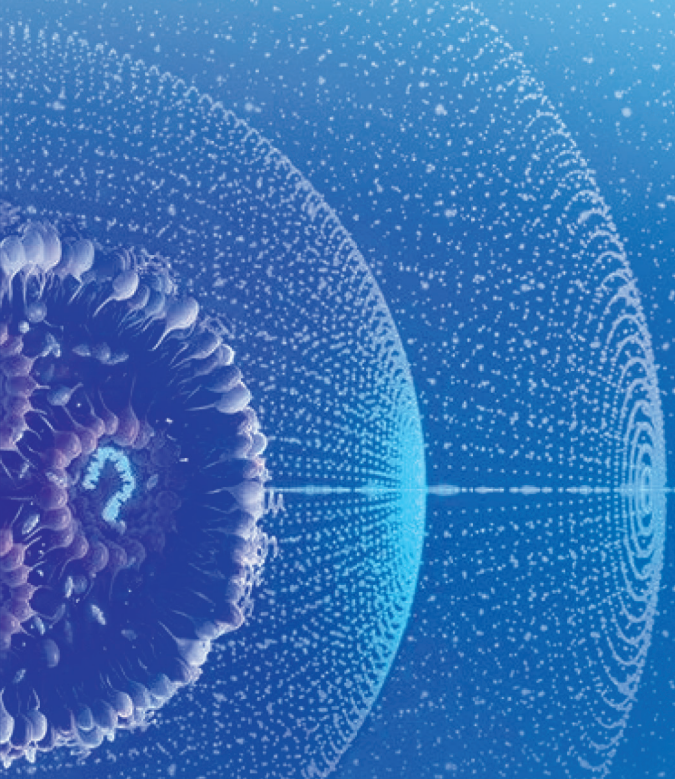
劑泰科技（北京）股份有限公司
Metis TechBio Co., Ltd.

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

Stock Code : 7666



GLOBAL OFFERING

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

Metis TechBio Co., Ltd.
劑泰科技(北京)股份有限公司

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

Global Offering

Number of Offer Shares under the Global Offering	**201,229,000 H Shares (subject to the Over-allotment Option)**
Number of Hong Kong Offer Shares	**10,061,500 H Shares (subject to reallocation)**
Number of International Offer Shares	**191,167,500 H Shares (subject to reallocation and the Over-allotment Option)**
Offer Price	**HK$10.50 per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, Hong Kong Stock Exchange trading fee of 0.00565% and Accounting and Financial Reporting Council transaction levy of 0.00015% (payable in full on application in Hong Kong dollars and subject to refund)**
Nominal value	**RMB0.10 per H share**
Stock code	**7666**

Joint Sponsors

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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 the section headed "Appendix VI — Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display" in this Prospectus, has been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong. The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this Prospectus or any other documents referred to above.

The Offer Price will be HK$10.50 per Offer Share, unless otherwise announced. Investors applying for the Hong Kong Offer Shares must pay, on application, the Offer Price of HK$10.50 for each Hong Kong Offer Share together with brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%.

The Overall Coordinators, on behalf of the Underwriters, may, where considered appropriate and with our consent, reduce the number of Hong Kong Offer Shares and/or the Offer Price below that is stated in this Prospectus (which is HK$10.50) at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such case, an announcement of the reduction in the number of Hong Kong Offer Shares and/or the Offer Price will be published on the website of our Company at www.metistechbio.com and on the website of the Hong Kong Stock Exchange at www.hkexnews.hk and the offer will be canceled and relaunched at the revised number of Offer Shares and/ or the revised Offer Price pursuant to the requirements under Rule 11.13 of the Listing Rules (which include the issue of a supplemental or a new prospectus (as appropriate)), as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offering. Further details are set forth in the sections headed "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this Prospectus.

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement are subject to termination by the Overall Coordinators (on behalf of the Underwriters) if certain events occur prior to 8:00 a.m. on the Listing Date. Please refer to 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 be offered and sold only (a) in the United States to "Qualified Institutional Buyer" in reliance on Rule 144A or another exemption from, or in a transaction not subject to, registration under the U.S. Securities Act and (b) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.

Our Company is a Specialist Technology Company (as defined in Chapter 18C of the Listing Rules). The securities of Specialist Technology Companies carry high investment risks including risks of share price volatility and inflated valuation due to the difficulty in valuing such companies. Investors should fully understand the investment risks of a Specialist Technology Company and the risks disclosed by our Company before making their investment decisions. In addition, the Company is a Pre-Commercial Company (as defined in Chapter 18C of the Listing Rules). Pre-Commercial Companies are Specialist Technology Companies that cannot meet the revenue requirement as set out in Rule 18C.03(4), and so are subject to a higher risk of corporate failure if they are unable to secure sufficient external funding and/or cannot generate sufficient revenue to sustain their operations after Listing.

May 5, 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 "HKEXnews > New Listings > New Listing Information" and our website at **www.metistechbio.com**. If you require a printed copy of this Prospectus, you may download and print from the website addresses above.

To apply for Hong Kong Offer Shares, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
White Form eIPO service	**www.eipo.com.hk**	Investors 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 Tuesday, May 5, 2026 to 11:30 a.m. on Friday, May 8, 2026 (Hong Kong time). The latest time for completing full payment of application monies will be 12:00 noon on Friday, May 8, 2026 (Hong Kong time).
HKSCC EIPO channel	Your broker or custodian who is a HKSCC Participant will submit electronic application instruction(s) on your behalf through HKSCC's FINI system in accordance with your instructions.	Investors 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.

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

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

Please refer to "How to Apply for Hong Kong Offer Shares" for further details on the procedures through which you can apply for the Hong Kong Offer Shares electronically.

Your application through the **White Form eIPO** service or the **HKSCC EIPO** channel must be for a minimum of 500 Hong Kong Offer Shares and in one of the numbers set out in the table below. If you are applying through the **White Form eIPO** 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, your **broker** or **custodian** may require you to pre-fund your application in such amount as determined by the **broker** or **custodian**, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for.

No. of Hong Kong Offer Shares applied for	Amount payable[2] on application	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application
	HK$		*HK$*		*HK$*		*HK$*
500	5,302.95	6,000	63,635.35	40,000	424,235.70	400,000	4,242,357.00
1,000	10,605.89	7,000	74,241.24	45,000	477,265.17	500,000	5,302,946.26
1,500	15,908.84	8,000	84,847.15	50,000	530,294.63	1,000,000	10,605,892.50
2,000	21,211.79	9,000	95,453.03	60,000	636,353.56	1,500,000	15,908,838.76
2,500	26,514.73	10,000	106,058.93	70,000	742,412.48	2,000,000	21,211,785.00
3,000	31,817.68	15,000	159,088.39	80,000	848,471.40	2,500,000	26,514,731.26
3,500	37,120.63	20,000	212,117.86	90,000	954,530.33	3,000,000	31,817,677.50
4,000	42,423.56	25,000	265,147.31	100,000	1,060,589.26	3,500,000	37,120,623.76
4,500	47,726.52	30,000	318,176.78	200,000	2,121,178.50	4,000,000	42,423,570.00
5,000	53,029.47	35,000	371,206.23	300,000	3,181,767.76	5,030,500[1]	53,352,942.22

Notes:

(1) The maximum number of Hong Kong Offer Shares you may apply for.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee. If your application is successful, the brokerage will be paid to the Exchange Participants and the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee will be paid to the Stock Exchange (in the case of the SFC transaction levy and the AFRC transaction levy, collected by the Stock Exchange on behalf of the SFC 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.

*Should there be any changes to the dates mentioned in the following expected timetable of the Hong Kong Public Offering, an announcement will be made and published on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.metistechbio.com** of the revised timetable.*

Hong Kong Public Offering commences . . . . . .9:00 a.m. on Tuesday, May 5, 2026

Latest time for completing electronic applications under the **White Form eIPO** service through the designated website at **www.eipo.com.hk**[2] . . . . . .11:30 a.m. on Friday, May 8, 2026

Application lists open[3] . . . . . .11:45 a.m. on Friday, May 8, 2026

Latest time for (a) completing payment for **White Form eIPO** applications by effecting internet banking transfer(s) or PPS payment transfer(s) and (b) giving **electronic application instructions** to HKSCC[4] . . . . . .12:00 noon on Friday, May 8, 2026

If you are instructing your **broker** or **custodian** who is a HKSCC Participant to apply for 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 Friday, May 8, 2026

Announcement of the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares to be published on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.metistechbio.com**[5] . . . . . no later than 11:00 p.m. on Tuesday, May 12, 2026

Results of allocation 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," including through:

(1) the designated results of allocation website at **www.iporesults.com.hk** (alternatively: **www.eipo.com.hk/eIPOAllotment**) with a "search by ID" function from . . . . . .11:00 p.m. on Tuesday, May 12, 2026 to 12:00 midnight on Monday, May 18, 2026

(2) the allocation results telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. . . . . on Wednesday, May 13, 2026, Thursday, May 14, 2026, Friday, May 15, 2026 and Monday, May 18, 2026

H Share certificates in respect of wholly or partially successful applications to be dispatched or deposited into CCASS on or before[6][7] . . . . . Tuesday, May 12, 2026

White Form e-Refund payment instructions or refund checks in respect of wholly or partially unsuccessful applications to be dispatched on or before[8] . . . . . Wednesday, May 13, 2026

Dealings in H Shares on the Stock Exchange to commence at . . . . . 9:00 a.m. on Wednesday, May 13, 2026

Notes:

(1) All dates and times refer to Hong Kong local dates and times.

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

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

(4) Applicants who apply for the Hong Kong Offer Shares by giving electronic application instructions to HKSCC via HKSCC's FINI system should refer to "How to Apply for Hong Kong Offer Shares — A. Application for Hong Kong Offer Shares — 2. Application Channels" for details.

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

(6) 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 evidence of identity acceptable to our H Share Registrar at the time of collection. Uncollected H Share certificate(s) will be sent to the addresses specified in the relevant application instructions by ordinary post at the applicants' own risk. See "How to Apply for Hong Kong Offer Shares — D. Dispatch/Collection of H Share Certificates and Refund of Application Monies."

(7) The H Share certificates will only become valid evidence of title at 8:00 a.m. on the Listing Date, which is expected to be Wednesday, May 13, 2026, provided that the Global Offering has become unconditional in all respects and the right of termination described in "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination" has not been exercised. Investors who trade H Shares prior to the receipt of H Share certificates or prior to the H Share certificates becoming valid evidence of title do so entirely at their own risk.

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

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

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

CONTENTS

IMPORTANT NOTICE TO PROSPECTIVE 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 contained nor made in this Prospectus must not be relied on by you as having been authorized by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, any of the Underwriters, any of our or their respective directors, officers, employees, agents, or representatives of any of them or any other parties involved in the Global Offering.

CONTENTS

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 document before you decide to invest in the Offer Shares. In particular, we are a Pre-Commercial Company seeking to list on the Main Board of the Hong Kong Stock Exchange under Chapter 18C of the Listing Rules. There are unique challenges, risks and uncertainties associated with investing in companies such as ours. In addition, we have incurred net losses since our inception, and we may incur net losses for the foreseeable future. We had negative net cash flow from operating activities during the Track Record Period. We did not declare or pay any dividends during the Track Record Period and may not pay any dividends in the foreseeable future. Your investment decision should be made in light of these considerations.

There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed "Risk Factors" in this Prospectus. You should read that section carefully before you decide to invest in the Offer Shares.

OVERVIEW

Who We Are

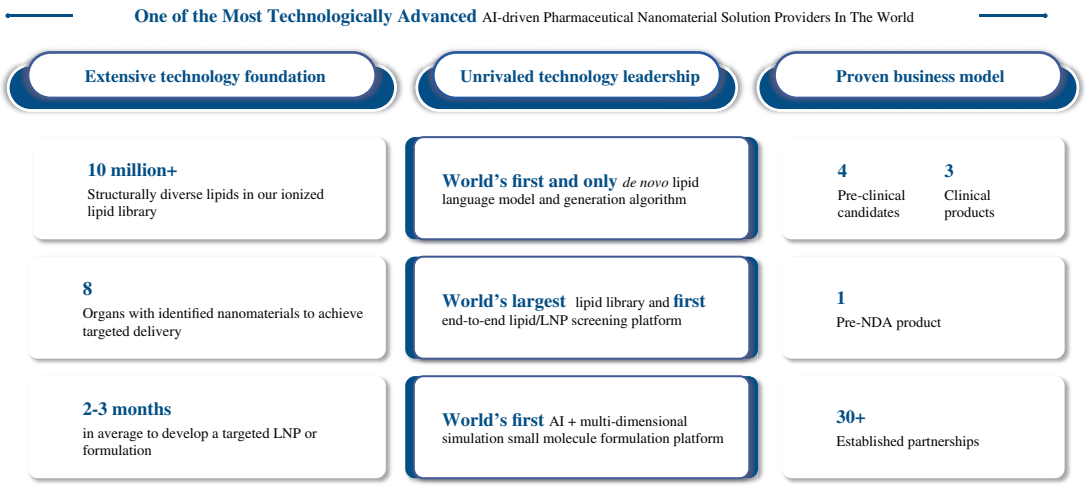
We are a pioneer in AI-empowered nanomaterial innovation, dedicated to the delivery and application of functional payloads across life forms with the commitment to unlocking a healthier world through AI-driven nanotechnology. The foundation of our AI-driven nanotechnology is NanoForge, a suite of proprietary and synergistic technologies that include our extensive *de novo* lipid library, AI foundational models, METiS AI Agent, quantum chemistry and molecular dynamics simulations, and AI-driven high-throughput screening platforms. Building upon this foundation, we have developed three specialized solution platforms (i.e., AiTEM, AiLNP and AiRNA platforms) that simulate, predict, and interpret nanoscale interactions, enabling the rational design, optimization, and validation of advanced nanomaterials and their associated payloads.

Our platforms address longstanding challenges in the pharmaceutical industry, particularly the need for precise and effective therapeutic delivery, and accelerate the development of innovative medicines. In addition to advancing human therapeutics, we are actively extending the application of our technologies to a broader range of life forms, unlocking new opportunities including longevity and animal health.

We have built the industry's first, largest and most diverse lipid library, comprising over 10 million structurally diverse lipids that serve as the foundational building blocks for targeted delivery. This extensive library has enabled the development of nanomaterials capable of delivering payloads to multiple distinct organs with precision.

Our most advanced drug candidate — designed using AI-driven formulation technology — reduced preclinical formulation timelines from approximately one to two years to less than three months. According to Frost & Sullivan, MTS-004, which does not contain nanomaterials-based delivery systems such as LNPs, represents the most advanced asset designed by AI-driven formulation technologies.

The following chart illustrates our leadership in nanotechnology innovation:



We have a relatively short development history, which can be traced back to 2020, when our Company was first established. Notwithstanding the foregoing, we have been able to develop our *de novo* lipid library and AI-driven nanomaterial platforms, as well as advance MTS-004, which does not contain nanomaterials-based delivery systems such as LNPs, through completion of its Phase III clinical trial, within a relatively short period of time.

The efficient development of our *de novo* lipid library and AI-driven nanomaterial platforms has been supported by the prior experience of our senior management and core R&D team at leading companies and research institutions. In particular, our co-founders and key scientists have previously led and participated in the development of AI-enabled drug discovery and delivery systems. For example, Dr. Lai has led multiple AI-driven initiatives applying machine learning and data analytics to optimize drug development workflows, enhance R&D success rates and operational efficiency, and promote automation and data-driven decision-making in drug commercialization. Dr. Chen has also made significant contributions to nanomaterial-based drug delivery, including the development of mucus-penetrating particle and nanocrystal technologies, which have revolutionized drug delivery systems, enabling more effective treatments for ocular and pulmonary diseases. See "Business — Research and Development — Our R&D Team." Leveraging this experience, we developed the AiTEM platform, through which we established AI-enabled high-throughput screening capabilities that form the technological foundation for our subsequent platforms. These capabilities have been adapted to our AiLNP platform to enable iterative integration of wet-lab experimentation and computational optimization, facilitating efficient identification of promising lipid and LNP candidates and rapid data accumulation. Building on insights from AiTEM, we have incorporated computational approaches, including quantum chemistry and molecular simulations, to better understand the underlying mechanisms of lipid and LNP design. We have also identified key challenges in the LNP field, including the lack of high-quality datasets and proprietary algorithms, and have accordingly focused on systematic wet and dry lab data generation and in-house algorithm development from an early stage. In addition, we have adapted and enhanced a range of AI algorithms and methodologies from broader AI and small-molecule discovery areas, such as fragment-based drug discovery methods, library construction techniques, reinforcement learning and model pre-training, for application in the LNP domain. Furthermore, we have integrated agent-based frameworks into our platform to enhance automation and intelligence, contributing to the development of our NanoForge.

Our ability to advance MTS-004 through completion of its Phase III clinical trial within a relatively short period of time is also attributable to the nature of the product. MTS-004 is a small-molecule drug formulated as an orally disintegrating tablet, with dextromethorphan and quinidine as its active pharmaceutical ingredients, both of which are clinically validated. For the avoidance of doubt, MTS-004 does not contain nanomaterials-based delivery systems such as LNPs but its formulation still involves interactions at a nanoscale level between the active pharmaceutical

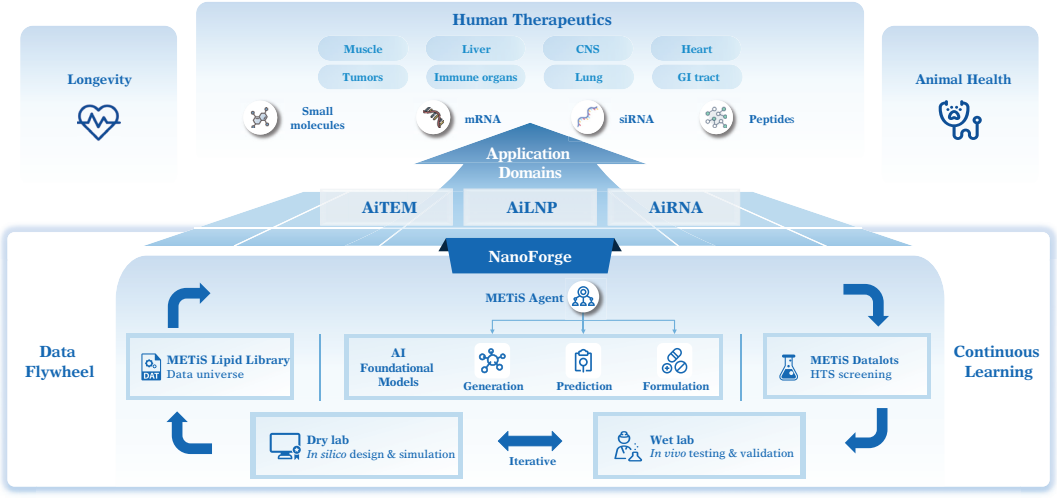
ingredients and other drug components. We leveraged our AiTEM platform to predict and optimize molecular-level interactions, screen excipients and determine formulation parameters at the nanometer scale. From tens of thousands of theoretical formulations, AiTEM screened and tested over 200 candidates across various dosage forms and identified the optimal formulation within approximately three months, compared to the one to two years typically required under conventional development approaches. Furthermore, we were exempted from conducting a Phase II clinical trial for MTS-004. This exemption was granted based on our communication with the CDE, taking into account that MTS-004 represents a formulation improvement of clinically validated active pharmaceutical ingredients with well-characterized safety and efficacy profiles, and that the key clinical uncertainties typically addressed in Phase II, such as dosage tolerance, dosing regimen and preliminary efficacy, could be sufficiently supported by existing data and our proposed clinical design. The CDE reviewed and had no objection with our clinical trial protocol on this basis, and we were therefore permitted to proceed directly to Phase III clinical development.

Our Market Opportunity

Nanomaterials enable targeted delivery to specific organs and tissues and allow direct cellular interaction, offering significant potential to address diseases at the molecular level. However, traditional nanomaterial development relies heavily on trial-and-error approaches, is constrained to limited molecular structures and suffers from an incomplete understanding of biological interactions, resulting in slow, costly and inefficient discovery with low success rates. Advances in artificial intelligence, particularly domain-specific models, are transforming nanomaterial discovery by enabling faster design, prediction and optimization through integrated data, algorithms and iterative validation, significantly improving efficiency, precision and safety. According to Frost & Sullivan, the global nanotechnology-based drug market grew from US$187.5 billion in 2020 to US$222.0 billion in 2024, representing a CAGR of 4.3%, and is projected to reach US$585.4 billion by 2035, at a CAGR of 9.2% from 2024 to 2035. Similar technological advances are also creating opportunities beyond human therapeutics, including in animal health. According to Frost & Sullivan, the animal health product market reached US$52.2 billion in 2024 and is expected to grow to US$131.5 billion by 2035, representing a CAGR of 8.8% from 2024 to 2035. The industry is highly competitive and rapidly evolving.

NanoForge — Foundation of Our AI-driven Nanomaterial Platform Technologies

At the forefront of innovation in targeted drug delivery, NanoForge represents a cutting-edge suite of nano-delivery-focused AI technologies. This integrated platform enables molecular generation and property prediction, AI-driven dry-wet lab iteration, and formulation design and optimization. Designed for scalability and adaptability, NanoForge forms the foundation of our efforts to revolutionize nanomaterial discovery and application across human therapeutics and beyond. The following diagram illustrates the structure of our NanoForge platform:



NanoForge operates as an integrated, closed-loop platform in which data generation, model development and practical application continuously reinforce each other, enabling faster discovery and regular upgrades to our nanomaterial libraries. The platform is built on four core layers: (i) a foundational dry-wet data layer, comprising an AI-driven, integrated dry-wet lab infrastructure that links *in silico* design with high-throughput experimental validation through real-time feedback; (ii) a library layer, represented by the METiS Ionizable Lipid Library, which contains over 10 million proprietary lipid structures supported by both positive and negative experimental data, forming a comprehensive data universe for model training; (iii) a model layer, consisting of verticalized METiS AI foundational models trained on the 10 million proprietary lipid structures from the dry lab and more than 100,000 lipid and LNP property data points from the wet lab to generate molecules, predict key physicochemical and functional properties and guide experiment design with high predictive accuracy; and (iv) an application layer, delivered through the METiS Agent, which serves as the intelligent interface that translates research queries into coordinated model execution and experimental workflows. Together, these four layers form a self-reinforcing cycle in which experimental results continuously improve data assets, model performance and downstream discovery efficiency.

Suite of METiS Solutions

AiTEM, AiLNP, and AiRNA are three individual platforms built on top of our NanoForge system, each serving distinct but complementary functions. AiTEM focuses on nanoscale chemical — biological interactions in small-molecule formulation, using quantum chemistry and molecular dynamics simulations to optimize drug — excipient interactions and improve solubility, bioavailability and pharmacokinetic profiles. AiLNP addresses biomolecular and supramolecular interactions by leveraging our proprietary lipid library and generative and predictive algorithms to design and optimize lipid nanoparticles, including their components and ratios, enabling efficient, scalable and high-performance delivery systems. AiRNA, often used in combination with AiLNP, applying generative AI to full-length mRNA sequence design and optimization, including both coding and non-coding regions, to optimize expression, stability and organ specific translation thereby maximizing *in vivo* therapeutic efficacy. While each platform operates independently, AiRNA and AiLNP are often used together to co-design and optimize complete mRNA-LNP delivery systems. AiTEM is primarily served as a distinct platform for small molecules but can also be integrated with the other two platforms in specific use cases — for example, combining with AiRNA for siRNA-permeation enhancer conjugate/co-formulation or with AiLNP for small-molecule LNP delivery optimization.

During the Track Record Period and as of the Latest Practicable Date, these platforms are primarily used internally by our R&D teams to support both in-house pipeline development and externally for collaboration projects. In the future, we may consider making selected functions of these platforms available to external partners under the defined collaboration arrangements, either by granting limited access or by deploying customized versions on partners' infrastructure.

Our Business Model

We operate a dual-pathway business model that synergistically integrates our proprietary AiTEM, AiLNP, and AiRNA platforms — and the services rendered thereunder — with our internally developed therapeutic assets. Our AI platforms are primarily focused on (i) the design and optimization of nanomaterials-based drug delivery systems, primarily including LNPs, and (ii) other nanoscale formulation technologies, to enhance the druggability, effectiveness, and safety of well-studied and validated therapeutic targets.

Through platform partnerships, we support pharmaceutical and biotechnology companies in drug formulation optimization, delivery-system development and mRNA sequence optimization using our proprietary AI-driven platforms (AiLNP, AiTEM and AiRNA), thereby generating project-based revenues, including option fees (if applicable), research fees and ultimately licensing fees of the nanomaterial-based products we develop for them. In parallel, through product partnerships, we apply these same AI-driven nanomaterial and formulation technologies to develop our own functional assets, which may subsequently be out-licensed to partners, such as pharmaceutical or biotechnology companies, to realize longer-term value in the form of upfront payments, milestones and royalties.

The following graphic illustrates our dual-pathway business model:

Commercialization Strategy under the Dual-Pathway Business Model

Our commercialization strategy follows our dual-pathway business model that integrates platform partnerships and product licensing. Under our platform partnership model, we conduct project-based R&D collaborations with pharmaceutical and biotechnology partners, commencing with a defined research program in which we apply our proprietary AI platforms and delivery technologies to optimize LNPs or formulations for partner-provided payloads and target applications. Partners typically contribute complementary materials and study designs, and we receive fees primarily to cover research activities and, in certain cases, option fees. Upon completion of the research phase, partners may elect to enter into a license agreement with us to license our LNPs or specific formulations, pursuant to which we may receive upfront, milestone and royalty payments linked to downstream development, commercialization and product sales, with revenues recognized in accordance with transaction milestones.

In parallel, we develop and out-license our own pipeline products, such as MTS-004 (which does not contain nanomaterials-based delivery systems such as LNPs), which was licensed in September 2025 to Zhejiang Yin'an Pharmatech for RMB100 million in upfront payment, additional milestones and tiered royalties. Together, these complementary pathways generate near-term project income and long-term licensing value, supporting a sustainable commercialization model based on recurring partnership revenues and expanding out-licensing opportunities. For detailed discussion, see "Business — Commercialization and Business Sustainability — Scaling and Deepening Our Existing Collaborations — Ability to Retain and Expand Our Customer and Collaborator Base."

Our Specialist Technology Products

Our Specialist Technology Products reflect this positioning and include:

- *AI-Driven Nanomaterial Solutions for Drug Delivery and Formulation* — Leveraging the NanoForge platform, our AI-driven solutions accelerate both LNP-based delivery system and small-molecule formulation optimization. We apply AI-enabled nanomaterial design to integrate partner payloads with advanced LNPs, enabling the targeted delivery of therapeutics. In parallel, we optimize nanoscale formulations, including cosolvent solvation, micelles, solid dispersions, cyclodextrin encapsulations, and microspheres, to enhance solubility, bioavailability, and pharmacokinetics of partner-provided small molecules.

- *Proprietary Nanomaterial-based Functional Assets Developed from METiS Platforms* — Integrating the METiS delivery technology with our own payloads, we develop internally functional assets with out-licensing potential, including assets that can be used as pharmaceuticals and for animal health.

Our revenue generated during the early part of the Track Record Period, however, was mainly derived from ancillary services as our Specialist Technology Products were still at an early stage of development.

Specialist Technology Product	Specialist Technology	Acceptable Sectors	Applications	Timeframe of Delivery
(1) AI-Driven Nanomaterial Solutions for Drug Delivery and Formulation .	AI	Next-generation information technology • AI • *AI solutions*: the design and provision of AI solutions used in different industry verticals	AiTEM solution enables optimization of nanoscale formulations such as cosolvent solvation, micelles, solid dispersions, cyclodextrin encapsulations, and microspheres to improve solubility and bioavailability and to achieve desirable pharmacokinetics profile.	Small molecule drug formulation: The whole development cycle typically lasts 3–6 months, and the collaboration model is also based on stage-by-stage deliverables, typically including the following steps: formulation screening → dissolution testing → stability study → data analysis → reporting
	AI	Next-generation information technology • AI • *AI solutions*: the design and provision of AI solutions used in different industry verticals	We provide AI-driven lipid identification services through our NanoForge platform. NanoForge is a cutting-edge suite of nano-delivery focused AI technologies, which enables molecule generation and property prediction, AI-driven dry-wet lab iterative discovery, and formulation design and optimization. METiS ionizable lipid library is the world's largest and most diverse ionizable lipid library, which enhances our ability to differentiate from existing intellectual properties, expands organ-specific targeting capabilities, and enables fine-tuning of our molecule generation and prediction models. METiS AI foundational models are verticalized, function-specific AI foundational models purpose built for each key stage of the nanomaterial development cycle, including molecule generation, property prediction, experiment design, formulation optimization, and expert validation.	Nanomaterial delivery system development (Metis delivery technology + payloads provided by partners): Our collaboration with partners follows a staged R&D-to-Option-to-License model. The initial research and development phase ("Research Term") typically lasts around one year, during which both parties jointly conduct preclinical studies, including mRNA production, LNP formulation, *in vivo* biodistribution, PK/PD, toxicity assessments, and *in vitro* functional characterization. Following the R&D stage, Partner is granted a time-limited option period (typically 60 days post-Research Term) to decide whether to enter into a royalty-bearing license to METiS technology. If the option is exercised, the collaboration transitions into a license agreement, under which Partner obtains commercialization rights to products derived from the research, while METiS retains ownership of its core platform technology and improvements. Deliverables are thus structured in clear phases: experimental data and reports during R&D → the option to license upon project completion → a potential license framework for downstream product development and commercialization.

Specialist Technology Product	Specialist Technology	Acceptable Sectors	Applications	Timeframe of Delivery
	Nanomaterials	Advanced materials • Nanomaterials • *The manipulation of materials conducted at a nanoscale*, including manufacturing of end products using nanotechnology	METiS Agent is the intelligent interface of our platform, which interprets and executes user queries, dynamically coordinating and selecting the most suitable AI foundational models and retrieving relevant information. Integrated dry-wet lab infrastructure: a fully integrated, AI-driven dry-wet lab system that enables closed loop, end-to-end optimization from in silico design to *in vivo* validation. See "Business — Overview — Backbone of Our AI driven Nanomaterial Platform Technologies," and "Business — Backbone of Our AI-driven Nanomaterial Platform Technologies."	
(2) Specific nanomaterials developed from METiS platforms (Metis delivery technology + Metis payload) . . .	AI	Next-generation information technology • AI • *AI solutions*: the design and provision of AI solutions used in different industry verticals	We develop nanomaterial products through AiTEM, AiLNP and AiRNA solutions. We have also developed an organ-specific delivery platform, which supports a growing and diversified pipeline across oncology, immunology, CNS, respiratory, cardiovascular, muscular, and metabolic diseases.	Our pipeline out-licensing model typically follows a staged collaboration cycle. We leverage our proprietary technology platforms to develop internal pipeline assets and advance them through clinical validation. Once proof of concept is established, we engage with partners to out-license the products under structured agreements. The collaboration model is designed to combine our R&D expertise with the partner's clinical and commercial capabilities, ensuring efficient progression into late-stage development and market entry. In terms of deliverables, our pipeline products are generally transferred to the partner upon agreement execution, with the partner assuming responsibility for subsequent clinical development, regulatory approval, and commercialization, while we remain engaged to support the program's continued success.
	Nanomaterials	Advanced materials • Nanomaterials • *The manipulation of materials conducted at a nanoscale*, including manufacturing of end products using nanotechnology	Drug and other nanomaterial products emerged from these solution platforms, including: • MTS- 201, MTS-105, PTS-101 and PTS-201. • MTS-004 (which does not contain nanomaterials-based delivery systems such as LNPs but its formulation still involves interactions at a nanoscale level between the active pharmaceutical ingredients and other drug components See "Business — Overview — Suit of METiS Solutions" and "Business — Our Advanced AI-Empowered Solution Platforms."	

Development Progress and R&D Stages by each of our Specialist Technology Products

The table below summarizes the R&D progress, key development milestones, and commercialization plans for each of our Specialist Technology Products. Our Specialist Technology Products are at different development stages, ranging from fully commercialized AI platforms to pre-commercial and pre-clinical nanomaterial products, reflecting the progressive maturation of our proprietary technologies under the METiS platforms.

Specialist Technology Products	Timeframe of Operations	Current Stage of Development	Key R&D/Validation Activities Remaining	Commercialization Pathway and Expected Timeline
(1) AI-Driven Nanomaterial Solutions for Drug Delivery and Formulation	Commencement of R&D: second quarter of 2020 Pilot commercialization: second quarter of 2021 Commercial-ready: third quarter of 2025	Commercialized and revenue-generating	Ongoing algorithm refinement, model expansion and application to additional formulation types and therapeutic areas. *In vitro* and *in vivo* performance assessments; Biodistribution and pharmacokinetic/ pharmacodynamic (PK/PD) profiling; Safety and toxicity evaluations; and Functional characterization of novel nanomaterials generated through our proprietary AI platforms.	Our platform entered the pilot commercialization stage in 2021 through collaborations focusing on formulation development. Under these collaboration frameworks, we primarily contribute our proprietary materials, data analytics, and formulation optimization capabilities, while partners provide complementary resources such as reference compounds, preclinical study designs, and bioanalytical assays. Upon completion of these research and validation activities, the collaboration typically advances into an option and license stage, where partners may exercise options to negotiate specific commercial terms, which we believe represent the commercialization stage. Successful transition to this stage would allow us to realize defined commercial benefits, including milestone-based payments and potential royalty income tied to downstream commercialization outcomes.

Our AI-Driven Nanomaterial Solutions for Drug Delivery and Formulation commenced R&D activities in the second quarter of 2020, and entered pilot commercialization in the second quarter of 2021 through collaborations focusing on formulation development. During this pilot stage, we generated only an immaterial amount of revenue as we were refining our commercial model. We become commercial ready starting third quarter of 2025 after establishing a collaboration with a leading global pharmaceutical company, followed by several additional agreements of similar

structure. We expect this business line to deliver meaningful revenue within 24 months after the Listing, supported by ongoing collaborations and the potential exercise of licensing options as well as additional discussions we are conducting with potential partners.

Specialist Technology Products	Timeframe of Operations	Current Stage of Development	Key R&D/Validation Activities Remaining	Commercialization Pathway and Expected Timeline
(2) Proprietary Nanomaterial Pipeline Products (METiS formulation/ METiS delivery technology + METiS payloads)	Commencement of R&D: second quarter of 2021 PoC: firstly achieved for MTS-004, MTS-105, MTS-109 and MTS-201 from fourth quarter of 2021 to second quarter of 2023; PoC validation for remaining pipeline products ongoing Commercial-ready stage: MTS-004 reached commercial readiness and was successfully out-licensed in September 2025; remaining assets expected to reach commercial-ready status by first quarter of 2027 to fourth quarter of 2028 Revenue generation: MTS-004 out-licensing upfront payment received in 2025; additional out-licensing revenue of MTS-004 subject to licensee's commercialization progress; remaining assets subject to further business development efforts	Mixed stage: MTS-004 commercial-ready and out-licensed; other pipeline assets preclinical/early clinical	For remaining assets: Completion of preclinical toxicology packages; Generation of comprehensive PK/PD datasets; and Progression through early-phase clinical trials to establish safety and preliminary efficacy.	One proprietary formulation-optimized asset (MTS-004) successfully out-licensed in September 2025 – marking our first commercial milestone. For the avoidance of doubt, MTS-004 does not contain nanomaterials-based delivery systems such as LNPs but its formulation still involves interactions at a nanoscale level between the active pharmaceutical ingredients and other drug components. Other pipeline assets expected to enter license-out negotiations upon completion of preclinical and/or early clinical validation.

Our proprietary nanomaterial-based pipeline products, which integrate METiS delivery technologies/formulations with METiS payloads, commenced R&D in the second quarter of 2021. Proof-of-concept validation for selected assets was firstly achieved between the fourth quarter of 2021 and the second quarter of 2023.

Among them, MTS-004, a formulation-optimized asset that does not contain nanomaterials-based delivery systems such as LNPs, reached commercial readiness and was successfully out-licensed in September 2025, generating upfront licensing income and providing the potential for future milestone and royalty revenues. Our remaining pipeline assets are at pre-clinical or early clinical stages and are expected to reach commercial-ready status and enter into license-out discussions upon the generation of promising safety and efficacy data. We anticipate further revenue contribution from MTS-004 licensing agreement and new license-out transactions within the 24 months following the Listing, supported by the expected completion of key pre-clinical and clinical milestones that will enable commercial discussions with potential partners.

OUR STRENGTHS

We believe that we have several competitive strengths, including our position as a pioneer in the rapidly growing AI nanomaterial market, our proprietary AI-driven nanomaterial platforms that deliver precision, efficiency and cost-effectiveness across a broad range of applications, and a diversified, low-risk pipeline spanning multiple therapeutic areas, organ targets and modalities. We are supported by a dual-pathway business model designed to maximize both platform and product value, as well as visionary founders and a proven leadership team with a track record of driving scalable innovation. For details, see "Business — Our Strengths."

OUR GROWTH STRATEGIES

We focus on building foundational models and technology platforms that integrate interdisciplinary approaches, including data-driven AI algorithms, mechanism-based quantum chemistry, molecular dynamics and high-throughput experimental screening systems as well as large scale animal studies, to enable the design and development of organ-targeted nanomaterials. Leveraging these platforms, our growth strategy is to continue advancing our core technologies, enhancing the precision of nano-delivery across a broad range of organs and cell types, expanding the application of our AI-driven nanomaterial platforms to advance human health, building a comprehensive ecosystem centered on our nanomaterial technologies, and extending into emerging non-human life science sectors. For details, see "Business — Our Growth Strategies."

RESEARCH AND DEVELOPMENT

As a technology-centric R&D platform, we continuously enhance our capabilities through in-house research and strategic collaborations with industry leaders. As of the Latest Practicable Date, our R&D team, led by our three cofounders, comprised over 100 scientists and technologists, the majority of whom hold master's degrees or higher (including approximately 40 Ph.D. holders). The R&D team brings together multidisciplinary expertise across nanomaterials, chemistry, biology, physics, computational science and medicine to support an integrated and innovation-driven research platform. For details, see "Business — Research and Development."

OUR CUSTOMERS AND SUPPLIERS

Our customers primarily comprise top global pharmaceutical companies, innovative biotechnology companies, and medical research institutions. In each of 2023, 2024 and 2025, revenue generated from our five largest customers was RMB9.1 million, RMB1.2 million and RMB103.8 million, respectively, accounting for 98.0%, 83.7% and 98.9% of our total revenue for the same periods, respectively. In each of 2023, 2024 and 2025, revenue generated from our largest customer was RMB4.7 million, RMB0.5 million and RMB100.0 million, respectively, accounting for 50.5%, 35.5% and 95.2% of our total revenue for the same periods, respectively.

Our suppliers mainly include raw material suppliers for laboratory reagents and consumables, CRO vendors, clinical trial service providers, software and database service providers, cloud computing service providers, and laboratory operation service suppliers. In each of 2023, 2024 and 2025, the amount of purchases from our five largest suppliers was RMB77.2 million, RMB68.2 million and RMB58.9 million, respectively, accounting for 34.5%, 36.1% and 28.2% of our total purchases for the same periods, respectively. In each of 2023, 2024 and 2025, the amount of purchases from our largest supplier was RMB32.6 million, RMB16.0 million and RMB17.6 million, respectively, accounting for 14.6%, 8.5% and 8.5% of our total purchases for the same periods, respectively. For details, see "Business — Our Customers and Suppliers."

COMPETITIVE LANDSCAPE

Our industry is marked by intense competition and rapid advancements in technology and science. In the emerging field of nanotechnology based drug delivery, we compete with a limited number of specialized companies focused on similar technologies. In the broader field of conventional drug development, we face competition from both approved treatments and investigational therapies currently in development. We believe our competitive advantages — including our proprietary generative AI-driven nanomaterial platforms, robust research and development capabilities, differentiated drug candidate profiles, dual-pathway commercialization strategy, and experienced leadership team — position us strongly in this dynamic landscape. Nonetheless, we continue to face competition from a diverse range of players, including established nanomaterial drug delivery companies, large pharmaceutical companies, specialized biotech companies, and academic research centers. Any drug candidates we successfully bring to market will face competition from existing products as well as future therapies. For a detailed discussion of the competitive landscape for each of our pipeline programs, please refer to the section titled "Industry Overview" in this Prospectus.

RISK FACTORS

We are a Pre-Commercial Company seeking to list on the Main Board of the Stock Exchange under Chapter 18C of the Listing Rules. There are certain risks and uncertainties involved in our operations and the investing in our Offer Shares, some of which are beyond our control. We have categorized these risks and uncertainties into: (i) risks related to our research and development, (ii) risks related to the commercialization of our technologies and services, (iii) risks related to our operations, (iv) risks related to our intellectual property, (v) risks related to our financial prospects and need for additional capital, (vi) risks related to doing business in the jurisdictions we operate, and (vii) risks related to the Global Offering.

Some of the major risks we face include our reliance on the continued success of NanoForge, a suite of proprietary and synergistic AI nanotechnologies, as any failure to maintain technological advantages or the ability to generate novel nanomaterials acceptable by our partners could materially and adversely affect our commercial success. Our business also depends significantly on our ability to operate without infringing, misappropriating or otherwise violating the intellectual property rights of third parties. In addition, if the commercialization of our AI-driven nanomaterial platform technologies or AI-empowered solutions fails to meet expectations, our business, growth and prospects could be significantly affected. Our service delivery further relies on close collaboration with customers, and delays or setbacks in our customers' own product development may adversely impact our performance and reputation. Moreover, we have historically incurred significant operating expenses, net losses and cash outflows from operations, and we may continue to do so in the near future, which could materially and adversely affect our business, results of operations, financial position and profitability.

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Immediately following the completion of the Global Offering and the Share Subdivision (assuming the Presumptions), the AIC Parties, namely Dr. Lai, Dr. Wang, Dr. Chen and Scientia HK, together with Nanjing Chengtai Yuxin, Delos Holding, Hangzhou Shengtai and Dechi Holding, will directly or indirectly hold in aggregate approximately 25.32% of the total share capital of our Company, and are considered as our Single Largest Group of Shareholders. For details, please refer to the section headed "Relationship with our Single Largest Group of Shareholders."

PRE-IPO INVESTMENTS

We have undertaken several rounds of Pre-IPO Investments. For details of the background of our Pre-IPO Investors and the principal terms of the Pre-IPO Investments, see "History, Development and Corporate Structure — Pre-IPO Investments."

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary financial data from our consolidated financial information for the Track Record Period, extracted from the Accountant's Report set out in Appendix I to this Prospectus. The summary consolidated financial data set forth below should be read together with, and is qualified in its entirety by reference to, our consolidated financial statements in this Prospectus, including the related notes. Our consolidated financial information was prepared in accordance with IFRSs.

Summary of Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss for the years indicated.

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Revenue	9,338	1,482	105,000
Cost of revenue	(3,753)	(659)	(1,913)
Gross profit	5,585	823	103,087
Research and development expenses	(290,463)	(274,001)	(269,809)
Administrative expenses	(85,473)	(90,565)	(196,045)
Selling and marketing expenses	(24,781)	(14,750)	(22,857)
Other income/(expense) — net	(53,881)	14,941	19,934
Other (losses)/gains — net	(393)	6,262	4,083
Operating loss	**(449,406)**	**(357,290)**	**(361,607)**
Finance income	6,405	14,734	13,207
Finance expenses	(78,374)	(156,634)	(43,313)
Finance income/(costs) — net	(71,969)	(141,900)	(30,106)
Fair value changes of convertible loan	(60,551)	–	–
Loss before income tax	**(581,926)**	**(499,190)**	**(391,713)**
Income tax expense	(2)	(8)	(123)
Loss for the year	**(581,928)**	**(499,198)**	**(391,836)**

Non-IFRS Measure

To supplement our consolidated financial statements, we also use adjusted net loss (a non-IFRS measure) as additional financial measure, which is not required by, or presented in accordance with IFRS Accounting Standards. We believe this non-IFRS Accounting Standards measure facilitates comparisons of operating performance from period to period and provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of adjusted net loss (a non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure as an analytical tool has limitations, and you should not consider it in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

We define adjusted net loss (a non-IFRS measure) as loss for the year adjusted by adding back (i) interest expense on redemption liabilities, (ii) fair value changes of convertible loan, (iii) finance charges paid for issuance of convertible loan, and (iv) share-based compensation. The following table reconciles our adjusted net loss (a non-IFRS measure) for the periods presented in accordance with IFRS Accounting Standards, which is loss for the year.

