2022. Phase I clinical trials of MT2004 has demonstrated favorable safety and tolerability profile, with no pruritus or related adverse events reported.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET MT2004 SUCCESSFULLY

**MT1009**

MT1009 is a novel bi-specific fusion peptide with dual functional domains of parathyroid hormone-related peptide (PTHrP) and OGP. MT1009 exerts the effects of PTHrP by enhancing bone formation, activating the PTH1 receptor, and reproducing most

of the functions of iPTH, including promoting bone resorption and mobilizing calcium and phosphorus into the bloodstream. In addition, through activation of the OGP pathway, MT1009 increases the number of osteoblasts and stimulates the release of osteogenic growth factors from osteoblasts, thereby further promoting bone formation.

MT1009 is intended for the prevention of glucocorticoid-induced osteoporosis in patients at moderate to high risk with long-term glucocorticoid use, as well as for the treatment of postmenopausal osteoporosis and primary or hypogonadism-induced osteoporosis. Compared with conventional anti-osteoporosis therapies (such as bisphosphonates, teriparatide, and abaloparatide), MT1009 has demonstrated the potential to significantly increase bone mineral density (BMD), improve bone quality (by rebuilding trabeculae, thickening cortical bone, and repairing microfractures), and achieve a more pronounced reduction in fracture risk. MT1009 has obtained IND approvals in both the PRC and the United States. The Phase I clinical trial of MT1009 obtained informed consent from the first subject in January 2026. As of the Latest Practicable Date, the clinical trials for both GIOP and PMO are temporarily suspended pending further formulation optimization, primarily due to our Company's focus on the development of an oral formulation, instead of the current daily injectable formulation, which may provide improved convenience for long-term administration and product differentiation. Such suspension was not related to any safety or efficacy concerns.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET MT1009 SUCCESSFULLY

**MT1011**

MT1011 is a novel synthetic small-molecule broad-spectrum anticoagulant reversal agent targeting both thrombin factor IIa inhibitors and factor Xa inhibitors. MT1011 binds directly to anticoagulant molecules through non-covalent hydrogen bonding without binding to coagulation factors or other plasma proteins. This direct antagonistic mechanism neutralizes the anticoagulant activity and restores normal coagulation.

MT1011 is intended for use in patients receiving anticoagulant therapy (such as factor Xa inhibitors rivaroxaban or apixaban) who require urgent reversal of anticoagulation due to life-threatening or uncontrolled bleeding. MT1011 addresses the significant unmet clinical need for a broad-spectrum reversal agent by antagonizing all NOACs as well as heparin/enoxaparin in cases of life-threatening or uncontrolled bleeding.

MT1011 demonstrates a favorable safety profile by directly binding to anticoagulants without interacting with coagulation factors or other plasma proteins, thereby avoiding off-target effects. MT1011 also offers a wider therapeutic window, with a significantly lower effective dose for antagonizing factor Xa inhibitors (demonstrating equivalent effects at doses approximately 380 times lower than ciraparantag). The Phase I clinical trial of MT1011 in the PRC commenced in April 2025. As of the Latest Practicable Date, the LPLV had been completed.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET MT1011 SUCCESSFULLY

**OUR NON-PIPELINE PRODUCT CANDIDATES**

**XTL3602**

XTL3602 is designed as a tri-agonist targeting GLP-1R, GCGR, and GIPR with balanced activity across the three receptors. The molecule incorporates fatty acid chain modification to achieve an extended half-life for long-acting activity, while maintaining activity and balance across all three targets. XTL3602 is intended for the treatment of metabolic diseases, including obesity, diabetes, and obstructive sleep apnea associated with obesity; non-alcoholic fatty liver disease by reducing hepatic fat deposition through weight loss; secondary prevention of cardiovascular events by exploring the role of weight reduction in lowering cardiovascular risk. We expect to submit an IND application in 2027 to advance XTL3602 into clinical development.

**XTL3710**

XTL3710 is designed as a tri-agonist targeting GLP-1R and GCGR with the introduction of MasR to achieve balanced activity across three receptors. The molecule incorporates fatty acid chain modification to extend half-life and enable once-weekly administration, while maintaining activity and balance across all three targets. XTL3710 is intended for the treatment of metabolic diseases caused by multiple risk factors, including

diabetes and diabetic kidney disease (DKD). IND submission is planned in 2026 to advance XTL3710 into clinical development.

**MT1016**

MT1016 is a selective peripheral kappa opioid receptor (KOR) agonist and a long-acting peptide (administered via subcutaneous injection) designed for more effective and safer treatment of pain and pruritus. We expect to submit an IND application in 2027 to advance MT1016 into clinical development. We believe MT1016 has the potential to offer more effective management of visceral pain and promotes faster postoperative gastrointestinal function recovery. MT1016 may also reduce central nervous system-related adverse effects and provides long-acting analgesia, thereby decreasing the need for frequent use of analgesic pumps.

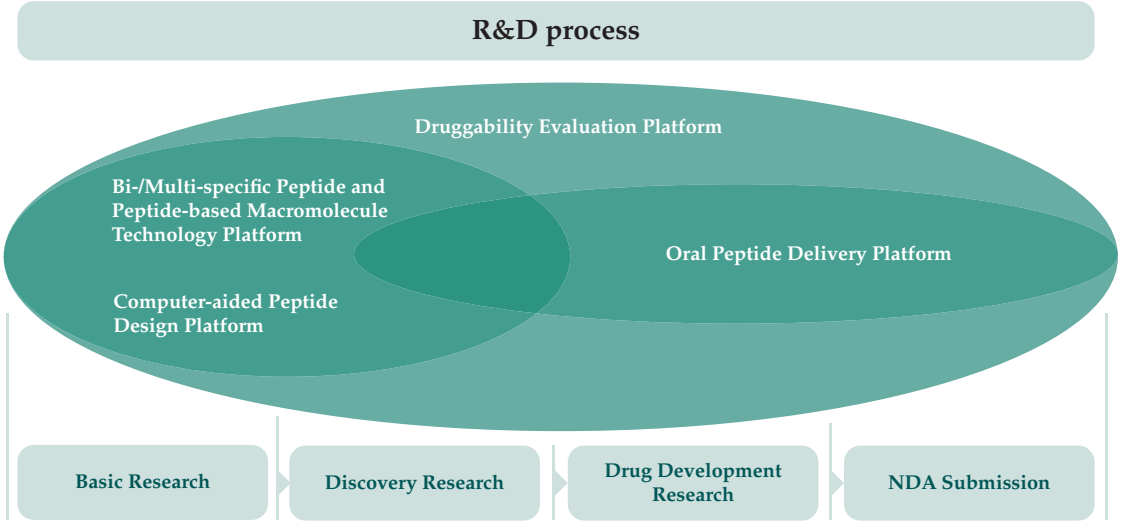
**XTL1018**

XTL1018 is a bi-specific peptide–drug conjugate (PDC) candidate targeting complement C3 and TrkB. The design links a peptide targeting complement C3 with a small molecule modulator of TrkB, which exerts neuroprotective activity. By inhibiting excessive activation of the complement cascade and suppressing inflammatory responses, while simultaneously modulating the BDNF/TrkB signaling pathway, XTL1018 is expected to exert biological effects that prevent downstream inflammation and cell damage associated with geographic atrophy (GA) and restore impaired neuroprotective signaling in GA. Accordingly, XTL1018 is intended for the treatment of late-stage dry AMD with GA. We expect to submit the IND application for XTL1018 in 2028 to initiate clinical development.

WE MAY NOT ULTIMATELY BE SUCCESSFUL IN DEVELOPING AND MARKETING OUR NON-PIPELINE PRODUCT CANDIDATES.

## OUR TECHNOLOGY PLATFORMS

We have self-developed four core technology platforms including (i) Bi-/Multi-Specific Peptide and Peptide-based Macromolecule Technology Platform, (ii) Computer-Aided Peptide Design Platform, (iii) Oral Peptide Delivery Platform, and (iv) Druggability Evaluation Platform. These platforms collectively span the entire R&D continuum from basic research, drug discovery research, drug development research to NDA submission and serve as the foundational engine driving the advancement of our differentiated peptide-based pipeline.




**Bi-/Multi-specific Peptide and Peptide-based Macromolecule Technology Platform**

The pathogenesis of diseases often involves the interplay of multiple targets. Unlike the traditional drug development pathway, which typically begins with a single target followed by high-throughput screening to identify hit compounds, optimization into lead compounds, advancement into PCCs, pre-clinical development and ultimately clinical studies, our Bi-/Multi-specific Peptide Platform has established a novel R&D paradigm, covering key stages including target selection, structure–activity relationship analysis, design optimization, computer-based modeling, synthesis and target validation.

***Lead compound design and optimization:*** In the design and optimization of lead compounds, we adopt a dual approach. On the one hand, we leverage structural information from reported drugs and clinically validated active compounds and apply classical medicinal chemistry principles in conjunction with computer-aided drug design molecular simulation to rationally construct novel molecules. On the other hand, we conduct screening of our compound list to identify hit or lead compounds with development potential. For the design of bi-/multi-functional peptides, we primarily adopt the following three strategies: (i) linker fusion technology, to maximize biological activity, reduce adverse effects, optimize pharmacokinetic profiles, enhance stability, extend half-life, and improve dosage form and patient compliance; (ii) chimeric technology, to enhance bioactivity, reduce immunogenicity, and prolong half-life; and (iii) conjugation-extension technology, to construct extended molecular conformations with multiple physiological functions, thereby addressing clinical needs across various therapeutic areas.

***Diversified molecular entity design to meet druggability requirements:*** Starting from clinical application scenarios, we select the most suitable molecular structures by evaluating the characteristics of linear peptides, monocyclic peptides, and bicyclic peptides. (i) linear peptides are easy to synthesize and highly amenable to chemical modification, allowing generation of structurally diverse candidate compounds. (ii) cyclic peptides demonstrate significant advantages in both pharmacological and pharmacokinetic properties, such as enhanced metabolic stability, improved target specificity and selectivity, as well as favorable biophysical attributes. (iii) bicyclic peptides combine cell membrane permeability with a large interaction interface, allowing them to bind to protein targets independently of conventional binding pockets, thereby enabling precise targeting of previously undruggable targets.

***Peptide chemical modification technologies:*** We apply strategies such as non-natural amino acid substitution, site-specific mutagenesis, cyclization, PEGylation, and long-chain fatty acid esterification to improve druggability, including enhancing resistance to proteolytic degradation, reducing antigenicity, prolonging in vivo half-life, and increasing bioavailability.

Although peptide-based therapeutics offer high target specificity and favorable safety profiles, their clinical applications are limited by poor metabolic stability and short biological half-life, particularly in indications requiring long-term administration such as chronic diseases, which may affect patient adherence and treatment experience. To address these limitations, we have established a macromolecule platform based on functional peptides as an extension of our Bi-/Multi-Specific Peptide Platform. This platform leverages macromolecular modification to significantly extend the half-life of peptide drugs, improve their metabolic stability, enable targeted delivery, enhance drug specificity and reduce adverse drug reactions.

Based on this technology platform, we have generated and developed a number of clinically promising candidate molecules with diverse molecular formats and mechanisms of action. Among them, four candidates — MT1013, MT1002, XTL6001 and MT1009 have entered clinical development. Another three candidates — XTL3710 and XTL3602 — have completed hit-to-lead validation, and peptide-drug conjugate MT1018 has completed PCC selection.

**Computer-aided Peptide Design Platform**

Our Computer-aided Peptide Design Platform integrates multiple functional modules, including virtual screening, molecular dynamics simulation, SAR prediction and ADMET prediction, and is supported by advanced hardware, enabling operation without compromising accuracy to meet our needs in compound virtual screening. Built on the principles of computational chemistry, structural biology and biophysics, and supported by various open-source databases, the platform is operated by an experienced domestic peptide early research team, thereby reducing time and cost, enhancing R&D efficiency and improving the clinical success rate of candidate molecules.

***AI-enhanced peptide molecule design:*** One of the key features of this platform is AI-enhanced computer-aided drug design. The platform integrates artificial intelligence-generated content algorithms, enabling the from-scratch design of novel peptide molecules targeting specific biological targets. At the initial screening stage, the platform is capable of producing batches of candidate molecules, which, upon in vitro cell-based validation, demonstrated target activity at the micromolar level.

***Molecule virtual screening method based on effective activity prediction:*** In the process of molecule virtual screening, we skip the traditional affinity-based screening step and directly predict the more challenging in vitro activity. This method predicts the activity of linear peptides or cyclic peptide compounds at specific targets by analyzing key features such as intermolecular interactions, physicochemical properties of binding pockets and changes in binding free energy, and further guides molecule design and optimization through integration with in vitro activity validation and preliminary pharmacological results. This approach not only reduces manpower, resources and time required for affinity validation, but also lowers the resource consumption associated with validating and optimizing high-affinity molecules.

***Diversified molecule design to improve candidate success rate:*** New drug development is typically characterized by long cycles, high investment and significant risk. Leveraging peptide drug design expertise, this platform conducts multi-form peptide molecule design based on target and binding pocket characteristics, and performs diversified molecular screening through the platform. In candidate selection, in addition to effective activity, druggability is also a critical factor influencing the success rate of Phase I and Phase II clinical trials. This platform is further capable of conducting early ADMET prediction on different forms of peptide molecules, thereby bringing forward the assessment of druggability risks, improving the likelihood of candidates advancing from the pre-clinical stage into clinical trials, and enhancing the overall transition efficiency of PCCs.

Based on this platform, we have advanced multiple candidate molecules into in vitro activity validation, significantly improving molecular design efficiency and early development success rates for several projects, including MT1016, MT1019 and XTL3710. As of the Latest Practicable Date, the candidate molecules of MT1016 and XTL3710 had advanced to the PCC stage and obtained preliminary druggability evaluation data.

**Oral Peptide Delivery Platform**

Peptide drugs generally suffer from susceptibility to enzymatic degradation and low intestinal absorption, leading low oral bioavailability and long-term reliance on injections, which compromise patient adherence and convenience. The Oral Peptide Delivery Platform we are developing is dedicated to addressing this issue. Our platform adopts solid-dosage manufacturing processes, including solid dispersion, inclusion complexation, dry granulation and direct compression. To promote the absorption of protein and peptide drugs, we incorporate permeation-enhancement approaches that use permeation enhancers and inclusion complexation to encapsulate the drug and to adjust local pH, thereby suppressing enzymatic degradation and molecular aggregation, stabilizing the microenvironment at the administration site, protecting the active conformation, increasing mucosal permeability and enhancing overall formulation stability. The platform supports two delivery routes: oral and sublingual. Oral tablets incorporate permeation enhancers, inclusion complexation and stabilizers and are designed to achieve therapeutically relevant systemic exposure following gastrointestinal absorption. Sublingual tablets disintegrate in the oral cavity and deliver peptides via the oral mucosa, enabling a faster onset while bypassing first-pass metabolism, thereby offering flexible options to accommodate different patient needs.

Based on this platform, we have advanced the oral formulation development of five peptide candidates (XTL3710, XTL3602, MT1013, MT1009 and MT200605), with XTL3710 and MT1013 achieving effective in vivo exposure.

**Druggability Evaluation Platform**

Our druggability evaluation platform is centered on animal model–based assessments. This platform runs through the entire process of new drug development, from target identification, hit discovery, lead generation and optimization, to the selection of preclinical candidate (PCC) and clinical candidate (CC). Our evaluation system adopts a phased and progressive decision-making mechanism, covering early-stage screening of efficacy, toxicity, metabolism and physicochemical properties, IND-enabling studies such as safety assessment, toxicology, formulation and quality control, as well as clinical-stage validation of human efficacy, safety, and evaluation of carcinogenicity and genotoxicity. At each stage, key go/no-go decisions are made based on the compound's druggability, safety and efficacy profile, ensuring scientific, risk-managed advancement of new drug candidates.

***Multi-model evaluation framework with translational focus:*** Focusing on metabolic diseases (particularly renal-related) and cardiovascular and cerebrovascular diseases, this platform has established approximately 100 pharmacodynamic animal evaluation models and more than 100 blood and urine biochemical testing capabilities to support the pharmacological assessment needs of its pipeline assets. Model selection is based on the alignment between the drug's mechanism of action and the characteristics of the intended indication, ensuring high relevance and translational value of the results. Building on this, we have developed an integrated evaluation system covering key aspects including in vitro biological studies, in vivo efficacy in disease models, safety evaluation and DMPK. This system provides comprehensive validation support across both in vitro and in vivo stages, facilitating a seamless data transition from animal studies to human trials and enhancing the translational reliability of preclinical findings.

***Infrastructure supporting multidimensional druggability assessment:*** We have established a standardized druggability evaluation system, which includes standardized animal facilities (SPF) and a range of research and functional platforms, covering functional laboratories, ex vivo organ and tissue research laboratories, behavioral pharmacology evaluation laboratories, clinical testing laboratories, and pathology diagnostic platforms. Equipped with medical diagnostic and analytical instruments, the system supports a wide range of assessments.

This platform has been continuously optimized and iterated to comprehensively support the druggability evaluation of all our self-developed pipelines. All seven clinical-stage candidates have undergone druggability evaluation via this proprietary platform.

## RESEARCH AND DEVELOPMENT

For the years ended December 31, 2024 and 2025, our R&D expenses amounted to RMB107.0 million and RMB130.1 million, respectively. We have been focusing our in-house R&D efforts on the development of our Core Product, MT1013. For the years ended December 31, 2024 and 2025, we incurred R&D expenses for MT1013 of RMB66.7 million and RMB84.4 million respectively, representing 62.3% and 64.9% of our total R&D expenses for the same period, respectively.

### R&D Team

As of the Latest Practicable Date, we had a team of 117 R&D professionals, representing approximately 80.7% of our total staff count. Among them, over 48.7% held doctoral or master's degrees in fields primarily including pharmacy, pharmaceutical sciences, chemistry, biology and biotechnology, as well as related disciplines such as chemical engineering and public health and clinical medicine. Our core R&D personnel consisted of eight members, who collectively possess extensive experience across the entire drug R&D process, including discovery, pre-clinical studies, CMC development, clinical trials and registration, with an average of approximately 19 years of experience in the biopharmaceutical industry.

The following table sets forth a breakdown of the number of R&D team by function as of the Latest Practicable Date:

| **Function of R&D team** | **Number** |
|---|---|
| CMC R&D Center | 37 |
| Pre-Clinical R&D Center | 17 |
| Clinical R&D Center | 63 |
| **Total** | **117** |

The following table sets forth the identities, positions, expertise of our eight core R&D personnel and their involvement and contributions to the R&D activities since the discovery of the Core Product and up to the Latest Practicable Date. All the key employees involved in the development of the Core Product MT1013 remained employed by us during the Track Record Period and as of the Latest Practicable Date.

| Identities | Positions | Expertise | Involvement and contributions to the R&D activities since the discovery of the Core Product | Date of joining our Group |
|---|---|---|---|---|
| Dr. Wang Bing (王冰) . . | Chairman of our Board and Executive Director | Over 20-year experience in the medical and pharmaceutical industry | Steered key development directions of the Core Product | December 2019 |
| Dr. Yu Weiping . . . . . | Executive Director, Senior Vice President | Over 40-year experience of drug R&D with a doctoral degree of University of Paris-Sud | CMC of the Core Product | August 2019 |
| Ms. Wang Xiangling (王湘玲)[1] . . . . . | Chief Medical Officer | Nearly 20-year experience of drug R&D with education experience in Xiangya School of Medicine and Shantou University Medical College | Clinical trials of the Core Product | October 2024 |
| Dr. Wang Linyuan (王琳媛) . . . . . | Senior Medical Director[2] | Over 15-year experience of drug R&D with education experience in New York University, and Peking University | Clinical development of the Core Product | August 2024 |
| Dr. Liu Xingxin (劉興新) . . . . . | Senior Director of API Department[2] | Over 10-year experience of drug R&D with education experience in Northwestern University, Institute of Chemistry, Shanghai Institute of Organic Chemistry, Chinese Academy of Sciences, Lehigh University and Clarkson University | Raw material process R&D and industrial technology transfer of the Core Product | August 2019 |
| Dr. Liu Yongzhen (劉永珍) . . . . . | Director of Non-clinical Department[2] | Over 20-year experience of drug R&D with education experience in China Medical University, Shanghai Jiao Tong University and Shanghai University of Traditional Chinese Medicine | Non-clinical work related to the pharmacology, toxicology and other aspects of of the Core Product | September 2023 |
| Mr. Yu Zhi (余志) . . . . . | Chief Operating Officer | Over 15-year experience of drug R&D with education experience in Bengbu Medical University | Clinical operations management of the Core Product | January 22, 2024 |
| Dr. Kong Lingna (孔令娜) . . . . . | Vice President of Regulatory Affairs | Over 10-year experience of drug R&D with education experience in Peking Union Medical College | Registration of the Core Product | July, 2025 |

*Notes:*

(1) Ms. Wang Xiangling focused on clinical development and the related functions. At the time of her appointment, MT1013-II-C02 was ongoing, MT1013-II-C03 and MT1013-III-C01 was under preparation. Given the increasing complexity of late-stage clinical trials, we consider it essential to strengthen our clinical development leadership. Ms. Wang's extensive experience in clinical operations and regulatory communication enables us to enhance our capabilities in managing large-scale clinical trials and advancing our Core Product in an efficient and compliant manner. Prior to the joining of Ms. Wang Xiangling, the rest of R&D personnel had sufficient experience to support the R&D of our Core Product and had been contributing to the R&D of the Core Product throughout the process under the leadership of Dr. Wang Bing and Dr. Yu Weiping, including but not limited to drug discovery and clinical trial management. For biographies of Dr. Wang Bing, Dr. Yu Weiping and Ms. Wang Xiangling, please see "Directors and Senior Management".

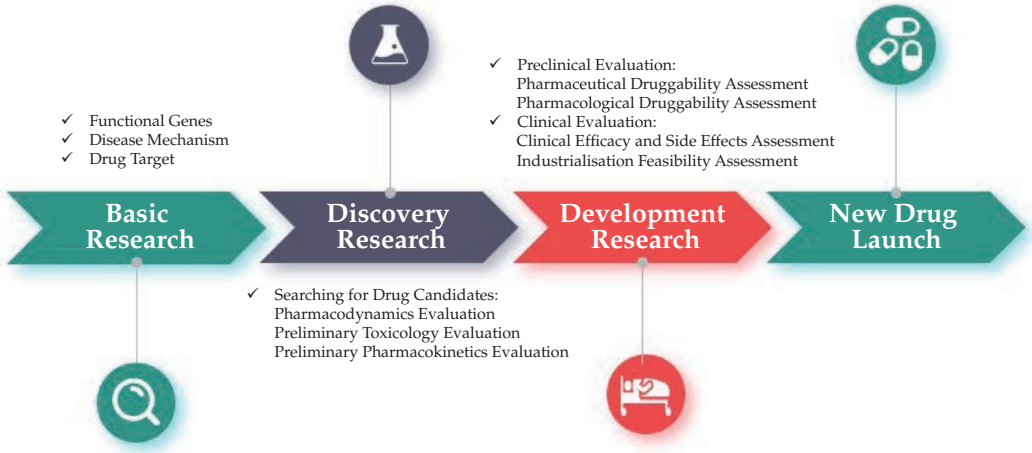
(2) The term "director" refers to the working title of the employee, not the member of the Board.

**R&D Facilities**

As of the Latest Practicable Date, our R&D activities were primarily conducted in our headquarters Xi'an in the PRC. Our R&D facilities are equipped with advanced equipment and workspace to facilitate the R&D activities covering basic research, drug discovery, pharmaceutical development as well as regulatory matters.

**R&D Process**

The flowchart below illustrates the key stages of our R&D process, from basic research, drug discovery research, drug development research to NDA submission:




*Basic Research.* At the basic research stage, efforts are primarily focused on the identification of functional genes, elucidation of disease mechanisms, and discovery of potential drug targets, providing the biological foundation and target rationale for subsequent drug development.

*Drug Discovery Research.* The drug discovery phase begins with developability assessment, where we conduct iterative cycles of therapeutic indication evaluation, target validation, competitor benchmarking, and risk-benefit analysis to identify promising opportunities. During this critical stage, our early-stage R&D department of Pre-Clinical R&D team focuses on scaffold design and optimization, systematically progressing compounds through hit identification and hit-to-lead-to-candidate optimization. Concurrently, our biology team of early-stage R&D department performs essential target verification along with preliminary assessments of pharmacological activity, pharmacokinetic properties, and toxicity profiles. This multidisciplinary approach ensures we select only the most viable candidates for further development while mitigating potential risks early in the process.

*Drug Development Research.* The subsequent drug development phase represents a comprehensive druggability evaluation stage where drug candidates undergo extensive preclinical and clinical assessment:

— Our preclinical evaluations include integrated druggability assessments featuring complete pharmacological characterization, pharmacokinetic/pharmacodynamic studies, and toxicological profiling, as well as pharmaceutical druggability assessment covering process development, quality standard establishment, and early formulation technology assessment.

— As drug candidates progress, we conduct clinical studies focused on administration route/dose exploration and efficacy/safety profiling, while simultaneously advancing industrialization research to optimize API processes, refine dosage form manufacturing, and enhance quality standards.

*Application for marketing of new drugs.* If the safety and effectiveness of a drug have been proved in clinical trials. Once the requirements for the manufacturing process, quality control and GMP are met, we can then apply for an NDA with the regulatory authority.

**Collaboration with Third Parties in R&D**

We collaborate with third parties such as SMOs and CROs to conduct and support our preclinical and clinical studies, which is in line with the general practice in the industry. We select our SMO and CRO partners by weighing various factors, such as their qualifications, academic and professional experience, industry reputation and service fees.

In terms of the involvement and contributions of each of the major SMOs and CROs to the development of our drug candidates, the SMO partners provide a comprehensive suite of services to assist us in implementing and managing clinical trials, including trial preparation and trial conduct management. The preclinical CRO partners mainly provide us with services related to preclinical toxicity and safety evaluations, such as animal studies, of our product candidates in accordance with agreed study design and under our supervision. The clinical CRO partners provide us with an array of services necessary for complex clinical trials in accordance with agreed trial design and under our supervision. We carefully supervise our SMO and CRO partners to ensure that they perform their duties in a manner that complies with our protocols and applicable laws and protects the data integrity.

Our cooperative relationship with SMO and CRO partners is based on specific projects, depending on the type of services needed, we enter into service agreements which set out detailed work scope, work plan and technical requirements, deliverables and payment schedule. Key terms of our agreements that we typically enter into with our SMO and CRO partners are set forth below:

*Agreements with SMOs*

- ***Services.*** According to China's GCP common practice, we engage SMOs, working together with trial sites in trial site management, including assisting in recruiting trial participants, coordinating site staff to confirm site process compliance, collecting clinical trial documents and maintaining data integrity at each site.
- ***Term.*** Our SMO partners are required to perform their services and complete the clinical trial project within the prescribed time limit set out in each agreement, with service fees settled based on actual enrollment.
- ***Payments.*** We typically make an initial payment within a specified timeframe upon the execution of the agreement and make subsequent payments through monthly or quarterly settlement. We generally settle payments upon receipt of deliverables at the conclusion of project.
- ***Intellectual property.*** All clinical results, reports, publications, and related rights and interests, including all intellectual property rights in connection with the performance of the agreements, are owned by us.
- ***Confidentiality.*** SMOs are obligated to keep all non-public information and data from clinical trials confidential.
- ***GCP compliance.*** We require our SMO partners to coordinate clinical trials in accordance with GCP standards. Typically, we require the clinical research coordinator to have GCP training experience and hold relevant certification.

*Agreements with CROs*

- ***Services.*** Our CRO partners are required to conduct comprehensive implementation, management, and monitoring of clinical trials as specified in the agreement.
- ***Term.*** Our CRO partners are required to perform their services and complete the clinical trial project within the prescribed time limit set out in each agreement.
- ***Payments.*** We are required to make payments to CRO partners in accordance with the payment schedule agreed by the parties.
- ***Intellectual property rights.*** All intellectual property rights arising from preclinical and clinical trials are owned by us.
- ***Confidentiality.*** Our CRO partners are required to keep confidential all the data, information or contents we distributed to them related to the project specified in the agreement, and such obligation may survive the termination of the cooperation agreement.
- ***GCP compliance.*** We require our CRO partners to conduct clinical trials in accordance with GCP standards. Typically, we require the CRO personnel handling our clinical trials to have GCP training experience or hold relevant certification.

We engaged in strategic R&D collaborations with a university in the U.S., which provide us with valuable insights into industry trends and emerging technologies, thereby enabling us to focus our current and future R&D efforts more effectively and maintain our competitive edge. Set out are the details of the collaboration:

- *Statement of Work.* This university shall conduct a pre-clinical study entitled "The neuroprotection of MT1006 and MT2006 series compound in Huntington's disease mouse model"; test if a high (10 mg/kg) and a low (2.5 mg/kg) dose compound MT200605 continue show protection on Huntington' disease mice; and add MRI scan and analysis to MT200605 or vehicle treated HD and WT mice.
- *Intellectual Property.* We acted as the sponsor and retained the sole patent rights and future applications related to the MT1006 and MT2006 series compounds, and all inventions developed under the research agreement shall be owned by us.
- *Payment.* We are responsible for paying the university in accordance with the budget set out in the agreement.

**PRODUCTION**

At current stage, as all our manufactured products are investigational drugs for clinical trial use, we arrange production schedules in accordance with clinical development plans and outsource the manufacturing of both APIs and drug products to third-party CDMOs.

**CMC**

Our CMC R&D center, comprising the CMC quality department, API department, formulation department and analytical department, provides support throughout the drug development process. Our CMC platform covers the key CMC development stages for APIs, formulations and sustained-release preparations. It encompasses the core capabilities required across the peptide drug development cycle, including process development and optimization from the preclinical to commercial stages, comprehensive quality studies, and technology transfer in support of regulatory submissions. Leveraging this platform, our CMC R&D team is capable of independently conducting key activities including API process development, formulation process development and API scale-up at kilogram level. As of the Latest Practicable Date, our CMC team consisted of 37 members.

**Collaboration with CDMO**

As of the Latest Practicable Date, we had not established any manufacturing facility for commercialization scale. We currently collaborate with industry recognized CDMOs in China and have simultaneously commenced the construction of our Taizhou formulation plant. Upon completion of the construction and obtaining the requisite approvals from the relevant authorities, we plan to utilize the Taizhou formulation plant for the commercial-scale production of MT1013 following commercialization, as well as the pilot-scale production of our other pipeline candidates. We intend to maintain collaboration with the CDMOs after the Taizhou formulation plant is in use, as the production capacity of the Taizhou formulation plant may not fully satisfy the expected commercial production demand for MT1013, and external CDMOs may also provide additional production capacity and manufacturing flexibility for our pipeline products. Our CDMO partners have established a set of GMP and cGMP-compliant biopharmaceutical R&D and production system which is recognized by the CDE, FDA and EMA. We believe it is cost-effective to engage CDMO for certain manufacturing activities as it reduces the capital expenditure required for setting up and maintaining the necessary production lines and allows us to optimize resource allocation to focus on the drug R&D at current stage. We rigorously select CDMO partners in accordance with our Code of Conduct for Procurement Operations, employing a comprehensive evaluation framework that assesses seven key dimensions: Technology (T), Quality control and after-sales service capabilities (Q), Responsiveness and cooperation willingness (R), Delivery capacity (D), Cost (C), Environment (E), and Social responsibility (S) collectively forming our TQRDCES supplier assessment methodology. To monitor and evaluate the services of our CDMO partners, we have adopted MAH system by entering into manufacturing agreements and quality agreements with our CDMO partners, wherein the respective responsibilities and obligations of all parties are clearly stipulated throughout the entire product lifecycle including manufacturing, quality testing, product release, logistics and end-use applications, ensuring full compliance with applicable regulatory requirements. We did not experience any product quality issues in respect of the products manufactured by our CDMO partners during the Track Record Period.

Salient terms of our collaboration agreement with our CDMO partners are set forth below:

- ***Scope of services.*** The CDMO is responsible for providing services including process development, GMP manufacturing of APIs and production of clinical trial materials.
- ***Payments.*** We typically make an initial payment within a specified timeframe upon the execution of the agreement. As the CDMO delivers the agreed-upon goods, we will inspect and approve them. After approval, the CDMO will issue invoices based on the delivered quantities. We will make the corresponding payment after receiving the invoice.
- ***Intellectual property.*** Any new technological documents, product verification (including process and method verification), quality standards, records, technical achievements, and intellectual property (including patents, copyrights, and non-patented technology) generated by the CDMO under this contract will belong to us. This includes all written deliverables provided by the CDMO under this agreement.
- ***Term.*** The agreement becomes effective immediately upon both parties signing and stamping it.
- ***Exclusivity.*** The CDMO promises not to develop or manufacture similar or identical products related to this project for themselves, nor will they sell the raw materials or finished products to third parties.

**Quality Assurance and Quality Control**

In accordance with applicable pharmaceutical regulatory requirements, we have established a Quality Assurance (QA) Department and a Quality Control (QC) Department to oversee quality management. The QA function is responsible for: (i) establishing, implementing and supervising our quality management system to ensure ongoing compliance with the PRC Drug Administration Law, Good Manufacturing Practices and other relevant regulatory requirements; (ii) managing key quality events and independently performing core functions including product release, supplier audits, CDMO oversight, validation activities and regulatory inspection preparedness; and (iii) carrying out GMP training, regulatory communication, product recall and complaint handling, as well as conducting annual product quality reviews, risk assessments and internal audits. The QC function is responsible for: (i) developing and implementing quality control systems to ensure that our products meet applicable legal and regulatory requirements, industry standards and customer specifications; (ii) overseeing full-process quality testing, including sampling and analysis of raw materials, intermediates and finished products manufactured by third-party CDMOs; and (iii) conducting quality data analysis and risk identification, facilitating continuous improvement, and maintaining a traceable quality data management system.

## COMMERCIALIZATION

**Our Marketing Strategy**

As of the Latest Practicable Date, we had not obtained marketing approval for any drug candidates, nor had we generated any revenue from product sales. Anticipating commercialization of our MT1013 in early 2028, we will implement a dual-track commercialization approach: domestically through collaborations with third party Contract Sales Organizations (CSOs) and internationally via license-out partnerships. Considering the potentially significant sales cost, we have not built our internal sales team. Instead, we plan to form cooperation with selected CSO partners to leverage their access to a wide range of pharmacies, clinics and hospitals, to better capture the market potential and maximize the value of our Core Product. In particular, we prioritize CSO partners with: (i) demonstrated success in the nephrology therapeutic area, (ii) established nephrology-focused commercialization teams, and (iii) proven capabilities in hospital network development and coverage.

In February 2026, we entered into an agreement (the "**Agreement**") with Everest Medicines (China) Co., Ltd. ("**Everest**"), a wholly-owned subsidiary of Everest Medicines Limited (Hong Kong Stock Code: 1952), both of which are Independent Third Parties, save for being a Cornerstone Investor of the Company. Pursuant to the Agreement, we granted Everest an exclusive right to sell, commercialize and promote our self-developed drug candidate MT1013 for the treatment of CKD-SHPT in Chinese Mainland, Hong Kong,

Macau, and Taiwan as well as Asia-Pacific (excluding Japan) (the "**Territory**"). Accordingly, Everest acts as an exclusive CSO responsible for the commercialization of MT1013 for the treatment of CKD-SHPT in the Territory, while we reserved the rights to (i) research, develop and manufacturing MT1013 globally; (ii) commercialize MT1013 for any indications outside Territory; and (iii) commercialize MT1013 in the Territory for any indications other than CKD-SHPT. The following sets forth the salient terms of the Agreement.

| | |
|---|---|
| R&D | As MT1013 is our self-developed drug candidate, we retain full responsibility for all development activities for MT1013 in the Territory, including conducting CMC studies and pre-clinical studies, and continuing to conduct and complete the clinical trials for MT1013 in Chinese Mainland for CKD-SHPT; |
| MAH | We shall be responsible for applying for, obtaining, renewing and maintaining the marketing authorization for MT1013 in Chinese Mainland in accordance with applicable laws, and we or our affiliates shall act as the MAH; |
| IP rights | We shall own all IP rights relating to MT1013 and are responsible for the maintenance and enforcement of such IP rights, including bringing legal actions, infringement proceedings and defending against infringement claims; |
| Production | We shall be responsible for manufacturing and supplying MT1013, either by ourselves or through third parties, to Everest or its designated distributors. |
| Commercialization | To facilitate sales and marketing and in line with general practice in the industry, Everest shall be entitled to handle general matters with respect to the routine and day-to-day marketing of MT1013 in the Territory for the treatment of CKD-SHPT, including formulating and implementing market access and reimbursement negotiation strategies, while giving good faith consideration our Company's reasonable suggestions. Everest shall also prepare and submit an annual commercialization plan for MT1013 for the treatment of CKD-SHPT, subject to our Company's review, and provide periodic reports on its implementation. In addition, Everest shall undertake annual minimum sales target with our Company, which will be subjected to negotiation between our Company and Everest. |
| Joint steering committee ("JSC") | A JSC shall be established to coordinate and communicate the commercialization activities of MT1013 in the Territory for the treatment of CKD-SHPT. The JSC shall consist of four members, with two representatives appointed by each party; |
| Payment | We are entitled to receive (i) an upfront payment of RMB200 million; (ii) potential regulatory and commercial milestone payments of up to RMB1,040 million; and (iii) royalty payments under this Agreement. As of the Latest Practicable Date, we have received the upfront payment of RMB200 million and expect to receive further milestone and royalty payments. Such royalty payments are calculated on a tiered basis as a percentage of the net sales of MT1013, with applicable rates ranging from 35% to 40%. We are not required to pay any forms of fees to Everest under this Agreement. |

| | |
|---|---|
| Pricing | Prior to the inclusion in the NRDL, pricing of MT1013 in the Territory will be reviewed by the JSC and agreed to by the parties.(1) Following the inclusion in the NRDL, the pricing and reimbursement arrangements of MT1013 will be subject to the pricing and reimbursement mechanisms administered by the relevant PRC governmental authorities. |
| Termination | The Agreement may be terminated under certain circumstances, including if Everest fails to achieve a specified percentage of the annual minimum sales target for three consecutive years, in which case we have the right to terminate the Agreement. |

*Notes:*

(1) To maximize the commercialization of MT1013 in the Territory during the term of the Agreement, we decided to, among relevant factors, focus on the sales performance of MT1013. Accordingly, we retain (i) the right to agree to the annual sales target which shall be part of the matters subject to mutual consent in the annual commercialization plan, (ii) the minimum guarantee from Everest to purchase from us no less than 60% of the annual sales target each year unless there is circumstances not attributable to them, and (iii) (among the other termination rights either party is entitled to) a unilateral right to early terminate the Agreement if Everest shall fail to purchase from us at least 80% of the annual sales target for three consecutive years. If there's any disagreements, the Company has the right to terminate the collaboration with Everest unconditionally and unilaterally without any penalty or additional payment obligations on our part, and following such termination, as the MAH of the Core Product would remain with our Group, we may, depending on market conditions, continue the commercialization of the Core Product by engaging distributors or alternative CSOs, or by our own sales team. We believe such mechanism to be able to incentivize Everest to maximize the commercialization of the Core Product within the Territory while at the same time preserving our right to terminate the collaboration should Everest fail to perform, thereby protecting the interests of our Company. Our Directors confirm that any such termination would not affect the Group's rights in relation to the Core Product (including any commercialization rights).

We anticipate MT1013, a dual-target polypeptide agonist of CaSR and OGP, will be competitively positioned in the marketplace in light of its multiple clinical benefits. Given that CaSR agonists currently achieve a comprehensive control rate of only approximately 7.5%, there remains an urgent clinical need for new treatment options capable of achieving higher target rates and reducing mortality risk. In a Phase II head-to-head comparison with Etelcalcetide, after 26 weeks of treatment, the proportion of subjects in the MT1013 group achieving simultaneous control of iPTH, serum calcium and serum phosphorus was approximately 2.5 times that of Etelcalcetide. Clinical results also showed its fast-acting profile, and sustained efficacy, potential cardiovascular benefits, favorable safety and tolerability profile, and improvements in bone mineral density and bone mineral metabolism. In particular, upon the marketing approval of our Core Product MT1013, we plan to adopt tailored business strategies at different stages of its commercial cycle. Prior to its inclusion in the NRDL, we aim to increase the accessibility of MT1013 and gradually accumulates the patient base by leveraging our future commercialization partner's sales network and experience and collaborating with the partner to conduct significant promotion activities to improve market awareness and our brand recognition by physicians and patients.

In the overseas markets, we plan to unlock the value of our assets through commercialization collaborations with multinational corporations (MNCs), and we plan to seek out-licensing opportunities with such MNCs for the development of our product candidates. We plan to select such MNCs who have proven track record of commercializing products with experience in the nephrology franchises, their local presence including clinical access and network coverage as well as brand recognition, to achieve market penetration and maximize commercial opportunities of our drug products. We expect such MNCs to share the potentially significant development costs with us and leverage their local network to facilitate various aspects of the clinical development, such as clinical site establishment, patient enrollment, material supplies and regulatory communications. For the overseas market, we generally plan to take a step-wise approach and plan to formulate a more concrete plan after we commercialize MT1013 in the PRC, to ensure we allocate our resources and focus on the most important and imminent milestones. Save for the CSO collaboration arrangement in Asia (excluding Japan) under the Agreement with Everest, we had not identified any specific partner for licensing-out of our product candidates, nor had we identified any specific overseas jurisdiction targeted under such collaboration plans, as of the Latest Practicable Date.

**Pricing**

During the Track Record Period and up to the Latest Practicable Date, we had no commercialized drugs on the market either in China or overseas. We have not formulated any definitive pricing policy for our drug candidates yet. When our drug candidates progress to commercialization in the future, we will determine their prices based on various factors, such as current medical needs, our drugs' pharmacoeconomic evaluation, our production costs, prices of prior line treatment options, competitive landscape and prices of competing drugs, differences in features between our drugs and competing drugs, and health economics in the country to market in.

Our Core Product, MT1013, is expected to be launched in the PRC first, then in the U.S. and other regions. We will determine the price of MT1013 in the PRC considering the factors including estimated demand, production costs, affordability of patients, and the prices of second generation CaSR agonists, such as Etelcalcetide (with the price of USD2,684 and RMB3,640 per 30-day treatment cycle in the U.S. and China, respectively). We will also take into consideration that MT1013 is the dual-targeting receptor agonist polypeptide that simultaneously targets the CaSR and the OGP receptor, and has demonstrated significant clinical benefits, as shown by clinical studies indicating a marked improvement in the comprehensive control rate of iPTH, serum calcium and serum phosphorus levels. We will further assess the differences in safety and efficacy and respective benefits between MT1013 and any such potential competing drugs. In addition, we will actively negotiate with government authorities for MT1013 to be included in the NRDL to enhance our product affordability. However, inclusion into the NRDL is evaluated and determined by the relevant government authorities and we may face significant competition for successful inclusion. For more information, see "Risk Factors — Risks Relating to Our Business and Operation — If our products are not included in or are removed from national, provincial or other government sponsored medical insurance programs, our business, financial condition, results of operations and prospects could be materially and adversely affected."

**INTELLECTUAL PROPERTY**

We own all intellectual property rights relating to our product candidates including the Core Product. As of the Latest Practicable Date, we owned (i) 10 granted patents in the PRC, three granted patents in Hong Kong, 23 granted patents overseas, and (ii) three patent applications in the PRC, three patent applications in Hong Kong, 9 patent applications overseas and one PCT patent application. As of the Latest Practicable Date, with respect to our Core Product MT1013, we owned (i) four granted patents, including one in the PRC, one in Hong Kong, one in Japan and one in Australia, and (ii) four patent applications, including one in the U.S., one in Europe, one in Canada and one in Korea. The following table sets forth the patents and patent applications of our Core Product as of the Latest Practicable Date. For details, see "Appendix IV — Statutory and General Information — Further Information About our Business. According to our PRC Intellectual Property Legal Advisor, there is no material impediment in obtaining such patents.

| Title of Invention | Application Number | Jurisdiction | Status | Expiration Date | Patent Holder/ Applicant |
|---|---|---|---|---|---|
| Bispecific fusion polypeptide compound (雙特異性融合多肽化合物) | CN202180014524.4 | PRC | Granted | April 20, 2041 | Our Company |
| Bispecific fusion polypeptide compound | US18044668 | U.S. | Pending | N/A | Our Company |
| Bispecific fusion polypeptide compound (雙特異性融合多肽化合物) | HK62022059523.0 | Hong Kong | Granted | April 20, 2041 | Our Company |
| 二重特異性融合ポリペプチド化合物 | JP2022-558554 | Japan | Granted | April 20, 2041 | Our Company |
| Bispecific fusion polypeptide compound | AU2021338639 | Australia | Granted | April 20, 2041 | Our Company |

| Title of Invention | Application Number | Jurisdiction | Status | Expiration Date | Patent Holder/ Applicant |
|---|---|---|---|---|---|
| Bispecific fusion polypeptide compound . . . | EP21865532.2 | Europe | Pending | N/A | Our Company |
| Bispecific fusion polypeptide compound . . . | CA3194729 | Canada | Pending | N/A | Our Company |
| 이중특이적융합폴리펩 타이드화합물 . . . | KR1020237011659 | Korea | Pending | N/A | Our Company |

As of the Latest Practicable Date, we had 32 registered trademarks in the PRC and six registered trademarks overseas. We are also the registered owner of four domain name. See "Risk Factors — Risks Relating to Our Intellectual Property Rights" for a description of risks related to our intellectual property.

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material proceedings in respect of, and we had not received notice of any material claims of infringement of, any intellectual property rights of third parties that may be threatened or pending. A freedom-to-operate searches and analyses ("**FTO Analysis**") has been conducted in the PRC and the U.S. in relation to our Core Product and Key Products up to the Latest Practicable Date. Based on the FTO Analysis and as advised by our PRC Intellectual Property Legal Advisor, Tian Yuan Law Firm, our Directors are of the view that we have not infringed any valid and enforceable patents or other IP rights of any third parties in the PRC and the U.S. The Joint Sponsors are of the view that the PRC Intellectual Property Legal Advisor is competent to issue the FTO opinion based on its professional qualifications and relevant track record.

## SUPPLIERS AND PROCUREMENT

During the Track Record Period, our suppliers primarily consisted of (i) providers of clinical services, including SMO, CRO and CDMO partners, (ii) providers of pre-clinical services, and (iii) providers of administrative and operational management services.

We have implemented supplier management procedures and internal control measures to prevent incidents such as clinical data integrity issues, serious quality issues and interruption of supply, including (i) conducting supplier qualification and due diligence procedures prior to engagement, including assessment of suppliers' qualifications, compliance track record and industry reputation; (ii) disqualify and cease further collaboration with suppliers in the event of material data authenticity or other quality management issues; and (iii) incorporating breach and indemnification provisions in our contracts to protect the interests of the Company.

For the years ended December 31, 2024 and 2025, the aggregate purchases attributable to our five largest suppliers in each year during the Track Record Period amounted to RMB31.3 million and RMB26.8 million, respectively, representing 39.5% and 27.6% of our total purchases for the respective periods. Purchases attributable to our single largest supplier in each year amounted to RMB7.6 million and RMB8.6 million for the same years, accounting for 9.6% and 8.9% of our total purchases for the respective periods. We believe that we maintain stable relationships with our major suppliers.

Our suppliers are mainly CROs, CMOs, CDMOs. See "— Collaboration with Third Parties in R&D" and "— Collaboration with CDMO" in this section for key terms of our agreements that we typically enter into with a CRO, CMO, or CDMO partner.

The following table sets forth details of our five largest suppliers in each year during the Track Record Period:

*Year ended December 31, 2024*

| Supplier | Background | Products/ Services | Commencement of business relationship | Credit terms | Purchase amount (RMB'000) | % of total purchases for the respective year |
|---|---|---|---|---|---|---|
| Supplier A | A public company founded in 2000 in China with approximately RMB2,933 million in registered capital that mainly engages in new drug R&D, pharmaceutical technology services and medical product wholesale. | CRO services | 2019 | 15-30 days | 7,587.8 | 9.6% |
| Supplier B | A private company founded in 2009 in China with approximately RMB185 million in registered capital that mainly engaged in research and experimental development. | CDMO services, CRO services | 2021 | 10 days | 7,242.4 | 9.1% |
| Supplier C | A private company founded in 2019 in China with USD47 million in registered capital that mainly engages in consulting services, information technology services, bio-energy technology services and medical device circulation. | CRO services | 2022 | 15-30 days | 7,027.8 | 8.9% |
| Thousand Oaks Biologics INC* (澳斯康生物(南通)股份有限公司) | A private company founded in 2017 in China with approximately RMB49 million in registered capital that mainly engages in pharmaceutical manufacturing. | CDMO services | 2022 | 7-15 days | 5,333.2 | 6.7% |
| Zhejiang Haorecruit Pharmaceutical Technology Co., Ltd.* (浙江好招募醫藥科技有限公司) | A private company founded in 2021 in China with RMB10 million in registered capital that mainly engages in research and experimental development. | Subject recruitment services | 2023 | 10 days | 4,144.3 | 5.2% |
| Total | | | | | 31,335.5 | 39.5% |

*Year ended December 31, 2025*

| Supplier | Background | Products/ Services | Commencement of business relationship | Credit terms | Purchase amount (RMB'000) | % of total purchases for the respective year |
|---|---|---|---|---|---|---|
| Supplier A . . . . . | Please see above. | CRO services | 2019 | 15-30 days | 8,636.8 | 8.9% |
| Beijing Fengy Technology Co., Ltd.* (北京鋒屹科技有限公司) . . . . . | A private company founded in 2023 in China with approximately RMB5 million in registered capital that mainly engages in technology promotion and application services. | Subject recruitment services | 2024 | 30 days | 5,152.7 | 5.3% |
| Supplier D . . . . . | A comprehensive Grade III Level A hospital located in Beijing. | Participation in clinical trials | 2021 | 20 days | 4,744.8 | 4.9% |
| Zhongling Huizhi Technology Service (Xi'an) Co., Ltd.* (中領匯智科技服務(西安)有限公司) . . . . . | A private company founded in 2015 in China with approximately RMB5 million in registered capital that mainly engages in comprehensive management services, technology and software services,etc. | Clinical monitoring services | 2024 | 30 days | 4,395.0 | 4.5% |
| Tianjin Wanze Pharmacy Chain Co., Ltd.* (天津萬澤大藥房連鎖有限公司) . . . . . | A private company founded in 2023 in China with approximately RMB5 million in registered capital that mainly engages in retail industry. | Drug supply services | 2024 | 20 days | 3,917.6 | 4.0% |
| Total . . . . . | | | | | 26,846.9 | 27.6% |

All of our five largest suppliers in each year during the Track Record Period are independent third parties. To the best knowledge of our Directors, none of our Directors, their respective associates or, or any Shareholder with over 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.

## COMPETITION

Our industry is highly competitive and subject to significant change. While we believe that our technology platforms, our drug candidates and our experienced management team provide us with competitive advantages, we face potential competition from many others working to develop therapies targeting the same indications. These include major biopharmaceutical companies, specialty pharmaceutical and biotechnology companies, and academic institutions, government agencies and research institutions. Any drug candidates that we successfully develop and commercialize will compete both with existing drugs and with any new drugs that may become available in the future. We are committed to the development of innovative drug candidates with a focus on metabolic diseases (particularly renal-related conditions) and cardiovascular and cerebrovascular diseases, targeting indications such as CKD-SHPT, CKD-MBD with Osteoporosis, CKD-SHPT not on Dialysis, Chronic Weight Management in Obese or Overweight Populations, ACS-PCI and AIS. Our efforts to bring innovative drug to the market for these indications face intense competition from a burgeoning landscape of pharmaceutical companies. For more information on the competitive landscape of our drug candidates, see "Industry Overview" in this prospectus.

## EMPLOYEES

As of the Latest Practicable Date, we had 145 full-time employees, all of whom were based in China, and approximately 44.8% of whom held doctoral or master's degrees. The following table sets forth the details of our employees by function:

| Function | Number | % of Total |
|---|---|---|
| R&D | 117 | 80.7% |
| Finance & Legal | 6 | 4.1% |
| Others (Administrative, IP, Procurement & Public Affairs, etc.) | 22 | 15.2% |
| **Total** | **145** | **100%** |

We enter into individual employment contracts with our employees covering matters such as salaries, bonuses, employee benefits, workplace safety, confidentiality obligations, work product assignment clause and grounds for termination. Our employee contracts specify that employees are obligated to strictly safeguard our commercial and technical secrets. Additionally, any intellectual property created by employees during their employment while performing their duties, other assigned tasks, or through the use of our resources, funding, or technology, will belong to us. We place a high value on recruiting and training qualified employees. We maintain high standards on selecting and recruiting talent and provide competitive compensation packages. The remuneration package of our employees includes salary and bonus, which are generally determined by their performance review. We also offer share incentives and promotion opportunities to motivate our employees. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material labor disputes or strikes that may have a material and adverse effect on our business, financial condition or results of operations.

During the Track Record Period, we failed to pay social insurance premiums and housing provident funds in full for and on behalf of some of our employees. See "Business — Non-compliance" for more information.