	For the year ended December 31,		
	2023	2024	2025
	RMB	*RMB*	*RMB*
	(in thousands, except percentages)		
Reconciliation of net loss to adjusted net loss (non-IFRS measure)			
Loss for the year	**(581,928)**	**(499,198)**	**(391,836)**
Add:			
Interest expense on redemption liabilities[(1)]	64,739	165,710	27,925
Fair value changes of convertible loan[(2)]	60,551	–	–
Finance charges paid for issuance of convertible loan[(2)]	1,716	–	–
Share-based compensation[(3)]	107,905	93,889	183,739
Adjusted net loss (non-IFRS measure)	**(347,017)**	**(239,599)**	**(180,172)**

Notes:

(1) Interest expenses on redemption liabilities are non-cash expenses arising from the redeemable preferred shares issued in connection with our historical equity investments. Interest expenses on redemption liabilities are not expected to result in future cash payments.

(2) Fair value changes of and finance charges paid for issuance of convertible loan have ceased from charging since 2023, as all convertible loans have been converted into the relevant equity interest of the Company in 2023.

(3) Share-based payment is a non-cash expense arising from granting share-based awards to selected employees. Share-based payment is not expected to result in future cash payments.

During the Track Record Period, we derived revenue from (i) providing our research and development services (i.e. revenue from collaboration agreements) as pilot commercialization activities and (ii) providing customers access to our *in vivo* testing and animal experiment capabilities (i.e. others). During the Track Record Period, our primary focus remained on advancing and validating our NanoForge platform and core technologies, rather than pursuing broad commercialization. As such, the revenue we recorded from R&D services during this period mainly reflect our pilot commercialization activities aimed at demonstrating the capabilities and potential applications of our nanotechnologies. Revenue from *others* is not our core business focus and does not reflect our primary commercialization strategy.

For detailed discussion of our revenue composition, see "Financial Information — Description of Major Components of Our Results of Operations — Revenue." For detailed discussion of revenue recognition policy, please refer to Note 6(d) to the Accountant's Report included in Appendix I to this Prospectus.

Our net loss was RMB581.9 million, RMB499.2 million and RMB391.8 million for the years ended December 31, 2023, 2024 and 2025, respectively. Changes in net loss during the Track Record Period were mainly driven by fluctuations in R&D expenses, other income and gains and finance costs. The decrease from 2023 to 2024 reflected lower R&D expenses of RMB274.0 million and improved other income, partly offset by higher finance costs of RMB141.9 million. From 2024 to 2025, net loss narrowed by 21.5% from RMB499.2 million to RMB391.8 million, mainly due to a RMB103.5 million increase in revenue, an 1.5% reduction in R&D expenses to RMB269.8 million and lower interest on redemption liabilities, partially offset by higher administrative expenses of RMB196.0 million.

Summary of Consolidated Statements of Financial Positions

The table below sets forth the selected information from our consolidated statements of financial position as of the dates indicated, which have been extracted from our audited consolidated financial statements included in Appendix I to this Prospectus.

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Total non-current assets	287,007	229,078	141,324
Total current assets	1,026,387	819,457	1,148,944
Total assets	**1,313,394**	**1,048,535**	**1,290,268**
Total non-current liabilities	2,192,743	2,321,498	77,202
Total current liabilities	98,214	109,426	172,208
Total liabilities	**2,290,957**	**2,430,924**	**249,410**
Net assets/(liabilities)	**(977,563)**	**(1,382,389)**	**1,040,858**
Share capital	87,680	87,851	94,105
Reserves	117,775	211,976	2,696,316
Accumulated losses	(1,183,018)	(1,682,216)	(1,749,563)
Total (deficit)/equity	**(977,563)**	**(1,382,389)**	**1,040,858**
Net current assets	**928,173**	**710,031**	**976,736**

We recorded net current assets of RMB928.2 million, RMB710.0 million and RMB976.7 million as of December 31, 2023, 2024 and 2025, respectively. For a detailed discussion of our current assets and current liabilities during the Track Record Period, see "Financial Information — Discussion of Certain Key Items from Our Consolidated Statements of Financial Position."

Our net liabilities of RMB1,382.4 million as of December 31, 2024 turned into net assets of RMB1,040.9 million as of December 31, 2025, representing an improvement of RMB2,423.2 million. This improvement was primarily attributable to the derecognition of redemption liabilities of RMB2,278.2 million in connection with the conversion of preferred shares into equity prior to the proposed listing, as well as capital contribution from shareholders of RMB350.0 million. These positive impacts were partially offset by our loss for the period of RMB391.8 million and currency translation losses of RMB0.2 million.

Our net liabilities increased from RMB977.6 million as of December 31, 2023 to RMB1,382.4 million as of December 31, 2024, representing an increase of RMB404.8 million. The increase was mainly attributable to our loss for the year of RMB499.2 million and the recognition of additional redemption liabilities of RMB11.4 million, partially offset by share-based payment expenses of RMB93.9 million, capital contributions of RMB11.4 million, and currency translation gains of RMB0.5 million.

Summary of Consolidated Statements of Cash Flows

The following table sets forth our cash flows for the years indicated.

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Net cash used in operating activities	**(192,428)**	**(239,210)**	**(121,593)**
Net cash (used in)/generated from investing activities	**(404,892)**	**78,925**	**35,092**
Net cash generated from financing activities	**799,937**	**143,311**	**369,479**
Net (decrease)/increase in cash and cash equivalents	**202,617**	**(16,974)**	**282,978**
Cash and cash equivalents at the beginning of the year	364,472	561,470	557,641
Effects of exchange rate changes on cash and cash equivalents	(5,619)	13,145	(12,356)
Cash and cash equivalents at the end of the year	**561,470**	**557,641**	**828,263**

We recorded net cash used in operating activities of RMB192.4 million, RMB239.2 million and RMB121.6 million in 2023, 2024 and 2025, respectively. Our net operating cash outflow during the Track Record Period was primarily due to our net loss position and the increased operating expenses, reflecting the continuous upgrade and innovation of our technological capabilities and our rapid business expansion. See "Financial Information — Liquidity and Capital Resources — Cash Flow Analysis" for details regarding our cash flows. See also "Financial Information — Key Financial Ratios" for details regarding the key financial ratios.

Cash Operating Costs

The following table sets forth key information relating to our cash operating costs for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Workforce employment[(1)]	34,584	30,432	39,485
R&D costs[(2)]	191,847	199,399	177,680
Cost of revenue	3,753	659	1,913
Taxes and surcharges	1,104	928	197
Marketing and advertisement expenses	3,063	1,100	1,051
Total	**234,351**	**232,518**	**220,326**

Notes:

(1) Cash operating costs relating to workforce employment represent the sum of employee benefit expenses under general and administrative expenses, cost of revenue and selling and marketing expenses (excluding share-based compensation which is non-cash in nature).

(2) R&D costs under cash operating costs represent the R&D expenses, including professional service fees, material consumption, short-term rental and utilities and others but excluding share-based compensation and depreciation and amortization, which are non-cash in nature under R&D expenses.

COMMERCIALIZATION AND BUSINESS SUSTAINABILITY

We are a Pre-Commercial Company dedicated to the delivery and application of functional payloads across life forms. Since our inception, we have been primarily engaged in the research and development of our AI-driven nanomaterial platform technologies and the continuous refinement of our specialized solution platforms, namely AiTEM, AiLNP and AiRNA, alongside the advancement of our proprietary pipeline assets.

We have incurred substantial upfront costs primarily associated with the establishment and expansion of our research and development infrastructure. Such costs include expenditures for the purchase and installation of laboratory equipment to build both our dry lab and wet lab facilities, which form the foundation of our computational and experimental research activities. In addition, we invested in office equipment and related fixtures necessary to support our day-to-day operations and corporate functions. We also incurred capital expenditures for equipment used in our technology development and testing processes, as well as for the acquisition of intangible assets such as proprietary and commercial software to support data processing, simulation, and workflow management. These upfront investments represent essential components of our long-term capacity building and are expected to enhance our research efficiency and operational scalability.

As a result of our continued investment in research and development and organizational build-out, we recorded adjusted net losses (non-IFRS measure) of RMB347.0 million, RMB239.6 million, and RMB180.2 million for the years ended December 31, 2023, 2024 and 2025, respectively. The adjusted net losses (non-IFRS measure) during the Track Record Period were primarily attributable to the following factors:

Significant R&D Investment. A substantial portion of our operating expenses related to research and development, mainly comprising employee benefit expenses for scientists and engineers, procurement of laboratory materials and instruments, and professional service fees, including payments to CROs. Our R&D expenses amounted to RMB290.5 million, RMB274.0 million and RMB269.8 million in 2023, 2024 and 2025, respectively.

Administrative Expenses. We also incurred administrative expenses of RMB85.5 million, RMB90.6 million, and RMB196.0 million in 2023, 2024 and 2025, respectively, primarily due to changes in staffing structure, share-based compensation and continued investment in management and compliance capabilities to support business expansion and listing preparation.

Limited Revenue Base During the Pre-Commercial Stage. As we remained in a pre-commercial stage, our revenues were limited and mainly derived from early-stage research collaborations, amounting to RMB9.3 million, RMB1.5 million and RMB105.0 million in 2023, 2024 and 2025, respectively, which were insufficient to offset our R&D and administrative expenditures.

We believe commercialization is central to our long-term sustainability. Our strategy is anchored in a dual-pathway business model integrating platform business development and product licensing, supported by our proprietary AI-driven nanomaterial platform. Going forward, we aim to scale and deepen existing collaborations, expand into new delivery modalities and high-value adjacent applications, and strengthen our international footprint through strategic global partnerships.

Scaling and Deepening Our Existing Collaborations

A core pillar of our commercialization strategy is to scale and deepen collaborations through a dual-pathway approach that integrates platform and product business development. Through platform partnerships, we license delivery nanomaterials to our partners to deliver their therapeutic agents to generate recurring revenue and long-term engagement, while in parallel advancing strategic transactions for our proprietary therapeutic assets to accelerate development and capture downstream value through product licensing, co-development and royalty arrangements.

Our platform business development is built on enabling precise delivery of our partners' therapeutic agents using our proprietary nanomaterial-based solutions. Under our platform partnership model, we conduct project-based R&D collaborations with pharmaceutical and biotechnology partners, commencing with a defined research program in which we apply our proprietary AI platforms and delivery technologies to optimize LNPs or formulations for partner-provided payloads and target applications. Partners typically contribute complementary materials and study designs, and we receive fees primarily to cover research activities and, in certain cases, option fees. Upon completion of the research phase, partners may elect to enter into a license agreement with us to license our LNPs or specific formulations, pursuant to which we may receive upfront, milestone and royalty payments linked to downstream development, commercialization and product sales, with revenues recognized in accordance with transaction milestones. For an illustrative example of the typical payment structure, see "Business — Business Development and Collaborative Partnership — Platform Business Development." In parallel, we are advancing product business development for our internal pipeline products, including MTS-105, MTS-201, MTS-109 and MTS-128, with the objective of entering licensing agreements that include upfront payments, development and regulatory milestones and tiered royalties. In addition, the breadth and depth of our collaborator base underpin our growth, with over 30 global pharmaceutical and biotechnology partners and a collaboration model designed to drive repeat use, high switching costs and longterm partner retention.

Expanding into Novel Delivery Modalities and High-Value Adjacent Applications

We believe our proprietary AI-driven nanomaterial platforms position us to capture opportunities across both established and adjacent markets. Originally developed for human therapeutics, our platform has evolved into a versatile engine for advanced delivery system design with broader applications. We have demonstrated early potential in areas such as animal health, pet longevity and material innovation, and on August 1, 2025, we entered into a cooperation intent agreement with a leading pet healthcare supply chain provider in China to jointly develop and commercialize AI-driven animal health products. Through continued R&D in these adjacent sectors, we aim to diversify revenue streams, expand our commercial footprint and enhance the long-term resilience of our business, despite potential short-term fluctuations in financial performance.

Strengthening Our International Footprint Through Strategic Global Partnerships

We are pursuing a global growth strategy to expand our international footprint, accelerate cross-border innovation and drive long-term adoption of our AI-empowered nanomaterial technologies. This strategy includes business development, strategic collaborations, joint ventures, mergers and acquisitions and targeted overseas investments to unlock new commercial opportunities and strengthen our competitive position. Through these efforts, we aim to integrate our platform into international R&D and commercialization pipelines, expand our global customer and partner base, and position ourselves as a trusted global partner in AI-driven nanomaterial innovation, supporting diversified revenue and sustainable long-term growth.

For detailed discussion, please see "Business — Commercialization and Business Sustainability."

APPLICATION FOR LISTING ON THE HONG KONG STOCK EXCHANGE

We have applied to the Stock Exchange for the listing of, and permission to deal in, (i) the H Shares to be issued pursuant to the Global Offering (including any H Shares which may be issued pursuant to the exercise of the Over-allotment Option), (ii) the H Shares to be converted from the Unlisted Shares (as adjusted by the Share Subdivision) and (iii) the additional Shares may be issued under the Employee Incentive Schemes. We satisfy the requirements under Rule 18C.03 of the Listing Rules (as modified by the Joint Announcement for Specialist Technology Companies and De-SPAC Transactions) as a Pre-Commercial Company (as defined in the Listing Rules) with reference to our expected market capitalization at the time of Listing, which exceeds HK$8 billion based on the low-end of the Offer Price.

OFFERING STATISTICS[1]

	Based on an Offer Price of HK$10.50 per Share
Market capitalization of our Shares[2]	HK$12,101.4 million
Unaudited pro forma adjusted net tangible assets of the Group per Share[3]	HK$2.90

Notes:

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

(2) The calculation of market capitalization of our Shares is based on 1,152,513,850 Shares expected to be in issue immediately after completion of the Global Offering.

(3) The unaudited pro forma adjusted consolidated net tangible assets per share are determined after the adjustments as described in note (2) of "Appendix II — Unaudited Pro Forma Financial Information" and on the basis that 1,099,622,830 shares are in issue (excluding 52,891,020 shares held by the Employee Incentive Platforms relating to the restricted shares and share options granted but not yet exercised under certain employee stock ownership plans), assuming the Global Offering and the Share Subdivision had been completed on December 31, 2025, but without taking into account any shares which may fall to be issued upon the exercise of the Over-Allotment Option.

LISTING EXPENSES

Our listing expenses mainly include (i) underwriting-related expenses, such as underwriting fees and commissions, and (ii) non-underwriting-related expenses, comprising professional fees paid to our legal advisors and Reporting Accountant for their services rendered in relation to the Listing and the Global Offering, and other fees and expenses. Assuming full payment of the discretionary incentive fee, the estimated total listing expenses (based on an Offer Price of HK$10.50 per Share) for the Global Offering are approximately HK$136.0 million, accounting for approximately of 6.4% of our gross proceeds. Among such estimated total listing expenses, we expect to pay underwriting-related expenses of HK$84.5 million, professional fees for our legal advisors and Reporting Accountant of HK$32.7 million and other fees and expenses of HK$18.8 million. An estimated amount of HK$51.4 million for our listing expenses, accounting for approximately 2.4% of our gross proceeds, is expected to be expensed through the statement of profit or loss and an estimated amount of HK$84.6 million is expected to be recognized directly as a deduction from equity upon the Listing. During the Track Record Period, we incurred listing expenses of HK$33.3 million expensed through the statement of profit or loss. We expect to charge listing expenses of HK$18.1 million through the statement of profit or loss.

DIVIDENDS

No dividend was paid or declared by our Company or other entities comprising our Group during the Track Record Period. As of the Latest Practicable Date, we did not have a formal dividend policy or a fixed dividend distribution ratio. According to the Company Law of the PRC (《中華人民共和國公司法》), which was promulgated by the Standing Committee of the National People's Congress on December 29, 2023 and became effective on July 1, 2024, when a company distributes its after-tax profit for the current year, 10% of the profit shall be accrued and included in the company's statutory reserve. Where the accumulative amount of the company's statutory reserve is not enough to make up for the losses of the previous year, the current year's profits shall first be used to make up for the losses before the statutory reserve is accrued according to the aforementioned provision. The residual after-tax profits after a company has made up its losses and accrued reserve shall be distributed by the company. Thus, as advised by the PRC Legal Advisor, we may not pay dividends in view of accumulated losses. See "Financial Information — Dividends" for detail discussion.

WORKING CAPITAL SUFFICIENCY

Our Directors are of the view that, taking into account the estimated net proceeds from the Global Offering and other financial resources available to us, including cash and cash equivalents, term deposits, restricted cash, the current portion of financial assets at FVTPL, and bank borrowings, we have sufficient working capital to cover 125% of our costs, including R&D expenses, selling and marketing expenses, general and administrative expenses and other operating costs, for the next 12 months from the date of this Prospectus.

Our cash burn rate is calculated as the sum of (i) net cash used in operating activities, (ii) capital expenditures, and (iii) lease payment, divided by the number of months in the relevant year/period. Our historical monthly average cash burn rate was RMB22.3 million, RMB21.9 million and RMB13.7 million in 2023, 2024 and 2025, respectively. We had cash and cash equivalents, current portion of term deposits, current portion of financial assets at FVTPL and restricted cash of RMB1,125.5 million in aggregate as of December 31, 2025. We estimate that we will receive net proceeds of approximately HK$1,976.9 million after deducting the listing expenses payable by us in the Global Offering, assuming no Over-allotment Option is exercised and based on an Offer Price of HK$10.50 per Offer Share. We estimate that our cash and cash equivalents, current portion of term deposits, current portion of financial assets at FVTPL and restricted cash as of December 31, 2025, will be able to maintain our financial viability for approximately 50 months or, if we take into account 10% of the estimated net proceeds (based on an Offer Price of HK$10.50 per Share) from the Global Offering (namely, the portion allocated for our working capital and other general purposes), approximately 59 months or, if we take into account 100% of the estimated net proceeds (based on an Offer Price of HK$10.50 per Share) from the Global Offering, for approximately 133 months. Our Directors and our management will continue to monitor our working capital, cash flows, and our business development status. For detailed discussion on our burn rate, please see "Financial Information — Working Capital Sufficiency."

FUTURE PLANS AND USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$1,976.9 million, based on an Offer Price of HK$10.50 per Offer Share, after deducting the underwriting commissions and estimated expenses paid or payable by us in connection with the Global Offering and assuming that the Over-allotment Option is not exercised.

We intend to use the net proceeds from the Global Offering for the following purposes:

- Approximately HK$988.5 million (or approximately 50.0% of the net proceeds) to fund research, development, and advancement of the core technologies supporting our AI infrastructure and AI-driven nanomaterial platforms, including:
    - Approximately HK$494.2 million (or approximately 25.0% of the net proceeds) will be used for the continued development of NanoForge, our suite of self-developed AI models and agents.
    - Approximately HK$296.5 million (or approximately 15.0% of the net proceeds) for research and development of our AI-empowered solutions, which serve as the foundation for our next-generation delivery and therapeutic design capabilities.
    - Approximately HK$197.7 million (or approximately 10.0% of the net proceeds) will be used for the *in vivo* validation of our non-liver targeting LNPs in association with their payloads.
- Approximately HK$395.4 million (or approximately 20.0% of the net proceeds) will be used for ongoing and planned clinical trials of our AI-developed pipeline products, advancing candidates across a range of therapeutic areas and modalities. These investments will support regulatory filings, indication expansion, and early-stage clinical validation, accelerating the translation of our platform innovations into therapeutic solutions.

- Approximately HK$197.7 million (or approximately 10.0% of the net proceeds) will be used for the development of our animal health and longevity solutions, extending the application of our AI-empowered solutions into these high-growth fields. These investments will enable us to adapt and deploy our nanomaterial technologies beyond human therapeutics, capturing value in fields with strong unmet needs and rising global demand, facilitating our strategies to broaden the applications of our AI-driven nanomaterial platforms and further expand into emerging sectors.
- Approximately HK$197.7 million (or approximately 10.0% of the net proceeds) will be allocated to support the construction of our AI-driven nanomaterials ecosystem globally, as we believe overseas market presents greater potential for our AI-driven nanomaterial platforms.
- Approximately HK$197.7 million (or approximately 10.0% of the net proceeds) will be used for working capital and other general corporate purposes.

See "Future Plans and Use of Proceeds" for further details regarding use of proceeds.

RECENT DEVELOPMENTS

Progress on Business Development

Our platform partnership model has made meaningful progress after the Track Record Period as our technology gains validation and business development activities expand. We have received several term sheets and are in advanced discussion on forming potential platform collaborations with contract values ranging from approximately US$345 million to US$512 million per therapeutic agent, under which partners may license our LNPs upon completion of the research projects. For instance, in early March 2026 we entered into a new research collaboration agreement effective November 2025 with a leading global pharmaceutical company that is an existing collaborator, pursuant to which the parties agreed to screen and identify a promising lipid(s) for delivery into a specific cell type. After the effective date of this new research collaboration agreement, we received a term sheet from the leading global pharmaceutical company with potential contract value amounted to US$345 million per therapeutic agent in addition to single digit royalties of annual net sales. These collaborations demonstrate the scalability and growing market recognition of our platform and our ability to expand and deepen relationships with collaborators.

Expected Net Loss in 2026

We expect that we will continue to be loss-making in 2026 primarily due to the anticipated costs and expenses associated with (i) further advancement of our nanomaterials developed from METiS platforms, (ii) increased share-based payment expenses and (iii) increased marketing expenses to commercialize our METiS solutions and our Specialist Technology Products.

IMPACT OF COVID-19

During the Track Record Period and up to the Latest Practicable Date, we had not experienced material disruptions in our operations as a result of COVID-19. During the COVID-19 pandemic, we maintained operational continuity through remote work arrangements across our offices. Through effective coordination with our lab researchers and CROs across various locations, we sustained the smooth progress of our research activities and achieved key regulatory milestones. As COVID-19's global impact continued to lessen as of the Latest Practicable Date, our Directors do not expect COVID-19 to have a material adverse impact on our business going forward. See also "Risk Factors — Risks Related to Our Operations — Our business, results of operations and financial condition may be adversely affected by natural disasters, health epidemics and pandemics, civil and social disruption and other outbreaks."

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that, up to the date of this Prospectus, there had been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since December 31, 2025, which is the end date of the periods reported on in the Accountant's Report included in Appendix I to this Prospectus, and there had been no event since December 31, 2025 that would materially affect the information shown in the Accountant's Report set out in Appendix I to this Prospectus.

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

"2023 Equity Incentive Plan"	the 2023 Equity Incentive Plan of the Company adopted on June 26, 2023
"2025 Equity Incentive Plan"	2025 Equity Incentive Plan of the Company adopted on June 27, 2025
"2025 Restricted Share Plan"	2025 Restricted Share Plan of the Company adopted on June 27, 2025
"5Y Capital"	collectively, Evolution Holding IV Limited and Vibrant Evolution II Limited, our Pre-IPO Investor
"Accountant's Report"	The accountant's report from PricewaterhouseCoopers, the text of which are set out in Appendix I to this Prospectus
"Administrator"	the entity or person that conducts the general administration of the 2023 Equity Incentive Plan or the 2025 Equity Incentive Plan, as the case may be
"affiliate"	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" or "Accounting and Financial Reporting Council"	The Accounting and Financial Reporting Council of Hong Kong
"AIC Agreement"	the agreement pursuant to which the AIC Parties agreed to act in concert, the details of which are set forth in "History, Development and Corporate Structure — Concert Party Agreement"
"AIC Parties"	the parties acting in concert pursuant to the AIC Agreement, refers to Dr. Lai, Dr. Chen, Dr. Wang and Scientia HK
"Articles of Association" or "Articles"	the articles of association of our Company, as amended, which shall become effective on the Listing Date, a summary of which is set out in Appendix IV in this Prospectus
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Beijing Jitai"	Beijing Jitai Life Sciences Ltd* (北京劑泰生命科技有限公司), a limited liability company established under the laws of the PRC on September 18, 2021, and a wholly-owned subsidiary of our Company

"Beijing Susida"	Beijing Susida Pharmaceutical Technology Co., Ltd.* (北京速思達醫藥科技有限公司), a limited liability company established under the laws of the PRC on December 19, 2024, and a wholly-owned subsidiary of our Company
"Beijing Yuhetai"	Beijing Yuhetai Management Consulting Partnership (Limited Partnership) (北京裕禾泰管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on August 5, 2025, being and Employee Incentive Platform
"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"	compound annual growth rate, which is calculated by dividing the amount at the end of the period by the amount of the beginning of that period, raising the result to an exponent of one divided by the number of years in the period, and subtracting one from the subsequent result
"Capital Market Intermediaries"	the capital market intermediaries listed in "Directors and Parties Involved in the Global Offering"
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"China", "Chinese Mainland" or "PRC"	the People's Republic of China, which, for the purposes of this Prospectus and for geographical reference only, references to "China", "Chinese Mainland" and the "PRC" do not apply to Taiwan, Hong Kong and Macau, except where the context indicates or requires otherwise
"close associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Co-founder(s)"	Dr. Lai, Dr. Chen and Dr. Wang, the co-founders of our Group
"Committee"	a committee of the Board
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

"Company", "our Company" or "the Company"	Metis TechBio Co., Ltd. (劑泰科技(北京)股份有限公司) (formerly known as Hangzhou Jitai Pharmaceutical Technology Co., Ltd.* (杭州劑泰醫藥科技有限公司)), a joint stock limited liability company established in the PRC on January 10, 2020 and converted into a joint stock limited liability company on June 30, 2025
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"connected transaction(s)"	has the meaning ascribed thereto under the Listing Rules
"Corporate Governance Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"CSDCC"	China Securities Depositary 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)
"Dechi Holding"	Dechi Holding Limited, a company incorporated under the laws of the British Virgin Islands with limited liability on September 30, 2019 (which is controlled by Dr. Lai), being an Employee Incentive Platform and a member of the Single Largest Group of Shareholders
"Delos Holding"	Delos Holding Limited, a company incorporated under the laws of the British Virgin Islands with limited liability on September 27, 2019 (which is controlled by Dr. Lai), being an Employee Incentive Platform and a member of the Single Largest Group of Shareholders
"Director(s)" or "our Director(s)"	the director(s) of our Company
"Dr. Alan Fu"	Dr. Chong Fu (付翀), our chief financial officer and Board secretary
"Dr. Lai"	Dr. Tsai-Ta Lai (賴才達), our chairman of the Board, executive Director and chief executive officer
"Dr. Chen"	Dr. Hongming Chen, our executive Director and chief research and development officer
"Dr. Wang"	Dr. Wenshou Wang (王文首), our executive Director and chief operating officer
"Drug payload" or "payload"	refers to the active therapeutic agent carried or delivered by a drug delivery system or therapeutic platform, which is responsible for exerting the intended pharmacological or biological effect after being released or activated in the body. The drug payload may include, among others, small-molecule compounds, peptides, nucleic acids, or other therapeutic substances.

"Drug target"	refers to the specific biological molecules or structures, such as proteins, receptors, enzymes, or genetic materials, that are intended to be interacted with or modulated by a drug to produce a therapeutic effect. Drug targets are typically disease-associated components within cells, tissues, or organs.
"EIT"	enterprise income tax
"EIT Law"	Enterprise Income Tax Law of the PRC (中華人民共和國企業所得税法) adopted by the Tenth National People's Congress on March 16, 2007, and effective on January 1, 2008, as amended, supplemented or otherwise modified from time to time
"Employee Incentive Platforms"	Nanjing Chengtai Yuxin, Delos Holding, Hangzhou Shengtai, Dechi Holding and Beijing Yuhetai
"Employee Incentive Schemes"	2023 Equity Incentive Plan, 2025 Equity Incentive Plan, 2025 Restricted Share Plan and Pre-IPO Share Option Scheme, summary of the principal terms of which is set forth in "Appendix V — Statutory and General Information — Further Information about our Directors, Senior Management and Substantial Shareholders — 5. Employee Incentive Schemes"
"Equity Incentive(s)"	the share option(s) or restricted share(s) granted under the 2023 Equity Incentive Plan, the 2025 Equity Incentive Plan or the 2025 Restricted Share Plan, as the case may be
"Exchange Participant"	a person (a) who, in accordance with the Rules of the Hong Kong Stock Exchange, 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
"Extreme Conditions"	extreme conditions caused by a super typhoon as announced by the government of Hong Kong or any extreme conditions or events, the occurrence of which will cause interruption to the ordinary course of business operations in Hong Kong or that may affect the Listing Date
"Frost & Sullivan"	Frost & Sullivan Limited, an independent professional market research and consulting company
"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
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Grantee(s)"	the grantee(s) under the 2023 Equity Incentive Plan, 2025 Equity Incentive Plan, the 2025 Restricted Share Plan or the Pre-IPO Share Option Scheme

"Group," "our Group," "we" or "us"	our Company and our subsidiaries
"Guide for New Listing Applicants"	the Guide for New Listing Applicants issued by the Hong Kong Stock Exchange (as amended, supplemented or otherwise modified from time to time)
"H Share(s)"	share(s) in the share capital of our Company with a nominal value of RMB0.1 each, which is/are to be subscribed for and traded in HK dollars and to be listed on the Hong Kong Stock Exchange
"H Share Registrar"	Computershare Hong Kong Investor Services Limited
"Hangzhou Jitai"	Hangzhou Jitai Life Sciences Ltd (杭州劑泰生命科技有限公司), a limited liability company established under the laws of the PRC on July 4, 2025, and a wholly-owned subsidiary of our Company
"Hangzhou Shengtai"	Hangzhou Shengtai Management Consultancy Partnership Enterprise (Limited Partnership) (杭州盛泰管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on March 16, 2023 (of which Dr. Wang is the sole general partner), being an Employee Incentive Platform and a member of the Single Largest Group of Shareholders
"HK dollars" or "HK$"	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
"HKSCC	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"HKSCC EIPO"	the application for the Hong Kong Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your designated HKSCC Participant's stock account through causing HKSCC Nominees to apply on your behalf, including by instructing your broker or custodian who is a HKSCC Participant to give electronic application instructions via HKSCC's FINI system to apply for the Hong Kong Offer Shares on your behalf
"HKSCC Nominees"	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
"HKSCC Operational Procedures"	the operational procedures of HKSCC, 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 Offer Shares"	the 10,061,500 H Shares offered by us for subscription at the Offer Price pursuant to the Hong Kong Public Offering (subject to adjustment as described in the section headed "Structure of the Global Offering" in this Prospectus)
"Hong Kong Public Offering"	the offering of the Hong Kong Offer Shares for subscription by the public in Hong Kong (subject to adjustment as described in the section headed "Structure of the Global Offering" in this Prospectus) at the Offer Price (plus brokerage, SFC transaction levy, Hong Kong Stock Exchange trading fee and AFRC transaction levy), on and subject to the terms and conditions described in the section headed "Structure of the Global Offering" in this Prospectus
"Hong Kong Stock Exchange" or "Stock Exchange"	subsidiary of Hong Kong Exchanges and Clearing Limited
"Hong Kong Underwriters"	the underwriters listed in the paragraph headed "Hong Kong Underwriters" in the section headed "Underwriting" in this Prospectus, being the underwriters of the Hong Kong Public Offering
"Hong Kong Underwriting Agreement"	the underwriting agreement dated April 30, 2026 relating to the Hong Kong Public Offering entered into by our Company, the Single Largest Group of Shareholders, the Joint Sponsors, the Sponsor-Overall Coordinators and the Hong Kong Underwriters, as further described in "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Hong Kong Underwriting Agreement"
"HSG"	collectively, HSG Seed I Holdco T, Ltd. and HSG Venture VIII Holdco AC, Ltd., our Pre-IPO Investor
"IFRS(s)"	IFRS Accounting Standards, which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards and Interpretations issued by the International Accounting Standards Board ("**IASB**")
"Independent Third Party(ies)"	any entity(ies) or person(s) who is not a connected person of our Company within the meaning of the Hong Kong Listing Rules
"International Offer Shares"	the 191,167,500 H Shares offered by our Company pursuant to the International Offering (subject to adjustment as described in the section headed "Structure of the Global Offering" in this Prospectus) together with any additional H Shares which may be allotted and issued by our Company pursuant to the exercise of the Over-allotment Option
"International Offering"	the offer of the International Offer Shares (a) in the United States solely to QIBs pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act or (b) outside the United States in offshore transactions in reliance on Regulation S, at the Offer Price, in each case on and subject to the terms and conditions of the International Underwriting Agreement, as further described in the section headed "Structure of the Global Offering" in this Prospectus

"International Underwriters"	the group of international underwriters who are expected to enter into the International Underwriting Agreement to underwrite the International Offering
"International Underwriting Agreement"	the underwriting agreement relating to the International Offering expected to be entered into on or about May 11, 2026 by, among others, our Company and the International Underwriters, as further described in "Underwriting — International Offering"
"IPO"	initial public offering
"Joint Announcement for Specialist Technology Companies and De-SPAC Transactions"	the Joint Announcement of the SFC and the Stock Exchange in relation to Temporary Modifications to Requirements for Specialist Technology Companies and De-SPAC Transactions published on August 23, 2024
"Joint Bookrunners"	the joint bookrunners as named in the section headed "Directors and Parties Involved in the Global Offering" of this Prospectus
"Joint Global Coordinators"	the joint global coordinators as named in the section headed "Directors and Parties Involved in the Global Offering" of this Prospectus
"Joint Lead Managers"	the joint lead managers as named in the section headed "Directors and Parties Involved in the Global Offering" of this Prospectus
"Joint Sponsors"	the joint sponsors as named in the section headed "Directors and Parties Involved in the Global Offering" of this Prospectus
"Latest Practicable Date"	April 27, 2026 being the latest practicable date for the purpose of ascertaining certain information contained in this Prospectus prior to its publication
"Listing"	listing of the H Shares on the Main Board of the Hong Kong Stock Exchange
"Listing Committee"	the Listing Committee of the Hong Kong Stock Exchange
"Listing Date"	the date, expected to be on or about Wednesday, May 13, 2026, on which our H Shares are listed and from which dealings therein are permitted to take place on the Hong Kong Stock Exchange
"Listing Rules" or "Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with GEM of the Hong Kong Stock Exchange

"Metis Australia"	Metis Pharmaceuticals Australia Pty Ltd, a limited liability company established under the laws of Australia on May 6, 2024 and an indirectly wholly owned subsidiary of our Company
"Metis HK"	Hong Kong Metis TechBio Limited (formerly known as Metis Therapeutics HK Limited), a limited liability company established under the laws of Hong Kong on April 5, 2024 and an indirectly wholly owned subsidiary of our Company
"Metis Therapeutics"	Metis Therapeutics Inc., an incorporated company established under the laws of the United States on October 23, 2019 and a directly wholly owned subsidiary of our Company
"Ministry of Finance" or "MOF"	the Ministry of Finance of the PRC (中華人民共和國財政部)
"MOFCOM"	the Ministry of Commerce of the PRC (中華人民共和國商務部)
"Nanjing Chengtai Yuxin"	Nanjing Chengtai Yuxin Management Consultancy Partnership Enterprise (Limited Partnership)* (南京承泰裕鑫管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on June 14, 2023 (of which Dr. Wang is the sole general partner), being an Employee Incentive Platform and a member of the Single Largest Group of Shareholders
"NDRC"	the National Development and Reform Commission of the PRC* (中華人民共和國國家發展和改革委員會)
"Nomination Committee"	the nomination committee of the Board
"Offer Price"	HK$10.50, being the offer price per Offer Share (exclusive of brokerage fee of 1%, SFC transaction levy of 0.0027%, Hong Kong Stock Exchange trading fee of 0.00565% and Accounting and Financial Reporting Council transaction levy of 0.00015%) at which the Offer Shares are to be subscribed for and issued pursuant to the Global Offering as described in the section headed "Structure of the Global Offering" in this Prospectus
"Offer Share(s)"	the Hong Kong Offer Shares and the International Offer Shares, with any additional H Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option
"Option Period"	the period during which an option may be exercised from time to time under the 2025 Equity Incentive Plan, 2025 Restricted Share Plan or the Pre-IPO Share Option Scheme, as the case may be

"Over-allotment Option"	the option granted by us to the International Underwriters, exercisable by the Overall Coordinators (on behalf of the International Underwriters) pursuant to the International Underwriting Agreement, to require our Company to allot and issue up to an aggregate of 30,184,000 additional H Shares at the Offer Price, representing 15% of the Offer Shares initially available under the Global Offering, to cover, among other things, over-allocations in the International Offering, if any, exercisable at any time from the date of the International Underwriting Agreement up to (and including) the date which is the 30th day from the last day for lodging of applications under the Hong Kong Public Offering
"Overall Coordinators"	the overall coordinators as named in the section headed "Directors and Parties Involved in the Global Offering" of this Prospectus
"Pathfinder SII(s)"	has the meaning ascribed to it in Chapter 2.5 of the Guide for New Listing Applicants, and unless the context otherwise requires, refers to the Pre-IPO Investor(s) set out in "History, Development and Corporate Structure — Pre-IPO Investments — 5. Information about our Pre-IPO Investors — Our Pathfinder SIIs and Sophisticated Independent Investors"
"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC
"PRC Company Law"	the Company Law of the People's Republic of China (中華人民共和國公司法)
"PRC Government" or "State"	the central government of the PRC, including all governmental subdivisions (including provincial, municipal and other regional or local government entities) and instrumentalities
"PRC Legal Advisor"	Han Kun Law Offices, our legal advisor as to PRC laws
"Pre-IPO Investment(s)"	the investment(s) in our Company undertaken by the Pre-IPO Investors pursuant to the respective equity transfer agreement(s) and capital increase agreement(s), details of which are set out in the section headed "History, Development and Corporate Structure" in this Prospectus
"Pre-IPO Investor(s)"	the investor(s) from whom our Company obtained several rounds of investments, details of which are set out in the section headed "History, Development and Corporate Structure" in this Prospectus
"Pre-IPO Share Option Scheme"	the share option plan of the Company adopted on June 27, 2025
"Presumptions"	assuming no new Shares are issued under the Over-allotment Option and the Employee Incentive Schemes

"Prospectus"	this Prospectus being issued in connection with the Hong Kong Public Offering
"Province"	each being a province or, where the context requires, a provincial-level autonomous region or municipality under the direct supervision of the central government of the PRC
"Qualified Institutional Buyer" or "QIB"	a qualified institutional buyer within the meaning of Rule 144A under the U.S. Securities Act
"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of the Board
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Rule 144A"	Rule 144A under the U.S. Securities Act
"SAFE"	the State Administration of Foreign Exchange of the PRC (中國國家外匯管理局)
"Scientia HK"	Scientia HK Limited, a private company limited by shares incorporated on February 17, 2023, which is wholly owned by Dr. Lai, being a member of our Single Largest Group of Shareholders
"Securities and Futures Ordinance" or "SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"SFC"	the Securities and Futures Commission of Hong Kong
"Shanghai-Hong Kong Stock Connect"	a securities trading and clearing links program developed by the Hong Kong Stock Exchange, Shanghai Stock Exchange, HKSCC and CSDCC for the establishment of mutual market access between Hong Kong and Shanghai, including Southbound Trading and Northbound Trading
"Shanghai Jitai"	Shanghai Jitai Pharmaceutical Technology Co., Ltd.* (上海劑泰醫藥科技有限公司), a limited liability company established under the laws of the PRC on November 21, 2022, and a wholly-owned subsidiary of our Company
"Shanghai Metis"	Shanghai Metis Pharmaceutical Technology Co., Ltd.* (上海梅蒂斯醫藥科技有限公司), a limited liability company established under the laws of the PRC on October 17, 2022, and a wholly-owned subsidiary of our Company
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB0.10 each

"Share Limit"	maximum number of Shares to be issued under the 2023 Equity Incentive Plan, 2025 Equity Incentive Plan, 2025 Restricted Share Plan or the Pre-IPO Share Option Scheme, as the case may be
"Share Subdivision"	the Share Subdivision immediately prior to the Listing, pursuant to which each of our Share with par value of RMB1.00 will be subdivided into ten Shares with par value of RMB0.10 each
"Shareholder(s)"	holder(s) of the Share(s)
"Shenzhen-Hong Kong Stock Connect"	a securities trading and clearing links program to be developed by the Hong Kong Stock Exchange, Shenzhen Stock Exchange, HKSCC and CSDCC for the establishment of mutual market access between Hong Kong and Shenzhen
"Single Largest Group of Shareholders"	refers to Dr. Lai, Dr. Chen, Dr. Wang, Scientia HK, Delos Holding, Nanjing Chengtai Yuxin, Hangzhou Shengtai and Dechi Holding. See "Relationship with our Single Largest Group of Shareholders"
"Sophisticated Independent Investor(s)" or "SII(s)"	has the meaning ascribed to it under Chapter 18C.05 of the Listing Rules and in Chapter 2.5 of the Guide for New Listing Applicants, and unless the context otherwise requires, refers to the Pre-IPO Investor(s) set out in "History, Development and Corporate Structure — Pre IPO Investments — 5. Information about our Pre-IPO Investors — Our Pathfinder SIIs and Sophisticated Independent Investors"
"Specialist Technology Company"	has the meaning ascribed to it under the Listing Rules
"Specialist Technology Industry"	has the meaning ascribed to it under Chapter 18C of the Listing Rules
"Specialist Technology Product(s)"	has the meaning ascribed to it under Chapter 18C of the Listing Rules
"Sponsor-Overall Coordinators"	the sponsor-overall coordinators as named in "Directors and Parties Involved in the Global Offering"
"Stabilizing Manager"	CLSA Limited
"State Council"	the State Council of the PRC (中華人民共和國國務院)
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Suzhou Jitai"	Suzhou Jitai Pharmaceutical Technology Co., Ltd.* (蘇州劑泰醫藥科技有限公司), a limited liability company established under the laws of the PRC on March 22, 2023, and a directly wholly owned subsidiary of our Company

"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
"Track Record Period"	the periods comprising the financial years ended December 31, 2023, 2024 and 2025
"Underwriters"	the Hong Kong Underwriters and the International Underwriters
"Underwriting Agreements"	the Hong Kong Underwriting Agreement and/or the International Underwriting Agreement, as the context may require
"Unlisted Share(s)"	ordinary share(s) (other than H Shares) in the share capital of our Company with a nominal value of RMB0.10 each
"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"U.S. dollar", "US$" or "USD"	United States dollar, the lawful currency of the United States
"U.S. Securities Act"	the United States Securities Act of 1933, as amended and supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder
"**White Form eIPO**"	the application for Hong Kong Offer Shares to be issued in the applicant's own name, submitted online through the designated website of the **White Form eIPO** Service Provider, **www.eipo.com.hk**
"**White Form eIPO** Service Provider"	Computershare Hong Kong Investor Services Limited

Certain amounts and percentage figures included in this Prospectus were subjected to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including 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 identification purpose only*

In this Prospectus, unless the context otherwise requires, explanations and definitions of certain terms used in this Prospectus in connection with our Group and our business shall have the meanings set out below. The terms and their meanings may not correspond to standard industry meaning or usage of these terms.