## INSURANCE

We maintain insurance policies that are required under PRC laws and regulations as well as based on our assessment of our operational needs and industry practice. Our existing insurance policies cover adverse events in our clinical trials. We maintain insurance for our employees in accordance with relevant PRC laws and regulations. We believe that our insurance coverage is adequate to cover our key assets, facilities, and liabilities. For more information, see "Risk Factors — Risks Relating to Our Operations — We have limited insurance coverage, and any claims beyond our insurance coverage may result in our incurring substantial costs and a diversion of resources."

## LAND AND PROPERTIES

### Owned Land and Properties

As of the Latest Practicable Date, we owned the land use right of one land parcel in Taizhou, the PRC (specifically on the north side of Donghai Sixth Avenue, Taizhou Bay Economic and Technological Development Zone), with an aggregate land area of approximately 28,397 sq.m., which is planned for potential development of production facilities, including the construction of a formulation plant. Our PRC Legal Adviser confirmed that, as of the Latest Practicable Date, we had obtained all relevant land use rights certificates for this property in the PRC.

### Leased Properties

As of the Latest Practicable Date, we leased four properties for office and R&D uses in the PRC, with an aggregate GFA of approximately 3,863.54 sq.m. The following table sets forth the details of our leased properties as of the Latest Practicable Date.

| Usage | Location | GFA (sq.m.) | Lease Term |
|---|---|---|---|
| Office and R&D | Xi'an, China | 2,958.15 | July 1, 2025 to June 30, 2027 |
| Office | Beijing, China | 221.5 | November 1, 2023 to October 31, 2027 |

| Usage | Location | GFA (sq.m.) | Lease Term |
|---|---|---|---|
| Office and R&D . . . . | Shanghai, China | 563.89 | May 1, 2026 to April 30, 2030 |
| Office and R&D . . . . | Suzhou, China | 120.0 | Up to September 4, 2026 |

As of the Latest Practicable Date, we had not completed the relevant property leasing registration for two of our leased properties. See "Business — Non-compliance" for more information.

As of December 31, 2025, none of the properties leased by us had a carrying amount of 15% or more of our consolidated total assets. According to Chapter 5 of the Hong Kong Listing Rules and section 6(2) of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this prospectus is exempt from the requirements of section 342(1)(b) of the Companies (Winding up and Miscellaneous Provisions) Ordinance to include all interests in land or buildings in a valuation report.

## AWARDS AND RECOGNITIONS

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

| Year of Grant | Award/Recognition | Issuing Authority |
|---|---|---|
| 2023 . . . . | "2022 Shaanxi Provincial Innovative Small and Medium-sized Enterprise"* (「2022年陝西省創新型中小企業」) | Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部) |
| 2024 . . . . . | Shaanxi Province "Unique and Innovative Small and Medium-sized Enterprises in Shaanxi Province"* (陝西省「專精特新」中小企業) | Shaanxi Province Industrial and Information Technology Bureau* (陝西省工業和信息化廳) |
| 2025 . . . . . | "Third Prize in the National Finals (Biomedicine Sector) of the 14th China Innovation and Entrepreneurship Competition" (第14屆中國創新創業大賽生物醫藥全國賽三等獎) | Torch High Technology Industry Development Center, Ministry of Industry and Information Technology (工業和資訊化部火炬高技術產業開發中心) |

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

As a pharmaceutical technology company focusing on the R&D of new drugs, our Company is committed to integrating ESG concepts into its corporate strategy and operations, actively responding to the concerns of its stakeholders, and creating long-term value for human health in a sustainable manner.

### 1. ESG Governance

The Company has established an ESG governance structure with clear responsibilities. The members of the Board of Directors have diversified professional knowledge in areas including medicine, biochemistry, pharmacology, biology, business administration, economics and accounting, and possess the appropriate skills and professional capabilities to understand and oversee the impact of ESG risks and opportunities. They are responsible for coordinating ESG-related matters, undertaking ESG strategic decision-making and supervisory functions, approving key matters such as ESG strategic goals and management policies, and reviewing and publishing ESG reports, to align with the Company's business strategy and development goals. To support the Board of Directors in implementing ESG-related work, the Company has established an ESG working group comprising members from departments such as EHS and human resources. This group is responsible for assisting in the formulation and review of the ESG strategic framework, coordinating the advancement of the entire ESG management process, implementing ESG objectives, data collection, performance evaluation, and cross-departmental coordination, etc. The Board of Directors supervises the related work of the ESG working group. In addition, the Company has established risk identification, assessment and response mechanisms that cover environmental and social dimensions, and fully integrates ESG factors into its daily corporate operations.

We have adopted a board diversity policy, which sets out the objectives and approaches to achieve and maintain diversity on the Board of Directors to enhance its effectiveness. Our Company seeks to achieve diversity among the members of the Board of Directors by considering a number of factors, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and/or length of service. Our Board of Directors currently comprises two female Directors and seven male Directors, with ages ranging from 36 to 67. We attach great importance to the expectations and demands of stakeholders and continuously improves its ESG management structure. Currently, our Company has conducted specialized ESG training for all employees (including directors and senior management) and holds regular cross-departmental ESG promotion meetings to strengthen internal consensus and executive synergy. Our Company plans to further optimize its risk identification and assessment mechanisms after listing, enhance its risk management capabilities, and periodically disclose ESG-related reports in accordance with regulatory requirements, to continuously improve its ESG governance level and sustainable development performance.

***ESG Materiality Assessment and Risk Management***

In accordance with the Environmental, Social and Governance Reporting Guide of the Hong Kong Stock Exchange, and in combination with the industry's characteristics and the Company's actual operating conditions, it systematically identifies ESG issues and related risks that have a substantive impact on the business and are of concern to stakeholders, and continuously optimises relevant management work. In terms of material issue identification, we have identified key issues from two dimensions: importance to sustainable development and importance to stakeholders. These issues are: supply chain management, patents and intellectual property, and climate change, which are incorporated into its ESG management strategy and policies.

- **Supply Chain Management:** At the business operations level, supply chain disruptions or quality instability could lead to delays in the R&D of drug candidates, impede the progress of clinical studies, and halt the production of commercialised products, thereby affecting drug approvals and market supply. Financially, supply disruptions or supplier compliance issues may trigger significant expenditures such as product recalls, liability claims or compliance rectifications, which could have a potential adverse impact on overall profitability and financial condition. The Company incorporates supply chain management into its ESG management and business to enhance the sustainability and risk resilience of its supply chain.
- **Patents and Intellectual Property:** In terms of business operations, patent challenges or invalidation may impede the commercialisation process of drug candidates, resulting in R&D investments failing to yield expected returns; in terms of financial performance, legal disputes such as patent litigation will generate high rights protection costs; the leakage of trade secrets of core technologies will lead to a decline in product competitiveness, affecting revenue and profit margins; in terms of R&D investment, significant intellectual property disputes may render years of R&D investment unrecoverable, resulting in asset impairment losses. The Company diversifies its intellectual property risks by exploring the development of technological diversity and open cooperation, ensuring that its technological capabilities continue to support its business development.
- **Climate Change:** In terms of business operations, the potential impacts of climate change on supply chain logistics efficiency and energy costs have been observed, but as of now, there has been no material disruption to normal operations. At the strategic level, the Company is actively incorporating climate factors into its long-term planning to enhance operational resilience and seize opportunities in the low-carbon transition. In terms of financial performance, although climate change is classified as a highly important issue, based on current assessments, it has not yet had a significant impact on the Company's profitability or financial condition, and its actual financial impact is low.

As of the Latest Practicable Date, we had not experienced any material ESG-related risk incidents, nor had it been subject to any penalties for violating ESG-related laws and regulations. We will continue to improve our ESG materiality assessment and risk management mechanisms, maintain dynamic monitoring of potential risks, and ensure continued and stable operations.

**2. Environment**

***2.1 Environmental Management***

Our Company strictly complies with national and local environmental laws and regulations such as the Environmental Protection Law of the People's Republic of China (《中華

人民共和國環境保護法》), and continuously optimises its environmental management system with reference to international standard systems. In 2024 and 2025, the expenses incurred by our Company for environmental protection and compliance were RMB78,000 and RMB50,200, respectively. As of the Latest Practicable Date, our Company had not recorded any environmental pollution incidents. When formulating its sustainable development goals, the Company has fully considered its current development status and future operational trends, and has made comprehensive reference to the requirements of international standards such as ISSB, GRI, and SASB, as well as the performance of industry peers. Currently, its measurable targets are at an average level within the industry. Guided by scientific emission reduction, efficient resource utilization, and low-carbon transition, and considering our characteristics of the industry and our Company's actual operations, the Company has established the following environmental management goals:

- **Emission Reduction Goals:** We strictly comply with national environmental regulations, ensuring that 100% of air pollutants such as nitrogen oxides ($NO_x$), sulfur dioxide ($SO_2$), and volatile organic compounds (VOCs) generated during its production and operation processes are discharged in compliance with standards. To achieve greater emission reduction benefits, our Company, using its 2024 emission data as a baseline, aims to reduce the total emission of air pollutants by 5% by 2030.
- **Greenhouse Gas Emission Reduction Goals:** We have incorporated the vision of carbon neutrality into its long-term development plan and systematically manages Scope 1, Scope 2, and Scope 3 greenhouse gas emissions in its operations. Our Company has set a target to reduce its greenhouse gas emission intensity by 5% by 2030, using 2024 as the baseline. On this basis, our Company will focus on optimising its energy structure and improving energy efficiency, and is committed to achieving carbon neutrality at the operational level by 2050.
- **Waste Reduction Goals:** Through measures such as promoting green procurement, improving material utilization efficiency, and ensuring end-of-pipe compliant disposal and resource utilization, our Company, using the generation intensity of 2024 as a baseline, aims to reduce the emission intensity of hazardous waste by 3% by 2030; for general waste, the target for the same period is a 5% reduction.
- **Energy Use Efficiency Goals:** Using the energy consumption level of 2024 as a baseline, our Company has set a target to achieve a 5% reduction in electricity consumption by 2030 through measures including phasing out high-energy-consumption equipment, optimizing production scheduling and process flows, reducing no-load and standby energy consumption, raising energy-saving awareness among all employees, and building a comprehensive energy-saving management system.
- **Water Use Efficiency Goals:** Using its water consumption performance in 2024 as a baseline, our Company has set a target to reduce total water consumption by 3% by 2030.

### *2.2 Emissions Management*

Our Company strictly complies with laws and regulations such as the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution and the Water Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國水污染防治法》), adheres to the classification standards of the National Catalogue of Hazardous Wastes (《國家危險廢物名錄》), and achieves compliant management throughout the waste generation and transfer stage: All hazardous and medical waste are temporarily stored in dedicated leak-proof containers. Our Company strictly distinguishes between hazardous waste and general solid waste, and implements end-to-end control over their classified collection, temporary storage, transfer, and disposal. Our Company entrusts qualified third-party organizations to carry out the transfer of hazardous waste, medical waste, and sharps. All transfer manifests are filed for record and inspection to achieve traceable management.

### *2.3 Resource Use Management*

Our Company actively practices the concept of green office, improves energy use efficiency from multiple dimensions, and builds a low-carbon office environment:

- Energy-Saving Lighting and Air Conditioning Management: Our Company has fully adopted LED energy-saving lighting systems. In addition, our Company implements a strict air conditioning temperature control system, effectively reducing the electricity load from air conditioning.

- Water Conservation Management and Efficiency Improvement: Our Company has comprehensively improved water resource utilization efficiency by promoting water-saving appliances and strengthening employees' water conservation awareness. To date, no incidents of water scarcity or wastage have occurred.
- Paperless Office and Double-Sided Printing: For documents that must be printed, a double-sided printing policy is promoted, significantly reducing paper consumption.
- Promoting an Energy-Saving Culture: Our Company advocates for energy-saving behaviors among employees, requires that lighting, water supply equipment, and other electronic facilities be turned off during non-use periods.

The table below summarizes the resource use performance of our Company during the Track Record Period:

| Metrics | Unit | 2024 | 2025 |
|---|---|---|---|
| Electricity Consumption | kWh | 310,174 | 388,516 |
| Electricity Consumption Intensity | kWh/person | 3,737.04 | 3,210.88 |
| Water Consumption | $m^3$ | 643 | 1,910 |
| Water Consumption Intensity | $m^3$/person | 7.75 | 15.79 |

### *2.4 Responding to Climate Change*

Our Company has systematically identified the potential impacts of climate change on its operations, including transition risks such as changes in policies and regulations, and physical risks such as disruptions to production and the supply chain from extreme weather events. To this end, our Company will continue to assess climate-related risks and opportunities, ensure its operational resilience, and steadily advance its goals of peaking carbon emissions by 2030 and achieving carbon neutrality by 2050. As of the end of the reporting period, our Company has initially observed the potential impacts of climate change on certain business segments, such as supply chain logistics and energy costs, but these impacts do not yet constitute significant operational or financial risks, and the impact on our existing assets is low.

The table below lists the relevant risks identified to date:

| Risk Type | | Specific Impact |
|---|---|---|
| Physical Risks | Acute Risks | • Power outages, network disruptions or physical damage to R&D laboratories or data centres caused by extreme weather events such as heavy rain |
| | Chronic Risks | • Prolonged high temperatures and heat affecting the stability of raw materials during transportation and storage |
| | | • Continuous increase in cooling energy consumption costs to maintain a constant temperature and humidity in the laboratory environment |
| Transition Risks | Policy and Legal Changes | • Stricter requirements for laboratory waste disposal |
| | | • Carbon regulation leading to additional expenses for purchasing carbon allowances and tax payments |
| | Market and Technology Risks | • Low-carbon R&D methods such as green chemistry changing traditional R&D models |

The table below sets out the greenhouse gas (GHG) emissions of our Company during the Track Record Period:

| Metrics | Unit | 2024 | 2025 |
|---|---|---|---|
| Total Greenhouse Gas Emissions (Scope 1+Scope 2) | $tCO_2e$ | 174.75 | 219.24 |
| Greenhouse Gas Emissions Intensity (Scope 1+ Scope 2) | $tCO_2e$/person | 2.11 | 1.81 |
| Scope 1 GHG Emissions | $tCO_2e$ | 8.31 | 10.76 |
| Scope 1 GHG Emissions Intensity | $tCO_2e$/person | 0.10 | 0.09 |
| Scope 2 GHG Emissions | $tCO_2e$ | 166.44 | 208.48 |
| Scope 2 GHG Emissions Intensity | $tCO_2e$/person | 2.01 | 1.72 |
| Scope 3 GHG Emissions | $tCO_2e$ | 9,562.51 | 9,932.83 |
| Category 1 | $tCO_2e$ | 8,433.81 | 7,612.02 |
| Category 5 | $tCO_2e$ | 7.56 | 41.3 |
| Category 6 | $tCO_2e$ | 1,068.29 | 2,215.75 |
| Category 7 | $tCO_2e$ | 52.85 | 63.76 |
| Scope 3 GHG Emissions Intensity | $tCO_2e$/person | 115.21 | 82.09 |

*Note: The calculation method for GHG emissions is based on the *Sixth Assessment Report* issued by the Intergovernmental Panel on Climate Change (IPCC) and the *Announcement on the Release of 2022 $CO_2$ Emission Factors for the Power Grid* (《關於發佈2022年電力二氧化碳排放因子的公告》) issued by the Ministry of Ecology and Environment.*

## 3. Social

### *3.1 Employment*

Our Company strictly complies with laws and regulations such as the Labour Law of the People's Republic of China (《中華人民共和國勞動法》) and the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), has formulated internal management systems such as the Employee Handbook, and resolutely prohibits child labour and forced labour. It also strictly verifies the age information of applicants, communicates fully with employees before they work overtime, and strictly controls the duration of such overtime. As of the Latest Practicable Date, our Company had not had any incidents of child labour or forced labour. Our Company is committed to creating a diverse, equal, and inclusive work environment. It avoids discriminatory language and prejudice in recruitment and explicitly states that it does not discriminate against employees in recruitment and actual work based on age, gender, race, disability, marital status, etc., to ensure that employees are free from harassment and illegal discrimination.

| Metrics | | Unit | 2024 | 2025 |
|---|---|---|---|---|
| Total Number of Employees | | Person | 83 | 121 |
| By Gender | Male | Person | 36 | 56 |
| | Female | Person | 47 | 65 |
| By Age | 30 years old and under | Person | 19 | 25 |
| | 31-50 years old | Person | 59 | 89 |
| | Over 50 years old | Person | 5 | 7 |

### *3.2 Health and Safety*

Our Company strictly complies with relevant laws and regulations such as the Work Safety Law of the People's Republic of China (《中華人民共和國安全生產法》) and the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》). It has formulated systems such as the "Environmental, Occupational Health and Safety Management System", and "Management System for Detecting Occupational Hazard Factors in the Workplace". To protect personnel from harm when in contact with irritating, corrosive and toxic chemical substances (such as pyridine and hydrochloric acid), our Company equips its laboratories with compliant workwear, boots, gloves, masks and protective eyewear. Our Company formulates an annual safety training plan, and conducts safety training in an orderly manner. During the Track Record Period and up to the Latest Practicable Date, the Company did not experienced any workplace accidents, and the number of workdays lost due to work-related injuries was 0.

### *3.3 Development and Training*

Our Company has established differentiated training courses for employees of different types and from different business departments, created an online learning platform, and offered various categories of training content. Our Company safeguards employees' career development paths, providing a dual-track promotion mechanism for management and professional development for employees at different functions and levels, allowing them to grow and advance in a fair and just environment.

| Metrics | | Unit | 2024 | 2025 |
|---|---|---|---|---|
| Percentage of Trained Employees by Gender | Male | % | 43 | 46 |
| | Female | % | 57 | 54 |
| Percentage of Trained Employees by Employment Category | Senior Management | % | 25 | 26 |
| | Middle Management | % | 34 | 26 |
| | General staff | % | 41 | 48 |
| Average Hours of Training of Employees by Gender | Male | Hours | 1,546 | 1,771 |
| | Female | Hours | 1,815 | 1,992 |
| Average Hours of Training of Employees by Category | Senior Management | Hours | 504 | 651 |
| | Middle Management | Hours | 471 | 553 |
| | General staff | Hours | 2,442 | 2,653 |

### *3.4 Clinical Trials*

Our Company complies with the principles of the Declaration of Helsinki of the World Medical Association and relevant ethical requirements, ensures the implementation of ethical review and informed consent procedures, and protects the rights of subjects. In terms of data protection, our Company is committed to protecting the information of trial participants in accordance with applicable laws, regulations, and industry standards, and properly records, processes, and preserves participants' clinical trial data to ensure the security and confidentiality of their data and privacy.

### *3.5 Animal Welfare*

Our Company strictly complies with key laws and regulations concerning animal welfare and is committed to providing experimental animals with humane care, psychological support, and professional veterinary care. Through ethical reviews, personnel training, and full-process compliance supervision, it ensures that every study reflects respect and responsibility for life.

### *3.6 Supply Chain Management*

Our Company has established a comprehensive supply chain management system and formulated management systems such as the "Code of Conduct for Procurement Business" and "Cross-departmental Workflow for Bidding and Tendering by Procurement Expert Group". We are committed to fully integrating environmental, social and governance factors into its supplier screening process. In 2024 and 2025, our Company collaborated with a total of 322 and 409 suppliers, respectively. Our Company always upholds a "zero tolerance" principle and resolutely prevents any unfair competition and corrupt practices in the procurement and supplier fulfillment processes.

### *3.7 Business Ethics and Anti-corruption*

Our Company strictly complies with laws and regulations such as 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》) and the Anti-Money Laundering Law of the People's Republic of China (《中華人民共和國反洗錢法》), and has formulated internal management systems such as the "Guidelines on Business Gifts and Anti-Commercial Bribery" to urge employees to adhere to business ethics. In 2024 and 2025, there were no concluded legal proceedings against our Company or its employees in relation to corruption. Our Company has established a comprehensive whistleblower protection mechanism, and is committed to strictly protecting the confidentiality of whistleblowers' identities and the content of their reports, and effectively safeguarding their legal rights and interests. Our Company organizes specialized training on professional integrity to enhance the integrity and compliance

awareness of all employees, and strengthens the internal consensus on maintaining an atmosphere of integrity and uprightness.

## IMPACT OF THE COVID-19 OUTBREAK

The outbreak of the COVID-19 and its recurrence had caused temporary disruption to our operations to the extent that certain on-site meetings, deployment and technical support had to be delayed or cancelled. As of the Latest Practicable Date, however, COVID-19 had not had any material adverse impact on our R&D activities, clinical development, daily operation, supply chain and regulatory affairs. Given that the PRC government has substantially lifted its COVID-19 prevention and control policies since December 2022, our Directors are of the view that it is unlikely that the COVID-19 will have a material adverse impact on our business going forward.

## LICENSES AND PERMITS

Our PRC Legal Advisor has advised that during the Track Record Period and up to the Latest Practicable Date, we have obtained all material licenses, permits, approvals and certificates from the relevant government authorities that are material for the business operations of our Group. There is no material legal impediment in renewing such licenses, permits, approvals and certificates as they expire in the future as long as we are in compliance with applicable laws, regulations and rules.

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 |
|---|---|---|---|---|
| Certificate for Utilization of Laboratory Animals (SYXK-(陝) 2026-009) (實驗動物使用許可證(編號：SYXK-(陝) 2026-009)) | Shaanxi Provincial Department of Science and Technology (陝西省科學技術廳) | The Company | March 26, 2026 | March 18, 2031 |
| Notice of Approval for Clinical Drug Trial (2025LP01688) (藥物臨床試驗批准通知書(編號：2025LP01688)) | NMPA | Shanghai Xitaili Biomedical Technology Co., Ltd.* (上海西泰利生物醫藥科技有限公司) | June 30, 2025 | N/A |
| Notice of Approval for Clinical Drug Trial (2025LP01148) (藥物臨床試驗批准通知書(編號：2025LP01148)) | NMPA | Shanghai Xitaili Biomedical Technology Co., Ltd.* (上海西泰利生物醫藥科技有限公司) | April 21, 2025 | N/A |
| Notice of Approval for Clinical Drug Trial (2025LP01314) (藥物臨床試驗批准通知書(編號：2025LP01314)) | NMPA | Xi'an Biocare Pharma Ltd. (西安奧立泰醫藥科技有限公司) | February 20, 2025 | N/A |
| Notice of Approval for Clinical Drug Trial (2025LP01315) (藥物臨床試驗批准通知書(編號：2025LP01315)) | NMPA | Xi'an Biocare Pharma Ltd. (西安奧立泰醫藥 科技有限公司) | February 20, 2025 | N/A |
| Approval for XTL6001 Clinical Trial for Weight Management | FDA | Shanghai Xitaili Biomedical Technology Co., Ltd.* (上海西泰利生物醫藥科技有限公司) | December 20, 2024 | N/A |
| Approval for MT1002 Clinical Trial for HD | FDA | The Company | December 13, 2023 | N/A |
| Notice of Approval for Clinical Drug Trial (2023LP01508) (藥物臨床試驗批准通知書(編號：2023LP01508)) | NMPA | The Company | July 27, 2023 | N/A |
| Notice of Approval for Clinical Drug Trial (2023LP01509) (藥物臨床試驗批准通知書(編號：2023LP01509)) | NMPA | The Company | July 27, 2023 | N/A |

| License/Permit | Issuing Authority | Holder | Grant Date | Expiration Date |
|---|---|---|---|---|
| Notice of Approval for Clinical Drug Trial (2023LP01200) (藥物臨床試驗批准通知書（編號：2023LP01200）) | NMPA | The Company | June 25, 2023 | N/A |
| Notice of Approval for Clinical Drug Trial (2023LP01201) (藥物臨床試驗批准通知書（編號：2023LP01201）) | NMPA | The Company | June 25, 2023 | N/A |
| Notice of Approval for Clinical Drug Trial (2023LP01038) (藥物臨床試驗批准通知書（編號：2023LP01038）) | NMPA | The Company | June 6, 2023 | N/A |
| Notice of Approval for Clinical Drug Trial (2023LP01039) (藥物臨床試驗批准通知書（編號：2023LP01039）) | NMPA | The Company | June 6, 2023 | N/A |
| Notice of Approval for Clinical Drug Trial (2023LP00534) (藥物臨床試驗批准通知書（編號：2023LP00534）) | NMPA | Xi'an Biocare Pharma Ltd. (西安奧立泰醫藥科技有限公司) | March 29, 2023 | N/A |
| Notice of Approval for Clinical Drug Trial (2023LP00535) (藥物臨床試驗批准通知書（編號：2023LP00535）) | NMPA | Xi'an Biocare Pharma Ltd. (西安奧立泰醫藥科技有限公司) | March 29, 2023 | N/A |
| Notice of Approval for Clinical Drug Trial (2023LP00489) (藥物臨床試驗批准通知書（編號：2023LP00489）) | NMPA | The Company | March 24, 2023 | N/A |
| Notice of Approval for Clinical Drug Trial (2023LP00341) (藥物臨床試驗批准通知書（編號：2023LP00341）) | NMPA | The Company | March 14, 2023 | N/A |
| Notice of Approval for Clinical Drug Trial (2022LP01267) (藥物臨床試驗批准通知書（編號：2022LP01267）) | NMPA | The Company | August 16, 2022 | N/A |
| Notice of Approval for Clinical Drug Trial (2021LP01920) (藥物臨床試驗批准通知書（編號：2021LP01920）) | NMPA | Xi'an Biocare Pharma Ltd. (西安奧立泰醫藥科技有限公司) | November 30, 2021 | N/A |
| Notice of Approval for Clinical Drug Trial (2021LP01921) (藥物臨床試驗批准通知書（編號：2021LP01921）) | NMPA | Xi'an Biocare Pharma Ltd. (西安奧立泰醫藥科技有限公司) | November 30, 2021 | N/A |
| Notice of Approval for Clinical Drug Trial (2021LP01020) (藥物臨床試驗批准通知書（編號：2021LP01020）) | NMPA | The Company | July 6, 2021 | N/A |
| Notice of Approval for Clinical Drug Trial (2021LP00813) (藥物臨床試驗批准通知書（編號：2021LP00813）) | NMPA | The Company | June 2, 2021 | N/A |
| Approval for MT1013 Clinical Trial for CKD-SHPT | FDA | The Company | March 5, 2021 | N/A |
| Approval for MT2004 Clinical Trial for NASH | FDA | Xi'an Biocare Pharma Ltd. (西安奧立泰醫藥 科技有限公司) | November 12, 2019 | N/A |
| Approval for MT1002 Clinical Trial for ACS-PCI | FDA | The Company | March 1, 2019 | N/A |

| License/Permit | Issuing Authority | Holder | Grant Date | Expiration Date |
|---|---|---|---|---|
| Fixed Pollution Source Discharge Permit (91320505MA228WRPXE001W) (固定污染源排污登記回執(編號：91320505MA228WRPXE001W)) . . . . . | N/A | Micot (Suzhou) Pharmaceutical Co., Ltd. (麥科奧特(蘇州)醫藥有限公司) | September 8, 2023 | September 7, 2028 |

## LITIGATIONS

We are subject to legal proceedings and claims arising in the ordinary course of our business from time to time. See "Risk Factors — Risks Relating to Our Operations — We may become involved in lawsuits or other legal proceedings, which could adversely affect our business, financial conditions, results of operations and reputation." During the Track Record and up to the Latest Practicable Date, our Directors confirmed that we were not involved in any litigation or arbitration proceedings pending or, to the best knowledge of our Directors, threatened against us or any of our Directors that could have a material adverse effect on our business, results of operations or financial condition.

## COMPLIANCE WITH LAWS AND REGULATIONS

During the Track Record Period and up to the Latest Practicable Date, we did not commit any material non-compliance of the laws and regulations which individually or in the aggregate, in the opinion of our Directors, would have a material and adverse effect on our business, financial condition or results of operations. As advised by our PRC Legal Advisor, during the Track Record Period and up to the Latest Practicable Date, we had complied with the applicable PRC laws and regulations in all material respects. Our U.S. Legal Advisor, King and Wood LLP, confirmed that it is not aware of any incompliance or violation by any of our U.S. subsidiary of the applicable U.S. federal and state laws during the Track Record Period and up to the Latest Practicable Date. Our Directors further confirm that, we have complied with all applicable laws and regulations in all jurisdictions in which we had business operations during the Track Record Period and up to the Latest Practicable Date.

### Non-compliance

*Failure to make full and timely social insurance and housing provident fund*

During the Track Record Period, we failed to pay social insurance premiums and housing provident funds in full for and on behalf of some of our employees in accordance with applicable PRC laws and regulations. The primary reason thereof is that we determined the contribution base for social insurance and housing provident fund based on the employees' salaries at the time of their onboarding and by reference to local standards, and adjustments to such contribution bases in subsequent years in line with employees' annual actual salaries were not duly implemented where applicable, as our human resources staff did not fully familiarise themselves with the applicable laws and regulations in this regard. Based on our estimate, the shortfall of our social insurance and housing provident fund contributions during the Track Record Period amounted to RMB0.6 million and RMB0.9 million for 2024 and 2025, respectively. Our PRC Legal Advisor is of the view that the risk of incurring material administrative penalties issued by the relevant government authorities is remote, provided that there are no significant changes in current policies, regulations, local government supervision, and law enforcement requirements related to social insurance and housing provident fund and based on the following reasons: (i) during the Track Record Period and up to the Latest Practicable Date, we had not received any notification from the relevant government authorities requiring us to settle any payment shortfall; (ii) based on the Special Credit Reports for Market Entities issued by the competent government authorities of our Company, we had not been subject to any administrative penalties with respect to social insurance premiums and housing provident funds; (iii) based on telephone consultations with several relevant authorities in the principal locations where our employees are based, such authorities typically do not proactively require enterprises to make retrospective contributions for all employees for historical underpayments unless prompted by employee complaints; and (iv) if any notice related to the payment of social insurance and housing provident funds is received from government authorities in the future, we undertake that we will make up the required amount within the stipulated period.

Our Directors confirm that if we receive a notice from the relevant authorities requiring us to rectify, pay or make up social insurance and housing provident funds within a specified period, we will promptly comply with the requirements of such notice. In respect of our social insurance and housing provident funds contributions, we have adopted or plan to adopt remedial measures, including: (i) we have enhanced our compliance policy with respect to social insurance and housing provident fund contribution in accordance with the PRC laws and regulations; (ii) we have designated our human resources department to review and monitor the reporting and contributions of social insurance and housing provident fund on a monthly basis; (iii) we will consult our PRC Legal Advisor on a regular basis for advice on the relevant PRC laws and regulations to keep us abreast of relevant regulatory development; (iv) new joiners of us are informed the latest social insurance and housing provident laws, regulations and company policies; and (v) we conduct regular trainings on social and housing provident laws and regulations for our employees to enhance the awareness of compliance.

We plan to progressively adjust the contribution bases for social insurance and housing provident fund to comply with applicable regulatory requirements. Given that the social insurance contribution and housing provident fund base is generally subject to annual adjustment during the certain window determined by the local authorities, we intend to commence the rectification process during the upcoming adjustment window in July 2026 and expect to substantially complete such adjustment within one year.

Therefore, our Directors believe that our failure to fully pay social insurance premiums and housing provident funds will not have an adverse impact on our financial condition and business operations.

*Non-registration of leased properties*

As of the Latest Practicable Date, we had not completed the relevant property leasing registration for two of our leased properties, mainly because: (i) the agreement of one of our properties was executed in May 2026 and we have required the landlord to cooperate with us in completing the lease registration within six months following execution of the lease agreement; (ii) the non-registration of the other property was due to circumstances beyond our control, as the registration process requires the owner's personal cooperation, and we will continue our engagement with the owner and endeavor to complete the registration as soon as practicable. For details of the risk associated with the unregistered lease agreements, please refer to "Risk Factors — Risks Relating to Our Business and Industry — We are subject to risks associated with leasing space." According to the Urban Real Estate Administration Law of the PRC (中華人民共和國城市房地產管理法), and the Commercial Building Leasing Administrative Measures (商品房屋租賃管理辦法), the relevant local governments may require the rectification of the non-registration of lease agreements within a certain period of time. If rectification is not made within the specified time, we may be subject to a fine ranging from RMB1,000 to RMB10,000 for each unregistered lease agreement and the maximum aggregate amount of fines that may be imposed due to such defects is RMB20,000. According to our PRC Legal Advisor, under the Civil Code of the PRC (中華人民共和國民法典), the non-registration of the lease agreements does not affect the validity and enforceability of the lease agreements. During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any penalties arising from the non-registration of our lease agreement and had not experienced any dispute arising out of, or in relation to, our leased properties. In addition, the unregistered leased properties were solely for the office use, and we can easily find the alternative properties in replacement.

Therefore, our Directors believe that such non-registration would not materially and adversely affect our business operations, and will not materially impact our ability to use the properties, as the leases remain valid, and sufficient alternative premises are available in the market should relocation become necessary. We will continue to liaise with the respective lessors to complete the registrations where feasible.

## RISK MANAGEMENT AND INTERNAL CONTROL

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. Our audit committee, and ultimately our Directors supervise the implementation of our risk management policies.

To monitor the ongoing implementation of our 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; (ii) adopt various policies to ensure compliance with the Listing Rules, including but not limited to aspects related to risk management, connected transactions and information disclosure; (iii) formulate the Anti-fraud System and other institutional documents to clarify the concepts and forms of fraud, the attribution of anti-fraud duties, the prevention and control of fraud, the accountability for fraud, remedial measures and penalties; (iv) provide anti-corruption and anti-bribery compliance training periodically to our senior management and employees to enhance their knowledge and compliance with applicable laws and regulations; and (v) attend training sessions by our Directors and senior management in respect of the relevant requirements of the Listing Rules and duties of directors of companies listed in Hong Kong.

### Internal Control

Our Board is responsible for establishing our internal control system and reviewing its effectiveness. We have engaged an internal control consultant (the "**Internal Control Consultant**") to perform certain agreed-upon procedures (the "**Internal Control Review**") in connection with the internal control of our Company in certain aspects, including entity-level controls, financial reporting and disclosure controls, purchase and payment management, inventory management, fixed assets management, human resources and payroll management and other procedures of our operations.

The Internal Control Consultant performed the Internal Control Review covering the period from July 2024 to June 2025, identified internal control deficiencies and provided recommendations accordingly. We have adopted the corresponding remediation actions to improve the effectiveness of the internal control system. The Internal Control Consultant performed a follow-up review with regard to those actions taken by us and there are no material findings identified in the process of the follow up review. As of the Latest Practicable Date, there were no material outstanding issues relating to our Company's internal control. After considering the remedial actions we have taken, our Directors are of the view that our internal control system is adequate and effective for our current operations.

**Data Privacy Protection**

During clinical development, collaboration, and operation in the PRC, we mainly collect and process personal information of subjects based on clinical trials. The specific content, nature of the personal information collected and processed by us are set out in the table below:

| Nature of Personal information | Content of Personal information | Purpose of Collection | Special Notes |
|---|---|---|---|
| Basic Personal Information . . . . | Name, date of birth, gender, ethnicity, address, personal telephone number, email address, etc. | Basic information that must be provided by subjects participating in clinical trials to ensure they meet the eligibility criteria and can be contacted during their participation in the trial. | 1. The basic personal information and personal identification information collected and processed by us as the clinical trial Sponsor are de-identified personal information, which cannot directly identify or be associated with a specific subject. Such basic information and data are provided to us by clinical trial institutions in the form of subject identification codes. |
| Personal Identification Information . . . . | ID card, Social Security card, etc. | Basic information that must be provided by subjects participating in clinical trials to ensure they meet the eligibility criteria and can participate in the trial normally. | 2. Certain employees dispatched by us, such as Clinical Research Associates (CRAs) and Quality Assurance (QA) personnel, may review and verify subject information at the research centers, but will not provide the specific content of such information to us. |
| Personal Health and Physiological Information . . . . | Records generated from medical treatment, such as symptoms, hospitalization records, laboratory reports, medication records, drug/food allergy information, reproductive information, past medical history, diagnosis and treatment information, history of present illness, etc.; and information related to personal physical health status, such as height, weight, etc. | | 3. During the clinical trial process, the personal information collected and processed for each clinical trial varies according to the specific clinical trial protocol. Therefore, the Personal information described herein may not be collected and processed in every trial. |
| Other Information . . | Such as information regarding sexual life. | | 4. The personal information described herein includes sensitive personal information. |

In the process of collecting personal information, we have complied with the principles and requirements of legality, minimum necessity, and informed consent under applicable laws and regulations such as the Civil Code of the PRC, the Personal Information Protection Law of the PRC, and the Good Practice for Clinical Trials of Drugs.

(1) Legality: During clinical research, we legally collect personal information of subjects via our partners (such as clinical trial institutions). There is no instance of collecting personal information through fraud, deception, or inducement, nor is there any instance of obtaining personal information from illegal channels.

(2) Minimum Necessity: The personal information collected by us is strictly limited to materials that subjects must provide to participate in clinical research, for the purpose of assessing whether subjects meet the eligibility criteria for participation in clinical trials and ensuring their normal participation in the trial. Furthermore, the basic personal information and identification information collected by us are de-identified personal information provided by clinical trial institutions, thereby minimizing the specific content of personal information collected to the greatest extent possible.

(3) Informed Consent: When collecting personal information from subjects, we through clinical trial institutions, informs the subjects of the specific content of the information to be collected, the purpose and scope of its use, the rights of the personal information subjects, and contact methods for enquiries and exercising rights, in the form of an Informed Consent Form, and obtains written, signed informed consent forms from the subjects.

We have strictly limited the use of collected personal information of subjects to the purposes and scopes of related clinical trials, such as trial conduct and information verification. Our Directors and U.S. Data Legal Advisor, Concord & Sage PC, confirm that no new clinical trials have been initiated in the U.S. since 2023 by the Company. Consequently, throughout the Track Record Period and up to the Latest Practicable Date, the collection of trial subjects' personal information has been strictly confined to Mainland China, with no further data gathered from the U.S. As confirmed by our PRC Data Legal Advisors, Grandall Law Firm (Shenzhen), the collection and processing of subjects' personal information by us during clinical development, collaboration, and operation has complied, in all material respects, with all applicable laws and regulations regarding data privacy and security in Mainland China during the Track Record Period and up to the Latest Practicable Date.

From April 2019 to December 2022, we have engaged CROs to conduct clinical trials in the U. S. for MT1002, MT1013, MT200605 and MT2004. According to our U.S. Data Legal Advisors, they are not aware of any matter concerning the CROs' data privacy and protection practices under U.S. law that would be reasonably likely to have a material adverse effect on the business, financial condition, or results of operations of our Company.

## OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Dr. Wang Bing (王冰), Dr. Wang Mei (王梅) and Xi'an Zhongrui directly held 40.56%, 6.60% and 5.48% of the interest in our Company, respectively. Dr. Wang Bing and Dr. Wang Mei are spouses. Dr. Wang Mei and Dr. Wang Bing held 99.00% and 1.00% of the equity interest, respectively, in Xi'an Zhongrui Zekang Enterprise Management Consulting Co., Ltd.* (西安眾瑞澤康企業管理諮詢有限公司) ("**Zhongrui Zekang**"), which acts as the general partner of Xi'an Zhongrui. Xi'an Zhongrui directly held 5.48% of the equity interest in the Company, such that Dr. Wang Mei and Dr. Wang Bing are deemed to be the beneficial owners of the 5.48% equity interest in the Company held by Xi'an Zhongrui. Therefore, Dr. Wang Bing, Dr. Wang Mei, Xi'an Zhongrui and Zhongrui Zekang will be regarded as our Controlling Shareholders under the Listing Rules before the Listing. Immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised), Dr. Wang Bing, Dr. Wang Mei, Xi'an Zhongrui and Zhongrui Zekang will collectively be entitled to exercise approximately 43.43% voting rights in our Company and thus remain as our Controlling Shareholders. For background and biographical details of Dr. Wang Bing and Dr. Wang Mei, please refer to the section headed "Directors and Senior Management — Board of Directors" in this prospectus.

Our Controlling Shareholders have confirmed that, as of the Latest Practicable Date, they did not have any interest in other business, apart from the business of our Company, which competes or is likely to compete, directly or indirectly, with our business, which would require disclosure under Rule 8.10 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 of the factors below.

### Management Independence

Our Board comprises nine Directors, including two executive Directors, four non-executive Directors and three 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 not allow any conflict between his/her duties as a Director and his/her personal interests;

(b) our daily management and operation 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 interest of our Group. For details of the industry experience of our senior management, please see the section headed "Directors and Senior Management" in this prospectus;

(c) we have appointed three independent non-executive Directors, comprising one-third of the total members of our Board, who have sufficient knowledge, experience and competence 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 associate, he/she shall abstain from voting and shall not be counted towards the quorum for the voting; and

(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, please refer to the paragraph headed "Corporate Governance Measures" in this section.

In light of the above, our Directors believe that our Company has sufficient and effective control mechanisms to ensure that our Directors perform their respective duties properly and safeguard the interests of our Company and our Shareholders as a whole.

**Operational Independence**

We have full rights to make all decisions on, and to carry out, our own business operations independently. We have our own departments specializing in these respective areas which have been in operation and are expected to continue to operate independently from our Controlling Shareholders and their close associates. We hold all the requisite licenses, intellectual property rights and qualifications that are material to carry on our principal business. We also have independent access to suppliers and customers and have sufficient capital, facilities and employees to operate our business independently from our Controlling Shareholders and their close associates.

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 financial staff and an independent audit, accounting and financial management system.

In addition, we have been and are capable of obtaining financing from third parties without relying on any guarantee or security provided by our Controlling Shareholders or their close associates. As of the Latest Practicable Date, our Group had 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 conflict of interests between our Group and our Controlling Shareholders:

(a) where a Shareholders' meeting is to be held for considering proposed transactions in which our Controlling Shareholders or any of their associates has a material interest, our Controlling Shareholders or their associate 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 the Listing, if our Company enters into connected transactions with our Controlling Shareholders or any of their associates, our Company will comply with the applicable Listing Rules;

(c) our Board consists of a balanced composition of executive Directors, non-executive Directors and 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 advisers, the appointment of such independent professionals will be made at our Company's expenses; and

(e) we have appointed Halcyon Capital Limited as our compliance adviser to provide advice and guidance to us in respect of compliance with the applicable laws 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 interest that may arise between our Group and our Controlling Shareholders and to protect our Shareholders' interests as a whole after the Listing.

This section presents certain information regarding the share capital of our Company following the completion of the Global Offering.

## IMMEDIATELY BEFORE THE GLOBAL OFFERING

As of the Latest Practicable Date, the registered share capital of our Company was RMB5,473,719 divided into 273,685,950 Unlisted Shares with a nominal value of RMB0.02 each.

## UPON COMPLETION OF THE SHARE SUBDIVISION AND THE GLOBAL OFFERING

Immediately following the completion of the Share Subdivision the conversion of certain Unlisted Shares into H Shares and the Global Offering, assuming that 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 share capital |
|---|---|---|
| Unlisted Shares in issue | 51,669,250 | 15.58% |
| H Shares to be issued under the Global Offering | 58,054,400 | 17.50% |
| H Shares converted from Unlisted Shares | 222,016,700 | 66.92% |
| **Total** | **331,740,350** | **100%** |

Immediately following completion of the Global Offering and the conversion of certain Unlisted Shares into H Shares, assuming the Over-allotment Option is fully exercised, the issued share capital of our Company will be as follows:

| Description of Shares | Number of Shares | Approximate percentage of the total share capital* |
|---|---|---|
| Unlisted Shares | 51,669,250 | 15.18% |
| H Shares to be issued under the Global Offering | 66,762,400 | 19.61% |
| H Shares converted from Unlisted Shares | 222,016,700 | 65.21% |
| **Total** | **340,448,350** | **100%** |

* *Any discrepancies in the table between the total shown and the sum of the amounts listed are due to rounding.*

## RANKING

Upon completion of the Global Offering, we would have only one class of Shares. H Shares and Unlisted Shares are all ordinary Shares in the share capital of our Company. However, apart from certain qualified domestic institutional investors in the PRC, the qualified PRC investors under the Shanghai-Hong Kong Stock Connect or 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 for by or traded between legal or natural persons of the PRC. Unlisted Shares and H Shares will rank *pari passu* with each other in all respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this prospectus. All dividends in respect of the H Shares are to be paid by us in Hong Kong dollars or in the form of H Shares.

## CONVERSION OF OUR UNLISTED SHARES INTO H SHARES

Our Company has filed for a "full circulation" of 222,016,700 existing Unlisted Shares (taking into account the Share Subdivision) into H Shares on a one-for-one basis, and submitted the application reports, authorization documents of the shareholders of Unlisted Shares for which an H-share "full circulation" are applied, explanation about the compliance of share acquisition and other documents in accordance with the requirements of the CSRC. The relevant filings of the conversion of the existing 222,016,700 Unlisted Shares held by the existing Shareholders into H Shares on a one-for-one basis have been completed on March 27, 2026.

Upon completion of the Global Offering, if any of our Shares are not listed or traded on any stock exchange, the holders of our Unlisted Shares (other than those to be converted to H Shares) may convert their Shares into H Shares provided 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 have completed the required filing with the securities regulatory authorities of the State Council, including the CSRC. The listing of such converted Shares on the Stock Exchange will also require the approval of the 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 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 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 Stock Exchange is ordinarily considered by the 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 Stock Exchange. Any application for listing of the converted Shares on the 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 procedures will need to be completed: the relevant Unlisted Shares will be withdrawn from the 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 on the condition that (a) our H Share Registrar lodges with the Stock Exchange a letter confirming the proper entry of the relevant H Shares on the H Share register of members and the due despatch of H Share certificates and (b) the admission of the H Shares to trade on the Stock Exchange will comply with the Listing Rules and 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.

For further details, see "Risk Factors — Risks Relating to the Global Offering — Future sales or perceived sales of our H Shares in the public market by major Shareholders following the Global Offering could materially and adversely affect the price of our H Shares."

## TRANSFER OF SHARES ISSUED PRIOR TO THE GLOBAL OFFERING

Pursuant to the PRC Company Law, our Shares issued prior to the Listing shall not be transferred within one year from the Listing Date. Shares transferred by our Directors and members of the senior management each year during their term of office shall not exceed 25% of their total respective shareholdings in our Company. The Shares that the aforementioned persons hold in our Company cannot be transferred within one year from the Listing Date, nor within half a year after they leave their positions as Directors or members of the senior management in our Company.

See "Underwriting — Undertakings pursuant to the Hong Kong Underwriting Agreement" for details of the lock-up undertakings.

## SHAREHOLDERS' GENERAL MEETING

For details of circumstances under which our Shareholders' general meeting is required, see "Appendix III — Summary of Articles of Association."

## PRE-IPO SHARE INCENTIVE PLAN

We adopted the Pre-IPO Share Incentive Plan, details of which are set forth in "Appendix IV — Statutory and General Information — Further Information about our Directors and Substantial Shareholders — Pre-IPO Share Incentive Plan."

## GENERAL MANDATES TO ISSUE SHARES, SELL AND/OR TRANSFER TREASURY SHARES AND REPURCHASE SHARES

Subject to the completion of the Global Offering, pursuant to the Shareholders resolutions of our Company, our Directors have been granted general unconditional mandates to issue our Shares and sell and/or transfer our Shares out of treasury that are held as treasury shares and repurchase our Shares. See "Appendix IV — Statutory and General Information — Further Information about our Group — Resolutions of the Shareholders."

## REGISTRATION OF SHARES NOT LISTED ON AN 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 our Shares that are not listed on the overseas stock exchange shall handle share transfer registration business in accordance with the relevant business rules of the CSDC. Further, H-share companies should submit the relevant status reports to the CSRC within 15 days after the transfer registration with the CSDC of such shares involved in the application is completed.

## THE CORNERSTONE INVESTMENT

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 for such number of Offer Shares (rounded down to the nearest whole board lot of 200 H Shares) which may be purchased at the Offer Price with an aggregate amount of HK$449.19 million (exclusive of brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee) (the **"Cornerstone Investment"**).

Pursuant to paragraph 3.2 of Practice Note 18 to the Listing Rules, at least 40% of the total number of Offer Shares initially offered in the Global Offering must be allocated to investors in the placing tranche (other than Cornerstone Investors). As the Company is initially offering approximately 10% of the total number of Offer Shares in the Hong Kong Public Offering, no more than 50% of the total number of the Offer Shares initially offered in the Global Offering can be allocated to all Cornerstone Investors (the **"Cornerstone Investment Allocation Limit"**). Each of the Cornerstone Investors has agreed in their respective Cornerstone Investment Agreements that the Company, the Joint Sponsors and the Overall Coordinators shall have the right to, in their sole and absolute discretion, adjust the allocation of the number of Offer Shares to be subscribed for by the relevant Cornerstone Investor to ensure compliance with the Listing Rules, including the Cornerstone Investment Allocation Limit. Accordingly, the Company, the Joint Sponsors and the Overall Coordinators will adjust the allocation of the number of Offer Shares to be subscribed for by the Cornerstone Investors in proportion to their respective initial subscription amounts set out in their respective Cornerstone Investment Agreements to ensure compliance with the Cornerstone Investment Allocation Limit, and will disclose the number of the Offer Shares finally allocated to each of the Cornerstone Investors in the allotment results announcement of the Company to be published on or around Tuesday, June 23, 2026.

Assuming an Offer Price of HK$18.20, being the low-end of the indicative Offer Price range set out in this Prospectus, the total number of Offer Shares to be subscribed by the Cornerstone Investors would be 24,681,000 Offer Shares, representing approximately (i) 42.51% of the Offer Shares and 7.44% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised); and (ii) 36.97% of the Offer Shares and 7.25% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is fully exercised).

Assuming an Offer Price of HK$19.60, being the mid-point of the indicative Offer Price range set out in this Prospectus, the total number of Offer Shares to be subscribed by the Cornerstone Investors would be 22,918,000 Offer Shares, representing approximately (i) 39.48% of the Offer Shares and 6.91% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised); and (ii) 34.33% of the Offer Shares and 6.73% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is fully exercised).

Assuming an Offer Price of HK$21.00, being the high-end of the indicative Offer Price range set out in this Prospectus, the total number of Offer Shares to be subscribed by the Cornerstone Investors would be 21,390,200 Offer Shares, representing approximately (i) 36.85% of the Offer Shares and 6.45% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised); and (ii) 32.04% of the Offer Shares and 6.28% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is fully exercised).

Our Company is of the view that, (i) the Cornerstone Investment will ensure a reasonable size of solid commitment at the beginning of the marketing period of the Global Offering and will provide confidence to the market; and (ii) by leveraging on the Cornerstone Investors' industry reputation and investment experience, in particular in the healthcare and biopharmaceutical sectors, as well as the active participation of state-owned capital, the Cornerstone Investment will help raise the profile of our Company and to signify that such investors have confidence in our business and prospect. Our Company became acquainted with each of the Cornerstone Investors through the business relationship of our Group or through our existing Shareholders.

Among the Cornerstone Investors, Qiyuan Hong Kong is ultimately controlled by Shaanxi Provincial SASAC, it is a close associate of existing Shareholders of the Company. Qiyuan Hong Kong has been permitted to participate in the Cornerstone Investment pursuant to a written consent under paragraph 1C(2) of Appendix F1 to the Listing Rules granted by the Stock Exchange. For further details of the abovementioned consent, please refer to the section headed "Waivers from Strict Compliance with the Listing Rules and Exemption from Strict Compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance" in this prospectus.

The Cornerstone Investment will form part of the International Offering and, save as otherwise obtained consent from the Stock Exchange, 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 for by the Cornerstone Investors will rank *pari passu* in all respects with the fully paid H Shares in issue following the completion of the Global Offering and to be listed on the Stock Exchange. The Offer Shares to be subscribed for by the Cornerstone Investors (except for Qiyuan Hong Kong) will be counted towards the public float of our Company under Rule 8.08 of the Listing Rules. Other than a guaranteed allocation of the relevant Offer Shares at the Offer Price, the Cornerstone Investors do not have any preferential rights in the Cornerstone Investment Agreements compared with other public Shareholders. Immediately following the completion of the Global Offering, (i) none of the Cornerstone Investors (except for Qiyuan Hong Kong) will become a substantial shareholder of our Company; (ii) none of the Cornerstone Investors will have any Board representation in our Company solely by virtue of its cornerstone investment; and (iii) equity interests in our Company being beneficially owned by the three largest public Shareholders will be less than 50% for the purpose of Rule 8.08(3) of the Listing Rules. Each of the Cornerstone Investors are independent with each other.

The Cornerstone Investors have agreed that the Overall Coordinators may in their sole discretion defer the delivery of all or part of the Offer Shares it will subscribe to on a date later than the Listing Date. Such delayed delivery arrangement is in place to facilitate the over-allocation in the International Offering. All Cornerstone Investors have agreed to pay for the relevant Offer Shares that they have subscribed before dealings in the Shares commence on the Stock Exchange. If there is over-allocation in the International Offering, the settlement of such over-allocation may be effected through delayed delivery of the Offer Shares to be subscribed by certain Cornerstone Investors under the Cornerstone Investment. Where delayed delivery takes place, each Cornerstone Investor that may be affected by such delayed delivery has agreed that it shall nevertheless pay for the relevant Offer Shares in full before the Listing. If there is no over-allocation in the International Offering, delayed delivery will not take place. As such, there will be no deferred settlement of the investment amount for the Offer Shares to be subscribed by the Cornerstone Investors pursuant to the Cornerstone Investment Agreements.

Save as disclosed above and to the best knowledge, information and belief of our Company, (i) each of the Cornerstone Investors and its ultimate beneficial owners is an independent third party (save for their respective interests in our Company); (ii) none of the Cornerstone Investors is accustomed to taking instructions from our Company, the Directors, chief executive of the Company, the Controlling Shareholders, substantial Shareholders, existing Shareholders or any of its subsidiaries or their respective close associates; and (iii) none of the subscription for the relevant Offer Shares by the Cornerstone Investors is financed by our Company, the Directors, chief executive of our Company, the Controlling Shareholders, the substantial Shareholders, existing shareholders or any of its subsidiaries or their respective close associates for the purpose of subscription of the Offer Shares.

Save as disclosed above and to the best knowledge of our Company and as confirmed by each of the Cornerstone Investors, they made their own independent decisions to enter into the Cornerstone Investment Agreements, and their subscriptions under the Cornerstone Investment would be financed by themselves. The Cornerstone Investors have also confirmed that all necessary approvals have been obtained with respect to the Cornerstone Investment and that no specific approval from any stock exchange (if relevant) or their shareholders is required for the Cornerstone Investment. Other than a guaranteed allocation of the relevant Offer Shares at the Offer Price, the Cornerstone Investors do not have any preferential rights in the Cornerstone Investment Agreements compared with other public Shareholders. Other than the Cornerstone Investment Agreements, as confirmed by each of the Cornerstone Investors, there are no side agreements or arrangements between us 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 principle as set out in Chapter 4.15 of the Guide for New Listing Applicants. To the best knowledge of the Company and as confirmed by each of the Cornerstone Investors, their subscriptions under the Cornerstone Investment would be financed by their own internal resources.

The total number of Offer Shares to be subscribed for by the Cornerstone Investors under the Cornerstone Investment may be affected by reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering in the event of over-subscription under the Hong Kong Public Offering, as described in the paragraphs headed "Structure of the Global Offering — The Hong Kong Public Offering — Reallocation" in this prospectus. The number of Offer Shares to be acquired by each Cornerstone Investor may be deducted 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, after taking into account the requirements under Appendix F1 to the Listing Rules as well as the discretion of the Overall Coordinators (for themselves and on behalf of the International Underwriters) to exercise the Over-allotment Option. Details of the actual number of Offer Shares to be allocated to each of the Cornerstone Investors will be disclosed in the allotment results announcement to be issued by our Company on or around Tuesday, June 23, 2026.

All of the Cornerstone Investors have confirmed that they have sufficient funds to settle the investment amounts and they will pay and settle in full for the relevant Offer Shares that they have subscribed before dealings in the Offer Shares commence on the Stock Exchange. As such, there will be no deferred settlement of payment of the investment amounts.

## THE CORNERSTONE INVESTORS

The table below sets forth details of the Cornerstone Investment:

**Based on the Offer Price of HK$18.20 (being the low-end of the indicative Offer Price range)**

| | | | Assuming the Over-allotment Option is not exercised | | Assuming the Over-allotment Option is exercised in full | |
|---|---|---|---|---|---|---|
| Cornerstone Investor | Investment amount[1] | Number of Offer Shares[2] | Approximate % of the Offer Shares | Approximate % of the total issued share capital immediately upon completion of the Global Offering | Approximate % of the Offer Shares | Approximate % of the total issued share capital immediately upon completion of the Global Offering |
| | *(HKD in millions)* | | | | | |
| Qiyuan Hong Kong . . | 341.36 | 18,756,200 | 32.31% | 5.65% | 28.09% | 5.51% |
| Everest Medicine . . . | 100.00 | 5,494,400 | 9.46% | 1.66% | 8.23% | 1.61% |
| Summit Capital . . . . | 7.83 | 430,400 | 0.74% | 0.13% | 0.64% | 0.13% |
| Total . . . . . | 449.19 | 24,681,000 | 42.51% | 7.44% | 36.97% | 7.25% |

*Notes:*

(1) Exclusive of brokerage, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy, and are to be converted to Hong Kong dollars based on the exchange rate as disclosed in this prospectus;

(2) Subject to rounding down to the nearest whole board lot of 200 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".

**Based on the Offer Price of HK$19.60 (being the mid-point of the indicative Offer Price range)**

| | | | Assuming the Over-allotment Option is not exercised | | Assuming the Over-allotment Option is exercised in full | |
|---|---|---|---|---|---|---|
| Cornerstone Investor | Investment amount[1] | Number of Offer Shares[2] | Approximate % of the Offer Shares | Approximate % of the total issued share capital immediately upon completion of the Global Offering | Approximate % of the Offer Shares | Approximate % of the total issued share capital immediately upon completion of the Global Offering |
| | *(HKD in millions)* | | | | | |
| Qiyuan Hong Kong . . | 341.36 | 17,416,400 | 30.00% | 5.25% | 26.09% | 5.12% |
| Everest Medicine . . . | 100.00 | 5,102,200 | 8.79% | 1.54% | 7.64% | 1.50% |
| Summit Capital . . . . | 7.83 | 399,600 | 0.69% | 0.12% | 0.60% | 0.12% |
| Total . . . . . | 449.19 | 22,918,000 | 39.48% | 6.91% | 34.33% | 6.73% |

*Notes:*

(1) Exclusive of brokerage, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy, and are to be converted to Hong Kong dollars based on the exchange rate as disclosed in this prospectus;

(2) Subject to rounding down to the nearest whole board lot of 200 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".

**Based on the Offer Price of HK$21.00 (being the high-end of the indicative Offer Price range)**

| | | | Assuming the Over-allotment Option is not exercised | | Assuming the Over-allotment Option is exercised in full | |
|---|---|---|---|---|---|---|
| Cornerstone Investor | Investment amount[1] | Number of Offer Shares[2] | Approximate % of the Offer Shares | Approximate % of the total issued share capital immediately upon completion of the Global Offering | Approximate % of the Offer Shares | Approximate % of the total issued share capital immediately upon completion of the Global Offering |
| | *(HKD in millions)* | | | | | |
| Qiyuan Hong Kong . . | 341.36 | 16,255,400 | 28.00% | 4.90% | 24.35% | 4.77% |
| Everest Medicine . . . | 100.00 | 4,761,800 | 8.20% | 1.44% | 7.13% | 1.40% |
| Summit Capital . . . . | 7.83 | 373,000 | 0.64% | 0.11% | 0.56% | 0.11% |
| Total . . . . . | 449.19 | 21,390,200 | 36.85% | 6.45% | 32.04% | 6.28% |

*Notes:*

(1) Exclusive of brokerage, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy, and are to be converted to Hong Kong dollars based on the exchange rate as disclosed in this prospectus;

(2) Subject to rounding down to the nearest whole board lot of 200 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".

The information about our Cornerstone Investors set forth below has been provided by the Cornerstone Investors in connection with the Cornerstone Investment.

**Qiyuan Hong Kong**

Qiyuan Hong Kong is a limited company incorporated under the laws of Hong Kong, which is directly and wholly owned by Shaanxi Qiyuan Gaotou Enterprise Management Partnership (Limited Partnership) (陝西啟源高投企業管理合夥企業(有限合夥)) ("**Qiyuan Gaotou**"). The general partner of Qiyuan Gaotou is Shaanxi Qinchuang Qiyuan Private Equity Fund Management Co., Ltd. (陝西秦創啟源私募基金管理有限公司), holding approximately 0.03% of the partnership interest, which is ultimately controlled by Shaanxi Provincial SASAC.

As of the Latest Practicable Date, Qiyuan Gaotou has two limited partners, comprising (i) Shaanxi Provincial Science and Technology Innovation Fund of Funds Partnership (Limited Partnership) (陝西省科技創新母基金合夥企業(有限合夥)), which holds approximately 83.31% of the partnership interest in Qiyuan Gaotou and is ultimately controlled by Shaanxi Provincial SASAC and Shaanxi Provincial Department of Finance; and (ii) Xi'an Xigaotou Zhiyuan Investment Fund Partnership (Limited Partnership) (西安西高投致遠投資基金合 夥企業(有限合夥)), which holds approximately 16.66% of the partnership interest in Qiyuan Gaotou and is ultimately controlled by Xi'an High-tech Industries Development Zone Administration Committee.

As Qiyuan Hong Kong is ultimately controlled by government bodies of Shaanxi Province, it is a close associate of existing Shareholders 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 Qiyuan Hong Kong to participate in the Global Offering as cornerstone investors subject to certain conditions. For further details of the abovementioned consent, please refer to the section headed "Waivers from Strict Compliance with the Listing Rules and Exemption from Strict Compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance" in this prospectus.

**Everest Medicines Limited**

Everest Medicines Limited (**"Everest Medicine"**) is a limited company incorporated under the laws of Cayman Islands and listed on the Stock Exchange (stock code: 1952.HK). The Controlling Shareholder of Everest Medicine is CBC Group which mainly comprises C-Bridge Healthcare Fund II, L.P., C-Bridge Investment Everest Limited, C-Bridge II Investment Eight Limited, C-Bridge Healthcare Fund IV, L.P., C-Bridge IV Investment Two Limited, C-Bridge IV Investment Nine Limited, C-Bridge Capital Investment Management, Ltd., CBC Group Investment Management, Ltd., C-Bridge Joint Value Creation Limited and Everest Management Holding Co., Ltd. The aforementioned entities are directly and indirectly controlled by Nova Aqua Limited, the entire interest of which is held by Vistra Trust (Singapore) Pte. Limited as trustee for a trust established by Mr. Wei Fu (as settlor) for the benefit of Mr. Wei Fu and his family. Everest Medicines is a fully integrated biopharmaceutical company spanning discovery, licensing, clinical development, manufacturing, and commercialization of differentiated therapies addressing significant unmet medical needs.

**Summit Capital Limited**

Summit Capital Limited (順鳴資本有限公司) ("**Summit Capital**") is a limited company incorporated under the laws of Hong Kong, 40% of which is held by Hong Kong Fengming Investment Management Co., Limited (香港鳳鳴投資管理有限公司) ("**Fengming Investment**"), and the remaining 24%, 18% and 18% interests are held by three independent individuals respectively. Fengming Investment was founded and is ultimately controlled by Dr. CHOI Siu Wai (蔡少偉), Vice President of the Hong Kong Biopharmaceutical Innovation Association (香港生物醫藥創新協會) who holds 55% interest in Fengming Investment. The remaining 33% and 12% interests in Fengming Investment are respectively held by Mr. Lei Duo (雷多) and Mr.ZHANG YuXiao (張禹簫), who are independent third parties. Summit Capital is currently focused on equity investments in the biopharmaceutical and hard technology sectors.

## CONDITIONS PRECEDENT

The obligations of each Cornerstone Investor to subscribe for the Offer Shares under the respective Cornerstone Investment Agreements are subject to, among others, the following closing conditions:

(a) the underwriting agreements for the Hong Kong Public Offering and the International Offering being 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 these underwriting agreements, and neither of the aforesaid underwriting agreements having been terminated;

(b) the Offer Price having been agreed upon between our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters);

(c) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the H Shares (including the Offer Shares under the Cornerstone Investment as well as other applicable waivers and approvals (including those in connection with the subscription by the Cornerstone Investors of the Offer Shares)) and such approval, permission or waiver 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 filings and published the filing results in respect of the CSRC filings 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 shall have been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Global Offering or the Cornerstone Investment Agreements and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and

(f) the representations, warranties, undertakings, acknowledgements and confirmations of the Cornerstone Investors under the respective Cornerstone Investment Agreements are (as of the date of the Cornerstone Investment Agreements) and will be (as of the Listing Date) accurate, true and complete in all respects and not misleading or deceptive and that there is no breach of any of the Cornerstone Investment Agreements on the part of the respective Cornerstone Investors.

## RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each of the Cornerstone Investors has agreed that without the prior written consent of each of our Company, the Joint Sponsors and the Overall Coordinators, it will not, whether directly or indirectly, at any time during the period of six months from and including 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, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investors, including the Lock-up Period restriction.

## SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following the completion of the Global Offering and assuming the Over-Allotment Option is not exercised, the following persons will have interests and/or short positions in the Shares or underlying shares of our Company which would fall to be disclosed pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 10% or more of the nominal value of any class of our share capital carrying rights to vote in all circumstances at general meetings of our Company:

| | | As of the Latest Practicable Date without taking into account the Share Subdivision | | | Immediately following the completion of the Share Subdivision and the Global Offering[1] | | | |
|---|---|---|---|---|---|---|---|---|
| Name of Shareholder | Nature of Interest | Number of Shares | Description of Shares | Approximate percentage of shareholding in our total share capital | Number of Shares | Description of Shares | Approximate percentage of shareholding in the relevant class of Shares | Approximate percentage of shareholding in our total share capital[1] |
| Dr. Wang Bing[2][3] | Beneficial owner; Interest of spouse | 2,881,201 | Unlisted Shares | 52.64% | 99,660,050<br>44,400,000 | H Shares<br>Unlisted Shares | 35.58%<br>85.93% | 43.43% |
| Dr. Wang Mei[2][3] | Beneficial owner; Interest of spouse; Interest in controlled corporations | 2,881,201 | Unlisted Shares | 52.64% | 99,660,050<br>44,400,000 | H Shares<br>Unlisted Shares | 35.58%<br>85.93% | 43.43% |
| The People's Government of Shaanxi Province[4] | Interest in controlled corporations | 476,179 | Unlisted Shares | 8.71% | 35,295,900<br>7,269,250 | H Shares<br>Unlisted Shares | 12.60%<br>14.07% | 12.82% |
| Junying Growth[4] | Beneficial owner | 79,647 | Unlisted Shares | 1.46% | 3,982,350 | H Shares | 1.42% | 1.20% |
| Listing Reserve Fund[4] | Beneficial owner | 72,635 | Unlisted Shares | 1.33% | 3,631,750 | H Shares | 1.30% | 1.09% |
| Junying Jiacheng[4] | Beneficial owner | 40,353 | Unlisted Shares | 0.74% | 2,017,650 | H Shares | 0.72% | 0.61% |
| Xi'an Huiyu[4] | Beneficial owner | 18,159 | Unlisted Shares | 0.33% | 907,950 | H Shares | 0.32% | 0.27% |
| Shaanxi Innovation Relay[4] | Beneficial owner | 83,077 | Unlisted Shares | 1.52% | 4,153,850 | Unlisted Shares | 8.04% | 1.25% |
| Shaanxi Jingang[4] | Beneficial owner | 62,308 | Unlisted Shares | 1.14% | 3,115,400 | Unlisted Shares | 6.03% | 0.94% |
| New Materials Fund[4] | Beneficial owner | 120,000 | Unlisted Shares | 2.19% | 6,000,000 | H Shares | 2.14% | 1.81% |
| Qiyuan Hong Kong[4][5] | Beneficial owner | – | – | – | 18,756,200 | H Shares | 6.69% | 5.65% |
| Suzhou Mainiv | Beneficial owner | 546,667 | Unlisted Shares | 9.99% | 27,333,350 | H Shares | 9.76% | 8.24% |
| Beta Achieve Limited (越焯有限公司) ("**Beta Achieve**")[4] | Beneficial owner | 354,667 | Unlisted Shares | 6.48% | 17,733,350 | H Shares | 6.33% | 5.35% |
| Northern Light Venture Fund V, L.P. ("**NLVF**")[4] | Interest in controlled corporations | 354,667 | Unlisted Shares | 6.48% | 17,733,350 | H Shares | 6.33% | 5.35% |
| Northern Light Partners V, L.P. ("**NL Partners**")[4] | Interest in controlled corporations | 354,667 | Unlisted Shares | 6.48% | 17,733,350 | H Shares | 6.33% | 5.35% |
| Northern Light Venture Capital V, Ltd.[4] | Interest in controlled corporations | 354,667 | Unlisted Shares | 6.48% | 17,733,350 | H Shares | 6.33% | 5.35% |
| Mr. Deng Feng[4] | Interest in controlled corporations | 354,667 | Unlisted Shares | 6.48% | 17,733,350 | H Shares | 6.33% | 5.35% |

*Notes:*

(L) All the interests stated are long positions.

(1) The calculation is based on the completion of the Share Subdivision and the assumption that (i) the Over-Allotment Option is not exercised, (ii) the 222,016,700 Unlisted Shares (taking into account the Share Subdivision) will be converted into H Shares, and (iii) the total number of the Shares in issue will be 331,740,350 H Shares immediately after completion of the Global Offering.

(2) Immediately following the completion of the Global Offering, (assuming the Over-allotment Option is not exercised and taking into account the Share Subdivision), Xi'an Zhongrui shall directly hold 4.52% of the interest in our Company. Dr. Wang Mei has control over Xi'an Zhongrui Zekang Enterprise Management Consulting Co., Ltd.* (西安眾瑞澤康企業管理諮詢有限公司) ("**Zhongrui Zekang**"), and Zhongrui Zekang is the general partner of Xi'an Zhongrui. Accordingly, Xi'an Zhongrui is controlled indirectly by Dr. Wang Mei. By virtue of the SFO, Dr. Wang Mei is deemed to be interested in the Shares held by Xi'an Zhongrui.

(3) Dr. Wang Bing and Dr. Wang Mei are spouses. Accordingly, Dr. Wang Bing and Dr. Wang Mei are deemed to be interested in the Shares held by each other under the SFO.

(4) Each of Junying Growth, Listing Reserve Fund, Junying Jiacheng, Xi'an Huiyu, Shaanxi Innovation Relay, Shaanxi Jingang and New Materials Fund are ultimately controlled by the People's Government of Shaanxi Province . Qiyuan Hong Kong, one of our Cornerstone Investors, is also ultimately controlled by Shaanxi Provincial SASAC. Therefore, the People's Government of Shaanxi Province is deemed to be interested in the Shares held by Junying Growth, Listing Reserve Fund, Junying Jiacheng, Xi'an Huiyu, Shaanxi Innovation Relay, Shaanxi Jingang, New Materials Fund and Qiyuan Hong Kong.

(5) Immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised), Qiyuan Hong Kong, as a Cornerstone Investor, will subscribe for 18,756,200 Offer Shares at the indicative Offer Price of HK$18.20 (being the low end of the indicative Offer Price range). For further details, please refer to the section headed "Cornerstone Investors" in this prospectus.

(6) As of the Latest Practicable Date, Beta Achieve Limited (越焯有限公司) ("**Beta Achieve**") was held as to 91.67% by NLVF. None of the other shareholders of Beta Achieve held more than 30% of the shareholding interest in Beta Achieve. NLVF is an exempted limited partnership established in the Cayman Islands, whose general partner is NL Partners. NL Partners is an exempted limited partnership established in the Cayman Islands, whose general partner is Northern Light Venture Capital V, Ltd., a company controlled by Mr. Deng Feng, an independent third party to our Company. Therefore, each of NLVF, NL Partners, Northern Light Venture Capital V, Ltd. and Mr. Deng Feng is deemed to be interested in the Shares held by Beta Achieve.

For details of the substantial shareholders who will be, directly or indirectly, interested in 10% or more of the value of any class of Shares carrying rights to vote in all circumstances at general meetings of any member of our Group, see "Statutory and General Information — Further Information about our Directors and Substantial Shareholders — Disclosure of Interests" in Appendix IV 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), have interests and/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, who is, directly or indirectly, interested in 10% or more of the nominal value of any class of our share capital carrying rights to vote in all circumstances at general meetings of our Company or any other member of our Group.

## DIRECTORS

Upon Listing, our Board will consist of nine Directors, including two executive Directors, four non-executive Directors and three independent non-executive Directors. Our Directors serve a term of three years and may be re-elected for successive reappointments.

The following table sets forth certain information about our Directors:

| Name | Age | Position | Responsibilities | Date of the first appointment as a director | Date of joining our Group | Relationship(s) with other Directors and senior management |
|---|---|---|---|---|---|---|
| Dr. Wang Bing (王冰) | 55 | Chairman of our Board, Chief Executive Officer, Executive Director | Responsible for the overall strategic planning of our Group and business operations and making key business and operational decisions of our Group | December 2020 | December 2019 | Spouse of Dr. Wang Mei |
| Dr. Yu Weiping | 67 | Executive Director, Senior Vice President | Responsible for the strategic planning, overseeing the CMC activities and the overall operation management of our Group | August 2019 | July 2017 | Nil |
| Dr. Wang Mei (王梅) | 52 | Non-executive Director | Responsible for participating in major decisions on our Group's operations and development | August 2019 | August 2019 | Spouse of Dr. Wang Bing |
| Mr. You Xiangdong (游向東) | 62 | Non-executive Director | Responsible for participating in major decisions on our Group's operations and development | August 2025 | August 2025 | Nil |
| Dr. Song Gaoguang (宋高廣) | 42 | Non-executive Director | Responsible for participating in major decisions on our Group's operations and development | July 2021 | July 2021 | Nil |
| Dr. Wang Nayi (王娜禕) | 36 | Non-executive Director | Responsible for participating in major decisions on our Group's operations and development | August 2025 | August 2025 | Nil |
| Dr. Xiangli Liuxu (相里六續) | 62 | Independent Non-executive Director; Lead Independent Non-executive Director | Responsible for supervising and offering independent judgment to the Board | Listing Date | September 2025, with effect from the Listing Date | Nil |
| Mr. Zhang Wenqiang (張文強) | 41 | Independent Non-executive Director | Responsible for supervising and offering independent judgment to the Board | Listing Date | September 2025, with effect from the Listing Date | Nil |
| Mr. Wang Kaifeng (王開峰) | 44 | Independent Non-executive Director | Responsible for supervising and offering independent judgment to the Board | Listing Date | September 2025, with effect from the Listing Date | Nil |

### Executive Directors

**Dr. Wang Bing (王冰)**, aged 55, has served as Director, Chief Executive Officer and Chairman of the Board since December 2020. He is primarily responsible for overseeing the strategic planning, business direction and daily operations and management of our group.

Dr. Wang also holds multiple directorships and management positions across our subsidiaries, including (i) executive director at Micot (Suzhou) Technology Co., Ltd.* (麥科奧特(蘇州)科技有限公司) since August 2020, a company principally engaged in medical research and experimental development; (ii) executive director and general manager at Micot (Suzhou) Pharmaceutical Co., Ltd.* (麥科奧特(蘇州)醫藥有限公司) since August 2022; (iii) executive Director and general manager at Shanghai Xitaili Biomedical Technology Co., Ltd.* (上海西泰利生物醫藥科技有限公司), a biotechnology company focusing on the research, development and application of innovative biopharmaceutical technologies since November 2022; and (iv) director and manager at Micot (Taizhou) Pharmaceutical Technology Co., Ltd.* (麥科奧特(台州)醫藥科技有限公司) which is principally engaged in medical research and experimental development, pharmaceutical technology development and related technical services since May 2025. In these roles, he has been primarily responsible for overseeing the management of pharmaceutical R&D as well as the related operational activities.

Dr. Wang is a sophisticated and resourceful veteran in China's biotech industry with scientific, academic and business acumen. Dr. Wang has over 20 years of experience in the medical and pharmaceutical industry. From July 1994 to July 2001, he worked at Xi'an Medical University* (西安醫科大學) as a teaching assistant. During his tenure at Xi'an Jiaotong University* (西安交通大學) as a professor from August 2001 to December 2019, he dedicated himself to medical teaching and research.

Dr. Wang obtained a Bachelor of Clinical Medicine degree from Xi'an Medical University* (西安醫科大學) in July 1994. He obtained a master's degree in Pathology from Xi'an Jiaotong University* (西安交通大學) in July 1999. He further obtained a doctoral degree in Pharmacology from Xi'an Jiaotong University* (西安交通大學) in November 2007.

Dr. Wang was awarded the title of "Xi'an High-tech Zone Investment Promotion Ambassador (2023-2024)" by the Administrative Committee of Xi'an High-tech Zone* (西安市高新區管委會) in January 2023. He was also conferred the title of "Hard Technology Innovation Talent of Xi'an High-tech Zone" by the Working Committee of Xi'an High-tech Zone* (西安市高新區工委). In June 2021, Dr. Wang received the title of "Entrepreneurial Leader (Leading)" under the "2021 Suzhou High-tech Zone Science and Technology Innovation and Entrepreneurship Leading Talents" program, awarded by the Working Committee and Administrative Committee of Suzhou National High-tech Zone* (蘇州國家高新區工委會及管委會). Additionally, he was honored with the title of "Sanqin Talent"* (三秦人才) by the Organization Department of the Shaanxi Provincial Party Committee* (中共陝西省委組織部) and the Shaanxi Provincial Department of Finance* (陝西省財政廳) in August 2012.

Dr. Wang was a vice chairman, manager and supervisor of certain companies established in the PRC below prior to their dissolution/revocation.

| Name of the company | Principal business | Reasons for the dissolution/ revocation | Date of dissolution/ revocation | Position |
|---|---|---|---|---|
| Xi'an Puren Biotechnology Engineering Co., Ltd.* (西安普仁生物工程有限責任公司) . . . . . | Research and experimental development | Revocation of business license | December 11, 2013 | Vice Chairman, Manager |
| Xi'an Hiers Biomedical Technology Co., Ltd.* (西安赫爾斯生物醫藥科技有限責任公司) . . . . . | Research and experimental development | Revocation of business license | June 22, 2021 | Supervisor |

Xi'an Puren Biotechnology Engineering Co., Ltd.* (西安普仁生物工程有限責任公司) ("**Xi'an Puren**") was a company principally engaged in bioengineering technology. Xi'an Hiers Biomedical Technology Co., Ltd.* (西安赫爾斯生物醫藥科技有限責任公司) ("**Xi'an Hiers**") was a company principally engaged in the research, development, technical consultancy and sale of biomedicine, medical devices, medical diagnostic products, cosmetics and other biotechnology and healthcare-related products (excluding pharmaceuticals).

As shown in the Administration of Industry and Commerce (AIC), the business licences of Xi'an Puren and Xi'an Hiers were revoked solely due to their failure to complete the requisite annual inspection, and such revocations were administrative in nature. Such failure was attributable to the fact that neither entity had commenced any actual business operations, acquired any assets, or incurred any liabilities or obligations following their incorporation, which resulted in the annual inspection filings not being completed within the prescribed timeframes. Other than the foregoing administrative matters, none of the two entities was involved in any non-compliance incident prior to their respective dissolution or licence revocation.

Our PRC Legal Advisers have further confirmed that, save for the failure to complete the annual inspection leading to the revocation of their business licences, Xi'an Puren and Xi'an Hiers had fully complied with all applicable PRC laws and regulations before revocation. In particular, no violations relating to product quality, operational compliance, taxation, employee matters or any other regulatory issues were identified through public records searches or internal compliance enquiries.

To the best knowledge, information and belief of Dr. Wang, he confirmed that (i) there was no wrongful act on his part leading to the dissolution/revocation of the above companies; (ii) he is not aware of any actual or potential claim that has been or will be made against him as a result of the dissolution/revocation of the above companies; (iii) no misconduct or misfeasance has been involved in the dissolution/revocation of the above companies; (iv) the above companies were solvent immediately prior to dissolution/revocation (as the case may be); and (v) the deregistration or the revocation of business license of the above companies had not resulted in any liability or obligation imposed against him.

**Dr. Yu Weiping**, aged 67, is an executive Director, our senior vice president. He is primarily responsible for the strategic planning, overseeing the CMC activities and overall operation management of our Group. Dr. Yu was first appointed as an executive Director and senior vice president in August 2019 and served until now.

Dr. Yu has over 40 years of experience in pharmaceutical research, development and executive management. Dr. Yu served as Senior Director of Product and Process Development at Celsion Corporation, USA, a U.S.-based biopharmaceutical company principally engaged in the R&D of oncology therapeutics. From September 2010 to June 2014, Dr. Yu served as Vice President of research and subsequently from June 2014 to June 2017, he held the position of Chief Executive Officer and President in Lipont Pharmaceuticals (Canada), a biopharmaceutical company engaged in the research, development and production of pharmaceutical products.

Dr. Yu obtained a bachelor's degree from Shanghai University of Traditional Chinese Medicine* (上海中醫藥大學) from 1978 to 1982. He obtained a master's degree from Shanghai Institute of Pharmaceutical Industry* (上海醫藥工業研究院) from 1982 to 1984. He further obtained a doctoral degree from University of Paris-Sud from 1987 to 1990.

**Non-executive Directors**

**Dr. Wang Mei (王梅),** aged 52, has served as our non-executive Director since August 2019. Dr. Wang is primarily responsible in formulating major decisions regarding our Group's operations and development.

Dr. Wang possesses over 30 years of expertise and in-depth engagement in the medical and academic arenas. From July 1994 to September 1996, she worked at Xi'an Medical University* (西安醫科大學) as a teacher in the Physiology Teaching and Research Section, where she was engaged in physiology teaching and basic medical research. Since November 2002, Dr. Wang has been serving as a Chief Physician in the Department of Dermatology at the Second Affiliated Hospital of Xi'an Jiaotong University* (西安交通大學第二附屬醫院), dedicated to clinical diagnosis and treatment in dermatology, as well as medical research and academic promotion in related fields.

Dr. Wang obtained a bachelor's degree in Clinical Medicine from Xi'an Medical University* (西安醫科大學) from September 1989 to July 1994. She obtained a master's degree in Oncology from Xi'an Medical University* (西安醫科大學) from September 1996 to July 1999. She further obtained a doctoral degree in Dermatology from Xi'an Jiaotong University* (西安交通大學) from September 1999 to November 2002.

Dr. Wang was awarded the First Prize of Shaanxi Provincial Patent by the People's Government of Shaanxi Province* (陝西省人民政府). She was also conferred with the Second Prize of Shaanxi Provincial Science and Technology Progress (as the second completed person) by the People's Government of Shaanxi Province* (陝西省人民政府).

Dr. Wang was a supervisor and legal representative of certain companies established in the PRC below prior to their dissolution/revocation.

| Name of the company | Principal business | Reasons for the dissolution/ revocation | Date of dissolution/ revocation | Position |
|---|---|---|---|---|
| Xi'an Puren . . . . . | Research and experimental development | Revocation of business license | December 11, 2013 | Supervisor |
| Xi'an Hiers . . . . . | Research and experimental development | Revocation of business license | June 22, 2021 | Legal Representative |

To the best knowledge, information and belief of Dr. Wang, she confirmed that (i) there was no wrongful act on her part leading to the dissolution/revocation of the above companies; (ii) she is not aware of any actual or potential claim that has been or will be made against her as a result of the dissolution/revocation of the above companies; (iii) no misconduct or misfeasance has been involved in the dissolution/revocation of the above companies; (iv) the above companies were solvent immediately prior to dissolution/revocation (as the case may be); and (v) the deregistration or the revocation of business license of the above companies had not resulted in any liability or obligation imposed on her.

The Company is of the view that, given that Xi'an Puren and Xi'an Hiers had not commenced any actual business operations since their establishment, and that Dr. Wang Bing and Dr. Wang Mei, in their capacity as senior management of both the Group and the above companies, were only involved in high-level decision-making and were not responsible for the execution of day-to-day administrative matters, neither Dr. Wang Bing nor Dr. Wang Mei was involved in the said non-compliance, nor were they the persons responsible for the administrative oversight that led to the failure to complete the requisite annual inspections.

**Mr. You Xiangdong (游向東),** aged 62, was appointed as our non-executive Director in August 2025. Mr. You is primarily responsible for participating in major decisions on our Group's operations and development.

Mr. You has over 30 years of experience spanning the medical and investment sectors. From July 1989 to May 1990, he served as the person in charge of the Preparatory Office at Sir Run Run Shaw Hospital* (浙江大學醫學院附屬邵逸夫醫院), affiliated with the School of Medicine, Zhejiang University. From June 1990 to December 2015, at the Second Affiliated Hospital of Zhejiang University School of Medicine* (浙江大學醫學院附屬二院), he held various positions, including resident physician, attending physician, associate chief physician, chief physician, office director, and hospital vice president. He is a cardiovascular ultrasound medical expert and a master's supervisor. Since January 2016, he has successively held positions including president and director at Zheshang Capital Co., Ltd.* (浙商創投股份有限公司), an investment management company principally engaged in private equity fund management, asset management and investment advisory services.

Mr. You obtained a bachelor's degree in Clinical Medicine from Zhejiang Medical University (now the School of Medicine, Zhejiang University)* (浙江醫科大學，現浙江大學醫學院) from September 1982 to July 1987. He further obtained a master's degree in Hospital Management jointly from Nankai University* (南開大學) and the Flinders University of South Australia from August 2006 to August 2008.

**Dr. Song Gaoguang (宋高廣),** aged 42, was appointed as our non-executive Director in July 2021. Dr. Song is primarily responsible for participating in major decisions on our Group's operations and development.

Dr. Song previously worked in the Department of Strategic Research at Staidson Biopharmaceutical Co., Ltd. (Stock code: 300204.SZ), a biopharmaceutical company principally engaged in the research, development and commercialisation of innovative therapeutics from July 2012 to August 2016, ultimately helping develop our Company's long-term strategy. Before joining the Strategic Research team, Dr. Song worked in the Staidson's Department of Pharmacology.

Dr. Song joined Northern Light Venture Capital in August 2016, a venture capital firm focusing on private equity and venture investments in technology, healthcare and biopharmaceutical sectors and brought with him a understanding of China's pharmaceutical industry. From December 2020 to November 2025, Dr. Song served as a director at GenFleet Therapeutics (Shanghai) (勁方醫藥科技(上海)股份有限公司), a company listed on the Stock Exchange (stock code: 2595.HK), which is dedicated to developing novel drug candidates spanning small molecules and biologics. He has extensive experience in corporate strategic planning and implementation, along with a background in clinical trial applications, business development, team building, and marketing management. His primary areas of focus at NLVC are biotech and biopharmaceuticals, with notable investments including SHIP, Connect Biopharma, Belief Biomed, and NGGT.

Dr. Song holds a PhD in Biophysics from the Chinese Academy of Medical Sciences* (中國醫學科學院), a PhD in Biophysics from Peking Union Medical College* (北京協和醫學院) in July 2012, and a master's degree in Biochemical Engineering from the Beijing Institute of Technology* (北京理工大學) in July 2008.

**Dr. Wang Nayi (王娜禕)**, aged 36, was appointed as our non-executive Director in August 2025. Dr. Wang is primarily responsible for participating in major decisions on our Group's operations and development.

Dr. Wang has over 7 years of experience in medical investment and strategic consulting fields. From January 2018 to October 2019, Dr. Wang worked as a Consultant at Siemens China Co., Ltd* (西門子中國), a company principally engaged in electrification, automation and digitalisation solutions, including the provision of industrial automation systems, smart infrastructure technologies and related technical services in the PRC. From October 2019 to May 2022, Dr. Wang served as an Investment Manager at WuXi AppTec Co., Ltd* (藥明康德) (Stock code: 603259.SH; 2359.HK),a global pharmaceutical and biotechnology R&D service platform company principally engaged in laboratory testing, contract R&D and manufacturing services for pharmaceutical and biotech customers. Since June 2022, Dr. Wang has been serving as an Investment Director at NRL Capital* (紐爾利資本), an investment management firm focusing on equity and venture capital investments in biomedical and healthcare enterprise, dedicated to investing in biomedical enterprises.

Dr. Wang obtained a bachelor's degree in Biomedical Engineering from the University of Minnesota, Twin Cities in May 2012. She further obtained a master's degree and a doctoral degree from Yale University in May 2018.

**Independent Non-executive Directors**

**Dr. Xiangli Liuxu (相里六續)**, aged 62, was appointed as an independent non-executive Director and lead independent non-executive Director in September 2025 with effect upon the Listing. He is responsible for supervising and offering independent judgment to the Board. His primary responsibility is also to facilitate and strengthen communication (i) among independent non-executive Directors; (ii) between independent non-executive Directors and the Board; and (iii) with shareholders (in particular, minority shareholders).

Dr. Xiangli has over 38 years of experience in industrial economics and academic management. He worked at Shaanxi University of Finance and Economics* (陝西財經學院) (currently known as Xi'an Jiaotong University (西安交通大學)) as a Teaching Assistant, Lecturer, and Associate Professor in the Department of Industrial Economics from July 1987 to April 2000. During this period, he concurrently served as the Director of Enterprise Management at Meixian Agricultural Machinery Repair Factory (Shaanxi)* (陝西眉縣農機修造廠) from September 1987 to August 1988 for practical training. He subsequently held positions at Xi'an Jiaotong University* (西安交通大學) as an Associate Professor, Full Professor, and Chairman of the Labor Union in the School of Management from April 2000 to December 2024. From January 2018 to January 2024, he served as an Independent Director at Shaanxi Beiyuan Chemical Group* (陝西北元化工集團), a chemical manufacturing enterprise principally engaged in the production of polyvinyl chloride and related chemical products and as the Vice Dean of the School of Economics and Management at Xinjiang University* (新疆大學) (Seconded to Xinjiang) from December 2017 to December 2020.

Dr. Xiangli has been serving as an independent director at Shaanxi Meinen Clean Energy Group Co., Ltd.* (陝西美能清潔能源集團股份公司) (Stock code: 001299.SZ), a company engaged in natural gas sales, since March 2023.

Dr. Xiangli obtained a bachelor's degree in business management from Shaanxi University of Finance and Economics* (陝西財經學院) from September 1983 to July 1987 and further obtained a master's degree in business management from December 1996 to October 1998. Dr. Xiangli further obtained a Doctoral degree in Business Administration from Xi'an Jiaotong University* (西安交通大學) from September 2003 to July 2009.

Dr. Xiangli was awarded the First Prize in the Teaching Competition* (西安交通大學普通課堂教學競賽一等獎) of Xi'an Jiaotong University* (西安交通大學) in January 2005. He further received the first prize for the consulting project on state-owned difficult enterprises from the Shaanxi Provincial Government* (陝西省政府). He also received four teaching results awards, one award for teaching from the China Financial Education Fund* (中國金融教育基金), and was honored with the title of Excellent Teacher of the School four times.

**Mr. Zhang Wenqiang (張文強)**, aged 41, was appointed as an independent non-executive Director in September 2025 with effect upon the Listing. He is responsible for supervising and offering independent judgment to the Board.

Mr. Zhang has over 15 years of experience in auditing, corporate consulting and investment management. From September 2008 to September 2009, he worked at KPMG Huazhen Certified Public Accountants (Special General Partnership)* (畢馬威華振會計師事務所(特殊普通合夥)), an accounting firm principally engaged in providing audit, assurance and related professional services as an Auditor in the Audit Department. From October 2009 to May 2012, Mr. Zhang served as an Assistant Manager in the Transaction and Restructuring Department at KPMG Advisory (China) Limited* (畢馬威企業諮詢(中國)有限公司), a professional services firm engaged in corporate advisory, including transaction consulting, restructuring and financial advisory services. In May 2012, he joined Aerospace Industry Investment Fund Management (Beijing) Co., Ltd.* (航天產業投資基金管理(北京)有限公司), an investment management company principally engaged in managing industrial investment funds focusing on aerospace and high-technology sectors and currently hold the position of Executive Director.

Mr. Zhang obtained a Bachelor of Economics degree in Finance from Renmin University of China (中國人民大學) from September 2004 to June 2008.

Mr. Zhang holds the qualification of Chinese Certified Public Accountant (CPA) in April 2012.

**Mr. Wang Kaifeng (王開峰)**, aged 44, was appointed as an independent non-executive Director in September 2025 with effect upon the Listing. He is responsible for supervising and offering independent judgment to the Board.

Mr. Wang has over 20 years of experience in pharmaceutical production management, corporate strategy, and biomedical investment. From February 2003 to March 2009, he worked at GlaxoSmithKline (Tianjin) Co., Ltd.* (葛蘭素史克(天津)有限公司), a pharmaceutical company engaged in the manufacturing and quality management of pharmaceutical products as a Chemist and Operational Excellence Expert. From March 2009 to April 2012, Mr. Wang served at Sino-US Tianjin SmithKline & French Pharmaceutical Co., Ltd.* (中美天津史克製藥有限公司), a joint venture pharmaceutical manufacturer engaged in the production and supply of prescription medicines as an Operational Excellence Supervisor, EHS Manager, and Production Manager. From July 2012 to February 2020, he held the position of Business Director in the Group Strategic Management Department at China Resources (Holdings) Co., Ltd.* (華潤(集團)有限公司), a conglomerate with operations in consumer products, healthcare, energy and industrials. From March 2020 to October 2020, Mr. Wang worked as General Manager of the Investment and Development Department at China Resources Life Science Group Co., Ltd.* (華潤生命科學集團有限公司), a company focuses on life science research, healthcare product development and related strategic investments. From October 2020 to July 2022, he served as Health-care business partner and managing director at Qianhai International (HK) Limited.* (前海國際(香港)有限公司), an investment and asset management company focusing on healthcare and high-technology sectors. Since August 2022, Mr. Wang has been a Partner at Efung Capital (HK) Management Co., Ltd.* (倚鋒資本(香港)管理有限公司), a company specialising in healthcare and biomedical investments.

Mr. Wang has also been serving as an independent non-executive Director at Hangzhou Diagens Biotechnology Co., Ltd.* (杭州德適生物科技股份有限公司), a company engages in the research, development and manufacturing of medical and biotechnology products, which is engaged in AI medical R&D as well as operation (in the process of submitting a listing application on the Hong Kong Stock Exchange), since June 2025. Additionally, Mr. Wang has been serving as director at Hangzhou Adamerck Pharmlabs Inc.* (杭州奧默醫藥股份有限公司), a company focuses on new drug R&D since June 2025.

Mr. Wang obtained a Bachelor's degree in Pharmaceuticals from China Pharmaceutical University* (中國藥科大學) from September 1999 to July 2003. During the same period, he also studied a second major in Business Administration at China Pharmaceutical University* (中國藥科大學) from September 2000 to July 2002. He graduated from the University of Barcelona with a Master's degree in Economics and Business Administration.

## SENIOR MANAGEMENT

The senior management consists of four members who are responsible for our day-to-day management and operation. The following table sets forth the key information about the senior management of our Company.

| Name | Age | Position | Responsibilities | Date of the first appointment as a senior management | Date of joining our Group | Relationship(s) with other Directors and senior management |
|---|---|---|---|---|---|---|
| Dr. Wang Bing (王冰) | 55 | Chairman of our Board, Chief Executive Officer and Executive Director | Responsible for the overall strategic planning of our Group and business operations and making key business and operational decisions of our Group | December 2020 | December 2019 | Spouse of Dr. Wang Mei |
| Dr. Yu Weiping | 67 | Executive Director, Senior Vice President | Responsible for the strategic planning, overseeing the CMC activities and the overall operation management of our Group | August 2019 | August 2019 | Nil |
| Ms. Wang Xiangling (王湘玲) | 54 | Chief Medical Officer | Responsible for leading all the clinical development and the related functions | October 2024 | October 2024 | Nil |
| Mr. Zou Ran (鄒然) | 39 | Chief Financial Officer | Responsible for the business development and formulation of financial and development strategies and overseeing the overall financial management and corporate development of our Group | April 2024 | April 2024 | Nil |

For the biographical details of Dr. Wang Bing and Dr. Yu Weiping, see "— Directors" in this section.

**Ms. Wang Xiangling (王湘玲)**, aged 54, was appointed as our Chief Medical Officer since October 2024. Ms. Wang is responsible for leading all the clinical development and the related functions.

Ms. Wang assumed the role of Clinical Research Director in the Global Medical Operations Department at Sanofi (China) Investment Co., Ltd.* (賽諾菲(中國)投資有限公司), a subsidiary of a global pharmaceutical company principally engaged in managing and supporting Sanofi's pharmaceutical business and clinical development activities in the PRC, serving in this capacity from April 2016 to March 2019. From April 2019 to April 2022, Ms. Wang held the position of Vice President of Clinical Medicine at Visen Pharmaceutical, a biopharmaceutical company focusing on the research, development and commercialisation of therapies for endocrine and metabolic diseases. She subsequently served as the Chief Medical Officer at Hope Medicine inc.* (和其瑞醫藥(南京)有限公司) from July 2020 to February 2022, a biopharmaceutical company engaged in the R&D of innovative drug candidates in dermatology and other therapeutic areas. From February 2022 to October 2024, Ms. Wang was appointed as Executive Vice President

of Clinical Development at Shanghai Bio Genuine Biotech Co., Ltd.* (上海葆正醫藥科技有限公司), a biotechnology company principally engaged in the R&D of innovative biologics.

Ms. Wang obtained her bachelor's degree in clinical medicine from Hunan Medical University* (湖南醫科大學) (currently known as Xiangya School of Medicine, Central South University* (中南大學湘雅醫學院)) in July 1993. She further obtained her master's degree in clinical medicine from Shantou University Medical College* (汕頭大學醫學院) in July 2007.

**Mr. Zou Ran (鄒然)**, aged 39, has served as our Chief Financial Officer (CFO) since April 2024. Mr. Zou is primarily responsible for financing, business development, the formulation of financial and development strategies, and overseeing the overall financial management and corporate development of our Group.

Mr. Zou has more than 17 years of experience in corporate finance, management, and equity investment. From September 2008 to July 2010, Mr. Zou served as an Analyst in the Transaction Service Department at KPMG Advisory (China) Limited* (畢馬威企業諮詢(中國)有限公司). From August 2010 to June 2017, Mr. Zou served as a Senior Investment Manager at Hony Capital* (弘毅投資). From July 2017 to March 2019, Mr. Zou served as the Chief Financial Officer at Hospital Corporation of China Limited* (弘和仁愛醫療集團) (Stock code: 03869.HK), a company principally engaged in hospital investment, management and operation in the PRC. From April 2019 to May 2022, Mr. Zou served as an Investment Director at Hony Capital* (弘毅投資). Mr. Zou was on a career break between June 2022 to March 2024.

Mr. Zou obtained his bachelor's degree in management with a major in accounting from University of International Business and Economics* (對外經濟貿易大學) in July 2008. He further obtained his Executive Master of Business Administration (EMBA) degree from China Europe International Business School (CEIBS)* (中歐國際工商學院) in November 2022.

## GENERAL

As of the Latest Practicable Date, to the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries,

(i) save as disclosed above, none of the Directors or members of the 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 date of this prospectus;

(ii) save as disclosed above, none of the Directors or members of the senior management of our Company was related to any other Directors and members of the senior management;

(iii) save as disclosed in "Appendix IV — Statutory and General Information", none of the Directors or general manager of our Company held any interest in the Shares which would be required to be disclosed pursuant to Part XV of the Securities and Futures Ordinance; and

(iv) there was no additional matter with respect to the appointment of the Directors that needs to be brought to the attention of the Shareholders, and there was no additional information relating to the Directors that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules as of the Latest Practicable Date.

## CONFIRMATION FROM OUR DIRECTORS

### Rule 8.10 of the Listing Rules

As of the Latest Practicable Date, none of our Directors and their respective close associates had any interest in any business which competes or is likely to compete, either directly or indirectly with our Group'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 executive 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 our Directors confirmed that he or she (i) had obtained the legal advice referred to under Rule 3.09D of the Listing Rules on September 23, 2025, and (ii) understood his or her obligations as a director of a listed issuer under the Listing Rules.

**Rule 3.13 of the Listing Rules**

Each of our independent non-executive Directors had confirmed (i) his or her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules; (ii) that he or she had no past or present financial or other interest in the business of our Company or its subsidiary or any connection with any core connected person of our Company under the Listing Rules as of the Latest Practicable Date; and (iii) that there were no other factors that may affect his or her independence at the time of his or her appointments. Each of our independent non-executive Directors will inform us and the Stock Exchange as soon as practicable if there is any subsequent change of circumstances which may affect his or her independence.

## JOINT COMPANY SECRETARIES

**Mr. Zou Ran (鄒然)** was appointed as a joint company secretary of our Company in September 2025 and such appointment will be effective from the Listing Date. He is primarily responsible for financing, business development, the formulation of financial and development strategies, and overseeing the overall financial management and corporate development of our Group. For the biographical details of Mr. Zou, see "— Senior Management" in this section.

**Ms. Chan Yee Lam (陳綺藍)**, is our joint company secretary. Ms. Chan is an executive of the listing services division at TMF Hong Kong Limited and is responsible for provision of corporate secretarial and compliance services to listed company clients. Ms. Chan is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Ms. Chan received a Bachelor's Degree in Corporate Governance from Hang Seng University of Hong Kong in December 2020 and a Master of Corporate Governance from The Hong Kong Polytechnic University in October 2025.

## BOARD COMMITTEES

We have established three Board Committees in accordance with the relevant PRC laws and regulations, the Articles of Association and the Corporate Governance Code, namely the Audit Committee, the Nomination Committee and the Remuneration Committee.

**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 Audit Committee consists of three Directors, namely Mr. Zhang Wenqiang, Mr. Wang Kaifeng and Dr. Wang Mei with Mr. Zhang Wenqiang currently serving as the chairperson. Mr. Zhang Wenqiang has the appropriate professional experiences as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee include, but are not limited to, the following:

(i) proposing the appointment or change of external auditors to our Board, monitoring the independence of external auditors and evaluating their performance;

(ii) examining the financial information of our Company and reviewing financial reports and statements of our Company;

(iii) examining the financial reporting system, the risk management and internal control system of our Company, overseeing their rationality, efficiency and implementation and making recommendations to our Board; and

(iv) dealing with other matters that are authorized by the Board.

**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 Nomination Committee consists of five Directors, namely Dr. Wang Bing, Dr. Wang Mei, Mr. Zhang Wenqiang, Dr. Xiangli Liuxu and Mr. Wang Kaifeng with Dr. Wang Bing currently serving as the chairperson. The primary duties of the Nomination Committee include, but are not limited to, the following:

(i) conducting extensive search and providing our Board with suitable candidates for our Directors, general managers and other members of the senior management;

(ii) reviewing the structure, size and composition of our Board (including but not limited to, gender, age, cultural and educational background, ethnicity, skills, knowledge and experience) at least annually and make recommendations on any proposed changes to the Board to complement our Company's corporate strategy;

(iii) researching and developing standards and procedures for the election of our Board members, general managers and members of the senior management, and making recommendations to our Board;

(iv) assessing the independence of the independent non-executive Directors; and

(v) dealing with other matters that are authorized by the Board.

**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 Remuneration Committee consists of three Directors, namely Dr. Xiangli Liuxu, Mr. Wang Kaifeng and Dr. Wang Bing with Dr. Xiangli Liuxu currently serving as the chairperson. The primary duties of the Remuneration Committee include, but are not limited to, the following:

(i) advising our Board on the overall remuneration plan and structure of our Directors and senior management and the establishment of transparent and formal procedures for determining the remuneration policy of our Company;

(ii) monitoring the implementation of the remuneration system of our Company;

(iii) making recommendations on the remuneration packages of our Directors and senior management; and

(iv) dealing with other matters that are authorized by the Board.

**KEY TERMS OF EMPLOYMENT CONTRACT**

We normally enter into (i) an employment contract, (ii) a non-competition agreement, (iii) a confidentiality agreement and (iv) an intellectual property agreement with certain of our senior management members. The key terms of such contracts are set forth below.

**Terms**

We normally enter into a three-year to five-year employment contract with our senior management members.

**Non-competition**

The non-competition obligations shall subsist throughout the employee's period of employment and up to two years after termination of employment. During the non-competition period, the employee shall not, directly or indirectly, accept employment or hold any position, including but not limited to shareholders, partners, directors, supervisors, employees, agents, consultants, etc., of any other natural person, legal entity or other economic organization that produces or operates the same, similar or competing products, or engages in the same, similar or competing business, with our Company.

**Confidentiality**

*Trade Secrets:* The employee shall keep trade secrets, namely business-related information or technology-related information (including but not limited to operational information, marketing proposal, purchases information, pricing policy, financial information, list of customers, business plan, information of R&D etc.) of our Company in confidence.

*Obligation and duration:* The employee shall not divulge or otherwise disclose any trade secrets to any third party or permit others to use our trade secrets, disclose our trade secrets to irrelevant staffs within our Company, use the trade secrets for his/her or third party's benefits, or duplicate documents or copies of documents that contain our trade secrets. Such obligation of confidentiality shall subsist for the term of his or her employment and regardless of the reason of departure, the employee shall return all materials containing trade secrets to our Company or destruct them under Company's supervision.

**Intellectual Property Rights**

All intellectual property related to an employee's duties, created during their period of employment and including, but not limited to, patent rights, rights to patent applications, trademark rights, rights to trademark registration applications, and copyrights, shall be exclusively owned by our Company. Employees shall retain the right of authorship.

## CORPORATE GOVERNANCE CODE

Our Company is committed to achieving a high standard of corporate governance with a view to safeguarding the interests of our Shareholders. To accomplish this, our Company intends to comply with the Corporate Governance Code set out in Appendix C1 to the Listing Rules and the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules after the Listing.

Pursuant to code provision C.2.1 of the Corporate Governance Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. We do not have a separate chairman and chief executive officer and Dr. Wang Bing currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within our Group and enables more effective and efficient overall strategic planning for our Group. The Board considers that given the size of the board, the supervision of independent non-executive directors and a solid senior management team, the balance of power and authority for the present arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of our Company if and when it is appropriate taking into account the circumstances of our Group as a whole. Save as disclosed above, our Company intends to comply with all code provisions under the Corporate Governance Code after the Listing.