"AAV"	Adeno-Associated Virus, a small, non-pathogenic virus commonly used as a delivery vector in gene therapy
"AD"	Alzheimer's Disease, a progressive neurodegenerative disorder and the most common cause of dementia, marked by memory loss, cognitive decline, and behavioral changes
"ADC"	Antibody-Drug Conjugates, a class of biopharmaceutical drugs composed of an antibody linked to a biologically active drug or cytotoxic compound
"AE"	adverse event, any untoward medical occurrences in a patient or clinical investigation subject who has been administered with a drug or other pharmaceutical product during clinical trials and which do not necessarily have a causal relationship with the treatment
"AI"	artificial intelligence, technology that enables computers and machines to simulate human learning, comprehension, problem solving, decision making, creativity and autonomy
"algorithm"	a step-by-step set of rules or instructions designed to perform a specific task or solve a problem, typically used in computing and data processing
"ALS"	amyotrophic lateral sclerosis, a progressive neurodegenerative disease that affects motor neurons in the brain and spinal cord, leading to muscle weakness, paralysis, and ultimately respiratory failure
"antibody"	also known as an immunoglobulin, a protein used by the immune system to recognize and bind an antigen
"ATI"	Type I alveolar epithelial cell, a thin, flat cell type in the alveoli responsible for gas exchange between the air and blood
"ATII"	Type II alveolar epithelial cell, a specialized cell in the alveoli that secretes surfactant to reduce surface tension and serves as a progenitor for ATIs
"BCMA"	B cell maturation antigen, a protein expressed on plasma cells and some late-stage B cells, serving as a target for therapies aimed at depleting pathogenic antibody-producing cells
"biparatopic"	referring to a molecule engineered to bind two distinct epitopes on the same target antigen, or two different antigens, to enhance binding specificity and functional activity
"BiTE"	bispecific T-cell engager, a subtype of TCEs composed of two single-chain variable fragments that redirect T cells to tumor cells by binding CD3 on T cells and a tumor-specific antigen

"bsAb"	bispecific antibody, an engineered antibody that can simultaneously bind two different antigens or epitopes, enabling targeted immune responses against cancer or other diseases
"CAGR"	compound annual growth rate
"CAR-T"	chimeric antigen receptor T-cell, a cell-based immunotherapy in which a patient's T cells are genetically modified to express receptors that specifically target tumor antigens
"CD3"	cluster of differentiation 3, a surface protein associated with the T-cell receptor to form a complex involved in antigen recognition and signal transduction
"CD16a"	a receptor expressed on the surface of natural killer (NK) cells that mediates antibody-dependent cellular cytotoxicity; used to recruit NK cells in immunotherapies
"CD19"	cluster of differentiation 19, a surface protein expressed from the earliest stages of B-cell development until plasma cell terminal differentiation, when its expression is lost
"clastogenic"	causing breaks or structural changes in chromosomes
"clinical trial/study"	a research study carried out in human for validating or finding the therapeutic effects and side effects of test drugs in order to determine the therapeutic value and safety of such drugs
"cloud computing"	a model for delivering computing resources — such as servers, storage, databases, networking, software, and analytics — over the internet, allowing users to access scalable and on-demand services without managing physical infrastructure.
"CMC"	chemistry, manufacturing and controls processes in the development, licensure, manufacturing and ongoing marketing of pharmaceutical products
"CNS"	central nervous system, the body's processing center, consisting of the brain and spinal cord
"CNS-BFS"	Center for Neurologic Study-Bulbar Function Scale, a clinical tool used to evaluate bulbar function, including speech, swallowing, and drooling, particularly in patients with neurological diseases
"CNS-LS"	Center for Neurologic Study-Lability Scale, a patient-reported outcome measure used to assess the severity and frequency of PBA symptoms, with higher scores indicating greater symptom burden
"combination (therapy)"	treatment in which a patient is given two or more drugs (or other therapeutic agents) for a single disease

"CRO"	contract research organization, a company that provides support to the pharmaceutical, biotechnology, and medical device industries in the form of research services outsourced on a contract basis
"CRS"	cytokine release syndrome, a condition that occurs when the immune system is highly activated, leading to the rapid and excessive release of cytokines into the bloodstream
"DLL3"	delta-like ligand 3, a transmembrane protein aberrantly expressed on the surface of certain tumor cells, including small cell lung cancer and neuroendocrine tumors, and used as a tumor-associated target for immunotherapies
"DLT"	dose-limiting toxicity, a specified quantity of a therapeutic agent, such as a drug or medicine, prescribed to be taken at one time or at stated intervals
"DM"	dextromethorphan hydrobromide, a centrally acting cough suppressant that modulates glutamatergic signaling in the brain and is used therapeutically in certain neurological and psychiatric conditions, including PBA
"DPP4"	dipeptidyl peptidase-4, an enzyme responsible for degrading incretin hormones such as GLP-1 and GLP-2
"dry lab"	a research environment that uses computational tools and simulations rather than physical experiments, often applied in fields like bioinformatics, data analysis, and theoretical modeling
"ECG"	electrocardiogram, a recording of the heart's electrical activity through repeated cardiac cycles
"FDA"	the Food and Drug Administration of the United States
"FGF"	Fibroblast Growth Factor, a group of growth factors involved in angiogenesis, wound healing, and embryonic development. FGF signaling dysregulation is linked to tumorigenesis
"foundational model"	a large-scale machine learning model trained on broad data at scale, capable of generalizing across a wide range of tasks. It serves as the base for fine-tuning and specialization in various applications (e.g., natural language processing, computer vision, multimodal reasoning)
"GCP"	good clinical practice, a set of ethical and scientific quality standards for designing, conducting, recording, and reporting clinical trials involving human participants
"generative AI"	a type of artificial intelligence that creates new content (such as text, images, music, or molecular structures) by learning patterns from existing data and generating outputs that resemble the training data.
"GLP-1"	glucagon-like peptide-1, an incretin hormone that stimulates insulin secretion, inhibits glucagon release, and slows gastric emptying, playing a key role in glucose metabolism

"GLP-2"	glucagon-like peptide-2, a hormone involved in intestinal growth and function, promoting nutrient absorption and gut barrier integrity
"GMP"	good manufacturing practice, the practices required in order to conform to the guidelines recommended by agencies that control the authorization and licensing of the manufacture and sale of products
"Grade"	term used to refer to the severity of adverse events according to Common Terminology Criteria for Adverse Events, using Grade 1, Grade 2, Grade 3, etc.
"granzymes"	a family of serine proteases released by cytotoxic T cells and natural killer cells that enter target cells through perforin-formed pores and induce apoptosis
"GPC3"	glypican-3, a cell surface proteoglycan overexpressed in hepatocellular carcinoma (HCC), considered a tumor-associated antigen and a promising therapeutic
"HCC"	hepatocellular carcinoma, a primary malignancy of the liver that occurs predominantly in patients with underlying chronic liver disease and cirrhosis
"HGF"	hepatocyte growth factor, a growth factor that stimulates cell proliferation, motility, and morphogenesis, particularly in liver and epithelial cells. It plays a role in tumor growth and metastasis
"Hh"	Hedgehog, a signaling pathway critical for embryonic development and tissue regeneration, with aberrant activation associated with various cancers
"high-throughput"	a method or system that enables the rapid execution of a large number of experiments or data processing tasks simultaneously, commonly used in genomics, drug screening, and materials science
"humoral immunity"	the branch of the immune system mediated by B cells and the antibodies they produce, playing a central role in immunology diseases when dysregulated
"IHC"	immunohistochemistry, a laboratory method that uses antibodies to detect specific proteins in tissue sections, commonly used to study protein expression patterns and localization
"IIT"	investigator-initiated trial, a clinical study proposed upon the initiatives of and conducted by medical institute investigators
"*in silico*"	(referring to experiments or analyses) conducted using computer simulations or computational models, often as a complement or alternative to *in vitro* or *in vivo* studies
"*in situ*"	(referring to processes or observations) made directly in the original place or context, such as within living tissues, natural environments, or functional systems

"*in vitro*"	a category of study conditions which are performed with microorganisms, cells, or biological molecules outside their normal biological context
"*in vivo*"	a category of study conditions in which the effects of various biological entities are tested on whole, living organisms or cells, usually animals, including humans, and plants, as opposed to a tissue extract or dead organism
"IND"	investigational new drug, the application for which is the first step in the drug review process by regulatory authorities to decide whether to permit clinical trials
"indication"	a specific condition, disease, or medical purpose for which a drug, treatment, or medical device is intended or approved for use
"interferon gamma" or "IFN-γ"	a cytokine that plays an important role in inducing and modulating an array of immune responses
"ionizable Lipid"	a class of lipids that acquire a charge under specific pH conditions, enabling efficient encapsulation and intracellular delivery of nucleic acids such as mRNA
"ITT"	intent-to-treat population, a population that includes all randomized subjects in a clinical trial, analyzed according to their assigned treatment, regardless of whether they completed the treatment as per protocol
"LN"	lupus nephritis, a severe kidney complication of systemic lupus erythematosus, caused by immune complex deposition and inflammation in renal tissues
"LNP"	lipid nanoparticles, a nanoscale delivery system composed of lipids, commonly used to encapsulate and protect nucleic acid-based therapeutics such as mRNA
"machine learning"	a subset of artificial intelligence that involves training algorithms to learn patterns from data and make predictions or decisions without being explicitly programmed for specific tasks
"mITT"	modified intent-to-treat population, a subset of the ITT population, typically including only participants who meet specific criteria, such as having received at least one dose of study medication
"monotherapy"	therapy that uses a single drug to treat a disease or condition
"mRNA"	messenger RNA, a type of RNA molecule that carries genetic information from DNA in the cell's nucleus to the cytoplasm, where proteins are synthesized
"MS"	multiple sclerosis, a chronic immunology disease in which the immune system attacks the protective myelin sheath covering nerve fibers, leading to communication problems between the brain and the rest of the body

"MTD"	maximum tolerated dose, the highest dose of a drug or therapeutic agent that does not cause unacceptable side effects in preclinical or clinical studies, used to guide dosing in human trials
"mutagenic"	causing changes or mutations in the DNA sequence
"NK cell"	natural killer cell, a white blood cell that destroys infected and diseased cells, like cancer cells
"NKCE"	natural killer cell engager, a multi-specific therapeutic protein that redirects NK cells to recognize and eliminate target cells by binding both NK cell receptors (e.g., CD16a) and target cell antigens (e.g., CD19 or BCMA)
"NHP"	non-human primate, a category of primates used in biomedical research, such as rhesus macaques or cynomolgus monkeys, whose physiological similarities to humans support translational studies
"NMPA"	the National Medical Products Administration of China, founded on the basis of the former State Food and Drug Administration
"NOAEL"	no-observed-adverse-effect level, the highest dose in a toxicity study at which no adverse effects are observed, used to guide safe dosing levels in humans
"N/P ratio"	nitrogen-to-phosphate ratio, a key formulation parameter representing the ratio of positively charged nitrogen atoms (from cationic or ionizable lipids) to negatively charged phosphate groups (from nucleic acids) in LNP systems. It determines encapsulation efficiency, particle stability, and transfection performance
"ODT"	orally disintegrating tablet, a dosage form designed to rapidly dissolve or disintegrate in the mouth without the need for water, enhancing ease of administration
"PBA"	pseudobulbar affect, a neurologic condition characterized by involuntary, sudden, and frequent episodes of laughing or crying that are disproportionate or unrelated to the patient's actual emotional state
"PBMC"	peripheral blood mononuclear cell, a cell isolated from peripheral blood and identified as any blood cell with a round nucleus
"PD"	Parkinson's disease, a progressive neurological disorder that affects movement, causing symptoms such as tremors, muscle rigidity, bradykinesia (slowness of movement), and postural instability
"perforin"	a cytolytic protein released by cytotoxic T cells that forms pores in the target cell membrane, facilitating cell death
"pharmacodynamic" or "PD"	the study of how a drug affects the body, including the mechanisms of action, relationship between drug concentration and effect, and therapeutic or toxic responses

"pharmacokinetics" or "PK"	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
"Phase I clinical trial"	a study in which a drug is administered to healthy volunteers or patients with the target disease or condition to evaluate its safety, dosage range, tolerability, absorption, metabolism, distribution, and excretion, and, when possible, to obtain preliminary data on efficacy
"Phase II clinical trial"	a study in which a drug is administered to a limited number of patients to assess its safety and potential side effects, establish dosage tolerance and optimal dosing regimen, and obtain preliminary evidence of efficacy for a specific indication
"Phase III clinical trial"	a study in which a drug is administered to a larger and more diverse patient population across multiple clinical sites to confirm its efficacy, monitor adverse reactions, and collect sufficient safety and efficacy data for regulatory approval and product labeling
"Phase IV clinical trial"	post-marketing studies conducted after regulatory approval to monitor long-term effectiveness and safety in the general population, identify any rare or long-term adverse effects, and evaluate the drug's performance in real-world use
"placebo"	a medical treatment or preparation with no specific pharmacological activity
"preclinical study"	a study testing a drug on non-human subjects, to gather efficacy, toxicity, pharmacokinetic and safety information and to decide whether the drug is ready for clinical trials
"primary endpoint"	the main or most important outcome at the end of a study to assess the effect of the drug being investigated
"PYY"	peptide YY, a gut hormone that reduces appetite and inhibits gastric motility, contributing to satiety
"Q"	quinidine sulfate, a class I antiarrhythmic agent used at low doses to inhibit the metabolism of dextromethorphan, thereby increasing its bioavailability and prolonging its therapeutic effect
"quantum chemistry"	a branch of theoretical chemistry that uses quantum mechanics to study the electronic structure, properties, and reactions of molecules and atoms
"RNA"	ribonucleic acid, a molecule that is present in the majority of living organisms and viruses made up of nucleotides
"RNAscope"	a highly sensitive RNA *in situ* hybridization (ISH) technique used to detect and localize specific RNA molecules within tissue samples at the single-cell level

"SAE"	serious adverse event, an adverse event that results in death, or is life-threatening, or requires in-patient hospitalization or causes prolongation of existing hospitalization, or results in persistent or significant disability or incapacity, or is a congenital anomaly or birth defect
"scFv"	single-chain variable fragment, a genetically engineered fusion of the variable regions of the heavy and light chains of an antibody, connected by a short linker
"SCLC"	small cell lung cancer, a highly aggressive form of lung cancer characterized by rapid growth and early metastasis, frequently associated with neuroendocrine features and DLL3 expression
"siRNA"	small interfering RNA, a class of short double-stranded RNA molecules that silence gene expression by degrading complementary mRNA, commonly used for therapeutic gene knockdown
"SLE"	systemic lupus erythematosus, an immunology disease in which the immune system attacks its own tissues, causing widespread inflammation and tissue damage in the affected organs
"SORT"	selective organ targeting, a lipid nanoparticle technology developed to direct nucleic acid delivery to specific organs by modifying the composition of the LNP
"TAA"	tumor-associated antigen, a type of antigen expressed on the surface of tumor cells, but not or only minimally on normal cells, making it a useful target for cancer diagnosis and therapy
"TBI"	traumatic brain injury, a form of acquired brain injury that occurs when an external mechanical force causes brain dysfunction, often resulting in cognitive, physical, emotional, or behavioral impairments
"TCE"	T-cell engager, a type of bispecific antibody designed to recruit and activate T cells to recognize and kill tumor cells by binding both CD3 on T cells and a tumor-associated antigen on cancer cells
"TCR"	T-cell receptor, a molecule found on the surface of T cells that recognizes antigens presented by other cells, initiating immune responses
"tdTomato"	a red fluorescent protein commonly used as a reporter in molecular and cellular biology to track gene expression and protein localization
"TEAE"	treatment emergent adverse event, adverse events not present prior to medical treatment, or an already present event that worsens either in intensity or frequency following the treatment
"TGR5"	Takeda G protein-coupled receptor 5, a receptor activated by bile acids that regulates energy metabolism, glucose homeostasis, and secretion of gut hormones

"TME"	tumor microenvironment, the complex environment surrounding a tumor, including immune organs, blood vessels, stromal cells, and signaling molecules, which can influence tumor progression and response to therapy
"transfection"	the process of introducing nucleic acids (such as mRNA or DNA) into cells to produce a desired protein or to modify gene expression. In the context of LNPs, transfection refers to successful delivery and expression of the genetic payload in target cells
"UTR"	untranslated regions, the sequences on either side of a gene's coding sequence that are transcribed to pre-mRNA despite not encoding amino acids
"wet lab"	a laboratory where experiments involve biological or chemical materials in liquid or solid form, requiring physical handling, reagents, and specialized equipment
"Wnt"	a family of signaling pathways that regulate cell proliferation, migration, and differentiation, often implicated in cancer development when dysregulated

This Prospectus contains forward-looking statements and information relating to us and our subsidiary that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this Prospectus, the words "aim," "anticipate," "believe," "could," "expect," "going forward," "intend," "may," "ought to," "plan," "project," "seek," "should," "will," "would," "vision," "aspire," "target," "schedules," and the negative of these words and other similar expressions, as they relate to us or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the risk factors as described in this Prospectus, some of which are beyond our control and may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties.

The risks and uncertainties that could affect the accuracy of our forward-looking statements include, but are not limited to, factors relating to our operations and business prospects; our ability to maintain relationships with, and the actions and developments affecting, our major customers and suppliers; future developments, trends and conditions in the industries and markets in which we operate or plan to operate; general economic, political and business conditions in the markets in which we operate; changes in the regulatory environment applicable to our industries and markets; our ability to maintain our market-leading positions; the actions and developments of our competitors; our ability to effectively control costs and optimize pricing; the ability of third parties to perform in accordance with contractual terms and specifications; our ability to retain senior management and key personnel and to recruit qualified staff; our business strategies and our ability to implement such strategies, including our service and geographic expansion plans; our ability to protect our intellectual property rights and maintain confidentiality; the effectiveness of our quality control systems; fluctuations or volatility in interest rates, foreign exchange rates, equity prices, trading volumes, commodity prices and overall market trends, including those relating to the PRC and the industries and markets in which we operate; and developments in the capital markets.

By their nature, certain disclosures relating to these and other risks are only estimates and should one or more of these uncertainties or risks, among others, materialize, actual results may vary materially from those estimated, anticipated or projected, as well as from historical results. Specifically but without limitation, sales could decrease, costs could increase, capital costs could increase, capital investment could be delayed and anticipated improvements in performance might not be fully realized.

Subject to the requirements of applicable laws, rules and regulations, we do not have any and undertake no obligation to update or otherwise revise the forward-looking statements in this Prospectus, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Prospectus might not occur in the way we expect or at all. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this Prospectus are qualified by reference to the cautionary statements in this section as well as the risks and uncertainties discussed in the section headed "Risk Factors" in this Prospectus.

In this Prospectus, statements of or references to our intentions or those of our Directors are made as of the date of this Prospectus. Any such information may change in light of future developments.

An investment in our Shares involves significant risks. You should carefully consider all of the information set out in this Prospectus, including the risks and uncertainties described below, before making an investment in our Shares. Particularly, we are a Pre-Commercial Company seeking to list on the Main Board of the Stock Exchange under Chapter 18C of the Listing Rules. Our operations and the specialist technology industry in which we operate involve certain risks and uncertainties, some of which are beyond our control and may cause you to lose all your investments in our Shares.

The following is a description of what we consider to be our material risks. Our business, financial condition and results of operations could be materially and adversely affected by any of these risks and uncertainties. The trading price of our Shares could decline due to any of these risks, and you may lose all or part of your investment. These factors are contingencies that may or may not occur, and we are not in a position to express a view on the likelihood of any such contingency occurring. The information given is as of the Latest Practicable Date unless otherwise stated, will not be updated after the date hereof, and is subject to the cautionary statements in "Forward Looking Statements."

RISKS RELATED TO OUR RESEARCH AND DEVELOPMENT

Our commercial success depends on the success of NanoForge. Failure to maintain our technological advantages or gain market acceptance of our AI foundational models may have a material and adverse impact on our commercial success.

NanoForge is the cornerstone of our AI nanotechnology strategy. It is an integrated suite of technologies that combines our extensive *de novo* ionizable lipid library, AI foundational models, the METiS AI Agent, quantum simulation capabilities, AI-driven high-throughput experimentation platforms, and deep expertise in nanomaterial manufacturing capabilities. This platform enables us to model, simulate, and optimize nano-scale interactions with a high degree of precision and efficiency.

The success of NanoForge in advancing our AI nanotechnology strategy depends on several key factors, including the reliability and robustness of the NanoForge platform, its ability to generate and optimize novel lipids and lipid nanoparticles (LNPs with superior characteristics, including organ tropism), the ability of our lipid library and related solutions to demonstrate clear advantages over legacy and alternative technologies in a cost-effective manner, and the capability of our AI nanotechnology to accurately predict drug-excipient interactions and identify optimal excipient candidates. Our performance also depends on the effectiveness of the NanoForge platform and its core components, our ability to continuously upgrade and innovate our technologies, develop new solutions for customers and partners, keep pace with industry and technology trends, and compete effectively with alternative AI nanotechnology solutions. In addition, our success is influenced by brand awareness, partners' willingness to adopt new technologies, market adoption across pharmaceutical, biotechnology and research institutions, and market sentiment regarding the accuracy and security of our technologies and data. As a result, the continued advancement of NanoForge is critical to our innovation pipeline, competitive positioning and long-term growth, as its predictive capabilities and ability to accelerate material discovery directly impact the efficiency of our R&D efforts and our ability to deliver differentiated nanomedicine solutions.

There can be no assurance that we will successfully address any of these or other factors that may affect the market acceptance of our NanoForge technology platform and METiS solutions. If we are unsuccessful in achieving and maintaining market acceptance of our platform and solutions, our business, financial condition, results of operations and prospects could be adversely affected.

The industries that we operate in are characterized by constant changes. If we are not able to continuously upgrade, enhance or innovate our technologies and solutions, our business could be adversely affected.

Our businesses operate in industries that are subject to rapid technological advancements, regulatory changes, and evolving partner needs and preferences. In order to remain competitive and responsive to partner demands, we continually upgrade, enhance, and innovate our existing technologies and solutions. If we fail to respond timely and successfully to technological challenges and partner needs and preferences, the demand for our solutions may diminish. We will also need to enhance and create new features and functionalities of our technologies and solutions to enhance their utility to our partners and adapt to evolving partner preferences, in order to retain existing partners and attract new partners. If we are unable to provide new features or applications for our technologies and solutions, our solutions may lose market acceptance or fail to keep pace with rapid technological developments, which could have material adverse effect on our business, financial condition, results of operations, and reputation. In addition, the success of our solutions depends on several factors, such as continuous investment, timely introduction and completion of such enhancements or innovations. Failure to do so may significantly impair our business and future growth.

We intend to continue investing significantly in R&D, which may adversely impact our profitability and operating cash flow in the short-term and may not generate the results we expect to achieve.

To compete successfully, we must maintain successful R&D efforts, upgrade and innovate our technologies, and improve or develop new technologies and services, all ahead of any competitors. We are focusing our R&D efforts across several technologies, such as AI nanomaterial technologies, nanoscale interactions and the real-world applications of our solutions. We have been investing heavily in our R&D efforts. Our R&D expenses amounted to RMB290.5 million, RMB274.0 million and RMB269.8 million in 2023, 2024 and 2025, respectively. The industries in which we operate are subject to rapid technological changes and are evolving quickly in terms of technological innovation. We need to invest heavily, in R&D to keep competitive in the markets in which we operate.

Our R&D efforts are inherently uncertain, and we cannot guarantee that they will deliver the anticipated benefits, or result in commercially viable outcomes. In addition, returns from R&D activities, if any, may be delayed for several years and may not be competitive in the marketplace to generate anticipated returns, which could materially and adversely affect our business, results of operations, financial condition and competitive position.

The data and information that we gather in our R&D process could be inaccurate or incomplete, which could harm our business, reputation, financial condition and results of operations.

We collect, aggregate, process, and analyze data and information from our R&D activities. Because data in the R&D of AI-enabled nanotechnology is fragmented in origin, inconsistent in format, and often incomplete, the overall quality of data collected or accessed is often subject to challenge, the degree or amount of data which is knowingly or unknowingly absent or omitted can be material, and we may discover data issues and errors when monitoring and auditing the quality of our data. If we make mistakes in the capture, input, or analysis of these data, our ability to provide AI-enabled nanomaterial solutions may be materially harmed and our business, prospects and reputation may suffer.

In addition, we may collaborate with other third parties (i.e. CROs) to monitor and manage data for some of our ongoing pre-clinical studies and clinical trials and other future programs and control only certain aspects of their activities. In 2023, 2024 and 2025, our expenses incurred for the collaboration with third-parties amounted to RMB82.2 million, RMB99.2 million and RMB84.3 million, respectively. If any of these third parties does not perform to our standards in terms of data accuracy or completeness, data from those pre-clinical studies, clinical trials and other future programs may be compromised as a result, and our reliance on these parties may expose us to

regulatory or other liabilities. Similarly, if other third parties fail to meet expected deadlines, timely transfer to us any requisite information, adhere to protocols or act in accordance with regulatory requirements or our agreements with them, or if they otherwise perform in a sub-standard manner or in a way that compromises the quality or accuracy of their activities or the data they obtain, the clinical trials of our drug candidates may be compromised, delayed, prolonged, suspended or terminated, or our data may be rejected by the NMPA or other comparable regulatory authorities, which may materially and adversely affect our business, reputation, financial condition and results of operations.

AI technologies involve inherent safety risks, and any actual or perceived flaws or misuse of such technologies, whether intended or inadvertent and whether by us or third parties, could materially and adversely affect our reputation, business, financial condition, results of operations and prospects.

AI technologies involve inherent safety risks and uncertainties that could adversely affect our business and reputation. Any actual or perceived inappropriate, premature or abusive use of AI technologies, whether by us or by third parties, could undermine public and partner confidence in AI-enabled platforms, impair acceptance of AI applications in drug development and healthcare, attract negative publicity and reduce adoption of our solutions. Given our reliance on proprietary AI-driven platforms such as AiLNP, AiRNA and AiTEM, concerns regarding AI safety, accuracy, bias, transparency or ethical use could materially and adversely affect stakeholder confidence and our ability to attract and retain partners.

In addition, as AI technologies are still evolving and increasingly complex, they may produce unintended behaviors, erroneous predictions or biased outcomes, which could delay development programs, compromise results or lead to inefficient use of R&D resources. Flaws, deficiencies or misuse of AI technologies may also expose us to regulatory scrutiny, legal claims or other proceedings, and there can be no assurance that such issues can be detected or remedied in a timely manner, or at all. Any failure to effectively manage these risks, or any real or perceived shortcomings in the performance, reliability or compliance of our AI-driven systems, could materially and adversely affect our business, financial condition, results of operations and prospects.

If our R&D facilities fail to comply with applicable regulatory requirements, or become damaged or inoperable, our R&D ability may be jeopardized.

Our R&D facilities are subject to extensive regulations in China. See "Business — Licenses, Permits and Approvals" and "Regulatory Overview" for details. If we build new facilities to further grow our experimental activities, we may be required to obtain additional licenses or approvals. We cannot guarantee that we will be able obtain such licenses or approvals in a timely manner, or at all, as such licenses or approvals process may be costly and lengthy. If we fail to maintain or renew any major license, permit, certificate or approval for all or any of our R&D facilities, or if R&D facilities are found to be non-compliant with any applicable laws or regulations, we may face penalties, suspension of operations or even revocation of operating licenses, depending on the nature of the findings, any of which could materially and adversely affect our business, financial condition and results of operations.

In addition, if an R&D facility or equipment becomes damaged or inoperable, including due to technical issues, accidents and injuries, we may not be able to replace our R&D capacity quickly or at all. In the event of a temporary or protracted loss of a facility or equipment, we may face delays that could impact the delivery of our technologies and services and we might not be able to rebuild any of them in a timely manner. Even if we could rebuild them, it would likely be time-consuming, particularly since any facilities or equipment would need to comply with the necessary regulatory requirements and we would need to receive certain regulatory approvals. Any damage or interruption of our R&D facilities or equipment could result in our inability to satisfy the demand of our solutions and could materially harm our business, financial condition and results of operations.

Our business and financial prospects depend substantially on the success of our pipeline products. If we are not able to successfully advance clinical development, out-license our pipeline products, or experience delays in doing so, our business prospects could be adversely affected.

Our drug candidates had not been approved for commercialization. We believe our future revenue and profitability will partially depend on our ability to advance the development of our drug candidates and the out-license of our drug candidates. We have invested a significant portion of our efforts and capital resources in the development of our existing drug candidates, and we expect to incur substantial and increasing expenditures for the development of our drug candidates in the future. However, development of new drugs can be time-consuming and costly, and the outcome may be uncertain. The success of our drug candidates depends on a number of factors, including our ability to successfully enroll and complete preclinical studies and clinical trials and generate favorable safety and efficacy data, as well as to obtain the necessary regulatory approvals. Our progress also relies on our ability to effectively design, manage and oversee multiple clinical trials across different jurisdictions, reach acceptable commercial terms with third-party service providers such as CROs and trial sites, and ensure that such third parties perform their obligations in compliance with our protocols, applicable laws and data integrity requirements. In addition, the success of our drug candidates is influenced by our ability to obtain and maintain intellectual property protection and regulatory exclusivity, avoid infringement or misappropriation of third-party intellectual property rights, secure adequate supplies of drug products required for clinical trials, successfully out-license our drug candidates, and compete effectively with other products and drug candidates. If we fail to achieve one or more of these factors in a timely manner, or at all, we may experience significant delays or be unable to advance the development or out-licensing of our drug candidates, which could materially harm our business and adversely affect our ability to generate sufficient revenues and cash flows to continue our operations.

If clinical trials of our drug candidates fail to demonstrate safety and efficacy profiles to the satisfaction of regulatory authorities or do not otherwise produce positive results, we may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development of our drug candidates.

Before our drug candidates can be licensed to commercial partners or further advanced in development, we may conduct extensive clinical trials to demonstrate the safety and efficacy profiles of our drug candidates in humans. We may experience certain unexpected events during, or as a result of, clinical trials that could delay or prevent our ability to progress our drug candidates or enter into out-licensing arrangements. In addition, undesirable adverse events could potentially affect patient recruitment or the ability of enrolled subjects to complete the trial, and could result in potential product liability claims.

If we are required to conduct additional clinical trials or other testing beyond what we currently contemplate, if we are unable to successfully complete such trials or testing, or if the results are negative, only modestly positive or raise safety concerns, our development and commercialization efforts could be adversely affected. In such circumstances, we may experience delays in achieving development milestones relevant to licensing discussions, be unable to secure licensing partners or out-licensing arrangements, be required to narrow the scope of indications pursued, incur increased development costs, or suffer reputational harm that negatively affects our ability to negotiate future partnerships. Significant clinical trial delays may also increase our overall development costs and reduce the remaining patent life available to potential licensees, thereby diminishing the attractiveness and value of our drug candidates and adversely affecting our business and results of operations.

Difficulties in advancing our preclinical programs to clinical trials or in enrolling sufficient participants in our clinical trials could delay or prevent the development of our drug candidates and adversely affect our ability to attract licensing partners or enter into out-licensing arrangements, which could have a material adverse effect on our business and prospects.

Our preclinical and clinical development programs are subject to significant risks that could delay or prevent the advancement of our drug candidates. Many of our product candidates remain in the preclinical stage, where the risk of failure is high. Before initiating clinical trials, we must complete extensive preclinical studies and obtain regulatory clearance, and there is no assurance that such studies will be completed on a timely basis, yield favorable results, or be accepted by the NMPA or other regulatory authorities. As a result, we may be unable to submit IND applications or commence clinical trials within expected timelines, or at all, which could delay or prevent our ability to advance product candidates to stages suitable for licensing or out-licensing.

In addition, the timely completion of our clinical trials depends on our ability to enroll and retain a sufficient number of eligible participants in accordance with trial protocols. Participant enrollment may be delayed or hindered by factors such as patient population size and eligibility criteria, the availability and proximity of clinical trial sites, competition from other clinical trials in the same therapeutic areas, the effectiveness of CROs and trial personnel in recruiting subjects, the ability to obtain and maintain informed consent, and external events such as epidemics. Delays in enrollment or high dropout rates may increase development costs, delay trial timelines, or adversely affect trial outcomes, which could further impair our ability to advance our drug candidates, attract licensing partners, or enter into favorable out-licensing arrangements, and could materially and adversely affect our business and prospects.

RISKS RELATED TO THE COMMERCIALIZATION OF OUR TECHNOLOGIES AND SERVICES

If the commercialization of our AI-driven nanomaterial platform technologies or AI-empowered solutions does not meet our expectation, our business, growth and prospects may be significantly affected.

Commercialization of AI-driven nanomaterial platform technologies or AI-empowered solutions depends on a number of factors, including the technological upgrade and innovation of our technologies, the accuracy and reliability of our technologies and related solutions and services, the increasing application of AI in R&D, the performance and perceived value of our technologies and the related solutions and services, and laws and regulations governing our technologies and the related solutions and services. If AI-driven nanomaterial platform technologies or AI-empowered solutions do not achieve widespread acceptance, or if there is a reduction in demand for AI-driven nanomaterial platform technologies or AI-empowered solutions caused by weakening economic conditions, decreases in R&D spending, technical challenges, data security or privacy concerns, governmental regulation, and competing technologies, among others, our business, growth prospects and results of operations will be materially and adversely affected. In addition, we cannot assure you that the trend of adopting and utilizing AI-driven nanomaterial platform technologies or AI-empowered solutions will continue in the future, which could materially and adversely affect the AI technology and in turn, our business, growth and sustainability.

We have limited experience in the commercialization of our AI-driven technologies and services.

We have relatively limited experience in launching, commercializing, sales and marketing of our AI-driven technologies and services. The success of our sales and marketing efforts depends on our ability to attract, motivate and retain qualified and professional employees in our commercialization team who have, among other things, adequate industry knowledge to communicate effectively with industry professionals, sufficient experience in sales and marketing of our cutting-edge AI-driven technologies and services, and extensive industry connections with biotechnology and pharmaceutical companies as well as academic and research institutions. Our business, results of operations, and prospects may also be adversely affected if our investment and efforts to expand our sales force do not generate a corresponding increase in revenue.

We provide solutions that require close cooperation with our customers, whose successful product development, such as the clinical advancement of their drug candidates, is critical to the effective application and eventual impact of our services. The downstream translational processes led by our customers are typically long in duration and subject to substantial uncertainty. Their progress depends heavily on the customers' internal capabilities, including clinical development efficiency and regulatory execution, as well as on multiple external factors beyond our control. If our customers fail to advance their product development as expected, or if their progress is delayed due to internal or external challenges, our solutions may not achieve their intended outcomes, which could adversely affect our business performance, financial condition, and reputation.

We may not be successful in expanding into new business sectors, which could adversely affect our financial performance and divert management resources.

As part of our growth strategy, we have explored and may continue to pursue opportunities in new business sectors that differ from our core areas of expertise. In addition to advancing human therapeutics, we are actively extending the application of our technologies to a broader range of life forms, unlocking new opportunities including longevity and animal health. Expansion into such sectors may require significant capital investment, operational adjustments, and management attention, which could strain our resources and distract from our core business. There is no assurance that these new initiatives will achieve expected results or become profitable. If we fail to execute these strategies effectively, or if market conditions or competitive dynamics in these sectors do not evolve as anticipated, our business, financial condition, and results of operations could be materially and adversely affected.

We have a limited operating history, which may make it difficult to evaluate our current business and predict our future performance.

We have a limited operating history and have primarily focused since our inception in 2020 on building our AI-driven nanomaterial platform, developing AI-enabled solutions and advancing related R&D activities. Our operations to date provide a limited basis for assessing our ability to successfully commercialize our technologies and services or predict our future performance. As an early-stage company operating in rapidly evolving and competitive industries, we may encounter unforeseen expenses, delays and operational challenges, and our historical results may not be indicative of future outcomes. If we are unable to effectively address these risks and challenges, our business, results of operations, financial condition and prospects could be materially and adversely affected.

The size of our addressable markets and the demand for our technologies and services may not increase as rapidly as we anticipate due to a variety of factors, which could materially and adversely affect our business, results of operations, financial condition and prospects.

We are pursuing opportunities in markets that are undergoing rapid changes, including technological and regulatory changes, and it is difficult to predict the timing and size of the opportunities for our key specialist technology services. See "— Risks Related to Our Research and Development — The industries that we operate in are characterized by constant changes. If we are not able to continuously upgrade, enhance or innovate our technologies and solutions, our business could be adversely affected."

This Prospectus includes industry estimates and forecasts, including addressable market sizes, derived from third-party sources and internal assumptions, which are inherently uncertain and may prove inaccurate. If these assumptions or data are incorrect, our addressable markets, growth opportunities and sales potential may be smaller than expected, materially and adversely affecting our business and results of operations. Our future performance also depends on our ability to respond effectively to changing market conditions and partner demand. Given the evolving nature of our markets, demand for and acceptance of our technologies and services may not develop as anticipated, and growth in addressable markets may not translate into increased demand for our offerings or commercial success.

The markets in which we participate are competitive, and if we do not compete effectively, our business and results of operations could be adversely affected.

The global market for nanotechnology-based drug delivery is relatively new, rapidly evolving and highly competitive, with frequent technological innovation and changing partner needs. We face competition in China and globally from a wide range of participants, including major pharmaceutical and biotechnology companies, technology companies, academic and research institutions, and emerging players applying AI and computational technologies to drug design, discovery and delivery. Many competitors have well-established capabilities, long-standing partner relationships and greater financial and operational resources than we do, enabling them to develop, market and commercialize solutions more quickly or effectively.

Increased competition may require us to reduce prices or adjust our pricing strategies to attract or retain partners, which could pressure margins and revenues. If our competitors' technologies or services gain greater market acceptance, reach the market earlier, respond more effectively to partner needs or are perceived as more advanced than ours, our competitive position, business and results of operations could be materially and adversely affected.

If we fail to collaborate with new partners or maintain relationships with existing ones, our business, financial condition and results of operation will suffer.

We had served over 30 partners globally since our inception, including, among others, pharmaceutical companies, biotech companies, and CDMO companies since our inception. Some of these partnership have not generated revenue for us. We plan to continue to maintain business relationship with these existing partners by not only providing the current solutions but also exploring their evolving needs to cross sell our other technologies and services. In addition, we plan to convert certain non-revenue-generating partners into revenue-generating partners. Although none of our collaborator or customer has terminated agreement with us, some of them have not extended their collaboration with us after the completion of the one-off projects. The loss of any existing partner, or our failure to renew or expand current collaborations, could nevertheless reduce our revenue base and limit our access to valuable experimental data and future collaboration opportunities. We also intend to further grow our business by collaborating with new partners and expand our global footprint. As a result, both retaining our existing partners and engaging new partners are critical to our future operating results.

We deliver our solutions on a project-by-project basis, and our partners have no obligation to enter into additional collaborations after a project is completed. Partnerships may be terminated or reduced in scope, and partners may negotiate less favorable terms, which could reduce our revenue and profitability. The loss, delay or downsizing of significant contracts could materially and adversely affect our business.

Our future growth also depends on our ability to secure new partnerships and scale our nano-delivery, drug discovery and lipid library solutions to meet evolving partner needs. In addition, the loss of partnerships or ineffective service delivery may reduce our access to valuable experimental data used to train our AI models, limiting our technological differentiation. While we engage in ongoing discussions with global pharmaceutical and biotechnology companies, there is no assurance that such discussions will result in successful or revenue-generating collaborations.

RISKS RELATED TO OUR OPERATIONS

Our business depends in part on the performance of our collaboration partners and suppliers, and any failure by them to fulfill their respective obligations could adversely affect our operations and financial results.

We have entered into collaboration agreements with pharmaceutical, biotechnology and CDMO partners covering research, development and potential commercialization activities, and these arrangements involve risks that such partners may fail to perform their contractual obligations

to our standards or within required timeframes, fail to comply with applicable legal or contractual requirements, fail to safeguard our proprietary information, or become involved in disputes that result in delays, termination of projects or litigation or arbitration. In addition, certain partners manage multiple programs concurrently, and we rely on their ability to accurately track development progress and make milestone payments when due; any failure to do so, or inability to collect amounts owed, could require us to write off accounts receivable or recognize bad debt expenses, materially adversely affecting our results of operations.

Separately, we collaborate with third-party suppliers to secure a stable and adequate supply of materials, equipment and research services for our R&D and manufacturing activities. During the Track Record Period, purchases from our five largest suppliers accounted for 34.5%, 36.1% and 28.2% of total purchases in 2023, 2024 and 2025, respectively, while purchases from our largest supplier accounted for 14.6%, 8.5% and 8.5% in the same years. Any inability of suppliers to deliver products or services in sufficient quantity or quality, increases in procurement costs, or the loss of key suppliers — whose operations and strategies are beyond our control — could disrupt our R&D or manufacturing activities and adversely affect our profitability if suitable alternatives cannot be secured on a timely and cost-effective basis.

We may not be able to attract and retain senior management members and other key personnel, in particular, our key R&D employees.

Our future success depends on the continued service of our senior management and other key personnel. The loss of any such individuals, including due to departures to competitors or the inability to replace them in a timely manner, could materially and adversely affect our business, financial condition and results of operations. We may also face challenges in attracting and retaining senior management and key personnel on acceptable terms. In addition, our growth depends on our ability to recruit and retain qualified R&D personnel with expertise in AI, nanomaterials and life sciences. Competition for such talent is intense across industry, academia and research institutions, and high turnover could limit our ability to develop our technologies, pursue collaborations and execute our business strategy.

The industries we operate in are subject to various regulations, and we are subject to changing laws and regulations and non-compliance with such laws and regulations subjects us to sanctions and other adverse regulatory actions.

Our operations and R&D activities are subject to extensive regulation in all jurisdictions in which we operate, particularly in China and the United States, where pharmaceutical and biotechnology industries are strictly regulated under differing regulatory regimes. Complying with these requirements is time-consuming and costly, and regulatory differences across jurisdictions increase complexity and compliance burdens.

Failure to comply with applicable laws and regulations at any stage of R&D, approval or post-approval may result in severe sanctions, including delays or denial of approvals, license revocation, clinical holds, product recalls, fines or other penalties, which could materially and adversely affect our business and operations. In addition, evolving interpretations and regulatory standards may require ongoing changes to our practices and disclosures, increasing costs and compliance risks. Any regulatory action, investigation or withdrawal of approvals affecting us or our partners could disrupt commercialization activities, reduce our revenue from technologies and services, and adversely impact our business, results of operations and prospects.

Data corruption, cyber-based attacks or network security breaches may materially and adversely affect our reputation, business, financial condition, results of operations and prospects.

In the ordinary course of our business, we collect, store and transmit pre-clinical study data, anonymized clinical data and other confidential data, including R&D information, IP, and proprietary business information owned or controlled by ourselves or other parties. We manage and maintain our applications and data utilizing a combination of on-site systems and cloud-based

application systems. We utilize external security and infrastructure vendors to maintain our information security management system. We face a number of risks relative to protecting these critical data and information, including material system failure or security breach, loss of access and data, inappropriate use or disclosure, inappropriate modification, and the risk of inability to adequately monitor, audit, and modify our controls over our critical data and information. This risk extends to our vendors we use to manage our sensitive data and our partners who share with us sensitive data.

The secure processing, storage, maintenance, and transmission of this critical information are vital to our operations, and we devote significant resources to protecting such information. Our information technology and infrastructure may be vulnerable to attacks by hackers or viruses or breached due to employee error, malfeasance, or other malicious or inadvertent disruptions. In addition, while we have implemented security measures and a formal, dedicated enterprise security program to prevent unauthorized access to confidential data, such data is accessible through multiple channels, and there is no guarantee we can protect our data from breach. Failures in our information technology infrastructure may result in delays in our R&D efforts, which may in turn materially and adversely affect our reputation, business, financial condition, results of operations and prospects.

We face regulation and potential liability related to privacy, data protection and information security which may require significant resources and may adversely affect our business, operations and financial performance.

We and the CROs we engage may routinely receive, collect, generate, store, process, transmit and maintain medical data, treatment records and other personal details of subjects enrolled in our clinical trials, along with other personal or potentially sensitive information. As such, 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 information in the various jurisdictions in which we 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 including, for example, substantial operational costs associated with changes to our data processing practices. Failure to comply with any of these laws could result in enforcement action against us, including and without limitation to fines, imprisonment of company officials and public censure, claims for damages by customers and other affected individuals, damage to our reputation and loss of goodwill, any of which could have a material and adverse effect on our business, financial condition, and results of operations or prospects.

The personal information of patients or subjects which might be involved in our clinical trials could be highly sensitive and we are subject to strict requirements under the applicable privacy protection regulations in the relevant jurisdictions. While we have adopted security policies and measures to protect our proprietary data and patients' privacy, such policies and measures might not satisfy all the requirements in every respect under the applicable laws and regulations. Data leakage and abuse and other misconduct related to data and personal information protection might not be completely avoided, due to hacking activities, human error, employee misconduct or negligence or system breakdown, among other reasons. We also cooperate with hospitals, CROs and other business partners, licensees, contractors and consultants for our clinical trials and operations. Any leakage or abuse of patient data by our third-party partners may be perceived by the patients as a result of our failure. Any failure or perceived failure by us to prevent information security breaches or to comply with data/privacy policies or data/privacy-related legal obligations, or any compromise of information security that results in the unauthorized release or transfer of personal information or other patient data, could cause our customers to lose trust in us and could expose us to legal claims.