## BOARD DIVERSITY POLICY

We have adopted the board diversity policy which sets out the objective and approach for achieving and maintaining the diversity of the Board in order to enhance its effectiveness. In accordance with the board diversity policy, our Company seeks to achieve board diversity by taking into account a number of factors, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and/or length of service. The ultimate selection of Board candidates will be based on merit and potential contribution to our Board having due regard to the benefits of diversity on the Board and also the specific needs of our Company without focusing on a single diversity aspect. Our Directors have a balanced mix of knowledge and skills, including overall management and strategic development as well as knowledge and experience in areas such as medicine and pharmaceutical research. They obtained degrees in various areas including, among others, medicine, biochemistry, pharmacology, biology, business administration, economics, and accounting. Furthermore, our Board has a diverse age and gender representation. Our Board currently comprises two female Directors and seven male Directors, ranging from 36 years old to 67 years old.

Given that two out of nine of our Directors are female upon Listing, we will continue to take steps to promote gender diversity of our Board. After the Listing, we will strive to achieve gender balance of our Board through the following measures to be implemented by our Nomination Committee in accordance with our Board Diversity Policy. We will actively identify female individuals suitably qualified to become our Board members. In addition, we target to achieve a gender diversity in the composition of our Board by having female representation of 30% of the members of our Board within three years upon Listing. With regards to gender diversity on the Board, we recognize the particular

importance of gender diversity. We have taken and will continue to take steps to promote and enhance gender diversity at all levels of our Company, including but without limitation at our Board and senior management levels. We will maintain a focus on gender diversity when recruiting staff at the mid to senior level so as to develop a pipeline of potential female successors to our Board. Our Group will also identify and select several female individuals with a diverse range of skills, experience and knowledge in different fields from time to time, and maintain a list of such female individuals who possess qualities to become our Board members, which will be reviewed by our nomination committee periodically to maintain gender diversity of our Board. Taking into account our existing business model and specific needs as well as the different background of our Directors, the composition of our Board satisfies our board diversity policy.

Upon the Listing, the Nomination Committee will from time to time discuss and agree on expected goals to ensure board diversity, and review and, where necessary, update the board diversity policy to ensure that the policy remains effective. Our Company will disclose the biographical details of each Director and report on the implementation of the board diversity policy (including whether we have achieved board diversity) in its annual corporate governance report.

## DIRECTORS' AND GENERAL MANAGER'S REMUNERATION AND REMUNERATION OF THE FIVE HIGHEST-PAID INDIVIDUALS

The Directors and senior management members who receive remuneration from our Company are paid in the forms of salaries, bonuses, allowances and benefits in kind, equity-settled share award expense and pension scheme contributions. Our independent non-executive Directors receive compensation based on their responsibilities. The remuneration of the Directors and senior management members is determined with reference to the remuneration paid by comparable companies and the achievement of major operating indicators of our Company.

The aggregate amount of remuneration (including salaries, allowances and benefits in kind and retirement benefits) paid to the Directors for the two years ended December 31, 2024 and 2025 amounted to RMB3.4 million and RMB3.3 million, respectively.

The five highest paid individuals of our Group in the two years ended December 31, 2024 and 2025 included two and two Directors, respectively. The aggregate amount of remuneration (including salaries, wage and allowances performance related bonuses and retirement benefits) incurred by the five highest-paid individuals of our Group (excluding Directors) for the two years ended December 31, 2024 and 2025 amounted to RMB4.0 million and RMB5.9 million, respectively.

Under the current compensation arrangement, we estimate the total compensation before taxation, including estimated share-based compensation, to be accrued to our Directors for the year ending December 31, 2026 to be approximately RMB3.3 million. The actual remuneration of Directors in 2026 may be different from the expected remuneration.

We confirmed that during the Track Record Period, no remuneration was paid by our Company to, or receivable by, our Directors or the five highest paid individuals as an inducement to join or upon joining our Company or as compensation for loss of office in connection with the management positions of our Company or any subsidiary of our Company.

During the Track Record Period, none of our Directors waived any remuneration. Save as disclosed above, no other payments have been paid, or are payable, by our Company or our subsidiary to our Directors or the five highest-paid individuals during the Track Record Period.

## COMPLIANCE ADVISER

Our Company has appointed Halcyon Capital Limited as our Compliance Adviser in compliance with Rules 3A.19 of the Listing Rules. The Compliance Adviser will provide us with guidance and advice as to compliance with the Listing Rules and other applicable laws, rules, codes and guidelines. Pursuant to Rule 3A.23 of the Listing Rules, the Compliance Adviser will advise our Company in certain circumstances including:

(i) before the publication of any regulatory announcement, circular or financial report;

(ii) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;

(iii) where we propose to use the proceeds from the Global Offering in a manner different from that detailed in this prospectus or where our business activities, developments or results deviate from any forecast, estimate or other information in this prospectus; and

(iv) where the Stock Exchange makes an inquiry to our Company in accordance with Rule 13.10 of the Listing Rules.

Pursuant to Rule 3A.24 of the Listing Rules, the Compliance Adviser will, on a timely basis, inform our Company of any amendment or supplement to the Listing Rules that are announced by the Stock Exchange. The Compliance Adviser will also inform our Company of any new or amended law, regulation or code in Hong Kong applicable to us, and advise us on the continuing requirements under the Listing Rules and applicable laws and regulations.

The term of the appointment will commence on the Listing Date and is expected to end on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the Listing.

***You should read the following discussion and analysis with our consolidated financial information, including the notes thereto, included in the Accountants' Report in Appendix I to this prospectus. Our consolidated financial information has been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, which may differ in material aspects from generally accepted accounting principles in other jurisdictions, including the United States. You should read the entire Accountants' Report and not merely rely on the information contained in this section.***

***The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties. In evaluating our business, you should carefully consider the information provided in the section headed "Risk Factors" and "Business" in this prospectus.***

***For the purpose of this section, unless the context otherwise requires, references to the year of 2024 or 2025 refer to our financial year ended December 31 of such year. Unless the context otherwise requires, financial information described in this section is described on a consolidated basis. Discrepancies between totals and sums of amounts listed in this section in any table or elsewhere in this prospectus may be due to rounding.***

## OVERVIEW

We are a biotechnology company specializing in the discovery, development and commercialization of bi-/multi-specific peptide drugs for the treatment of metabolic diseases as well as cardiovascular and cerebrovascular diseases, with our Core Product in Phase III clinical trials.

## BASIS OF PRESENTATION

Our historical financial information has been prepared based on the accounting policies which conform with IFRS Accounting Standards as issued by International Accounting Standards Board (the "IASB"). Further details of the basis of presentation of historical financial information are set out in Note 2 to the Accountants' Report in Appendix I to this prospectus.

The historical financial information has been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the material accounting policy information set out in Note 4 to the Accountants' Report in Appendix I to this prospectus.

## KEY FACTORS AFFECTING OUR PERFORMANCE

Our historical results of operations have been affected by a number of important factors, many of which are out of our control and we believe will continue to affect our financial position and results of operations in the future. Our results are principally affected by the following factors:

### Unmet Medical Needs and Attractive Market Opportunities

Globally, the peptide drug market has been developing, with several products approved and therapeutic applications extending beyond metabolic diseases to cardiovascular, central nervous system, endocrine, gastrointestinal, hematologic, ophthalmic and orthopedic conditions. The global peptide drug market increased from US$61.7 billion in 2019 to US$109.6 billion in 2024, representing a CAGR of 12.2% and is expected to reach US$233.8 billion by 2030, representing a CAGR of 13.5%. In China, the peptide drug market increased from RMB53.9 billion in 2019 to RMB60.2 billion in 2024, representing a CAGR of 2.3% and is expected to reach RMB165.2 billion by 2030, representing a CAGR of 18.3%. With advantages in efficacy, safety and broad-spectrum attribute, peptide drugs are well positioned to address a substantial amount of unmet medical needs and support continued market growth.

Our financial performance and future growth are closely tied to the peptide drug market, and we believe we are well positioned to capitalize on the expanding peptide market. Our Core Product, MT1013, is being developed for CKD-SHPT, and it has the potential to expand to indications such as CKD-MBD with Osteoporosis and CKD-SHPT not on Dialysis. The global prevalence of CKD reached 1,065.5 million in 2024 and is expected to reach 1,289.7 million by 2030. In China, the prevalence of CKD reached 161.5 million in 2024 and is expected to reach 175.0 million by 2030. For details of peptide drug and relative disease drug markets, see "Industry Overview" in this prospectus.

**Development and Commercialization of Our Drug Candidates**

The success of our Company and the outcomes of our operations rely on our capacity to effectively progress our drug development initiatives, achieve satisfactory safety and efficacy outcomes in clinical trials, secure necessary regulatory approvals, and successfully commercialize our pipeline products. With a strategic focus on metabolic diseases (kidney-related in particular) and cardiovascular diseases, as of the Latest Practicable Date, we had established a diversified pipeline of bi-specific and multi-specific peptide product candidates, including one Core Product, MT1013, three Key Products, XTL6001, MT1002 and MT200605, as well as other product candidates at various stages of development. For details of our drug candidates, see "Business — Our Candidate Drugs and Pipeline" in this prospectus.

Currently, our Core Product, MT1013, is undergoing the Phase III-C01 clinical trial for the treatment of CKD-SHPT in CKD patients receiving maintenance hemodialysis. We expect to complete this trial by the end of 2026 and submit the NDA in early 2027. Looking forward, we expect to commercialize one or more of our drug candidates over the coming years as they move towards the final stages of development. However, our ability to generate revenue from our pipeline products to cover R&D expenses and other expenses will depend on multiple factors, including but not limited to our ability to secure adequate manufacturing capacity, collaboration with competent third-party partners, as well as making our products accessible to, affordable for and accepted by the addressable patient population who are in need of high-quality products that bring comprehensive benefits for metabolic and cardiovascular diseases.

**Our Cost Structure**

Our results of operations are significantly affected by our cost structure, which has historically consisted primarily of R&D expenses, finance costs, and administrative expenses, details of which are set out below:

**Research and development expenses.** Our R&D expenses primarily consist of (i) experiments and tests expenses, (ii) staff costs and welfare expenses, (iii) depreciation and amortization expenses, (iv) material costs, (v) utility expenses, (vi) travel expenses, and (vii) other expenses allocable to our R&D activities. Our R&D expenses amounted to RMB107.0 million and RMB130.1 million for 2024 and 2025, respectively.

**Finance costs.** Our finance costs primarily consist of interest expenses on bank borrowings, lease liabilities, and redemption liabilities. Our finance costs amounted to RMB37.6 million and RMB67.0 million for 2024 and 2025, respectively.

**Administrative expenses.** Our administrative expenses primarily consist of (i) staff costs and welfare expenses, (ii) professional service fees, (iii) depreciation and amortization expenses, (iv) travel expenses, (v) utility expenses, and (vi) other expenses allocable to our administrative activities. Our administrative expenses amounted to RMB18.8 million and RMB23.5 million for 2024 and 2025, respectively.

**Funding for Our Operations**

During the Track Record Period, we funded our operations primarily through equity and debt financing. Going forward, subject to obtaining NDA approval for our Core Product MT1013 for the treatment of CKD-SHPT in CKD patients receiving maintenance hemodialysis, and assuming the successful commercialization of one or more of our drug candidates, we expect to fund our operations primarily with revenue generated from the sale of commercialized drug products. However, with the continuing expansion of our business, we may require further funding through public or private offerings, debt financing, collaboration and licensing arrangements or other funding sources. Any fluctuation in the funding for our operations will impact our cash flow and our results of operations.

## MATERIAL ACCOUNTING POLICY INFORMATION AND CRITICAL ACCOUNTING JUDGMENTS

Our discussion and analysis of our financial position and results of operations is based on our historical financial information, which have been prepared in accordance with accounting principles that conform with IFRS Accounting Standards. The preparation of historical financial statements requires us to make judgments that affect the reported amounts of assets, liabilities, costs and expenses. We evaluate our judgments on an ongoing basis, and our actual results may differ from these estimates. We base our estimates on historical experience, known trends and events, contractual milestones and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

Our material accounting policy information and critical accounting judgments, which are important for an understanding of our financial position and results of operations, are set forth in detail in Notes 4 and 5 to the Accountants' Report in Appendix I to this prospectus.

Among them, we believe the accounting policy information and accounting judgments in respect of the following are of particularly critical importance to us or involve the most significant estimates and judgments used in the preparation of our financial statements: (i) leases, our Group as lessee, (ii) foreign currencies (including the accounting treatments for exchange differences arising on the translation of monetary items and the translation of income and expenses items, respectively), (iii) borrowing costs, (iv) R&D expenditure, (v) government grants, (vi) employee benefits, (vii) share-based payments, (viii) plant and equipment, (ix) cash and cash equivalents, and (x) financial instruments.

For details, please refer to Notes 4 and 5 to the Accountants' Report in Appendix I to this prospectus.

## DESCRIPTION OF SELECTED COMPONENTS OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The selected financial information set out below has been extracted from our historical financial information set out in the Accountants' Report in Appendix I to this prospectus:

| | For the Year Ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Other income | 4,002 | 2,301 |
| Other gains and losses, net | 2,670 | 43,268 |
| Administrative expenses | (18,812) | (23,490) |
| Research and development expenses | (107,022) | (130,089) |
| Listing expenses | – | (9,901) |
| Finance costs | (37,646) | (67,003) |
| Loss before tax | (156,808) | (184,914) |
| Income tax expense | (24) | – |
| **Loss for the year** | **(156,832)** | **(184,914)** |
| **Other comprehensive income for the year** | | |
| *Item that will be reclassified to profit or loss:* | | |
| Exchange difference arising on translation of foreign operations | 9 | 2 |
| **Total comprehensive expense for the year** | **(156,823)** | **(184,912)** |
| Loss for the year attributable to: | | |
| – Owners of the Company | (154,632) | (182,507) |
| – Non-controlling interests | (2,200) | (2,407) |
| | **(156,832)** | **(184,914)** |
| Total comprehensive expense for the year attributable to: | | |
| – Owners of the Company | (154,623) | (182,505) |
| – Non-controlling interests | (2,200) | (2,407) |
| | **(156,823)** | **(184,912)** |
| **Loss per share** *(RMB)* | | |
| Basic and diluted | (0.66) | (0.75) |

**Other Income**

During the Track Record Period, our other income primarily consisted of (i) interest income on bank deposits, and (ii) government grants, which mainly represent subsidies from local government authorities to compensate expenditures arising from our R&D activities and are generally one-off in nature. The following table sets forth a breakdown of our other income for the years indicated:

| | For the Year Ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Interest income on bank deposits | 3,235 | 2,008 |
| Government grants | 767 | 293 |
| | **4,002** | **2,301** |

**Other Gains and Losses, Net**

During the Track Record Period, our other gains and losses, net primarily consisted of (i) gain on non-substantial modification of redemption liabilities arising from an extension of the redemption date in relation to our Pre-IPO Investment, (ii) gain on early termination of a lease, (iii) gain on fair value changes from financial assets at FVTPL, which mainly represent gains resulting from changes in the fair value of our structured deposits purchased from banks, and (iv) net foreign exchange gains. The following table sets forth a breakdown of our other gains and losses, net for the years indicated:

| | For the Year Ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Gain on non-substantial modification of redemption liabilities | – | 42,081 |
| Gain on early termination of a lease | 414 | – |
| Gain on fair value changes from financial assets at FVTPL | 2,028 | 865 |
| Net foreign exchange gains | 228 | 480 |
| Others[(1)] | – | (158) |
| | **2,670** | **43,268** |

*Note:*

(1) Others primarily consisted of a monetary damage of RMB157 thousand paid to a supplier for settling the termination of a contract.

**Administrative Expenses**

During the Track Record Period, our administrative expenses primarily consisted of (i) staff costs and welfare expenses, primarily including salaries, bonuses and benefits of our management and administrative personnel, (ii) professional service fees, primarily including fees for recruitment, financing advisory, employee training, (iii) depreciation and amortization expenses for plant and equipment and right-of-use assets for administrative purpose, (iv) travel expenses, (v) utility expenses, and (vi) other expenses allocable to our administrative activities, such as maintenance expenses, service charges, and entertainment expenses. The following table sets forth a breakdown of our administrative expenses for the years indicated:

| | For the Year Ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Staff costs and welfare expenses | 11,220 | 14,672 |
| Professional service fees | 3,438 | 5,219 |
| Depreciation and amortization expenses | 1,374 | 1,051 |
| Travel expenses | 687 | 626 |
| Utility expenses | 750 | 978 |
| Others | 1,343 | 944 |
| **Total** | **18,812** | **23,490** |

**Research and Development Expenses**

During the Track Record Period, our R&D expenses mainly consisted of (i) experiments and tests expenses, primarily representing expenses in relation to our pre-clinical studies and clinical trials, (ii) staff costs and welfare expenses, primarily including salaries, bonuses and benefits of our R&D personnel, (iii) depreciation and amortization expenses for plant and equipment and right-of-use assets for R&D purpose, (iv) material costs, primarily in relation to fees for raw material procurement for the clinical development of our drug candidates; (v) utility expenses, (vi) travel expenses, and (vii) other expenses allocable to our R&D activities, such as intellectual property agency fees, document translation fees, and maintenance expenses. The following table sets forth a breakdown of our R&D expenses for the years indicated:

| | For the Year Ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Experiments and tests expenses | 67,274 | 78,813 |
| Staff costs and welfare expenses | 28,115 | 35,749 |
| Depreciation and amortization expenses | 7,014 | 5,523 |
| Material costs | 1,582 | 5,174 |
| Utility expenses | 663 | 874 |
| Travel expenses | 1,977 | 3,211 |
| Others | 397 | 745 |
| **Total** | **107,022** | **130,089** |

For 2024 and 2025, we incurred R&D expenses for our Core Product MT1013 amounting to RMB66.7 million and RMB84.4 million, respectively, representing 62.3% and 64.9% of our total R&D expenses for the same year, respectively. The R&D expenses for our Core Product increased from RMB66.7 million in 2024 to and RMB84.4 million in 2025, primarily due to an increase in experiments and tests expenses in connection with the Phase III-C01 clinical trial of our Core Product, including expenses related to patient enrollment.

**Finance Costs**

During the Track Record Period, our finance costs mainly consisted of interest expenses on bank borrowings, lease liabilities, and redemption liabilities. The following table sets forth a breakdown of our finance costs for the years indicated:

| | For the Year Ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Interest expense on: | | |
| – bank borrowings | 669 | 985 |
| – lease liabilities | 202 | 66 |
| – redemption liabilities | 36,775 | 65,952 |
| | **37,646** | **67,003** |

**PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS**

**Year Ended December 31, 2025 Compared to Year Ended December 31, 2024**

***Other income***

Our other income decreased by 42.5% from RMB4.0 million for 2024 to RMB2.3 million for 2025. The decrease was primarily attributable to a decrease in interest income on bank deposits mainly resulting from (i) a decrease in bank deposits balance following withdrawals for R&D purposes, and (ii) a decrease in interest rates.

***Other gains and losses, net***

Our other gains and losses, net increased by 1,503.7% from RMB2.7 million for 2024 to RMB43.3 million for 2025, primarily due to gain on non-substantial modification of redemption liabilities arising from an extension of the redemption date in relation to our Pre-IPO Investment, partially offset by (i) a decrease in gain on fair value changes from financial assets at FVTPL which was in turn primarily due to a decrease in interest rates applicable to our financial assets at FVTPL, and (ii) a decrease in gains of early termination of a lease.

***Administrative expenses***

Our administrative expenses increased by 25.0% from RMB18.8 million for 2024 to RMB23.5 million for 2025, primarily due to (i) an increase in staff costs and welfare expenses of RMB3.5 million due to an expansion of our administrative related teams such as our finance team and legal team, and (ii) an increase in professional service fees of RMB1.8 million due to the engagement of professional services such as financial advisory and due diligence investigations in connection with the Series D financing.

***Research and development expenses***

Our R&D expenses increased by 21.6% from RMB107.0 million for 2024 to RMB130.1 million for 2025, primarily due to (i) an increase in experiments and tests expenses of RMB11.5 million, and (ii) an increase in staff costs and welfare expenses for our R&D personnel of RMB7.6 million, in connection with our R&D activities with respect to, in particular, our Core Product, MT1013, and a Key Product, MT200605. Among our product candidates, (a) MT1013 launched Phase III-C01 clinical trial in the second half of 2025, including commencing patient enrollment and treatment in September 2025, and (b) MT200605 launched Phase II clinical trial in 2025 as well.

*Finance costs*

Our finance costs increased by 78.2% from RMB37.6 million for 2024 to RMB67.0 million for 2025, primarily due to the increase in interest expenses on redemption liabilities. Further details of redemption liabilities are set out in Note 25 to the Accountants' Report in Appendix I to this prospectus.

*Loss for the year*

For the reasons described above, our loss for the year increased by 17.9% from RMB156.8 million for 2024 to RMB184.9 million for 2025.

## DISCUSSION OF CERTAIN SELECTED ITEMS FROM THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

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

| | As of December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| **Non-current assets** | | |
| Plant and equipment | 9,216 | 6,622 |
| Right-of-use assets | 2,842 | 18,775 |
| Term deposits | 30,300 | 31,020 |
| Other receivables | 18,923 | 11,283 |
| Restricted bank deposits | – | 1,560 |
| | **61,281** | **69,260** |
| **Current assets** | | |
| Prepayments and other receivables | 5,513 | 24,186 |
| Financial assets at fair value through profit or loss ("FVTPL") | 54,611 | 95,209 |
| Amount due from a related party | 652 | 1,087 |
| Restricted bank deposits | – | 863 |
| Term deposits | 60,540 | 60,300 |
| Cash and cash equivalents | 64,661 | 80,556 |
| | **185,977** | **262,201** |
| **Current liabilities** | | |
| Trade and other payables | 45,580 | 82,627 |
| Bank borrowings | 1,760 | 48,100 |
| Amount due to the Controlling Shareholder | 28,333 | – |
| Lease liabilities | 2,259 | 1,399 |
| Redemption liabilities | – | 134,281 |
| | **77,932** | **266,407** |
| **Net current assets (liabilities)** | **108,045** | **(4,206)** |
| **Total assets less current liabilities** | 169,326 | 65,054 |

| | As of December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| **Non-current liabilities** | | |
| Bank borrowings | 42,253 | – |
| Lease liabilities | 280 | 202 |
| Redemption liabilities | – | 1,024,737 |
| | **42,533** | **1,024,939** |
| **Net assets/(liabilities)** | **126,793** | **(959,885)** |
| **Capital and reserves** | | |
| Paid-in capital/share capital | 4,985 | 5,474 |
| Reserves/(deficits) | 106,826 | (977,934) |
| Equity/(deficits) attributable to owners of the Company | 111,811 | (972,460) |
| Non-controlling interests | 14,982 | 12,575 |
| **Total equity/(deficits)** | **126,793** | **(959,885)** |

**Plant and Equipment**

During the Track Record Period, our plant and equipment primarily consisted of (i) machinery and equipment, (ii) motor vehicles, (iii) computer equipment and software, (iv) office equipment, and (v) leasehold improvements. Our plant and equipment decreased from RMB9.2 million as of December 31, 2024 to RMB6.6 million as of December 31, 2025, primarily due to the depreciation of our plant and equipment. The following table sets forth a breakdown of our plant and equipment as of the dates indicates:

| | As of December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| Machinery and equipment | 8,034 | 5,919 |
| Motor vehicles | 69 | 69 |
| Computer equipment and software | 617 | 437 |
| Office equipment | 158 | 79 |
| Leasehold improvement | 338 | 118 |
| **Total** | **9,216** | **6,622** |

**Right-of-use Assets**

During the Track Record Period, our right-of-use assets primarily related to the lease of properties and leasehold land. Our right-of-use assets increased from RMB2.8 million as of December 31, 2024 to RMB18.8 million as of December 31, 2025, primarily due to the completion of the acquisition of a leasehold land in Taizhou by our Group.

**Impairment Assessment for Non-financial Assets**

At the end of each reporting period, we assess the carrying amounts of our non-financial assets to determine whether there is any indication of impairment, in accordance with the accounting policy set out in Note 4 to the Accountants' Report in Appendix I to this prospectus. During the Track Record Period, we recorded net losses primarily because we remained in the R&D stage and made significant investments in our R&D activities, which was within the expectation of our Directors. As we progress toward the commercialization of our product candidates, we expect to narrow our losses in the foreseeable future. Having reviewed both internal and external sources of information, we did not identify any indicators of impairment for our non-financial assets. Accordingly, we concluded that there was no impairment needed for our non-financial assets as of December 31, 2024 and 2025.

**Impairment Assessment for Investment in the Subsidiaries**

Where our carrying amount invested in the subsidiary materially exceed that subsidiary net asset values, our management will consider whether there is any need for impairment. Management team has performed impairment assessments of the investment in subsidiaries throughout the Track Record Period and have concluded that no impairment charge was required.

**Term Deposits**

| | As of December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| **Term deposits** | | |
| – Non-current | 30,300 | 31,020 |
| – Current | 60,540 | 60,300 |

Our non-current deposits remained relatively stable at RMB31.0 million as of December 31, 2025 compared to RMB30.3 million as of December 31, 2024.

Our current deposits remained relatively stable at RMB60.3 million as of December 31, 2025 compared to RMB60.5 million as of December 31, 2024.

**Prepayments and Other Receivables**

During the Track Record Period, our prepayments and other receivables primarily consisted of (i) deferred issue costs, (ii) prepaid listing expenses, (iii) value-added tax recoverable, representing value-added tax paid by us on purchases that are deductible against future value-added tax payable, (iv) prepayments for R&D services, (v) rental deposits for right-of-use assets, (vi) other receivables such as deposits paid to our suppliers, and (vii) other prepayments such as prepayment for property management services. The following table sets forth the components of our prepayments and other receivables as of the dates indicated:

| | As of December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Deferred issue costs | – | 2,435 |
| Prepaid listing expenses | – | 8 |
| Other receivables | 204 | 374 |
| Rental deposits for right-of-use assets | 281 | 281 |
| Prepayments for research and development services | 4,900 | 9,150 |
| Value added tax ("VAT") recoverable | 18,723 | 22,604 |
| Other prepayments | 328 | 617 |
| | **24,436** | **35,469** |
| Less: Amounts recoverable within one year shown under current assets | (5,513) | (24,186) |
| Amounts shown under non-current assets | 18,923 | 11,283 |

Our prepayments and other receivables increased from RMB24.4 million as of December 31, 2024 to RMB35.5 million as of December 31, 2025, primarily due to the increase in prepayments for R&D services and the increase in VAT recoverable.

As of April 30, 2026, RMB9.5 million, representing 26.8% of our prepayments and other receivables as of December 31, 2025, had been settled.

**Financial Assets at FVTPL**

During the Track Record Period, our financial assets at FVTPL primarily represented the structured deposits we purchased from banks in the PRC. Our financial assets at FVTPL increased from RMB54.6 million as of December 31, 2024 to RMB95.2 million as of December 31, 2025, primarily due to an increase in our structured deposits following the completion of the Series D financing.

We purchase low-risk wealth management products as a supplemental means to improve utilization of our cash on hand. We believe that investment in low-risk financial products helps us make better use of our cash, expand our source of income while ensuring sufficient cash flow for business operation or capital expenditures. The purchases of wealth management products are carefully reviewed and assessed by our finance department and are subject to the approval of our senior management team. Additionally, we have established a set of risk management and capital preservation investment policy and have implemented a series of internal control measures regarding our investment in wealth management products. These policies and measures include:

- we make investment decisions after thoroughly considering several factors, including but not limited to the macro-economic environment, general market conditions, risk control and credit of issuing financial institutions, our working capital conditions and the expected returns;
- we only purchase low-risk wealth management products issued by qualified financial institutions; and
- after making an investment, we closely monitor its performance and fair value on a regular basis.

Our investment in financial assets will be subject to compliance with Chapter 14 of the Listing Rules after Listing.

**Amount Due from a Related Party**

As of December 31, 2024 and 2025, we recorded amounts due from a related party, Zhongrui Zekang, amounting to RMB0.7 million and RMB1.1 million, respectively. These amounts represent funds collected by Zhongrui Zekang on our behalf pursuant to our share incentive scheme, specifically relating to employees' payments of exercise or subscription prices for share options or shares. The outstanding balance will be settled prior to the Listing. See Note 23 to the Accountants' Report in Appendix I to this prospectus for a detailed description of the transaction.

**Cash and Cash Equivalents**

During the Track Record Period, our cash and cash equivalents primarily represented deposits for the purpose of meeting our short-term cash commitments. Our cash and cash equivalents increased from RMB64.7 million as of December 31, 2024 to RMB80.6 million as of December 31, 2025, primarily due to the completion of the Series D financing, partially offset by cash outflows from our business operations including R&D activities.

**Trade and Other Payables**

During the Track Record Period, our trade and other payables primarily consisted of (i) trade payables and accruals for R&D expenses in connection with our purchase of materials and third-party contracting services for our R&D activities, (ii) payroll payable, (iii) other tax payables, (iv) government grant collected on behalf of employees, applied for by our Group and to be distributed to eligible employees in accordance with local government policies, (v) accrued listing expenses, (vi) accrued issue costs, (vii) cash

received in respect of restricted shares, and (viii) others such as employee reimbursements. The following table sets forth a breakdown of our trade and other payables as of the dates indicated:

| | As of December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Trade payables and accruals for research and development expenses | 33,371 | 53,690 |
| Payroll payable | 6,491 | 8,818 |
| Other tax payables | 408 | 676 |
| Government grant collected on behalf of employees | 3,157 | 3,053 |
| Accrued listing expenses | – | 4,226 |
| Accrued issue costs | – | 1,105 |
| Cash received under the Share Incentive Scheme | – | 7,268 |
| Others | 2,153 | 3,791 |
| | **45,580** | **82,627** |

Our trade and other payables increased from RMB45.6 million as of December 31, 2024 to RMB82.6 million as of December 31, 2025, primarily due to (i) an increase in trade payables and accruals for R&D expenses, (ii) accrual of listing expenses, and (iii) cash received in respect of restricted shares from employees to whom share incentives were granted in the form of restricted shares.

Our trade payables are non-interest-bearing and our average credit term of trade payables is generally ranged between 15 to 90 days. The following table sets forth an aging analysis of our trade payables based on the invoice date and accruals which have not yet been billed as of the dates indicated:

| | As of December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| 1-90 days | 1,158 | 630 |
| 91-365 days | 1,575 | 319 |
| 1 to 2 years | 4,351 | 20 |
| 2 to 3 years | 440 | 1,925 |
| Over 3 years | 207 | 644 |
| **Subtotal** | **7,731** | **3,538** |
| Not yet billed | 25,640 | 50,152 |
| **Total** | **33,371** | **53,690** |

As of April 30, 2026, RMB6.4 million, representing 11.9% of our trade payables and accruals for R&D expenses as of December 31, 2025, had been settled.

**Amount Due to the Controlling Shareholder**

As of December 31, 2024 and 2025, we recorded amounts due to the Controlling Shareholder of RMB28.3 million and nil, respectively, representing consideration payables for Dr. Wang Bing's equity interest in Xi'an Biocare acquired by us in August 2023. See Note 23 to the Accountants' Report in Appendix I to this prospectus for a detailed description of the transaction.

## LIQUIDITY AND CAPITAL RESOURCES

During the Track Record Period, our primary uses of cash were for R&D activities, procurement of materials and equipment, and general operating expenses. We recorded net cash used in operating activities of RMB107.7 million and RMB137.1 million for 2024 and 2025, respectively. During the Track Record Period and up to the Latest Practicable Date, we had financed our operations primarily through equity and debt financing and we had not experienced any difficulty in obtaining such financing. As of April 30, 2026, the latest practicable date for determining our indebtedness, we had cash and cash equivalents of RMB101.2 million.

### Current Assets and Current Liabilities

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 and other receivables | 5,513 | 24,186 | 14,726 |
| Financial assets at FVTPL | 54,611 | 95,209 | 160,209 |
| Amount due from a related party | 652 | 1,087 | 387 |
| Restricted bank deposits | – | 863 | 200 |
| Term deposits | 60,540 | 60,300 | 70,300 |
| Cash and cash equivalents | 64,661 | 80,556 | 101,200 |
| **Total current assets** | **185,977** | **262,201** | **347,022** |
| **Current liabilities** | | | |
| Trade and other payables | 45,580 | 82,627 | 94,754 |
| Bank borrowings | 1,760 | 48,100 | – |
| Amount due to the Controlling Shareholder | 28,333 | – | – |
| Lease liabilities | 2,259 | 1,399 | 762 |
| Redemption liabilities | – | 134,281 | 139,648 |
| **Total current liabilities** | **77,932** | **266,407** | **235,164** |
| **Net current assets (liabilities)** | **108,045** | **(4,206)** | **111,858** |

As of April 30, 2026, we recorded net current assets of RMB111.9 million, compared to net current liabilities of RMB4.2 million as of December 31, 2025, primarily due to (i) an increase in financial assets at FVTPL arising from our purchase of wealth management products, (ii) an increase in term deposits, and (iii) an increase in cash and cash equivalents, all in connection with our receipt of a non-refundable upfront payment of RMB200 million pursuant to an agreement we entered into with Everest in February 2026, as partially offset by an increase in trade and other payables in connection with our business operations in the first four months of 2026.

As of December 31, 2025, we recorded net current liabilities of RMB4.2 million, compared to net current assets of RMB108.0 million as of December 31, 2024, primarily because (i) part of the non-current portion of our bank borrowings became current, and (ii) redemption liabilities of RMB134.3 million arising from certain investors' conditional redemption rights were classified as current liabilities.

We expect our net current liabilities position to substantially improve upon Listing, as certain investors' redemption rights will automatically terminate and the redemption liabilities will be transferred to equity upon Listing. We also maintain banking relationships and may, where appropriate, raise long-term borrowings to replace our short-term borrowings to secure more stable funding resources.

**Cash Flows**

The following table sets forth key items of our consolidated statements of cash flows for the years indicated:

| | For the Year Ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| **Operating activities** | | |
| Loss before tax | (156,808) | (184,914) |
| Adjustments for: | | |
| Interest income | (3,235) | (2,008) |
| Gain on fair value changes from financial assets at FVTPL | (2,028) | (865) |
| Depreciation of plant and equipment | 4,853 | 3,463 |
| Depreciation of right-of-use assets | 3,535 | 3,111 |
| Gain on early termination of a lease | (414) | – |
| Foreign exchange gains | (228) | (480) |
| Finance costs | 37,646 | 67,003 |
| Gain on non-substantial modification of redemption liabilities | – | (42,081) |
| Operating cash flows before movements in working capital | (116,679) | (156,771) |
| Decrease/(increase) in amounts due from a related party | 49 | (435) |
| Increase in prepayments and other receivables | (1,970) | (8,598) |
| Increase in trade and other payables | 10,890 | 28,674 |
| Cash used in operations | (107,710) | (137,130) |
| Income tax paid | (32) | – |
| **NET CASH USED IN OPERATING ACTIVITIES** | **(107,742)** | **(137,130)** |
| **Investing activities** | | |
| Interest received | 10,095 | 1,528 |
| Payments of right-of-use assets | – | (16,076) |
| Purchase of plant and equipment | (1,302) | (878) |
| Purchase of financial assets at FVTPL | (634,900) | (391,500) |
| Redemption on maturity of financial assets at FVTPL | 690,910 | 351,767 |
| Placement of term deposits | (90,000) | (60,000) |
| Withdrawal of term deposits | 80,000 | 60,000 |
| Placement of restricted bank deposit | – | (2,423) |
| **NET CASH FROM/(USED IN) INVESTING ACTIVITIES** | **54,803** | **(57,582)** |

| | For the Year Ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| **Financing activities** | | |
| Proceeds from issue of shares | – | 235,500 |
| Payments for accrued issue costs | – | (1,330) |
| Purchase of additional interest in a subsidiary from the Controlling Shareholder | – | (28,333) |
| Proceeds from subscription price of restricted share units | – | 7,268 |
| Drawdown of bank borrowings | 25,463 | 5,147 |
| Repayment of bank borrowings | (650) | (1,060) |
| Interest paid for bank borrowings | (669) | (985) |
| Repayment of lease liabilities | (2,819) | (3,906) |
| Interest paid for lease liabilities | (202) | (66) |
| **NET CASH FROM FINANCING ACTIVITIES** | **21,123** | **212,235** |
| Net (decrease)/increase in cash and cash equivalents | (31,816) | 17,523 |
| Cash and cash equivalents at the beginning of the year | 95,942 | 64,661 |
| Effect of foreign exchange rate changes | 535 | (1,628) |
| **Cash and cash equivalents at the end of the year** | **64,661** | **80,556** |

**Operating activities**

For 2025, we had net cash used in operating activities of RMB137.1 million, which was primarily attributable to our loss before tax of RMB184.9 million, adjusted by certain non-cash and working capital items, including (i) finance costs of RMB67.0 million, and (ii) an increase in trade and other payables of RMB28.7 million, partially offset by gain on non-substantial modification of redemption liabilities of RMB42.1 million.

For 2024, we had net cash used in operating activities of RMB107.7 million, primarily attributable to our loss before tax of RMB156.8 million, adjusted by certain non-cash and working capital items, including (i) finance costs of RMB37.6 million, and (ii) an increase in trade and other payables of RMB10.9 million.

We monitor and maintain a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. In view of our net operating cash outflows throughout the Track Record Period, we plan to improve such position by:

- **Advancing our portfolio product candidates towards commercialization to generate revenue.** For our Core Product MT1013, which is undergoing the Phase III-C01 clinical trial, we plan to complete this trial by the end of 2026 and submit the NDA in early 2027 and expect to generate inflow of cash from its commercialization in China after obtaining NDA approval. In addition to our Core Product, we have been optimizing our product portfolio and propelling it from preclinical stage toward clinical studies. As we achieve regulatory approvals for more pipeline products, we expect to generate a steady inflow of cash from sales of pipeline products in the foreseeable future;

- **Forming value-accretive partnerships with pharmaceutical companies to out-license or co-develop our pipeline products.** In addition to advancing our ongoing clinical trials of product candidates with a view to obtaining NDA approval and achieving commercialization, we also plan to actively pursue co-development opportunities or out-licensing arrangements for our pipeline products, under which we may receive a share of profits from licensees in connection with the sales and marketing of future approved products; and
- **Adopting comprehensive measures to effectively control our cost and operating expenses.** We plan to prudently monitor the growth of operating expenses to ensure that they increase in a cost-efficient manner. We expect to enhance our R&D efficiency by leveraging our in-house R&D team, while seeking mutually beneficial strategic cooperations to further manage our R&D costs. In addition, we intend to further strengthen our financial management by securing appropriate bank credit facilities, adopting diversified payment methods to optimize our cash flow, and maintaining a prudent level of financial buffer as a safety margin. We also plan to enhance supplier management to improve cost control and operational efficiency.

**Investing activities**

For 2025, we had net cash used in investing activities of RMB57.6 million, primarily attributable to (i) payments of right-of-use assets of RMB16.1 million, and (ii) the purchase of financial assets at FVTPL of RMB391.5 million, partially offset by the redemption on maturity of financial assets at FVTPL of RMB351.8 million.

For 2024, we had net cash from investing activities of RMB54.8 million, primarily attributable to (i) the redemption on maturity of financial assets at FVTPL of RMB690.9 million, and (ii) the withdrawal of term deposits of RMB80.0 million, partially offset by (a) the purchase of financial assets at FVTPL of RMB634.9 million, and (b) the placement of term deposits of RMB90.0 million.

**Financing activities**

For 2025, we had net cash from financing activities of RMB212.2 million, primarily attributable to the proceeds from issue of shares of RMB235.5 million, partially offset by the purchase of additional interest in a subsidiary from Dr. Wang Bing of RMB28.3 million.

For 2024, we had net cash from financing activities of RMB21.1 million, primarily attributable to drawdown of bank borrowings of RMB25.5 million, partially offset by the repayment of lease liabilities of RMB2.8 million.

## CASH OPERATING COSTS

The following table sets forth key information relating to our cash operating costs for the years indicated:

| | For the Year Ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| **Costs relating to research and development of our Core Product** | | |
| Staff costs and welfare expenses | 13,984 | 18,977 |
| Clinical trial and testing expenses | 27,321 | 31,952 |
| Raw material expenses | 5,961 | 5,394 |
| Pre-clinical trial and other R&D expenses | 3,686 | 4,811 |
| Others | 249 | 134 |
| **Subtotal** | **51,201** | **61,268** |
| **Costs relating to research and development of our other drug candidates** | | |
| Staff costs and welfare expenses | 14,131 | 16,772 |
| Clinical trial and testing expenses | 8,382 | 12,007 |
| Raw material expenses | 5,345 | 6,944 |
| Pre-clinical trial and other R&D expenses | 9,288 | 5,199 |
| Others | 806 | 407 |
| **Subtotal** | **37,952** | **41,329** |
| **Workforce employment costs** | **11,220** | **14,672** |
| **Total** | **100,373** | **117,269** |

## WORKING CAPITAL

Our Directors are of the view that, taking into account the financial resources available to us, including cash and cash equivalents, and the estimated net proceeds from the Global Offering, we have sufficient working capital to cover at least 125% of our costs, including R&D expenses, administrative expenses, other operating expenses and necessary capital expenditure, for at least the next 12 months from the date of this prospectus.

Our cash burn rate refers to the average monthly (i) net cash used in operating activities, (ii) capital expenditures, and (iii) lease payments. We estimate that we will receive net proceeds of approximately HK$989.3 million, equivalent to RMB860.7 million, after deducting the underwriting fees and expenses payable by us in the Global Offering, assuming an Offer Price of HK$18.2 per Offer Share, being the low-end of the indicative Offer Price range of HK$18.2 to HK$21.0 per Offer Share set out in this prospectus, and assuming the Over-allotment Options is not exercised. Assuming an average cash burn rate going forward of 1.5 times of the level for 2025, we estimate that our cash and cash equivalents and term deposits of RMB202.5 million as of April 30, 2026 will be able to maintain our financial viability for approximately 10 months or, if we take into account 10% of the estimated net proceeds from the Global Offering (namely, the portion used for working capital and general corporate purposes), approximately 15 months or, if we also take into account the estimated net proceeds from the Global Offering, approximately 54 months. Our Directors will continue to monitor our working capital, cash flows and our business development progress.

## INDEBTEDNESS

The following table sets forth the breakdown of our indebtedness as of the dates indicated:

| | As at December 31, | | As at April 30, |
|---|---|---|---|
| | 2024 | 2025 | 2026 |
| | *RMB'000* | *RMB'000* | *RMB'000 (Unaudited)* |
| **Current** | | | |
| Lease liabilities | 2,259 | 1,399 | 762 |
| Amount due to the Controlling Shareholder | 28,333 | – | – |
| Bank borrowings | 1,760 | 48,100 | – |
| Redemption liabilities | – | 134,281 | 139,648 |
| **Subtotal** | **32,352** | **183,780** | **140,410** |
| **Non-current** | | | |
| Redemption liabilities | – | 1,024,737 | 1,062,132 |
| Lease liabilities | 280 | 202 | – |
| Bank borrowings | 42,253 | – | – |
| **Subtotal** | **42,533** | **1,024,939** | **1,062,132** |
| **Total** | **74,885** | **1,208,719** | **1,202,542** |

| | As at December 31 | | As at April 30, |
|---|---|---|---|
| | 2024 | 2025 | 2026 |
| | *RMB'000* | *RMB'000* | *RMB'000 (Unaudited)* |
| Redemption liabilities | – | 1,159,018 | 1,201,780 |
| Lease liabilities | 2,539 | 1,601 | 762 |
| Bank borrowings | 44,013 | 48,100 | – |
| Amount due to the Controlling Shareholder | 28,333 | – | – |
| **Total** | **74,885** | **1,208,719** | **1,202,542** |

### Redemption Liabilities

As of December 31, 2024, December 31, 2025 and April 30, 2026, our redemption liabilities, which were unsecured and unguaranteed, amounted to nil, RMB1,159 million and RMB1,202 million, respectively. Our redemption liabilities primarily represent our obligation to purchase our equity instruments, which is conditional on the exercise by certain investors of the right to require their investments to be redeemed. We recognized such obligation to the investors as financial liabilities measured initially at fair value (representing the present value of the expected cash flows for settling the related obligations if these rights are exercised by the investors) and subsequently at amortized cost with interest charged in finance costs. See Note 25 to the Accountants' Report in Appendix I to this prospectus.

**Lease Liabilities**

Our lease liabilities are in relation to properties that we leased for our business operations. We recognized lease liabilities in respect of all of our operating leases, except for short-term leases and leases of low-value assets.

As of December 31, 2024, December 31, 2025 and April 30, 2026, we had lease liabilities of:

- RMB1.2 million, RMB0.7 million and RMB0.4 million, respectively, that were unsecured and unguaranteed; and
- RMB1.3 million, RMB0.9 million and RMB0.4 million, respectively, that were secured by rental deposits and unguaranteed.

Lease liabilities are measured at the present value of the lease payments that are not yet paid. The weighted average incremental borrowing rates applied to lease liabilities range from 2.5% to 4.7% as of December 31, 2024, 3.5% to 4.5% as of December 31, 2025 and 3.5% to 4.5% as of April 30, 2026.

**Bank Borrowings**

During the Track Record Period, we had bank borrowings from the Bank of China. They increased from RMB44.0 million as of December 31, 2024 to RMB48.1 million as of December 31, 2025, primarily due to the drawdown of bank borrowings of RMB5.1 million and the repayment of RMB1.0 million in 2025. The drawdown was mainly to support our business operations including R&D activities. The interest rate was 115 basis points below the one-year loan prime rate in the PRC and reset every twelve months. These borrowings were credit-based and were not subject to pledge, mortgage, guarantee or other security interest.

During the Track Record Period and up to the Latest Practicable Date, we had not breached any material covenants or undertakings under the loan agreements we entered into with the Bank of China, and there was no default in the repayment of borrowings.

As of April 30, 2026, the latest practicable date for determining our indebtedness, we had repaid all our bank borrowings and we had RMB477.3 million of committed unutilized bank facilities. Since April 30, 2026 and up to the Latest Practicable Date, there had been no material change in our indebtedness.

During the Track Record Period and up to the Latest Practicable Date, we had not had any guarantee or any pledge over key assets.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any difficulties in obtaining additional debt or equity financing.

## CONTINGENT LIABILITIES

During the Track Record Period, we had not had any contingent liabilities. We confirm that up to the Latest Practicable Date, there had been no material changes or arrangements to our contingent liabilities.

Saved as otherwise disclosed above, as of April 30, 2026, being the latest practicable date for determining our indebtedness, we did not have any other loan agreed to be issued, bank overdrafts, loans and other similar indebtedness, liabilities under acceptances or acceptance credits or hire purchase commitments, debentures, mortgages, charges, guarantees or other material contingent liabilities.

## OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet transactions.

## RELATED PARTY TRANSACTIONS

During the Track Record Period, we entered into several transactions with our related parties: (i) our Company entered into an agreement with Dr. Wang Bing to acquire his equity interest in Xi'an Biocare in August 2023; as of December 31, 2024 and 2025, the balance was RMB28.3 million and nil, respectively, (ii) Zhongrui Zekang, on behalf of our Company, collected employees' payments of exercise or subscription prices for share options or shares under our share incentive scheme; as of December 31, 2024 and 2025, the balance was RMB0.7 million and RMB1.1 million, respectively; as of the Latest Practicable Date, the amount due from Zhongrui Zekang had been settled, and (iii) we recognized RMB7.0 million and RMB10.5 million in 2024 and 2025, respectively, for the compensation of our key management personnel. See Notes 23 and 34 to the Accountants' Report in Appendix I to this prospectus for a detailed description of our related party transactions. Our Directors believe that our transactions with related parties during the Track Record Period were conducted on an arm's length basis, and they did not distort our results of operations or make our historical results not reflective of our future performance.

## KEY FINANCIAL RATIOS

The following table sets forth the current ratio of our Group as of the dates indicated:

| | As of December 31, | |
|---|---|---|
| | 2024 | 2025 |
| Current ratio[(1)] | 2.4 | 1.0 |

*Note:*

(1) Current ratio equals current assets divided by current liabilities as of the same date.

Our current ratio decreased from 2.4 as of December 31, 2024 to 1.0 as of December 31, 2025, primarily due to an increase in our current liabilities resulting from (i) the classification of certain redemption liabilities as current liabilities, and (ii) part of the non-current portion of our bank borrowings becoming current. For more details, see "— Discussion of Certain Selected Items from the Consolidated Statements of Financial Position" in this section.

## QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT FINANCIAL RISK

We are exposed to market risk, credit risk and impairment assessment, and liquidity risk arising in the normal course of our business. We manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner. Further details of our financial risk management are set out in Note 32 to the Accountants' Report in Appendix I to this prospectus.

### Market Risk

#### *Currency Risk*

Certain financial assets and liabilities are denominated in foreign currencies of respective group entities which are exposed to foreign currency risk. We currently do not have a foreign currency hedging policy. However, our management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

#### *Interest Rate Risk*

We are exposed to fair value interest rate risk in relation to term deposits, redemption liabilities and lease liabilities. We are also exposed to cash flow interest rate risk in relation to variable-rate bank balances and variable-rate bank borrowings. The cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances and bank borrowings. As our management considers that the exposure of cash flow interest rate risk arising from variable-rate bank balances and variable-rate bank borrowings is insignificant, therefore no sensitivity analysis on such risk has been prepared.

### Credit Risk and Impairment Assessment

Credit risk refers to the risk that our counterparties' default on their contractual obligations resulting in financial losses to us. Our credit risk exposures are primarily

attributable to other receivables, amounts due from subsidiaries and bank balances and term deposits. We do not hold any collateral or other credit enhancements to cover our credit risks associated with our financial assets. We performed impairment assessment for financial assets under expected credit loss model. For more information about our credit risk management, maximum credit risk exposures and the related impairment assessment, see Note 32 to the Accountants' Report in Appendix I to this prospectus.

**Liquidity Risk**

In the management of the liquidity risk, we closely monitor our cash position resulting from our operations and maintain a level of cash and cash equivalents deemed adequate by the management to enable us to meet in full our financial obligations as they fall due for the foreseeable future. Our management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

## DIVIDEND POLICY

No dividend has been proposed, paid or declared by our Company since its incorporation. As of the Latest Practicable Date, we did not have a formal dividend policy or fixed dividend payout ratio. We do not have any plan to declare or pay any dividends in the foreseeable future. The determination of whether to pay a dividend and in which amount is based on factors the Board may deem relevant. Any dividend distribution will also be subject to the approval of the Shareholders in the Shareholder's meeting. Under the PRC law and the Articles of Association, the general reserve requires annual appropriations of 10% of after-tax profits at each year-end until the balance reaches 50% of the relevant PRC entity's registered capital. In view of our accumulated losses, as advised by our PRC Legal Advisor, according to the relevant PRC laws and regulations and the Articles of Association, we shall not declare or pay dividend until the accumulated losses are covered by our after-tax profits and sufficient statutory common reserve are drawn in accordance with the relevant laws and regulations, and Articles of Association.

## 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 RMB61.4 million (including underwriting commission, at the Offer Price of HK$19.60 per H Share, being the midpoint of the indicative Offer Price range of HK$18.20 to HK$21.00 per H Share), which represent 6.2% of the gross proceeds from the Global Offering, assuming no Shares are issued pursuant to the Over-allotment Option. The above listing expenses are comprised of (i) underwriting-related expenses, including sponsor fee and underwriting commission, of RMB39.6 million, and (ii) non-underwriting-related expenses of RMB21.8 million, including (a) the legal advisors and the reporting accountants' expenses of RMB13.0 million, and (b) other fees and expenses of RMB8.8 million. Approximately RMB19.4 million of our listing expenses shall be charged to our consolidated statements of profit or loss, among which, approximately RMB9.9 million has been charged during the Track Record Period, and approximately RMB42.0 million is expected to be deducted from equity upon 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 CONSOLIDATED NET TANGIBLE ASSETS (LIABILITIES)

For details, please see "Unaudited Pro Forma Financial Information" in Appendix II to this prospectus.

## 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 REQUIRED UNDER 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

See "Business — Our Strategies" for a detailed description of our future plans.

## USE OF PROCEEDS

We estimate that we will receive net proceeds of approximately HK$1,067.2 million after deducting the underwriting fees and expenses payable by us in the Global Offering assuming an Offer Price of HK$19.60 per Offer Share, being the mid-point of the indicative Offer Price range of HK$18.20 to HK$21.00 per Offer Share set out in this prospectus. We intend to use the net proceeds from the Global Offering for the following purposes:

(i) approximately 39.1%, or HK$417.3 million, will be used for ongoing and planned clinical trials and planned commercial launch of our Core Product, of which:

  (a) approximately 7.5%, or HK$80.0 million, will be used for the Phase III-C01 clinical trial of MT1013 for the treatment of CKD-SHPT. We initiated the Phase III clinical trial for this indication in China in July 2025 and plan to enroll approximately 424 subjects. As of the Latest Practicable Date, all 424 planned subjects had been enrolled. We expect to complete this trial by the end of 2026 and submit the NDA in early 2027;

  (b) approximately 5.9%, or HK$63.0 million, will be used for the planned commercial launch of MT1013 for the treatment of CKD-SHPT, covering fees related to registration with relevant regulatory agencies and production of MT1013. We plan to commence commercialization activities in early 2028 after obtaining NDA approval;

  For more information of our commercialization strategy, see "Business — Commercialization".