We are subject to stringent data privacy and cybersecurity laws and policies, and we may be restricted from transferring data abroad or using human genetic resources collected within the PRC.

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》) (the "**Scientific Data Measures**"), which provides that enterprises in China must seek governmental approval before any scientific data involving a state secret may be transferred abroad or to foreign parties. Further, any researcher conducting research funded at least in part by the PRC government is required to submit relevant scientific data for management by the entity to which such researcher is affiliated before such data may be published in any foreign academic journal. Given that the term "state secret" is not clearly defined, if and to the extent any data collected or generated in connection with our R&D of drug candidates will be subject to the Scientific Data Measures and any subsequent laws as required by the relevant government authorities, there is no assurance that we can always obtain relevant approvals for sending scientific data (such as the results of our preclinical studies or clinical trials conducted within China) abroad or to our foreign partners in China.

In addition, the Administrative Regulations on Human Genetic Resources of the PRC (《中華人民共和國人類遺傳資源管理條例》) (the "**Human Genetic Resource Regulation**"), which was promulgated on May 28, 2019 and further amended on March 10, 2024, stipulates that foreign organizations, foreign individuals and the institutions established or actually controlled thereby shall not collect or preserve China's human genetic resources within the PRC, and shall not provide China's human genetic resources abroad. Where a foreign organization or an institution established or actually controlled by a foreign organization or foreign individual needs to use China's human genetic resources to conduct scientific research activities, it shall comply with the applicable laws, administrative regulations and relevant provisions in the PRC, and cooperate with China's scientific research institutions, universities, medical institutions and enterprises provided therein. In this regard, utilization of China's human genetic resources for international cooperation in scientific research, as well as transporting China's human genetic resources materials abroad shall be subject to the approval of the administrative department for health under the State Council. However, no approval is required in international clinical trial cooperation using China's human genetic resources at clinical institutions without export of human genetic resource materials for obtaining the licensing for the listing of relevant drugs and medical devices in the PRC market, provided that the type, quantity and usage of the human genetic resources to be used shall be filed with the administrative department for health under the State Council before conducting the clinical trials. If we are unable to obtain necessary approvals, complete the filings or comply with the regulatory requirements in a timely manner, or at all, our R&D of drug candidates may be hindered. Further, the Biosecurity Law (《生物安全法》), which was promulgated on October 17, 2020, became effective on April 15, 2021, and amended on April 26, 2024, reaffirms the regulatory requirements stipulated by the Human Genetic Resource Regulation while potentially increasing the administrative sanctions where China's human genetic resources are collected, preserved, exported or used in international cooperation in violation of applicable laws. If the relevant government authorities consider the transmission of our scientific data or usage of human genetic resources to be in violation of the requirements under applicable PRC laws and regulations, we may be subject to fines and other administrative penalties imposed by those government authorities.

The landscape of cybersecurity and data privacy and security laws is constantly evolving. For example, on November 7, 2016, the Standing Committee of the National People's Congress (the "**SCNPC**") promulgated the Cybersecurity Law (《網絡安全法》), effective on June 1, 2017, which requires network operators to safeguard security of the network and follow the principles of legitimacy in collecting and using personal information. On June 10, 2021, the SCNPC promulgated the Data Security Law (《數據安全法》), effective on September 1, 2021, which imposes data security and privacy protection obligations on entities and individuals which carry out data activities, and introduces a data classification and hierarchical protection system. On August 20, 2021, the SCNPC promulgated the Personal Information Protection Law (《個人信息保護法》), effective on November 1, 2021, which further detailed the general rules and principles on personal information processing and further increased the potential liability of personal information

processor. See "Regulatory Overview — PRC Laws and Regulations on Information Security and Data Protection". Complying with new laws and regulations could substantially increase the costs or require us to change our business practices in a manner materially adverse to our business. Additionally, to the extent we are found by the PRC regulators to be not in compliance with these laws and requirements, we may be subject to fines, regulatory orders to suspend our operations or other regulatory and disciplinary sanctions.

On December 28, 2021, the Cyberspace Administration of China (the "**CAC**"), together with other relevant administrative departments, jointly promulgated the revised Measures for Cybersecurity Review (《網絡安全審查辦法》) with effect from February 15, 2022, according to which, the purchase of network products and services by a critical information infrastructure operator (the "**CIIO**") or the data processing activities of a network platform operator that affect or may affect national security will be subject to a cybersecurity review. In addition, an online platform operator who possesses personal information of over one million users and intends for listing in a foreign country (國外上市) must be subject to the cybersecurity review. However, there has been no further explanation or interpretation for "foreign listing" or "affect or may affect national security" under the aforementioned regulation. In addition, we cannot rule out the possibility that the relevant government authorities may conduct cybersecurity review on us according to the Measures for Cybersecurity Review. If a cybersecurity review for any of our activities is required, we will actively cooperate with the CAC to conduct such cybersecurity review. Any failure to obtain such approval or clearance from the regulatory authorities could materially constrain our liquidity and have a material adverse impact on our business operations and financial results, especially if we need additional capital or financing.

On September 24, 2024, the Administration Regulations on Cyber Data Security (《網絡數據安全管理條例》) (the "**Data Security Regulations**") was promulgated by the State Council, which came into effect on January 1, 2025. The Data Security Regulations reiterate and refine the general regulations for cyber data processing activities, rules of personal information protection, important data security protection, cyber data cross-border transfer management, and the responsibilities of online platform service providers. In particular, the Data Security Regulations provide that cyber data processors whose cyber data processing activities affect or may affect national security shall be subject to national security review in accordance with the relevant regulations. However, the Data Security Regulations provide no further explanation or interpretation for the criteria on determining the risks that "affect or may affect national security". Additionally, since the Data Security Regulations are still relatively new, the interpretation and implementation of these regulations may further evolve and develop.

Moreover, the regulatory framework on cross-border transfer of personal information and data worldwide is rapidly evolving and is likely to remain uncertain due to lack of clear explanation and instruction on enforcement. For example, in recent years, China has promulgated several laws and regulations on cross-border data transfer, including but not limited to the Data Security Law, the Personal Information Protection Law, the Measures for the Security Assessment of Cross-border Data Transfer (《數據出境安全評估辦法》), the Measures on the Standard Contract for the Cross-Border Transfer of Personal Information (《個人信息出境標準合同辦法》) and the Provisions on Promoting and Regulating Cross-Border Data Flows (《促進和規範數據跨境流動規定》). These regulations have provided that, amongst others, CIIO that provides any personal information or important data to an overseas recipient, and other data processors that provides any important data, sensitive personal information or certain amount of non-sensitive personal information to an overseas recipient shall be subject to security assessment, standard contract filing or personal information protection certification for outbound data transfer activities, unless otherwise provided under the relevant laws and regulations. We cannot guarantee if these rules or regulations promulgated will impose additional compliance requirements, including any approval, filing and other administrative measures thereunder, and we cannot guarantee that the measures we have taken or will take in the future will always be effective or fully satisfy the relevant regulatory requirements under the relevant laws and regulations, including obtaining such approval, filing and other administrative measures in a timely manner, or at all.

We maintain operations in the U.S. and are subject to a variety of costs and legal, regulatory, political and economic risks.

Our business and results of operations depend in part on our ability to successfully execute our globalization strategy, which primarily involves expanding into new international markets, particularly the United States. Operating on multiple countries exposes us to additional risks and challenges, including limited brand recognition in overseas markets, increased costs and expenses associated with international expansion such as recruiting local personnel and establishing new premises, and our ability to effectively understand and respond to the needs and preferences of international partners. We are also subject to the complexities of complying with diverse local laws and regulatory regimes, as well as external risks arising from wars, political and economic instability, trade tensions, and technological or trade restrictions, any of which could adversely affect our business and results of operations.

Our international operations will place demands on our operational, managerial and administrative resources. In particular, we face regulatory uncertainties and may incur substantial compliance costs if and when we enter into a new overseas market. Regulations in different overseas markets could vary significantly. Being compliant with laws and regulations in one jurisdiction does not necessarily mean our business practice would comply with laws and regulations in another jurisdiction and we may need to make adjustments to our business accordingly to comply with local laws. Non-compliance may subject us to sanctions by regulatory authorities, to monetary penalties, or to restrictions on our activities or revocation of our licenses, which may result in a material adverse effect on our business, financial condition and results of operations in the relevant overseas market. We also have to closely monitor changes in local laws and complete all necessary procedures and filings accordingly.

Our strategic collaborations, licensing arrangements and acquisitions may not deliver the expected benefits and could increase our capital requirements, dilute shareholders and expose us to additional risks

We have entered into, and may continue to pursue, acquisitions and strategic collaborations, including licensing or acquiring complementary intellectual property, technologies or businesses, to advance our development and enhance our capabilities. These transactions are complex, time-consuming and competitive, and we may be unable to identify, secure or complete suitable opportunities on acceptable terms, or at all. Even if completed, such arrangements involve inherent risks, including increased operating expenses and cash requirements, the assumption of additional liabilities, integration challenges relating to operations, intellectual property and personnel, and the diversion of management attention from our existing business.

In addition, these transactions may require the issuance of dilutive securities, the assumption of debt or the incurrence of significant one-time and ongoing costs, and there is no assurance that acquired technologies, businesses or collaborations will generate the anticipated benefits or sufficient returns. Valuations underlying acquisitions or strategic investments may change rapidly, potentially resulting in impairment charges. Furthermore, partners or counterparties may fail to perform their obligations, develop competing products, misuse or inadequately protect intellectual property, or become involved in disputes, which could delay or terminate development or commercialization activities. Many such transactions also require regulatory approvals or third-party consents, which may not be obtained, limiting our ability to execute these arrangements and potentially adversely affecting our business, financial condition and results of operations.

Our reputation is important to our business success. Negative publicity about us, our management, employees, affiliates, and partners may adversely affect our brand, reputation and business prospects.

Our brand is important to attracting and retaining partners and our success depends on our ability to maintain and enhance our brand image and reputation. Maintaining, promoting and growing our brands depend largely on the success of our ability to provide consistent, high-quality services, our marketing efforts and our ability to successfully secure, maintain, and defend our rights to use our brands and tradenames. Our brand could be harmed if we fail to achieve these objectives.

Our brand value also depends on our ability to maintain a positive perception of our corporate integrity, purpose and brand culture. Any negative publicity concerning us, our management, employees, affiliates and partners, even if untrue, could adversely affect our reputation and business prospects. There can be no assurance that negative publicity about us or any of our management, employees or affiliates and partners would not damage our brand image or have a material adverse effect on our business, results of operations and financial condition.

There are risks associated with our leased properties or lease agreements.

Under the PRC laws, all lease agreements are required to be registered with the relevant real estate administration bureaus. As of the Latest Practicable Date, we had not registered five lease agreements with the relevant government authorities. As registration of a lease agreement will require the cooperation of the landlord, we cannot assure you that we can complete the registration of such lease agreements in a timely manner or at all. Although failure to do so does not in itself invalidate the leases, the parties of the lease agreements may be exposed to potential fines if they fail to rectify such non-compliance within the prescribed time frame after receiving notice from the relevant PRC government authorities. The penalty ranges from RMB1,000 to RMB10,000 for each unregistered lease, at the discretion of the relevant authority. If we fail to complete the administrative filings within the period required by the relevant governmental authorities and the relevant authorities determine that we shall be liable for failing to complete the administrative filings of all the relevant lease agreements, the aggregate amount of maximum fine will be approximately RMB30,000. See "Business — Properties."

In addition, we may be exposed to risks associated with our leased property in Massachusetts, which we have subleased to a third party for office and laboratory use. If we are unable to continue subleasing the property, we may face the risk of vacancy while remaining liable for ongoing rental payments. As of the Latest Practicable Date, we were not aware of any regulatory or government actions, claims or investigations being contemplated or any challenges by third parties to our leased agreements or the use of our leased properties.

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

We maintain insurance policies that are required under PRC laws and regulations as well as other insurance policies 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 insurances, such as business interruption insurance. Our insurance coverage may be insufficient to cover any claim for product liability, damage to our fixed assets or employee injuries. Any uninsured risks may result in substantial costs and the diversion of resources, which could adversely affect our business, financial condition, and results of operations.

Our employees, third-party suppliers, consultants and partners may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements, and insider trading, which could result in substantial costs and reputational harm.

We are exposed to the risk of fraud or misconduct by employees, suppliers, consultants or partners, including non-compliance with healthcare, regulatory, anticorruption, IP or financial reporting laws. The healthcare industry is subject to extensive regulations governing sales, marketing and business practices, and violations whether intentional or inadvertent, could result in significant penalties. Although we maintain a code of conduct and compliance controls, these measures may not prevent all misconduct or regulatory breaches. Any investigations, enforcement actions or litigation could lead to substantial fines, penalties, reputational harm, operational restrictions, increased compliance obligations and significant costs, and may divert management attention, materially and adversely affecting our business and results of operations.

We are subject to risks relating to disputes and legal proceedings, which could have a material adverse effect on our business, financial condition and results of operations.

We may be subject to claims, disputes or legal proceedings of various types brought by our competitors, employees, business partners or others against us in matters relating to contractual or labor disputes, IP infringements, or misconducts of our employees. We cannot assure you that we will not be subject to similar disputes, complaints or legal proceedings in the future, which may damage our reputation, evolve into litigations or otherwise have a material adverse impact on our reputation and business. Litigation is expensive, subjects us to the risk of significant damages, requires significant management time and attention, and could have a material and adverse effect on our business, financial condition and results of operations. The outcomes of actions we institute may not be successful or favorable to us. Lawsuits against us may also generate negative publicity that significantly harms our reputation, which may adversely affect our partner base. We may also need to pay damages or settle lawsuits with a substantial amount of cash.

As advised by our PRC Legal Advisor, as of the Latest Practicable Date, we did not have any material pending proceedings that are likely to have a material adverse effect on us. However, if in the future there are any adverse determinations in legal proceedings against us, we could be required to pay substantial monetary damages or adjust our business practices, which could have a material and adverse effect on our business, financial condition and results of operations.

Our business, results of operations and financial condition may be adversely affected by natural disasters, health epidemics and pandemics, civil and social disruption and other outbreaks.

A vast majority of our operations and workforce are based in China. China has in the past experienced significant natural disasters, including earthquakes, extreme weather conditions, as well as health scares related to epidemic diseases. Any similar event could materially impact our business in the future. Although we maintain incident management and disaster response plans, in the event of a major disruption caused by a natural disaster or man-made problem, such as power disruptions, computer viruses, data security breaches or terrorism, we may be unable to continue our operations and may endure system interruptions, reputational harm, delays in our development activities, lengthy interruptions in service, breaches of data security and loss of critical data, any of which could adversely affect our business, results of operations and financial condition. In addition, our business could be affected by public health epidemics and pandemics, such as the outbreak of avian influenza, severe acute respiratory syndrome, or SARS, Zika virus, Ebola virus, COVID-19 virus or other diseases. Even if we are not directly affected, such a disaster or disruption could affect the operations or financial conditions of our partners, which could harm our results of operations. If any of our employees is suspected of having contracted a contagious disease, we may be required to apply quarantines or suspend our operations. Furthermore, any future outbreak may restrict economic activities in affected regions, resulting in reduced business volume, temporary closure of our offices or otherwise disrupt our business operations and adversely affect our financial condition and results of operations.

Although we treat our Company as a non-U.S. corporation for U.S. federal income tax purposes, the U.S. Internal Revenue Service (the "IRS") may not agree, which could result in unfavorable tax consequences to the Company and our Shareholders.

Generally, a corporation is considered to be a U.S. person for U.S. federal income tax purposes if it is created or organized in the United States or under the law of the United States or of any state thereof. Accordingly, under generally applicable U.S. federal income tax rules, the Company, which is incorporated in the PRC, would generally be classified as a non-U.S. corporation for U.S. federal income tax purposes. However, Section 7874 of the U.S. Internal Revenue Code 1986, as amended ("**Section 7874**"), and the Treasury regulations promulgated thereunder contain specific rules that may cause a non-U.S. corporation to be treated as a U.S. corporation for U.S. federal income tax purposes if each of the following three conditions are met: (i) the non-U.S. corporation, directly or indirectly, acquires substantially all of the properties held directly or indirectly by a U.S. corporation (including through the acquisition of all of the outstanding shares of the U.S. corporation); (ii) the non-U.S. corporation's "expanded affiliated group" does not have "substantial business activities" in the non-U.S. corporation's country of organization relative to the expanded affiliated group's worldwide activities (this test is referred to as the "**Substantial Business Activities Test**"); and (iii) after the acquisition, the former shareholders of the acquired U.S. corporation hold at least 80% (or in certain circumstances 60%), by either vote or value, of the shares of the non-U.S. acquiring corporation by reason of holding shares in the U.S. acquired corporation as determined for purposes of Section 7874.

As described in "History, Development and Corporate Structure — Establishment and Development of Our Company," shares of Metis Therapeutics were transferred to our Company as part of a series of reorganizational transactions in 2023. While we believe that the Substantial Business Activities Test described above was satisfied, and while the Company was not directly a "former shareholder" of Metis Therapeutics, the application of the rules and exceptions under Section 7874 is complex, requires fact-intensive analysis, and is subject to uncertainties in various respects. Accordingly, although we treat our Company as a non-U.S. corporation for U.S. federal income tax purposes, there can be no assurances that the IRS will not seek to challenge this treatment or that any such challenge would not be sustained by a court. If the IRS were to successfully challenge the Company's status as a non-U.S. corporation for U.S. federal income tax purposes, the Company would be subject to significant adverse tax consequences, including being subject to U.S. federal income tax on its worldwide income and on certain income of its non-U.S. subsidiaries (regardless of whether we receive distributions from such subsidiaries), in the same manner as U.S. corporations. In that case, we would be subject to taxation and reporting obligations in both the PRC and the United States, unless the competent tax authorities of the two countries agree otherwise. In addition, any dividends we pay to holders of our H Shares would be treated as U.S.-source income and would therefore be subject to U.S. withholding tax at a rate of 30% (even if the ultimate investor is entitled to an exemption or a reduced tax rate), in which case an investor may be subject to double withholding by the U.S. and the PRC with respect to distributions.

RISKS RELATED TO OUR INTELLECTUAL PROPERTY

Our commercial success depends significantly on our ability to operate without infringing upon, misappropriating or otherwise violating the IP rights of third parties.

The markets in which we operate are subject to rapid technological change and significant patent and other intellectual property litigation. Many competitors have substantially greater financial and technical resources than we do and may invest heavily in patent portfolios or obtain patents that could prevent, limit or interfere with our ability to develop, use or commercialize our technologies and solutions. Numerous third-party patents exist in fields relevant to our business, and because certain patent applications remain confidential for extended periods, we cannot be certain that we are aware of all patent rights that may later be asserted against us. As a result, we may be found to infringe third-party intellectual property rights.

Patents could be issued to third parties and we may ultimately be found to infringe such patents. Third parties may have or obtain valid and enforceable patents or proprietary rights that could block us from using our technologies. If we are unable to obtain or maintain necessary licenses to third-party intellectual property, or if third parties bring infringement or other IP-related claims against us, we could face costly litigation, regulatory or operational delays, or injunctive relief that could restrict our ability to continue offering our technologies and services. Defending such claims, even if ultimately resolved in our favor, could require substantial management attention, increase operating costs, divert resources from R&D and commercialization activities, and risk the disclosure of confidential information. Adverse rulings, or negative market perception of such disputes, could also harm our cash position, business, results of operations and share price.

We may become involved in lawsuits to protect or enforce our patents or other IP, which could be expensive, time consuming and unsuccessful, and any unfavorable outcome from such litigation could limit our R&D activities and/or our ability to commercialize our technologies and services.

Competitors may infringe or misappropriate our intellectual property, and enforcing our rights may require costly and time-consuming litigation that diverts management and scientific resources. Such actions could prompt counterclaims alleging infringement of third-party rights, and there is a risk that our patents or trademarks could be found invalid, unenforceable or narrowly construed, limiting our ability to exclude competitors or, in the case of trademarks, forcing us to cease use of certain marks. Even if we prevail, litigation may not result in commercially meaningful damages and could require extensive discovery that risks disclosure of confidential information. In addition, we may lack sufficient resources to pursue or sustain prolonged IP enforcement actions, and the costs and distractions associated with such proceedings may outweigh any potential benefits, adversely affecting our competitive position, business prospects and financial condition.

Our obligations in our collaboration agreements may limit the IP rights that are important to our business. If we fail to comply with our obligations under such agreements, we could lose IP rights that are important to our business.

We are parties to and may continue to pursue partnerships and collaborations with certain pharmaceutical and biotechnology companies, pursuant to which we participate in drug design and discovery, or material design or discovery, and have either joint ownership or no ownership rights to certain IP generated through the collaborations. If we are unable to obtain ownership or licensing of such IP generated through our collaborations, which overlap with or relate to our own proprietary technologies, our business, financial condition, results of operations, and prospects could be materially harmed.

Our collaboration agreements may include exclusivity obligations that require us to design compounds, materials or solutions exclusively for certain partners with respect to specific targets for defined periods. If a partner concludes that we have breached such agreements, or if an agreement is terminated, or if the underlying intellectual property fails to provide the intended exclusivity, competitors may be able to develop, obtain regulatory approval for and commercialize solutions or technologies similar to ours, which could materially harm our competitive position and business.

In addition, disputes may arise under these agreements regarding intellectual property ownership or licensing scope, potential infringement of jointly generated IP, rights to assign or sublicense IP, satisfaction of diligence obligations, or the inventorship and ownership of jointly developed inventions and know-how. Collaboration agreements are inherently complex and may be subject to differing interpretations, and the resolution of such disputes could narrow our rights or increase our obligations. Any resulting disruption to our partnerships or limitations on our ability to develop and commercialize affected technologies, solutions or services could materially and adversely affect our business, financial condition, results of operations and prospects.

The nature of our customer engagements requires deep R&D collaboration, which may give rise to potential risks in the ownership, security, and control of intellectual property and data assets.

Our platform business model involves deep technical collaboration with customers and other collaborators, often resulting in jointly developed delivery systems, formulations, data or technologies. These collaborative arrangements may give rise to uncertainties or disputes over intellectual property ownership, attribution and usage rights, particularly where innovations emerge from integrated workflows or contractual terms are subject to interpretation. Such uncertainties could limit our ability to reuse results, enforce our IP rights or independently commercialize related solutions. In addition, collaborations may require access to sensitive customer data or the sharing of our proprietary algorithms and datasets, creating risks relating to data protection, confidentiality and regulatory compliance. Any failure to properly structure, manage or enforce our rights and obligations in these collaborations could materially and adversely affect our business, financial condition, results of operations and prospects.

We may be unsuccessful in obtaining or maintaining patent or other adequate IP protection for our technologies, solutions or services, due to any rejections of our patent applications or licensed patent applications. If our issued patents are determined invalid or unenforceable when challenged in court or before administrative bodies, third parties could develop and commercialize solutions and technologies similar or identical to ours and compete directly against us, and our ability to successfully commercialize any technology, solutions or services may be adversely affected.

Our commercial success will depend, in large part, on our ability to obtain, maintain and defend patent and other IP protection with respect to our AI-driven nanomaterial platform solutions and other AI-enabled solutions. We seek to protect our proprietary position by filing patent applications in China, the U.S. and other applicable jurisdictions as well as under the Patent Cooperation Treaty, or the PCT, related to our technologies, solutions and services we may develop that are important to our business, and by in-licensing IP related to our technologies, solutions and services. If we are unable to obtain or maintain patent protection with respect to any proprietary technologies, solutions or services, our business, financial condition, results of operations, and prospects could be materially harmed.

We cannot assure that our pending patent applications will be granted or that issued patents will remain valid, enforceable or sufficiently broad to protect our technologies or provide a competitive advantage. Patent protection in the pharmaceutical and biotechnology sectors is inherently uncertain, and some of our patents may be jointly owned with third parties, pledged as collateral, or require third-party cooperation for enforcement, which could limit our exclusive rights or ability to enforce such patents. If we fail to maintain these rights, our competitive position, business and prospects could be materially adversely affected.

In addition, our intellectual property may be challenged in litigation or administrative proceedings in China or other jurisdictions, potentially resulting in invalidation, unenforceability or narrowing of our patent claims, significant costs, diversion of management attention and risk of disclosure of confidential information. Even if we seek to enforce our patents, defendants may counterclaim, and adverse outcomes or narrow claim interpretations could limit our ability to exclude competitors. Any loss or weakening of patent protection could materially and adversely affect our technologies, solutions and business.

Efforts to enforce our intellectual property may also expose us to counterclaims or administrative challenges asserting that our patents are invalid or unenforceable, including through re-examination, post-grant review or similar proceedings in China or other jurisdictions. The outcomes of such proceedings are inherently unpredictable and may result in the loss, narrowing or unenforceability of our patent rights, even if we act in good faith. Any adverse outcome could limit our ability to enforce our intellectual property, allow competitors to use similar technologies, and materially and adversely affect our business, results of operations and prospects.

We may be subject to claims challenging the inventorship or ownership of our patents and other IP.

We and/or our partners may be subject to claims that former employees, collaborators, partners or other third parties have an interest in our patents or other IP as an inventor or co-inventor. In addition, we cannot assure you that all inventors have been or will be identified by us and/or our business partners despite diligent effort. The failure to name the proper inventors on a patent application could result in the patents issuing thereon being unenforceable. Inventorship disputes may arise from conflicting views regarding the contributions of different individuals named as inventors, the effects of foreign laws where foreign nationals are involved in the development of the subject matter of the patent, conflicting obligations of third parties involved in developing our technologies, solutions and services or as a result of questions regarding joint ownership of potential joint inventions. Litigation may be necessary to resolve these and other claims challenging inventorship and/or ownership. Alternatively, or additionally, we may enter into agreements to clarify the scope of our rights in such IP. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable IP rights, such as exclusive ownership of, or right to enforce, such valuable IP. Such an outcome could have a material adverse effect on our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

Our collaborators and business partners may have relied on consultants or other third parties such that our partners are not the sole and exclusive owners of the patents we in-licensed or utilized. If such third parties have ownership rights or other rights to our in-licensed or utilized patents, they may be able to license such patents to our competitors, and our competitors could market competing technologies, solutions or services. This could have a material adverse effect on our competitive position, business, financial conditions, results of operations, and prospects.

We may not be successful in obtaining or maintaining necessary rights for our technology through acquisitions.

Because our integrated platform may involve additional technologies that may require the use of proprietary rights held by third parties, the growth of our business may depend in part on our ability to acquire other rights to use these proprietary rights. We may be unable to acquire any compositions, methods of use, or other IP rights from third parties that we identify. The acquisition of third-party IP rights is a competitive area, and a number of more established companies are also pursuing strategies to acquire third-party IP rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size, cash resources and greater R&D and commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign rights to us. We also may be unable to acquire third-party IP rights on terms that would allow us to make an appropriate return on our investment or at all. If we are unable to successfully obtain rights to required third-party IP rights or maintain our IP rights, we may have to abandon development of the relevant technology, solution or service, which could have a material adverse effect on our business, financial condition, results of operations and prospects for growth.

We may not be able to enter into invention assignment and confidentiality agreements with third parties. Such agreements may not prevent ownership disputes or unauthorized disclosure of trade secrets and other proprietary information.

We rely on trade secrets, unpatented know-how and ongoing technological innovation to maintain our competitive position, which we seek to protect through confidentiality, non-disclosure and invention assignment agreements with employees, consultants, partners and other service providers. However, these protections may be insufficient. Assignment provisions may not be self-executing and may require additional actions to perfect our ownership, and employees or third parties may dispute the scope, enforceability or compliance with such obligations, or claim that certain inventions were developed outside the scope of their engagement or using third-party IP. Our trade secrets may also be intentionally or inadvertently disclosed or misappropriated, and

competitors or other parties may independently develop similar technologies. Enforcing trade secret or IP rights is costly, time-consuming and uncertain, and we may not have adequate remedies for breaches. Any loss of, dispute over, or inability to secure clear ownership of our confidential information, inventions or know-how could materially and adversely affect our business, financial condition and results of operations.

Changes in patent laws in the U.S., Europe and China could raise challenges with respect to our patent protection in the U.S., Europe and China and increase the risk of early generic competition with our solutions or services.

Our success depends heavily on our ability to obtain, maintain and enforce intellectual property protection, particularly patents, in the AI-powered drug and material science R&D market. Patent prosecution and enforcement are complex, costly, time-consuming and uncertain, and changes in patent laws or their interpretation in the U.S., Europe and China could further increase these challenges. In particular, reforms to U.S. patent law, including the Leahy-Smith America Invents Act, have changed patent prosecution standards, expanded mechanisms for third parties to challenge patent validity and adopted a "first-to-file" system, which may make it more difficult and expensive to obtain and defend patent protection. In addition, recent judicial decisions and proposed legislative changes in the U.S. and other jurisdictions have increased uncertainty regarding the scope, validity and enforceability of patents, which could adversely affect our existing and future patent portfolio.

In Europe, the launch of the Unified Patent Court in June 2023 introduces additional uncertainty, as it allows centralized challenges to European patents and the potential for pan-European injunctions, and it remains unclear how patent rights and remedies will be applied in practice.

In China, the Patent Law of the PRC (《中華人民共和國專利法》), or the PRC Patent Law, which came into effect on June 1, 2021, also adopts a patent-term extension mechanism which provides that, from June 1, 2021, for a new drug already approved for marketing in China, the term of the related invention patent may be extended, upon request by the relevant patent applicant, to compensate the lengthy time period consumed in the market authorization approval process. According to the PRC Patent Law, in order to compensate for the time used for the review and approval of new drugs for marketing, the patent administration department of the State Council shall, at the request of the patent applicant, provide patent term compensation for invention patents of new drugs approved for marketing in China. 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. Moreover, the PRC Patent Law also introduces the basis of patent linkage allowing litigation or administrative decision on dispute over drug patent infringement while the new drug is still in the process of review and assessment for marketing authorization. The NMPA may decide whether to suspend the approval of marketing authorization of the new drug according to the effective court judgment or administrative decision. Despite the PRC Patent Law, the NMPA and the NIPA, are yet to promulgate formal implementing rules for patent term extension and patent linkage apart from several drafts for public comment. Accordingly, we need to adopt various measures to protect ourselves against generic competition in China until the relevant laws, regulations and implementing rules for patent term extension, patent linkage, or data exclusivity are put into effect officially in China.

Patent terms may not be sufficient to effectively protect our technology and the product candidates using our technologies and services.

In most countries in which we plan to file applications for patents, the term of an issued patent is generally 10 to 20 years from the earliest claimed filing date of a non-provisional patent application in the applicable country. Although various extensions may be available, the life of a patent and the protection it affords is limited. Even if patents covering our technology and the product candidates using our technologies and services are obtained, we may be exposed to competition from other companies once our patent rights expire. Given the amount of time required

for the development, testing and regulatory review of new technology and product candidates, patents protection for such technology and product candidates using our technologies and services might expire before or shortly after such technology and candidates are commercialized. As a result, our patent portfolio may not provide us with sufficient rights to exclude others from commercializing products or technology similar or identical to ours.

We may be unable to effectively protect, maintain or enforce our intellectual property rights worldwide due to the cost, complexity and jurisdictional limitations of global patent protection and the risk that non-compliance with procedural, documentation, fee payment and other requirements imposed by patent authorities could result in the reduction or loss of our patent rights.

Obtaining, maintaining and enforcing patent protection depends on compliance with numerous procedural, documentary, fee payment and other requirements imposed by governmental patent authorities, including the National Intellectual Property Administration, the United States Patent and Trademark Office, and patent offices in other jurisdictions. Periodic maintenance, renewal and annuity fees, as well as timely responses to official communications and proper submission of formal documents, are required throughout the life of patents and applications, and failure to comply with such requirements may result in abandonment or lapse of patent rights, some of which may not be curable. Although we engage reputable third-party professionals to assist with these processes, inadvertent or uncured noncompliance could lead to loss of patent protection in relevant jurisdictions, allowing competitors to enter the market earlier and adversely affecting our competitive position.

In addition, filing, prosecuting and defending patents globally is costly and time-consuming, and we may be unable to obtain or effectively enforce patent protection in all jurisdictions. Legal systems in certain foreign countries may provide limited or uncertain protection for intellectual property rights, making enforcement difficult, costly or ineffective. As a result, competitors may be able to use our technologies in jurisdictions where we lack patent protection or where enforcement is weak, and proceedings to enforce our IP rights may divert management attention, involve substantial expense, expose our patents to invalidation or narrow interpretation, or fail to result in commercially meaningful remedies. Consequently, our global IP protection and enforcement efforts may not be sufficient to prevent competition or enable us to fully realize the commercial value of our intellectual property.

RISKS RELATED TO OUR FINANCIAL PROSPECTS AND NEED FOR ADDITIONAL CAPITAL

We have incurred significant operating expenses, net loss and cash outflow from operations historically. We may continue to incur significant operating expenses, net loss and cash outflow from operations in the near future, which may materially adversely affect our business operations, results of operations, financial position and profitability.

We have a history of significant operating expenses and net losses and have experienced, and expect to continue to experience, negative operating cash flows, requiring us to finance our operations primarily through equity investments. Our operating expenses decreased from RMB400.7 million in 2023 to RMB379.3 million in 2024, and subsequently increased to RMB488.7 million in 2025, primarily due to continued investment in R&D, high employee benefit expenses (including share-based compensation expense) and business expansion. We recorded net losses of RMB581.9 million, RMB499.2 million and RMB391.8 million in 2023, 2024 and 2025, respectively, mainly as a result of our focus on advancing and validating the NanoForge platform and core technologies rather than broad commercialization, and the substantial R&D expenses incurred.

We expect our operating expenses, net losses and operating cash outflows to continue in the foreseeable future as we further expand our business, including through continued investment in our AI-driven nanomaterial platforms, proprietary lipid library, R&D programs and collaborations, expansion of our intellectual property portfolio, strengthening of business development and marketing capabilities, recruitment of additional personnel, expansion of operations, and incurrence of additional costs associated with operating as a public company. If we are unable to effectively manage increases in operating expenses or net losses, our business, results of operations and financial position could be materially and adversely affected.

We recorded net liabilities during the Track Record Period.

We had net liabilities of RMB977.6 million and RMB1,382.4 million as of December 31, 2023 and 2024, respectively, and net assets of RMB1,040.9 million as of December 31, 2025. For more details, please refer to "Financial Information — Discussion of Certain Key Items From Our Consolidated Statements of Financial Position" in this Prospectus. We cannot assure you that we will not record or net liabilities in the future. Net liabilities may expose us to liquidity and credit risks. Our future liquidity, the payment of trade and other payables and repayment of borrowings as and when they become due will primarily depend on our ability to generate adequate cash inflows from our operating activities. If we experience a shortage in cash flow generated from operations, our liquidity position may be materially and adversely affected, which, in turn, may adversely affect our results of operations and financial position.

We are exposed to risks in connection with the fair value change of financial assets at FVTPL and related valuation uncertainty.

Fluctuation of the fair value of our financial assets at FVPL may affect our results of operation. During the Track Record Period, our financial assets at FVPL consisted of the wealth management products we held. We recorded net gains in fair value changes in financial assets at FVPL of RMB0.1 million, RMB6.9 million, and RMB4.6 million in 2023, 2024 and 2025, respectively. We cannot assure you that we will not incur any fair value losses in the future, and any such fair value losses may adversely affect our results of operations, financial condition and prospects.

We are exposed to credit risk in relation to our investments in financial assets at FVPTL, which may adversely affect the net changes in their fair value. Factors beyond our control can significantly influence and cause adverse changes to the estimates and thereby affect the fair value. These factors include, but are not limited to, general economic conditions, market conditions and regulatory environment. The valuation of our financial assets at fair value through profit or loss relies on significant unobservable inputs, such as discount rates, volatility and discounts for lack of marketability, and involves substantial judgment and uncertainty. Changes in economic conditions, interest rates or capital market stability may materially affect these estimates and the resulting fair values. Any significant variance between our estimates and actual outcomes could materially and adversely affect our financial position and results of operations.

We may be exposed to credit risk associated with our trade receivables.

Our trade receivables arose primarily from our solutions provided in the ordinary course of business. As of December 31, 2023, 2024 and 2025, the carrying amount of our trade receivables was RMB0.7 million, RMB0.3 million and RMB0.2 million, respectively. See "Financial Information — Net Current Assets — Trade Receivables" for details. We may not be able to collect all such trade receivables due to a variety of factors that are out of our control. For example, if our relationship with any of our partners deteriorates or terminates, or if any of them experiences any difficulty in their operations or a decrease in their business or financial performance for any reasons, our partners may delay or default in their payment. As a result, we may not be able to fully recover the outstanding amounts due from them, in a timely manner or at all. If we are not able to manage the credit risk associated with our trade receivables, our cash flows and results of operations may be materially and adversely affected.

We may not be able to fulfill our obligation in respect of contract liabilities which could adversely affect our financial condition, results of operations and prospects.

As of December 31, 2023, 2024 and 2025, we had contract liabilities of nil, RMB11.1 million and RMB17.2 million, respectively, primarily representing cash collections in advance of fulfilling performance obligations. If we have any difficulties or fail to perform our obligations under our contracts, our relationships with our partners will be adversely affected and we will be unable to recognize such contract liabilities as revenue, exposing us to the risk of shortfalls in liquidity, which may have a material adverse effect on our operational performance and prospects. See "Financial Information — Net Current Assets — Contract Liabilities."

We have adopted a share incentive plan and will continue to grant share-based awards in the future, which may increase expenses associated with share-based compensation, cause shareholding dilution to our existing Shareholders, and have an adverse effect on our financial performance. Exercise of the awards granted will increase the number of our outstanding Shares, which may adversely affect the market price of our Shares.

Historically, we have adopted certain share incentive schemes to recognize the contribution of certain eligible participants and to provide incentives to retain and attract quality personnel for the continued operation and development of our business. See "Appendix V — Statutory and General Information — Further Information about Our Directors, Senior Management and Substantial Shareholders — 5. Employee Incentive Schemes." In 2023, 2024 and 2025, there were RMB107.9 million, RMB93.9 million and RMB183.7 million of share-based compensation expenses, respectively, related to our share options granted under the share incentive plans, which reflected our increased valuation and expansion of employees.

We believe the granting of share-based awards is of significant importance to our ability to attract and retain key personnel and employees. As a result, we will continue to grant share-based compensation to employees in the future, which may further increase our expenses associated with share-based compensation, cause shareholding dilution to our Shareholders, and adversely affect the market price of our Shares, and in turn materially and adversely affect our business, financial condition, and results of operations.

We may need to obtain substantial additional financing to fund our growth and operations, which may not be available on acceptable terms, if at all.

The technological advancement and R&D efforts are capital-intensive. We have used substantial funds and expect to continue to invest significant financial resources in enhancing our AI nanomaterial technologies and development and advance our pipeline drug candidates. For example, we are in the process of further enhancing the capabilities of NanoForge platform and other AI-empowered solutions and expect to incur substantial expenditures. In addition, we have used substantial funds to advance our pipeline drug products, including MTS-201 and MTS-105.

To date, we have funded our operations primarily through equity investments from our investors. Our operations have consumed substantial amounts of cash since inception. The net cash used in our operating activities was RMB192.4 million, RMB239.2 million and RMB121.6 million in 2023, 2024 and 2025, respectively. Our future funding requirements and the period for which we expect increasing capital need may be different than what we are planning.

Adequate additional financing may not be available to us on acceptable terms, or at all. Any additional capital-raising efforts may divert our management from their day-to-day activities, which may adversely affect our ability to develop and commercialize our technologies, solutions and services. If we are unable to raise capital when needed or on attractive terms, we could be forced to delay, reduce or altogether cease our R&D programs and/or our service offerings.

Increased staff cost may negatively affect our financial performance and liquidity position.

Our operations require a sufficient number of qualified employees. To support our rapid growth, we have incurred increasing staff costs, with total employee benefit expenses of RMB226.6 million, RMB202.5 million and RMB294.9 million in 2023, 2024 and 2025, respectively. Further, we intend to recruit highly capable and experienced employees to support our business growth and to provide our employees with training and development opportunities. Such recruitments may increase our staff costs, and there is no assurance that our total revenue will increase in proportion to or at a faster pace than that in staff costs. As a result, the increases in staff costs may have a negative impact on our results of operations and financial condition. Our continued investments in recruiting, retaining and training our employees may also place constraints on our liquidity and working capital.

We have historically received financial incentives, such as government subsidies, and we may not continue to receive such incentives in the future.

We have historically received various government subsidies, including subsidies from different PRC governmental authorities to support the research and development for our drug candidates. We recognized government grants as other income of RMB5.0 million, RMB5.8 million and RMB7.4 million in 2023, 2024 and 2025, respectively. There is no assurance that we could continue to enjoy or maintain financial incentives or government subsidies at the historical levels, or at all, or apply for new financial incentives or government subsidies. Any change, suspension or termination of these government subsidies, or government financial incentives in other forms, may have a negative impact on our business, financial condition and results of operations.

Raising additional capital may lead to dilution of shareholdings and restrict our operations or require us to relinquish rights to our technologies, solutions or services.

We may seek additional funding through a combination of equity and debt financings and collaborations. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the beneficial ownership interest of existing Shareholders will be diluted, and the terms may include liquidation or other preferences that adversely affect the rights of our existing Shareholders. 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 incurring additional debt, making capital expenditures, or declaring dividends. If we raise additional funds through partnerships, collaborations, strategic alliances, or licensing arrangements from third parties, we may have to relinquish valuable rights to our technologies, solutions or services, or future revenue streams, or grant licenses on terms that are not favorable to us.

Fluctuations in exchange rates may result in foreign currency exchange losses and may have a material adverse effect on your investment.

If any portion of our revenue, expenses or cash flows is denominated in currencies other than RMB, our operating results and financial condition may be adversely affected by fluctuations in foreign currency exchange rates. In addition, the translation into RMB of revenues, expenses, assets and liabilities denominated in foreign currencies will be affected by changes in foreign currency exchange rates. We may not be able to hedge effectively against these risks, and the costs of such hedging may be significant. As a result, our net income and cash flows may be negatively affected by changes in foreign currency exchange rates. We recorded net exchange loss of RMB7.9 million, net exchange gain of RMB12.0 million and net exchange loss of RMB11.2 million in 2023, 2024 and 2025, respectively.

RISKS RELATED TO DOING BUSINESS IN THE JURISDICTIONS WE OPERATE

You may experience difficulties in effecting service of legal process, enforcing foreign judgments or bringing actions in China against us or our management named in the document based on foreign laws.

A number of our business and operations are located in the PRC. In addition, some of our Directors and senior management reside in China and substantially all of their assets are located in China. It may be difficult to effect service of process upon those persons residing in China or to enforce against us or them in China any judgments obtained from non-PRC courts. The PRC does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts of most other jurisdictions. As a result, recognition and enforcement in the PRC of judgments of a court in any of these jurisdictions outside China may be difficult.

On July 14, 2006, the Supreme People's Court of the PRC and the Government of the Hong Kong Special Administrative Region signed an Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters (《最高人民法院關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》) (the "**Arrangement**"). Under the Arrangement, a party with an enforceable final court judgment rendered by any designated people's court of China or any designated Hong Kong court requiring payment of money in a civil and commercial case according to a written choice of court agreement, may apply for recognition and enforcement of the judgment in the relevant people's court of China or Hong Kong court. A written choice of court agreement is defined as any agreement in writing entered into between parties after the effective date of the Arrangement in which a Hong Kong court or a PRC court is expressly designated as the court having sole jurisdiction for the dispute.

On January 18, 2019, the Supreme People's Court of the PRC and Hong Kong entered into an agreement regarding the scope of judgments which may be enforced between China and Hong Kong (《關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) (the "**New Arrangement**"). The New Arrangement broadens the scope of judgments that may be enforced between China and Hong Kong under the Arrangement. Whereas a choice of jurisdiction needs to be agreed in writing in the form of an agreement between the parties for the selected jurisdiction to have exclusive jurisdiction over a matter under the Arrangement, the New Arrangement provides that the court where the judgment was sought could apply jurisdiction in accordance with the certain rules without the parties' agreement. The New Arrangement became effective on January 29, 2024 both in China and in Hong Kong, and replaced the Arrangement. Under the New Arrangement, any party concerned may apply to the relevant PRC court or Hong Kong court for recognition and enforcement of the effective judgments in civil and commercial cases subject to the conditions set forth in the New Arrangement. Although the New Arrangement has been signed and took effect, the outcome and effectiveness of any action brought under the New Arrangement may still be uncertain. We cannot assure you that an effective judgment that complies with the New Arrangement can be recognized and enforced in a PRC court.

Changes in international trade policies and 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. Tensions and political concerns between China and other countries or regions may adversely affect our business, financial condition, results of operations, cash flows and prospects. China's political relationships with foreign countries and regions may affect the prospects of our relationship 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 flows and prospects. Rising trade and political tensions, as well as changes in relevant government policies could reduce levels of trades, investments, technological exchanges and other economic activities between China and other countries and regions.

We have been closely monitoring policies in the United States that are aimed at restricting U.S. persons from investing in or supplying to certain Chinese companies. For example, on October 28, 2024, the U.S. Department of the Treasury issued a final rule on outbound investment, or the Final Rule, to implement the executive order of August 9, 2023. The Final Rule became effective on January 2, 2025. The Final Rule imposes investment prohibition and notification requirements on U.S. persons for certain investments in entities associated with China (including Hong Kong and Macau) that are engaged in certain activities relating to three sectors: (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) artificial intelligence systems, collectively defined as "Covered Foreign Persons." U.S. persons subject to the Final Rule are in some instances prohibited altogether from making, and in other instances required to report, certain investments in Covered Foreign Persons, which are defined as "Covered Transactions," and include acquisitions of equity interests that are not yet publicly traded, certain debt financing, joint ventures, and certain investments as a limited partner in a non-U.S. person pooled investment fund. The Final Rule excludes some investments from the scope of covered transactions, including those in publicly traded securities. The Final Rule is aimed at exerting greater U.S. government oversight over U.S. direct and indirect investments involving China, and may introduce new hurdles and uncertainties for cross-border collaborations, investments, and funding opportunities of China-based issuers including us. Based on the "Frequently Asked Questions" updated by the U.S. Department of the Treasury in December 2025, the computation thresholds for AI systems should be calculated by aggregating the quantity of computing power measured in computational operations (for example, integer or floating-point operations) required to train a given AI system. For instance, the computational operations required to train an AI system that is a combination of smaller, pre-trained AI models would be the summation of the computational operations required to train each component model of the AI system. Similarly, developing an AI model based on the transfer of knowledge from one model to another would include the computational operations required to train both models.

As advised by the International Sanctions Legal Advisor, engaged by us in connection with the foregoing matters, we do not believe we are a Covered Foreign Person under the Final Rule, because we do not engage in a "covered activity" (as defined in the Final Rule) or otherwise meet the definition of Covered Foreign Persons provided in the Final Rule. The Final Rule includes in covered activities the development of AI systems for military end use, government intelligence or mass-surveillance end use, cybersecurity applications, digital forensics tools, penetration testing tools, control of robotic systems, or trained using a quantity of computing power greater than 10^23 computational operations. None of our AI systems meet any of these descriptions, and we train them all at a power below 10^23. In light of the above, our Directors are of the view that the Final Rule does not have material adverse impact on our operation and financial performance. However, there is no assurance that the U.S. Department of Treasury will not expand or reinterpret its regulations in a manner that could cover some portion of our business. If we became within the scope of the Final Rule, and if U.S. persons engaged in a "Covered Transaction" that involves the acquisition of our equity interests, such U.S. persons may need to make a notification pursuant to the Final Rule. In addition, even though U.S. persons' acquisitions of certain publicly traded securities (such as our H shares) will be exempted from the scope of covered transactions under the Final Rule, the Final Rule could still limit our ability to raise capital or contingent equity capital from U.S. investors after this offering given that relevant laws, regulations, and policies continue to evolve and we cannot rule out the possibility of being deemed a Covered Foreign Person in the future due to different interpretations that might later be adopted by the U.S. Department of the Treasury, potential amendments to the Final Rule or the introduction of new U.S. legislation or regulations. If our ability to raise such capital is significantly and negatively affected, it could be detrimental to our business, financial condition and prospects. In such case, the value of our H shares may significantly decline, or in extreme cases, become worthless. Notably, on February 21, 2025, U.S. President Donald J. Trump issued a memo entitled the "America First Investment Policy" (the "**America First Memo**"), outlining the ongoing review and consideration of potential new or expanded restrictions on U.S. outbound investment in the PRC in sectors such as semiconductors, artificial intelligence, quantum, biotechnology, hypersonics, aerospace, advanced manufacturing, and directed energy. The America First Memo also contemplates potential restrictions on investments in publicly traded securities by pension funds, university endowments and other limited partner investors. Such political tensions and policy changes would have an adverse effect on global economic conditions, the stability of global financial markets, and international trade policies.

International trade frictions have been escalating continuously in recent years. Certain foreign jurisdictions have imposed or may impose export controls, economic sanctions, or other trade-related measures in various forms, including restrictions on technology exports critical to AI model development, high-performance computing, and advanced materials. Such restrictions may directly impact our future access to new components, computing resources, or datasets essential for our AI-driven platform development and operation. For example, on April 9, 2025, the U.S. government notified NVIDIA Corporation that licenses are required for exports to China of certain advanced integrated circuits and related technologies. Although we do not export any goods, software or technology from the United States and do not re-export or transfer any items with U.S. content, export controls and related restrictions could materially and adversely affect our future ability to access new state-of-the-art AI hardware or software, thus impeding the development, optimization, and scalability of our AI-driven nanomaterial platforms. The U.S. Department of Commerce's Bureau of Industry and Security ("**BIS**") also frequently updates the Entity List, including many PRC-based technology companies, imposing sanctions and export controls on key AI and semiconductor technologies. New additions to this list could indirectly reduce our access to critical AI development tools and data sources. We cannot guarantee that our future business will be free from export control or sanctions risk in the U.S. or other jurisdictions.

While we have not started commercialization of drug candidates, any rising trade and political tensions or unfavorable government policies on international trade, such as capital controls or tariffs, may affect the competitive position of our drug products. In addition, rising trade and political tensions, heightened government scrutiny or unfavorable government policies may also affect our existing and future relationships with shareholders and business partners, including our suppliers, CROs and CDMOs, the provision of research and development and other services, the supplies of materials and products, the hiring of scientists and other research and development personnel, and import or export of raw materials in relation to drug development, or prevent us from selling our drug products in certain countries. Any failure in confirming and continuing business relationships with our existing partners or any delay in identifying and entering into commercially reasonable business relationship with a new partner could harm our ability to develop, manufacture and distribute our drug candidates as planned or within budget, which could materially adversely affect our business, financial condition and results of operations.

In addition, if any new tariffs, legislation and/or regulations, including the recently passed BIOSECURE Act aiming at discouraging federal funding to, and contracting with, entities that use biotechnology equipment or services provided by certain Chinese biotechnology companies, are implemented, or if existing trade agreements are renegotiated, such changes could limit our ability to expand into certain markets and have an adverse effect on our business, financial condition and results of operations. In addition, our results of operations could be adversely affected if any such tensions or unfavorable government trade policies harm the Chinese economy or the global economy in general.

Furthermore, due to the diverse backgrounds and jurisdictions associated with our directors and substantial shareholders, they are subject to a range of regulatory requirements, including those governing investment and operational activities related to our Company. Non-compliance with such regulations could result in legal exposure or reputational harm to our Company.

We may be restricted from transferring our scientific data outside of China.

On March 17, 2018, the General Office of the PRC 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 provide a broad definition of scientific data and relevant rules for the management of scientific data. According to the Scientific Data Measures, enterprises in China must seek governmental approval from competent authorities in accordance with relevant management procedures for guarding state secrets before any scientific data involving any state secret may be transferred abroad or be disclosed to foreign parties. Further, any researcher conducting research funded, at least in part, by the PRC government is required to submit relevant scientific data for management by the entity to which such researcher is affiliated before such data may be published in any foreign academic journal. As the term "state secret" is not clearly defined, there is no assurance that we can always obtain relevant approvals for sending scientific data (such as the results of our pre-clinical studies conducted within China) abroad, or to our foreign partners in China.

If we are unable to obtain the necessary approvals in a timely manner, or at all, our R&D activities and collaboration programs may be hindered, which may materially affect our business, results of operations, financial conditions and prospects. If relevant government authorities consider the transmission of our scientific data to be in violation of the requirements under the Scientific Data Measures, we may be subject to specific administrative penalties imposed by those government authorities.

PRC regulations on currency conversion and capital inflow/outflow may limit our ability to utilize our cash balance effectively and affect the value of your investment.

The Renminbi is not currently a freely convertible currency. We receive most of our payments in Renminbi and may need to convert Renminbi into foreign currencies for the payment of dividends, if any, to holders of our Shares. Under the Chinese existing foreign exchange regulations, following the completion of the Global Offering, we will be able to pay dividends in foreign currencies without prior approval from the State Administration of Foreign Exchange (the "**SAFE**") or its local branches by complying with certain procedural requirements. However, the Chinese government may take measures at its discretion in the future to restrict access to foreign currencies for current account transactions if foreign currencies become scarce in China. We may not be able to pay dividends in foreign currencies to our Shareholders if the Chinese government restricts access to foreign currencies for current account transactions. Foreign exchange transactions under our capital account continue to be subject to significant foreign exchange controls and require the approval of the SAFE or its local branches. These limitations could affect our ability to obtain foreign exchange through equity financing, or to obtain foreign exchange for capital expenditures.

Most of our revenue and costs are denominated in Renminbi. Any significant revaluation of the Renminbi may materially and adversely affect our results of operations, cash flows and financial condition. The exchange rate of the Renminbi against the U.S. dollar and other foreign currencies fluctuates and is affected by, among other things, the policies of the Chinese government and changes in China and in international political and economic conditions. Since 1994, the conversion of the Renminbi into foreign currencies, including U.S. dollars, has been based on rates set by the People's Bank of China, which are set daily based on the previous business day's interbank foreign exchange market rates and current exchange rates on the world financial markets. It is difficult to predict how market forces or government policies may impact the exchange rate between the Renminbi and the Hong Kong dollar, the U.S. dollar or other currencies in the future. In addition, the PBOC regularly intervenes in the foreign exchange market to limit fluctuations in Renminbi exchange rates and achieve policies goals.

There remains significant international pressure on the Chinese government to adopt a more flexible currency policy, which, together with domestic policy considerations, could result in appreciation of the Renminbi against the U.S. dollar, the Hong Kong dollar or other foreign currencies. If the Renminbi appreciates against other currencies significantly, and as we need to convert and remit the proceeds from the Global Offering and future financing into the Renminbi for our operations, appreciation of the Renminbi against the relevant foreign currencies would reduce the Renminbi amount we would receive from the conversion. On the other hand, because the dividends on our Shares, if any, will be paid in Hong Kong dollars, any devaluation of the Renminbi against the Hong Kong dollar could reduce the amount of any cash dividends on our Shares in Hong Kong dollar terms. In addition, there are limited instruments available for us to reduce our exposure to foreign currency risk at reasonable costs. Any of the foregoing factors may materially and adversely affect our businesses, results of operations, financial condition and prospects.

Our pipeline products may fail to progress through clinical development, which would adversely affect our business.

Clinical trials are inherently lengthy, complex and subject to significant uncertainty, and their outcomes depend on numerous factors, many of which are beyond our control. There is no assurance that our ongoing or future clinical trials will successfully demonstrate adequate safety, tolerability, efficacy or statistical significance to support further development. Clinical development may be adversely affected by challenges in trial design, patient enrollment and retention, protocol deviations, variability in clinical outcomes, or disagreements with investigators or regulators regarding data interpretation.

In addition, clinical trials may be delayed, suspended or terminated due to adverse events, insufficient clinical efficacy, operational deficiencies identified at clinical sites, non-compliance with GCP requirements, manufacturing or supply issues, or changes in clinical or regulatory expectations. Any failure, delay or termination of our clinical trials could prevent or significantly delay advancement of our pipeline products, increase development costs, and materially and adversely affect our commercialization prospects, business, financial condition and results of operations.

Changes in government regulations or in practices relating to the biotechnology or AI technology industry may adversely affect our business.

The biotechnology industry in China, the United States and other markets in which we may enter is subject to extensive regulation, and changes in regulatory requirements, approval practices or government policies could materially affect our business. Regulatory reforms may lower entry barriers for competitors through simplified approval procedures or, conversely, impose more stringent requirements that increase the time, cost and complexity of development and commercialization. In addition, healthcare reforms and cost-containment measures may increase approval hurdles, reduce reimbursement levels and place downward pressure on pricing, which could adversely affect our revenues, profitability and prospects.

Moreover, drug delivery solutions and product candidates developed through AI-driven technologies, such as NanoForge, may face heightened regulatory scrutiny due to their novel mechanisms, lack of historical comparators and limited precedents for approval pathways. Our focus on new therapeutic targets and next-generation nanomaterials involves intrinsic scientific and regulatory uncertainty, including unknown biology, unclear mechanisms of action and the potential need to follow non-standard or evolving regulatory pathways. AI-enabled discovery and delivery approaches may not align with traditional validation and review frameworks, potentially resulting in additional data requirements, longer review timelines or delays in regulatory acceptance. Until extensive preclinical and clinical testing is completed, our product candidates may present unknown safety risks or unproven clinical efficacy, which could adversely affect development timelines, approval prospects and commercial competitiveness.

RISKS RELATED TO THE GLOBAL OFFERING

There has been no public market for our H Shares prior to the Global Offering, and you may not be able to resell our H Shares at or above the price you pay, or at all.

Before the Global Offering, there was no public market for our H Shares. There can be no guarantee that an active trading market for our H Shares will develop or be sustained after completion of the Global Offering. The initial Offer Price will be the result of negotiations between our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters), which may not be indicative of the market price of our H Shares that will be traded following completion of the Global Offering. The market price of our H Shares may drop below the Offer Price at any time after completion of the Global Offering.

The trading price and volume of the H Shares may be volatile, which could result in substantial losses for investors purchasing our H Shares in the Global Offering.

The market price and trading volume of our H Shares may be volatile and could fluctuate significantly due to various factors, many of which are beyond our control. These factors include actual or expected variations in our operating results, changes in market perception or analysts' estimates of our financial performance, announcements of significant acquisitions, disposals or strategic transactions, changes in senior management or key personnel, regulatory or legal developments, fluctuations in trading volumes or the release of lock-up or other transfer restrictions, and general economic, political and stock market conditions in Hong Kong, China and globally. In addition, broader market and industry volatility, including fluctuations affecting other PRC issuers listed on the Stock Exchange that may be unrelated to company fundamentals, could materially and adversely affect the market price of our H Shares.

The actual or perceived sale or availability for sale of substantial amounts of our H Shares, especially by our Directors and/or existing Shareholders, could adversely affect the market price of our H Shares.

Future sales of a substantial number of our H Shares, especially by our Directors and/or existing Shareholders, or the perception or anticipation of such sales, could negatively impact the market price of our H Shares in Hong Kong and our ability to raise equity capital in the future at a time and price that we deem appropriate.

The H Shares held by our existing Shareholders are subject to certain lock-up periods beginning on the date on which trading in our H Shares commences on the Stock Exchange. We cannot assure you that our existing Shareholders will not dispose of any H Shares they may own now or in the future. See "History, Development and Corporate Structure — Pre-IPO Investments" for details. Market sale of H Shares by such Shareholders and the availability of these H Shares for future sale may have negative impact on the market price of our H Shares, and may result in losses on your investment in our H Shares.

If securities or industry analysts do not publish research reports about our business, or if they adversely change their recommendations regarding our H Shares, the market price and trading volume of our H Shares may decline.

The trading market for our H Shares will be influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more of the analysts who cover us downgrade our H Shares, the price of our H Shares may decline. If one or more of these analysts cease coverage of our Company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

Purchasers of our H Shares in the Global Offering will experience immediate and substantial dilution and may experience further dilution if we issue additional H Shares in the future.

The Offer Price of our H Shares is higher than the net tangible asset value per H Shares of our outstanding H Shares immediately prior to the Global Offering. Therefore, purchasers of our Shares in the Global Offering will experience an immediate dilution in terms of the pro forma net tangible asset value. In addition, we may consider offering and issuing additional H Shares or equity-related securities in the future to raise additional funds, finance acquisitions or for other purposes. Purchasers of our Shares may experience further dilution in terms of the net tangible asset value per H Share if we issue additional H Shares in the future at a price that is lower than the net tangible asset value per H Share.

Our Single Largest Group of Shareholders have substantial influence over our Company and their interests may not be aligned with the interests of other Shareholders.

Immediately following the completion of the Global Offering without taking into account any H Shares which may be issued pursuant to the exercise of the Over-allotment Option, our Single Largest Group of Shareholders will be entitled to exercise voting rights of 25.32% of the total issued share capital of our Company. The interests of our Single Largest Group of Shareholders may differ from the interests of our other Shareholders. Our Single Largest Group of Shareholders could have significant influence in determining the outcome of any corporate transaction or other matters submitted to our Shareholders for approval. This concentration of ownership, as a result, may discourage, delay or prevent a change in control of our Company, which could deprive our Shareholders of an opportunity to receive a premium for their H Shares in a sale of our Company or may reduce the market price of our H Shares. In addition, to the extent the interests of our Single Largest Group of Shareholders conflict with the interest of our other Shareholders, the interests of our other Shareholders may be disadvantaged or harmed.

We cannot assure you that we will declare and distribute any amount of dividends in the future, and you may have to rely on price appreciation of our H Shares for returns on your investment.

There can be no assurance that future dividends will be declared or paid. The declaration, payment and amount of any future dividends are subject to the discretion of our Directors, after taking into account various factors including but not limited to our results of operations, cash flows and financial condition, operating and capital expenditure requirements, market conditions, our strategic plans and prospects for business development, regulatory restrictions on the payment of dividends and other factors as our Board may deem relevant, and subject to the approval at Shareholders' meeting. For details, please refer to the section headed "Financial Information — Dividends" in this Prospectus.

There can be no assurance of the accuracy or completeness of certain facts, forecasts and other statistics obtained from various resources contained in this Prospectus.

Some facts, statistics, and data in this Prospectus are derived from official government sources that we believe to be reliable and appropriate for such information. However, we cannot guarantee the quality or reliability of such source materials. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. While our Directors have taken reasonable care in extracting and reproducing the information, they have not been prepared or independently verified by us, the Joint Sponsors, the Underwriters, the Single Largest Group of Shareholders, any of their or our Company's respective directors, officers or representatives, or any other person involved in the Global Offering. Hence, none of them makes any representation as to the accuracy or completeness of such facts, statistics, and data. In light of the possibly flawed or ineffective collection methods or discrepancies between published information, market practice, and other problems, the statistics in this Prospectus may be inaccurate or may not be comparable to statistics produced for other publications or purposes and you should not place undue reliance on them.

Furthermore, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In all cases, investors should give consideration as to how much weight or importance they should attach to, or place on, such information or statistics.

You should read the entire prospectus carefully and should not rely on any information contained in press articles or other media regarding us and the Global Offering.

We strongly caution you not to rely on any information contained in press articles or other media regarding us and the Global Offering. Prior to the publication of this Prospectus, there may be press and media coverage regarding us and the Global Offering. Such press and media coverage may include references to certain information that does not appear in this Prospectus, including certain operating and financial information and projections, valuations and other information. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. We disclaim any information in the media to the extent that such information is inconsistent or conflicts with the information contained in this Prospectus. Accordingly, prospective investors are cautioned to make their investment decisions on the basis of the information contained in this Prospectus only and should not rely on any other information.

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

This Prospectus contains certain statements and information that are forward-looking and uses forward-looking terminology such as "anticipate," "believe," "could," "going forward," "intend," "plan," "project," "seek," "expect," "may," "ought to," "should," "would" or "will" and similar expressions. You are cautioned that reliance on any forward-looking statement involves risks and

uncertainties and that any or all of those assumptions could prove to be inaccurate and as a result, the forward-looking statements based on those assumptions could also be incorrect. In light of these and other risks and uncertainties, the inclusion of forward-looking statements in this Prospectus should not be regarded as representations or warranties by us that our plans and objectives will be achieved and these forward-looking statements should be considered in light of various important factors, including those set forth in this section. Subject to the requirements of the Listing Rules, we do not intend publicly to update or otherwise revise the forward-looking statements in this Prospectus, whether as a result of new information, future events or otherwise. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this Prospectus are qualified by reference to this cautionary statement.

DIRECTORS' RESPONSIBILITY STATEMENT

This Prospectus, for which our Directors (including any proposed director who is named as such in this Prospectus) collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules, 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 our Group. Our Directors (including any proposed Director who is named as such in this Prospectus), having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

CSRC FILING

The Company has completed the PRC filing procedures with CSRC for the conversion of certain Unlisted Shares into H Shares and the listing of the H Shares on the Hong Kong Stock Exchange.

UNDERWRITING AND INFORMATION ON THE GLOBAL OFFERING

This Prospectus is published solely in connection with the Hong Kong Public Offering. For applications under the Hong Kong Public Offering, this Prospectus contains the terms and conditions of the Hong Kong Public Offering. The Global Offering comprises the Hong Kong Public Offering of 10,061,500 H Shares initially offered and the International Offering of 191,167,500 H Shares initially offered (subject, in each case, to re-allocation on the basis under the section headed "Structure of the Global Offering" in this Prospectus). Details of the arrangements relating to the Over-allotment Option and stabilization are set forth in the section headed "Structure of the Global Offering" in this Prospectus.

The listing of our H Shares on the Hong Kong Stock Exchange is sponsored by the Joint Sponsors. Pursuant to the Hong Kong Underwriting Agreement, the Hong Kong Public Offering is underwritten by the Hong Kong Underwriters on a conditional basis. The International Offering is managed by the Joint Bookrunners. The International Underwriting Agreement is expected to be entered into on or about Monday, May 11, 2026. For details of the Underwriters and the underwriting arrangements, see "Underwriting" in this Prospectus.

The H 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 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, any of their respective directors, agents, employees or advisers or any other party involved in the Global Offering. Neither the delivery of this Prospectus nor any subscription or acquisition made under it shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this Prospectus or that the information in this Prospectus is correct as at any subsequent time.

For details of the structure of the Global Offering, including its conditions, see "Structure of the Global Offering" in this Prospectus. For the procedures for applying for our H Shares, see "How to Apply for Hong Kong Offer Shares" in this Prospectus. For details of the arrangements relating to the Over-allotment Option and stabilization, see "Structure of the Global Offering" in this Prospectus.

INFORMATION ABOUT THIS PROSPECTUS

You should rely only on the information contained in this Prospectus to make your investment decision. We have not authorized anyone to provide you with information that is different from what is contained in this Prospectus. Any information or representation not made in this Prospectus must not be relied on by you as having been authorized by us, the Overall Coordinators, the Joint Sponsors, any of the Underwriters, any of our or their respective directors, officers or representatives or any other person involved in the Global Offering. Neither the delivery of this Prospectus nor any offering, sale or delivery made in connection with the H Shares should, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in our affairs since the date of this Prospectus or imply that the information contained in this Prospectus is correct as of any date subsequent to the date of this Prospectus.

RESTRICTIONS ON OFFER AND SALE OF THE H SHARES

Each person acquiring the H Shares under the Hong Kong Public Offering will be required to, or be deemed by his acquisition of the H Shares to, confirm that he is aware of the restrictions on offers of the H Shares described in this Prospectus.

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

COMMENCEMENT OF DEALING IN THE H SHARES

Dealings in the H Shares on the Hong Kong Stock Exchange are expected to commence at 9:00 a.m. on Wednesday, May 13, 2026. The Shares will be traded in board lots of 500 Shares each. The stock code of the H Shares will be 7666.

APPLICATION FOR LISTING ON THE HONG KONG STOCK EXCHANGE

We have applied to the Stock Exchange for the listing of, and permission to deal in, (i) the H Shares to be issued pursuant to the Global Offering (including any H Shares which may be issued pursuant to the exercise of the Over-allotment Option), (ii) the H Shares to be converted from the Unlisted Shares (as adjusted by the Share Subdivision) and (iii) the additional Shares may be issued under the Employee Incentive Schemes. We satisfy the requirements under Rule 18C.03 of the Listing Rules (as modified by the Joint Announcement for Specialist Technology Companies and De-SPAC Transactions) as a Pre-Commercial Company (as defined in the Listing Rules) with reference to our expected market capitalization at the time of Listing, which exceeds HK$8 billion based on the Offer Price.

Under section 44B(l) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, if the permission for the H Shares to be listed on the Hong Kong Stock Exchange pursuant to this Prospectus has been refused before the expiration of three weeks from the date of the closing of the Global Offering or such longer period not exceeding six weeks as may, within the said three weeks, be notified to us by or on behalf of the Hong Kong Stock Exchange, then any allotment made on an application in pursuance of this Prospectus shall, whenever made, be void.

H SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the H Shares (including any H Shares which may be issued pursuant to the exercise of the Over-allotment Option) on the Hong Kong Stock Exchange and compliance with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or on any other date as determined by HKSCC. Settlement of transactions between participants of the Hong Kong Stock Exchange is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the General Rules of HKSCC and the HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made for the H Shares to be admitted into CCASS. Investors should seek the advice of their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

INFORMATION ON THE CONVERSION OF UNLISTED SHARES INTO H SHARES

Our Company has applied for conversion of 851,697,111 Unlisted Shares (as adjusted by the Share Subdivision) held by the existing Shareholders into H Shares. See "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 Unlisted Shares into H Shares has been completed.

PROCEDURES FOR APPLICATION FOR HONG KONG OFFER SHARES

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

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 Hong Kong Stock Exchange from time to time. If the Stock Exchange 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 Hong Kong Stock Exchange from time to time, the Stock Exchange may instigate cancellation or disciplinary proceedings in accordance with the Listing Rules.

H SHARE REGISTER OF MEMBERS AND STAMP DUTY

All of the Offer Shares will be registered on the H Share register of members of the Company maintained by our H Share Registrar, Computershare Hong Kong Investor Services Limited in Hong Kong. Our register of members will also be maintained by us at our legal address in China. Dealings in the H Shares registered on the H Share register of members of the Company in Hong Kong will be subject to Hong Kong stamp duty. Unless determined otherwise by the Company, dividends payable in respect of our H Shares will be paid to the Shareholders listed on the H Share register of members of our Company in Hong Kong, by ordinary post, at the Shareholders' risk, to the registered address of each Shareholder of the Company.

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 China Securities Depository and Clearing Corporation Limited Shenzhen Branch's Guide to the Program for "Full Circulation" of H Shares (《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》) promulgated by the CSDC's Shenzhen Branch on September 20, 2024 effective as of September 23, 2024, cash dividends to domestic investors of H-share "full circulation" shall be distributed through CSDC.

PROFESSIONAL TAX ADVICE RECOMMENDED

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

EXCHANGE RATE CONVERSION

Unless otherwise specified, this Prospectus contains certain translations for the convenience purposes at the following rates: US$1.00 to HK$7.8340, HK$1.00 to RMB0.8754, and US$1.00 to RMB6.8579. No estimation is made that any amounts in HK$, RMB and US$ can be or could have been converted at the relevant dates at the above rates or any other rates at all.

LANGUAGE

If there is any inconsistency between this Prospectus and the Chinese translation of this Prospectus, this Prospectus shall prevail unless otherwise stated. However, the translated English names of the PRC and foreign national, entities, departments, facilities, certificates, titles, laws, regulations (including certain of our subsidiaries) and the like included in this Prospectus and for which no official English translation exists are unofficial translations for your reference only. If there is any inconsistency, the names in their original languages shall prevail.

ROUNDING

Certain amounts and percentage figures included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

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

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, our Company must have a sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong. 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, our arrangements for maintaining regular communication with the Hong Kong Stock Exchange.

Our headquarters are based, and most of the business operations of our Company and our subsidiaries are managed and conducted in the PRC. Due to the business requirements of our Group, none of the executive Directors has been, is or will be based in Hong Kong. We consider it practically difficult and commercially unreasonable for us to arrange for two executive Directors to be ordinarily resident in Hong Kong, either by means of relocation of existing executive Directors or appointment of additional executive Directors. Therefore, our Company does not have, and does not contemplate in the foreseeable future that we will have sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rules 8.12 of the Listing Rules.

Accordingly, pursuant to Rule 19A.15 of the Listing Rules, we have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted us, a waiver from strict compliance with Rule 8.12 and Rule 19A.15 of the Listing Rules subject to the following conditions:

1. We have appointed Dr. Tsai-Ta Lai (賴才達) and Ms. Cheng Yuk Ting (鄭玉婷) as our authorized representatives ("**Authorized Representatives**") pursuant to Rules 3.05 of the Listing Rules. The Authorized Representatives will act as our Company's principal channel of communication with the Hong Kong Stock Exchange. The Authorized Representatives will be readily contactable by phone, facsimile and email to promptly deal with enquiries from the Hong Kong Stock Exchange, and will also be available to meet with the Hong Kong Stock Exchange to discuss any matter within a reasonable period of time upon request of the Hong Kong Stock Exchange;

2. When the Hong Kong Stock Exchange wishes to contact our Directors on any matter, each of the Authorized Representatives will have all necessary means to contact all of our Directors (including our independent non-executive Directors) and senior management team promptly at all times. Our Company will also inform the Hong Kong Stock Exchange promptly in respect of any changes in the authorized representatives. We have provided the Hong Kong Stock Exchange with the contact details (such as mobile phone number, office phone number, email address and fax number (if applicable)) of all Directors to facilitate communication with the Hong Kong Stock Exchange;

3. All Directors who do not ordinarily reside in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and can meet with the Hong Kong Stock Exchange within a reasonable period;

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

5. We have provided the Hong Kong Stock Exchange with the names, mobile phone numbers, office phone numbers, fax numbers and email addresses of at least two of the Compliance Advisor's officers who will act as our Compliance Advisor's contact persons between the Hong Kong Stock Exchange and our Company.

WAIVER IN RESPECT OF APPOINTMENT OF JOINT COMPANY SECRETARY

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, we must appoint a company secretary who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Hong Kong Stock Exchange, capable of discharging the functions of the company secretary. Note 1 to Rule 3.28 of the Listing Rules provides that the Hong Kong Stock Exchange considers the following academic or professional qualifications to be acceptable:

(a) a member of The Hong Kong Chartered Governance Institute;

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

(c) 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 provides that the Hong Kong Stock Exchange considers the following factors in assessing the "relevant experience" of the individual:

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

(b) 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;

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

(d) professional qualifications in other jurisdictions.

Our Company has appointed Dr. Alan Fu ("**Dr. Fu**") as one of our joint company secretaries. Dr. Fu has extensive experience in management of finance, investments and capital market activities and is familiar with the day-to-day operations of the Group but presently does not possess any of the qualifications under Rules 3.28 and 8.17 of the Listing Rules, and may not be able to solely fulfill the requirements of the Listing Rules. Therefore, we have appointed Ms. Cheng Yuk Ting (鄭玉婷) ("**Ms. Cheng**"), an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who fully meets the requirements stipulated under Rules 3.28 and 8.17 of the Listing Rules to act as the other joint company secretary and to provide assistance to Dr. Fu for an initial period of three years from the Listing Date to enable Dr. Fu to acquire the "relevant experience" under Note 2 to Rule 3.28 of the Listing Rules so as to fully comply with the requirements set forth under Rules 3.28 and 8.17 of the Listing Rules.

Since Dr. Fu does not possess the formal qualifications required of a company secretary under Rule 3.28 of the Listing Rules, we have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules such that Dr. Fu may be appointed as a joint company secretary of our Company. Pursuant to paragraph 13 of Chapter 3.10 under the Guide for New Listing Applicants, the waiver will be for a fixed period of time ("**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 ("**Qualified Person**") and is appointed as a joint company secretary throughout the Waiver Period; and (ii) the waiver can be revoked if there are material breaches of the Listing Rules by the issuer. The waiver is valid for an initial period of three years from the Listing Date, and is granted on the condition that Ms. Cheng

will work closely with Dr. Fu to jointly discharge the duties and responsibilities as company secretary and assist Dr. Fu in acquiring the relevant experience as required under Rules 3.28 and 8.17 of the Listing Rules. Ms. Cheng will also assist Dr. Fu in organizing Board meetings and Shareholders' meetings of our Company as well as other matters of our Company which are incidental to the duties of a company secretary. Ms. Cheng is expected to work closely with Dr. Fu and will maintain regular contact with Dr. Fu, the Directors and the senior management of our Company. The waiver will be revoked immediately if Ms. Cheng ceases to provide assistance to Dr. Fu 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. In addition, Dr. Fu will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules and will enhance his knowledge of the Listing Rules during the three-year period from the Listing. Dr. Fu will also be assisted by (a) Compliance Advisor of our Company, particularly in relation to compliance with the Listing Rules; and (b) the Hong Kong legal advisors of our Company, on matters concerning our Company's ongoing compliance with the Listing Rules and the applicable laws and regulations.

Before the expiration of the initial three-year period, the qualifications of Dr. Fu will be re-evaluated to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied and whether the need for ongoing assistance will continue. We will liaise with the Hong Kong Stock Exchange to enable it to assess whether Dr. Fu, having benefited from the assistance of Ms. Cheng for the preceding three years, will have acquired the skills necessary to carry out the duties of company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

CONSENT IN RESPECT OF THE PROPOSED SUBSCRIPTION OF OFFER SHARES BY CONNECTED CLIENT

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

Paragraph 1B of the Appendix F1 to the Listing Rules states that "connected client" in relation to an exchange participant means any client which is a member of the same group of companies as such exchange participant.

As further described in the section headed "Cornerstone Investors" in this Prospectus, China Asset Management (Hong Kong) Limited ("**China AMC (HK)**") has entered into cornerstone investment agreements with the Company, the Joint Sponsors, and the Overall Coordinators to subscribe for the Offer Shares and will hold the beneficial interest of the Offer Shares on a discretionary basis on behalf of independent third parties. CLSA Limited, one of the Overall Coordinators and Underwriters of the Global Offering, is an indirect wholly-owned subsidiary of CITIC Securities Company Limited. China AMC (HK) is a member of the same group of companies as CLSA Limited and therefore is a "connected client" of CLSA Limited for the purpose of paragraph 1B of Appendix F1 to the Listing Rules.

We have applied for, and the Stock Exchange has granted, a consent under paragraph 1C(1) of Appendix F1 to the Listing Rules to permit China AMC (HK) to participate in the Global Offering as a Cornerstone Investor on the following basis and conditions as set out in Paragraph 5 of Chapter 4.15 of the Guide:

(a) any Offer Shares to be allocated to China AMC (HK) will be held on behalf of independent third parties; (b) CLSA Limited has not participated, and will not participate, in the decision-making process or relevant discussions among the Company, the Underwriters and the Overall Coordinators as to whether Offer Shares will be allocated to China AMC (HK);

(b) no preferential treatment has been, nor will be, given to China AMC (HK) by virtue of their relationship with CLSA Limited in any allocation of Offer Shares in the International Offering other than the assured entitlement under the relevant cornerstone investment agreements and that the cornerstone investment agreement of China AMC (HK) does not contain any material terms which are more favorable to them than those in the other cornerstone investment agreements;

(c) China AMC (HK) confirms that to the best of its knowledge and belief, it has not received and will not receive any preferential treatment in the Global Offering allocation as a cornerstone investor by virtue of their relationship with CLSA Limited, other than the preferential treatment of assured entitlement under the cornerstone investments;

(d) each of the Company, the Overall Coordinators, China AMC (HK) and CLSA Limited has provided the Stock Exchange with written confirmations in accordance with Chapter 4.15 of the Guide; and

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

For further information about the relevant cornerstone investments, please refer to the section headed "Cornerstone Investors" in this Prospectus.

DIRECTORS

Name	Address	Nationality
Executive Directors		
Dr. Tsai-Ta Lai (賴才達)	1-502, Building 4 North District Vanke Ruyuan Yongfeng Road Haidian District Beijing, PRC	Chinese
Dr. Hongming Chen	16 Birch Hill Road Belmont MA 02478 United States	American
Dr. Wenshou Wang (王文首)	No. 6 Gutang Road, Binjiang District Hangzhou, Zhejiang, PRC	Chinese
Non-Executive Directors		
Mr. Hantao Huang (黃瀚濤)	No. 31, Xisibeiqitiao Xicheng District Beijing, PRC	Chinese
Ms. Yuan Gong (公元)	Building 1 No. 6 Huanhua North Road Qingyang District Chengdu, Sichuan, PRC	Chinese
Independent Non-Executive Directors		
Mr. Frank Yee Chon Lyn (林怡仲)	Apt 22B, Altamira No. 18 Po Shan Road Mid-Levels, Hong Kong	Chinese
Dr. Jin Li (李晉)	Flat 19A, Blk 1 25 Sha Wan Drive Pokfulam, Hong Kong	American
Dr. Peter Edward Lobie	Stage 2, Building 6 Apartment 1901, DianLi HuaYuan Chuangye Road Nanshan, Shenzhen Guangdong, PRC	Australian

For details with respect to our Directors, see the section headed "Directors and Senior Management" in this Prospectus.

PARTIES INVOLVED IN THE GLOBAL OFFERING

Joint Sponsors	**Jefferies Hong Kong Limited** 26/F, Two International Finance Centre 8 Finance Street, Central, Hong Kong **Deutsche Securities Asia Limited** 60/F International Commerce Centre 1 Austin Road West, Kowloon, Hong Kong **CITIC Securities (Hong Kong) Limited** 18/F, Pacific Place, 88 Queensway, Hong Kong
Sponsor-Overall Coordinators	**Jefferies Hong Kong Limited** 26/F, Two International Finance Centre 8 Finance Street, Central, Hong Kong **Deutsche Bank AG, Hong Kong Branch** 60/F International Commerce Centre 1 Austin Road West, Kowloon, Hong Kong **CLSA Limited** 18/F, Pacific Place 88 Queensway, Hong Kong
Overall Coordinators, Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers and Capital Market Intermediaries	**Jefferies Hong Kong Limited** 26/F, Two International Finance Centre 8 Finance Street, Central, Hong Kong **Deutsche Bank AG, Hong Kong Branch** 60/F International Commerce Centre 1 Austin Road West, Kowloon, Hong Kong **CLSA Limited** 18/F, Pacific Place 88 Queensway, Hong Kong **CMB International Capital Limited** 45th Floor, Champion Tower 3 Garden Road Central, Hong Kong
Joint Bookrunner, Joint Lead Manager and Capital Market Intermediary	**Futu Securities International (Hong Kong) Limited** 34/F, United Centre 95 Queensway, Admiralty, Hong Kong
Legal Advisors to our Company	*As to Hong Kong law and United States law* **Davis Polk & Wardwell** 10/F, The Hong Kong Club Building 3A Chater Road Central Hong Kong

	As to PRC law **Han Kun Law Offices** 9/F, Office Tower Cl, Oriental Plaza 1 East Chang An Ave. Dongcheng District Beijing PRC
Legal Advisors to the Joint Sponsors and the Underwriters	*As to Hong Kong law and United States law* **O'Melveny & Myers** 31/F, AIA Central 1 Connaught Road Central Hong Kong *As to PRC law* **Commerce & Finance Law Offices** 12-15/F, China World Office 2 No. 1 Jianguomenwai Avenue Chaoyang District Beijing PRC
Reporting Accountant and Independent Auditor	**PricewaterhouseCoopers** *Certified Public Accountants* *Registered Public Interest Entity Auditor* 22/F Prince's Building Central Hong Kong
Industry Consultant	**Frost & Sullivan Limited** Suite 3006, Two Exchange Square 8 Connaught Place, Central Hong Kong
Compliance Advisor	**Rainbow Capital (HK) Limited** Office No. 710, 7/F Wing On House 71 Des Voeux Road Central Central, Hong Kong
Property Valuer	**Jones Lang LaSalle Corporate Appraisal and Advisory Limited** 7th Floor, One Taikoo Place 979 King's Road, Hong Kong
Receiving Bank	**CMB Wing Lung Bank Limited** 14/F, CMB Wing Lung Bank Building 45 Des Voeux Road Central Hong Kong

Registered Office, Headquarters and Principal Place of Business in the PRC	Room 201, 2/F, Building 13 No. 21 Tianhe West Road Daxing Biomedical Industry Base Zhongguancun Science Park Daxing District, Beijing, PRC
Principal Place of Business in Hong Kong	Room 1920, 19/F, Lee Garden One 33 Hysan Avenue, Causeway Bay, Hong Kong
Company's Website	**www.metistechbio.com** (*The information contained in this website does not form part of this Prospectus*)
Joint Company Secretaries	Dr. Chong Fu (付翀) Room 201, 2/F, Building 13 No. 21 Tianhe West Road Daxing Biomedical Industry Base Zhongguancun Science Park Daxing District, Beijing, PRC Ms. Cheng Yuk Ting (鄭玉婷) Room 1920, 19/F, Lee Garden One 33 Hysan Avenue, Causeway Bay, Hong Kong
Authorized Representatives	Dr. Tsai-Ta Lai (賴才達) Room 201, 2/F, Building 13 No. 21 Tianhe West Road Daxing Biomedical Industry Base Zhongguancun Science Park Daxing District, Beijing, PRC Ms. Cheng Yuk Ting (鄭玉婷) Room 1920, 19/F, Lee Garden One 33 Hysan Avenue, Causeway Bay, Hong Kong
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The information and statistics set out in this section and other sections of this Prospectus were extracted from different official government publications, available sources from public market research and other sources from independent suppliers, and from the independent industry report prepared by Frost & Sullivan. We engaged Frost & Sullivan to prepare the Frost & Sullivan Report, an independent industry report, in connection with the Global Offering. The information and statistics from official government sources has not been independently verified by us, 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 and advisers, or any other persons or parties involved in the Global Offering, and no representation is given as to its accuracy. Accordingly, the information from official government sources contained herein may not be accurate and should not be unduly relied upon.

AI-EMPOWERED NANOTECHNOLOGY-BASED DRUG DEVELOPMENT

Applications of AI in Pharmaceutical Industry

AI is increasingly applied across various stages of drug research and development. In small molecule drug discovery, AI accelerates hit identification, lead optimization, and ADMET prediction. In the development of nucleic acid drugs, AI supports sequence design, off-target analysis, and delivery system optimization. For gene therapies, AI contributes to vector design, patient stratification, and outcome modeling. As AI technologies continue to evolve, their integration into pharmaceutical R&D pipelines is expected to drive significant improvements in efficiency, precision, and innovation.

Other than the general business permits and licenses that are ordinarily required for conducting business in the PRC, companies are not subject to any special regulatory licenses, or permits in connection with the provision of its AI solutions for research and development, or the performance of AI-enabled research services under collaboration agreements with partners. With respect to drug assets, however, approval from the relevant regulatory authorities, such as the NMPA, is required prior to the commencement of any clinical trials involving human subjects.

Global AI-empowered Pharmaceutical R&D Spending

The global AI-empowered pharmaceutical R&D spending market has experienced steady growth. From 2020 to 2024, the global AI-empowered pharmaceutical R&D spending has increased from US$5.4 billion to US$13.7 billion, representing a CAGR of 26.1%. Furthermore, the rapid increase in global AI-empowered pharmaceutical R&D spending will continue in the near future, the expense is forecasted to reach US$123.9 billion by 2035, representing a CAGR of 22.2% from 2024 to 2035.

Key Benefits of AI in Drug R&D

- ***Accelerated Discovery and Development Timelines***: AI dramatically shortens drug development cycles by replacing slow, trial-and-error processes with high-throughput virtual screening and automated synthesis. Traditional drug discovery can take 4-6 years to identify a preclinical candidate, requiring the synthesis of ~5,000 compounds. In contrast, AI-empowered pipelines can screen billions of molecules *in silico* and synthesize only a few hundred, reducing this phase to just 2-3 years and compressing the total R&D timeline by up to 70-90% in drug discovery and 50-80% in preclinical studies.