  (c) approximately 17.0%, or HK$181.4 million, will be used for the indication expansion of MT1013, of which:

    - approximately 14.5%, or HK$154.7 million, will be used for clinical trials of MT1013 for the treatment of CKD-MBD with Osteoporosis in China. We have completed Phase II clinical trial of MT1013 for the indication of CKD-SHPT, and plan to leverage data collected from respective trials to seek IND approvals from competent regulatory authorities to conduct Phase III clinical trial of MT1013 for the expanded indication of CKD-MBD with Osteoporosis. We expect to initiate the Phase III clinical trial for this indication in early 2028;
    - approximately 2.5%, or HK$26.7 million will be used for clinical trials of MT1013 for the treatment of CKD-SHPT not on Dialysis in China. We expect to submit an IND application for the clinical trial of MT1013 for the treatment of CKD-SHPT not on Dialysis by the end of 2027.

  (d) approximately 8.7%, or HK$92.8 million, will be used for other ongoing and planned clinical trials of MT1013 to further evaluate its potential therapeutic benefits and administration methods for the treatment of CKD-SHPT, of which:

    - approximately 0.3%, or HK$3.2 million will be used for the Phase I-C03 clinical trial of MT1013 in China, which was initiated in July 2025. As of the Latest Practicable Date, all subjects completed the trial;
    - approximately 4.4%, or HK$47.0 million will be used for the Phase II-C02 clinical trial of MT1013 in China, which was initiated in March 2024 with all 350 subjects enrolled as of the Latest Practicable Date, and is expected to be completed by end of 2026;
    - approximately 0.5%, or HK$5.3 million will be used for the Phase II-C03 clinical trial of MT1013 in China, which was initiated in November 2024;
    - approximately 3.5%, or HK$37.4 million will be used for the Phase II clinical trial of MT1013 for the treatment of CKD-SHPT in the U.S. The IND was reactivated on February 13, 2026, and approval from the FDA was obtained on March 20, 2026 to proceed to a Phase II clinical trial.

For more information of our future development plans, see "Business — Our Drug Candidates — Our Core Product MT1013 — Clinical Development Plan".

(ii) approximately 36.3%, or HK$387.4 million, will be used for ongoing and planned clinical trials and planned commercial launch of our Key Products, of which:

(a) approximately 6.8%, or HK$72.6 million, will be used for ongoing and planned clinical trials of XTL6001, of which:

- approximately 3.5%, or HK$37.4 million, will be used for clinical trials of XTL6001 for the treatment of chronic weight management in obese or overweight populations in China, including approximately 1.5%, or HK$16.0 million for the Phase II clinical trial of XTL6001, and approximately 2.0%, or HK$21.3 million for the Phase III clinical trial of XTL6001. The Phase II trial in China is expected to be initiated in the third quarter of 2026 and completed in the third quarter of 2027; and
- approximately 3.3%, or HK$35.2 million, will be used for clinical trials of XTL6001 for the treatment of proteinuric CKD and MASH in China, including approximately 0.9%, or HK$9.6 million, for the Phase II clinical trial of XTL6001 for Proteinuric CKD, which we expect to initiate in China in mid-2027, approximately 1.5%, or HK$16.0 million, for the Phase III clinical trial of XTL6001 for proteinuric CKD, as well as approximately 0.9%, or HK$9.6 million, for the Phase II clinical trial of XTL6001 for the treatment of MASH, for which we expect to submit an IND application in early 2027;

For more information of our future development plans, see "Business — Our Drug Candidates — Our Key Product XTL6001 — Clinical Development Plan".

(b) approximately 14.5%, or HK$154.7 million, will be used for ongoing and planned clinical trials of MT1002, of which:

- approximately 6.5%, or HK$69.4 million, will be used for the Phase II-C04 and IIb clinical trials of MT1002 for the treatment of ACS-PCI in China. As of the Latest Practicable Date, five dose-exploration cohorts have been completed, and enrollment of 26 subjects in the dose-expansion cohort was completed. We expect to complete the Phase II-C04 clinical trial in mid-2026 and the Phase IIb clinical trial in mid-2028;

  The Phase IIb clinical trial forms part of MT1002-II-C04 and was conducted to further evaluate the selected dose(s) in a larger patient population. For more information on reasons to conduct the Phase IIb clinical trial, see "Business — Our Key Product MT1002 — Clinical Trial Overview of MT1002 — MT1002-II-C04 PRC Phase II Efficacy Study in ACS-PCI Patients".

- approximately 6.9%, or HK$73.6 million, will be used for the Phase III clinical trial of MT1002 for the treatment of ACS-PCI in China. We expect to initiate the Phase III clinical trial in the end of 2028; and
- approximately 1.1%, or HK$11.7 million, will be used for the Phase II clinical trials of MT1002 for the treatment of Stroke and HD in China. We expect to commence Phase II clinical trials for the treatment of Stroke and HD by June 2026 and July 2026, respectively.

(c) approximately 15.0%, or HK$160.1 million, will be used for ongoing and planned clinical trials and planned commercial launch of MT200605, of which:

- approximately 1.4%, or HK$14.9 million, will be used for the Phase II-C01 clinical trial of MT200605 for the treatment of AIS in China. As of the Latest Practicable Date, enrollment of 360 subjects has been completed. Looking forward, we expect to complete this trial in 2026;
- approximately 6.8%, or HK$72.6 million, will be used for the Phase III clinical trial of MT200605 for the treatment of AIS. We expect to initiate the Phase III clinical trial in China in mid-2027; and

- approximately 6.8%, or HK$72.6 million, will be used for the planned commercial launch of MT200605, covering fees related to registration with relevant regulatory agencies and production and sales of MT200605. We plan to commence commercialization activities for MT200605 in 2029 after obtaining NDA approval.

(iii) approximately 14.6%, or HK$155.8 million, will be used for the R&D of our other product candidates and technology platforms, of which:

(a) approximately 4.1%, or HK$43.8 million, will be used for the ongoing and planned clinical trials of our other product candidates, such as MT2004, MT1009, and MT1011, of which:

- approximately 0.9%, or HK$9.6 million, will be used for ongoing and future clinical trials of MT1011, a universal anticoagulant reversal agent, including approximately 0.4%, or HK$4.3 million, for the Phase I-C02 clinical trial in China, and approximately 0.5%, or HK$5.3 million, for the subsequent Phase II clinical trial in China;
- approximately 1.8%, or HK$19.2 million, will be used for ongoing and future clinical trials of MT2004 for the treatment of DILI, including approximately 0.8%, or HK$8.5 million, for the Phase II clinical trial in China, and approximately 1.0%, or HK$10.7 million, for the subsequent Phase III clinical trial in China;
- approximately 1.4%, or HK$14.9 million, will be used for ongoing and future clinical trials of MT1009 for the treatment of GIOP and PMO in China, including approximately 1.0%, or HK$10.7 million, for the Phase I clinical trial, which we initiated in January 2026 in the PRC, and approximately 0.4%, or HK$4.3 million, for the subsequent Phase II clinical trial in China;

(b) approximately 3.5%, or HK$37.4 million, will be used for the R&D of novel drug candidates, including XTL3602, XTL3710, MT1016 and XTL1018 as well as other potential candidates. We intend to further strengthen and expand our product pipeline for metabolic diseases, with an emphasis on kidney-related indications, as well as cardiovascular and cerebrovascular diseases; Specifically, approximately 1.5%, or HK$16.0 million, will be used for kidney-related indications; approximately 1.0%, or HK$10.7 million, for other endocrine diseases beyond kidney-related indications; and approximately 1.0%, or HK$10.7 million, for cardiovascular and cerebrovascular diseases and other diseases. We expect to submit an IND application for XTL3710 in 2026, for XTL3602 and MT1016 in 2027, and for XTL1018 in 2028, for advancement into clinical development; and

For more information of our implementation plans and timelines for the novel drug candidates proposed to be developed, see "Business — Our non-pipeline product candidates".

(c) approximately 7.0%, or HK$74.7 million, will be used for the development, upgrade and operation of our four core technology platforms, including the recruitment of talent and the securing of intellectual property protection through platform patenting. These platforms will serve the Core Product as well as our other products. Among them:

- approximately 2.5%, or HK$26.7 million, will be used for Bi-/Multi-specific Peptide and Peptide-based Macromolecule Technology Platform — we expect to improve its ability to screen candidate molecules with diverse molecular formats and novel mechanisms of action, aiming to accelerate the R&D and translation of our preclinical candidates;
- approximately 2.5%, or HK$26.7 million, will be used for Computer-aided Peptide Design Platform — we expect to, through collaboration with mainstream vendors, develop it into an AI-assisted self-owned intellectual property;
- approximately 1.0%, or HK$10.7 million, will be used for Oral Peptide Delivery Platform — we expect to, through the continuing R&D of it, develop a proprietary patent system and advance the development of oral formulation of drug candidates, aiming to improve patient compliance and convenience;
- approximately 1.0%, or HK$10.7 million, will be used for Druggability Evaluation Platform — we expect to continue optimizing and upgrading it, further improve our in vitro biological evaluation models, and enhance the druggability evaluation capabilities for our pipeline products, thereby improving our overall translation efficiency.

(iv) approximately 10.0%, or HK$106.7 million, will be used for working capital and general corporate purposes.

The above allocation of the proceeds will be adjusted on a pro rata basis in the event that the Offer Price is fixed at a higher or lower level compared to the mid-point of the indicative Offer Price range. If the Offer Price is set at HK$21.00 per Share, being the high end of the indicative Offer Price range, the net proceeds from the Global Offering will increase by approximately HK$77.9 million. If the Offer Price is set at HK$18.20 per Share, being the low end of the indicative Offer Price range, the net proceeds from the Global Offering will decrease by approximately HK$77.9 million.

If the net proceeds are not immediately applied to the above purposes, we will deposit those net proceeds into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance, and the relevant applicable laws in the relevant jurisdiction). We will make an appropriate announcement if there is any change to the above proposed use of proceeds.

## HONG KONG UNDERWRITERS

CCB International Capital Limited

China Merchants Securities (HK) Co., Limited

Jakota Securities Group Limited

Ruibang Securities Limited

Sinolink Securities (Hong Kong) Company Limited

Skyvast Securities Limited

Somerley Capital Limited

Tiger Brokers (HK) Global Limited

uSmart Securities Limited

Webull Securities Limited

Zhongtai International Securities Limited

ZMF Asset Management Limited

## UNDERWRITING ARRANGEMENTS AND EXPENSES

### Hong Kong Public Offering

*Hong Kong Underwriting Agreement*

Pursuant to the Hong Kong Underwriting Agreement, our Company is offering the Hong Kong Offer Shares for subscription on the terms and conditions set out in this prospectus and the Hong Kong Underwriting Agreement at the Offer Price.

Subject to (a) the Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares in issue and to be issued under the Global Offering and such approval not having been subsequently withdrawn, revoked or withheld prior to the commencement of trading of the H Shares on the Stock Exchange and (b) certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally but not jointly to procure subscribers for, or themselves to subscribe for, their respective applicable proportions of the Hong Kong Offer Shares being offered which are not taken up under the Hong Kong Public Offering on the terms and conditions set out in this prospectus and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional on, among other things, the International Underwriting Agreement having been executed and becoming unconditional and not having been terminated in accordance with its terms.

*Grounds for termination*

The Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) shall be entitled, in their sole and absolute discretion, by notice in writing to the Company, terminate the Hong Kong Underwriting Agreement with immediate effect if, at any time at or prior to 8:00 a.m. on the Listing Date:

(1) there develops, occurs, exists or comes into effect:

(i) any change or prospective change (whether or not permanent) in the business or in the financial or trading position of our Group taken as a whole; or any event, circumstance, or series of events, in the nature of force majeure (including, without limitation, any acts of government, declaration of a local, national, regional or international emergency or war, political change, calamity, crisis, epidemic, pandemic, outbreaks, escalation, adverse mutation or aggravation of diseases, comprehensive sanctions, strikes, lock-outs, other industrial actions, fire, explosion, flooding, earthquake, tsunami, volcanic eruption, civil commotion, riots, rebellion, public disorder, acts of war, outbreak or escalation of hostilities (whether or not war is declared), acts of God, acts of terrorism (whether or not responsibility has been claimed), paralysis in government operations, interruptions or accidents or delay in transportation) or other state of emergency in whatever form, in or affecting, directly or indirectly the PRC, Hong Kong, Japan, the United States, Singapore, the United Kingdom, the European Union (or any

member thereof), the United Kingdom, Taiwan, Cayman Islands or any other jurisdiction relevant to our Group and/or the Global Offering (each a "**Relevant Jurisdiction**" and collectively, the "**Relevant Jurisdictions**"); or

(ii) any change or development involving a prospective change or development, or any event, circumstance or series of events likely to result in or representing any change or development involving a prospective change, in local, national, regional or international financial, economic, political, military, industrial, fiscal, legal, regulatory, currency, credit or market matters or conditions, equity securities or exchange control or any monetary or trading settlement system or other financial markets (including, without limitation, conditions in the stock and bond markets, money and foreign exchange markets, the interbank markets and credit markets), in or affecting any Relevant Jurisdictions; or

(iii) the imposition or declaration of any moratorium, suspension or restriction (including, without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) in or on trading in securities generally on the Hong Kong Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market, the London Stock Exchange, the Tokyo Stock Exchange, the Singapore Exchange, the Beijing Stock Exchange, the Shenzhen Stock Exchange and the Shanghai Stock Exchange or the trading in any securities of the Company listed or quoted on a stock exchange or an over-the-counter market; or

(iv) the imposition or declaration of any general moratorium on commercial banking activities in the PRC, Hong Kong (imposed by the Financial Secretary or the Hong Kong Monetary Authority or other competent authority), New York (imposed at the U.S. Federal or New York State level or by any other competent authority) or affecting any Relevant Jurisdictions or any disruption in commercial banking or foreign exchange trading or securities settlement or clearing services, procedures or matters in or affecting any of the Relevant Jurisdictions; or

(v) the commencement by any governmental authority or other regulatory or political body or organization of any public action or investigation against any Group company or a director, supervisor or senior management member of any Group company in his/her capacity as such or announcing an intention to take any such action; or

(vi) any new law, or any change or any development involving a prospective change or any event or circumstance likely to result in a change or a development involving a prospective change in (or in the interpretation or application by any court or other competent authority of) existing laws, in each case, in or affecting any of the Relevant Jurisdictions; or

(vii) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any Group company or any of the Warranting Shareholders (as defined in the Hong Kong Underwriting Agreement) 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 of the Relevant Jurisdictions; or

(viii) any valid demand by creditors for repayment of indebtedness of any Group company or in respect of which any Group company is liable prior to its stated maturity; or

(ix) 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

(x) any change or development involving a prospective change or amendment in or affecting taxes or exchange control, currency exchange rates or foreign investment regulations (including, without limitation, a material devaluation of the RMB, Hong Kong dollar or the USD against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the USD or RMB is linked to any foreign currency or currencies), or the implementation of any exchange control, in any of the Relevant Jurisdictions or affecting an investment in the Offer Shares; or

(xi) any litigation, dispute, legal action, claim, or regulatory or administrative investigation or legal proceeding or action being threatened or instigated or announced against any Group company, any Director, any member of the senior management of the Company as named in the prospectus or any Warranting Shareholders (as defined in the Hong Kong Underwriting Agreement); or

(xii) any contravention by any Group company or any Director or any member of the senior management of the Company as named in the prospectus or any Warranting Shareholders (as defined in the Hong Kong Underwriting Agreement) of any applicable Laws including the Listing Rules; or

(xiii) any valid demand by creditors for repayment of indebtedness or an order or petition for the winding up or liquidation of any Group company or any composition or arrangement made by any Group company with its creditors or a scheme of arrangement entered into by any Group company or any resolution for the winding-up of any Group company or the appointment of a provisional liquidator, receiver or manager over all or part of the assets or undertaking of any Group company or anything analogous thereto occurring in respect of any Group company; or

(xiv) any change or prospective change or development, or any materialization of any of the risks set out in the section headed "Risk Factors" in this prospectus; or

(xv) other than with the prior written consent of the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators and the Joint Global Coordinators, the issue or requirement to issue by the Company of any supplement or amendment to this prospectus or to any other documents used in connection with the contemplated offering and sale of the offer Shares pursuant to the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance or the Listing Rules or any other applicable Laws or any requirement or request of the Hong Kong Stock Exchange, the SFC and/or the CSRC; or

which, individually or in the aggregate, in the sole and absolute opinion of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters):

(a) has or will have or may have a material adverse effect 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 Group as a whole or to any present or prospective shareholder of the Company in its capacity as such; or

(b) has or will have 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 interest under the International Offering; or

(c) makes or will make or may make it inadvisable or inexpedient or impracticable for 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 the Offer Related Documents (as defined below); or

(d) has or will have 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 or delaying the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

(2) any of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters and the Capital Market Intermediaries) shall become aware of the fact that, or have reasonable cause to believe that:

(i) any statement contained in any of this prospectus, the disclosure package, the preliminary offering circular, the final offering circular, the CSRC filings, the formal notice, the Overall Coordinators announcement and/or in any notices, announcements, advertisements, communications or other documents (including any announcement, circular, document or other communication pursuant to the Hong Kong Underwriting Agreement) in connection with the Global Offering (including any supplement or amendment thereto) (the "**Offer Related Documents**") was, when it was issued, or has become, untrue, incorrect, incomplete, inaccurate in any material respect or, misleading or deceptive, or that any forecast, estimate, expression of opinion, intention or expectation contained in any such documents is not fair and honest and based on reasonable assumptions or reasonable grounds, when taken as a whole; or

(ii) 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 from, or material misstatement in, any of Offer Related Documents (including any supplement or amendment thereto); or

(iii) any breach of, or any event or circumstance rendering untrue or incorrect, incomplete or misleading in any respect, any of the Warranties; or

(iv) any event, act or omission which gives rise or is likely to give rise to any liability of any of the Indemnifying Parties (as defined in the Hong Kong Underwriting Agreement) pursuant to Clause 13 of the Hong Kong Underwriting Agreement; or

(v) any breach of any of the obligations or undertakings imposed upon any party to the Hong Kong Underwriting Agreement or the International Underwriting Agreement (other than upon any of the Hong Kong Underwriters or the International Underwriters); or

(vi) there is any change or development constituting or having an adverse effect; or

(vii) that the Chairman of the Board, any Director, the chief executive officer, the chief financial officer, 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

(viii) an Authority or a political body or organization in any Relevant Jurisdiction commencing any investigation or other action, or announcing an intention to investigate or take other action, against any Director; or

(ix) any Director or any member of senior management of the Company named in this prospectus is being charged with an indictable offense or prohibited by operation of Law or otherwise disqualified from taking part in the management or taking directorship of a company or there is the commencement by any governmental, political or regulatory body of any investigation or other action against any Director or member of senior management of the Company in his or her capacity as such or any member of the Group or an announcement by any governmental, political or regulatory body that it intends to commence any such investigation or take any such action; or

(x) any material adverse change or effect, or any development involving a prospective material adverse change or effect, in or affecting (1) the assets, liabilities, business, properties, general affairs, management, prospects, shareholders' equity, profits, losses, results of operations, position or condition (financial, operational or otherwise) or performance of our Group taken as a whole, and (2) the ability of the Company to perform its obligations under the Hong Kong Underwriting Agreement and the International Underwriting Agreement, including the issuance and sale of the Offer Shares, or to consummate the transactions contemplated under this prospectus (collectively, the "**Material Adverse Change**") (whether or not permanent); or

(xi) the approval by the Listing Committee of the Hong Kong Stock Exchange of the listing of, and permission to deal in, the H Shares to be issued or sold (including any additional H Shares that may be issued or sold pursuant to the exercise of the Over-allotment Option) under the Global Offering is refused or not granted (other than subject to customary conditions), on or before the date of the Listing, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or

(xii) the CSRC filings, the notice of acceptance of the CSRC filings issued by the CSRC and/or the published filing results in respect of the CSRC filings on its website have been revoked, withdrawn, rejected or terminated; or

(xiii) other than with the prior written consent of the Joint Sponsors and the Sponsor Overall Coordinators, 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

(xiv) any non-compliance of the CSRC filings with the CSRC rules or any other applicable Laws; or

(xv) the Company withdraws this prospectus (and/or any other Offer Related Documents) or the Global Offering; or

(xvi) any person has withdrawn its consent to the issue of this prospectus with the inclusion of its report, letters, and/or opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or

(xvii) any prohibition on the Company for whatever reason from offering, allotting, issuing or selling any of the Offer Shares (including pursuant to any exercise of the Over-allotment Option) pursuant to the terms of the Global Offering; or

(xviii) any person has withdrawn or sought to withdraw its consent to being named in any of the Offering Documents or the CSRC filings or to the issue of any of the Offering Documents or the CSRC filings; or

(xix) an order or petition is presented for the winding-up of any Group company, or any composition or arrangement made by any Group company with its creditors or a scheme of arrangement entered into by any Group company or any resolution for the winding-up of any Group company or the appointment of a provisional liquidator, receiver or manager over all or a material part of the material assets or undertaking of any Group company or anything analogous thereto occurs in respect of any Group company; or

(xx) (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 Overall Coordinators, 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

(xxi) (A) a material portion of the orders placed or confirmed in the book-building process has been withdrawn, terminated or cancelled or (B) any investment commitment made by any cornerstone investors under the Cornerstone Investment Agreements signed with such cornerstone investors, 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***

*(A) Undertakings by our Company*

Pursuant to Rule 10.08 of the Listing Rules, our Company has undertaken to the Stock Exchange that it will not exercise its power to issue any further Shares, or securities convertible into equity securities of our Company (whether or not of a class already listed) or enter into any agreement to such an issue within six months from the Listing Date (whether or not such issue of Shares or securities will be completed within six months from the Listing Date), except (a) pursuant to the Global Offering and the Over-allotment Option, (b) pursuant to any capitalization issue, capital reduction or consolidation or sub-division of shares, or (c) under any of the circumstances provided under Rule 10.08 of the Listing Rules.

*(B) Undertakings by our group of Controlling Shareholders*

Pursuant to Rule 10.07 of the Listing Rules, each of the Controlling Shareholders has undertaken to the Stock Exchange and our Company that, he/she/she/it will not and will procure that the relevant registered holder(s) will not:

(i) in the period commencing on the date by reference to which disclosure of his/her/its holding of Shares is made in this prospectus and ending on the date which is six months from the Listing Date, 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 Shares in respect of which he/she/it is shown by this prospectus to be the beneficial owner; and

(ii) in the period of six months commencing on the date on which the period referred to in paragraph (i) above 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 Shares referred to in paragraph (i) above 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 of our Company (as defined in the Listing Rules) or one of the Controlling Shareholders of our Company, or would together with the other Controlling Shareholders, cease to be the Controlling Shareholders of our Company (as defined in the Listing Rules), in each case, save as permitted under the Listing Rules.

Pursuant to Note 3 to Rule 10.07(2) of the Listing Rules, each of the Controlling Shareholders has undertaken to the Stock Exchange and our Company that, within the period commencing on the date by reference to which disclosure of his/her/its holding of Shares is made in this prospectus and ending on the date which is 12 months from the Listing Date, he/she/it will:

(i) when he/she/it pledges or charges any Shares beneficially owned by him/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 our Company in writing of such pledge or charge together with the number of Shares so pledged or charged; and

(ii) when he/she/it receives indications, either verbal or written, from the pledgee or chargee of any Shares that any of the pledged or charged Shares will be disposed of, immediately inform our Company of such indications.

Our Company will inform the Stock Exchange in writing as soon as we have been informed of matters referred in above by any of our Controlling Shareholders and disclose such matters by way of announcement pursuant to the requirements under the Listing Rules as soon as possible.

***Undertakings pursuant to the Hong Kong Underwriting Agreement***

*(A) Undertakings by our Company*

Our Company has undertaken to each of the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the CMIs and the Hong Kong Underwriters not to (except for the offer, allotment and issue of the Offer Shares pursuant to the Global Offering, including any exercise of the Over-allotment Option), at any time during the period commencing on the date of the Hong Kong Underwriting Agreement and ending on, and including, the date that is six months after the Listing Date (the "**First Six-Month Period**"), without the prior written consent of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

(i) 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 any encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any H 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 H Shares), or deposit any Shares or other securities of our Company, as applicable, 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 of H Shares or any other securities of the 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 H Shares);

(iii) enter into any transaction with the same economic effect as any transaction specified in paragraphs (i) or (ii) above; or

(iv) offer to or agree to or announce any intention to effect any transaction specified in paragraphs (i), (ii) or (iii) above,

in each case, whether any of the transactions specified in paragraphs (i), (ii) or (iii) above is to be settled by delivery of H Shares or other securities of the Company, or in cash or otherwise (whether or not the issue of H Shares or such other shares or securities will be completed within the First Six-Month Period).

In the event that, during the period of six months commencing on the date on which the First Six-Month Period expires (the "**Second Six-Month Period**"), our Company enters into any transactions specified in paragraphs (i), (ii) or (iii) above or offers or agrees to or announces any intention to effect any such transactions, our Company shall take all reasonable steps to ensure that it will not create a disorderly or false market in the securities of our Company. Each of the Controlling Shareholders undertakes to each of the Joint Sponsors, the Sponsor Overall Coordinators, the Joint Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries to procure the Company to comply with the undertakings in the Hong Kong Underwriting Agreement.

*(B) Undertakings by our Controlling Shareholders*

Each of the Controlling Shareholders hereby jointly and severally undertake to each of the Company and the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the CMIs and the Hong Kong Underwriters that without the prior written consent of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) or unless otherwise in compliance with the requirements of the Listing Rules:

(i) at any time during the First Six-Month Period, it shall not, and shall procure that the relevant registered holder(s), any nominee or trustee holding on trust

for it shall not, (a) offer, pledge, charge, sell, offer to sell, contract or agree to 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, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend 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 (including by way of altering the composition or classes of beneficiaries of any trust), conditionally or unconditionally, any Shares or other equity securities of the Company or any interest therein (including, without limitation, any equity 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 equity securities of the Company or any interest in any of the foregoing) beneficially owned by it (the "**Relevant Securities**"); 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 of the Relevant Securities; (c) enter into or effect any transaction with the same economic effect as any of the transactions referred to in sub-paragraphs (a) or (b) above; or (d) offer to or agree to or announce any intention to enter into or effect any of the transactions referred to in sub-paragraphs (a), (b) or (c) above, which any of the foregoing transactions referred to in sub-paragraphs (a), (b), or (c) is to be settled by delivery of Shares or such other equity securities of the Company or in cash or otherwise (whether or not the issue of such Shares or other securities will be completed within the First Six-Month Period);

(ii) at any time during the Second Six-Month Period, it shall not enter into any of the transactions referred to in paragraph (i)(a), (b) or (c) above or offer to or agree to or announce any intention to enter into 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 would cease to be a "controlling shareholder" (as defined in the Listing Rules) of the Company or would together with the other Controlling Shareholders cease to be "controlling shareholders" (as defined in the Listing Rules) of the Company;

(iii) in the event that it enters into any of the transactions specified in paragraph (i)(a), (b) or (c) above or offers to or agrees to or announce or publicly disclose any intention to effect any such transaction within the Second Six-Month Period, it shall take all steps to ensure that it will not create a disorderly or false market for any Shares or other equity securities of the Company; and

(iv) at any time during the First Six-Month Period and the Second Six-Month Period, it shall, and shall procure that the relevant registered holder(s), comply with all the restrictions and requirements under the Listing Rules on the sale, transfer or disposal by it or by the registered holder(s) of any Shares or other equity securities of the Company.

Each of the Controlling Shareholders further undertakes to each of the Company and the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the CMIs and the Hong Kong Underwriters that, at any time during the First Six-Month Period and the Second Six-Month Period, it will:

(i) when it pledges or charges any equity securities or interests in the Relevant Securities in favour of an authorised institution pursuant to Note 2 to Rule 10.07(2) of the Listing Rules, immediately inform the Company, the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters)in writing of such pledges or charges together with the number of securities and nature of interest so pledged or charged; and

(ii) when it receives indications, either verbal or written, from any pledgee or chargee that any of the pledged or charged equity securities or interests in the securities of the Company will be sold, transferred or disposed of, immediately inform the Company, the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) in writing of such indications.

The Company shall, if required pursuant to the Listing Rules, inform the Stock Exchange in writing as soon as practicable, when it has been informed of any of the

matters referred to above (if any) by the Controlling Shareholders and disclose such matters by way of an announcement to be published in accordance with the Listing Rules.

**Joint Sponsors' and Hong Kong Underwriters' interests in our Company**

Save as disclosed in this prospectus and for their respective obligations under the Hong Kong Underwriting Agreement, as of the Latest Practicable Date, none of the Joint Sponsors or the Hong Kong Underwriters was interested, legally or beneficially, directly or indirectly, in any Shares or any securities of any member of our Group or had any right or option (whether legally enforceable or not) to subscribe for or purchase, or to nominate persons to subscribe for or purchase, any Shares or any securities of any member of our Group.

Following the completion of the Global Offering, the Hong Kong Underwriters and their affiliated companies may hold a certain portion of the Shares as a result of fulfilling their respective obligations under the Hong Kong Underwriting Agreement.

**International Offering**

***International Underwriting Agreement***

In connection with the International Offering, our Company expect to enter into the International Underwriting Agreement with the International Underwriters on or around the Price Determination Date. Under the International Underwriting Agreement and subject to the Over-allotment Option, the International Underwriters would, subject to certain conditions set out therein, agree severally but not jointly to procure subscribers for, or themselves to subscribe for, their respective applicable proportions of the International Offer Shares initially being offered pursuant to the International Offering. It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors should note that in the event that the International Underwriting Agreement is not entered into, the Global Offering will not proceed. See "Structure of the Global Offering — The International Offering".

***Over-allotment Option***

Our Company is expected to grant to the International Underwriters the Over-allotment Option, exercisable by the Overall Coordinators on behalf of the International Underwriters at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offering, pursuant to which our Company may be required to issue up to an aggregate of 8,708,000 H Shares, representing not more than 15.0% of the number of Offer Shares initially available under the Global Offering, at the Offer Price, to cover over-allocations in the International Offering, if any. See "Structure of the Global Offering — Over-allotment Option".

**Commissions and Expenses**

All Capital Market Intermediaries participating in the Global Offering will receive an aggregate underwriting commission of 2.5% of the aggregate proceeds from the Global Offering (including any proceeds arising from the exercise of the Over-allotment Option) (the "**Gross Proceeds**") (the "**Underwriting Commission**"). In addition, the Company may, in its sole discretion, pay to all Capital Market Intermediaries an incentive fee in an aggregate of up to 1.5 % of the Gross Proceeds (the "**Discretionary Fee**"). For any unsubscribed Hong Kong Offer Shares reallocated to the International Offering, we will pay the underwriting commission for such Shares to the International Underwriters (but not the Hong Kong Underwriters).

Assuming full payment of the Discretionary Fee, the fixed fees and the discretionary fees payable to the Underwriters represent approximately 62.5% and 37.5%, respectively, of the aggregate fees payable to the Capital Market Intermediaries in total in connection with the Global Offering.

The aggregate underwriting commissions and fees together with the Stock Exchange listing fees, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee, legal and other professional fees and printing and all other expenses relating to the Global Offering are estimated to be approximately HK$70.6 million (assuming an Offer Price of HK$19.60 per Offer Share (which is the mid-point of the Offer Price range), the full payment of the discretionary incentive fee and the Over-allotment Option is not exercised) and will be paid by the Company.

**INDEPENDENCE OF THE JOINT SPONSORS**

The Joint Sponsors satisfy the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.

## ACTIVITIES BY SYNDICATE MEMBERS

The underwriters of the Hong Kong Public Offering and the International Offering (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 various 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. Such investment and trading activities may involve or relate to assets, securities and/or instruments of our Company and/or persons and entities with relationships with our Company and may also include swaps and other financial instruments entered into for hedging purposes in connection with our Group's loans and other debt.

In relation to the Shares, the activities of the Syndicate Members and their affiliates could include acting as agent for buyers and sellers of the Shares, entering into transactions with those buyers and sellers in a principal capacity, including as a lender to initial purchasers of the Shares (which financing may be secured by the Shares) in the Global Offering, proprietary trading in the Shares, and entering into over the counter or listed derivative transactions or listed or unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying assets, assets including the 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 the Shares, which may have a negative impact on the trading price of the Shares. All such activities 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 the Shares, in baskets of securities or indices including the Shares, in units of funds that may purchase the 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 the Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the stock 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 the Shares in most cases.

All such activities may occur both during and after the end of the stabilizing period described in "Structure of the Global Offering". Such activities may affect the market price or value of the Shares, the liquidity or trading volume in the Shares and the volatility of the price of the 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 Stabilization Manager 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 each of its 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 listing of the H Shares on the Stock Exchange is sponsored by the Joint Sponsors. The Joint Sponsors have made an application on behalf of our Company to the Stock Exchange for the listing of, and permission to deal in, the H Shares in issue and to be issued pursuant to the Global Offering (including the additional H Shares which may be issued pursuant to the exercise of the Over-allotment Option).

58,054,400 Offer Shares will initially be made available under the Global Offering comprising:

(a) the Hong Kong Public Offering of initially 5,805,600 Offer Shares in Hong Kong as described in "— The Hong Kong Public Offering" in this section; and

(b) the International Offering of initially 52,248,800 Offer Shares (subject to the Over-allotment Option) outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S, as described in "— The International Offering" in this section.

Investors may either:

(i) apply for Hong Kong Offer Shares under the Hong Kong Public Offering; or

(ii) apply for or indicate an interest for International Offer Shares under the International Offering, but may not do both.

The Offer Shares will represent approximately 17.5% of the total Shares in issue immediately following the 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 19.6% of the total Shares in issue immediately following the completion of the Global Offering.

References in this prospectus to applications, application monies or the procedure for applications relate solely to the Hong Kong Public Offering.

## THE HONG KONG PUBLIC OFFERING

### Number of Offer Shares initially offered

Pursuant to paragraph 4.2(b) of Practice Note 18 of the Listing Rules, our Company selected Mechanism B as its initial allocation and clawback mechanism, namely our Company is initially offering 5,805,600 H Shares for subscription by the public in Hong Kong at the Offer Price, representing approximately 10.0% of the total number of Offer Shares initially available under the Global Offering with no clawback mechanism.

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, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions set out in "— Conditions of the Global Offering" in this section.

### Allocation

Allocation of 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 could 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 Hong Kong Offer Shares available under the Hong Kong Public Offering will be divided equally (to the nearest board lot) into two pools: pool A and pool B (with any odd lot being allocated to pool A). The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to 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 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.

Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If any Hong Kong Offer Shares in one (but not both) of the pools are unsubscribed, such unsubscribed Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. For the purpose of the immediately preceding paragraph only, the "price" for Hong Kong Offer Shares means the price payable on application therefor (without regard to the Offer Price as finally determined). Applicants can only receive an allocation of Hong Kong Offer Shares from either pool A or pool B and not from both pools. Multiple or suspected multiple applications under the Hong Kong Public Offering and any application for more than 2,902,800 Offer Shares (being 50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering) is liable to be rejected.

**Reallocation**

The Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Overall Coordinators. Subject to the allocation cap described in the subsequent paragraph, the Overall Coordinators may in their 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 Overall Coordinators 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 they deem appropriate. In each case, the additional Offer Shares reallocated 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 Overall Coordinators deem appropriate.

In the event of reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering in the circumstances where (a) the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times; or (b) the International Offer Shares are undersubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times, then up to 2,902,400 Offer Shares may be reallocated from the International Offering to the Hong Kong Public Offering, so that the total number of Offer Shares available for subscription under the Hong Kong Public Offering will increase up to 8,708,000 Offer Shares, representing approximately 15% of the number of Offer Shares initially available under the Global Offering (before exercise of the Over-allotment Option) in accordance with Chapter 4.14 of the Guide for New Listing Applicants provided the final Offer Price shall be fixed at HK$18.20 per Offer Share (being the low-end of the indicative Offer Price range stated in this prospectus) or the downward adjusted final Offer Price if a downward Offer Price adjustment is made in accordance with Chapter 4.14 under the Guide for New Listing Applicants. In the circumstance where the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are undersubscribed, there will be no reallocation from the International Offering to the Hong Kong Public Offering, and no over-allocation of H Shares to the Hong Kong Public Offering.

Given the initial allocation of the Offer Shares to the Hong Kong Public Offering and the International Offering follows Mechanism B set out under paragraph 2 of Chapter 4.14 of the Guide for New Listing Applicants and 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.

In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between Pool A and Pool B in equal proportion and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Overall Coordinators in their discretion consider appropriate.

In the event that both the Hong Kong Public Offering and International Offering are undersubscribed, the Global Offering will not proceed unless the Underwriters would subscribe or procure subscribers for their respective applicable proportions of the Offer Shares being offered which are not taken up under the Global Offering on the terms and conditions of this prospectus and the Underwriting Agreements.

**Applications**

Each applicant under the Hong Kong Public Offering will be required to give an undertaking and confirmation in the application submitted by him that he and any person(s) for whose benefit he is making the application has not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any International Offer Shares under the International Offering. Such applicant's application is liable to be rejected if such undertaking and/or confirmation is/are breached and/or untrue (as the case may be) or if he has been or will be placed or allocated International Offer Shares under the International Offering.

Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the Offer Price of HK$21.0 per Offer Share in addition to the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee payable on each Offer Share, amounting to a total of HK$4,242.36 for one board lot of 200 H Shares. Further details are set out in "How to Apply for Hong Kong Offer Shares".

## THE INTERNATIONAL OFFERING

**Number of Offer Shares initially offered**

The International Offering will consist of an offering of initially 52,248,800 H Shares, representing approximately 90.0% of the total number of Offer Shares initially available under the Global Offering (subject to the Over-allotment Option) and approximately 15.7% of our enlarged issued share capital immediately after completion of the Global Offering (assuming the Over-allotment Option is not exercised).

**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 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 that regularly invest in shares and other securities. Allocation of Offer Shares pursuant to the International Offering will be effected in accordance with the "book- building" process described in "— Pricing and Allocation" in this section and based on a number of factors, including the level and timing of demand, the 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 buy further Shares and/or hold or sell its Shares after the Listing. Such allocation is intended to result in a distribution of the Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Group and the Shareholders as a whole.

The Overall Coordinators (for themselves and on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the International Offering and who has made an application under the Hong Kong Public Offering to provide sufficient information to the Overall Coordinators so as to allow them to identify the relevant applications under the Hong Kong Public Offering and to ensure that they are excluded from any allocation of Offer Shares under the International Offering.

**Reallocation**

The total number of Offer Shares to be issued or sold pursuant to the International Offering may change as a result of the exercise of the Over-allotment Option in whole or in part and/or any reallocation of unsubscribed Offer Shares originally included in the Hong Kong Public Offering.

## 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 Overall Coordinators (for themselves and on behalf of the International Underwriters).

Pursuant to the Over-allotment Option, the International Underwriters will have the right, exercisable by the Overall Coordinators (for themselves and on behalf of the International Underwriters) at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offering to require our Company to issue up to an aggregate of 8,708,000 additional H Shares, representing not more than 15.00% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price under the International Offering to cover over-allocations in the International Offering, if any.

If the Over-allotment Option is exercised in full, the additional Offer Shares to be issued pursuant thereto will represent approximately 2.6% of the total Shares in issue immediately following the completion of the Global Offering. If 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 securities in the secondary market during a specified period of time, to retard and, if possible, prevent a decline in the initial public 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, the price at which stabilization is effected is not permitted to exceed the offer price.

In connection with the Global Offering, the Stabilizing Manager (or any person acting for it), on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilizing or supporting the market price of the H Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilizing Manager (or any person acting for it) to conduct any such stabilizing action. Such stabilizing action, if taken, (a) will be conducted at the absolute discretion of the Stabilizing Manager (or any person acting for it) and in what the Stabilizing Manager reasonably regards as the best interest of our Company, (b) may be discontinued at any time and (c) is required to be brought to an end within 30 days of the last day for lodging applications under the Hong Kong Public Offering.

Stabilization action permitted in Hong Kong pursuant to the Securities and Futures (Price Stabilizing) Rules of the SFO includes (a) over-allocating 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 agreeing to purchase, the H Shares pursuant to the Over-allotment Option in order to close out any position established under paragraph (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 established as a result of those purchases and (f) offering or attempting to do anything as described in paragraph (b), (c), (d) or (e) above.

Specifically, prospective applicants for and investors in the Offer Shares should note that:

(a) the Stabilizing Manager (or any person acting for it) may, in connection with the stabilizing action, maintain a long position in the H Shares;

(b) there is no certainty as to the extent to which and the time or period for which the Stabilizing Manager (or any person acting for it) will maintain such a long position;

(c) liquidation of any such long position by the Stabilizing Manager (or any person acting for it) and selling in the open market may have an adverse impact on the market price of the H Shares;

(d) 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 Saturday, July 18, 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;

(e) the price of the H Shares cannot be assured to stay at or above the Offer Price by any stabilizing action; and

(f) stabilizing bids or transactions effected in the course of the stabilizing action may be made at any price at or below the Offer Price and can, therefore, be done at a price below the price paid by applicants for, or investors in, the Offer Shares.

Our Company will ensure or procure that an announcement in compliance with the Securities and Futures (Price Stabilizing) Rules of the SFO will be made within seven days of the expiration of the stabilization period.

**Over-Allocation**

Following any over-allocation of H Shares in connection with the Global Offering, the Stabilizing Manager (or any person acting for it) may cover such over-allocations by, among other methods, 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 by a combination of these methods.

## PRICING AND ALLOCATION

The Offer Price will not be more than HK$21.0 per Offer Share and is expected to be not less than HK$18.20 per Offer Share, unless otherwise announced, as further explained below, not later than the morning of the last day for lodging applications under the Hong Kong Public Offering.

The International Underwriters will be soliciting from prospective investors their 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 about, the last day for lodging applications under the Hong Kong Public Offering.

The Overall Coordinators (for themselves and on behalf of the Underwriters) may, where they deem appropriate, based on the level of interest expressed by prospective investors during the book-building process in respect of the International Offering, and with the consent of our Company, reduce the number of Offer Shares offered 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 a case, our Company will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering, cause to be published on the websites of our Company and the Stock Exchange at **www.micot.cn** and **www.hkexnews.hk**, respectively, notices of the reduction. Upon the issue of such a notice, the revised number of Offer Shares and/or the Offer Price will be final and conclusive and the Offer Price, if agreed upon by the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company, will be fixed at such revised Offer Price. The Company will also, as soon as practicable following the decision to make such change, issue a supplemental prospectus updating investors of the change in the number of Offer Shares being offered under the Global Offering and/or the Offer Price. Upon the issue of such a notice and supplemental prospectus, the revised number of Offer Shares and/or the Offer Price will be final and conclusive and the Offer Price, if agreed upon by the Overall Coordinators (for itself and on behalf of the Underwriters) and the Company, will be fixed within such revised Offer Price range. The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental 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 last day for lodging applications under the Hong Kong Public Offering. Such notice will also include confirmation or revision, as appropriate, of the working capital statement and the Global Offering statistics as currently set out in this prospectus, and any other financial information which may change as a result of any such reduction.

The level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering, the basis of allocations of the Hong Kong Offer Shares and the results of allocations in the Hong Kong Public Offering are expected to be made available through a variety of channels in the manner described in "How to Apply for Hong Kong Offer Shares — B. Publication of Results".

If there is any change to the offer size due to change in the number of Offer Shares offered in the Global Offering (other than pursuant to the reallocation mechanism as disclosed in this prospectus), or change to the Offer Price which leads to the resulting price falling outside the indicative Offer Price range 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 Offer Shares as prescribed under Rule 11.13 of the Listing Rules, our Company is required to cancel the Global Offering and issue a supplemental prospectus or a new prospectus and subsequently relaunched on FINI pursuant to the supplemental prospectus.

## UNDERWRITING

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms and conditions of the Hong Kong Underwriting Agreement on a conditional basis.

Our Company expects to enter into the International Underwriting Agreement relating to the International Offering on or about the Price Determination Date.

These underwriting arrangements, including the Underwriting Agreements, are summarized in "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 to be issued (including the additional H Shares which may be issued pursuant to the exercise of the Over-allotment Option under the Global Offering), on the Main Board of the Stock Exchange and such approval not subsequently having been withdrawn, revoked or withheld prior to the Listing Date;

(b) the execution and delivery of the International Underwriting Agreement on or about the Price Determination Date; and

(c) the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement and the obligations of the International Underwriters under the International Underwriting Agreement 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 its terms.

If the above conditions are not fulfilled or waived prior to the dates and times 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 websites of our Company and the Stock Exchange at **www.micot.cn** and **www.hkexnews.hk**, respectively, on the next day following such lapse. In such a situation, 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(s) or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

H Share certificates for the Offer Shares will only become valid evidence of title at 8:00 a.m. on Wednesday, June 24, 2026, provided that the Global Offering has become unconditional in all respects at or before that time.

## DEALINGS IN THE H SHARES

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Wednesday, June 24, 2026, it is expected that dealings in the H Shares on the Stock Exchange will commence at 9:00 a.m. on Wednesday, June 24, 2026.

The H Shares will be traded in board lots of 200 H Shares each and the stock code of the H Shares will be 2335.

**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 document is available at the website of the Stock Exchange at http://www.hkexnews.hk/ under the "HKEXnews > New Listings > New Listing Information" section, and the Company's website at www.micot.cn.**

The contents of this document 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:

(i) are 18 years of age or older; (ii) have a Hong Kong address *(for the **HK eIPO White Form** service only)*; and (iii) are outside the United States (within the meaning of Regulation S) or are a person described in paragraph (h)(3) of Rule 902 of Regulation S.

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 or its close associates; or
- are a Director or any of his/her close associates.

### 2. Application Channels

**The Hong Kong Public Offering period will begin at 9:00 a.m. on Monday, June 15, 2026 and end at 12:00 noon on Thursday, June 18, 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 Monday, June 15, 2026 until 11:30 a.m. on Thursday, June 18, 2026 and the latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Thursday, June 18, 2026. |
| HKSCC EIPO channel | Your broker or custodian who is a HKSCC Participant will submit electronic application instruction 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 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 document, 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 document 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 document.

## 3. Information Required to Apply

You must provide the following information with your application:

**For Individual/Joint Applicants**

- Full name(s)[2] as shown on your identity document
- Identity document's issuing country or jurisdiction
- Identity document type, with order of priority:
  - i. HKID card; or
  - ii. National identification document; or
  - iii. Passport; and
- Identity document number

**For Corporate Applicants**

- Full name(s)[2] as shown on your identity document
- Identity document's issuing country or jurisdiction
- Identity document type, with order of priority:
  - i. LEI registration document; or
  - ii. Certificate of incorporation; or
  - iii. Business registration certificate; or
  - iv. Other equivalent document; and
- 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 H shares in a Hong Kong Public Offering. 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:

(i) control the composition of the board of directors of the company; (ii) control more than half of the voting power of the company; or (iii) 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 Overall Coordinators, as the Company's agent, have discretion to consider whether to accept it on any conditions we think 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: ..... | 200 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.<br><br>The maximum Offer Price is HK$21.0 per H Share.<br><br>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.<br><br>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 final 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.<br><br>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 maximum amount payable on application in full upon application for Hong Kong Offer Shares. |

| No. of Hong Kong Offer Shares applied for | Maximum Amount payable[2] on application/ successful allotment | No. of Hong Kong Offer Shares applied for | Maximum Amount payable[2] on application/ successful allotment | No. of Hong Kong Offer Shares applied for | Maximum Amount payable[2] on application/ successful allotment | No. of Hong Kong Offer Shares applied for | Maximum Amount payable[2] on application/ successful allotment |
|---|---|---|---|---|---|---|---|
| | *HK$* | | *HK$* | | *HK$* | | *HK$* |
| 200 | 4,242.36 | 3,000 | 63,635.35 | 40,000 | 848,471.40 | 500,000 | 10,605,892.50 |
| 400 | 8,484.71 | 4,000 | 84,847.15 | 50,000 | 1,060,589.26 | 600,000 | 12,727,071.00 |
| 600 | 12,727.07 | 5,000 | 106,058.93 | 60,000 | 1,272,707.10 | 700,000 | 14,848,249.50 |
| 800 | 16,969.43 | 6,000 | 127,270.71 | 70,000 | 1,484,824.96 | 800,000 | 16,969,428.00 |
| 1,000 | 21,211.79 | 7,000 | 148,482.50 | 80,000 | 1,696,942.80 | 900,000 | 19,090,606.50 |
| 1,200 | 25,454.14 | 8,000 | 169,694.28 | 90,000 | 1,909,060.66 | 1,000,000 | 21,211,785.00 |
| 1,400 | 29,696.49 | 9,000 | 190,906.06 | 100,000 | 2,121,178.50 | 2,000,000 | 42,423,570.00 |
| 1,600 | 33,938.86 | 10,000 | 212,117.86 | 200,000 | 4,242,357.00 | 2,902,800[1] | 61,573,569.50 |
| 1,800 | 38,181.22 | 20,000 | 424,235.70 | 300,000 | 6,363,535.50 | | |
| 2,000 | 42,423.56 | 30,000 | 636,353.56 | 400,000 | 8,484,714.00 | | |

*Notes:*

(1) Maximum number of Hong Kong Offer Shares you may apply for and this is 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. Application 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.

### 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 authorise the Company and/or the Overall Coordinators, 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 document 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 Hong Kong Offer Shares set out in this document 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 document 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 Joint Sponsors, 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 document 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 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 document;

(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, 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, 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 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 Overall Coordinators 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** (alternatively: **www.tricor.com.hk/ipo/result**) with a "search by ID" function. | 24 hours, from 11:00 p.m. on Tuesday, June 23, 2026 to 12:00 midnight on Monday, June 29, 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** (alternatively: **www.tricor.com.hk/ipo/result**) | |
| | The Stock Exchange's website at **www.hkexnews.hk** and the Company's website at **www.micot.cn** which will provide links to the above mentioned websites of the H Share Registrar. | No later than 11:00 p.m. on Tuesday, June 23, 2026 |
| 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 Wednesday, June 24, 2026 to Monday, June 29, 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 Monday, June 22, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Monday, June 22, 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 final Offer Price, 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.micot.cn** by no later than 11:00 p.m. on Tuesday, June 23, 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 Overall Coordinators, 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 Overall Coordinators 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 Hong Kong 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 Wednesday, June 24, 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 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 equal or over 1,000,000 Hong Kong Offer Shares** . . . . . | Collection in person from the H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong<br><br>**Time:** from 9:00 a.m. to 1:00 p.m. on Wednesday, June 24, 2026 (Hong Kong time), or any other place or date notified by the Company<br><br>If you are an individual, you must not authorise any other person to collect for you. If you are a corporate applicant, your authorised representative must bear a letter of authorization from your corporation stamped with your corporation's chop<br><br>Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to the H Share Registrar | 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<br><br>No action by you is required |

| | HK eIPO White Form service | HKSCC EIPO channel |
|---|---|---|
| | *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 1,000,000 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:** . . . . . | Tuesday, June 23, 2026 | |
| **Refund mechanism for surplus application monies paid by you** | | |
| **Date** . . . . . | Wednesday, June 24, 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 cheque(s) will be despatched to the address as specified in your application instructions by ordinary post at your own risk | |

(1) Except in the event any Severe Weather Signals (as defined below) in force in Hong Kong in the morning on Tuesday, June 23, 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.

## E. SEVERE WEATHER ARRANGEMENTS

The Opening and Closing of the Application Lists

The application lists will not open or close on Thursday, June 18, 2026 if, there is/are:

a tropical cyclone warning signal number 8 or above; a black rainstorm warning; and/or Extreme Conditions,

(collectively, "**Severe Weather Signals**"),

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, June 18, 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 document, an announcement will be made and published on the Stock Exchange's website at **www.hkexnews.hk** and the Company's website at **www.micot.cn** of the revised timetable.

If a Severe Weather Signal is hoisted on Tuesday, June 23, 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 Wednesday, June 24, 2026.

If a Severe Weather Signal is hoisted on Tuesday, June 23, 2026, for application of less than 1,000,000 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 Tuesday, June 23, 2026 or on Wednesday, June 24, 2026).

If a Severe Weather Signal is hoisted on Wednesday, June 24, 2026, for application of 1,000,000 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 Wednesday, June 24, 2026 or on Thursday, June 25, 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 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 bank 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:

(i) processing your application and refund cheque 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 document and announcing results of allocation of Hong Kong Offer Shares; (ii) compliance with applicable laws and regulations in Hong Kong and elsewhere; (iii) registering new issues or transfers into or out of the names of the holders of the H Shares including, where applicable, HKSCC Nominees; (iv) maintaining or updating the register of members of the Company; (v) verifying identities of applicants for and holders of the H Shares and identifying any duplicate applications for the H Shares; (vi) facilitating Hong Kong Offer Shares balloting; (vii) establishing benefit entitlements of holders of the H Shares, such as dividends, rights issues, bonus issues, etc.; (viii) distributing communications from the Company and its subsidiaries; (ix) compiling statistical information and profiles of the holder of the H Shares; (x) disclosing relevant information to facilitate claims on entitlements; and (xi) 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:

(i) the Company's appointed agents such as financial advisors, receiving bank and overseas principal share registrar; (ii) 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); (iii) 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 operation; (iv) 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 (v) 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 fulfil 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 document 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.

*The following is the text of a report set out on pages I-1 to I-47 received from the Company's reporting accountants, Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, for the purpose of inclusion in this Prospectus.*

Deloitte. 德勤

**ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF SHAANXI MICOT PHARMACEUTICAL TECHNOLOGY CO., LTD., CCB INTERNATIONAL CAPITAL LIMITED AND CHINA MERCHANTS SECURITIES (HK) CO., LIMITED**

**Introduction**

We report on the historical financial information of Shaanxi Micot Pharmaceutical Technology Co., Ltd. (陝西麥科奧特醫藥科技股份有限公司) (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages I-3 to I-47 which comprises the consolidated statements of financial position of the Group as at December 31, 2024 and 2025, the statements of financial position of the Company as at December 31, 2024 and 2025, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the two years ended December 31, 2025 (the "**Track Record Period**") 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 June 15, 2026 (the "**Prospectus**") in connection with the initial listing of 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 to the Historical Financial Information, and for such internal control as the directors of the Company 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 (the "**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 assessment, 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 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 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 of the Company, 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 Group's financial position as at December 31, 2024 and 2025, of the Company's financial position as of December 31, 2024 and 2025 and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2 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 13 to the Historical Financial Information which states that no dividend has been declared or paid by the Company and its subsidiaries in respect of the Track Record Period.

**Deloitte Touche Tohmatsu**
*Certified Public Accountants*
Hong Kong
June 15, 2026

## HISTORICAL FINANCIAL INFORMATION OF THE GROUP

### Preparation of Historical Financial Information

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

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, have been prepared in accordance with the accounting policies which conform with IFRS Accounting Standards as issued by International Accounting Standards Board (the "**IASB**") and were audited by us in accordance with International Standards on Auditing as issued by the International Auditing and Assurance Standards Board ("**Underlying Financial Statements**").

The Historical Financial Information is presented in Renminbi ("**RMB**"), which is also the functional currency of the Company and its subsidiaries, 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

| | | For the year ended 31 December | |
|---|---|---|---|
| | *NOTES* | **2024** | **2025** |
| | | *RMB'000* | *RMB'000* |
| Other income | *6* | 4,002 | 2,301 |
| Other gains and losses, net | *7* | 2,670 | 43,268 |
| Administrative expenses | | (18,812) | (23,490) |
| Research and development expenses | | (107,022) | (130,089) |
| Listing expenses | | – | (9,901) |
| Finance costs | *8* | (37,646) | (67,003) |
| Loss before tax | *9* | (156,808) | (184,914) |
| Income tax expense | *10* | (24) | - |
| **Loss for the year** | | **(156,832)** | **(184,914)** |
| **Other comprehensive income for the year** | | | |
| *Item that will be reclassified to profit or loss:* | | | |
| Exchange difference arising on translation of foreign operations | | 9 | 2 |
| **Total comprehensive expense for the year** | | **(156,823)** | **(184,912)** |

| | NOTE | For the year ended 31 December 2024 | 2025 |
|---|---|---|---|
| | | *RMB'000* | *RMB'000* |
| Loss for the year attributable to: | | | |
| – Owners of the Company | | (154,632) | (182,507) |
| – Non-controlling interests | | (2,200) | (2,407) |
| | | **(156,832)** | **(184,914)** |
| Total comprehensive expense for the year attributable to: | | | |
| – Owners of the Company | | (154,623) | (182,505) |
| – Non-controlling interests | | (2,200) | (2,407) |
| | | **(156,823)** | **(184,912)** |
| Loss per share (RMB) | | | |
| – Basic and diluted | *14* | (0.66) | (0.75) |

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

| | NOTES | As at December 31, 2024 | As at December 31, 2025 |
|---|---|---|---|
| | | *RMB'000* | *RMB'000* |
| **NON-CURRENT ASSETS** | | | |
| Plant and equipment | *15* | 9,216 | 6,622 |
| Right-of-use assets | *16* | 2,842 | 18,775 |
| Term deposits | *18* | 30,300 | 31,020 |
| Other receivables | *19* | 18,923 | 11,283 |
| Restricted bank deposits | | – | 1,560 |
| | | 61,281 | 69,260 |
| **CURRENT ASSETS** | | | |
| Prepayments and other receivables | *19* | 5,513 | 24,186 |
| Financial assets at fair value through profit or loss ("**FVTPL**") | *20* | 54,611 | 95,209 |
| Amount due from a related party | *23(d)* | 652 | 1,087 |
| Restricted bank deposits | | – | 863 |
| Term deposits | *18* | 60,540 | 60,300 |
| Cash and cash equivalents | *18* | 64,661 | 80,556 |
| | | 185,977 | 262,201 |
| **CURRENT LIABILITIES** | | | |
| Trade and other payables | *21* | 45,580 | 82,627 |
| Bank borrowings | *22* | 1,760 | 48,100 |
| Amount due to the Controlling Shareholder *(as defined in Note 1)* | *23(a)* | 28,333 | – |
| Lease liabilities | *24* | 2,259 | 1,399 |
| Redemption liabilities | *25* | – | 134,281 |
| | | 77,932 | 266,407 |
| **NET CURRENT ASSETS (LIABILITIES)** | | **108,045** | **(4,206)** |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | **169,326** | **65,054** |

| | NOTES | As at December 31, 2024 | 2025 |
|---|---|---|---|
| | | *RMB'000* | *RMB'000* |
| **NON-CURRENT LIABILITIES** | | | |
| Bank borrowings | *22* | 42,253 | – |
| Lease liabilities | *24* | 280 | 202 |
| Redemption liabilities | *25* | – | 1,024,737 |
| | | 42,533 | 1,024,939 |
| **NET ASSETS (LIABILITIES)** | | **126,793** | **(959,885)** |
| **CAPITAL AND RESERVES** | | | |
| Paid-in capital/share capital | *29* | 4,985 | 5,474 |
| Reserves (deficits) | | 106,826 | (977,934) |
| Equity (deficits) attributable to owners of the Company | | 111,811 | (972,460) |
| Non-controlling interests | | 14,982 | 12,575 |
| **TOTAL EQUITY (DEFICITS)** | | **126,793** | **(959,885)** |

## STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

| | NOTES | As at December 31, 2024 | As at December 31, 2025 |
|---|---|---|---|
| | | *RMB'000* | *RMB'000* |
| **NON-CURRENT ASSETS** | | | |
| Plant and equipment | *15* | 3,221 | 2,736 |
| Right-of-use assets | *16* | 1,295 | 2,405 |
| Investments in subsidiaries | *17* | 256,778 | 311,478 |
| Term deposits | *18* | 30,300 | 31,020 |
| Other receivables | *19* | 13,647 | 5,404 |
| | | 305,241 | 353,043 |
| **CURRENT ASSETS** | | | |
| Prepayments and other receivables | *19* | 2,981 | 23,609 |
| Financial assets at FVTPL | *20* | 20,056 | 95,209 |
| Amount due from subsidiaries | *23(c)* | 23,756 | 33,690 |
| Restricted bank deposits | | – | 863 |
| Term deposits | *18* | 60,540 | 60,300 |
| Cash and cash equivalents | *18* | 57,696 | 41,733 |
| | | 165,029 | 255,404 |
| **CURRENT LIABILITIES** | | | |
| Trade and other payables | *21* | 30,999 | 61,217 |
| Bank borrowings | *22* | 1,760 | 48,100 |
| Amount due to the Controlling Shareholder | *23(a)* | 28,333 | – |
| Amount due to a subsidiary | *23(b)* | – | 26,500 |
| Lease liabilities | *24* | 1,165 | 1,119 |
| Redemption liabilities | *25* | – | 134,281 |
| | | 62,257 | 271,217 |
| **NET CURRENT ASSETS (LIABILITIES)** | | **102,772** | **(15,813)** |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | **408,013** | **337,230** |
| **NON-CURRENT LIABILITIES** | | | |
| Bank borrowings | *22* | 42,253 | – |
| Lease liabilities | *24* | – | 202 |
| Redemption liabilities | *25* | – | 1,024,737 |
| | | 42,253 | 1,024,939 |
| **NET ASSETS (LIABILITIES)** | | **365,760** | **(687,709)** |
| **CAPITAL AND RESERVES** | | | |
| Paid-in capital/share capital | *29* | 4,985 | 5,474 |
| Reserves (deficits) | | 360,775 | (693,183) |
| **TOTAL EQUITY (DEFICITS)** | | **365,760** | **(687,709)** |

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| | Attributable to owners of the Company | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Paid-in capital/ Share capital | Capital reserve | Statutory reserve | Translation reserve | Accumulated losses | Shares issued for share incentive scheme | Subtotal | Non-controlling interests | Total |
| | *RMB'000* | *RMB'000* | *RMB'000 (Note)* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* |
| At January 1, 2024 | 4,985 | 73,268 | 1,500 | (244) | (594,905) | (300) | (515,696) | 17,182 | (498,514) |
| Loss for the year | – | – | – | – | (154,632) | – | (154,632) | (2,200) | (156,832) |
| Other comprehensive income for the year | – | – | – | 9 | – | – | 9 | – | 9 |
| Total comprehensive income (expense) for the year | – | – | – | 9 | (154,632) | – | (154,623) | (2,200) | (156,823) |
| Conversion into a joint stock company *(Note 29)* | – | (267,399) | (1,500) | – | 268,899 | – | – | – | – |
| Reclassification from redemption liabilities *(Note 25)* | – | 782,130 | – | – | – | – | 782,130 | – | 782,130 |
| At December 31, 2024 | 4,985 | 587,999 | – | (235) | (480,638) | (300) | 111,811 | 14,982 | 126,793 |
| Loss for the year | – | – | – | – | (182,507) | – | (182,507) | (2,407) | (184,914) |
| Other comprehensive income for the year | – | – | – | 2 | – | – | 2 | – | 2 |
| Total comprehensive income (expense) for the year | – | – | – | 2 | (182,507) | – | (182,505) | (2,407) | (184,912) |
| Capital injection from shareholders *(Note 29)* | 489 | 235,011 | – | – | – | – | 235,500 | – | 235,500 |
| Recognition of redemption liabilities *(Note 25)* | – | (1,137,266) | – | – | – | – | (1,137,266) | – | (1,137,266) |
| **At December 31, 2025** | **5,474** | **(314,256)** | **-** | **(233)** | **(663,145)** | **(300)** | **(972,460)** | **12,575** | **(959,885)** |

*Note:*

Pursuant to the relevant laws in the People's Republic of China (the "**PRC**"), each of the entities established in the PRC is required to transfer 10% of its profit after tax as per statutory financial statements (as determined by the management of the group entities) to statutory reserve (including the general reserve fund and enterprise development fund where appropriate). The general reserve fund is discretionary when the fund balance reaches 50% of the registered capital of the respective company and can be used to make up for previous years' losses or, expand the existing operations or can be converted into additional capital of the entity.

## CONSOLIDATED STATEMENTS OF CASH FLOWS

| | For the year ended 31 December | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| **OPERATING ACTIVITIES** | | |
| Loss before tax | (156,808) | (184,914) |
| Adjustments for: | | |
| Interest income | (3,235) | (2,008) |
| Gain on fair value changes from financial assets at FVTPL | (2,028) | (865) |
| Depreciation of plant and equipment | 4,853 | 3,463 |
| Depreciation of right-of-use assets | 3,535 | 3,111 |
| Gain on early termination of a lease | (414) | – |
| Foreign exchange gains | (228) | (480) |
| Finance costs | 37,646 | 67,003 |
| Gain on non-substantial modification of redemption liabilities | – | (42,081) |
| Operating cash flows before movements in working capital | (116,679) | (156,771) |
| Decrease (increase) in an amount due from a related party | 49 | (435) |
| Increase in prepayments and other receivables | (1,970) | (8,598) |
| Increase in trade and other payables | 10,890 | 28,674 |
| Cash used in operations | (107,710) | (137,130) |
| Income tax paid | (32) | – |
| **NET CASH USED IN OPERATING ACTIVITIES** | **(107,742)** | **(137,130)** |
| **INVESTING ACTIVITIES** | | |
| Interest received | 10,095 | 1,528 |
| Payments of right-of-use assets | – | (16,076) |
| Purchase of plant and equipment | (1,302) | (878) |
| Purchase of financial assets at FVTPL | (634,900) | (391,500) |
| Redemption on maturity of financial assets at FVTPL | 690,910 | 351,767 |
| Placement of term deposits | (90,000) | (60,000) |
| Withdrawal of term deposits | 80,000 | 60,000 |
| Placement of restricted bank deposit | – | (2,423) |
| **NET CASH FROM (USED IN) INVESTING ACTIVITIES** | **54,803** | **(57,582)** |

| | For the year ended 31 December | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| **FINANCING ACTIVITIES** | | |
| Proceeds from issue of shares *(Note 25)* | – | 235,500 |
| Payments for accrued issue costs *(Note 33)* | – | (1,330) |
| Purchase of additional interest in a subsidiary from the Controlling Shareholder | – | (28,333) |
| Proceeds from subscription price of restricted share units | – | 7,268 |
| Drawdown of bank borrowings | 25,463 | 5,147 |
| Repayment of bank borrowings | (650) | (1,060) |
| Interest paid for bank borrowings | (669) | (985) |
| Repayment of lease liabilities | (2,819) | (3,906) |
| Interest paid for lease liabilities | (202) | (66) |
| **NET CASH FROM FINANCING ACTIVITIES** | **21,123** | **212,235** |
| **NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS** | **(31,816)** | **17,523** |
| **CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR** | **95,942** | **64,661** |
| **EFFECT OF FOREIGN EXCHANGE RATE CHANGES** | **535** | **(1,628)** |
| **CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR** | **64,661** | **80,556** |

## NOTES TO THE HISTORICAL FINANCIAL INFORMATION

### 1. GENERAL

The Company was established in the PRC on January 19, 2007 as a limited liability company. On December 9, 2024, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC, with its name changed from Shaanxi Micot Technology Co., Ltd.* (陝西麥科奧特科技有限公司) to Shaanxi Micot Pharmaceutical Technology Co., Ltd. (陝西麥科奧特醫藥科技股份有限公司).

The controlling shareholder (the "**Controlling Shareholder**") of the Company is Dr. Wang Bing. Dr. Wang Bing is also the founder of the Company.

The respective address of the registered office and the principal place of business of the Company are set out in the section headed "Corporate Information" in the Prospectus.

The Group is a biotechnology company specializing in the discovery, development and commercialization of bi-/multi-specific peptide drugs for the treatment of metabolic diseases as well as cardiovascular and cerebrovascular diseases. Particulars and principal activities of the subsidiaries are disclosed in Note 35.

The statutory financial statements of the Company for the year ended December 31, 2024 were prepared in accordance with the Accounting Standards for Business Enterprises of the PRC and were audited by Shaanxi Branch of China Audit Asia Pacific Certified Public Accountants LLP* 中審亞太會計師事務所(特殊普通合夥)陝西分所, Certified Public Accountants registered in the PRC. The statutory financial statements for the year ended December 31, 2025 have not yet been issued.

The Historical Financial Information is presented in Renminbi ("**RMB**"), which is also the functional currency of the Company and its subsidiaries.

* *English name for identification purpose only*

### 2. BASIS OF PREPARATION OF HISTORICAL FINANCIAL INFORMATION

The Historical Financial Information has been prepared based on the accounting policies which conform with IFRS Accounting Standards as issued by the IASB. For the purpose of preparation of the Historical Financial Information, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the Historical Financial Information include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") and by the Hong Kong Companies Ordinance.

The Historical Financial Information has been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the material accounting policy information set out in Note 4 below.

As at December 31, 2025, the Group and the Company had net current liabilities of RMB4,206,000 and RMB15,813,000 and net liabilities of RMB959,885,000 and RMB687,709,000, respectively. The net current liabilities and net liabilities primarily arise from the redemption liabilities recognized for the shares with preferential rights amounting to RMB134,281,000 and RMB1,024,737,000 classified under current and non-current liabilities, respectively, as at December 31, 2025, of which the key terms are detailed in Note 25.

As disclosed in Note 25, all preferential rights including the redemption right shall be suspended upon the submission of the listing application to the Stock Exchange and be reinstated if the Company fails to complete the application. Based on the working capital forecast of the Group for the next twelve months, taking into account (1) the financial resources available to the Group, including cash and cash equivalents, term deposits, restricted bank deposits and structured bank deposits on hand, (2) a non-refundable upfront payment amounting to RMB200,000,000 received in February 2026 pursuant to the license agreement (Note 37), and (3) the extension of the redemption date to June 30, 2027 upon the submission of the listing application to the Stock Exchange in September 2025, the directors of the Company believe that the Group will have sufficient cash resources to satisfy its future working capital in the next twelve months from December 31, 2025. Accordingly, the directors of the Company consider that it is appropriate that the Historical Financial Information is prepared on a going concern basis.

### 3. ADOPTION OF IFRS ACCOUNTING STANDARDS

For the purpose of preparing the Historical Financial Information for the Track Record Period, the Group has consistently applied the accounting policies which conform with IFRS Accounting Standards, which are effective for the accounting period beginning on January 1, 2025, throughout the Track Record Period.

***New and amendments to IFRS Accounting Standards in issue but not yet effective***

At the date of this report, the following new and amendments to IFRS Accounting Standards have been issued which are not yet effective:

| | |
|---|---|
| Amendments to IAS 21 | Translation to a Hyperinflationary Presentation Currency[3] |
| Amendments to IFRS 9 and IFRS 7 | Amendments to the Classification and Measurement of Financial Instruments[2] |
| Amendments to IFRS 9 and IFRS 7 | Contracts Referencing Nature dependent Electricity[2] |
| Amendments to IFRS 10 and IAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1] |
| Amendments to IFRS Accounting Standards | Annual Improvements to IFRS Accounting Standards – Volume 11[2] |
| IFRS 18 | Presentation and Disclosure in Financial Statements[3] |
| IFRS 20 | Regulatory Assets and Regulatory Liabilities[4] |

[1] Effective for annual periods beginning on or after a date to be determined.
[2] Effective for annual periods beginning on or after January 1, 2026.
[3] Effective for annual periods beginning on or after January 1, 2027.
[4] Effective for annual periods beginning on or after January 1, 2029.

Except for the new IFRS Accounting Standard set out below, the directors of the Company anticipate that the application of all the other new and amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

**IFRS 18 Presentation and Disclosure in Financial Statements**

IFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon effective of IFRS 18) and IFRS 7 *Financial Instruments: Disclosures*. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after January 1, 2027, with early application permitted. The Group does not plan to early adopt IFRS 18. IFRS 18 will impact the presentation of financial statements (including aggregation and disaggregation of items within statement of financial position and statement of comprehensive income) of the Group, but in terms of recognition and measurement, IFRS 18 is not expected to have significant impact on the financial performance and positions of the Group.

## 4. MATERIAL ACCOUNTING POLICY INFORMATION

**Basis of consolidation**

The Historical Financial Information incorporates the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

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 listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

**Investments in subsidiaries**

Investments in subsidiaries are included in the statements of financial position of the Company at cost less any accumulated impairment loss, if any.

**Leases**

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 *Leases* at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

***The Group as a lessee***

*Allocation of consideration to components of a contract*

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, including non-lease building components, unless such allocation cannot be made reliably.

*Short-term leases*

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognized as expense on a straight-line basis unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

*Right-of-use assets*

The cost of right-of-use assets includes the amount of the initial measurement of the lease liability.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statements of financial position.

*Refundable rental deposits*

Refundable rental deposits paid are accounted under HKFRS 9 *Financial Instruments* and initially measured at fair value.

*Lease liabilities*

At the commencement date of a lease, the Group recognizes and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including the risk-free rate based on government bond rates.

The lease payments include fixed payments.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.
- a lease contract is modified and the lease modification is not accounted for as a separate lease (see below for the accounting policy for "lease modifications").

The Group presents lease liabilities as a separate line item on the consolidated statements of financial position.

*Lease modifications*

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability, based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use assets.

**Foreign currencies**

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognized at the rates of exchanges prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognized in profit or loss in the period in which they arise.

For the purposes of presenting the Historical Financial Information, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity under the heading of translation reserve.

**Borrowing costs**

All borrowing costs are recognized in profit or loss in the period in which they are incurred as the Group does not have any qualifying asset.

**Research and development expenditure**

Expenditure on research activities is recognized as an expense in the period in which it is incurred. Where no internally generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

**Government grants**

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable. Such grants are presented under "other income".

**Employee benefits**

***Retirement benefit costs***

The Group participates in government-managed retirement benefit schemes, which are defined contribution schemes, pursuant to which the Group pays a fixed percentage of its staff's wages as contributions to the plans. Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

***Short-term employee benefits***

Short-term employee benefits are recognized at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognized as an expense unless another IFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognized for benefits accruing to employees (such as wages and salaries) after deducting any amount already paid.

**Share-based payments**

***Equity-settled share-based payment transactions***

*Share awards/share options granted to employees and others providing similar services*

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve.

When share options are exercised, the amount previously recognized in share-based payments reserve will be transferred to capital reserve. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognized in share-based payments reserve will be transferred to accumulated losses.

When shares awards granted are vested, the amount previously recognized in shares issued for share incentive scheme will be transferred to capital reserve.

***Modification to the terms and conditions of the share-based payment arrangements***

When the terms and conditions of an equity-settled share-based payment arrangement are modified, the Group recognizes, as a minimum, the services received measured at the grant date fair value of the equity instruments granted, unless those equity instruments do not vest because of failure to satisfy a vesting condition (other than a market condition) that was specified at grant date. In addition, if the Group modifies the vesting conditions (other than a market condition) in a manner that is beneficial to the employees, for example, by reducing the vesting period, the Group takes the modified vesting conditions into consideration over the remaining vesting period.

The incremental fair value granted, if any, is the difference between the fair value of the modified equity instruments and that of the original equity instruments, both estimated as at the date of modification.

If the modification occurs during the vesting period, the incremental fair value granted is included in the measurement of the amount recognized for services received over the period from modification date until the date when the modified equity instruments are vested, in addition to the amount based on the grant date fair value of the original equity instruments, which is recognized over the remainder of the original vesting period.

If the modification reduces the total fair value of the share-based arrangement, or is not otherwise beneficial to the employee, the Group continues to account for the original equity instruments granted as if that modification had not occurred.

**Taxation**

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit (loss) before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Historical Financial Information and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business consolidation) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognizes the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 *Income Taxes* requirements to the lease liabilities and the related assets separately. The Group recognizes a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized and a deferred tax liability for all taxable temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognized in profit or loss.

**Plant and equipment**

Plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Plant and equipment (other than construction in progress) are stated in the consolidated statements of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of these assets, on the same basis as other plant and equipment, commences when the assets are ready for their intended use.

Depreciation is recognized so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

**Impairment on plant and equipment and right-of-use assets**

At the end of each reporting period, the Group reviews the carrying amounts of its plant and equipment and right-of-use assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of plant and equipment and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and

consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units. Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

**Cash and cash equivalents**

Cash and cash equivalents presented on the consolidated statements of financial position include:

(a) cash, which comprises of cash on hand and demand deposits; and

(b) cash equivalents, which comprises of short-term deposits (generally with original maturity of three months or less). Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statements of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

**Financial instruments**

Financial assets and financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognized and derecognized on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established generally by regulation or convention in the market place concerned.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15 *Revenue from Contracts with Customers*. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

***Financial assets***

*Classification and subsequent measurement of financial assets*

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

(i) Amortized cost and interest income

Interest income is recognized using the effective interest method for financial assets measured subsequently at amortized cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of each reporting period following the determination that the asset is no longer credit-impaired.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or designated as fair value through other comprehensive income are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss. The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other gains and losses, net" line item.

*Impairment of financial assets subject to impairment assessment under IFRS 9*

The Group performs impairment assessment under expected credit loss ("**ECL**") model on financial assets (including other receivables, amount due from a related party, amounts due from subsidiaries, restricted bank deposits, terms deposits, and cash and cash equivalents) which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("**12m ECL**") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, and factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognizes lifetime ECL for trade-related amounts due from subsidiaries.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, 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. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports and financial analysts reports, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower; and

(b) a breach of contract, such as a default or past due event.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognized in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortized cost of the financial asset.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of other receivables where the corresponding adjustment is recognized through a loss allowance account.

*Derecognition of financial assets*

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

***Financial liabilities and equity***

*Classification as debt or equity*

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

*Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

*Financial liabilities*

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

Financial liabilities at amortized cost

Financial liabilities including bank borrowings, trade and other payables, lease liabilities and amount due to the Controlling Shareholder are subsequently measured at amortized cost using the effective interest method.

Redemption liabilities

A contract that contains an obligation to purchase the Group's equity instruments for cash gives rise to a financial liability for the present value of the redemption amount, even if the Group's obligation to purchase is conditional on the counterparty exercising a right to redeem. The redemption liabilities are initially recognized as financial liabilities at the present value of the redemption amount, with the corresponding amount charged against capital reserves within equity. Subsequently, the redemption liabilities are measured at amortized cost with interest charged in finance costs. If the Group's obligation to purchase is terminated, the carrying amount of the financial liability is reclassified to equity.

***Derivative financial instruments***

Derivatives are initially recognized at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognized in profit or loss.

***Derecognition/modification of financial liabilities***

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

When the contractual terms of a financial liability are modified, the Group assess whether the revised terms result in a substantial modification from original terms taking into account all relevant facts and circumstances including qualitative factors. If qualitative assessment is not conclusive, the Group considers that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received, and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. Accordingly, such modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognized as part of the gain or loss on the extinguishment. The exchange or modification is considered as non-substantial modification when such difference is less than 10 per cent.

For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate.

Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortized over the remaining term. Any adjustment to the carrying amount of the financial liability is recognized in profit or loss at the date of modification.

## 5. CRITICAL ACCOUNTING JUDGEMENT

In the application of the Group's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**Critical judgement in applying accounting policies**

The following is the critical judgement that the directors of the Company have made in the process of applying the Group's accounting policies and that has the most significant effect on the amounts recognized in the Historical Financial Information.

***Research and development expenditures***

Development expenses incurred on the Group's product pipelines are capitalized and deferred only when the Group can demonstrate the technical feasibility of completing the intangible assets 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 pipeline and the ability to measure reliably the expenditure during the development. Development expenses which do not meet these criteria are expensed when incurred. The management of the Group assesses the progress of each of the research and development projects and determines that the Group's product pipelines do not meet the above said capitalization criteria. During the Track Record Period, all the development costs are expensed when incurred.

## 6. OTHER INCOME

| | For the year ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Interest income on bank deposits | 3,235 | 2,008 |
| Government grants *(Note)* | 767 | 293 |
| | **4,002** | **2,301** |

*Note:* The government grants mainly comprise industry-related subsidies and incentives received upon fulfilling the conditions for compensation of research and development expenses and other costs or losses already incurred, or as immediate financial support with no future related costs and not related to any assets.

## 7. OTHER GAINS AND LOSSES, NET

| | For the year ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Gain on non-substantial modification of redemption liabilities | – | 42,081 |
| Gain on early termination of a lease | 414 | – |
| Gain on fair value changes from financial assets at FVTPL | 2,028 | 865 |
| Net foreign exchange gains | 228 | 480 |
| Others | – | (158) |
| | **2,670** | **43,268** |

## 8. FINANCE COSTS

| | For the year ended December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| Interest expense on: | | |
| – bank borrowings | 669 | 985 |
| – lease liabilities | 202 | 66 |
| – redemption liabilities | 36,775 | 65,952 |
| | **37,646** | **67,003** |

## 9. LOSS BEFORE TAX

| | For the year ended December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| Loss before tax for the year has been arrived at after charging: | | |
| Auditor's remuneration | 30 | 30 |
| Depreciation of plant and equipment | 4,853 | 3,463 |
| Depreciation of right-of-use assets | 3,535 | 3,111 |
| **Total depreciation** | **8,388** | **6,574** |
| Staff costs | | |
| Directors' and chief executive's remuneration *(Note 11)* | 3,390 | 3,344 |
| Other staff costs | | |
| – salaries and other benefit | 33,370 | 43,743 |
| – retirement benefits | 2,575 | 3,334 |
| **Total staff costs** | **39,335** | **50,421** |

## 10. INCOME TAX EXPENSE

| | For the year ended December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| PRC Enterprise Income Tax ("**EIT**") | | |
| – current tax | 26 | – |
| – over provision in prior years | (2) | – |
| Deferred tax *(Note 26)* | – | – |
| | **24** | **–** |

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the group entities established in the PRC (other than those as described below) is 25% during the Track Record Period.

Certain subsidiaries of the Company qualified as a Small and Micro Enterprise, and relevant taxable income was calculated at a reduced base of 25% and EIT was levied at the preferential rate of 20% during the Track Record Period.

The Group had no estimated assessable profit that was subject to Hong Kong Profits Tax during Track Record Period.

The taxation expense for the Track Record Period can be reconciled to the loss before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

| | For the year ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Loss before tax | (156,808) | (184,914) |
| Tax credit at the applicable income tax rate of 25% | (39,202) | (46,229) |
| Over provision in prior years | (2) | – |
| Tax effect of expenses not deductible for tax purposes | 7,199 | 16,574 |
| Tax effect of income not taxable for tax purposes | – | (10,520) |
| Tax effect of super deduction on research and development expenses | (17,285) | (13,556) |
| Income tax at concessionary rate | (32) | – |
| Tax effect of tax losses not recognized | 49,346 | 53,731 |
| **Income tax expense** | **24** | **–** |

## 11. DIRECTORS', CHIEF EXECUTIVE'S' AND EMPLOYEES' EMOLUMENTS

**Directors' and Chief Executive's emoluments**

Details of the emoluments paid to the individuals who were appointed as the executive and non-executive directors of the Company for the service provided to the Group during the Track Record Period are as follows:

| | **Salaries, allowance and benefits in kind** | **Performance-related bonuses** | **Retirement benefits** | **Total** |
|---|---|---|---|---|
| | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* |
| **For the year ended December 31, 2024** | | | | |
| Executive directors: | | | | |
| Dr. Wang Bing *(Note i)* | 1,600 | 442 | 38 | 2,080 |
| Dr. Yu Weiping | 1,208 | 102 | – | 1,310 |
| Non-executive directors: | | | | |
| Dr. Wang Mei | – | – | – | – |
| Mr. Wang Yiqiang | – | – | – | – |
| Mr. Ju Hangsheng | – | – | – | – |
| Dr. Song Gaoguang | – | – | – | – |
| Mr. Lin Xianghong | – | – | – | – |
| | **2,808** | **544** | **38** | **3,390** |

| | Salaries, allowance and benefits in kind | Performance-related bonuses | Retirement benefits | Total |
|---|---|---|---|---|
| | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* |
| **For the year ended December 31, 2025** | | | | |
| Executive directors: | | | | |
| Dr. Wang Bing *(Note i)* | 1,605 | 401 | 38 | 2,044 |
| Dr. Yu Weiping | 1,200 | 100 | – | 1,300 |
| Non-executive directors: | | | | |
| Dr. Wang Mei | – | – | – | – |
| Mr. Wang Yiqiang *(Note ii)* | – | – | – | – |
| Mr. Ju Hangsheng *(Note ii)* | – | – | – | – |
| Dr. Song Gaoguang | – | – | – | – |
| Mr. Lin Xianghong *(Note ii)* | – | – | – | – |
| Mr. You Xiangdong *(Note iii)* | – | – | – | – |
| Dr. Wang Nayi *(Note iii)* | – | – | – | – |
| | **2,805** | **501** | **38** | **3,344** |

*Notes:*

i Dr. Wang Bing is an executive director and the Chief Executive Officer of the Company throughout the Track Record Period. His emoluments disclosed above include those for services rendered by him as the Chief Executive Officer of the Company.

The emoluments of executive directors shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The performance related bonuses were determined by the management of the Group by reference to the performance.

ii. Mr. Wang Yiqiang, Mr. Lin Xianghong and Mr. Ju Hangsheng resigned as non-executive directors of the Company on 28 August 2025.

iii. Mr. You Xiangdong and Dr. Wang Nayi were appointed as non-executive directors of the Company on 28 August 2025.

Dr. Wang Mei did not receive any emoluments from the Group during the Track Record Period. Mr. Wang Yiqiang, Mr. Ju Hangsheng, Dr. Song Gaoguang, Mr. Lin Xianghong, Mr. Youxiangdong and Dr. Wang Nayi did not receive emoluments during the Track Record Period, and they also held positions in the corporate shareholders of the Company ("**Shareholder's Entities**"), and their emoluments were borne by the respective Shareholder's Entities for the services rendered to those entities. In the opinion of the directors of the Company, it is not practicable to allocate their remuneration to the Group.

There was no arrangement under which a director waived or agreed to waive any emoluments during the Track Record Period.

## 12. FIVE HIGHEST PAID EMPLOYEES

**Five individuals with the highest emoluments**

The five highest paid employees of the Group during the Track Record Period included two and two directors, details of whose remuneration are set out in Note 11 above. Details of the remuneration for the year of the remaining three and three highest paid employees who are not directors of the Company are as follows:

| | For the year ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Salaries, wages and allowance | 3,532 | 4,792 |
| Performance related bonuses | 273 | 878 |
| Retirement benefits | 190 | 188 |
| | **3,995** | **5,858** |

The number of the highest paid employees who are not the directors whose remuneration fell within the following bands is as follows:

| | For the year ended December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *Number of employees* | *Number of employees* |
| HK$1,000,001 to HK$1,500,000 | 2 | 1 |
| HK$1,500,001 to HK$2,000,000 | 1 | 1 |
| HK$2,000,001 to HK$2,500,000 | – | 1 |
| | **3** | **3** |

No emoluments were paid by the Group to the directors or the five highest paid individuals (including directors and employees), as an inducement to join or upon joining the Group or as compensation for loss of office during the Track Record Period.

## 13. DIVIDENDS

No dividend was declared or paid by the Company and its subsidiaries during the Track Record Period, nor has any dividend been proposed since the end of the Track Record Period.

## 14. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following analysis:

| | For the year ended December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share | (154,632) | (182,507) |
| | *'000* | *'000* |
| **Number of shares** | | |
| Weighted average number of ordinary shares for the purpose of basic and diluted loss per share | 234,250 | 242,950 |

The Company was converted from a limited liability company to a joint stock company with limited liability on December 5, 2024, 4,985,000 ordinary shares with par value of RMB1 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. For the purpose of calculating basic loss per share, the number of shares in issue was deemed to be the weighted average number of ordinary shares, excluding the 300,000 shares held for share incentive scheme as disclosed in Note 28, as if the Company's conversion into a joint stock limited liability company and share subdivision as disclosed in Note 37 had occurred on January 1, 2024.

For the purpose of calculation of diluted loss per share for the years ended December 31, 2024 and 2025, the potential ordinary shares and the effect of the redemption liabilities were not included as their inclusion would result in a decrease in loss per share.

## 15. PLANT AND EQUIPMENT

### The Group

| | Machinery and equipment | Motor vehicles | Computer equipment and software | Office equipment | Leasehold improvement | Construction in progress | Total |
|---|---|---|---|---|---|---|---|
| | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* |
| **Cost** | | | | | | | |
| At January 1, 2024 | 20,796 | 1,337 | 2,557 | 735 | 5,227 | 154 | 30,806 |
| Additions | 568 | – | 624 | 7 | – | 103 | 1,302 |
| Transfer | 257 | – | – | – | – | (257) | – |
| Exchange adjustments | 12 | – | 1 | – | – | – | 13 |
| At December 31, 2024 | 21,633 | 1,337 | 3,182 | 742 | 5,227 | – | 32,121 |
| Additions | 640 | – | 232 | 6 | – | – | 878 |
| Exchange adjustments | (21) | – | (1) | – | – | – | (22) |
| At December 31, 2025 | 22,252 | 1,337 | 3,413 | 748 | 5,227 | – | 32,977 |
| **Depreciation** | | | | | | | |
| At January 1, 2024 | 10,035 | 1,268 | 2,021 | 465 | 4,257 | – | 18,046 |
| Provided for the year | 3,558 | – | 544 | 119 | 632 | – | 4,853 |
| Exchange adjustments | 6 | – | – | – | – | – | 6 |
| At December 31, 2024 | 13,599 | 1,268 | 2,565 | 584 | 4,889 | – | 22,905 |
| Provided for the year | 2,746 | – | 412 | 85 | 220 | – | 3,463 |
| Exchange adjustments | (12) | – | (1) | – | – | – | (13) |
| At December 31, 2025 | 16,333 | 1,268 | 2,976 | 669 | 5,109 | – | 26,355 |
| **Carrying values** | | | | | | | |
| **At December 31, 2024** | **8,034** | **69** | **617** | **158** | **338** | **–** | **9,216** |
| **At December 31, 2025** | **5,919** | **69** | **437** | **79** | **118** | **–** | **6,622** |

### The Company

| | Machinery and equipment | Motor vehicles | Computer equipment and software | Office equipment | Leasehold improvement | Total |
|---|---|---|---|---|---|---|
| | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* |
| **Cost** | | | | | | |
| At January 1, 2024 | 9,488 | 1,337 | 2,038 | 505 | 5,227 | 18,595 |
| Additions | 543 | – | 624 | 7 | – | 1,174 |
| At December 31, 2024 | 10,031 | 1,337 | 2,662 | 512 | 5,227 | 19,769 |
| Additions | 588 | – | 232 | 6 | – | 826 |
| At December 31, 2025 | 10,619 | 1,337 | 2,894 | 518 | 5,227 | 20,595 |
| **Depreciation** | | | | | | |
| At January 1, 2024 | 6,296 | 1,268 | 1,691 | 356 | 4,257 | 13,868 |
| Provided for the year | 1,538 | – | 434 | 76 | 632 | 2,680 |
| At December 31, 2024 | 7,834 | 1,268 | 2,125 | 432 | 4,889 | 16,548 |
| Provided for the year | 672 | – | 378 | 41 | 220 | 1,311 |
| At December 31, 2025 | 8,506 | 1,268 | 2,503 | 473 | 5,109 | 17,859 |
| **Carrying values** | | | | | | |
| **At December 31, 2024** | **2,197** | **69** | **537** | **80** | **338** | **3,221** |
| **At December 31, 2025** | **2,113** | **69** | **391** | **45** | **118** | **2,736** |

The above items of plant and equipment, after taking into account the residual values, are depreciated on a straight-line basis over their estimated useful lives at the following:

| | |
|---|---|
| Machinery and equipment | 5 years |
| Motor vehicles | 4 years |
| Computer equipment and software | 3 years |
| Office equipment | 5 years |
| Leasehold improvement | 5 years or the shorter of the relevant lease terms |

## 16. RIGHT-OF-USE ASSETS

**The Group**

| | Leasehold land | Leased properties | Total |
|---|---|---|---|
| | *RMB'000* | *RMB'000* | *RMB'000* |
| Carrying amount | | | |
| As at December 31, 2024 | – | 2,842 | 2,842 |
| As at December 31, 2025 | 15,915 | 2,860 | 18,775 |
| Depreciation charge | | | |
| For the year ended December 31, 2024 | – | 3,535 | 3,535 |
| For the year ended December 31, 2025 | 161 | 2,950 | 3,111 |

| | For the year ended December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| Expense relating to short-term leases | 181 | 27 |
| Total cash outflow for leases | (3,202) | (20,075) |

**The Company**

| | Leased properties |
|---|---|
| | *RMB'000* |
| **Carrying amount** | |
| As at December 31, 2024 | 1,295 |
| As at December 31, 2025 | 2,405 |
| **Depreciation charge** | |
| For the year ended December 31, 2024 | 2,036 |
| For the year ended December 31, 2025 | 1,858 |

| | For the year ended December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| Expense relating to short-term leases | 149 | 27 |
| Total cash outflow for leases | (2,324) | (2,871) |

For the Track Record Period, the Group and the Company lease properties for its operations and research activities. Lease contracts are entered into for fixed term of 1 year to 3 years. Lease terms are negotiated on an individual basis and contain different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group and the Company apply the definition of a contract and determines the period for which the contract is enforceable.

The Group and the Company regularly entered into short-term leases for machinery and equipment. As at December 31, 2024 and 2025, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

## 17. INVESTMENTS IN SUBSIDIARIES

**The Company**

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Cost of investments | 256,778 | 311,478 |

## 18. CASH AND CASH EQUIVALENTS/TERM DEPOSITS/RESTRICTED BANK DEPOSITS

**The Group**

Cash and cash equivalents include demand deposits and short-term deposits (with original maturity of three months or less) for the purpose of meeting the Group's short term cash commitments.

As at December 31, 2024 and 2025, cash and cash equivalents carry interest at market rates ranging from 0.05% to 0.65% and 0.01% to 0.65% per annum, respectively. The term deposits are within a term from 1 year to 3 years and carry interest rates ranging from 1.80% to 2.40% and 1.20% to 2.40% per annum, respectively. The restricted bank deposits are within a term from 1 year to 8 years and carry interest at rates ranging from 0.70% to 1.1% per annum as at 31 December 2025.

**The Company**

Cash and cash equivalents include demand deposits and short-term deposits (with original maturity of three months or less) for the purpose of meeting the Company's short term cash commitments.

As at December 31, 2024 and 2025, cash and cash equivalents carry interest at market rates ranging from 0.05% to 0.65% and 0.05% to 0.65% per annum, respectively. The term deposits are within a term from 1 year to 3 years and carry interest rates ranging from 1.80% to 2.40% and 1.20% to 2.40% per annum, respectively. The restricted bank deposits are within a term of 1 year and carry interest rates ranging from 0.7% to 0.8% per annum as at 31 December 2025.

Details of the impairment assessment are set out in Note 32.

## 19. PREPAYMENTS AND OTHER RECEIVABLES

**The Group**

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Deferred issue costs | – | 2,435 |
| Prepaid listing expenses | – | 8 |
| Other receivables | 204 | 374 |
| Rental deposits for right-of-use assets | 281 | 281 |
| Prepayments for research and development services | 4,900 | 9,150 |
| Value added tax ("**VAT**") recoverable | 18,723 | 22,604 |
| Other prepayments | 328 | 617 |
| | 24,436 | 35,469 |
| Less: Amounts recoverable within one year shown under current assets | (5,513) | (24,186) |
| Amounts shown under non-current assets | 18,923 | 11,283 |

**The Company**

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Deferred issue costs | – | 2,435 |
| Prepaid listing expenses | – | 8 |
| Other receivables | 122 | 284 |
| Rental deposits for right-of-use assets | 81 | 81 |
| Prepayments for research and development services | 2,524 | 8,898 |
| VAT recoverable | 13,647 | 16,725 |
| Others | 254 | 582 |
| | 16,628 | 29,013 |
| Less: Amounts recoverable within one year shown under current assets | (2,981) | (23,609) |
| Amounts shown under non-current assets | 13,647 | 5,404 |

## 20. FINANCIAL ASSETS AT FVTPL

**The Group**

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Structured bank deposits *(Note)* | 54,611 | 95,209 |

**The Company**

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Structured bank deposits *(Note)* | 20,056 | 95,209 |

*Note:* The balance of structured bank deposits has a flexible maturity period of no more than six months. The yield rate stipulated in the contract is floating and linked to the performance of the underlying assets, such as gold market price and certain exchange rates.

## 21. TRADE AND OTHER PAYABLES

**The Group**

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Trade payables and accruals for research and development expenses | 33,371 | 53,690 |
| Payroll payable | 6,491 | 8,818 |
| Other tax payables | 408 | 676 |
| Government grant collected on behalf of employees | 3,157 | 3,053 |
| Accrued listing expenses | – | 4,226 |
| Accrued issue costs | – | 1,105 |
| Cash received under the Share Incentive Scheme *(Note)* | – | 7,268 |
| Others | 2,153 | 3,791 |
| | **45,580** | **82,627** |

*Note:* The balance represents the cash received for the subscription price of the restricted share units granted under the Share Incentive Scheme (as defined in Note 28) to certain employees and key management personnel. Since the restricted share units granted haven't yet vested, the subscription price received may be returned to the grantees if they cease employment prior to the satisfaction of the vesting conditions, in which case the Company has the right to repurchase the relevant restricted share units.

The average credit term of trade payables is generally ranged between 15 to 90 days.

The following is an aging analysis of trade payables presented based on the invoice date and accruals which have not yet been billed at the end of each reporting period:

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| 1-90 days | 1,158 | 630 |
| 91-365 days | 1,575 | 319 |
| 1-2 years | 4,351 | 20 |
| 2-3 years | 440 | 1,925 |
| Over 3 years | 207 | 644 |
| | 7,731 | 3,538 |
| Not yet billed | 25,640 | 50,152 |
| | **33,371** | **53,690** |

**The Company**

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Trade payables and accruals for research and development expenses | 25,664 | 46,132 |
| Payroll payable | 4,422 | 6,280 |
| Other tax payables | 205 | 534 |
| Accrued listing expenses | – | 4,226 |
| Accrued issue costs | – | 1,105 |
| Others | 708 | 2,940 |
| | **30,999** | **61,217** |

The normal credit term of trade payables is generally ranged between 15 to 90 days.

The following is an aging analysis of trade payables presented based on the invoice date and accruals which have not yet been billed at the end of each reporting period:

| | As at December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| 1-90 days | 418 | 535 |
| 91-365 days | 1,575 | 102 |
| 1-2 years | 467 | 20 |
| 2-3 years | 440 | 1 |
| Over 3 years | 44 | 480 |
| | 2,944 | 1,138 |
| Not yet billed | 22,720 | 44,994 |
| | **25,664** | **46,132** |

## 22. BANK BORROWINGS

**The Group and the Company**

| | As at December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| Bank borrowings | | |
| – Unsecured and unguaranteed | 44,013 | 48,100 |

The carrying amount of the above borrowings are analyzed based on contractual repayment date as follows:

| | As at December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| The carrying amounts of the borrowing are repayable: | | |
| Within one year | 1,760 | 48,100 |
| Within a period of more than one year but not exceeding two years | 42,253 | – |
| | 44,013 | 48,100 |
| Less: Amounts due within one year shown under current liabilities | (1,760) | (48,100) |
| Amounts shown under non-current liabilities | 42,253 | – |

The ranges of effective interest rate of the Group and the Company's bank borrowings are as follows:

| | As at December 31, | |
|---|---|---|
| | 2024 | 2025 |
| Effective interest rate per annum: | | |
| – Variable-rate borrowings | 2.30%-2.50% | 1.85%-1.95% |

The Group's and the Company's variable-rate borrowings carry interest at 115 basis points below the one-year loan prime rate in the PRC. Interest rate is reset every twelve months.

In respect of bank borrowings with carrying amount of RMB44,013,000 and RMB48,100,000 as at December 31, 2024, and 2025, respectively, the Company may be required to make immediate repayment of bank borrowings if any of the following events occurs during the borrowing term:

- A change in the ownership structure or the controlling shareholder;
- A transfer of ownership of the pipeline(s);
- Fails to complete an initial public offering by December 31, 2025 and trigger share redemption obligation under the relevant agreements as at December 31, 2024. An extension was subsequently obtained in 2025, extending the initial public offering deadline to June 30, 2026.

The Company has complied with the relevant covenants on or before the end of each reporting period.

**23. AMOUNT(S) DUE FROM (TO) THE CONTROLLING SHAREHOLDER/(A) SUBSIDIARY/ SUBSIDIARIES/A RELATED PARTY**

**(a) Amount due to the Controlling Shareholder**

*The Group and the Company*

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Dr. Wang Bing | 28,333 | – |

*Note:* The balance as at January 1, 2024 is RMB28,333,000. On August 22, 2023, the Company entered into an agreement with Dr. Wang Bing, the Controlling Shareholder of the Company, to acquire his equity interest in Xi'an Biocare for a total consideration of RMB58,300,000. The outstanding amount of RMB28,333,000 as at December 31, 2024 has been paid in cash during the year ended December 31, 2025.

The balances as at December 31, 2024 is non-trade related, unsecured, unguaranteed, repayable on demand and non-interest bearing.

**(b) Amount due to a subsidiary**

*The Company*

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| 麥科奧特(蘇州)醫藥有限公司 (Micot (Suzhou) Pharmaceutical Co., Ltd*) ("**Suzhou Pharmaceutical**") | – | 26,500 |

*Note:* The balance as at January 1, 2024 is nil. The balance as at December 31, 2025 is non-trade related, unsecured, unguaranteed, repayable on demand and non-interest bearing.

* *English name for identification purpose only*

**(c) Amounts due from subsidiaries**

*The Company*

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| **Trade in nature** *(Note a)* | | |
| 上海西泰利生物醫藥科技有限公司 (Shanghai Xitaili Biomedical Technology Co., Ltd.*) ("**Shanghai Xitaili**") | 12,303 | 18,103 |
| Xi'an Biocare | 8,598 | 9,732 |
| | 20,901 | 27,835 |
| **Non-trade in nature** *(Note b)* | | |
| 麥科奧特(蘇州)科技有限公司(Micot (Suzhou) Technology Co., Ltd.*) ("**Suzhou Technology**") | – | 3,000 |
| Xi'an Biocare | 2,855 | 2,855 |
| | 2,855 | 5,855 |
| | **23,756** | **33,690** |

*Notes:*

(a) The total balance as at January 1, 2024 is amounted to RMB30,945,000. The balances as at December 31, 2024, and 2025 are trade related, unsecured, interest free and the credit period granted is 30 days.

(b) The total balance as at January 1, 2024 is amounted to RMB2,855,000. The balance as at December 31, 2024, and 2025 are non-trade related, unsecured, interest free and repayment on demand.

Its maximum amounts outstanding during the years ended December 31, 2024 and 2025 are RMB2,855,000 and RMB5,855,000, respectively.

* *English name for identification purpose only*

The following is an aging analysis of trade related amounts due from subsidiaries presented based on the dates of services delivery at the end of each reporting period:

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| 1-30 days | 974 | 3,869 |
| 30-365 days | 3,551 | 3,065 |
| 1-2 years | 16,376 | 4,525 |
| 2-3 years | – | 16,376 |
| | **20,901** | **27,835** |

**(d) Amount due from a related party**

***The Group***

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| 西安眾瑞澤康企業管理諮詢有限公司 (Xi'an Zhongrui Zekang Enterprise Management Consulting Co., Ltd.*) ("**Zhongrui Zekang**") | 652 | 1,087 |

*Note:* The balance as at January 1, 2024 is RMB701,000. Zhongrui Zekang is the general partner of the Employee Incentive Platform (as defined in Note 28), collecting the employees' payments of exercise or subscription prices for the share options/shares under the share incentive scheme on behalf of the Company. The balances as at December 31, 2024 and 2025 are non-trade related, unsecured, interest free and repayment on demand.

Its maximum amounts outstanding during the years ended December 31, 2024 and 2025 are RMB709,000 and RMB1,087,000, respectively.

The amount due from Zhongrui Zekang had been settled as of the date of this prospectus.

**24. LEASE LIABILITIES**

**The Group**

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Within one year | 2,259 | 1,399 |
| Within a period of more than one year but not more than two years | 280 | 202 |
| | 2,539 | 1,601 |
| Less: Amount due for settlement within one year shown under current liabilities | (2,259) | (1,399) |
| Amount shown under non-current liabilities | 280 | 202 |

The weighted average incremental borrowing rates applied to the Group's lease liabilities range from 2.50% to 4.65% per annum as at December 31, 2024, and 3.50% to 4.45% per annum as at December 31, 2025.

**The Company**

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Within one year | 1,165 | 1,119 |
| Within a period of more than one year but not more than two years | – | 202 |
| | 1,165 | 1,321 |
| Less: Amount due for settlement within one year shown under current liabilities | (1,165) | (1,119) |
| Amount shown under non-current liabilities | – | 202 |

The weighted average incremental borrowing rates applied to lease liabilities range from 2.50% to 4.45% per annum as at December 31, 2024 and 3.50% to 4.45% per annum as at December 31, 2025.