- ***Enhanced Probability of Success (PoS)***: AI improves the quality of drug candidates by optimizing their physicochemical and pharmacological properties early in the pipeline. This leads to a higher likelihood of candidates progressing through lead optimization and clinical development. For example, AI boosts the accuracy of toxicity prediction to 75%, protein folding prediction to 84%, and compound classification to 92%, which in turn contributes to

reducing downstream attrition rates. AI-discovered molecules have demonstrated materially higher clinical success rates at early stages, with observed Phase I success rates of approximately 80-90%, compared to historical industry averages of approximately 40% to 55-65%, and observed Phase II success rates of approximately 40%, broadly in line with historical averages of approximately 30-40%. As a result, when assessed across the entire drug development cycle from Phase I through approval, the estimated overall probability of success increases from approximately 5-10% under conventional drug discovery approaches to approximately 9-18% for AI-discovered molecules, representing an absolute increase of approximately 4-8 percentage points and a relative improvement of approximately 80-100%, indicating a near-doubling of end-to-end R&D productivity.

- ***Substantial Cost Savings***: By reducing the need for redundant synthesis and enabling more targeted experimentation, AI can lower R&D costs significantly. In first-in-class drug programs, AI can save up to US$26 billion in drug discovery and US$28 billion in clinical research which in total save up to US$54 billion for pharmaceutical companies. This efficiency helps pharmaceutical companies reallocate resources more effectively and bring more products to market with less capital.

- ***Integrated, Expert-Guided Development Workflow***: The "Design-Make-Test-Analyze" cycle powered by AI allows for seamless integration of human expertise and computational intelligence. AI not only generates drug-like compounds using generative algorithms but also automates synthesis and evaluation. This closed-loop framework accelerates iteration, reduces human error, and fosters a synergistic approach to drug innovation.

- ***Improved Precision and Personalization in Drug Development***: AI supports precision medicine by integrating genomic data, scientific literature, and clinical insights to predict optimal drug targets and therapeutic regimens. It facilitates real-time learning from experimental feedback, refines drug designs continuously, and enables highly targeted, personalized treatment strategies, particularly in complex diseases such as cancer.

Major Costs Associated with AI-enabled Drug Discovery and Development

Major costs associated with AI-enabled drug discovery and development through platform typically relate to ongoing research and development activities aimed at enhancing the company's core technologies, software frameworks, and data infrastructure. These expenses mainly include personnel costs for research scientists, data engineers, and software developers; laboratory consumables and testing materials; and costs for maintaining and upgrading laboratory and analytical facilities.

Companies in this segment also incur expenditures related to computational resources, including both in-house computing systems and third-party cloud computing services, which support data processing, model training, and system optimization. In addition, ongoing costs may arise from database management, cybersecurity, and platform maintenance to ensure the reliability and scalability of the technology infrastructure.

Competitive Landscape of Leading AI-empowered Drug Discovery Companies

The AI drug discovery market is highly dynamic, featuring a diverse mix of startups, biotechnology companies, and major pharmaceutical firms leveraging AI-driven innovations. The table below compares the leading global AI pharmaceutical companies. Among these, METiS distinguishes itself through its AI platform's unique focus on nanomaterial discovery, drug formulation, LNP generation and development, and RNA design.

Notably, METiS' most advanced drug candidate MTS-004 — developed using proprietary AI-driven formulation technology — reduced preclinical formulation timelines from approximately one to two years to less than three months. For the avoidance of doubt, MTS-004 does not contain nanomaterials-based delivery systems such as LNPs but its formulation still involves interactions at a nanoscale level between the active pharmaceutical ingredients and other drug components.

Company	AI Application	Laboratories	Clinical Pipeline	AI Technology	Focus Areas	Number of Drug Candidate Licensed Out
METiS	Formulation Optimization (Solubility and Permeability Prediction, Delivery System Prediction, etc.), mRNA Design (AI-driven mRNA Sequence Design, Organ Targeting UTR Generation, mRNA Property prediction, etc.) LNP Design (LNP Generation, Lipid and LNP Property Prediction, etc.)	Both Dry and Wet-lab	1 Pre-NDA 1 Ph1 2 IITs	Generative AI/ Machine Learning/ Deep Learning	CNS, Oncology, Immunology, Metabolic	1
Recursion	Target Discovery & Validation, Molecule Generation, Design and Predict Clinical Trials	Both Dry and Wet-lab	2 Ph1/2 3 Ph1	Machine Learning/ Deep Learning	Oncology, Inflammation and immunology, Rare diseases	0
Insilico Medicine	Target Discovery & Validation, Molecule Generation, Design and Predict Clinical Trials	Smart Laboratory & Wet-lab	2 Ph2 8 Ph1	Generative AI/ Machine Learning/ Deep Learning	Fibrosis, Oncology, Immunology, Vascular & Metabolic	7
Relay	Target Discovery & Validation, Molecule Generation	No Publicly Available Information	1 NDA 1 Ph3 1 Ph1	Machine Learning/ Deep Learning	Oncology	2
XtalPi	Drug and Material Science R&D, Solid-state R&D, Automated Lab	Both Dry and Wet-lab	1 IND Approval	Generative AI/ Machine Learning/ Deep Learning	Oncology, Neurology, Respirology, and Inflammatory diseases	0
AbCellera	Molecule Generation	Both Dry and Wet-lab	1 Ph1/2 2 Ph1	Machine Learning	Endocrine system diseases, Metabolic diseases and Immunology disease	1

Source: Company Website, Frost & Sullivan Analysis

Drivers for AI Development in Drug Discovery

The pharmaceutical industry is undergoing a paradigm shift, with artificial intelligence rapidly transitioning from an experimental tool to a core driver of R&D productivity. AstraZeneca serves as a compelling example. The company has embedded AI across its discovery pipeline through a multi-pronged strategy. In June 2025, AstraZeneca entered into a collaboration with CSPC Pharmaceutical Group, leveraging CSPC's AI-powered drug discovery platform to develop novel therapeutics, with the deal valued at up to US$5.22 billion including a US$110 million upfront payment. More recently, in January 2026, AstraZeneca announced the acquisition of Modella AI, a biomedical AI company, integrating its generative AI and agentic platform into the company's global oncology R&D framework. Across the industry, this momentum reflects a clear and accelerating trend — AI is no longer an adjunct to drug development but is becoming an indispensable force, accelerating target identification, optimizing molecule design, and reshaping how the industry transforms scientific insight into life-saving therapies.

Overview of Nanotechnology-based Drug

Definition of Nanotechnology

Nanotechnology refers to the design, characterization, and application of materials and systems with at least one dimension in the range of 1 to 100 nanometers (nm). A nanometer — equal to one billionth of a meter (10^{-9} m) — is the scale at which unique physical, chemical, and biological properties begin to emerge.

In human medicine, nanotechnology has been widely applied in areas such as oncology, cardiovascular diseases and infectious diseases, with over 90 nanomedicines approved by the FDA and EMA, including nano-carrier systems such as lipid nanoparticles, liposomes and nanocrystals that enable mRNA-based therapies, including COVID-19 vaccines. In animal health, nanotechnology is being used to enhance animal health, production and product quality, with applications ranging from disease-resistant feed additives to nano-vaccines that reduce antimicrobial use, as highlighted by the USDA and NIFA. In addition, nano-carriers such as liposomes, polymeric structures and carbon-based nanomaterials are under clinical investigation for targeted cancer therapy, atherosclerosis treatment and regenerative medicine applications.

Development Pathway of Nanotechnology in Drug Development

In the pharmaceutical domain, the application of nanotechnology has evolved along a clear development trajectory. Initially, nanomaterials such as microspheres and nano-micelles were employed to improve the dosage forms of existing compounds, enhancing solubility and release profiles. This was followed by the adoption of LNPs and GalNAc-conjugated systems, which played a pivotal role in advancing nucleic acid-based therapies including mRNA and siRNA drugs. The field has since progressed toward the design of entirely novel delivery systems that enable precise targeting and controlled release of innovative drug modalities. Looking ahead, nanotechnology is expected to play a central role in overcoming longstanding challenges associated with undruggable targets and previously inaccessible organs, offering new therapeutic possibilities across virtually all disease areas.

Key Benefits of Nanotechnological Application

The application of nanotechnology in drug development offers a range of compelling advantages that address critical limitations of conventional pharmaceutical approaches. These include enabling sustained and long-term drug release, which improves therapeutic adherence and reduces dosing frequency; facilitating precise and targeted delivery of structurally unstable or sensitive molecules, thereby enhancing bioavailability and minimizing systemic exposure; and significantly improving overall treatment efficacy and safety profiles. Moreover, nanotechnology plays an increasingly vital role in addressing previously "undruggable" targets — such as intracellular proteins or non-enzymatic pathways — and enabling delivery to "undeliverable" organs, including the brain and heart, thereby unlocking new frontiers in disease treatment.

NANOTECHNOLOGY APPLICATIONS IN HUMAN THERAPEUTICS

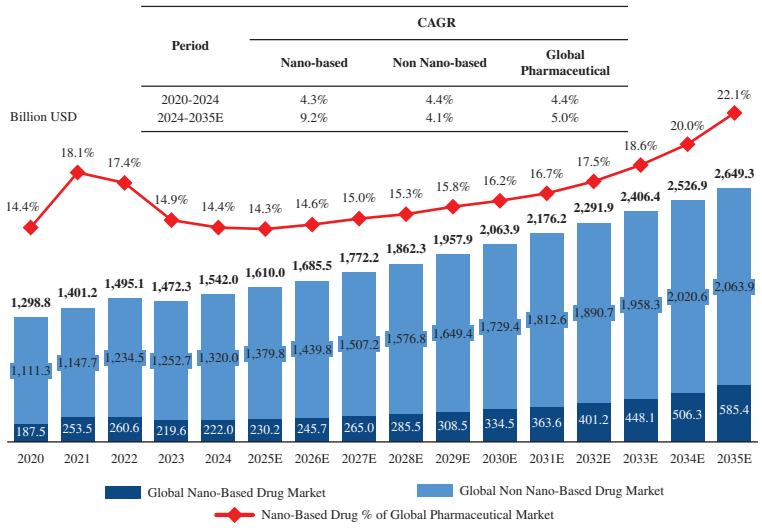
Overview of Different Drug Types

Modern therapeutics span a broad spectrum, from traditional small molecules to advanced biologics, genetic medicines, and cell therapies. While small molecules remain foundational, newer modalities like mRNA, siRNA, and engineered antibodies offer greater precision and expanded therapeutic potential. Innovations in delivery technologies — such as lipid nanoparticles and viral vectors — are enhancing tissue targeting, stability, and clinical outcomes, enabling a new generation of targeted and durable treatments.

Global Pharmaceutical Market Segmentation: Nanotechnology-based vs. Conventional Drugs

The global nanotechnology-based drug market has demonstrated steady growth, expanding from US$187.5 billion in 2020 to US$222.0 billion in 2024, reflecting a CAGR of 4.3% during that period. Looking forward, the market is projected to accelerate significantly, reaching US$585.4 billion by 2035, with an estimated CAGR of 9.2% from 2024 to 2035. This growth underscores the increasing adoption of nanotechnology across a broad range of therapeutic areas and its critical role in drug development. The following chart illustrate global pharmaceutical drug market, broken down by nano-based drug and non-nano-based drug segments with periods indicated.

Global Pharmaceutical Drug Market, Breakdown by Nano-based Drug and Non Nano-Based Drug, 2020-2035E



Source: Frost & Sullivan Analysis

The decline in the global nano-based drug market from 2021 to 2024 can be attributed to the limited variety of nano-based drugs available during those years, primarily liposomes and nucleic acid drugs. In 2023, there was a notable decline in sales. However, the market is projected to increase thereafter due to the advent of AI-driven nano-based drug development. New products resulting from this innovation can target major organs more precisely, offering enhanced therapeutic efficacy and broader clinical applications in the future.

Competitive Landscape of Nanotechnology-based Drug Delivery Companies

In the rapidly evolving field of nanotechnology-based drug delivery, a select group of global innovators are shaping the future of precision medicine. In the field of nano-based drug delivery, Alnylam, Moderna, and BioNTech are the global leaders. While Alnylam leads in RNAi therapeutics using LNPs and N-Acetylgalactosamine (GalNAc), Moderna and BioNTech are at the forefront of mRNA-LNP delivery, particularly in vaccines and oncology.

METiS is a newcomer in the nanotechnology-based drug delivery field. Unlike established global players, METiS has integrated artificial intelligence into every stage of its nanomaterial generation, identification, and optimization from the outset. Its proprietary AI platform, AiLNP, is the first and only AI-driven lipid nanoparticle (LNP) platform capable of using a lipid language model to predict lipid and LNP properties.

METiS's technologies enable targeted delivery across multiple organs and tissues, including the liver, lungs, spleen, and muscles. The Company currently maintains over 10 on-going product development pipelines, covering both RNA therapeutics and small-molecule drugs. Supported by both dry and wet lab infrastructure, METiS has built a comprehensive lipid library of over 10 million lipids, including approximately 2,000 lipids with *in vivo* animal data, over 10,000 formulations, and more than 100,000 wet-lab data points, forming a robust data foundation for continuous AI model refinement and nanomaterial innovation.

The following table illustrates competitive landscape of global nanotechnology-based drug development companies:

Company	AI Platform	Targeting Organs	Pipeline	Laboratory	Lipid Library	Number of Clinical Nano-Based Pipeline Drug	Number of Nano Based-Drug Candidate Licensed Out
剂泰科技 METiS TechBio	AiLNP is first and only AI-driven LNP platform which can use lipid language model to predict Lipid and LNP property	Achieving targeted delivery to multiple organs and tissues such as the liver, lungs, spleen, and muscles	Currently, there are over 10 ongoing pipeline product, including RNA drugs and small molecule new drugs	Both dry and wet lab	10M lipid library, ~2,000 lipids with animal data, >10,000 formulations, >100,000 wet-lab data points	3	1
Alnylam	Undisclosed	Mainly delivery to the liver and discovered the world's first five RNAi therapeutics	6 approved RNAi drugs. Over 20 clinical programs; Over 10 in late stages; Over 4 INDs per year	Both dry and wet lab	Undisclosed	2	1
moderna	The company has partnered with OpenAI since early 2023.	Moderna's mRNA-LNP delivery system can target inhalation, intramuscular, intratumoral and liver	Over 35 ongoing clinical trials	Both dry and wet lab	Undisclosed	Over 35	1
BIONTECH	Undisclosed	Undisclosed	Over 10 ongoing clinical trials	Both dry and wet lab	Undisclosed	Over 10	3

Source: Company Website, Frost & Sullivan Analysis

Growth Drivers of the Nanotechnology-based Drug Market

The global regulatory and policy environment has become increasingly supportive of nanotechnology-based therapeutics, with authorities such as the U.S. Food and Drug Administration and the European Medicines Agency establishing dedicated regulatory pathways that may include accelerated approval, orphan drug designation and fast-track review for nanoformulated drugs targeting serious or life-threatening diseases. In China, nanotechnology has been identified as a strategic priority under the 14th Five-Year Plan for the Pharmaceutical Industry and the National Key R&D Program, which emphasize complex formulation technologies such as microspheres, liposomes and nano-formulations and provide sustained policy and funding support. In parallel, significant unmet clinical needs remain in areas where conventional therapies are constrained by low bioavailability, poor stability, off-target toxicity or limited ability to cross biological barriers, and nanotechnology-based delivery systems offer improved pharmacokinetics and pharmacodynamics through targeted delivery and controlled release. Continued technological innovation, including the increasing use of AI-based approaches to accelerate nanocarrier design and optimization and the maturation of lipid nanoparticles as versatile delivery platforms for diverse payloads and organ-specific targeting, is further supporting market expansion and improved therapeutic outcomes.

Development Trends of Nanotechnology-based Drug Market

The integration of AI with high-throughput microfluidics and closed-loop Design–Build–Test–Learn (DBTL) frameworks is significantly accelerating ionizable lipid and LNP development, reducing design timelines from months to weeks and enabling rapid generation and optimization of large formulation libraries. In parallel, advances in real-time sensing and imaging technologies are supporting continuous *in vivo* monitoring of drug behavior, enabling more precise, feedback-driven therapeutic design and faster clinical translation of nanodrugs. At the same time, innovation in nanotechnology-based drug delivery increasingly relies on interdisciplinary integration across chemistry, physics, engineering and AI to create closed-loop systems linking intelligent materials, digital modeling and patient-derived data, supporting targeted release, multimodal imaging and biomimetic delivery strategies for complex diseases such as central nervous system disorders. These advances are further reinforced by progress in scalable and sustainable manufacturing approaches, including continuous manufacturing and green chemistry, which improve cost efficiency and support broader adoption of precision nanomedicine.

Entry Barriers of AI-empowered Nanotechnology-based Drug Development

Targeting organs beyond the liver presents a major challenge. The development of effective targeting ligands and delivery systems that can navigate complex biological environments and deliver drugs specifically to non-liver organs is still in its nascent stages, making it difficult for new entrants to break into the market.

Application of AI in Nanotechnology-based Drug Development

Challenges in Nanotechnology-based Drug Development

Nanotechnology-based drug delivery platforms, particularly LNP systems, face considerable development hurdles. The formulation of LNPs often requires precise tuning of multiple components — such as ionizable lipids, phospholipids, and cholesterol — which directly affect delivery efficiency, organ targeting, and stability. For example, designing ionizable lipids with organ-specific tropism, like lung or muscle targeting, remains a technically demanding task. Additionally, achieving consistent particle size and encapsulation efficiency, particularly through microfluidic processes, is critical to ensure batch-to-batch uniformity and reduce clinical variability. These challenges are compounded when scaling from lab to industrial manufacturing, where tolerances for formulation imprecision are extremely narrow.

Necessity of AI Empowerment

Given these complexities, the application of AI is increasingly viewed as indispensable in the development of nanotechnology-based drug delivery systems. AI models can be trained to predict interactions between active pharmaceutical ingredients (APIs) and their LNP carriers, which are otherwise difficult to observe experimentally. Furthermore, AI facilitates rapid, *in silico* screening of numerous LNP structural permutations — such as modifications in the N/P ratio — to identify those with optimal encapsulation and delivery characteristics. Critically, AI tools can integrate experimental feedback to refine design parameters iteratively, accelerating optimization cycles while minimizing resource use in wet-lab experimentation.

AI Applications in Nanotechnology-based Drug R&D

AI applications in nanotechnology-based drug development span both molecular design and commercial strategy. On the design side, AI enables high-throughput screening and modeling of LNP structures, such as tuning lipid composition for better transfection efficiency and cell-type targeting. AI has also been deployed to improve coding region optimization for mRNA sequences — enhancing protein expression, stability, and immunogenicity. Commercially, AI-driven modeling assists in scaling drug delivery pipelines by forecasting formulation performance at larger volumes and under different physiological conditions. Several leading biopharma companies have begun to integrate these AI-empowered platforms either in-house or via licensing partnerships, particularly in mRNA-based vaccine and therapeutic pipelines. One highlighted case is the use of AI to optimize mRNA coding regions for infectious disease and cancer vaccines, resulting in improved translational efficiency and *in vivo* response.

Advantage of AI-based Nucleic Acid Drug R&D

AI-driven nucleic acid drug R&D is transforming the traditional drug development paradigm by delivering substantial efficiency gains and cost reductions. Leveraging virtual screening technologies, AI enables the rapid evaluation of billions of molecular combinations, significantly reducing the reliance on labor-intensive physical testing and accelerating the early discovery phase. By analyzing proteomics and other omics data, AI further enhances the precision of drug targeting and delivery, leading to improved therapeutic efficacy. Moreover, through the development of multiphysics coupling models, AI allows for accurate prediction of drug release kinetics under diverse physiological conditions, ensuring controlled and consistent delivery profiles. These capabilities collectively streamline the development cycle, reduce resource expenditure, and improve the overall success rate of nucleic acid therapeutics.

AI-empowered nanotechnology represents a newly emerging and highly differentiated field within this broader transformation. Unlike traditional AI drug discovery approaches that stop at molecular docking or sequence prediction, certain platforms are able to extend AI application across the entire nucleic acid drug development continuum — from target discovery and protein design to mRNA and LNP design, and ultimately to clinical trial optimization. METiS's platform integrates proprietary innovations such as AI-generated mRNA sequences with organ-targeted UTRs, and developed the world's first *de novo* lipid generation algorithm and lipid language model for intelligent LNP design.

Advantage of AI-based LNP R&D

The application of AI in the research and development of LNPs brings transformative advantages to the field of drug delivery. AI algorithms can independently analyze and select lipids for synthesis from enormous chemical libraries, greatly accelerating the discovery timeline while improving the accuracy of identifying lipid structures best suited for specific therapeutic needs. Beyond discovery, AI plays a pivotal role in guiding experimental workflows by offering predictive insights that help researchers design more efficient wet lab experiments, minimizing reliance on traditional trial-and-error methods. This synergy between computational modeling and laboratory validation enables an iterative design process in which each successive generation of LNPs is increasingly refined and effective. Moreover, AI's ability to simulate and forecast how nanomaterials behave within complex biological systems allows researchers to anticipate formulation behavior early in development, substantially shortening the overall design cycle and facilitating faster, more targeted innovation in LNP-based therapies.

Within the METiS platform, these advantages are clearly demonstrated by its rapid innovation cycle, which enables the development of a new generation of LNPs every one to two months. Leveraging its AI-driven capabilities, METiS has engineered hundreds of LNP formulations, many of which have achieved delivery efficiencies surpassing industry benchmarks — with several exhibiting performance improvements of more than tenfold.

Growth Drivers of the AI-empowered Nanotechnology-based Drug Development

AI-enabled drug discovery is expected to significantly accelerate development timelines and reduce costs, particularly for first-in-class programs, with AI-based approaches reported to shorten preclinical candidate development and clinical research timelines and costs by up to 50% compared with traditional methods by identifying optimal nanomaterial formulations in months rather than years. At the same time, advances in AI-driven nanotechnology are addressing one of the field's core challenges–organ-specific targeting–with current capabilities extending to the liver, lung, muscle, brain, immune organs and tumors, leveraging mechanisms such as the EPR effect, which enables 100–200 nm particles to accumulate in tumors, alongside active targeting strategies including CD44 and EGFR modifications. Companies such as METiS have reported progress in liver-targeted delivery while also advancing multi-organ targeting approaches. In parallel, AI is facilitating the design of nanocarriers that overcome biological barriers and improve bioavailability, including BBB-penetrating systems, inhaled formulations with prolonged lung residence, and pH-responsive oral nanoparticles for biologics such as insulin. Together with growing demand for advanced and personalized therapies, the integration of AI with nanotechnology enables patient-specific optimization of nanocarrier properties using omics data, supporting more precise, adaptive treatment strategies, particularly in indications characterized by significant biological heterogeneity such as oncology.

Development Trends of AI-empowered Nanotechnology-based Drug Development

The next phase of AI-driven nanotechnology is expected to increasingly focus on generative AI models capable of designing entirely novel nanomaterial architectures beyond traditional liposomes and polymeric nanoparticles. Companies such as METiS are leveraging AI models, including PhatGPT, to generate and screen hundreds of thousands of novel lipid structures, while academic efforts, such as those from MIT, have demonstrated AI-enabled identification of

self-assembling nanoparticles from millions of possible combinations. The integration of quantum chemistry simulations and multi-scale modeling is expected to further enhance predictive accuracy, enabling the rational design of nanoparticles with optimized biodistribution, stability and targeting capabilities. While oncology currently accounts for approximately 75% of nanotechnology-based drugs, future growth is expected across neurological, cardiovascular and metabolic diseases, including AI-optimized nanoparticles capable of crossing the blood–brain barrier, stimulus-responsive nanomaterials for targeted cardiovascular therapies, and oral nanocarriers for biologics such as insulin. In parallel, increasing integration of multi-omics data is expected to enable AI platforms to tailor nanoparticle properties to patient-specific biological signatures, supporting the development of more precise and personalized nanomedicine solutions.

MARKET OPPORTUNITIES OF CERTAIN THERAPEUTIC AREAS

Overweight, Obesity and Diabetes Drug Market

Overweight and obesity are characterized by abnormal or excessive fat accumulation that not only constitutes a chronic condition but also increases the risk of developing diabetes, cardiovascular diseases, and other health complications. Diabetes mellitus (DM) is a group of metabolic disorders marked by chronic hyperglycemia due to impaired insulin secretion or action, which can lead to long-term damage to organs such as the eyes, kidneys, nerves and cardiovascular system. In type 2 diabetes, treatment typically starts with lifestyle modification and metformin, with additional therapies or insulin introduced if needed, and regimen selection guided by factors such as hypoglycemia risk, weight effects and cardiovascular profile, including the use of GLP-1 receptor agonists or SGLT2 inhibitors in appropriate patients.

Combined Market Size of Overweight, Obesity and Diabetes Drug Market

From 2020 to 2024, the global obesity, overweight and diabetes drug market increased from US$71.0 billion to US$116.2 billion, with a CAGR of 13.1% from 2020 to 2024. It is estimated the market will reach US$200.4 billion in 2035, with a CAGR 5.1% from 2024 to 2035 respectively.

From 2020 to 2024, the obesity, overweight and diabetes drug market in China increased from RMB65.1 billion to RMB75.4 billion, with a CAGR of 3.7%. In the future, the market will continue to grow steadily and is expected to reach RMB256.4 billion in 2035 with a CAGR of 11.8% from 2024 to 2035.

Competitive Landscape of Oral GLP-1 Receptor Agonist Innovative Drug for Obesity and Type 2 Diabetes Mellitus (T2DM)

As of Latest Practicable Date, there was two approved oral GLP-1 single-target receptor agonist for the treatment of obesity and overweight globally, while over 30 innovative oral GLP-1 receptor agonist drug candidates were under clinical development for the same indication. There were no approved oral GLP-1 multi-target receptor agonist for obesity and overweight treatment globally, and there were 8 innovative oral multi-target GLP-1 receptor agonist drug candidates for the treatment of obesity and overweight under clinical evaluation globally.

For diabetes treatment, there was similarly one approved oral GLP-1 single-target receptor agonist worldwide as of latest practicable date, with an additional over 25 innovative oral GLP-1 receptor agonist candidates undergoing clinical evaluation. There were no approved oral GLP-1 multi-target receptor agonist for diabetes treatment globally, and there were 5 innovative oral multi-target GLP-1 receptor agonist drug candidates for the treatment of diabetes under clinical evaluation globally.

Metabolic Dysfunction-Associated Steatohepatitis (MASH) Drug Market

MASH is liver inflammation and damage caused by a buildup of fat in the liver. It is the more severe form of nonalcoholic fatty liver disease (NAFLD), an umbrella term for a range of liver conditions affecting people who drink little to no alcohol. If left untreated, MASH can cause scarring of the liver, which leads to permanent scarring (cirrhosis) and liver cancer.

Prevalence of MASH and Market Size of MASH Drugs

The global MASH patient population increased from 351.1 million in 2020 to 400.5 million in 2024, representing a CAGR of 3.3%, and is projected to reach 552.8 million by 2035 with a CAGR of 3.0% from 2024 to 2035, driven by changing diets, sedentary lifestyles and rising obesity. In China, the number of MASH patients grew from 38.7 million in 2020 to 44.0 million in 2024 at a CAGR of 3.2% and is expected to reach 63.1 million by 2035 with a CAGR of 3.3%. Over the same period, the global MASH drug market expanded from US$1.9 billion in 2020 to US$3.4 billion in 2024 at a CAGR of 15.9% and is forecast to reach US$57.3 billion by 2035 with a CAGR of 29.3%, while the China MASH drug market increased from US$0.1 billion to US$0.2 billion at a CAGR of 16.1% and is projected to reach US$5.6 billion by 2035 with a CAGR of 36.9%.

Competitive Landscape of Oral GLP-1 Single-target Receptor Agonist for MASH Treatment

As of the Latest Practicable Date, there were no drugs approved for MASH in China and only two drug was approved for the treatment of MASH by FDA: Rezdiffra in the U.S. (approved in 2024) and Wegovy® (approved in 2025). Both are indicated for adults with noncirrhotic MASH with moderate to advanced liver fibrosis, to be used along with diet and exercise, which presents a significant unmet medical need.

As of Latest Practicable Date, there was no ongoing clinical trials for oral GLP-1 single-target receptor agonists for the treatment of MASH. Only one such agent had gained IND approval. There was two ongoing clinical trial for oral GLP-1 multi-target receptor agonists for the treatment of MASH.

Short Bowel Syndrome (SBS) Drug Market

Short bowel syndrome (SBS) is caused by insufficient length or function of the small intestine, leading to impaired nutrient absorption and is often the result of surgical resection due to conditions such as Crohn's disease or trauma. GLP-2 has become an important therapeutic target for SBS because of its role in promoting intestinal growth and nutrient absorption. In China, treatment options remain limited, with only one approved GLP-2 therapy, teduglutide, which is not included in the NRDL and costs over RMB1.5 million per year. As a result, there is a significant financial burden for patients that limits access, long-term management and quality of life.

Prevalence and Incidence of SBS

SBS is a rare disease affecting both children and adults. Pediatric SBS is often congenital, with an incidence of about 25 new cases per 100,000 people globally, resulting in approximately 40 thousand new pediatric cases in 2024 and projected to exceed 55 thousand by 2035. Adult SBS is typically acquired following extensive small bowel resection due to conditions such as necrotizing enterocolitis, Crohn's disease or intestinal atresia. Globally, the number of SBS patients increased from 51.1 thousand in 2020 to 54.5 thousand in 2024, representing a CAGR of 1.6%, and is expected to reach 65.2 thousand by 2035 with a CAGR of 1.7% from 2024 to 2035. Current management relies on parenteral nutrition (PN) and enteral nutrition (EN), which are essential but associated with significant limitations, including long-term complications, dependence on PN and limited efficacy in restoring intestinal function. These challenges highlight substantial unmet clinical needs and strong demand for more effective and targeted SBS therapies.

Competitive Landscape of GLP-2 SBS Drugs

GLP-2 is particularly well-suited for SBS due to its ability to enhance intestinal adaptation and absorption, reduce the risk of complications associated with parenteral nutrition, and significantly improve patients' quality of life. As of the Latest Practicable Date, there was only one GLP-2 receptor agonist, Teduglutide, approved globally for treating SBS in both adults and pediatric patients aged 1 year and above. Meanwhile, as of the same date, three additional GLP-2 receptor agonists are in the pipeline, undergoing various stages of development and clinical trials. MTS-201 stands out as the only clinical-stage oral TGR5 agonist with demonstrated GLP-2 stimulation.

Pseudobulbar Affect (PBA) Drug Market

PBA is a neuropsychiatric disorder characterized by involuntary episodes of laughing or crying, where emotional expression is incongruent with the underlying emotional experience. PBA is associated with various neurological conditions, including traumatic brain injury, multiple sclerosis, amyotrophic lateral sclerosis, and Alzheimer's disease.

Market Size of PBA Drug in China

The PBA drug market in China is projected to start at RMB0.1 billion in 2027, primarily driven by the launch of MTS-004, which is the fastest clinical stage PBA drug in China and is expected to enter the market in 2027. As more PBA drugs are approved in the future, the market is anticipated to grow significantly, reaching RMB7.0 billion by 2035 with a CAGR of 62.8% from 2027 to 2035.

Competitive Landscape of PBA Drug Market

As of the Latest Practicable Date, for the PBA indication, there are only one drugs in development globally, and are being developed in China. MTS-004 is the first and only drug for PBA treatment that has entered clinical trials in China, and it is the first oral disintegrating tablet being developed, potentially filling the gap in the domestic need for PBA medications. This formulation is particularly advantageous for PBA patients who often experience difficulty in swallowing, as the oral disintegrating tablet can dissolve rapidly in the mouth without the need for water, thereby addressing a significant unmet medical need.

Dysphagia Drug Market

Dysphagia, defined as difficulty in swallowing, is a common clinical condition that can range from mild discomfort to complete inability to swallow solids or liquids. It is generally classified into two categories. Oropharyngeal dysphagia refers to difficulty initiating a swallow due to dysfunction in the mouth or throat, often caused by weakened muscles or neurological disorders. Esophageal dysphagia, by contrast, involves impaired movement of food through the esophagus and typically manifests as a sensation of food being stuck in the throat or chest, commonly resulting from esophageal narrowing, obstruction, or motility issues.

Its prevalence is estimated at 2% to 16% of the general population and increases significantly with age, particularly among older adults and patients with neurological conditions. In China, the number of dysphagia cases increased from 49.9 million in 2020 to 67.2 million in 2024, representing a CAGR of 7.7%, and is projected to reach 131.9 million by 2035 with a CAGR of 6.3% from 2024 to 2035, highlighting a growing need for effective treatments.

Hepatocellular Carcinoma (HCC) Drug Market

Liver cancer refers to the uncontrolled growth and proliferation of abnormal cells within the liver. HCC is the most prevalent form of primary liver cancer, accounting for approximately 90% of all cases, and is a leading cause of mortality among individuals with cirrhosis. Common symptoms of HCC include jaundice (yellowing of the skin), abdominal swelling caused by fluid accumulation (ascites), easy bruising due to impaired blood clotting, loss of appetite, unintended weight loss, abdominal pain, nausea, and vomiting.

Prevalence of HCC

The global incidence of HCC rose from 739.5 thousand cases in 2020 to 818.1 thousand cases in 2024, reflecting a CAGR of 2.6% over the period. This figure is projected to increase further to 1,067.7 thousand cases by 2035, with a CAGR of 2.5% from 2024 to 2035. In China, HCC incidence grew from 316.1 thousand cases in 2020 to 344.5 thousand in 2024, representing a CAGR of 2.2%. The number is anticipated to reach 412.2 thousand cases by 2035, growing at a slower CAGR of 1.6% between 2024 and 2035.

Advantages of mRNA-encoded TCEs for HCC Treatment

TCEs enable highly selective tumor targeting by engaging tumor-associated antigens such as GPC3, which is overexpressed in over 70% of HCC cases but absent in healthy liver tissue with activated T cells. This selectivity can be further enhanced by advanced delivery technologies. For example, MTS-105's liver-targeted mRNA-LNP platforms have been shown to concentrate therapeutic activity in tumors, achieving liver-to-serum ratios exceeding 100-fold in primates while minimizing systemic exposure, with no observed toxicity at doses up to 100 μg/kg. TCEs function by forming immunological synapses between T cells and tumor cells, enabling potent immune activation even in immunologically "cold" tumors, with single-digit nanomolar affinity supporting efficacy at microdose levels; in preclinical orthotopic HCC models, tumor eradication has been observed at doses of 0.3–0.5 μg per mouse, accompanied by rapid CD8+ T-cell expansion and durable immune memory. In addition, localized and rapid in situ expression enabled by mRNA platforms can remodel the immunosuppressive tumor microenvironment within days, promoting early T-cell infiltration and antigen spreading while limiting systemic cytokine release, thereby supporting safer and more effective combination strategies with PD-1 inhibitors or anti-angiogenic agents and addressing the biological heterogeneity of HCC where monotherapy approaches are often insufficient.

Competitive Landscape of HCC Drug Market

According to Frost & Sullivan, as of the Latest Practicable Date, there are 20 nucleic acid therapies in clinical development for HCC worldwide, nine of which utilize LNP delivery systems. Notably, MTS-105, developed by METiS, is the only mRNA-based bispecific nucleic acid therapy in this group, and uniquely utilizes a TCE mechanism.

Major Costs Associated with Drug Development

For the drug development business, the major costs are generally associated with preclinical and clinical research activities undertaken to advance therapeutic candidates for the purpose of receiving NDA approval and marketing authorization. These expenditures include payments to CROs for toxicology, pharmacokinetic, and efficacy studies; costs of sourcing raw materials, reagents, and active pharmaceutical ingredients; and expenses for analytical testing, quality assurance, and regulatory compliance. Companies also incur costs related to clinical trial management, data collection, and intellectual property protection.

NANOTECHNOLOGY APPLICATIONS IN LONGEVITY

Overview of Human Longevity

Aging is a gradual and irreversible physiological process characterized by a decline in tissue and cell function and a significant increase in the risk of various aging-related diseases (ARD), including cancers, immunology diseases, ophthalmic diseases, and bone diseases. Although the development of modern medicine has promoted human health and greatly extended the life expectancy of human beings, with the aging of society, cancers and chronic diseases have gradually become the most important causes of disability and death in the elderly.

Aging Population

In 2024, the global population aged 65 and above reached approximately 820 million, accounting for 10.1% of the total global population and reflecting a CAGR of 3.2% from 2020 to 2024. During the same period, China experienced a faster rate of population aging, with its elderly population (aged 65 and above) growing at a CAGR of 3.9%, reaching 222.5 million in 2024, according to the National Bureau of Statistics of China. This aging trend is expected to persist, with the number of individuals aged 65 and above in China projected to increase to 320.3 million by 2035, representing a CAGR of 3.4% from 2024 to 2035.

Overview of Longevity Products

Advances in aging research have identified key biological pathways underlying the multifactorial aging process, creating opportunities to develop longevity interventions aimed at extending healthspan and potentially lifespan. Nanotechnology offers significant potential in this area by enabling targeted drug delivery, improving treatment efficacy, reducing side effects, and supporting cell repair and tissue regeneration to counter age-related functional decline.

Unmet Needs and Pain Points in Longevity Industry

The longevity industry faces several unmet needs, including the lack of effective delivery platforms for precise cellular targeting in tissue rejuvenation, rising demand for innovative and durable therapies driven by the growing prevalence of chronic diseases, and the scientific complexity of developing such solutions, which requires ongoing advances in delivery technologies and material science. In addition, the absence of standardized clinical protocols and evaluation criteria hinders broad clinical adoption, while limited patient awareness and compliance highlight the need for improved education and adherence support.

Overview of Pet Longevity

The global companion animal population is aging rapidly, with a notable increase in the proportion of senior pets. From 2012 to 2022, the share of dog- and cat-owning households with pets aged 7 and above rose steadily, reaching 52.4% for dogs and 51.7% for cats by 2022 in the U.S. This trend reflects a broader shift toward longer pet lifespans driven by improved veterinary care, nutrition, and owner awareness.

Increased pet longevity has been accompanied by a rising incidence of age-related and chronic conditions that significantly affect quality of life. Aging pets commonly suffer from arthritis and joint degeneration, cardiovascular disease, declining kidney function and neurological disorders, leading to reduced mobility, chronic pain and increased long-term care needs. Obesity has also become a major health concern. In China, approximately 20%-30% of dogs and cats were classified as overweight or obese in 2024, while in the United States, 59% of dogs and 61% of cats assessed in 2022 fell into this category. Obesity further exacerbates chronic and degenerative conditions, including joint, cardiovascular, renal and neurological diseases. Collectively, these trends underscore the growing need for innovative health solutions for senior and obese pets, spanning preventive care, chronic disease management and targeted therapeutic interventions.

NANOTECHNOLOGY APPLICATIONS IN ANIMAL HEALTH

Animal health products comprise a broad range of offerings designed to support animal health and well-being and are generally categorized into veterinary medicines and animal health supplements. Veterinary medicines are used to diagnose, treat and prevent diseases and are developed through rigorous research and testing to ensure safety and efficacy, covering areas such as infections, parasitic diseases, inflammation, vaccination, cardiovascular conditions and hormonal disorders. In contrast, animal health supplements are intended to support general health rather than treat specific diseases and include products that promote nutrition, joint health, digestion, skin and coat condition, and immune function. Together, veterinary medicines and supplements provide a comprehensive set of solutions to support animal health across different life stages and conditions.

Global Animal Health Product Market

The global animal health product market is expected to reach US$52.2 billion in 2024 from US$44.9 billion in 2020, with a CAGR of 3.9% from 2020 to 2024 and the market is expected to further increase to US$131.5 billion in 2035 with a CAGR of 8.8% from 2024 to 2035.

Application of Nanotechnology in Animal Health Products

The integration of nanotechnology into veterinary medicine has the potential to significantly improve treatment and diagnostics by enabling precise, controllable drug delivery with enhanced bioavailability, stability and targeted release. Nanoparticles can penetrate cellular and tissue barriers more effectively than traditional drugs, support early disease detection through advanced diagnostic tools, reduce drug residues in livestock and improve dosing accuracy. Nanotechnology also offers a practical approach to addressing antibiotic resistance by enhancing the effectiveness of existing antibiotics through nanocarrier systems, avoiding the cost and time required to develop new antibiotics.

Future Development Trend of Nanotechnology in Animal Health Products

The application of nanotechnology in animal health is expected to expand across several key areas. Advanced drug delivery systems, including solid lipid nanoparticles and stimulus-responsive carriers, are enabling longer-lasting and more targeted therapies, supporting preventive care and chronic disease management. Broader applications are emerging beyond therapeutics, extending to diagnostics, vaccine adjuvants, feed additives and animal welfare solutions such as nutrition and reproductive management. Sustainable production solutions are gaining traction, with nano-enabled alternatives helping reduce antibiotic use, improve feed safety and enhance production efficiency through applications such as mycotoxin control and precision nutritional delivery. At the same time, an evolving regulatory and manufacturing landscape, supported by clearer regulatory guidance and advances in continuous manufacturing, is improving the scalability, safety and commercial viability of nanotechnology-based animal health products, creating a more favorable environment for industry adoption and innovation.

REPORT COMMISSIONED BY FROST & SULLIVAN

In connection with the Global Offering, we have engaged Frost & Sullivan to conduct a detailed analysis and to prepare an industry report on our markets. Frost & Sullivan is an independent global market research and consulting company founded in 1961 and is based in the United States. Services provided by Frost & Sullivan include market assessments, competitive benchmarking, and strategic and market planning for a variety of industries.

We have included certain information from the Frost & Sullivan Report in this Prospectus because we believe such information facilitates an understanding of our markets for potential investors. Frost & Sullivan prepared its report based on its in-house database, independent third-party reports and publicly available data from reputable industry organizations. Where necessary, Frost & Sullivan contacts companies operating in the industry to gather and synthesize information in relation to the market, prices and other relevant information. Frost & Sullivan believes that the basic assumptions used in preparing the Frost & Sullivan Report, including those used to make future projections, are factual, correct and not misleading. Frost & Sullivan has independently analyzed the information, but the accuracy of the conclusions of its review largely relies on the accuracy of the information collected. Frost & Sullivan research may be affected by the accuracy of these assumptions and the choice of these primary and secondary sources.

We have agreed to pay Frost & Sullivan a fee of US$85,000 for the preparation of the Frost & Sullivan Report. The payment of such amount was not contingent upon our successful listing or on the content of the Frost & Sullivan Report. Except for the Frost & Sullivan Report, we did not commission any other industry report in connection with the Global Offering. We confirm that after taking reasonable care, there has been no adverse change in the market information since the date of the report prepared by Frost & Sullivan which may qualify, contradict or have an impact on the information set forth in this section in any material respect.

This section sets forth a summary of the principal laws, rules and regulations in the PRC and the United States that are relevant to our business.

PRC LAWS AND REGULATIONS ON ARTIFICIAL INTELLIGENCE TECHNOLOGIES

The rapid growth of China's AI market is driven by multiple favorable factors, including government policies. On July 8, 2017, the State Council issued the Circular on the Development Planning of the New Generation of Artificial Intelligence (《關於印發新一代人工智能發展規劃的通知》). The circular provides three strategic steps in developing a new generation of artificial intelligence technology. On November 8, 2018, the MIIT issued the Plan for Key Tasks in a New Generation of AI Innovation (《新一代人工智能產業創新重點任務揭榜工作方案》) and encouraged to select a batch of innovated companies that own key technologies based on artificial intelligence, and have them collectively focus on enhancing products, platforms, and services with advanced technologies and excellent performance.

The Guidelines for the Construction of National Open Innovation Platforms for the New Generation Artificial Intelligence (《國家新一代人工智能開放創新平台建設工作指引》), promulgated by the Ministry of Science and Technology on August 1, 2019 and came into effect on the same date, encouraged to open innovation platforms for companies to do testing, and thus to form standard and modularized models, middleware and applications for providing services to the public in the form of open interfaces, model libraries, algorithm packages, etc.

On July 29, 2022, the Ministry of Science and Technology and other five relevant governmental authorities jointly promulgated the Guiding Opinions on Accelerating Scene Innovation to Promote High-quality Economic Development through High-level Application of Artificial Intelligence (《關於加快場景創新以人工智能高水平應用促進經濟高質量發展的指導意見》), which proposes to encourage in-depth exploration of artificial intelligence technology application scenarios in key industries.

PRC LAWS AND REGULATIONS ON DRUG RESEARCH AND DEVELOPMENT

Fundamental Regulations on Drug Research and Development

The National People's Congress (the "**NPC**") and the National Medical Products Administration (the "**NMPA**") (formerly known as the China Food and Drug Administration (the "**CFDA**")) have been revising the fundamental laws, regulations and rules regulating pharmaceutical products and the industry, which include the framework law known as the Drug Administration Law of the People's Republic of China (the "**PRC**") (《中華人民共和國藥品管理法》) (the "**DAL**"). The DAL was promulgated by the Standing Committee of the NPC (the "**SCNPC**") on September 20, 1984, and latest amended on August 26, 2019 and took effect as of December 1, 2019. The DAL is implemented by a high-level regulation issued by the State Council referred to as the Regulations for the Implementation 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 "**DAL Implementing Regulation**"), which was latest amended on December 6, 2024. The DAL and the DAL Implementing Regulation provided legal framework for establishment of drug manufacturing enterprises and drug trading enterprises as well as drug administration.

The NMPA has its own set of regulations further implementing the DAL; the primary one governing clinical trial applications (referred to individually as a "**CTA**" and collectively as the "**CTAs**"), marketing approval, and post-approval amendment and renewal is known as the Drug Registration Regulation (《藥品註冊管理辦法》) (the "**DRR**"), which was latest amended on January 22, 2020 and effective from July 1, 2020.

Other Regulations on Drug Research and Development

Non-Clinical Research and Animal Testing

The NMPA requires pre-clinical data to support registration applications for imported and domestic drugs. According to the DRR, non-clinical safety studies shall be conducted in accordance to the Good Laboratory Practices for Non-clinical Laboratory Studies (《藥物非臨床研究質量管理規範》) promulgated by the CFDA, which was revised on July 27, 2017 and took effect from September 1, 2017. The NMPA is responsible for the certification of non-clinical safety evaluation and research institutions nationwide and the local provincial drug administrative department is in charge of the daily supervision of non-clinical safety evaluation and research institutions. The NMPA decides whether an institution is qualified to undertake pharmaceutical non-clinical research by evaluating such institution's organizational administration, its research personnel, its equipment and facilities, and its operation and management of non-clinical pharmaceutical projects.

Pursuant to the Regulations for the Administration of Experimental Animals (《實驗動物管理條例》) promulgated by the State Scientific and Technological Commission on November 14, 1988 and latest amended on March 1, 2017, by the State Council, the Administrative Measures on Good Practice of Experimental Animals (《實驗動物質量管理辦法》) jointly promulgated 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)》) promulgated by the Ministry of Science and Technology of the PRC (the "**MOST**") and other regulatory authorities on December 5, 2001 and took effect from January 1, 2002, using and breeding experimental animals shall be subject to rules and performing experimentation on animals requires the Experimental Animal License. Any entity without such license must engage a qualified third party to conduct such non-clinical activities regulated under relevant laws and regulations.

Clinical Trials Approval

Upon completion of preclinical studies, a sponsor typically needs to conduct clinical trials in the PRC prior to registering a new drug.

Clinical trials could not proceed until being approved by the NMPA. According to the latest amended DRR, the NMPA now has adopted a system for clinical trials of new drugs where trials can proceed if the applicant has not received any objections from the Center for Drug Evaluation of NMPA (the "**CDE**") within 60 days thereafter. After the issuance of the Announcement of the CFDA on Several Policies on the Appraisal and Approval of Drug Registration (《國家食品藥品監督管理總局關於藥品註冊審評審批若干政策的公告》) (the "**Announcement on Appraisal and Approval of Drug Registration**") on November 11, 2015, as for CTAs for new drugs, the one-time approval is implemented and the declaration, appraisal and approval at different levels are replaced. The one-time approval mechanism was restated in the Announcement of the NMPA on Adjusting Appraisal and Approval Procedures for Clinical Trials for Drugs (《國家藥品監督管理局關於調整藥物臨床試驗審評審批程序的公告》) (the "**Announcement on Adjusting Appraisal and Approval Procedures**"), which was issued on July 24, 2018 by the NMPA. If a new drug clinical trial has been approved to be carried out, after the completion of Phase I and Phase II clinical trials and before the implementation of Phase III clinical trials, the applicant shall submit an application for a communication meeting to the CDE to discuss with the CDE on key technical issues including the design of the phase III clinical trial design. If expanded indications are involved, or the security risks to which subjects are exposed are increased as a result of the alteration to the clinical trials protocols, drastic pharmaceutical changes, or significant security findings for non-clinical research, new applications or supplementary applications of clinical trials might be required, pursuant to the Announcement on Adjusting Appraisal and Approval Procedures.

The DAL further confirms that the drug regulatory department under the State Council shall, within 60 working days from the date on which the application for a clinical trial is accepted, decide on whether to approve it and then notify the clinical trial applicant. In the case of failure to notify the applicant within the prescribed time limit, it shall be deemed as approved. For bioequivalence studies, they shall be filed for record on the website of the CDE as required.

Drug Clinical Trial Registration

Pursuant to the DRR, where a clinical trial is approved, the sponsor shall, prior to conducting subsequent phases of the clinical trial, formulate the clinical trial protocol, carry out the trial upon obtaining approval by the ethics committee, and submit the clinical trial protocol and supporting materials on the CDE website. On September 6, 2013, the CFDA released the Announcement on Drug Clinical Trial Information Platform (《關於藥物臨床試驗信息平台的公告》), providing that all clinical trials approved by the CFDA and conducted in the PRC shall be registered on and trial information shall be published through the Drug Clinical Trial Information Platform under management of the CDE.

Sampling and Collecting Human Genetic Resources Filing

The MOST promulgated the Service Guide for Administrative Licensing Items concerning Examination and Approval of Sampling, Collecting, Trading or Exporting Human Genetic Resources, or Taking Such Resources out of the PRC (《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》) on July 2, 2015, according to which, the sampling, collection or research activities of human genetic resources by a foreign-invested sponsor fall within the scope of international cooperation, and the cooperating organization of China shall apply for approval of the China Human Genetic Resources Management Office (the "**CHGRMC**") through the online system.

On May 28, 2019, the State Council of the PRC issued the Administrative Regulations on Human Genetic Resources (《人類遺傳資源管理條例》) (the "**Human Genetic Resource Regulation**"), last amended on March 10, 2024, and took effect from May 1, 2024. Human genetic resource information refers to information, such as data, generated by human genetic resources materials. The Human Genetic Resource Regulation formalized the approval requirements pertinent to research collaborations between Chinese and foreign-owned entities, under which, a new filing system is put in place for clinical trials utilizing the human genetic resources in Chinese Mainland in order to obtain market license at clinical institutions without involving the export of human genetic resources materials outside of Chinese Mainland. Foreign organizations, individuals and institutions established or actually controlled by foreign organizations and individuals are not allowed to collect or preserve human genetic resources in Chinese Mainland or provide human genetic resources abroad.

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

Pathogenic Microorganism Laboratories

The Regulations on Administration of Bio-safety in Pathogenic Microorganism Laboratories (《病原微生物實驗室生物安全管理條例》), which was promulgated by the State Council, effective on November 12, 2004, and latest amended on December 6, 2024, stipulates that pathogenic microorganism laboratories are classified into four levels, namely bio-safety levels 1, 2, 3 and 4 in terms of bio-safety protection levels in accordance with national standards on biosafety of laboratories. Laboratories at bio-safety levels 1 and 2 shall not engage in laboratory activities related to highly pathogenic microorganisms. The construction, alternation or expansion of a

laboratory at bio-safety level 1 or 2 shall be filed for record with the local counterparts of the National Health Commission (the "**NHC**"). The entity launched a pathogenic microorganism laboratory shall develop a scientific and strict management system, regularly inspect the implementation of the regulations on bio-safety, and regularly inspect, maintain and update the facilities, equipment and materials in the laboratory, to ensure its compliance with the national standards.

Clinical Trial Process

On January 15, 2020, the State Administration for Market Regulation (the "**SAMR**") promulgated the Administrative Measures for Drug Registration (《藥品註冊管理辦法》), which came into effect on July 1, 2020. According to the Measures, a clinical development program consists of Phases I, II, III and IV. Phase I refers to the initial clinical pharmacology and safety evaluation studies in humans. Phase II refers to the preliminary evaluation of a drug candidate's therapeutic effectiveness and safety for particular indications in patients, to provide evidence and support for the design of Phase III clinical trials and to settle the administrative dose regimen. Phase III refers to clinical trials undertaken to confirm the therapeutic effectiveness of a drug. Phase III is used to further verify the drug's therapeutic effectiveness and safety on patients with target indications, to evaluate the overall benefit-risk relationships of the drug, and ultimately to provide sufficient evidence for the review of drug registration application. Phase IV refers to a new drug's post-marketing study to assess therapeutic effectiveness and adverse reactions when the drug is widely used, to evaluate the overall benefit-risk relationships of the drug when used among the general population or specific groups and to adjust the administration dose. In accordance with the revised Administrative Measures for Drug Registration, drug clinical trial shall comprise Phase I clinical trial, Phase II clinical trial, Phase III clinical trial, Phase IV clinical trial as well as bioequivalence test.

Pursuant to the Circular Concerning 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》) (the "**Several Policies Circular**"), the CDE grants a one-time approval for clinical trial applications for new drugs and does not require separate declarations, reviews or approvals for the subsequent phases of clinical trials. Upon the completion of Phase I and Phase II clinical trials, the applicant must submit trial results and the clinical trial protocol for the next phase in a timely manner. Where there is no safety problem, applicants can proceed to Phase III clinical trials after discussion with the CDE. The applicants must report serious adverse events that occur during clinical trials and submit annual research reports. Where clinical trial risks cannot be controlled, the clinical trials must be stopped immediately.

Good Clinical Practices

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》) (the "**GCP Rules**") 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 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 GCP Rules, clinical trial means systematical investigation of drugs conducted on human subjects (patients or healthy volunteers) to prove or reveal the clinical, pharmacological and other pharmacodynamic effects, adverse reactions or absorption, distribution, metabolism and excretion of the drug being investigated. The GCP Rules also set out the qualifications and requirements for the investigators and centers participating in clinical trial.

Acceptance of Foreign Data on Clinical Trials

The NMPA may reduce requirements for clinical trials and data, depending on the drug and the existing data. The NMPA has granted waivers for all or part of trials and has stated that it will accept data generated abroad (even if not part of a global study), including early phase data that meets its requirements.

On July 6, 2018, the NMPA issued the Technical Guidance Principles on Accepting Foreign Drug Clinical Trial Data (《關於發佈接受藥品境外臨床試驗數據的技術指導原則的通告》) (the "**Guidance Principles**"). According to the Guidance Principles, the data of foreign clinical trials shall meet the authenticity, completeness, accuracy and traceability requirements and such data shall be obtained consistently with the relevant requirements of the International Conference on Harmonization of Technical Requirements for Registration of Pharmaceuticals for Human Use. Sponsors must be attentive to potentially meaningful ethnic differences in the subject population. If drug registration applicants use overseas clinical trials for drug registration applications in Chinese Mainland, all overseas clinical trial data shall be provided, rather than selectively. If drug registration applicants plan to carry out follow-up clinical research and development following the early overseas clinical trials, they shall evaluate the early clinical trial data and only after having obtained complete clinical trial data and communicated with the CDE, these data could be used to support the follow-up clinical trials.

PRC LAWS AND REGULATIONS ON DRUG REGISTRATION

New Drug Registration

Pursuant to the DRR, 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 drug before the drug can be manufactured and sold in the PRC market.

Drug Marketing Authorization Holder

Pursuant to the newly amended DAL the drug marketing authorization holder means an enterprise or a drug research and development institution that has obtained the drug registration certificate, and this pharmaceutical marketing authorization holder shall be responsible for non-clinical laboratory studies, clinical trials, production and distribution, post-market studies, and the monitoring, reporting, and handling of adverse reactions in connection with pharmaceuticals in accordance with the provisions of the DAL. The holder of the drug registration certificate for vaccine is the vaccine marketing authorization holder under the Vaccine Administration Law.

Pursuant to the DRR, at the time of application for drug marketing authorization, the applicant and the manufacturing enterprise shall have held the corresponding drug manufacturing permits.

PRC LAWS AND REGULATIONS ON DRUG MANUFACTURING AND DISTRIBUTION

Drug Manufacturing and Distribution

According to the Measures for Supervision and Administration of Drug Manufacturing (《藥品生產監督管理辦法》) (the "**Drug Manufacturing Measures**"), which was revised by the SAMR on January 22, 2020, and took effect from July 1, 2020, the new drug manufacturer shall be approved and issued with the Drug Manufacturing License by the drug supervision and administration department of the province, autonomous region or municipality directly under the central government where it is domiciled. It shall not manufacture drugs without the Drug Manufacturing License. This license shall be renewed every five years.

The drug marketing authorization holder who entrusts another party to produce preparations shall meet the requirements as specified in the Drug Manufacturing Measures, sign an entrustment agreement and a quality agreement with a qualified drug producer, and submit the relevant agreements and the application materials of the actual production site to provincial drug administrative departments where the drug marketing authorization holder is located to apply for the Drug Manufacturing License.

The Administrative Measures for Drug Inspection (Trial) (《藥品檢查管理辦法(試行)》), revised by the NMPA on July 19, 2023, which stipulates that NMPA shall be in charge of the national drug inspection and management work. For the enterprises which apply for the Drug Manufacturing License for the first time, an on-site inspection shall be carried out in accordance with the relevant regulations of GMP. Those which apply for the marketing of drugs shall receive pre-marketing GMP compliance inspections as necessary in accordance with the provisions of Article 52 of the Drug Manufacturing Measures.

PRC LAWS AND REGULATIONS ON VETERINARY DRUGS AND VETERINARY BIOLOGICAL PRODUCTS

Pursuant to the Regulation on Veterinary Drug Administration (《獸藥管理條例》), which was issued by the State Council on March 27, 2020 and became effective on the same day, any enterprise which produces veterinary drugs requires a Veterinary Drug Production License; and any enterprise which deals in veterinary drugs requires a Veterinary Drug Operation License. The validity periods of the Veterinary Drug Production License and the Veterinary Drug Operation License are both five years. Enterprises that produce or manage veterinary drugs without the Veterinary Drug Production License or the Veterinary Drug Distribution License will be ordered to stop their production or business and their illegal income will be confiscated. In serious cases, they will be investigated for the crime of illegal operation.

On April 21, 2020, the Ministry of Agriculture and Rural Affairs of the PRC promulgated a new version of the Measures for the Administration of the Production and Quality Control of Veterinary Drug (《獸藥生產質量管理規範》) with an effective date of June 1, 2020, governing the production, storage, supervision and administration of veterinary biological products within the PRC.

On March 17, 2021, the Ministry of Agriculture and Rural Affairs of the PRC promulgated a new version of the Measures for the Administration of the Business Operation of Veterinary Biological Products (《獸用生物製品經營管理辦法》) with an effective date of May 15, 2021, governing the distribution, operation, supervision and administration of veterinary biological products within the PRC. According to these measures, any enterprise that engages in the business operation of biological products for veterinary use shall obtain a Veterinary Drug Operation License.

PRC LAWS AND REGULATIONS RELATING TO COMPANY ESTABLISHMENT AND FOREIGN INVESTMENT

Laws and Regulations Relating to Corporation

The establishment, operation and management of corporate entities in the PRC is governed by the Company Law of the PRC (《中華人民共和國公司法》) (the "**Company Law**"), which was promulgated by the SCNPC on December 29, 1993 and came into effect on July 1, 1994, and was last amended on December 29, 2023 and became effect on July 1, 2024. The Company Law generally governs two types of companies, namely limited liability companies and joint stock limited companies. Both types of companies have the status of legal person, and the liability of shareholders of a limited liability company or a joint stock limited company is limited to the amount of capital they have contributed. The Company Law shall also apply to foreign invested companies in form of limited liability company or joint stock limited company. Where laws on foreign investment have other stipulations, such stipulations shall prevail.

Laws and Regulations Relating to Foreign Investment

On January 1, 2020, the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "**FIL**") and the Regulations on the Implementation of the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》) became effective and simultaneously replaced the trio of prior laws regulating foreign investment in China, namely, the Sino-foreign Equity Joint Venture Enterprise Law of the PRC (《中華人民共和國中外合資經營企業法》), the Sino-foreign

Cooperative Joint Venture Enterprise Law of the PRC (《中華人民共和國中外合作經營企業法》) and the Wholly Foreign-invested Enterprise Law of the PRC (《中華人民共和國外資企業法》), together with their implementation rules and ancillary regulations. On December 30, 2019, the Ministry of Commerce of the PRC (the "**MOFCOM**") and the SAMR jointly promulgated the Measures for Reporting of Information on Foreign Investment (《外商投資信息報告辦法》), which came into effect on January 1, 2020 and pursuant to which, foreign investors shall submit an initial or change report through the Enterprise Registration System when establishing foreign-invested enterprises or acquiring equity in non-foreign-invested enterprises and for any subsequent changes.

Pursuant to the FIL, the PRC has adopted a system of national treatment which includes a negative list with respect to foreign investment administration. The Special Administrative Measures (Negative List) for the Access of Foreign Investment (2024 Version) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "**Negative List**"), which were promulgated by the National Development and Reform Commission (the "**NDRC**") and the MOFCOM on September 6, 2024 and became effective on November 1, 2024 and the Catalog of Industries for Encouraging Foreign Investment (2025 Version) (《鼓勵外商投資產業目錄(2025年版)》) (the "**Encouraging Catalog**"), which was promulgated by the NDRC and the MOFCOM on December 15, 2025 and became effective on February 1, 2026, listed the categories of encouraged, restricted, and prohibited industries. Any industry not included in the Negative List shall be administered under the principle of equal treatment to domestic and foreign investment.

According to the Measures for the Administration of Overseas Investment of Enterprises (《企業境外投資管理辦法》) promulgated by the NDRC on December 26, 2017 and implemented on March 1, 2018, investors engaging in overseas investment are required to complete formalities for the confirmation or recordation, among others, of an overseas investment project, report the relevant information, and cooperate in supervisory inspection.

Pursuant to the Measures for the Administration of Overseas Investment (《境外投資管理辦法》) promulgated by the MOFCOM on March 16, 2009, lastly amended on September 6, 2014 and implemented on October 6, 2014, the MOFCOM and the provincial counterparts promulgate regulations providing that overseas investment of enterprises to be subject to recordation or confirmation management, depending on the actual circumstances of investment. Overseas investment involving any sensitive country or region or any sensitive industry shall be subject to confirmation management. Overseas investment under other circumstances shall be subject to recordation management. When an overseas enterprise invested by an enterprise conducts overseas reinvestment, the enterprise shall report to the commerce departments after completing the overseas legal procedures.

Laws and Regulations Relating to Overseas Listing

On February 17, 2023, the China Securities Regulatory Commission (the "**CSRC**") promulgated the Trial Administrative Measures of the Overseas Securities Offering and Listing by Domestic Enterprises (《境內企業境外發行證券和上市管理試行辦法》) and relevant five guidelines (the "**Overseas Listing Trial Measures**"), which came into effect on March 31, 2023. According to the Overseas Listing Trial Measures, PRC domestic enterprises that seek to offer and list securities in overseas markets, either in direct or indirect means (the "**Overseas Offering and Listing**"), are required to fulfill the filing procedure with the CSRC and submit filing reports, legal opinions, and other relevant documents.

On February 24, 2023, the CSRC together with Ministry of Finance of the PRC (the "**MOF**") and National Administration of State Secrets Protection and National Archives Administration of China have promulgated the Provisions on Strengthening the Confidentiality and Archives Administration Concerning the Overseas Securities Offering and Listing by Domestic Enterprises (《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》), according to which, during the overseas offering and listing activities of domestic enterprises, domestic enterprises, securities companies and securities service providers providing corresponding services shall strictly abide by the relevant PRC laws and regulation as well as the requirements of the provisions.

According to the Notice of the People's Bank of China and the State Administration of Foreign Exchange on Issues Concerning the Administration of Funds of Domestic Enterprises Listed Overseas (中國人民銀行、國家外匯管理局關於境內企業境外上市資金管理有關問題的通知), which is issued on December 24, 2025 and will be effective on April 1, 2026, domestic enterprises listed overseas shall apply for overseas listing registration within 30 working days from the first trading day of their overseas listing or upon the completion of the overallotment. In principle, the funds raised by domestic enterprises through overseas listing shall be repatriated to China in a timely manner.

Regulations Relating to the H-Share Full Circulation

According to the Guidance for the Application of "Full Circulation" for Domestic Unlisted Shares of H-share Companies (H股公司境內未上市股份申請"全流通"業務指引) issued by the CSRC on November 14, 2019 and amended on August 10, 2023, shareholders of domestic unlisted shares may determine 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.

On December 31, 2019, China Securities Depository and Clearing Co., Ltd. (the "**CSDC**") and Shenzhen Stock Exchange 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 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. in relation to the H-share "Full Circulation", are subject to the Measures for Implementation.

PRC LAWS AND REGULATIONS ON 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 came into effect on April 1, 1996 and was amended on January 14, 1997 and August 5, 2008. 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.

The State Administration of Foreign Exchange (the "**SAFE**") issued the Circular on Reforming of the Management Method of the Settlement of Foreign Currency Capital of Foreign-Invested 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**") on March 30, 2015, and it became effective on June 1, 2015, which was partially repealed on December 30, 2019, and latest amended on March 23, 2023. The SAFE Circular 19 expands pilot reform of the administration of the settlement of the foreign exchange capitals of foreign-invested enterprises nationwide. On June 9, 2016, SAFE further promulgated the Circular 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, among other things, amends certain provisions of SAFE Circular 19 and was partially amended on December 4, 2023. Pursuant to SAFE Circular 19 and SAFE Circular 16, the flow and use of the Renminbi capital converted from foreign currency denominated registered capital of a foreign-invested company is regulated such that Renminbi capital may not be used for business beyond its business scope or to provide loans to persons other than affiliates unless otherwise permitted under its business scope.

On October 23, 2019, SAFE issued the Circular on Further Facilitating Cross-border 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》) (the "**SAFE Circular 28**"), which cancels the restrictions on domestic equity investments by capital fund of non-investment foreign invested enterprises and allows non-investment foreign invested enterprises to use their capital funds to lawfully make equity investments in the PRC, provided that such investments do not violate the Negative List and the target investment projects are genuine and in

compliance with laws. According to the Circular on Optimizing Administration of Foreign Exchange to Support the Development of Foreign-related Business (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》) (the "**SAFE Circular 8**"), issued by SAFE on April 10, 2020, under the prerequisite of ensuring true and compliant use of funds and compliance with the prevailing administrative provisions on use of income under the capital account, eligible enterprises are allowed to make domestic payments by using their capital funds, foreign credits and the income under capital accounts of overseas listing, without prior provision of the evidentiary materials concerning authenticity to the bank for each transaction.

PRC LAWS AND REGULATIONS ON TAXATION

Enterprise Income Tax

Pursuant to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》) (the "**EIT Law**") latest amended by the SCNPC and came into effect on December 29, 2018 and the Regulations on the Implementation of the EIT Law (《中華人民共和國企業所得税法實施條例》) latest amended by the State Council on December 6, 2024 and came into effect on January 20, 2025, a domestic enterprise which is established within Chinese Mainland in accordance with the laws or established in accordance with any laws of foreign countries (regions) but with an actual management entity within Chinese Mainland shall be regarded as a resident enterprise. A resident enterprise shall be subject to a tax rate of 25% of any income generated within or outside Chinese Mainland. A preferential tax rate shall be applicable to any key industry or project which is supported or encouraged by the State. High and new technology enterprises which are supported by the State may enjoy a reduced tax rate of 15%.

Value-Added Tax

On December 25, 2024, the SCNPC issued the Value-Added Tax Law of the PRC (《中華人民共和國增值税法》) (the "**VAT Law**"), which shall become effective from January 1, 2026. According to the VAT Law, any entities and individuals (including individual businesses) engaged in the sale of goods, services, intangible assets and immovables and importation of goods within the territory of the PRC are VAT payers and shall pay VAT in accordance with the VAT Law. Except for taxpayers' export of goods, the sale of services or intangible assets within the scope as prescribed by the State Council by domestic entities and individuals across national borders and other circumstances specified for by the State Council, the rate of VAT for sale of goods, labor services of processing, repair or replacement, or tangible movable property leasing services or import of goods is 13% unless otherwise specified, such as the rate of VAT for sale of agricultural products is 9%, and the rate of VAT for sale of transportation, postal, basic telecommunications, construction, or immovable leasing services, sale of immovables, or transfer of the rights to use land is 9%. In addition to the above circumstances, the rate of VAT for sale of services or intangible assets is 6%.

Tax on Dividends

For Individual Investors

According to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法》) (the "**Individual Income Tax Law**"), amended by the SCNPC on August 31, 2018 and effective on January 1, 2019, and the Implementation Rules of the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法實施條例》) amended by the State Council on December 18, 2018 and effective on January 1, 2019, dividends paid by PRC companies to individual investors are ordinarily subject to a withholding income tax levied at a flat rate of 20%. Meanwhile, according to the Notice on Issues Concerning Differentiated Individual Income Tax Policies on Dividends and Bonus of Listed Companies (《關於上市公司股息紅利差別化個人所得税政策有關問題的通知》) issued by the MOF, the State Administration of Taxation (the "**SAT**") and the CSRC on September 7, 2015 and effective on September 8, 2015, where an individual holds the shares of a listed company obtained from the public offering for more than one year and transfers the stock of the

listed company on the stock market, the dividend and bonus income shall be temporarily exempted from individual income tax. Where an individual acquires shares of a listed company from the public offering and transfers the stock of the listed company on the stock market, if the holding period is within one month (inclusive), the dividend income shall be included in the taxable income in full; if the holding period is more than one month but less than one year (inclusive), the dividend income shall be included in the taxable income at the rate of 50%; the aforesaid income shall be subject to individual income tax at a uniform rate of 20%.

Pursuant to the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》), or the Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, executed on August 21, 2006, the PRC government may impose tax on dividends paid by a PRC company to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the total amount of dividends payable. If a Hong Kong resident directly holds 25% or more of the equity interests in a PRC company and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax shall not exceed 5% of the total amount of dividends payable by the PRC company. The Fifth Protocol to the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷税漏税的安排》第五議定書), or the Fifth Protocol, issued by the SAT and effective on December 6, 2019 provides that such provisions shall not apply to arrangements or transactions made for one of the primary purposes of obtaining such tax benefits.

For Enterprise Investors

Pursuant to the EIT Law and the Regulations on the Implementation of the EIT Law, or the Implementation Rules of the EIT Law, a non-resident enterprise is subject to a reduced rate of 10% enterprise income tax on PRC-sourced income, including dividends paid by a PRC resident enterprise that issues and lists shares in Hong Kong, if such non-resident enterprise does not have an establishment or place of business in the PRC or has an establishment or place of business in the PRC but the PRC-sourced income is not actually connected with such establishment or place of business in the PRC. The aforesaid income tax payable by non-resident enterprises shall be withheld at source, and the payer shall be the withholding agent, and the tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Such tax may be reduced or exempted pursuant to an applicable treaty for the avoidance of double taxation.

Pursuant to the Notice on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Share Holders Which Are Overseas Non-resident Enterprises (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得税有關問題的通知》) issued by the SAT and effective on November 6, 2008, a PRC resident enterprise is required to withhold enterprise income tax at a rate of 10% on dividends paid to non-PRC resident enterprise holders of H Shares which are derived out of profit generated since 2008. The Reply on the Collection of Enterprise Income Tax on Dividends Received by Non-resident Enterprises from Holding B Shares and Other Shares (《關於非居民企業取得B股等股票股息徵收企業所得税問題的批覆》) promulgated by the SAT and effective July 24, 2009 further provides that PRC-resident enterprises listed on Chinese and overseas stock exchanges by issuing stocks (including A shares, B shares and overseas shares) must withhold enterprise income tax at a flat rate of 10% on dividends of 2008 and onwards that it distributes to non-resident enterprise shareholders. Such tax rates may be further modified pursuant to the tax treaty or agreement that China has concluded with a relevant jurisdiction, where applicable.

According to the Arrangement between the Mainland China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, the PRC government may impose tax on dividends paid by a PRC company to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the total dividends payable by the PRC company. If a Hong Kong resident directly holds 25% or more of equity interest in a PRC company and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax shall not exceed 5% of the total dividends payable by the PRC company. The Fifth Protocol provides that such provisions shall not apply to arrangements or transactions made for one of the primary purposes of obtaining such tax benefits.

Pursuant to applicable regulations, we intend to withhold tax at a rate of 10% from dividends paid to non-PRC resident enterprise holders of our H Shares. Non-PRC resident enterprises that are entitled to be taxed at a reduced rate under an applicable income tax treaty will be required to apply to the PRC tax authorities for a refund of any amount withheld in excess of the applicable treaty rate, and payment of such refund will be subject to the PRC tax authorities' verification.

Tax Related to Equity Transfer Income

For Individual Investors

Under the Individual Income Tax Law and its implementation rules, individuals are subject to individual income tax at a rate of 20% on gains realized on the sale of equity interests in PRC resident enterprises. Pursuant to the Circular on Continuing the Temporary Exemption of Individual Income Tax on Gains from Share Transfers by Individuals (《關於個人轉讓股票所得繼續暫免徵收個人所得税的通知》), which was promulgated by the MOF and the SAT and became effective on 30 March 1998, from 1 January 1997, income of individuals from the transfer of shares in listed companies continues to be temporarily exempted from individual income tax. The SAT does not specify whether to continue to exempt individuals from personal income tax on the income from the transfer of shares in listed company in the newly revised Individual Income Tax Law and Implementation Rules of the Individual Income Tax Law.

For Enterprise Investors

Under the EIT Law and its implementation rules, a non-PRC resident enterprise is subject to enterprise income tax at the rate of 10% with respect to PRC-sourced income, including gains derived from the disposal of shares in a PRC resident enterprise, if it does not have an establishment or premises in the PRC or has an establishment or premises in the PRC but the PRC-sourced income is not actually connected with such establishment or premises in the PRC. The aforementioned income tax payable by non- PRC resident enterprises is subject to source withholding, and the payer is the withholding agent.

Stamp Duty

According to the Stamp Duty Law of the PRC (《中華人民共和國印花税法》), which was promulgated on June 10, 2021 and came into effect on July 1, 2022, all entities and individuals who make taxable documents and conduct securities transactions within the territory of the PRC are the taxpayers of stamp duty and shall pay stamp duty. All entities and individuals who make taxable documents outside the territory of the PRC to be used within the territory of the PRC shall pay stamp duty. The disposal of H Shares by non-Chinese Mainland investors outside of the Chinese Mainland is not subject to the requirements of the Stamp Duty Law of the PRC.

PRC ANTI-CORRUPTION LAWS

Since the early 1990s, the legislative authorities at different levels in the PRC have promulgated certain laws and regulations in respect of commercial bribery. According to the Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》) (the "**Anti-Unfair Competition Law**"), which was last amended on June 27, 2025 by the SCNPC, and will come effect on October 15 2025, operators practicing bribery by offering money or property or other means for the purposes of selling or buying goods commit a criminal offence. According to the Criminal Law of the PRC (《中華人民共和國刑法》), anyone who offers money or property to national servants for the purposes of seeking illegitimate benefits may commit a criminal offence and may be imposed on criminal penalty.

PRC LAWS AND REGULATIONS RELATING TO CUSTOMS DECLARATION

The Customs Law of the PRC (《中華人民共和國海關法》) was promulgated by the SCNPC on January 22, 1987 and effective from July 1, 1987, and last amended on April 29, 2021, and stipulates that the customs of the PRC is a governmental organization responsible for supervision and control over all arrivals in and departures from the customs territory. All the transports, goods and articles shall enter into or exit from the territory of the PRC at a place where a customs office is established. The customs declaration and duty payment formalities may be undergone by the consignees or consignors of imported and exported goods, or by the customs clearing enterprises entrusted by such consignees or consignors. The consignees or consignors of imported and exported goods and the customs clearing enterprises shall file records with the customs when undergoing customs declaration formalities, otherwise fines may be imposed by the customs.

Pursuant to the Regulations on the Administration of Import and Export of Goods of the PRC (《中華人民共和國貨物進出口管理條例》) promulgated by the State Council on December 10, 2001 and last amended on March 10, 2024, which came into effect on May 1, 2024, enterprises engaged in the trade activities of importing goods into the territory of the PRC or exporting goods outside of the PRC must comply with the Regulations on the Administration of Import and Export of Goods.

PRC LAWS AND REGULATIONS ON FIRE CONTROL AND ENVIRONMENTAL PROTECTION

Fire Control

Fire control pursuant to the Fire Control 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 on April 29, 2021 and effective therefrom, the Ministry of Emergency Management under the State Council and the local people's governments at or above county level shall supervise and administer the matters of fire protection, while the fire control and rescue institutions of such people's governments shall be responsible for implementation. The design of fire control of the construction projects must comply with the national technical standards of fire control. 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.

Environment Protection

The Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), which was promulgated by the SCNPC on December 26, 1989, came into effect on the same day and last amended on April 24, 2014 and 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》) (the "**Construction Environmental Protection Rule**"), 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.

According to the Environmental Impact Appraisal Law of PRC (《中華人民共和國環境影響評價法》), 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.

Pollutant Discharges Permitting Administration

Pursuant to the provisions of the Regulation on the Administration of Permitting of Pollutant Discharges (《排污許可管理條例》) promulgated on January 24, 2021 and effective on March 1, 2021, and the Measures for Pollutant Discharge Permitting Administration (《排污許可管理辦法》) promulgated on April 1, 2024 and became effective on July 1, 2024, the PRC implements the classified pollutant discharge permit management (i.e., key management, simplified management and registration management) on pollutant discharges of enterprises based on factors such as the volume of pollutants generated, the amount of pollutant discharged and the degree of impact on the environment.

Disposal of Hazardous Waste

Pursuant to the Law on the Prevention and Control of Environmental Pollution Caused by Solid Waste of the PRC (《中華人民共和國固體廢物污染環境防治法》), which was promulgated by the SCNPC on October 30, 1995 and was latest amended on April 29, 2020 and became effective on September 1, 2020, entities generating hazardous waste shall store, utilize and dispose hazardous waste according to the relevant requirements of the state and environmental protection standards, and shall not dump or pile up hazardous waste without authorization.

PRC LAWS AND REGULATIONS ON THE MANAGEMENT OF LEASED HOUSING

Pursuant to (i) the Law on Administration of Urban Real Estate of the PRC (《中華人民共和國城市房地產管理法》), promulgated by the SCNPC on July 5, 1994 and latest amended on August 26, 2019 and took effect on January 1, 2020, and (ii) the Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》), promulgated by the Ministry of Housing and Urban-Rural Development on December 1, 2010 and came into effect on February 1, 2011, when leasing premises, the lessor and lessee are required to enter into a written lease contract, containing such provisions as the leasing term, use of the premises, rental and repair liabilities, and other rights and obligations of both parties. Both the lessor and the lessee shall complete property leasing registration and filing formalities within 30 days from the execution of the property lease contract with the real estate administration department where the leased property is located.

PRC LAWS AND REGULATIONS ON EMPLOYMENT AND SOCIAL WELFARE

Employment

The PRC Labor Law (《中華人民共和國勞動法》) (the "**Labor Law**") was promulgated by the SCNPC on July 5, 1994, implemented on January 1, 1995, and most recently revised and implemented on December 29, 2018. The Labor Law stipulates matters related to promoting employment, labor contracts, working hours, rest and leave, wages, labor safety and hygiene, special protection for female and minor workers, vocational training, social insurance and welfare, labor disputes, supervision and inspection, as well as legal liabilities.

The PRC Labor Contract Law (《中華人民共和國勞動合同法》) (the "**Labor Contract Law**") was issued by the SCNPC on June 29, 2007, implemented on January 1, 2008, and most recently revised on December 28, 2012, with the revision taking effect on July 1, 2013. The Implementation Regulation of the Labor Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》) were issued and implemented by the State Council on September 18, 2008. According to the aforementioned law and regulation, a written labor contract shall be established when forming a labor relationship. Wages must not be lower than the local minimum wage standard and must be paid to employees promptly.

Social Insurance

The PRC Social Insurance Law (《中華人民共和國社會保險法》) (the "**Social Insurance Law**") issued by the SCNPC in 2010 and latest amended on December 29, 2018, has established social insurance systems of basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance and maternity insurance and has elaborated in detail the legal obligations and liabilities of employers who fail to comply with relevant laws and regulations on social insurance. According to the Social Insurance Law and the Provisional Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) promulgated by the State Council on January 22, 1999 and most recently amended on March 24, 2019 and effective from the same date, enterprises shall register social insurance with local social insurance and pay or withhold relevant social insurance for or on behalf of its employees. Any employer that fails to make social insurance contributions may be ordered to rectify the non-compliance and pay the required contributions within a prescribed time limit and be subject to a late fee.

Housing Provident Fund

Pursuant to the Regulations on Administration of Housing Provident Fund (《住房公積金管理條例》), which was promulgated on April 3, 1999 and last revised on March 24, 2019, employers in Chinese Mainland shall provide their employees with housing provident fund. Employers who fail to contribute to the above housing provident funds may be ordered to make full payment within a prescribed time period by the housing provident fund management center. If an employer fails to make the payment towards the housing provident funds within a prescribed time limit, an application may be made to a people's court for compulsory enforcement.

PRC LAWS AND REGULATIONS ON INFORMATION SECURITY AND DATA PROTECTION

Personal Information Protection

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

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

Privacy Data Security and Data Export

On June 10, 2021, the SCNPC promulgated the Data Security Law of the PRC (《中華人民共和國數據安全法》) (the "**Data Security Law**") which became effective on September 1, 2021. The Data Security Law mainly sets forth specific provisions regarding establishing basic systems for data security management, including data classification and hierarchical protection system, risk assessment system, monitoring and early warning system and emergency disposal system.

On December 28, 2021, the Cyberspace Administration of China (the "**CAC**"), jointly with 12 other administrative authorities, promulgated the revised Measures for Cybersecurity Review (《網絡安全審查辦法》) (the "**MCR**"), which became effective on February 15, 2022. According to the MCR, the purchase of cyber products and services by the Critical Information Infrastructure Operator (the "**CIIO**"), and the data processing activities carries out online platform operators which affects or may affect national security, shall be subject to the cybersecurity review by the Cybersecurity Review Office. On September 24, 2024, the State Council promulgated the Administration Regulations on Cyber Data Security (《網絡數據安全管理條例》) (the "**Data Security Regulations**"), which came into effect on January 1, 2025. The Data Security Regulations reiterate and refine the general regulations for cyber data processing activities, rules of personal information protection, important data security protection, cyber data cross-border transfer management, and the responsibilities of online platform service providers.

On March 22, 2024, the CAC promulgated the Provisions on Promoting and Regulating Cross-Border Data Flows (《促進和規範數據跨境流動規定》), effective on the date of promulgation. The provisions provide several exemptions from undergoing data security assessment, obtaining personal information protection certification or entering into standard contract for outbound transfer of personal information for businesses.

PRC LAWS AND REGULATIONS ON INTELLECTUAL PROPERTY RIGHT

Patents

The Patent Law of the PRC (《中華人民共和國專利法》) was enacted by the SCNPC on March 12, 1984, implemented on April 1, 1985, and most recently revised on October 17, 2020, with implementation from June 1, 2021. The Detailed Rules for the Implementation of the Patent Law of the PRC (《中華人民共和國專利法實施細則》) were issued by the State Council on June 15, 2001, implemented on July 1, 2001, and most recently revised on December 11, 2023, with implementation from January 20, 2024. According to these laws, regulations and detailed rules, patents in China are categorized into three types: invention patents, utility model patents and design patents. The term of an invention patent right is 20 years, the term of a utility model patent is 10 years, and the term of a design patent is 15 years, all of which are calculated from the filing date. Exploiting a patent without the permission of the patent holder constitutes an infringement of their patent rights.

Trademarks

The Trademark Law of the PRC (《中華人民共和國商標法》) was promulgated by the SCNPC on August 23, 1982, implemented on March 1, 1983, and most recently revised on April 23, 2019, with implementation from November 1, 2019. The Regulations for the Implementation of the Trademark Law of the PRC (《中華人民共和國商標法實施條例》) were issued by the State Council on August 3, 2002, implemented on September 15, 2002, and most recently revised on April 29, 2014, with implementation from May 1, 2014. According to these laws and regulations, the validity period of a registered trademark is 10 years from the date of approval. Trademark registrants may authorize others to use their registered trademarks by signing trademark licensing agreements.

Domain Names

The Administrative Measures for the Internet Domain Name (《互聯網域名管理辦法》) were issued by the Ministry of Industry and Information Technology (the "**MIIT**") on August 24, 2017, and implemented on November 1, 2017. Domain name registration is processed through domain name root servers and their operating institutions, domain name registration management institutions and domain name registration service institutions established in accordance with the relevant regulations.

Copyrights

Copyright in the PRC, including copyrighted software, is principally protected under the Copyright Law of the PRC (《中華人民共和國著作權法》) (the "**Copyright Law**") which became effective in 1991 and was most recently amended on November 11, 2020 and took effect on June 1, 2021, and related rules and regulations. In order to further implement the Regulations for the Protection of Computer Software (《計算機軟件保護條例》) promulgated by the State Council on December 20, 2001 and last amended on January 30, 2013, the National Copyright Administration issued the Registration of Computer Software Copyright Procedures (《計算機軟件著作權登記辦法》) on February 20, 2002, which applies to software copyright registration, license contract registration and transfer contract registration with respect to software copyright.

OVERVIEW OF LAWS AND REGULATIONS IN THE UNITED STATES

This section summarizes the principal laws and regulations in the United States that are relevant to our business.

Patent Term Restoration and Marketing Exclusivity

After approval, owners of relevant drug or biological product patents may apply for up to a five-year patent extension to restore a portion of patent term lost during product development and FDA review of an NDA or a BLA if approval of the application is the first permitted commercial marketing or use of a biologic containing the active ingredient under the Drug Price Competition and Patent Term Restoration Act of 1984, referred to as the Hatch-Waxman Act. The allowable patent term extension is calculated as one-half of the product's testing phase, which is the time between IND and NDA/BLA submission, and all of the review phase, which is the time between NDA/BLA submission and approval, up to a maximum of five years. The time can be shortened if the FDA determines that the applicant did not pursue approval with due diligence. The total patent term after the extension may not exceed more than 14 years from the date of FDA approval of the product. Only one patent claiming each approved product is eligible for restoration, only those claims covering the approved product, a method for using it, or a method for manufacturing it may be extended, and the patent holder must apply for restoration within 60 days of approval. The USPTO, in consultation with the FDA, reviews and approves the application for patent term restoration. For patents that might expire during the application phase, the patent owner may request an interim patent extension. An interim patent extension increases the patent term by one year and may be renewed up to four times. For each interim patent extension granted, the post-approval patent extension is reduced by one year. The director of the USPTO must determine that approval of the drug candidate covered by the patent for which a patent extension is being sought is likely. Interim patent extensions are not available for a drug candidate for which an NDA or a BLA has not been submitted.

Laws and Regulations in Relation to Outbound Investment

On October 28, 2024, the U.S. Department of the Treasury issued final regulations (the "Final Rule") to implement Executive Order 14105, "Addressing United States Investments in Certain National Security Technologies and Products in Countries of Concern" (August 9, 2023). The Final Rule took effect on January 2, 2025, which prohibits or requires notification of certain investments by "U.S. persons" or their foreign subsidiaries in "covered foreign persons," which are defined as certain individuals or entities associated with a country of concern that are engaged in, or associated

with parties engaged in, activities involving semiconductors and microelectronics, quantum information technologies, or artificial intelligence. The Final Rule applies if the covered foreign person or a related party is working with specified technologies in one of these fields. The Final Rule includes in covered activities the development of AI systems for military end use, government intelligence or mass-surveillance end use, cybersecurity applications, digital forensics tools, penetration testing tools, control of robotic systems, or trained using a quantity of computing power greater than 10^23 computational operations. None of our AI systems meet any of these descriptions, and we train them all at a power below 10^23.

On February 21, 2025, U.S. President Donald J. Trump issued a memo entitled the "America First Investment Policy" (the "**America First Memo**"), outlining the ongoing review and consideration of potential new or expanded restrictions on U.S. outbound investment in the PRC in sectors such as biotechnology, hypersonics, aerospace, advanced manufacturing, and directed energy. The America First Memo also contemplates potential restrictions on investments in publicly traded securities by pension funds, university endowments and other limited partner investors. We will continue to monitor the future indications of such policies and assess relevant risks.