## 25. REDEMPTION LIABILITIES

**The Group and the Company**

Since the date of incorporation, the Company has completed several rounds of financing by issuing shares with preferential rights to investors (the "**Investors**"). Details of shares with preferential rights are set out below.

| | **Date of agreement** | **Subscription price per share** | **Number of ordinary shares issued** | **Total consideration RMB or equivalent to RMB** |
|---|---|---|---|---|
| Series A | July 30, 2019 | RMB166.6667/ United States Dollar ("**USD**") 23.5833 | 690,000 | 115,000,000 |
| Series B | February 21, 2021 | RMB365.8537/USD56.1582 | 984,000 | 360,000,000 |
| Series B1 | August 30, 2021 | RMB470.6889 | 138,095 | 65,000,000 |
| Series C | January 16, 2023 | RMB550.6957 | 172,509 | 95,000,000 |
| Series D | June 27, 2025/ September 19, 2025/ September 24, 2025/ September 26, 2025 | RMB481.4819 | 489,115 | 235,500,000 |
| | | | **2,473,719** | **870,500,000** |

The key terms of preferential rights are as follows:

***(a) Redemption right***

The Investors have the right to require the Company and/or the founder to redeem their investments for cash upon certain events, including (i) a non-completion of a qualified initial public offering of the Company by June 30, 2027 (extended from June 30, 2026 after the Company submitted its listing application to the Stock Exchange in September 2025 and the application is still under review); or (ii) a change of control of the ultimate controller; or (iii) if the Company, existing shareholders, or the ultimate controller seriously violate the provision of the transaction documents; or (iv) if the representations, warranties, and covenants made by the Company, its existing shareholders, or ultimate controllers to the Investors to be found to contain materially false, misleading, or omitted information, and such inaccuracies cause a material adverse effect on the Company; (v) if the ultimate controller or the Company becomes involved in any disputes due to the infringement of third-party intellectual property rights related to certain research and development projects, causing significant adverse effects on the Company or leading to substantial compensation.

In addition to the foregoing events, certain Series D investor has the right to require the Company and/or the founder to redeem its investment upon certain events including if the Company fails to obtain the construction permit for the Company's construction project in Taizhou Bay Economic and Technological Development Zone within 10 months after acquiring the land use right in that area. Such event results in the Company's redemption liabilities to this investor being classified as current liabilities.

The redemption amount is the original investment principal from the investors, plus a simple interest of 8% per annum calculated on for Series D investors, or 12% per annum for Series A, Series B, Series B1 and Series C investors.

*(b) Liquidation preference*

In the event of a legal liquidation (refers to the liquidation, dissolution or winding up of the Company) or a deemed liquidation (refers to the change of control of the Company or the sale of all or substantially all properties of the Company), after paying the liquidation expenses, employee salaries, social insurance, statutory severance payments, unpaid taxes, and all creditors' claims and claims that may be preferred by applicable law, the higher of (1) the original investment principal, plus a simple interest of 8% per annum calculated on for Series D investors, or 12% per annum for Series A, Series B, Series B1 and Series C investors, (2) the distributable liquidation property can be distributed according to the equity proportion at that time, and in the priority order of Series D, Series C, Series B1, Series B to Series A.

No dividend was paid to the Investors during the Track Record Period.

*(c) Anti-dilution right*

If the Company issues new shares at a price lower than the price paid by the Investors, the Investors shall have the right to require: (1) the Company to issue new shares at a nominal price of RMB1 or the lowest consideration permitted by law, (2) the founder to transfer shares at the lowest consideration permitted by law, or (3) the Company to settle the difference in cash to investors, so that the equity portion held by the Investors can reach that can be subscribed according to the adjusted subscription price per unit.

All preferential rights shall be terminated on the date immediately before the date of the submission of the listing application to the Hong Kong Stock Exchange and be reinstated and restored in the event of rejection, return and/or termination of the listing application. Provided the redemption rights shall be reinstated upon the occurrence of certain agreed uncontrollable events, all redemption liabilities were still being recognized.

**Termination and regrant of preferential rights**

The Company and the Series A, B, B1 and C investors entered into a preferential rights termination agreement on April 29, 2024, pursuant to which the Company's obligation for the redemption rights, anti-dilution rights and liquidation preference rights held by these investors shall be terminated since April 30, 2024 while the founders' obligation remained effective. On June 27, 2025, the Company and the Investors entered into shareholding agreements for Series D financing (the "**Series D Shareholding Agreements**"), pursuant to which the preferential rights including the redemption rights, anti-dilution rights and liquidation preference rights were regranted to investors of Series A, Series B, Series B1 and Series C, effective June 27, 2025. Consequently, the Company's corresponding obligation was reinstated as of that date. Meanwhile, the preferential rights for the Series D investors became effective in July 2025 upon the closing of the Series D financing.The Company has not provided any guarantee in relation to the preferential rights, and as the Company has no obligations in this regard, no liabilities from any preferential right have been recorded between April 30, 2024 and June 27, 2025.

**Presentation and classification**

The redemption rights and liquidation preference rights granted to the Investors constitute as the Company's obligations to repurchase its own equity instruments for cash. These obligations were recognized as redemption liabilities which are initially measured at fair value (representing the present value of the expected maximum cash flows for settling the related obligations if these rights are exercised by the Investors) and subsequently measured at amortized cost. The Company applied a redemption discount rate ranged from 12.37% to 16.12% to determine the initial recognition amount of the redemption liabilities. The anti-dilution right is accounted for as a derivative financial instrument measured at FVTPL. Its fair value was considered insignificant.

Pursuant to the preferential rights termination agreement entered into by the Company and the Series A, B, B1 and C investors on April 29, 2024, the redemption liabilities of RMB782,130,000 were reclassified and credited against the capital reserve within equity, accordingly.

On June 27, 2025, pursuant to the Series D Shareholding Agreements, the preferential rights including the redemption rights, liquidation preference rights and anti-dilution rights were regranted to investors of Series A, Series B, Series B1 and Series C. The redemption liabilities were recognized at fair value on the date of modification from equity instruments, with the corresponding amount charged against capital reserve within equity. The redemption liabilities are subsequently measured at amortized cost.

The movement of the redemption liabilities is set out as below:

| | For the year ended December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| At January 1 | 745,048 | – |
| Recognition | – | 1,137,266 |
| Charge to finance costs | 36,775 | 65,952 |
| Reclassification to equity | (782,130) | – |
| Modification of redemption liabilities *(Note i)* | – | (42,081) |
| Foreign exchange losses (gains) | 307 | (2,119) |
| At December 31 | – | 1,159,018 |
| Less: Amount due for settlement within one year shown under current liabilities *(Note ii)* | – | (134,281) |
| Amount shown under non-current liabilities | – | 1,024,737 |

*Notes:*

i According to the Series D shareholders agreement, upon the submission of the listing application to the Stock Exchange in September 2025, the redemption date has extended from June 30, 2026 to June 30, 2027. The extension of the redemption date does not constitute a substantial modification and the Company adjusted the amortized cost of the financial liabilities by discounting the modified cash flows using the original effective interest rate and recognizes the changes in other gain and losses at the modification date.

ii. As disclosed in (a) above, due to that the redemption event for certain Series D investor might occur within 12 months after the year end, the Company's redemption liabilities to this investor have been classified as current liabilities.

## 26. DEFERRED TAX ASSETS/LIABILITIES

For the purpose of presentation in the statements of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

**The Group**

| | As at December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| Deferred tax assets | 704 | 767 |
| Deferred tax liabilities | (704) | (767) |
| | – | – |

The followings are the major deferred tax assets (liabilities) and movements thereon during the Track Record Period:

| | Right-of-use assets | Lease liabilities | Fair value changes of financial assets at FVTPL | Tax losses | Total |
|---|---|---|---|---|---|
| | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* |
| At January 1, 2024 | (2,010) | 1,860 | (99) | 249 | - |
| Credit (charge) to profit or loss | 1,299 | (1,224) | 85 | (160) | - |
| At December 31, 2024 | (711) | 636 | (14) | 89 | – |
| (Charge) credit to profit or loss | (5) | (235) | (38) | 278 | – |
| At December 31, 2025 | (716) | 401 | (52) | 367 | – |

At December 31, 2024 and 2025, the Group has unused tax losses of RMB888,803,000 and RMB1,103,265,000 respectively, available to offset against future profits. At December 31, 2024 and 2025, unused tax losses of RMB356,000 and RMB1,468,000 had been recognized as deferred tax assets, while RMB888,447,000 and RMB1,101,797,000 had not been recognized as deferred tax assets due to the unpredictability of future profit streams. For these unrecognized tax losses, pursuant to the relevant laws and regulations in the PRC, these tax losses will be carried forward and expired in years as follows:

| | As at December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| 2025 | 462 | – |
| 2026 | 24,268 | 23,691 |
| 2027 | 39,623 | 39,088 |
| 2028 | 60,231 | 60,231 |
| 2029 | 126,636 | 126,636 |
| 2030 | 49,849 | 81,005 |
| 2031 | 143,408 | 143,408 |
| 2032 | 175,687 | 175,687 |
| 2033 | 107,698 | 107,698 |
| 2034 | 151,896 | 151,896 |
| 2035 | – | 183,562 |
| Indefinite | 8,689 | 8,895 |
| | **888,447** | **1,101,797** |

*Note:* In accordance with the relevant laws and regulations in the PRC, the Company and its subsidiary, Xi'an Biocare, as technology-based SMEs, are entitled to a carryforward period of up to ten years for unrecognized tax losses. Subsidiaries registered in the United States are permitted an indefinite carryforward period for unrecognized tax losses, in accordance with applicable local laws and regulations. For all other subsidiaries, the carryforward period for unrecognized tax losses is five years.

**The Company**

| | **Right-of-use assets** | **Lease liabilities** | **Fair value changes of financial assets at FVTPL** | **Tax losses** | **Total** |
|---|---|---|---|---|---|
| | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* |
| At January 1, 2024 | (761) | 743 | (98) | 116 | – |
| Credit (charge) to profit or loss | 437 | (452) | 84 | (69) | – |
| At December 31, 2024 | (324) | 291 | (14) | 47 | – |
| (Charge)credit to profit or loss | (278) | 39 | (38) | 277 | – |
| At December 31, 2025 | (602) | 330 | (52) | 324 | – |

At December 31, 2024 and 2025, the Company has unused tax losses of RMB608,763,000 and RMB790,488,000 respectively, available to offset against future profits. At December 31, 2024 and 2025, unused tax losses of RMB188,000 and RMB1,296,000 had been recognized as deferred tax assets, while RMB608,575,000 and RMB789,192,000 had not been recognized as deferred tax assets due to the unpredictability of future profit streams. For these unrecognized tax losses, pursuant to the relevant laws and regulations in the PRC, these tax losses will be carried forward and expired in years as follows:

The unrecognized tax losses will be carried forward and expire in years as follows:

| | As at December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| 2026 | 573 | – |
| 2027 | 4,826 | 4,291 |
| 2028 | 2,485 | 2,485 |
| 2029 | 52,291 | 52,291 |
| 2030 | 43,086 | 43,086 |
| 2031 | 131,175 | 131,175 |
| 2032 | 138,759 | 138,759 |
| 2033 | 88,119 | 88,119 |
| 2034 | 147,261 | 147,261 |
| 2035 | – | 181,725 |
| | **608,575** | **789,192** |

## 27. RETIREMENT BENEFIT PLANS

The employees of the Group are members of the state-managed retirement benefits schemes operated by government. The Group is required to contribute a certain percentage of payroll costs to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes is to make the specified contributions.

The total expense recognized in profit or loss of RMB2,613,000 and RMB3,372,000 for the years ended December 31, 2024 and 2025, respectively.

## 28. SHARE-BASED PAYMENT TRANSACTIONS

**The Group and the Company**

***Share Incentive Scheme***

The Company's employee share incentive scheme (the "**Share Incentive Scheme**") was adopted pursuant to a resolution passed by the board of directors meeting on June 11, 2020 for the primary purpose of providing incentives to eligible employees and the parties working for the interests of the Group (collectively the "**grantees**"). According to the resolution, a limited partnership, Xi'an Zhongrui Hongyuan Information Technology Partnership (Limited Partnership)* (西安眾瑞弘元信息科技合夥企業(有限合夥)) (the "**Employee Incentive Platform**"), was established and 300,000 shares of the registered capital of the Company were transferred from the founder and founder's family members to the platform. The incentives are granted to the eligible grantees in the form of share options or restricted shares to subscribe the interests of the Employee Incentive Platform.

* *English name for identification purpose only*

Each of the incentive awards needs to meet service requirement from the grant date to the later of (1) four or five years since the grant date (the "**Service Period**") and (2) successful IPO of the Company. In the Service Period, 60% and 20% of the total number of awards shall be released to the eligible grantees on second anniversary date and each of the third to fourth anniversary dates of the grant date upon meeting certain individual performance targets or 40% and 20% of the total number of awards shall be released to eligible grantees on the second anniversary date and each of the third to fifth anniversary dates of the grant date upon meeting certain individual performance targets. The eligible grantees may be repaid with original exercise/subscription price plus single digit interest, at the Company's sole discretion, if employment were terminated within the Service Period or before the successful listing of the Company. After taking into account the best estimation of the listing date, the management determined the share-based payment expenses should be recognized when the successful listing is probable and amortized during vesting period which is from the grant date to the later of the Service Period and estimated listing date.

***Modification of Share Incentive Scheme***

Pursuant to a resolution passed by the shareholders meeting on August 28, 2025, the Share Incentive Scheme was amended and all the share options and restricted shares granted have been transferred to restricted share units (the "**RSUs**") with the grantees, quantities, subscription price and vesting term unchanged. Accordingly, the modification is a replacement of the original incentives. Since the modification is not beneficial to the grantees and there is no incremental fair value due to the modification, the Company continued to recognize the services received over the original vesting period.

**Share options/RSUs**

The movements of the share options granted to the directors, consultant and employees of the Group and the Company during the year ended December 31, 2024 are as follows:

| Type of option holders | Date of grant | Exercise price | Outstanding at January 1, 2024 | Granted during the year | Forfeited during the year | Outstanding at December 31, 2024 |
|---|---|---|---|---|---|---|
| Executive director: | | | | | | |
| Dr. Yu Weiping . . . . | July 3, 2020 | RMB0 | 89,982 | – | – | 89,982 |
| | | | 89,982 | – | – | 89,982 |
| Consultants . . . . . | July 3, 2020 | RMB25 | 14,080 | – | – | 14,080 |
| | | | 14,080 | – | – | 14,080 |
| Employees:. . . . . | July 3, 2020 | RMB20-25 | 20,696 | – | (2,400) | 18,296 |
| | July 3, 2022 | RMB70.6 | 9,666 | – | – | 9,666 |
| | July 3, 2023 | RMB82.6 | 4,721 | – | (2,270) | 2,451 |
| | | | 35,083 | – | (4,670) | 30,413 |
| | | | **139,145** | **–** | **(4,670)** | **134,475** |

Upon the modification in 2025, the options have been transferred to RSUs with the same quantities. The movements of the share options/RSUs granted to the directors, consultants and employees of the Group and the Company during the year ended December 31, 2025 are as follows:

| Type of option/ RSU holders | Date of grant | Exercise price/ Subscription price | Outstanding at January 1, 2025 | Granted during the period | Forfeited during the period | Outstanding at December 31, 2025 |
|---|---|---|---|---|---|---|
| Executive director: | | | | | | |
| Dr. Yu Weiping . . . . . | July 3, 2020 | RMB0 | 89,982 | – | – | 89,982 |
| | | | 89,982 | – | – | 89,982 |
| Consultants . . . . . | July 3, 2020 | RMB25 | 14,080 | – | – | 14,080 |
| | September 18, 2025 | RMB72.77 | – | 623 | – | 623 |
| | | | 14,080 | 623 | – | 14,703 |
| Employees:. . . . . | July 3, 2020 | RMB20-25 | 18,296 | – | (2,028) | 16,268 |
| | July 3, 2022 | RMB70.60 | 9,666 | – | (1,945) | 7,721 |
| | July 3, 2023 | RMB82.60 | 2,451 | – | (228) | 2,223 |
| | May 13, 2025 | RMB82.60 | – | 12,584 | – | 12,584 |
| | September 18, 2025 | RMB72.77 | – | 62,105 | – | 62,105 |
| | | | 30,413 | 74,689 | (4,201) | 100,901 |
| | | | **134,475** | **75,312** | **(4,201)** | **205,586** |

*Share options*

The binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the Group's best estimate. The inputs into the binomial model were as follows:

| | As at July 3, | | | As at May 13, |
|---|---|---|---|---|
| **Grant date** | **2020** | **2022** | **2023** | **2025** |
| Fair value of underlying ordinary shares (RMB per share) | 241 | 451 | 457 | 441 |
| Exercise price (RMB) | 0-25 | 70.6 | 82.6 | 82.6 |
| Risk-free interest rate | 2.61% | 2.60% | 2.33% | 1.50%-1.54% |
| Expected volatility | 56.75% | 59.59% | 62.08% | 65.28%-66.58% |
| Dividend yield | – | – | – | – |
| Exercise multiples | 2.2-2.8 | 2.2 | 2.2 | 2.2 |
| Life of options (years) | 5 | 4 | 4 | 4-5 |
| Fair value of options (RMB per option) | 219-241 | 386 | 382 | 366-371 |

***RSUs***

For the RSUs granted on September 18, 2025, the grant date fair value was RMB371.74 per share determined by reference to the fair value of the Company's ordinary shares priced using the equity allocation model and the subscription prices.

**Restricted shares**

In addition to the above, on July 3, 2020, 11,998 restricted shares were granted to two consultants, who provide services similar to employees, at subscription prices of RMB25 per share and RMB0.0002 per share. The grant date fair value of restricted shares was RMB216 and RMB241 per share determined by reference to the fair value of the Company's ordinary shares priced using the equity allocation model and the subscription prices.

As at December 31, 2024 and 2025, 300,000 shares held by Employee Incentive Platform under the Share Incentive Scheme were recognized as treasury shares by the Company and had been deducted from shareholders' equity as shown in the consolidated statements of changes in equity under "Shares issued for share incentive scheme". The exercise price or subscription price received by the Company amounted to RMB7,268,000 has been recognized under other payables as the Company may repurchase the granted shares if they were subsequently forfeited or not vested.

No share-based payment expenses in respect of the share options and restricted shares have been recognized during the Track Record Period as the successful listing has not been determined to be probable during the Track Record Period.

## 29. PAID-IN CAPITAL/SHARE CAPITAL

**The Group and the Company**

| | Paid-in capital | Number of shares | Share capital |
|---|---|---|---|
| | *RMB'000* | | *RMB'000* |
| **Issued and fully paid:** | | | |
| At January 1, 2024 | 4,985 | – | – |
| Conversion into a joint stock company *(Note a)* | (4,985) | 4,984,604 | 4,985 |
| At December 31, 2024 | – | 4,984,604 | 4,985 |
| Issuance of Series D shares *(Note b)* | – | 489,115 | 489 |
| At December 31, 2025 | – | 5,473,719 | 5,474 |

*Notes:*

(a) Pursuant to the shareholders' resolutions and the promoters' agreement dated December 5, 2024, the shareholders of the Company agreed to convert the Company into a joint stock limited liability company. The net assets of the Company as of the conversion base date, which is April 30, 2024, including paid-in capital, capital reserve, statutory reserve and accumulated losses were converted into 4,985,000 ordinary shares of RMB1.00 each. The excess of the net assets converted over the nominal value of the ordinary shares was credited to the Company's capital reserves. The Company was converted into a joint-stock limited liability company under PRC Company Law, and changed its name to Shaanxi Micot Pharmaceutical Technology Co., Ltd. (陕西麦科奥特醫藥科技股份有限公司) on December 9, 2024.

(b) The Company completed Series D financing in 2025. The paid-in capital and share capital at the end of reporting date include those attributable to Series A to D financing as disclosed in Note 25.

## 30. RESERVES OF THE COMPANY

| | Capital reserve | Statutory reserve | Accumulated losses | Total |
|---|---|---|---|---|
| | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* |
| At January 1, 2024 | 131,334 | 1,500 | (436,067) | (303,233) |
| Loss and total comprehensive expense for the year | – | – | (118,122) | (118,122) |
| Reclassification from redemption liabilities *(Note 25)* | 782,130 | – | – | 782,130 |
| Conversion into a joint stock company | (267,399) | (1,500) | 268,899 | – |
| At December 31, 2024 | 646,065 | – | (285,290) | 360,775 |
| Loss and total comprehensive expense for the year | – | – | (151,703) | (151,703) |
| Recognition of redemption liabilities *(Note 25)* | (1,137,266) | – | – | (1,137,266) |
| Capital injection from shareholders | 235,011 | – | – | 235,011 |
| At December 31, 2025 | (256,190) | – | (436,993) | (693,183) |

## 31. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged throughout the Track Record Period.

The capital structure of the Group consists of net debt, which includes bank borrowings, lease liabilities, redemption liabilities, net of cash and cash equivalents and equity of the Group, comprising issued share capital, reserves and non-controlling interests.

The management of the Group reviews the capital structure from time to time. As a part of this review, the management considers the cost of capital and the risks associated with the capital. Based on recommendations of the management, the Group will balance its overall capital structure through the issue of new shares and new debts.

## 32. FINANCIAL INSTRUMENTS

### (a) Categories of financial instruments

*The Group*

| | As at December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| **Financial assets** | | |
| Financial assets measured at FVTPL | 54,611 | 95,209 |
| Financial assets measured at amortized cost | 156,638 | 176,041 |
| | **211,249** | **271,250** |

| | As at December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| **Financial liabilities** | | |
| Financial liabilities measured at amortized cost | **85,387** | **1,222,831** |

*The Company*

| | As at December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| **Financial assets** | | |
| Financial assets measured at FVTPL | 20,056 | 95,209 |
| Financial assets measured at amortized cost | 172,495 | 167,971 |
| | **192,551** | **263,180** |

| | As at December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| **Financial liabilities** | | |
| Financial liabilities measured at amortized cost | **75,998** | **1,243,027** |

**(b) Financial risk management objectives and policies**

The Group's and the Company's major financial instruments include cash and cash equivalents, term deposits, restricted bank deposits, financial assets at FVTPL, other receivables, redemption liabilities, trade and other payables, amount due from a related party, amount due to the Controlling Shareholder, bank borrowings and amounts due from/to subsidiaries of the Company. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The directors of the Group and the Company manage and monitor these exposures to ensure appropriate measures are implemented on a timely basis and in an effective manner.

***Market risk***

The Group's and the Company's activities expose it primarily to market risk (currency risk and interest rate risk), credit risk and liquidity risk. There has been no change in the Group's and the Company's exposure to these risks or the manner in which it manages and measures the risks.

*(i) Currency risk*

Certain financial assets and liabilities are denominated in foreign currencies of respective group entities which are exposed to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's and the Company's foreign currencies denominated monetary assets and liabilities at the end of each reporting period are as follows:

**The Group**

| | As at December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| Assets | | |
| USD | 30,439 | 28,087 |
| Liabilities | | |
| USD | – | 117,539 |

**The Company**

| | As at December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| Assets | | |
| USD | 30,417 | 28,081 |
| Liabilities | | |
| USD | – | 117,539 |

Sensitivity analysis

The following table details the Group's and the Company's sensitivity to a 2% increase and decrease in RMB against USD, the foreign currencies with which the Group and the Company may have a material exposure. 2% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis uses outstanding foreign currencies denominated monetary items as a base and adjusts their translation at the end of each reporting period for a 2% change in foreign currency rates. A positive/negative number below indicates a decrease/an increase in loss where RMB strengthens 2% against USD. For a 2% weakening of RMB against USD, there would be an equal and opposite impact on the profit or loss for the respective years.

**The Group**

| | For the year ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Profit or loss | 457 | (1,342) |

**The Company**

| | For the year ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Profit or loss | 456 | (1,342) |

*(ii) Interest rate risk*

The Group and the Company are exposed to fair value interest rate risk in relation to term deposits, redemption liabilities and lease liabilities. The Group and the Company are also exposed to cash flow interest rate risk in relation to variable-rate bank balances and variable-rate bank borrowings. The cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances and bank borrowings. As the management considers that the exposure of cash flow interest rate risk arising from variable-rate bank balances and variable-rate bank borrowings is insignificant, therefore no sensitivity analysis on such risk has been prepared.

***Credit risk and impairment assessment***

Credit risk refers to the risk that the Group's and the Company's counterparties default on their contractual obligations resulting in financial losses to the Group and the Company. The Group's and the Company's credit risk exposures are primarily attributable to other receivables, amounts due from subsidiaries and bank balances and term deposits. The Group and the Company do not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

The Group and the Company performed impairment assessment for financial assets under ECL model. Information about the Group's and the Company's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarized as below:

*Other receivables and amount due from a related party*

For other receivables and amount due from a related party, with the aggregate gross carrying amounts of RMB1,137,000 and RMB1,742,000 for the Group, and RMB203,000 and RMB365,000 for the Company as at December 31, 2024 and 2025, respectively, the management makes periodic individual assessment on the recoverability of other receivables based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The management believes that there are no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL. During the Track Record Period, the Group assessed the ECL on other receivables and amount due from a related party are insignificant and thus no loss allowance is recognized.

*Amounts due from subsidiaries*

For amounts due from subsidiaries with gross carrying amounts of RMB23,756,000 and RMB33,690,000 for the Company as at December 31, 2024 and 2025, respectively, the ECL on amounts due from subsidiaries are assessed individually based on the probability of defaults of amounts due from subsidiaries, the management has taken into account the financial position of the counterparties as well as forward looking information that is available without undue cost or effort. During the Track Record Period, the Company assessed the ECL on amounts due from subsidiaries is insignificant and thus no loss allowance is recognized.

*Bank balance, term deposits and restricted bank deposits*

For bank balance, term deposits and restricted bank deposits with the aggregate gross carrying amounts of RMB155,501,000 and RMB174,299,000 for the Group, and RMB148,536,000 and RMB133,916,000 for the Company as at December 31, 2024 and 2025, respectively, the credit risk on bank balances and term deposits is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. The Group assessed 12m ECL for bank balances and term deposits by reference to information relating to probability of default and loss given default of the respective credit rating grades published by external credit rating agencies. Based on the average loss rates, the 12m ECL on bank balances and term deposits is considered to be insignificant and therefore no loss allowance was recognized.

***Liquidity risk***

In the management of the liquidity risk, the Group and the Company closely monitor its cash position resulting from its operations and maintains a level of cash and cash equivalents deemed adequate by the management to enable the Group and the Company to meet in full its financial obligations as they fall due for the foreseeable future. The management of the Group monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group and the Company rely on bank borrowings as a significant source of liquidity. The Group and the Company had unutilized bank facilities of approximately RMB5,147,000 and RMB59,200,000 as at December 31, 2024 and 2025, respectively.

The following tables detail the Group's and the Company's remaining contractual maturity for its financial liabilities and lease liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities and lease liabilities based on the earliest date on which the Group can be required to pay. The maturity dates for financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows.

**The Group**

| | | As at December 31, 2024 | | | | |
|---|---|---|---|---|---|---|
| | Interest rate | On demand or within 3 months | 3 months to 1 year | 1 year to 2 years | Total | Carrying amounts |
| | | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* |
| Trade and other payables | – | 13,041 | – | – | 13,041 | 13,041 |
| Amount due to the Controlling Shareholder | – | 28,333 | – | – | 28,333 | 28,333 |
| Bank borrowings | 2.30%-2.50% | 673 | 1,087 | 43,382 | 45,142 | 44,013 |
| Lease liabilities | 2.50%-4.65% | 1,115 | 1,186 | 282 | 2,583 | 2,539 |
| | | **43,162** | **2,273** | **43,664** | **89,099** | **87,926** |

| | | As at December 31, 2025 | | | | |
|---|---|---|---|---|---|---|
| | Interest rate | On demand or within 3 months | 3 months to 1 year | 1 year to 2 years | Total | Carrying amounts |
| | | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* |
| Trade and other payables | – | 15,713 | – | – | 15,713 | 15,713 |
| Bank borrowings | 1.85%-1.95% | 48,396 | – | – | 48,396 | 48,100 |
| Lease liabilities | 3.50%-4.45% | 649 | 775 | 204 | 1,628 | 1,601 |
| Redemption liabilities | 12.37%-16.12% | – | 143,919 | 1,094,666 | 1,238,585 | 1,159,018 |
| | | **64,758** | **144,694** | **1,094,870** | **1,304,322** | **1,224,432** |

**The Company**

| | | As at December 31, 2024 | | | | |
|---|---|---|---|---|---|---|
| | Interest rate | On demand or within 3 months | 3 months to 1 year | 1 year to 2 years | Total | Carrying amounts |
| | | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* |
| Trade and other payables | – | 3,652 | – | – | 3,652 | 3,652 |
| Amount due to the Controlling Shareholder | – | 28,333 | – | – | 28,333 | 28,333 |
| Bank borrowings | 2.30%-2.50% | 673 | 1,087 | 43,382 | 45,142 | 44,013 |
| Lease liabilities | 2.50%-4.45% | 832 | 339 | – | 1,171 | 1,165 |
| | | **33,490** | **1,426** | **43,382** | **78,298** | **77,163** |

| | | As at December 31, 2025 | | | | |
|---|---|---|---|---|---|---|
| | Interest rate | On demand or within 3 months | 3 months to 1 year | 1 year to 2 years | Total | Carrying amounts |
| | | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* |
| Trade and other payables | – | 9,409 | – | – | 9,409 | 9,409 |
| Amount due to a subsidiary | – | 26,500 | – | – | 26,500 | 26,500 |
| Bank borrowings | 1.85%-1.95% | 48,396 | – | – | 48,396 | 48,100 |
| Lease liabilities | 3.50%-4.45% | 367 | 775 | 204 | 1,346 | 1,321 |
| Redemption liabilities | 12.37%-16.12% | – | 143,919 | 1,094,666 | 1,238,585 | 1,159,018 |
| | | **84,672** | **144,694** | **1,094,870** | **1,324,236** | **1,244,348** |

**(c) Fair value measurements of financial instruments**

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. In estimating the fair value, the Group uses market-observable data to the extent it is available.

***(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis***

Some of the Group's and the Company's financial assets are measured at fair value at the end of each reporting period.

The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

**The Group**

| | Fair value at December 31, | | | |
|---|---|---|---|---|
| Financial assets | 2024 | 2025 | Fair value hierarchy | Valuation techniques and key inputs |
| | *RMB'000* | *RMB'000* | | |
| Financial assets at FVTPL | 54,611 | 95,209 | Level 2 | Discounted cash flow. Future cash flows are estimated based on discount rate observed in the contract and available market information. |

**The Company**

| Financial assets | Fair value at December 31, 2024 | Fair value at December 31, 2025 | Fair value hierarchy | Valuation techniques and key inputs |
|---|---|---|---|---|
| | *RMB'000* | *RMB'000* | | |
| Financial assets at FVTPL | 20,056 | 95,209 | Level 2 | Discounted cash flow. Future cash flows are estimated based on discount rate observed in the contract and available market information. |

***(ii) Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)***

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortized cost in the Historical Financial Information approximate their respective fair values at the end of each reporting period.

## 33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statements of cash flows as cash flows from financing activities.

| | Bank borrowings | Lease liabilities | Cash received in respect of restricted-shares | Amount due to the Controlling Shareholder | Redemption liabilities | Accrued issue cost | Total |
|---|---|---|---|---|---|---|---|
| | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* |
| At January 1, 2024 | 19,200 | 7,433 | – | 28,333 | 745,048 | – | 800,014 |
| Financing cash flows | 24,144 | (3,021) | – | – | – | – | 21,123 |
| New leases entered | – | 287 | – | – | – | – | 287 |
| Reclassification to capital reserve | – | – | – | – | (782,130) | – | (782,130) |
| Early termination of a lease | – | (2,362) | – | – | – | – | (2,362) |
| Foreign exchange adjustments | – | – | – | – | 307 | – | 307 |
| Finance costs recognized | 669 | 202 | – | – | 36,775 | – | 37,646 |
| At December 31, 2024 | 44,013 | 2,539 | – | 28,333 | – | – | 74,885 |
| Financing cash flows | 3,102 | (3,972) | 7,268 | (28,333) | – | (1,330) | (23,265) |
| New leases entered | – | 2,968 | – | – | – | – | 2,968 |
| Recognition of redemption liabilities | – | – | – | – | 1,137,266 | – | 1,137,266 |
| Deferred issue costs recognized | – | – | – | – | – | 2,435 | 2,435 |
| Gain on non-substantial modification of redemption liabilities | – | – | – | – | (42,081) | – | (42,081) |
| Foreign exchange adjustments | – | – | – | – | (2,119) | – | (2,119) |
| Finance costs recognized | 985 | 66 | – | – | 65,952 | – | 67,003 |
| At December 31, 2025 | 48,100 | 1,601 | 7,268 | – | 1,159,018 | 1,105 | 1,217,092 |

## 34. RELATED PARTIES' TRANSACTIONS

Other than the transactions and balances with related parties disclosed in Note 23, the Group has the following transactions and balances with the related parties during the Track Record Period.

**Compensation of key management personnel**

The remuneration of directors and other member of key management personnel of the Group during the Track Record Period was as follows:

| | For the year ended December 31, | |
|---|---|---|
| | **2024** | **2025** |
| | *RMB'000* | *RMB'000* |
| Salaries and allowance | 5,619 | 8,392 |
| Discretionary bonuses | 1,186 | 1,834 |
| Retirement benefits | 206 | 300 |
| | **7,011** | **10,526** |

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

## 35. PARTICULARS OF SUBSIDIARIES

**General information of subsidiaries**

During the Track Record Period and as at the date of this report, the Company has direct and indirect shareholding interests in the following subsidiaries:

| | Place/date of establishment | Issued and fully paid capital/ registered capital | Shareholding interest attributable the Company as at December 31, 2024 | Shareholding interest attributable the Company as at December 31, 2025 | Shareholding interest attributable the Company as at the date of this report | Principal activities |
|---|---|---|---|---|---|---|
| | | | % | % | % | |
| **Directly held:** | | | | | | |
| Shanghai Xitaili *(Note a)* | PRC November 22, 2022 | RMB28,683,333/ RMB33,683,333 | 89.06 | 89.06 | 89.06 | Medical and cellular technology research and development ("**R&D**"), technical services, and sales of medical equipment |
| Suzhou Pharmaceutical *(Note a)* | PRC September 2, 2022 | RMB10,000,000/ RMB10,000,000 | 100 | 100 | 100 | Medical and engineering technology R&D, technology services and transfers, and sales of medical equipment |
| Micot (Suzhou) Technology Co., Ltd.* (麥科奧特(蘇州)科技有限公司) ("**Suzhou Technology**") *(Note a)* | PRC August 20, 2020 | RMB80,000,000/ RMB80,000,000 | 100 | 100 | 100 | Medical research and experimental development; technology services, development, consultation, exchange, transfer, and promotion |
| Xi'an Biocare *(Note a)* | PRC August 11, 2017 | RMB48,000,000/ RMB60,000,000 | 100 | 100 | 100 | Biopharmaceutical R&D, manufacturing, and commercial distribution |
| Micot Taizhou *(Note a)* | PRC May 16, 2025 | RMB45,700,000/ RMB50,000,000 | N/A | 100 | 100 | Medical R&D, and drug production, clinical trial services and distribution |
| Micot (Hong Kong) Technology Limited (麥科奧特(香港)科技有限公司) ("**Micot HK**") *(Note c)* | Hong Kong October 29, 2021 | HK$10,000/ HK$10,000 | 100 | 100 | 100 | Pharmaceuticals and medical devices R&D, production, promotion and distribution |
| **Indirectly held:** | | | | | | |
| Micot (U.S.) Technology Co., Ltd (麥科奧特(美國)科技有限公司) *(Note b)* | The U.S. November 29, 2021 | USD20,000/ USD20,000 | 100 | 100 | 100 | Overseas R&D and operations |

| | Place/date of establishment | Issued and fully paid capital/ registered capital | Shareholding interest attributable the Company as at December 31, 2024 | December 31, 2025 | As at the date of this report | Principal activities |
|---|---|---|---|---|---|---|
| | | | % | % | % | |
| Micot (U.S.) Biopharmaceutics Co., Ltd (麥科奧特(美國)醫藥有限公司) *(Note b)* . . . . . | The U.S. September 21, 2022 | USD1,000/ USD1,000 | 100 | 100 | 100 | Overseas R&D and operations |

*Notes:*

(a) No statutory financial statements were required for the subsidiaries in the PRC since there are no statutory audit requirements in the PRC.

(b) No audited financial statements of these subsidiaries have been prepared since its date of incorporation as it is incorporated in the jurisdiction where there are no statutory audit requirements.

(c) The statutory financial statements of Micot HK for the years ended December 31, 2024 and 2025 are not yet due to be issued.

* *English name for identification purpose only*

**Details of a non-wholly owned subsidiary that have material non-controlling interests**

The table below shows details of a non-wholly-owned subsidiary of the Group that have material non-controlling interests:

| Name of subsidiary | Place of incorporation and principal place of business | Proportion of ownership interests and voting rights held by non-controlling interests December 31, 2024 | December 31, 2025 | Loss allocated to non-controlling interests for the year ended December 31, 2024 | December 31, 2025 | Accumulated non-controlling interests As at December 31, 2024 | As at December 31, 2025 |
|---|---|---|---|---|---|---|---|
| | | % | % | *RMB'000* | *RMB'000* | *RMB'000* | *RMB'000* |
| Shanghai Xitaili . . . . . | PRC | 10.94 | 10.94 | (2,200) | (2,407) | 14,982 | 12,575 |
| | | | | (2,200) | (2,407) | 14,982 | 12,575 |

Summarized financial information in respect of the Group's subsidiary that has material non-controlling interests is set out below. The summarized financial information below represents amounts before intragroup eliminations.

| | As at December 31, 2024 | 2025 |
|---|---|---|
| | *RMB'000* | *RMB'000* |
| Current assets . . . . . | 9,209 | 5,845 |
| Non-current assets . . . . . | 2,688 | 2,060 |
| Current liabilities . . . . . | 35,890 | 47,907 |
| Equity attributable to owners of the Company . . . . . | (38,975) | (52,577) |
| Non-controlling interests . . . . . | 14,982 | 12,575 |

| | For the year ended December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| Other income | 20 | 43 |
| Other gains and losses | 39 | – |
| Expenses | (20,177) | (22,052) |
| Loss for the year | (20,118) | (22,009) |
| Loss attributable to owners of the Company | (17,918) | (19,602) |
| Loss attributable to the non-controlling interests | (2,200) | (2,407) |

| | For the year ended December 31, | |
|---|---|---|
| | 2024 | 2025 |
| | *RMB'000* | *RMB'000* |
| Net cash outflow from operating activities | (31,161) | (7,106) |
| Net cash outflow from investing activities | (25) | (50) |
| Net cash inflow from financing activities | 9,000 | 6,000 |
| Net cash outflow | (22,186) | (1,156) |

## 36. MAJOR NON-CASH TRANSACTIONS

**The Group and the Company**

During the years ended December 31, 2024 and 2025, the Group entered into new lease agreements for the use of leased properties for 2 years. On the lease commencements, the Group recognized right-of-use assets and lease liabilities of RMB287,000 each in 2024, and RMB2,968,000 each in 2025, respectively.

In addition, during the year ended December 31, 2024, the Group early terminated a lease, resulting in the derecognition of right-of-use assets of RMB1,949,000 and lease liabilities of RMB2,362,000. A gain of RMB414,000 was recognized in the profit or loss (Note 7).

## 37. SUBSEQUENT EVENTS

Save as elsewhere disclosed in this report, events and transactions took place subsequent to December 31, 2025 are detailed as below:

a) On February 4, 2026, the Company entered into an agreement with Everest Medicines (China) Co., Ltd. (雲頂新耀醫藥科技有限公司) ("**Everest**"), pursuant to which the Company irrevocably granted Everest an exclusive license to commercialize MT1013 in China and Asia-Pacific (excluding Japan). MT1013 has entered Phase III clinical trial in China and the relevant development expenses will be covered by the Group.

The Company received a non-refundable upfront payment of RMB200,000,000 in February 2026 and recognized it as a contract liability.

b) Pursuant to the resolutions of the shareholders meeting dated April 2, 2026, the shares had been split on a one-for-fifty basis, and the nominal value of the shares had been changed from RMB1.0 each to RMB0.02 each, details of which are set out in the section headed "History, Development and Corporate Structure — Share Subdivision before the Listing" in the Prospectus.

## 38. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements of the Company, any of its subsidiaries or the Group have been prepared in respect of any period subsequent to December 31, 2025.

*The information set out in this Appendix does not form part of the accountants' report on the historical financial information of the Group for each of the two years ended December 31, 2025 (the "**Accountants' Report**") prepared by Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the Reporting Accountants of the Company, as set forth in Appendix I to this prospectus, and is included herein for information 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 STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS (LIABILITIES) OF THE GROUP ATTRIBUTABLE TO OWNERS OF THE COMPANY

The following unaudited pro forma statement of adjusted consolidated net tangible assets (liabilities) of the Group attributable to owners of the Company which has been prepared in accordance with paragraph 4.29 of the Listing Rules is for illustration only, and is set out to illustrate the effect of the proposed Global Offering (as defined in this prospectus) on the consolidated net tangible liabilities of the Group attributable to owners of the Company as at December 31, 2025 as if the Global Offering had taken place on such date.

The unaudited pro forma statement of adjusted consolidated net tangible assets (liabilities) of the Group attributable to owners of the Company has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets (liabilities) of the Group attributable to owners of the Company had the Global Offering been completed as at December 31, 2025 or as at any subsequent dates following the Global Offering.

The following unaudited pro forma statement of adjusted consolidated net tangible assets (liabilities) of the Group attributable to owners of the Company is prepared based on the audited consolidated net tangible liabilities of the Group attributable to owners of the Company as at December 31, 2025 as derived from the Accountants' Report as set out in Appendix I to this prospectus, and adjusted as described below:

| | **Audited consolidated net tangible liabilities of the Group attributable to the owners of the Company as at December 31, 2025** | **Estimated net proceeds from the Global Offering** | **Unaudited pro forma adjusted consolidated net tangible (liabilities) assets of the Group attributable to the owners of the Company as at December 31, 2025** | **Unaudited pro forma adjusted consolidated net tangible (liabilities) assets of the Group attributable to the owners of the Company per Share as at December 31, 2025** | |
|---|---|---|---|---|---|
| | *RMB'000 Note 1* | *RMB'000 Note 2* | *RMB'000* | *RMB Note 3* | *HK$ Note 4* |
| Based on the Offer Price of HK$18.2 per H Share . . . . | (972,460) | 870,630 | (101,830) | (0.32) | (0.37) |
| Based on the Offer Price of HK$21.0 per H Share . . . . | (972,460) | 1,006,248 | 33,788 | 0.11 | 0.12 |

*Notes:*

(1) The amount is based on the audited consolidated net tangible liabilities of the Group attributable to owners of the Company as at December 31, 2025 of RMB972,460,000, extracted from the Accountants' Report of the Group set out in Appendix I to this prospectus.

(2) The estimated net proceeds from the issue of Offer Shares pursuant to the Global Offering are based on 58,054,400 Shares at the Offer Price of HK$18.2 (equivalent to RMB15.8) and HK$21.0 (equivalent to RMB18.3) per Offer Share, after deduction of underwriting fees and commissions and other listing related expenses paid or payable by the Company (excluding listing expenses recognised in profit or loss prior to December 31, 2025). The calculation of such estimated net proceeds does not take into account any Shares (i) which may be allotted and issued upon the exercise of the Over-Allotment Option, (ii) which may be allotted and issued pursuant to the grant of awards under the Share Incentive Scheme, or (iii) which may be allotted and issued or repurchased by the Company under the general mandates for the allotment and issue or repurchase of Shares granted to the directors of the Company.

For the purpose of calculating the estimated net proceeds from the Global Offering, the amount denominated in HK$ has been converted into RMB at the rate of HK$1 to RMB0.87005, which was the exchange rate prevailing on June 7, 2026 with reference to the rate published by the People's Bank of China. No representation is made that the HK$ amounts have been, could have been or could be converted to RMB, or vice versa, at that rate or at any other rates or at all.

(3) The unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company as at December 31, 2025 per Share is arrived at on the basis of 316,740,350 Shares in total, comprising 258,685,950 Shares in issue as at December 31, 2025 (after the effect of the Subdivision), and 58,054,400 H Shares to be issued pursuant to the Global Offering, assuming that Share Subdivision and the Global Offering had been completed on December 31, 2025 and without taking into account any Shares (i) which may be allotted and issued upon the exercise of the Over-Allotment Option, (ii) which may be allotted and issued pursuant to the grant of awards under the Share Incentive Scheme, or (iii) which may be allotted and issued or repurchased by the Company under the general mandates for the allotment and issue or repurchase of Shares granted to the directors of the Company, or (iv) the 15,000,000 shares (after the effect of the Subdivision) held for Share Incentive Scheme, which represent treasury shares held by the Company.

(4) For the purpose of the unaudited pro forma adjusted consolidated net tangible assets (liabilities) of the Group attributable to owners of the Company as at December 31, 2025 per Share, the amount denominated in RMB has been converted into HK$ at the rate of RMB0.87005 to HK$1, which was the exchange rate prevailing on June 7, 2026 with reference to the rate published by the People's Bank of China. No representation is made that the RMB amounts have been, could have been or may be converted to HK$, or vice versa, at that rate or any other rates or at all.

(5) No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets (liabilities) of the Group attributable to owners of the Company as at December 31, 2025 to reflect any trading result or other transactions of the Group entered into subsequent to December 31, 2025. In particular, the unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company as shown on II-1 have not been adjusted to illustrate the effect of the termination of the redemption and other preferential rights granted to the investors of Series A, B, B1, C and D Financings upon completion of the Global Offering ("**Termination of Preferential Rights**"), which would result in the reclassification of the redemption liabilities with carrying amount of RMB1,159,018,000 as at December 31, 2025 to equity.

Assuming the Series D Financing, Termination of Preferential Rights, Share Subdivision and Global Offering had been completed on December 31, 2025, the unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company would have adjusted by RMB1,159,018,000, resulting in unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company of RMB1,057,188,000 and RMB1,192,806,000, based on an Offer Price of HK$18.2 and HK$21.0 per H Share, respectively. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at December 31, 2025 per Share after Termination of Preferential Rights would have been RMB3.34 per Share (approximately HK$3.84 per Share) and RMB3.77 per Share (approximately HK$4.33 per Share), respectively, calculated on the basis of 316,740,350 Shares in issue and based on an Offer Price of HK$18.2 and HK$21.0 per H Share.

*The following is the text of the independent reporting accountants' assurance report received from Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, in respect of the Group's unaudited pro forma financial information prepared for the purpose of incorporation in this prospectus.*

## B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

Deloitte. 德勤

**To the Directors of Shaanxi Micot Pharmaceutical Technology Co., Ltd.**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of 陝西麥科奧特醫藥科技股份有限公司 (Shaanxi Micot Pharmaceutical Technology 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 statement of adjusted consolidated net tangible assets (liabilities) as at December 31, 2025 and related notes as set out on pages II-1 to II-2 of Appendix II to the prospectus issued by the Company dated June 15, 2026 (the "**Prospectus**"). 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 (as defined in the Prospectus) on the Group's financial position as at December 31, 2025 as if the Global Offering had taken place at December 31, 2025. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's historical financial information for each of the two years ended December 31, 2025, on which an accountants' report set out in Appendix I to the Prospectus has been published.

**Directors' Responsibilities 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 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("**AG 7**") 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" 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 (HKSQM) 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies and 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" 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 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 unaudited pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or 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 event or transaction at December 31, 2025 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 event or 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 event or 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 purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

**Deloitte Touche Tohmatsu**
Certified Public Accountants
Hong Kong
June 15, 2026

The Articles of Association, which is adopted by the shareholders in the general meeting held on September 19, 2025, will become effective on the date that the H shares of the Company are listed on the Stock Exchange. The primary purpose of this appendix is to provide potential investors with an overview of the Articles of Association of the Company. Accordingly, it may not contain all the information that may be considered material or relevant by potential investors.

## 1. DIRECTORS AND BOARD OF DIRECTORS

### (1) Power to allocate and issue shares

The Articles of Association provide that the shareholders may authorize the board of directors through a general mandate at a general meeting to allocate or issue shares of no more than 20% of all outstanding shares. The board of directors shall prepare suggestions for share allotment or issue, which are subject to approval by the shareholders at the general meeting in the form of a special resolution.

Any such allotment or issue shall be in accordance with the procedures stipulated in appropriate laws, administrative regulations and supervision rules of shares listed region.

### (2) Power to dispose assets of the Company or any subsidiary

The sale of substantial assets that exceeds 30% of total assets of the latest audited financial statement are subject to approval by the shareholders at the general meeting in the form of a special resolution. The boards of directors may decide on the disposal of assets of the Company as authorized by the shareholders in a general meeting.

### (3) Emoluments or compensation for directors' loss of office

If a director is removed before the expiration of his term of office without due cause, the director may claim for damages from the Company.

### (4) Provide financial assistance for acquiring the shares of the Company

The Company or its subsidiaries (including affiliates of the Company) shall not provide any financial assistance in the form of gifts, advances, guarantees, compensation or loans for the acquisition of the Company's or its parent company's shares by third parties, except for employee shareholding schemes.

The Company may provide financial assistance for the acquisition of the Company's or its parent company's shares by third parties provided that such financial assistance is for the benefit of the Company and has been duly approved either by a resolution of shareholders in general meeting or by a resolution of the board of directors acting pursuant to authority granted under the Articles of Association or by shareholders. The aggregate amount of any such financial assistance shall in no event exceed 10% of the Company's total issued share capital. Any resolution of the board of directors approving such financial assistance must be passed by a super majority of not less than two-thirds of all directors then in office.

### (5) Disclosure of interests in contracts with the Company and/or its affiliates

No director shall, without prior disclosure to and approval by either the board of directors or the general meeting in accordance with the Articles of Association, directly or indirectly enter into any contract or transaction with the Company.

### (6) Remuneration

The remuneration of directors shall be approved by the shareholders at the general meeting in the form of an ordinary resolution.

### (7) Appointment, resignation and dismissal

The board of directors consists of nine directors, including executive directors, non-executive directors and independent non-executive directors.

Directors are elected or replaced by the general meeting. The general meeting may remove any director whose term has not expired by an ordinary resolution without affecting any claim for damages that may be made pursuant to any contract, provided that such removal is in compliance with relevant laws and regulations.

The board of directors has one chairman. The chairman of the board shall be elected and dismissed by a vote of more than one half of the directors.

The term of office of a director shall be calculated from the date of assumption of office until the expiration of the current term of office of the board of directors, which is a three-year term. Upon expiration of the term, the director may be re-elected in accordance with the relevant regulatory rules where the Company's shares are listed.

In the event a director is not re-elected in time for the expiration of his/her term of office, or if a director resigns during his/her term of office, resulting in the number of the board of directors being less than the minimum number required by law, before the re-elected director assumes his/her office, the original director shall still perform the duties of a director in accordance with the provisions stipulated by laws, administrative regulations, departmental rules, and the Articles of Association.

In the event a director resigns, the director shall notify the Company in writing, and the resignation shall take effect on the date the Company receives the notification; however, if the circumstances set forth in the preceding paragraph exist, the director shall continue to perform the duties.

None of the following persons shall serve as our director:

i. A person who has no civil capacity or has limited civil capacity;

ii. A person who has been imposed penalty for the offense of corruption, bribery, embezzlement, larceny, disrupting the socialist economic order or has been deprived of political rights because of this conviction and is within five years of the expiry date of the sentence; in the case of a probation, less than two years have elapsed since the date of expiration of the probationary period;

iii. A person who is a former director, factory manager or general manager of a company or enterprise that is bankrupt and liquidated, was personally liable for the bankruptcy of such company or enterprise, and is within three years of the date of completion of bankruptcy and liquidation of such company or enterprise;

iv. A person who has served as the legal representative of a company or enterprise whose business license was revoked or was ordered to close due to violation of laws, was personally liable, and is within three years of the date on which the business license of such company or enterprise was revoked;

v. A person listed by the people's court as dishonest judgment debtors, who has a relatively large sum of debt, which was not paid at maturity;

vi. A person who is prohibited by relevant securities regulator from entering into the securities market and is still in such prohibition period; or

vii. A person who has been publicly determined by the stock exchange to be not suitable to serve as a director or senior management of a listed company, and the period has not elapsed; or

viii. Any other person who is otherwise not eligible under laws, administrative regulations, regulatory documents and other conditions set out by the Listing Rules.

The election, appointment or engagement of a director shall be invalid if such election, appointment or engagement violates the above-mentioned provisions. If a director falls into the situations provided in the above-mentioned situations during their term of office, they would be dismissed by the Company.

**(8) Borrowing powers**

The Articles of Association do not contain any specific provisions regarding directors' power of borrowing money.

The board of directors shall be entitled to develop proposals for the Company to issue bonds and to list its Shares, and that such bond issues must be approved by the shareholders by a special resolution at the general meeting.

## 2. MODIFICATION OF THE ARTICLE OF ASSOCIATION

The Company may amend the Articles of Association based on the provisions of the laws, administrative regulations and Articles of Association.

In the event that the amendments to the Articles of Association passed by a general meeting need the examination and approval of the competent authorities, these amendments shall be submitted hereto for approval. Where the amendment of the Articles of Association involves registration, it shall be necessary to carry out the lawfully prescribed procedures for registration change.

## 3. SPECIAL RESOLUTIONS NEEDED TO BE ADOPTED BY ABSOLUTE MAJORITY VOTE

The resolutions of the general meeting shall be divided into ordinary resolutions and special resolutions.

An ordinary resolution may be adopted by a simple majority of the votes held by the shareholders (including proxies of shareholders) attending the general meeting.

A special resolution can be adopted by a two-thirds majority of the votes held by the shareholders (including proxies of shareholders) attending the general meeting.

## 4. VOTING RIGHTS

When shareholders (including proxies) vote at the general meeting, they exercise their voting rights based on the number of voting shares they represent, and each share has one voting right. When voting, shareholders (including proxies) holding two or more votes are not required to cast all their votes in favour, against or as abstentions.

The shares held by the Company itself shall have no voting right and shall not be counted in the total number of voting shares at the general meeting.

Any shareholder who is required by the Listing Rules to abstain from voting on a matter or is limited to an affirmative or negative vote shall abstain from voting or be required to so vote; any vote cast by or on behalf of relevant shareholder which is cast in violation of such requirement or restriction shall not be counted in the voting result.

## 5. RULES ON ANNUAL GENERAL MEETINGS

The general meetings are divided into an annual general meeting and an extraordinary general meetings. The annual general meeting shall be convened once a year and be held within six months of the end of the previous fiscal year.

## 6. ACCOUNTS AND AUDITS

### (1) Financial and accounting policies

The Company shall develop its financial accounting policies pursuant to laws, administrative regulations and rules developed by the competent department.

The Company shall publish the financial reports twice in each accounting year. Interim financial reports shall be published within 2 months of the end of the first six months of a fiscal year, while the annual financial report shall be published within 4 months of the end of each accounting year.

### (2) Appointment and dismissal of accountants

The Company shall engage a reputable accounting firm that meets appropriate requirements of the relevant laws, regulations and regulatory requirements to be responsible for auditing its annual financial report, conduct accounting statement audit, net asset verification and other related consulting services, and the term of service shall be one year, which is renewable upon expiry of the term.

The appointment and removal of an accounting firm providing regular audit services to the Company shall be determined by resolution of the shareholders in general meeting.

Prior to the removal or the non-reappointment of an accounting firm, notice of such removal or non-reappointment shall be given to the firm concerned 30 days in advance and such firm shall be entitled to make representation at the general meeting when voting on the dismissal of such firm at the general meeting.

In the event the accounting firm resigns from its post, it shall make clear to the general meeting whether there has been any impropriety on the part of the Company.

If the position of an appointed accounting firm is vacant, the board of directors may appoint an accounting firm before the start of general meeting. However, if during the vacant period, the Company has other incumbent accounting firm, such accounting firm may take the vacant.

## 7. NOTICE AND AGENDA OF GENERAL MEETINGS

Under any of the following circumstances, the board of directors shall convene an extraordinary general meeting within two months:

i. The number of directors is less than the number specified in the Company Law or less than two thirds of the number required in the Articles of Association;

ii. The uncovered losses of the Company reach one-third of its total paid-in registered capital;

iii. The shareholders with 10% or more shares of the Company (including preference shares with restored voting rights) separately or jointly request to convene an extraordinary general meeting in writing;

iv. The board of directors considers it necessary;

v. The audit committee makes such proposal;

vi. Any other circumstances stipulated in laws, regulations, the Articles of Association.

In the event that the general meeting is convened, the board of directors and shareholders who separately or jointly hold more than 1% of the shares of the Company (including preference shares with restored voting rights) may submit a proposal.

When convening an annual general meeting, the Company shall notify shareholders by announcement 21 days before it is convened. When convening an extraordinary general meeting, the Company shall send a written notice 15 days before it is convened.

The notice of the general meeting shall be made in writing, including the following contents:

i. The time, venue, and duration of the meeting;

ii. The matters and proposals to be discussed at the meeting;

iii. Conspicuous statement that all shareholders are entitled to attend the meeting and appoint proxy to attend and vote and that proxy need not be a shareholder;

iv. The date of shareholding registration for the shareholders who are entitled to attend the meeting;

v. The name and telephone number of the contact person for the meeting;

vi. The voting time and voting procedure for internet or other alternative voting methods;

vii. Other requirements stipulated by laws, administrative regulations, department rules, Listing Rules.

The notice of general meeting and any supplementary notice shall contain full and complete disclosure of all substantive details of every proposed resolution.

The resolution of the general meeting includes ordinary resolution and special resolution. The following matters shall be approved by the general meeting through ordinary resolutions:

i. Work report of the board of directors;

ii. Plans of earnings distribution and loss make-up schemes drafted by the board of directors;

iii. Appointment or dismissal of the members of the board of directors and their enumeration and payment methods;

iv. Other matters other than those approved by special resolution stipulated in the laws, administrative regulations, Listing Rules or the Articles of Association.

The following matters shall be approved by special resolution at the general meeting:

i. The increase or decrease of the registered capital;

ii. Division, split, merger, dissolution and liquidation of the Company;

iii. Amendment of the Articles of Association;

iv. The purchase or sale of material assets of the Company or provision of guarantees to others by the Company within one year exceeding 30% of the latest audited total assets of the Company;

v. Share incentive scheme;

vi. Other matters recognized by ordinary resolution of the general meeting that could materially affect the Company and need to be approved by special resolution or as required by the laws, administrative regulations, Listing Rules or the Articles of Association.

In the event that any resolution of the general meeting or resolution of the board of directors violates laws or administrative regulations, any shareholder is entitled to request the court to deem it as invalid.

In the event that the convening procedure or voting formula of the general meeting or meeting of the board of directors violates any of laws, administrative regulations or the Articles of Association, or the content of resolution violates the Articles of Association, any shareholder is entitled to request the court to revoke the relevant resolution within 60 days after the resolution was adopted, unless there is only a minor defect in the procedures for convening a general meeting or a meeting of the board of directors or in the manner of voting, which does not materially affect the resolution.

**8. SHARES TRANSFERS**

The shares issued before the public issuance of shares by the Company shall not be transferred within one year of the date on which the stocks of the Company are listed and traded on a stock exchange.

The directors and senior managements of the Company shall declare, to the Company, information on their holdings of the shares of the Company and the changes thereto. The shares transferable by them during each year of their term of office shall not exceed 25% of the total shares of the Company held by them. The shares of the Company held by them shall not be transferred within one year of the date on which the stocks of the Company are listed and traded on a stock exchange. The aforesaid persons shall not transfer their shares of the Company within six months from the date of their resignation.

In the event the securities regulatory authorities in the place where the Company's shares are listed and CSRC (if applicable) have any other provisions on the transfer restrictions of H shares, such provisions shall prevail.

**9. POWERS OF OUR COMPANY TO REPURCHASE ITS SHARES**

The Company shall not repurchase its shares except under any of the following circumstances provided that such repurchase does not violate laws, regulations, the Listing Rules, and the Articles of Association:

i. Reduce the Company's registered capital;

ii. Merger with other companies which hold our shares;

iii. Granting shares to the staff of the Company as incentives;

iv. Requesting the Company to buy back its shares from shareholders who vote against any resolution adopted at the general meeting concerning the merger and division of the Company;

v. To convert shares into bond issued by the Company which is convertible to stock of the Company;

vi. Necessary for the Company to maintain the Company's value and shareholders' interests.

**10. DIVIDEND AND OTHER DISTRIBUTION METHODS**

The Company may distribute dividends in the manner of cash or stock.

The Company shall implement the specific distribution plan within six months after the general meeting has passed a resolution on the profit distribution plan.

**11. SHAREHOLDER PROXIES**

Shareholders may attend the general meeting in person or authorize one or more representatives, who is not a shareholder, to attend and vote on their behalf.

Any proxy statement issued by a Shareholder who authorizes a proxy to attend the general meeting on his/her behalf shall include the following details:

i. the name or title of the appointer, class and number of the company shares held;

ii. the name or title of the proxy;

iii. the shareholder's specific instructions, including respective instructions on for, against or abstention voting on each item for deliberation listed in the general meeting agenda;

iv. the issuance date and valid period of the proxy statement;

v. the signature (or seal) of the appointer. Where the appointer is a corporate shareholder, the corporate seal of the legal entity shall be affixed.

**12. INSPECTION OF THE REGISTER OF SHAREHOLDERS**

The Company establishes the register of Shareholders according to the certificate provided by the securities registration authority. The register of Shareholders is sufficient evidence to prove that the Shareholders hold the Company's shares. Shareholders enjoy rights and assume obligations according to the type and number of shares they hold. Registered shareholders or prospective registrants who lose their shares may apply to the Company for replacement certificates. Replacement applications by H-share shareholders shall be handled in accordance with the laws, stock exchange rules and other relevant provisions of the place where the original H-share register is kept.

Shareholders holding the same type of Shares shall enjoy the same rights and undertake the same obligations.

The original register of the shareholders of the H Shares listed in Hong Kong shall be kept in Hong Kong.

When the Company convenes the general meeting, pays dividends, goes into liquidation or is involved in other actions that require the confirmation of identities, the board of directors shall fix a date as the equity registration date, upon expiration of which the shareholders whose names registered on the register of shareholders shall be the shareholders entitled to relevant equity.

**13. RIGHTS OF MINORITIES IN RELATION TO FRAUD OR OPPRESSION**

If any director or senior management (other than a member of the Audit Committee) violates laws, administrative regulations or the Articles of Association in fulfilling his/her duties, thereby causing any loss to the Company, the shareholder(s) severally or jointly holding 1% or more shares of the Company for more than 180 consecutive days shall have the right to request the Audit Committee in writing to institute legal proceedings at the People's Court; if the member of the Audit Committee violates laws, administrative regulations or the Articles of Association in fulfilling his/her duties, thereby causing any loss to the Company, the aforementioned Shareholders shall have the right to request the board of directors in writing to institute legal proceedings at the People's Court.

If the Audit Committee or the board of directors refuses to institute legal proceedings after receipt of the aforesaid written request or fails to institute legal proceedings within 30 days after receipt of the aforesaid written request, or if under urgent circumstances that any delay of legal proceedings may cause irrecoverable damages to the interests of the Company, the Shareholders specified above shall have the right to directly institute legal proceedings at the People's Court in their own names for the interest of the Company.

If any other person infringes upon the legitimate rights and interests of the Company, thereby causing any loss to the Company, the Shareholders specified in paragraph 1 may institute legal proceedings at the People's Court pursuant to the preceding provisions.

Where a director or senior management of a wholly-owned subsidiary of the Company violates laws and administrative regulations or the Articles of Association in fulfilling his/her duties, thereby causing any loss to the Company, or where a third party infringes upon the lawful rights and interests of such wholly-owned subsidiary thereby causing losses, any shareholders who individually or jointly holding no less than 1% of the Company's shares for no less than 180 consecutive days shall have the right to submit a written request to the Audit Committee or the board of directors of the wholly-owned subsidiary to initiate legal proceedings with the People's Court in accordance with the relevant provisions of the Corporate Law or directly initiate legal proceedings with the People's Court in their own name.

If a wholly-owned subsidiary of the Company does not set up a board of supervisors or does not have a supervisor, and sets up an Audit Committee instead, the relevant procedure specified in paragraph 1 and 2 above shall be followed.

If any director or senior management violates the laws, administrative regulations or the Articles of Association, thereby causing any loss to the Shareholders' interests, the Shareholders may institute legal proceedings at the People's Court.

**14. LIQUIDATION PROCEDURES**

The Company shall be dissolved under any of the following circumstances:

(i) the expiration of the business period as stipulated in the Articles of Association or the occurrence of other grounds for dissolution as stipulated in the Articles of Association;

(ii) the general meeting resolves to dissolve the Company;

(iii) dissolution is necessary as a result of the merger or division of the Company;

(iv) the business license of the Company is revoked, or the Company is ordered to be closed down, or it is deregistered according to law; and

(v) the Company is confronted with serious difficulties in operation and management, and its continued existence may cause material loss to the interests of its shareholders, and the difficulties cannot be resolved through other means, in which case the Shareholders holding 10% or more of the voting rights held by all the Shareholders of the Company may request a People's Court to dissolve the Company.

Where any ground for dissolution as specified in the preceding paragraph arises in respect of the Company, the Company shall within 10 days publish such ground for dissolution via the National Enterprise Credit Information Publicity System.

Where the Company is to be dissolved pursuant to items (1), (2), (4) or (5) above, it shall undergo liquidation. Directors shall act as the liquidation obligor and establish a liquidation committee within 15 days from the date when the event of dissolution occurs. The members of the liquidation committee shall be composed of the directors or the personnel appointed by the general meeting.

Within 10 days of the establishment of the liquidation committee, the creditors shall be notified and an announcement shall be published within 60 days. Creditors shall file their claims with the liquidation committee within 30 days of receiving the notice, or within 45 days from the publication if any such creditor has not received the notice.

After identifying the Company's assets and preparing the balance sheet and schedule of assets, the liquidation committee shall formulate a liquidation plan and submit it to the general meeting or the People's Court for confirmation.

Upon completion of the company's liquidation, the liquidation committee shall prepare a liquidation report, submit it to the general meeting or the People's Court for confirmation, and file it with the company registry to apply for deregistration of the company.

## 15. OTHER IMPORTANT PROVISIONS FOR OUR COMPANY OR SHAREHOLDERS

### (1) General provisions

The Company is a permanently existing joint stock limited company.

According to the Articles of Association, any shareholder may bring a lawsuit against another shareholder, a director, or the senior management, any shareholder may bring a lawsuit against the Company, and the Company may bring a lawsuit against any shareholder, director or the senior management.

### (2) Capital increase and capital reduction

The Company may increase stock capital by the following means in accordance with laws and regulations, subject to the approval by the general meeting, for management and operation needs:

i. Issuing shares in a public offering;

ii. Issuing shares via a private placement;

iii. Giving bonus shares to existing shareholders;

iv. Converting reserve funds into shares; and

v. Other means approved by the laws, administrative regulations, departmental rules and relevant regulatory authorities where the Company's shares are listed and the CSRC (if necessary).

The Company may decrease our registered capital and shall comply with the procedures stipulated in Company Law of the PRC, the Listing Rules, other relevant regulations and the Articles of Association.

### (3) Shareholders

Shareholder is entitled to rights and assumes obligations pursuant to the classification of his or her shares. Shareholder holding the same classified share has the same rights and assumes the same obligations.

The rights of our ordinary shareholders are as follows:

i. To receive distribution of dividends and other forms of benefits according to the number of shares held;

ii. To legally require, convene, preside over, participate in or authorize proxies of shareholders to participate in and exercise corresponding voting rights at the general meeting;

iii. To supervise and manage business and operational activities of the Company, and to provide suggestions or submit queries;

iv. To transfer, grant or pledge the Company's shares he/she held according to the provisions of the laws, administrative regulations, regulatory rules where the Company's shares are listed and the Articles of Association;

v. To obtain relevant information according to the provisions of the Articles of Association, including reading and coping the Articles of Association, register of shareholders, minutes of general meetings, resolutions of meetings of the board of directors; eligible Shareholders may inspect the accounting books and accounting vouchers;

vi. To participate in the distribution of residual properties of the company in proportion to the number of shares held in the event of the termination or liquidation of the Company;

vii. To request the Company to buy back their shares as dissenting shareholders voting against any resolutions adopted at the general meeting concerning the merger and division the Company;

viii. Other rights conferred by laws, administrative regulations, departmental rules, the Listing Rules, and the Articles of Association.

**(4) The board of directors**

The board of directors is responsible to the general meeting.

The board of directors exercises the following powers:

i. To convene the general meeting and report on its work to the general meeting;

ii. Implement the resolutions of the general meeting;

iii. Determine the business and investment plans of the Company;

iv. Formulate the earnings distribution and loss offset plans of the Company;

v. Formulate the proposals for increasing or decreasing the Company's registered capital, issuance of corporate bonds or other securities and the listing plan of the Company;

vi. Prepare plans for major acquisition, stocks buy-back, corporate merger, separation, dissolution and change corporate form of the Company;

vii. Determine, in accordance with the Articles of Association or within the scope authorized by the general meeting, such matters as the Company's external investments, the purchase and sale of assets, asset mortgages, external guarantees, entrusted management of finance, related-party transactions and external donations;

viii. Decide on the setup of the Company's internal management organization;

ix. Appoint or dismiss the general manager, secretary of the board, and other senior managers of the Company; based on the nomination of the general manager, appoint or dismiss senior managements of the Company such as deputy general manager, Chief financial officer (CFO) and other senior managers and determine their remuneration, reward and disciplinary matters;

x. Formulate the basic internal management systems of the Company;

xi. Review the compensation system and compensation structure of the Company and/or its subsidiaries;

xii. Formulate the modification plan to the Articles of Association;

xiii. Managing the information disclosure of the Company;

xiv. Make proposals to the general meeting on the appointment or replacement of the accounting firm that provides audit services to the Company;

xv. Listen to work report of general manager and inspect the general manager's work; and

xvi. Other powers and duties authorized by the laws, administrative regulations, regulations of the authorities, the Listing Rules and the Articles of Association.

Board meeting shall be held only if more than one half of the directors are present. Unless otherwise provided in the Articles of Association, resolutions of the board of directors shall be passed by a simple majority of all directors.

The board of directors of the Company shall give an explanation to the general meeting on the non-standard audit report issued by the certified public accountants on the financial reports of the Company.

**(5) Independent non-executive director**

At least one independent non-executive director shall have applicable professional qualification or are equipped with applicable accounting or relevant financial management expertise.

**(6) Secretary of the board of directors**

The Secretary of the board of directors, as a senior management officer of the Company, shall be responsible for organizing the shareholders' general meetings and board meetings, maintaining corporate records, managing shareholder information, and handling disclosure matters, while complying with all applicable laws, administrative regulations, departmental rules, and the provisions of these Articles of Association. The Company has one secretary of the board of directors.

**(7) Audit committee**

The Company shall set up an audit committee.

The audit committee consists of three directors.

The audit committee shall consist of directors who are not senior managements of the company, among them there are two independent directors, and an accounting professional among these independent directors shall act as the convener.

The audit committee shall be responsible for review of the company's financial information and disclosure thereof, supervision and evaluation of internal and external audit work and internal control. The following matters shall, upon consent by more than half of all the members of the audit committee, be present to board meeting for deliberation:

i. Disclosure of financial information in financial accounting reports and periodic reports, internal control evaluation report;

ii. Engagement or dismissal of accounting firm which undertakes audit business of a listed company;

iii. Engagement or dismissal of the financial controller of a listed company;

iv. Change in accounting policies or accounting estimates or correction of material accounting error for a reason other than change in accounting standards; and

v. Any other matters stipulated by laws, administrative regulations, the CSRC and the articles of association.

**(8) General manager**

The Company has one general manager, appointed or dismissed by the board of directors. The general manager of the Company is responsible to the board of directors and exercises the following powers:

i. Be in charge of the producing and operational management of the Company, organize the implement of resolutions of the board of directors and report to the board of directors on his/her work;

ii. Organize the implementation of the Company's annual operation plans and investment schemes;

iii. Formulate the plans for establishment of the Company's internal management organization;

iv. Formulate the fundamental management policies of the Company;

v. Formulate the specific management regulations and rules of the Company;

vi. Propose the board of directors of engagement or dismissal of the Company's deputy general manager, Chief financial officer and other senior managements;

vii. Decide to engage or dismiss other managements except those who shall be appointed or dismissed by the board of directors;

viii. Other responsibilities authorized by the Articles of Association and the board of directors.

**(9) Reserve fund**

When the annual after-tax profits of the Company are distributed, the Company shall allocate 10% of the profits to the statutory reserve fund of the Company. Allocations to the Company's statutory reserve fund may be waived once the cumulative amount of funds therein exceeds 50% of the Company's registered capital.

If the Company's statutory reserve fund is insufficient to offset our losses during the previous year, the profits generated during the current year shall be used to cover such losses before allocating the statutory reserve in accordance with the requirements set forth above.

After allocation to the statutory reserve fund from the after-tax profits of the Company, we may also allocate to the discretionary reserves fund will from after-tax profits in line with the resolution(s) adopted at the general meeting.

After the Company has covered for its losses and made allocations to its statutory reserve fund, the remaining profits are distributed in proportion to the number of shares held by the shareholders, unless otherwise specified by the Articles of Association.

If the general meeting violates the above provisions and profits are distributed to the shareholders, the profits distributed in violation of the provisions shall be returned by such shareholders to the Company. If the Company suffers losses, the shareholders and responsible directors, senior managements shall be liable for compensation.

The shares held by the Company itself shall not be subject to profit distribution.

The Company's reserve fund shall be used to offset losses of the Company, expanding the scale of business and operations or for conversion into and increase our capital.

Where reserve fund is used to offset loss of the Company, the discretionary reserve fund and statutory reserve fund shall be firstly used; in the event they are insufficient for offsetting loss, the capital reserve fund may be applied to cover the company's losses.

Where the statutory reserve fund converses into the registered capital, the remaining statutory reserve shall not be less than 25% of the registered capital of the Company before such conversion.

## FURTHER INFORMATION ABOUT OUR GROUP

### Incorporation of our Company

Our Company was established as a limited liability company in January 2007 under the laws of the PRC and was converted into a joint stock limited company in January 2025. Our registered office is located at Room B06, 26th Floor, Building 5, Digital China Science and Technology Park, No. 20, Zhangba 4th Road, High-tech Development Zone, Xi'an, Shaanxi, PRC.

Our Company has established a place of business in Hong Kong at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong and has been registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on September 18, 2025. Mr. Zou Ran (鄒然) and Ms. Chan Yee Lam (陳綺藍) have been appointed as our authorized representatives for acceptance of service of process and notices in Hong Kong, and their correspondence address is the same as our place of business in Hong Kong.

As our Company was established in the PRC, we are subject to the relevant laws and regulations of the PRC. A summary of the relevant provisions of our Articles of Association is set out in Appendix III to this prospectus.

### Changes in the Share Capital of our Company

The following sets out the changes in the share capital of our Company during the two years immediately preceding the date of this prospectus:

(i) In March 2024, Junying Growth transferred 0.81% equity interest in our Company, being 40,353 Shares, to Junying Jiacheng.

(ii) In January 2025, our Company was converted into a joint stock limited company.

(iii) In September 2025:

  (i) Linhai Qize injected RMB138.5 million into our Company in return for 287,653 Shares;

  (ii) Maicheng Century injected RMB15.0 million into our Company in return for 31,154 Shares;

  (iii) Jinan Liuji injected RMB12.0 million into our Company in return for 24,923 Shares;

  (iv) Shaanxi Jingang injected RMB30.0 million into our Company in return for 62,308 Shares; and

  (v) Shaanxi Innovation Relay injected RMB40.0 million into our Company in return for 83,077 Shares.

For details of changes in the share capital of our Company, see "History, Development and Corporate Structure."

### Changes in the Share Capital of our Subsidiaries

The list of our major subsidiaries is set out under the financial statements in the Accountants' Report as included in Appendix I to this prospectus. The following alterations in the share capital of our subsidiaries have taken place within the two years immediately preceding the date of this prospectus:

(i) On June 14, 2023, the registered share capital of Shanghai Xitaili increased from RMB30.0 million to approximately RMB33.7 million.

(ii) On February 14, 2025, the registered share capital of Xi'an Biocare increased from RMB9.6 million to RMB60.0 million.

(iii) On February 24, 2025, the registered share capital of Suzhou Technology increased from RMB50 million to RMB80.0 million.

(iv) On March 3, 2026, the registered share capital of Suzhou Pharmaceutical decreased from RMB238 million to RMB10 million.

Save as disclosed above, there had been no other alterations of share capital of our subsidiaries within the two years preceding the date of this prospectus.

**Resolutions of the Shareholders**

Pursuant to a general meeting held on September 19, 2025, the Shareholders resolved that, among others:

(a) the issuance by our Company of H Shares with a nominal value of RMB1.00 each (or with a nominal value of RMB0.02 each upon the completion of the Share Subdivision) and such H Shares being listed on the Stock Exchange;

(b) 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 of any H Shares which may be issued upon the exercise of the Over-allotment Option), and the grant of the Over-allotment Option in respect of not more than 15% of the number of H Shares initially available under the Global Offering;

(c) subject to the CSRC's approval, upon completion of the Global Offering, 222,016,700 Unlisted Shares in aggregate held by 24 Shareholders will be converted into H Shares on a one-for-one basis;

(d) subject to the completion of the Global Offering, the conditional adoption of the Articles of Association which shall become effective on the Listing Date, and authorization to the Board to amend the Articles of Association to the extent necessary in accordance with laws, regulations and regulatory rules and requirements from relevant government bodies or regulatory authorities and for the purpose of the Listing; and

(e) authorization of the Board or its authorized individual(s) to handle all matters relating, among other things, to the Global Offering, the issue and the listing of H Shares on the Stock Exchange.

## FURTHER INFORMATION ABOUT OUR BUSINESS

**Summary of Our Material Contracts**

We have entered into the following contracts (not being contracts 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) the Hong Kong Underwriting Agreement;

(b) the Deed of Indemnity;

(c) the cornerstone investment agreement dated June 9, 2026, entered into among the Company, Everest Medicines Limited, CCB International Capital Limited and China Merchants Securities (HK) Co., Limited with respect to a subscription of H Shares at the Offer Price in the aggregate amount of HK$100.00 million;

(d) the cornerstone investment agreement dated June 9, 2026, entered into among the Company, Qiyuan High-tech Innovation Investment (Hong Kong) Limited (啟源高投創新投資(香港)有限公司), CCB International Capital Limited and China Merchants Securities (HK) Co., Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of HK$341.36 million;

(e) the cornerstone investment agreement dated June 9, 2026, entered into among the Company, Summit Capital Limited (順鳴資本有限公司), CCB International Capital Limited and China Merchants Securities (HK) Co., Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of HK$7.83 million;

(f) a capital contributions agreement dated June 27, 2025, entered into between, amongst others, our Company and Linhai Qize, under which Linhai Qize agreed to subscribe and our Company agreed to issued 287,653 Shares to Linhai Qize at a total consideration of RMB138.5 million;

(g) a capital contributions agreement dated September 19, 2025, entered into between, amongst others, our Company and Maicheng Century, under which Maicheng Century agreed to subscribe and our Company agreed to issue 31,154 Shares to Maicheng Century at a total consideration of RMB15.0 million;

(h) a capital contributions agreement dated September 19, 2025, entered into between, amongst others, our Company and Jinan Liuji, under which Jinan Liuji agreed to subscribe and our Company agreed to issue 24,923 Shares to Jinan Liuji at a total consideration of RMB12.0 million;

(i) a capital contributions agreement dated September 24, 2025, entered into between, amongst others, our Company and Shaanxi Jingang, under which Shaanxi Jingang agreed to subscribe and our Company agreed to issue 62,308 Shares to Shaanxi Jingang at a total consideration of RMB30.0 million; and

(j) a capital contributions agreement dated September 26, 2025, entered into between, amongst others, our Company and Shaanxi Innovation Relay, under which Shaanxi Innovation Relay agreed to subscribe and our Company agreed to issue 83,077 Shares to Shaanxi Innovation Relay at a total consideration of RMB40.0 million.

**Intellectual Property Rights**

***Trademarks***

As of the Latest Practicable Date, we have registered the following trademarks, which we consider to be material to our business:

| No. | Trademark | Class | Owner | Place of Registration | Registration No. | Expiry date |
|---|---|---|---|---|---|---|
| 1 . . . | Micot | 5 | Our Company | Hong Kong | 306072822 | September 29, 2032 |
| 2 . . . | Micot 麦科奥特生物 | 42 | Our Company | PRC | 78894863 | November 20, 2034 |
| 3 . . . | Micot 麦科奥特生物 | 10 | Our Company | PRC | 78486854 | December 20, 2034. |
| 4 . . . | Micot 麦科奥特生物 | 5 | Our Company | PRC | 74424768 | April 20, 2034 |
| 5 . . . | 科麦立 | 5 | Our Company | PRC | 69265343 | July 13, 2033 |
| 6 . . . | 麦知宁 | 5 | Our Company | PRC | 69258685 | September 20, 2033 |
| 7 . . . | 麦解克 | 5 | Our Company | PRC | 69257898 | September 20, 2033 |
| 8 . . . | 畅甘兴 | 5 | Our Company | PRC | 69260760 | July 13, 2033 |
| 9 . . . | 麦慷宁 | 5 | Our Company | PRC | 69266533 | July 27, 2033 |
| 10 . . | 麦科奥特生科 | 5 | Our Company | PRC | 67566942 | April 13, 2033 |
| 11 . . | 西麦科奥特 | 5 | Our Company | PRC | 67549391 | April 13, 2033 |
| 12 . . | 麦科奥特生医 | 5 | Our Company | PRC | 67548564 | April 13, 2033 |
| 13 . . | 麦科奥特 | 5 | Our Company | PRC | 56176082 | February 20, 2032 |
| 14 . . | Micot | 42 | Our Company | PRC | 50739779 | July 20, 2031 |
| 15 . . | 麥科奥特 | 44 | Our Company | PRC | 50572621 | June 27, 2031 |
| 16 . . | Micot | 35 | Our Company | PRC | 50578479 | April 6, 2032 |
| 17 . . | 麦科奥特 | 10 | Our Company | PRC | 50582155 | June 20, 2031 |
| 18 . . | 麦科奥特 | 42 | Our Company | PRC | 50577241 | June 20, 2031 |
| 19 . . | 麥科奥特 | 42 | Our Company | PRC | 50560005 | July 6, 2031 |
| 20 . . | 麦科奥特 | 5 | Our Company | PRC | 50576908A | September 6, 2031 |

| No. | Trademark | Class | Owner | Place of Registration | Registration No. | Expiry date |
|---|---|---|---|---|---|---|
| 21 . . | 麥科奧特 | 35 | Our Company | PRC | 50549904 | May 27, 2032 |
| 22 . . | 麥科奧特 | 5 | Our Company | PRC | 50578883A | September 6, 2031 |
| 23 . . | Micot | 44 | Our Company | PRC | 50549881 | April 13, 2032 |
| 24 . . | 麦科奥特 | 44 | Our Company | PRC | 50562701 | July 6, 2031 |
| 25 . . | 麦科奥特 | 35 | Our Company | PRC | 50582167 | May 27, 2032 |
| 26 . . | 麥科奧特 | 10 | Our Company | PRC | 50577297 | June 27, 2031 |
| 27 . . | Micot | 5 | Our Company | PRC | 50556505 | August 6, 2031 |
| 28 . . | 麦科奥特 | 10 | Our Company | PRC | 15078968 | September 20, 2035 |
| 29 . . | Micot | 5 | Our Company | PRC | 15078731 | November 13, 2035 |
| 30 . . | 麦科奥特 | 5 | Our Company | PRC | 15078862 | November 13, 2035 |
| 31 . . | 西泰利 | 10 | Shanghai Xitaili | PRC | 82995234 | July 6, 2035 |
| 32 . . | 西泰利 | 42 | Shanghai Xitaili | PRC | 80060829 | January 27, 2035 |
| 33 . . | 西泰利 | 5 | Shanghai Xitaili | PRC | 78907637 | November 20, 2034 |

***Patents***

As of the Latest Practicable Date, we had registered the following patents which we considered to be material to our business:

| No | Owner | Description | Patent No. | Type of Patents | Application date | Authorization announcement date |
|---|---|---|---|---|---|---|
| 1 . . | Our Company | Bispecific fusion polypeptide compound (雙特異性融合多肽化合物) | CN202180014524.4 | Invention | April 20, 2021 | September 26, 2023 |
| 2 . . | Our Company | Active polypeptide compound (活性多肽化合物) | CN202080071421.7 | Invention | June 19, 2020 | August 25, 2023 |
| 3 . . | Our Company | Multi-target compound with anticoagulant and antiplatelet activities, its preparation method and use (有抗凝血和抗血小板活性的多靶點化合物及製法和用途) | CN202110662995.8 | Invention | August 5, 2015 | November 8, 2022 |
| 4 . . | Our Company | Multi-target compound with anticoagulant and antiplatelet activities, its preparation method and use (有抗凝血和抗血小板活性的多靶點化合物及製法和用途) | CN202110662996.2 | Invention | August 5, 2015 | October 4, 2022 |
| 5 . . | Our Company | Multi-target compound with anticoagulant and antiplatelet activities, its preparation method and use (有抗凝血和抗血小板活性的多靶點化合物及製法和用途) | CN202110661682.0 | Invention | August 5, 2015 | October 4, 2022 |
| 6 . . | Our Company | Compound for treating neurological diseases and its application (用於治療神經系統疾病的化合物及其應用) | CN201910704350.9 | Invention | July 31, 2019 | October 1, 2021 |
| 7 . . | Our Company | Multi-target compound with anticoagulant and antiplatelet activities, its preparation method and use (有抗凝血和抗血小板活性的多靶點化合物及製法和用途) | CN201580082185.8 | Invention | August 5, 2015 | July 13, 2021 |
| 8 . . | Our Company | Peptide for preventing and treating acute coronary syndrome and anticoagulant and antithrombotic therapy, and its application (用於預防及治療急性冠脈綜合症及抗凝抗血栓治療的多肽及其應用) | CN201110171267.3 | Invention | June 23, 2011 | January 22, 2014 |

| No | Owner | Description | Patent No. | Type of Patents | Application date | Authorization announcement date |
|---|---|---|---|---|---|---|
| 9 . . | Xi'an Biocare Pharma Ltd. | Bile acid derivative salts, their crystalline forms, and preparation methods and applications thereof (膽汁酸衍生物鹽、其晶型結構及它們的製備方法和應用) | CN202180006768.8 | Invention | April 7, 2021 | August 2, 2024 |
| 10 . . | Xi'an Biocare Pharma Ltd. | Compound for the treatment of metabolic diseases, its preparation method and application (用於代謝性疾病治療的化合物及其製備方法和應用) | CN201810930184.X | Invention | August 15, 2018 | October 30, 2020 |

***Domain names***

| No. | Domain name | Name of Registered Proprietor | Expiry date |
|---|---|---|---|
| 1 . . . | micot.cn | Our company | March 20, 2031 |
| 2 . . . | micot.com | Our company | June 24, 2031 |
| 3 . . . | micot.com.cn | Our company | May 21, 2031 |
| 4 . . . | micot.net | Our company | January 14, 2032 |

Save as disclosed above, till 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

### Particulars of Directors' Service Contracts

We have entered into a service contract or a letter of appointment with each of the Directors in respect of, among others, (i) term of service, (ii) termination, (iii) compliance with the relevant laws and regulations and (iv) observance of the Articles of Association. The service contracts and letters of appointment may be renewed in accordance with the Articles of Association and the applicable laws, rules and regulations from time to time.

Save as disclosed above, none of the Directors has or is proposed to have a service contract with any member of our Group.

### Remuneration of Directors

For details of the remuneration of our Directors, see "Directors and Senior Management — Directors' Remuneration and Remuneration of the Five Highest-paid Individuals" and "Appendix I — Notes to the Historical Financial Information — Directors' and Chief Executive's Remuneration".

### Disclosure of interests

***Interests of the Directors and Chief Executive of our Company***

Save as disclosed below, immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised and taking into amount the Share Subdivision) and the conversion of the Unlisted Shares into H Shares, so far as the Directors are aware, none of the Directors or chief executive of our Company will have any interest and/or short position (as applicable) in the Shares, underlying Shares or debentures of our Company or our associated corporation (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or 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, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules to be notified to our Company and the Stock Exchange, once the H Shares are listed on the Stock Exchange.

| Name | Position | Nature of interest | Number and description of Shares held | Approximate percentage of shareholding in the relevant type of Shares[1] | Approximate percentage of shareholding in the total share capital of our Company[1] |
|---|---|---|---|---|---|
| Dr. Wang Bing . . . . . | Chairman of our Board, Executive Director and Chief Executive Officer | Beneficial owner<br>Interest of spouse[2]<br>Interest in controlled corporations[3] | 99,660,050 H Shares<br>44,400,000 Unlisted Shares | 35.58%<br>85.93% | 43.43% |
| Dr. Wang Mei . . . . . | Non-executive Director | Beneficial owner<br>Interest of spouse[2]<br>Interest in controlled corporations[3] | 99,660,050 H Shares<br>44,400,000 Unlisted Shares | 35.58%<br>85.93% | 43.43% |

1. The calculation is based on the completion of the Share Subdivision and the assumption that (i) the Over-Allotment Option is not exercised, (ii) the 222,016,700 Unlisted Shares (taking into account the Share Subdivision) will be converted into H Shares, and (iii) the total number of the Shares in issue will be 331,740,350 H Shares immediately after completion of the Global Offering.
2. Immediately following the completion of the Global Offering, (assuming the Over-allotment Option is not exercised and taking into account the Share Subdivision), Xi'an Zhongrui shall directly hold 4.52% of the interest in our Company. Dr. Wang Mei has control over Xi'an Zhongrui Zekang Enterprise Management Consulting Co., Ltd.* (西安眾瑞澤康企業管理諮詢有限公司) ("**Zhongrui Zekang**"), and Zhongrui Zekang is the general partner of Xi'an Zhongrui. Accordingly, Xi'an Zhongrui is controlled indirectly by Dr. Wang Mei. By virtue of the SFO, Dr. Wang Mei is deemed to be interested in the Shares held by Xi'an Zhongrui.
3. Dr. Wang Bing and Dr. Wang Mei are spouses. Accordingly, Dr. Wang Bing and Dr. Wang Mei are deemed to be interested in the Shares held by each other under the SFO.

***Interests of Substantial shareholders***

Save as disclosed in "Substantial Shareholders" in this prospectus, the Directors are not aware of any other person (other than the Directors or chief executive of our Company) who will, immediately following the completion of the Global Offering (assuming no exercise of the Over-allotment Option) and the conversion of the Unlisted Shares into H Shares, have an interest and/or short position in the Shares or underlying Shares which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, 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 or any other member of our Group.

**Pre-IPO Share Incentive Plan**

Our Company adopted an employee incentive scheme (the "**Xi'an Zhongrui Employee Incentive Scheme**") on June 11, 2020 (and amended the same in August 2025) with the primary purpose to improve corporate governance and to incentivize and reward eligible persons who have contributed to the success of our Company. In establishing the Xi'an Zhongrui Employee Incentive Scheme, our Company aims to fully mobilize the enthusiasm of management and employees of our Company, further aligning interests of Shareholders, our Company and its employees to jointly foster long-term development, thereby allowing all parties to share the benefits derived from our Company's growth. The following is a summary of the principal terms of the Xi'an Zhongrui Employee Incentive Scheme.

***Principal Terms***

*Implementation structure and platform*

Xi'an Zhongrui was established in the PRC as a limited partnership on July 18, 2019 to serve as our Company's employee incentive platform, with Zhongrui Zekang (a limited partnership established in the PRC, owned as to approximately 99.0% by Dr. Wang Mei) being their General Partner. As of the Latest Practicable Date, Xi'an Zhongrui subscribed for approximately 5.63% of the shareholding in our Company. For more details, please refer to the paragraphs headed "History, Development and Corporate Structure — Employee Incentive Scheme — Xi'an Zhongrui" in this prospectus.

*Eligible participants and grants of awards*

Under the Xi'an Zhongrui Employee Incentive Scheme, eligible participants are determined by our Company's chairperson, Dr. Wang Bing, and may hold positions as Directors, supervisors, senior and middle management, key employees and external consultants or expert advisors of our Company and our Group.

The participants of the Xi'an Zhongrui Employee Incentive Scheme will be granted awards under the scheme, where they are given a right to obtain partnership interest in Xi'an Zhongrui as limited partners, such that participants indirectly hold Shares in our Company. Under the Xi'an Zhongrui Employee Incentive Scheme, participants will have rights to cash dividends distributed by our Company from time to time (if any), but will not have voting rights in and control over our Company and/or our Group.

*Lock-up Period*

The Xi'an Zhongrui Employee Incentive Scheme is subject to a strict lock-up period from the date of the grant to 12 months after the Listing Date. During the strict lock-up period, participants may not transfer, gift or otherwise dispose of their awards. Notwithstanding the foregoing, subject to prior approval from Dr. Wang Bing, participants may transfer, gift or otherwise dispose of their awards to Xi'an Zhongrui, Dr. Wang Bing or their designated entities, or otherwise dispose of awards in the manner as approved by Dr. Wang Bing.

*Vesting of awards*

Awards vest in the participants over a five-year period, in five equal 20% tranches on each anniversary of the grant date, and are subject to the following conditions:

(1) The participant was and remains employed by our Company or our Group for the relevant annual period; and

(2) The participant had achieved a minimum performance rating of "C" or above in the appraisal for the previous year.

The amount of awards vested will also be affected by actual performance of participants in the previous year. In particular, for participants that receive a performance rating of:

- "A" or "B": 100% of the annual 20% tranch will be vested in the participant;
- "C": 80% of the annual 20% tranch will be vested in the participant, and the remaining 20% of the annual 20% tranch will be forfeited;
- Below "C": the entire annual 20% tranch does not vest in the participant and is forfeited.

*Disposal of awards and realizing gains*

After the strict lock-up period expires and the awards are vested, participants may dispose of their awards and realize gains by submitting sale requests to Dr. Wang Bing during the submission window. Submission windows open quarterly, and should sale requests be submitted, Xi'an Zhongrui will process the sales of corresponding Shares in our Company so that net proceeds from such sale of Shares are distributed to the relevant participant.

*Repurchase of Shares by our Company upon termination*

Our Company shall have the right to repurchase Shares should employment of any participant terminate. The repurchase price for the relevant Shares will be determined by the reason for termination of employment:

- Termination by misconduct: Company to repurchase all vested and unvested Shares at cost;
- Termination by resignation (without fault): Company to repurchase all vested Shares at cost plus 7% interest per annum (if length of employment is over two years but under five years), cost plus 9% interest per annum (if length of employment is over five years and during pre-IPO), and all unvested Shares at cost.
- Termination by retirement or death (without fault): Company to repurchase all unvested Shares at cost, and all vested Shares at cost plus 9% interest per annum (if employment is terminated prior to Listing). Should such termination occur after the Listing Date, the participant may retain the vested Shares.

*Details of the granted awards*

As of the Latest Practicable Date, Xi'an Zhongrui held 300,000 Shares of our Company. For details on the awards granted to Director(s), consultant(s) and employees of our Company and our Group for the years ended December 31, 2024 and 2025, please refer to Note 28 of the Accountants' Report included in Appendix I of this prospectus. The following table sets out the particulars of the partnership interest in Xi'an Zhongrui as of the Latest Practicable Date:

| No. | Name | Type of partnership interest | Approximate Partnership interest (%) |
|---|---|---|---|
| 1. | Zhongrui Zekang | General Partner | 27.46 |
| 2. | Nexarcana Limited(1) | Limited Partner | 29.99 |
| 3. | Wang Shangling (王湘玲) | Limited Partner | 6.92 |
| 4. | Zou Ran (鄒然) | Limited Partner | 6.92 |
| 5. | Shao Wenji (邵文姬) | Limited Partner | 4.21 |
| 6. | Niu Enguo (牛恩國) | Limited Partner | 2.77 |
| 7. | Wei Ruibin (魏瑞斌) | Limited Partner | 2.11 |
| 8. | Li Jiaolun (李教倫) | Limited Partner | 2.00 |
| 9. | Wang Pengfei (王鵬飛) | Limited Partner | 2.00 |
| 10. | Yu Zhi (余志) | Limited Partner | 1.99 |
| 11. | Liu Yongzhen (劉永珍) | Limited Partner | 1.95 |
| 12. | Liu Xingxin (劉興新) | Limited Partner | 1.50 |
| 13. | Song Lanlan (宋蘭蘭) | Limited Partner | 1.31 |
| 14. | Wang Ruiling (王瑞玲) | Limited Partner | 1.21 |
| 15. | Fu Guoqin (付國琴) | Limited Partner | 1.14 |
| 16. | Ren Pengliang (任朋亮) | Limited Partner | 0.81 |
| 17. | Zhao Zhiyang | Limited Partner | 0.69 |
| 18. | Wang Ying (王英) | Limited Partner | 0.69 |
| 19. | Huang Zhian (黃治安) | Limited Partner | 0.42 |
| 20. | Wang Linyuan (王琳媛) | Limited Partner | 0.38 |
| 21. | Wen Jierong (溫婕蓉) | Limited Partner | 0.32 |
| 22. | Zheng Du (鄭都) | Limited Partner | 0.30 |
| 23. | Sun Xin (孫忻) | Limited Partner | 0.24 |
| 24. | Qi Li (祁麗) | Limited Partner | 0.22 |
| 25. | Zhang Xiaofa (張孝法) | Limited Partner | 0.21 |
| 26. | Zhang Haibo (張海波) | Limited Partner | 0.20 |
| 27. | Zhang Jianing (張家寧) | Limited Partner | 0.20 |
| 28. | Wang Ying (王瑩) | Limited Partner | 0.19 |
| 29. | Zhang Shuyang (張舒陽) | Limited Partner | 0.14 |
| 30. | Yu Hao (于浩) | Limited Partner | 0.12 |
| 31. | Zhang Yuanhui (張媛輝) | Limited Partner | 0.11 |
| 32. | Li Bin (李賓) | Limited Partner | 0.10 |
| 33. | Ma Siying (馬思迎) | Limited Partner | 0.10 |
| 34. | Liu Ximei (劉西梅) | Limited Partner | 0.10 |
| 35. | Zhang Ying (張瑩) | Limited Partner | 0.09 |
| 36. | Zhu Yingying (朱瑩瑩) | Limited Partner | 0.09 |
| 37. | Zhu Yu (朱宇) | Limited Partner | 0.07 |
| 38. | Mei Ying (梅瑩) | Limited Partner | 0.07 |
| 39. | Yin Tingting (尹婷婷) | Limited Partner | 0.07 |
| 40. | Fu Yu (付瑜) | Limited Partner | 0.07 |
| 41. | Chong Jiali (種佳莉) | Limited Partner | 0.07 |
| 42. | Yang Meng (楊猛) | Limited Partner | 0.07 |
| 43. | Mi Yuan (米元) | Limited Partner | 0.06 |
| 44. | Zheng Lingling (鄭玲玲) | Limited Partner | 0.06 |
| 45. | Zhao Chenxi (趙晨曦) | Limited Partner | 0.06 |
| 46. | Liu Lei (劉磊) | Limited Partner | 0.06 |
| 47. | Ding Qian (丁騫) | Limited Partner | 0.06 |
| 48. | Wu Shifei (吳世飛) | Limited Partner | 0.05 |
| 49. | Pan Zhaoyang (潘朝陽) | Limited Partner | 0.03 |
| **Total** | | | **100.00** |

*Note:*

(1) Nexarcana Limited is a company incorporated in Hong Kong in November 2024. It is wholly owned by Dr. Yu Weiping, an Executive Director and Senior Vice President of the Company.

**Agency Fees or Commissions Received**

The Underwriters will receive an underwriting commission in connection with the Underwriting Agreements. See "Underwriting — Underwriting Arrangements and Expenses — Commissions and Expenses." Save in connection with the Underwriting Agreements, no commissions, discounts, brokerages or other special terms have been granted by our Group to any person (including the Directors, promoters and experts referred to in "— Other Information — Qualifications of Experts" below) in connection with the issue or sale of any capital or security of our Company or any member of our Group within the two years immediately preceding the date of this prospectus.

Within the two years immediately preceding the date of this prospectus, no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription for any share in or debentures of our Company.

**Disclaimers**

(a) None of the Directors nor any of the experts referred to in "Qualifications of Experts" below has any direct or indirect interest in the promotion of, 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, any member of our Group, or are proposed to be acquired or disposed of by, or leased to, any member of our Group.

(b) Save in connection with the Underwriting Agreements, none of the Directors nor any of the experts referred to "Qualifications of Experts" below is (i) materially interested in any contract or arrangement subsisting at the date of this prospectus which 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; and

(c) None of the Directors or their respective close associates or the Shareholders who to the knowledge of the Directors are interested in more than 5% of our issued share capital has any interest in our top five customers or suppliers during the Track Record Period.

**OTHER INFORMATION**

**Estate Duty and Other Indemnities**

*Estate Duty*

The Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries.

*Other Indemnities*

Our Controlling Shareholders, Dr. Wang Bing and Dr. Wang Mei, have entered into the Deed of Indemnity with, and in favor of, our Company (for ourselves and as trustee for each of our subsidiaries) to provide indemnities on a joint and several basis in respect of, among other matters, any fines, penalties, claims, costs, expenses and losses (to the extent that provision, reserve or allowance has not been made for such fines, penalties, claims, costs, expenses or losses in the audited consolidated financial statements included in the Accountants' Report as set out in Appendix I to this prospectus) incurred by any member of our Group after the Listing resulting from any non-compliance incidents of any member of our Group with applicable laws and regulations on or before the Listing Date.

The Deed of Indemnity shall become effective on the Listing Date and shall continue in full force and effect until it is terminated.

**Litigation**

As of the Latest Practicable Date, no member of our Group was involved in any litigation, arbitration, administrative proceedings or claims of material importance, and so far as the Directors are aware, no litigation, arbitration, administrative proceedings or claims of material importance are pending or threatened against any member of our Group.

**Joint Sponsors**

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

The Joint Sponsors will receive an aggregate fee of US$400,000 to act as the sponsors to our Company in connection with the Listing.

**Compliance Adviser**

Our Company has appointed Halcyon Capital Limited as the compliance adviser upon Listing in compliance with Rule 3A.19 of the Listing Rules.

**Preliminary Expenses**

As of the Latest Practicable Date, our company did not incur any material preliminary expenses.

**Promoters**

Our Company converted into a joint stock company with limited liability on January 17, 2025, and the promoters of our Company are our then 21 shareholders. Within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the Global Offering or the related transactions described in this prospectus.

**Qualification of Experts**

The qualifications of the experts who have given opinions or advice in this prospectus are as follows:

| Name | Qualification |
|---|---|
| CCB International Capital Limited | A licensed corporation under the SFO to conduct type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities as defined under the SFO |
| China Merchants Securities (HK) Co., Limited | A licensed corporation 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) regulated activities as defined under the SFO |
| JunHe LLP | PRC Legal Advisor |
| Tian Yuan Law Firm | PRC Intellectual Property Legal Advisor |
| Deloitte Touche Tohmatsu | Certified Public Accountants and Registered Public Interest Entity Auditor |
| Frost & Sullivan (Beijing) Inc., Shanghai Branch Co. | Independent Industry Consultant |
| Grandall Law Firm (Shenzhen) | Legal adviser to our Company as to PRC data compliance laws |
| King and Wood LLP | U.S. Legal Advisor in relation to our business operation in the U.S. |
| Concord & Sage PC | Legal adviser to our Company as to US data compliance laws |

**Consents of Experts**

Each of the experts referred to in "Qualification of Experts" above has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its reports, letters or opinions (as the case may be) and the references to its name included herein in the form and context in which they are included.

**Taxation of Holders of H shares**

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty. The current rate charged on each of the seller and purchaser is 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred.

**Binding Effect**

This prospectus shall have the effect, if any application is made pursuant hereto, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance as far as applicable.

**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;

(h) our Company is a joint stock limited company and is subject to the PRC Company Law. Neither our company nor any of its subsidiaries is listed in any stock exchange; and

(i) the English text of this prospectus shall prevail over its respective Chinese text.

**Bilingual Prospectus**

The English language and Chinese language versions of this prospectus are being published separately in reliance upon the exemption provided by Section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

## DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were:

(a) a copy of each of the material contracts referred to in the paragraph headed "Appendix IV — Statutory and General Information — Further Information about our Business — Summary of Our Material Contracts"; and

(b) the written consents referred to in "Appendix IV — Statutory and General Information — Other information — Consents of Experts".

## DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the websites of the Stock Exchange at **www.hkexnews.com** and our website at **www.micot.cn** during a period of 14 days from the date of this prospectus:

(a) Articles of Association;

(b) the Accountants' Report prepared by Deloitte Touche Tohmatsu, the text of which is set out in Appendix I to this prospectus;

(c) the audited consolidated financial statements of our Company for the years ended December 31, 2024 and 2025;

(d) the report prepared by Deloitte Touche Tohmatsu 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 PRC legal opinion issued by JunHe LLP, our PRC legal advisor, on the matters of, among other things, the general corporate matters of our Group;

(f) the written consents referred to in "Appendix IV — Statutory and General Information — Other information — Consents of Experts";

(g) the material contracts referred to in "Appendix IV — Statutory and General Information — Further Information about our Business — Summary of Our Material Contracts";

(h) the service contracts and appointment letters referred to in "Appendix IV — Statutory and General Information — Further Information about Our Directors and Substantial Shareholders — Particulars of Directors' Service Contracts";

(i) the industry report issued by Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., the summary of which is set forth in the section headed "Industry Overview";

(j) the PRC Company Law, the PRC Securities Law, the Trial Measures and Guidelines for the Articles of Association of Listed Companies issued by the CSRC, together with their unofficial English translations;

(k) the legal opinions from Tian Yuan Law Firm, the legal advisor to the Company as to PRC intellectual property laws;

(l) the legal opinions from Grandall Law Firm (Shenzhen), the legal advisor to the Company as to PRC data compliance laws;

(m) the legal opinions from King and Wood LLP, the legal advisor to the Company as to U.S. laws in relation to the Company's business operation in the U.S.;

(n) the legal opinions from Concord & Sage PC, the legal advisor to the Company as to U.S. data compliance laws; and

(o) the terms of the Employee Incentive Scheme.

# Shaanxi Micot Pharmaceutical Technology Co., Ltd.

# 陝西麥科奧特醫藥科技股份有限公司