Regulations on Cybersecurity, Information Security, Privacy and Data Protection

In the United States, various federal regulators, including governmental agencies like the Federal Trade Commission, and states and state regulators, including in California, have adopted, or are considering adopting, laws and regulations concerning personal information and data security that we will need to navigate if and when we consider expanding the scope of our United States operations. This patchwork of legislation and regulation has given, and will likely continue to give, rise to conflicting or differing legal and regulatory obligations with respect to personal privacy rights. For example, certain state laws may be more stringent or broader in scope, or offer greater individual rights, with respect to personal information than federal, international or other state laws, and such laws may differ from each other, all of which may complicate compliance efforts. One such comprehensive privacy law in the United States is the California Consumer Privacy Act, which has since been amended by the California Privacy Rights Act (the "CPRA") that came into effect on January 1, 2023 (collectively, the "CCPA"). Among other things, the CCPA requires companies that process personal information of California residents to make detailed disclosures to consumers about such companies' data collection, use and sharing practices, and gives California residents rights to access, correct and delete their personal information and to opt out of certain personal information sharing with and/or sales to, third parties. The CCPA provides for civil penalties for violations, as well as a private right of action for certain data breaches that result in the loss of personal information, which is expected to increase the likelihood of, and risks associated with, data breach litigation.

As referenced above, following California's passage of the CCPA, other states have followed suit in passing similar laws. For example, in recent years, regulators have introduced new state laws in Colorado, Virginia, Utah, Connecticut, Florida and Texas, which generally give the applicable state's residents rights over the collection, use and disclosure of their personal information. These laws may lead other states or even the United States Congress to pass comparable legislation to which we may become subject. The effects of the CPRA, the CCPA and other similar statutes or federal laws, are significant, and if we expand our United States operations, may require us to modify our data processing practices and policies and incur substantial compliance-related costs and expenses that are likely to increase over time. Additionally, many laws and regulations relating to privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data are subject to varying degrees of enforcement and new and changing interpretations by courts and may require us to divert resources from other initiatives and projects to address these evolving compliance and operational requirements. These and other laws or regulations relating to privacy, data protection and information security, particularly any new or modified laws or regulations, or changes to the interpretation or enforcement of such laws or regulations, any of which may require enhanced protection of certain types of data or new obligations with regard to data retention, transfer, or disclosure, could greatly increase the cost of providing our services and require significant changes to our operations, which may have a material and adverse impact on our business, financial condition and results of operations.

OVERVIEW

We are a pioneer in AI-empowered nanomaterial innovation, dedicated to the delivery and application of functional payloads across life forms with the commitment to unlocking a healthier world through AI-driven nanotechnology. Our history can be traced back to 2020 with the establishment of our Company as a limited liability company under the PRC Company Law by our Co-founders Dr. Lai, Dr Chen and Dr. Wang through their controlled entities. Our Company was converted to a joint stock limited company on June 30, 2025.

BUSINESS DEVELOPMENT MILESTONES

The following table summarizes the key milestones in our business development:

Year	Milestone
2020 . . .	We began our research on AI-driven nanomaterial delivery platforms
	We developed AiTEM, a proprietary AI-driven small molecule formulation optimization platform
	We established our Hangzhou research centre for AI infrastructure and drug development
2021 . . .	We initiated the project on the development of MTS-004, our most advanced candidate in our pipeline. For the avoidance of doubt, MTS-004 does not contain nanomaterials-based delivery systems such as LNPs but its formulation still involves interactions at a nanoscale level between the active pharmaceutical ingredients and other drug components.
	We established our Beijing research centre for nanomaterial development, marking a strategic pivot toward RNA therapeutics
2022 . . .	We completed setup, optimization, and internal validation of the Datalots platform to support LNP discovery
	We received IND approval by NMPA and completed Phase I clinical trial for our MTS-004
2023 . . .	We discovered lead liver-targeted LNP, which was incorporated into MTS-105
	We developed our AI-driven RNA design platform and we improved our AiRNA platform
2024 . . .	We developed a first-in-class muscle-targeted LNP, demonstrating cellular-level delivery in muscle tissue
	We discovered an NHP-translatable lung-targeted LNP, validated for deep lung tissue transfection
	We completed Phase III clinical trial for MTS-004
2025 . . .	We identified a dual-targeting LNP that can deliver to both liver and lymphoid organs, which was incorporated into MTS-109
	We developed METiS AI Agent which enables in-house scientists to seamlessly interact with the full capabilities of our AI-driven nanomaterial platform discovery engine

OUR MAJOR SUBSIDIARIES

As of the Latest Practicable Date, our Company had seven major operating subsidiaries. The place of incorporation, the date of establishment and commencement of business, and principal business activities of each of the major subsidiaries during the Track Record Period are shown below:

Name of major subsidiary	Place of incorporation	Date of Incorporation and commencement of business	Principal business activities
Hangzhou Jitai	PRC	July 4, 2025	Drug research and development
Beijing Jitai	PRC	September 18, 2021	Operation of AiLNP platform, drug research and development
Metis Therapeutics	U.S.	October 23, 2019	Overseas business expansion platform
Metis HK	Hong Kong	April 5, 2024	Overseas business expansion platform
Metis Australia	Australia	May 6, 2024	Clinical trial platform in Australia
Suzhou Jitai	PRC	March 22, 2023	Research and development of mRNA therapeutics
Shanghai Jitai	PRC	November 21, 2022	Drug research and development

ESTABLISHMENT AND DEVELOPMENT OF OUR COMPANY

(1) Establishment of our Company

On January 10, 2020, our Company was established by Metis Pharmaceuticals HK Limited as its sole shareholder, a company ultimately jointly controlled by Dr. Lai, Dr. Chen and Dr. Wang, as a limited liability company under the laws of the PRC, with an initial registered capital of RMB7 million.

(2) Major Shareholding Changes of Our Company and Pre-IPO Investments

The major shareholding changes of our Company are set out below:

(a) Capital changes and equity transfers between April 2020 and August 2023

Between April 2020 and August 2023, the registered capital of our Company was changed from RMB7 million to RMB80 million pursuant to the relevant Shareholders' resolutions or the relevant capital increase agreement(s).

Pursuant to the equity transfer agreements dated June 25, 2023 entered into between Metis Pharmaceuticals HK Limited, as the transferor, and each of the transferees below, respectively, the following transfers of equity interest in our Company were agreed, which were completed on the same date:

Transferor	Transferees	Registered capital transferred	Consideration
		(RMB)	*(RMB)*
Metis Pharmaceuticals HK Limited	Scientia HK	8,727,846.12	8,727,846.12
	Dr. Chen	6,691,348.60	6,691,348.60
	Dr. Wang	3,491,138.30	3,491,138.30
	Nanjing Chengtai Yuxin	6,629,899.07	6,629,899.07
	Delos Holding	1,600,000.00	1,600,000.00
Total		**27,140,232.09**	**27,140,232.09**

(b) Pre-IPO Investments

During the period from February 2020 to July 2025, we underwent rounds of Pre-IPO Investments and equity transfers among our shareholders and the Pre-IPO Investors. See "— Pre-IPO Investments" below for details.

(3) Historical Offshore Corporate Structure

To facilitate offshore financings to support our business growth and working capital needs and in view of our global vision, we adopted an offshore red-chip holding structure, pursuant to which the then Shareholders indirectly held interests in our Company through Metis Pharmaceuticals Inc (the "**Cayman Holdco**"), an exempted company with limited liability incorporated under the laws of the Cayman Islands on October 2, 2019. From February 2020 to January 2022, we went through rounds of Pre-IPO Investments and equity transfers among our Shareholders and the Pre-IPO Investors at the level of the Cayman Holdco from Series Angel Financing to Series B Financing. For further details on our Pre-IPO Investments, please refer to the sub-section headed "— Pre-IPO Investments" below.

Pursuant to a restructuring agreement dated April 24, 2023 entered between, among others, the Cayman Holdco, shareholders of the Cayman Holdco and our Company, the offshore red-chip holding structure of our Company was unwound to streamline the shareholding structure of the Company, and the shareholding in the Cayman Holdco was flipped down to the level of the Company. As of the Latest Practicable Date, the Cayman Holdco has been de-registered.

(4) Conversion into a Joint Stock Limited Company

On May 23, 2025, our shareholders passed resolutions approving, among other matters, the conversion of our Company from a limited liability company into a joint stock limited company. Pursuant to the promoters' agreement dated May 29, 2025 entered into by all the then Shareholders as promoter, all promoters approved the conversion of RMB1,549,679,129.88 in the net assets value of our Company as of February 28, 2025 into 87,850,667 Shares of our Company at the conversion ratio of 1:0.0567. On May 29, 2025, our Company convened our founding meeting, being the first general meeting of our Company in 2025, and passed related resolutions approving, among others, the conversion of our Company into a joint stock limited company and the relevant internal rules. Upon completion of the conversion, the registered capital of our Company became RMB87,850,667 divided into 87,850,667 Shares with a nominal value of RMB1.00 each, which were subscribed by all the then Shareholders in proportion to their respective equity interests in our Company before the conversion. The conversion was completed on June 30, 2025 when our Company obtained a new business license.

(5) Share Subdivision

We expect to conduct the Share Subdivision immediately prior to the Listing, pursuant to which each of our Share with par value of RMB1.00 will be subdivided into ten Shares with par value of RMB0.10 each. Upon completion of such Share Subdivision, the registered capital of our Company, which was RMB95,128,485 as of the date of this Prospectus, will be divided into 951,284,850 Shares with par value of RMB0.10 per Share, which will be subscribed by all our then Shareholders in proportion to their respective equity interests in our Company immediately before the Listing, and the number of our issued Shares will be 951,284,850, without taking into consideration the new Shares to be issued for the Global Offering.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period and up to the Latest Practicable Date, we did not conduct any acquisitions, disposals or mergers that we consider to be material to us.

CONCERT PARTY AGREEMENT

On June 25, 2023, the AIC Parties, namely Dr. Lai, Dr. Wang, Dr. Chen and Scientia HK, entered into the AIC Agreement, pursuant to which they agreed to act in concert with respect to all the matters concerning the Company (the "**Concerted Matters**"), and Dr. Chen and Dr. Wang further agreed to act in concert with, and follow the views and decisions of, Dr. Lai and/or Scientia HK, when making decisions or casting votes on the Concerted Matters.

REASONS FOR THE LISTING

Our Company is seeking a listing of its H Shares on the Stock Exchange in order to provide further capital for the development and expansion of our Company's business, to strengthen our Company's working capital and to further raise our business profile and global presence. For further details of our future plans, see "Future Plans and Use of Proceeds."

EMPLOYEE INCENTIVE PLATFORMS

In recognition of the contributions of our employees and consultants and to incentivize them to further promote our development, we have adopted the 2023 Equity Incentive Plan, the 2025 Equity Incentive Plan, the 2025 Restricted Share Plan and the Pre-IPO Share Option Scheme. For further details, please refer to the section headed "Statutory and General Information." Delos Holding, Nanjing Chengtai Yuxin, Hangzhou Shengtai, Dechi Holding and Beijing Yuhetai are our Employee Incentive Platforms. In terms of the form of equity incentives, (i) the participants of the 2023 Equity Incentive Plan, the 2025 Equity Incentive Plan and the 2025 Restricted Share Plan shall be given partnership/shareholding interests of the relevant Employee Incentive Platforms (i.e. (a) Nanjing Chengtai Yuxin and Delos Holding in respect of the 2023 Equity Incentive Plan, (b) Hangzhou Shengtai and Beijing Yuhetai in respect of the 2025 Equity Incentive Plan and (c) Dechi Holding in respect of the 2025 Restricted Share Plan) as awards in the form of restricted shares; and (ii) the participants of the Pre-IPO Share Option Scheme shall be granted share options of the Company. As of the date of this Prospectus, (i) all awards in the form of restricted shares corresponding to the underlying Shares held by the Employee Incentive Platforms have been granted and the relevant grantees have been registered as a partner or a shareholder of the relevant Employee Incentive Platforms in respect of such award; and (ii) all the share options granted under the Pre-IPO Share Option Scheme remain outstanding. No further share awards or share options are expected to be granted under each of the 2023 Equity Incentive Plan, the 2025 Equity Incentive Plan, the 2025 Restricted Share Plan and the Pre-IPO Share Option Scheme after the Listing. The capital contribution made by the partners/shareholders to the Employee Incentive Platforms was sourced from their own funds as of the date of this Prospectus. Details of each Employee Incentive Platform as of the date of this Prospectus are set forth below.

(1) Delos Holding

Delos Holding was incorporated in the BVI as a BVI business company on September 27, 2019 and owned 1,600,000 Shares in the Company, accounting for approximately 1.68% of our issued Shares as of the date of this Prospectus. As of the date of this Prospectus, Delos Holding was controlled by Dr. Lai as to approximately 38.57% and the remaining 61.43% equity interests were held by the relevant grantees under the 2023 Equity Incentive Plan, none of whom holds 30% or more of the equity interests therein. Delos Holding was controlled by Dr. Lai, who holds the management shares thereof with voting rights, while the other shareholders of Delos Holding only held participating share without carrying any voting rights and hence did not take part in the decision making of Delos Holding. Dr. Lai is also the sole director, who is responsible for the day-to-day decision making of Delos Holding.

(2) Nanjing Chengtai Yuxin

Nanjing Chengtai Yuxin was established in the PRC as a limited partnership on September 27, 2019, and owned 2,585,717 Shares in the Company, accounting for approximately 2.72% of our issued Shares as of the date of this Prospectus. Nanjing Chengtai Yuxin is controlled by Dr. Wang as its sole general partner. As of the date of this Prospectus, Nanjing Chengtai Yuxin was owned as to approximately 8.84% by Dr. Wang as general partner, approximately 35.59% by Andong Liu (劉安東) as limited partner, and the remaining 55.57% was owned by other relevant grantees as limited partners under the 2023 Equity Incentive Plan, none of whom holds 30% or more of the equity interests therein.

(3) Hangzhou Shengtai

Hangahou Shengtai was established in the PRC as a limited partnership on March 16, 2023, and owned 1,652,473 Shares in the Company, accounting for approximately 1.74% of our issued Shares as of the date of this Prospectus. Hangzhou Shengtai is controlled by Dr. Wang as its sole general partner. As of the date of this Prospectus, Hangzhou Shengtai was owned as to approximately 78.82% by Dr. Wang as general partner, and the remaining 21.18% was owned by other relevant grantees as limited partners under the 2025 Equity Incentive Plan.

(4) Dechi Holding

Dechi Holding was incorporated under the laws of the British Virgin Islands with limited liability on September 30, 2019 and owned 1,023,259 Shares in the Company, accounting for approximately 1.08% our issued Shares as of the date of this Prospectus. As of the date of this Prospectus, Dechi Holding was owned as to (i) 3.91% by Dr. Lai; (ii) 44.82% by Dr. Alan Fu; (iii) 34.04% by Mr. Mark Robert Herbert; and (iv) 17.23% by three consultants of our Company. Dr. Lai controlled Dechi Holding through the only one management share he held and he is also responsible for the day-to-day decision making of Dechi Holding.

(5) Beijing Yuhetai

Beijing Yuhetai was established in the PRC as a limited partnership on August 5, 2025, and owned 98,500 Shares in the Company, accounting for approximately 0.10% of our issued Shares as of the date of this Prospectus. The general partner of Beijing Yuhetai is Nan Cao, a supervisor of certain of our subsidiaries. None of the general partner or limited partners holds 30% or more of the partnership interests in Beijing Yuhetai as of the date of this Prospectus.

For further details of the Employee Incentive Schemes, see section headed "Appendix V — Statutory and General Information — Further Information about our Directors, Senior Management and Substantial Shareholders — 5. Employee Incentive Schemes."

PRE-IPO INVESTMENTS

1. Overview

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

Round	Pre-IPO Investor(s)[1]	Date of initial investment agreement(s) and/or equity transfer agreement(s)	Form of investment	Date of full settlement of consideration	Registered capital or shares subscribed for or acquired[2]	Amount of consideration paid	Total funds raised	Pre-money valuation (approx.)	Post money valuation[3] (approx.)	Cost per Share[4] (approx.)	Discount to the H Share Offer Price[4]
Series Angel Financing	FreeS International Holdings (Hong Kong) Limited ("**FreeS**")	February 21, 2020	Subscription of shares in Cayman Holdco	February 28, 2020	15,625,000 shares of Cayman Holdco	US$1,200,000	US$4,000,000	US$12 million	US$16 million	HK$0.48	95.4%
	Quadrant Ventures Limited		Subscription of shares in Cayman Holdco		20,833,333 shares of Cayman Holdco	US$1,600,000					
	Chengdu Fengrui Tiantou Venture Capital Center (Limited Partnership) (成都峰睿天投創業投資中心(有限合夥)) ("**Chengdu Fengrui**")		Subscription of warrants in Cayman Holdco[5]		Warrants to purchase 7,812,500 shares of Cayman Holdco	US$600,000					
	Kunshan Fengrui Equity Investment Center (Limited Partnership) (昆山峰瑞股權投資中心(有限合夥)) ("**Kunshan Fengrui**")		Subscription of warrants in Cayman Holdco[5]		Warrants to purchase 7,812,500 shares of Cayman Holdco	US$600,000					
Series Angel+ Financing	HSG Seed I Holdco T, Ltd.[8] ("**HSG Seed I**")	April 30, 2020	Subscription of shares in Cayman Holdco	May 11, 2020	24,764,151 shares of Cayman Holdco	US$2,255,459	US$3,580,093	US$19.0 million	US$22.6 million	HK$0.56	94.7%
	FreeS		Subscription of shares in Cayman Holdco		5,896,226 shares of Cayman Holdco	US$537,014					
	Mr. Wang Cong		Subscription of shares in Cayman Holdco		4,716,981 shares of Cayman Holdco	US$429,611					
	Quadrant Ventures Limited		Subscription of shares in Cayman Holdco		3,930,818 shares of Cayman Holdco	US$358,009					
Series Pre-A Financing	Lightspeed China Partners IV, L.P.	November 30, 2020	Subscription of shares in Cayman Holdco	December 8, 2020	31,450,472 shares of Cayman Holdco	US$6,350,000	US$13,500,000	US$50.0 million	US$63.5 million	HK$1.25	88.1%
	Evolution Fund I, L.P.		Subscription of shares in Cayman Holdco		12,920,427 shares of Cayman Holdco	US$2,608,695.65					
	Evolution Fund I Co-investment, L.P.		Subscription of shares in Cayman Holdco		1,938,064 shares of Cayman Holdco	US$391,304.35					
	HSG Seed I		Subscription of shares in Cayman Holdco		6,686,321 shares of Cayman Holdco	US$1,350,000					
	IMO Global Growth Fund SPC ("**IMO Global**")		Subscription of shares in Cayman Holdco		495,283 shares of Cayman Holdco	US$100,000					
	Chengdu Fengrui		Subscription of warrants in Cayman Holdco[5]		Warrants to purchase 1,169,418 shares of Cayman Holdco	US$236,111.11					
	Kunshan Fengrui		Subscription of warrants in Cayman Holdco[5]		Warrants to purchase 3,040,487 shares of Cayman Holdco	US$613,888.89					
	Quadrant Ventures Limited		Subscription of shares in Cayman Holdco		6,686,321 shares of Cayman Holdco	US$1,350,000					
	XtalPi Investment Limited ("**XtalPi Investment**")		Subscription of shares in Cayman Holdco		2,476,412 shares of Cayman Holdco	US$500,000					

Round	Pre-IPO Investor(s)[1]	Date of initial investment agreement(s) and/or equity transfer agreement(s)	Form of investment	Date of full settlement of consideration	Registered capital or shares subscribed for or acquired[2]	Amount of consideration paid	Total funds raised	Pre-money valuation (approx.)	Post money valuation[3] (approx.)	Cost per Share[4] (approx.)	Discount to the H Share Offer Price[4]
Series Pre-A+ Financing	Evolution Fund I, L.P.	February 5, 2021	Subscription of shares in Cayman Holdco	July 9, 2021	12,431,016 shares of Cayman Holdco	US$4,347,826	US$11,000,000	US$110.0 million	US$121 million	HK$2.17	79.3%
	Evolution Fund I Co-investment, L.P.		Subscription of shares in Cayman Holdco		1,864,653 shares of Cayman Holdco	US$652,174					
	Lightspeed China Partners IV, L.P.		Subscription of shares in Cayman Holdco		2,859,134 shares of Cayman Holdco	US$1,000,000					
	Quadrant Ventures Limited		Subscription of shares in Cayman Holdco		2,859,134 shares of Cayman Holdco	US$1,000,000					
	XtalPi Investment		Subscription of shares in Cayman Holdco		2,001,394 shares of Cayman Holdco	US$700,000					
	HSG Seed I		Subscription of shares in Cayman Holdco		2,859,134 shares of Cayman Holdco	US$1,000,000					
	IMO Global Growth		Subscription of shares in Cayman Holdco		857,740 shares of Cayman Holdco	US$300,000					
	YUAN BEN CHEN XING ONE-PERSON LIMITED COMPANY (元本晨星一人有限公司) ("**YUAN BEN CHEN XING**")		Subscription of shares in Cayman Holdco		5,718,268 shares of Cayman Holdco	US$2,000,000					
Series A Financing	Evolution Fund I, L.P.	November 11, 2021	Subscription of shares in Cayman Holdco	November 26, 2021	8,423,257 shares of Cayman Holdco	US$6,086,957	US$86,500,000	US$250.0 million	US$336.5 million	HK$4.47	57.4%
	Evolution Fund I Co-investment, L.P.		Subscription of shares in Cayman Holdco		1,263,488 shares of Cayman Holdco	US$913,043					
	Lightspeed China Partners IV, L.P.		Subscription of shares in Cayman Holdco		5,535,283 shares of Cayman Holdco	US$4,000,000					
	Jiangsu Jiequan Chengda Equity Investment Centre (Limited Partnership) (江蘇傑泉成達股權投資中心(有限合夥))		Subscription of warrants in Cayman Holdco[5]		Warrants to purchase 27,676,415 shares of Cayman Holdco	Convertible bond in RMB equivalent to US$20,000,000[6]					
	Shanghai Yuji Technology Partnership (Limited Partnership) (上海玉驥科技合夥企業(有限合夥))		Subscription of warrants in Cayman Holdco[5]		Warrants to purchase 12,841,857 shares of Cayman Holdco	Convertible bond in RMB equivalent to US$9,280,000[6]					
	Nanjing China Merchants Bank Win Equity Investment Partnership (Limited Partnership) (南京市招銀共贏股權投資合夥企業(有限合夥))		Subscription of warrants in Cayman Holdco[5]		Warrants to purchase 996,351 shares of Cayman Holdco	Convertible bond in RMB equivalent to US$720,000[6]					
	PICC Beijing Health Care Fund, L.P. ((北京人保健康養老產業投資基金(有限合夥)) ("**PICC Health & Pension Fund**")		Subscription of warrants in Cayman Holdco[5]		Warrants to purchase 29,060,236 shares of Cayman Holdco	Convertible bond in RMB equivalent to US$21,000,000[6]					
	HSG Venture VIII Holdco AC, Ltd.[8] ("**HSG Venture VIII**")		Subscription of shares in Cayman Holdco		9,686,745 shares of Cayman Holdco	US$7,000,000					
	Shanghai Ziyuan Investment Center (Limited Partnership) (上海自緣投資中心(有限合夥)) ("**Shanghai Ziyuan**")		Subscription of warrants in Cayman Holdco[5]		Warrants to purchase 691,910 shares of Cayman Holdco	Convertible bond in RMB equivalent to US$500,000[6]					
	Duckling Fund, L.P.		Subscription of shares in Cayman Holdco		23,524,953 shares of Cayman Holdco	US$17,000,000					

Round	Pre-IPO Investor(s)[1]	Date of initial investment agreement(s) and/or equity transfer agreement(s)	Form of investment	Date of full settlement of consideration	Registered capital or shares subscribed for or acquired[2]	Amount of consideration paid	Total funds raised	Pre-money valuation (approx.)	Post money valuation[3] (approx.)	Cost per Share[4] (approx.)	Discount to the H Share Offer Price[4]
Series B Financing.	Martis Fund, L.P.	January 29, 2022	Subscription of shares in Cayman Holdco	February 18, 2022	28,902,767 shares of Cayman Holdco	US$27,000,000	US$61,000,000	US$500.0 million	US$561 million	HK$5.78	45.0%
	5Y Capital Evolution Fund II, L.P.		Subscription of shares in Cayman Holdco		9,735,851 shares of Cayman Holdco	US$9,094,907					
	5Y Capital Evolution Fund II Co-Investment, L.P.		Subscription of shares in Cayman Holdco		968,877 shares of Cayman Holdco	US$905,093					
	HSG Venture VIII		Subscription of shares in Cayman Holdco		6,422,837 shares of Cayman Holdco	US$6,000,000					
	Monolith Mini Fund L.P. ("**Monolith**")		Subscription of shares in Cayman Holdco		5,352,364 shares of Cayman Holdco	US$5,000,000					
	PICC Health & Pension Fund		Subscription of warrants in Cayman Holdco[5]		Warrant to subscribe for 10,704,728 shares of Cayman Holdco	Convertible bond in RMB equivalent to US$10,000,000[6]					
	Taixi (Tianjin) Enterprise Management Partnership (Limited Partnership) (泰熙(天津)企業管理合夥企業(有限合夥)) ("**Tianjin Taixi**")		Subscription of warrants in Cayman Holdco[5]		Warrant to subscribe for 3,211,419 shares of Cayman Holdco	US$3,000,000					
Series C Financing.	CICC Healthcare Investment Opportunities VI Limited ("**CICC Healthcare**")	September 19, 2023, November 17, 2023 and January 18, 2024	Subscription of the registered capital in our Company	June 3, 2024	RMB2,560,000 in the registered capital of our Company	US$24,000,000	US$73,600,000	US$750.0 million	US$823.6 million	HK$7.34	30.1%
	CICC Kangrui		Subscription of the convertible bond of our Company[7]		RMB5,120,000 in the registered capital of our Company	Convertible bond in RMB equivalent to US$48,000,000[7]					
	Taiping GBA Inno-Tech Limited Partnership Fund ("**Taiping GBA**")		Subscription of the registered capital in our Company		RMB170,666.67 in the registered capital of our Company	US$1,600,000					
Series D Financing.	Beijing Medical and Health Industry Investment Fund (Limited Partnership) (北京市醫藥健康產業投資基金(有限合夥)) ("**Beijing Medical and Health**")	July 30, 2025	Subscription of Shares	July 31, 2025	2,573,478 Shares	RMB200,000,000	RMB350,000,000	US$1,000.0 million	US$1,049 million	HK$8.88	15.4%
	Beijing Daxing District Industrial Development Fund Partnership (Limited Partnership) (北京市大興區產業發展基金合夥企業(有限合夥)) ("**Beijing Daxing**")		Subscription of Shares		1,930,108 Shares	RMB150,000,000					

Notes:

(1) For the details of the Pre-IPO Investors, see "— 5. Information about our Pre-IPO Investors" and "— Capitalization of our Company and Public Float" in this section.

(2) The registered capitals or shares subscribed for or acquired refer to those specified under the respective agreements.

(3) Our post-money valuation were calculated based on the new shares issued or registered capital contributed in that series. Our post-money valuation for Series Angel to Series B refers to the post-money valuation of the Cayman Holdco, our historical holding company.

(4) The cost per Share is calculated based on the amount of investment made by the relevant Pre-IPO Investors to our Company and the number of Shares of the Company held, or the registered capital subscribed, by them corresponding to the investment, as adjusted by the Share Subdivision to be undertaken immediately prior to the Listing and with reference to the exchange rate disclosed in "Information about this Prospectus and the Global Offering," to facilitate the illustration of premium or discount to the Offer Price. The discount to the H Share Offer Price is calculated based on the Offer Price of HK$10.50 per Offer Share.

(5) As our Group was then held by an offshore shareholding structure where the investors would need to undergo outbound direct investment (ODI) before investing in the Cayman Holdco (the "**ODI Needs**"), the warrants of the Cayman Holdco were issued to the relevant investors to subscribe for the shares of the Cayman Holdco, which were exercisable upon satisfaction of certain conditions after the ODI process was completed. The consideration and the basis of determining the consideration was the same as the subscription of shares of the Cayman Holdco by other investors in the same series financings. In view of the restructuring of our Company pursuant to the restructuring agreement dated April 24, 2023 when we unwound our offshore red-chip structure, such warrants to subscribe for the shares of the Cayman Holdco were canceled pursuant to the warrant cancellation agreements dated July 4, 2023, whereby the warrants held by the investors were irrevocably and fully terminated without consideration. The warrants were terminated without consideration because the ODI process was not completed eventually due to the unwinding of the offshore red-chip structure, as a result of which the conditions precedent to the exercise of the warrants were not fulfilled and the warrants could not be exercised accordingly. Instead, the relevant investors later subscribed for the Shares of our Company directly.

(6) Due to the ODI Needs as explained above, the convertible bonds of the Cayman Holdco were issued to the relevant investors to subscribe for the shares of the Cayman Holdco, which were exercisable upon satisfaction of certain conditions after the ODI process was completed. The convertible bond were fully converted into our Shares on August 1, 2023, upon the completion of the changes pursuant to the restructuring agreement dated April 24, 2023. For further details of our historical offshore structure, please refer to the paragraph headed "(3) Historical Offshore Corporate Structure" under the section headed "History, Development and Corporate Structure." Save for the difference in the mode of investment, there is no material difference between the subscription of convertible bond and subscription of Shares, particularly in terms of consideration and the basis for the consideration.

(7) The convertible bond subscribed by CICC Kanrui has been fully converted to the registered capital of RMB5,120,000 of our Company pursuant to a confirmation dated November 17, 2023. Save for the difference in the mode of investment, there is no material difference between the subscription of convertible bond and subscription of Shares, particularly in terms of consideration and the basis for the consideration.

(8) HSG Seed I Holdco T, Ltd. and HSG Venture VIII Holdco AC, Ltd. are the succeeding investing entities for HSG Seed I Holdco, Ltd. (formerly known as SCC Seed I Holdco, Ltd.) and HSG Venture VIII Holdco, Ltd. (formerly known as SCC Venture VIII Holdco, Ltd.) after the unwinding of our offshore red-chip structure pursuant to a restructuring agreement dated April 24, 2023. Please refer to the paragraph headed "(3) Historical Offshore Corporate Structure" under the section head "History, Development and Corporate Structure."

(9) (A) The increase from the post-money valuation of Series Angel+ Financing to the pre-money valuation of Series Pre-A Financing was mainly because we developed AiTEM, our proprietary AI-driven small molecule formulation optimization platform and the establishment of our Hangzhou research centre. (B) The increase from the post-money valuation of Series Pre-A Financing to the pre-money valuation of Series Pre-A+ Financing was mainly because of the development of our small molecule high-throughput wet experiment platform. (C) The increase from the post-money valuation of Series Pre-A+ Financing to the pre-money valuation of Series A Financing was mainly because (i) we launched our AiRNA and AiLNP; (ii) we initiated the project on the development of MS-004; and (iii) we established our Beijing research centre. (D) The increase from the post-money valuation of Series A Financing to the pre-money valuation of Series B Financing was mainly because we completed the set-up of our high-throughput LNP based on microfluidics, as well as the optimization and internal validation of Datalots platform. (E) The increase from the post-money valuation of Series B Financing to the pre-money valuation of Series C Financing was mainly because (i) we initiated the development of various nucleic acid drug pipeline candidates; (ii) we developed various multi-organ targeted LNP delivery platform; (iii) we received IND approval for MTS-004 by NMPA; (iv) we initiated and completed Phase I clinical trial for MTS-004; (v) we developed our AI-driven RNA design platform and improved our AiRNA platform; and (vi) we developed our multi-scale LNP simulation platform. (F) The increase from the post-money valuation of Series C Financing to the pre-money valuation of Series D Financing was mainly because (i) we completed Phase III clinical trial for MTS-004; (ii) we commenced Phase I clinical trial for MTS-201; and (iii) we commenced our cooperation with a leading global pharmaceutical company.

(10) Our anticipated market capitalization immediately upon completion of the Global Offering has primarily taken into account (i) that we identified a dual-targeting LNP that can deliver to both liver and lympoid organs which was incorporated into MTS-109; (ii) the post-money valuation of the Series D Financing; (iii) the expected capital raising during the Global Offering; (iv) our business growth since completion of the Series D Financing; and (v) the difference in risks undertaken by the Pre-IPO investors investing in a private company vis-à-vis investors investing in a public company.

2. Principal Terms of the Pre-IPO Investments

Basis of determining the valuation and consideration paid	The determination of the valuation and consideration is based on arm's length negotiations between the relevant parties with reference to among others, (i) the timing and market conditions of the investments/equity transfers and the market value of comparable companies at the relevant time, (ii) the operation of our business, the financial performance of our Group at the relevant time/period, (iii) source of the acquired shares, i.e. shares newly issued by the Company or existing shares transferred by shareholders, (iv) the prospects of our business.
Lock-up	Pursuant to the applicable PRC law, within the 12 months following the Listing Date, the Shares issued by the Company prior to the Global Offering (including the Shares held by the Pre-IPO Investors immediately prior to the Global Offering) are restricted from transfer.
Use of proceeds from the Pre-IPO Investments	We utilized the proceeds from the Pre-IPO Investments for the operations, business expansion and general working capital purpose of our Group. As of the Latest Practicable Date, 53% of the funds raised from the Pre-IPO Investments have been utilized.
Strategic benefit of the Pre-IPO Investments to our Group	At the time of each of the Pre-IPO Investments, our Directors were of the view that our Company could benefit from the capital raised through the Pre-IPO Investments, the Pre-IPO Investors' knowledge and experience, the endorsement of and confidence in the Group's performance, strength and prospects reflected by the Pre-IPO Investments, and the diversified shareholding structure and base.

3. Rights of the Pre-IPO Investors

Historically, certain Pre-IPO Investors were granted redemption rights in relation to our Company and such redemption rights were fully terminated with immediate effect on February 28, 2025, which was before the conversion of our Company from a limited liability company into a joint stock limited company with no further obligation to redeem or repurchase, and the relevant redemption rights will not be reinstated upon the occurrence of any events beyond the control of the Company. In addition, certain Pre-IPO Investors have been granted certain other special rights (the "**Other Special Rights**") in relation to our Company, including information rights, inspection rights, right of first refusal, anti-dilution rights, pre-emptive rights, rights of directors nomination, appointment, designation and replacement, protective rights, profit distribution rights, rights of co-sale and tag-along rights.

Pursuant to a shareholders' agreements entered into among our Company and the then Shareholders of our Company dated July 30, 2025, which superseded the previous shareholders agreements, all the Other Special Rights under the Shareholders' Agreements will terminate upon the Listing.

4. Joint Sponsors' Confirmation

Based on (i) the considerations for the Pre-IPO Investments have been settled no less than 120 clear days before the Listing Date; and (ii) all the special rights granted to the Pre-IPO Investors as set out above will terminate upon the Listing, the Joint Sponsors confirm that the Pre-IPO Investments are in compliance with the Pre-IPO Investment Guidance issued by the Stock Exchange in the Guide for New Listing Applicants effective from January 1, 2024.

5. Information about our Pre-IPO Investors

Our Pre-IPO Investors include Pathfinder SIIs, namely CICC, HSG, PICC Health & Pension Fund, 5Y Capital and Jiequan Chengda (as defined in Chapter 2.5 of the Guide for New Listing Applicants). The background information on our Pre-IPO Investors is set out below.

Our Pathfinder SIIs and Sophisticated Independent Investors

We have received meaningful investments from the following Sophisticated Independent Investors, all of whom are our Pathfinder SIIs, and each having invested in our Company for at least 12 months prior to the first submission of our listing application to the Stock Exchange.

(a) CICC

CICC Healthcare and CICC Kangrui are interested in an aggregate of approximately 11.4% of the total number of Shares as of the date of this Prospectus.

CICC Kangrui (together with CICC Healthcare, "**CICC**") is a limited partnership established in the PRC focusing on investments in the healthcare sector. CICC Kangrui has 18 limited partners as of the Latest Practicable Date who are private investors and institutional investors and none of the limited partners has 30% or more of the limited partnership interests. The general partner of CICC Kangrui is CICC Capital Management Co., Ltd. ("**CICC Capital Management**"), a wholly-owned subsidiary of China International Capital Corporation Limited, a company listed on the Stock Exchange (stock code: 3908) and the Shanghai Stock Exchange (stock code: 601995) and is principally engaged in investment banking business, equities business, fixed-income, commodities and currency business, asset management business, private equity business, wealth management business and other business activities. As of December 31, 2024, the AUM of CICC Capital Management, the private equity business of China International Capital Corporation Limited, reached RMB457.6 billion.

CICC Healthcare is an exempted company incorporated in the Cayman Islands with limited liability as a special purpose vehicle for the purpose of investing in our Company. CICC Healthcare is held by CICC Healthcare Investment Fund, L.P. (Cayman) ("**CICC Healthcare Cayman**") as to approximately 93.3%. The general partner of CICC Healthcare Cayman is CICC Healthcare Investment Management Limited (Cayman), who owned approximately 2.99% of the partnership interest in CICC Healthcare Cayman. CICC Healthcare Investment Management Limited (Cayman) is a subsidiary indirectly wholly owned by China International Capital Corporation Limited. None of the limited partners of CICC Healthcare Cayman holds 30% or more interest therein.

(b) HSG

HSG Venture VIII and HSG Seed I are interested in an aggregate of 6.89% of the total number of Shares as of the date of this Prospectus.

Each of HSG Venture VIII and HSG Seed I is an exempted limited partnership incorporated in the Cayman Islands. HSG Venture VIII is wholly owned by HongShan Capital Venture Fund VIII, L.P., whose general partner is HSG Venture VIII Management, L.P. HSG Seed I is wholly owned by HongShan Capital Seed Fund I, L.P., whose general partner is HSG Seed Fund I Management, L.P.

The general partner of each of HSG Venture VIII Management, L.P. and HSG Seed Fund I Management, L.P. is HSG Holding Limited, a wholly-owned subsidiary of SNP China Enterprises Limited. Neil Nanpeng Shen is the sole shareholder of SNP China Enterprises Limited.

Each of HongShan Capital Venture Fund VIII, L.P. and HongShan Capital Seed Fund I, L.P. (collectively as "**HSG Funds**") is an investment fund whose primary purpose is to make equity investments in private companies. None of the limited partners owned 30% or more of the limited partnership interests in each of the HSG Funds or cumulatively across the HSG Funds.

As of September 30, 2025, HSG's assets under management was approximately US$55 billion across different products and affiliate funds.

HSG is a leading venture capital and private equity firm investing in the technology, healthcare and consumer sectors. Founded in 2005, HSG has nurtured entrepreneurship and innovation, backing more than 1,600 companies.

In addition to our Company, investment funds affiliated with HSG have invested in other technology, biotechnology or healthcare companies such as CStone Pharmaceuticals (stock code: 2616), Innovent Biologics, Inc. (stock code: 1801), Venus Medtech (Hangzhou) Inc. (stock code: 2500), Brii Biosciences Limited (stock code: 2137), Jiangsu Recbio Technology Co., Ltd. (stock code: 2179), Beijing Fourth Paradigm Technology Co., Ltd. (stock code: 6682) and XtalPi Holdings Limited (stock code: 2228).

(c) PICC Health & Pension Fund

Beijing PICC Health and Pension Industry Investment Fund (Limited Partnership) (北京人保健康養老產業投資基金(有限合夥)) is interested in an aggregate of 5.29% of the total number of Shares as of the date of this Prospectus.

PICC Health & Pension Fund is a limited partnership established in the PRC which focuses on investment in life science, biotechnology, medical devices and healthcare services industries. Its general partner is PICC Capital Equity Investment Company Limited (人保資本股權投資有限公司) ("**PICC Equity Investment**"), a company principally engaged in the provision of growth equity and fund management services and is wholly owned by PICC Capital Insurance Asset Management Co., Ltd. ("**PICC Capital**"). PICC Capital is wholly owned by The People's Insurance Company (Group) of China Limited ("**PICC Group**"). PICC Health & Pension Fund has a total of two limited partners, with the largest limited partner, PICC Life Insurance Co., Ltd. (中國人民人壽保險股份有限公司) ("**PICC Life**") holding approximately 66.5% of its ownership. PICC Life is a non-wholly owned subsidiary of PICC Group, the shares of which are listed on the Stock Exchange (stock code: 1339) and the Shanghai Stock Exchange (stock code: 601319). 33.2% of the partnership interest of PICC Health & Pension Fund was held by another limited partner of PICC Health & Pension Fund, PICC Property and Casualty Company Limited, the H shares of which are listed on the Stock Exchange (stock code: 2328) and the ultimate holding company of which is PICC Group.

PICC Equity Investment is a professional private equity fund management company with extensive investments in advanced manufacturing, healthcare, and technological innovation sectors. In addition to our Company, PICC Health & Pension Fund has invested in other listed companies in Hong Kong such as Biocytogen Pharmaceuticals (Beijing) Co., Ltd. (stock code: 2315) and Jenscare Scientific Co., Ltd. (stock code: 9877).

(d) 5Y Capital

Evolution Holding IV Limited and Vibrant Evolution II Limited are interested in 4.78% of the total number of Shares as of the date of this Prospectus.

Evolution Holding IV Limited and Vibrant Evolution II Limited are limited companies incorporated in Hong Kong. Evolution Holding IV Limited is owned by Evolution Fund I, L.P. and Evolution Fund I Co-investment, L.P., (as to 87.0% and 13.0%, respectively) and Vibrant Evolution II Limited is owned by 5Y Capital Evolution Fund II, L.P. and 5Y Capital Evolution Fund II Co-investment, L.P. (as to 90.9% and 9.1%, respectively). Each of Evolution Fund I, L.P., Evolution

Fund I Co-investment, L.P., 5Y Capital Evolution Fund II, L.P. and 5Y Capital Evolution Fund II Co-investment, L.P. is a limited partnership established under the laws of the Cayman Islands and an investment entity of 5Y Capital. They are all controlled by 5Y Capital GP Limited, their general partner. Mr. Qin Liu is entitled to exercise of 100% of the voting power of all issued shares in 5Y Capital GP Limited at its general meeting. Mr. Qin Liu is an Independent Third Party.

None of the limited partner has held a cumulative limited partnership interest of 30% or more across Evolution Fund I, L.P. and Evolution Fund I Co-investment, L.P., and none of the limited partner has held a cumulative limited partnership interest of 30% or more across 5Y Capital Evolution Fund II, L.P. and 5Y Capital Evolution Fund II Co-investment, L.P.

5Y Capital is a global venture capital firm which specializes in fostering the growth of outstanding companies in the technology, life sciences, and consumer innovation sectors.

In addition to our Company, 5Y Capital has invested in other technology companies such as Xiaomi Corporation (stock code: 1810), and XPeng Inc. (stock code: 9868) etc. As of June 30, 2021 and June 30, 2023, 5Y Capital had assets under management of over US$5.0 billion, respectively.

(e) Jiequan Chengda

Jiangsu Jiequan Chengda Equity Investment Centre (Limited Partnership) (江蘇聿泉成達股權投資中心(有限合夥)) (formerly known as Jiangsu China Life Jiequan Equity Investment Center (Limited Partnership) (江蘇國壽聿泉股權投資中心(有限合夥)) ("**Jiequan Chengda**") is interested in 3.68% of the total number of Shares as of the date of this Prospectus.

Jiequan Chengda is a limited partnership established in the PRC specializing in equity investment, investment management and asset management services. Its general partner is China Life (Jiangsu) Equity Investment Limited (國壽(江蘇)股權投資有限公司), a limited liability company indirectly and wholly owned by China Life Insurance (Group) Company ("**CLIC**") which in turn is owned as to 90% by the Ministry of Finance of the PRC. The largest limited partner of Jiequan Chengda with 60.00% partnership interests is China Life Insurance Company Limited ("**China Life Insurance**"), a company listed on the Stock Exchange (stock code: 2628) and the Shanghai Stock Exchange (stock code: 601628) which is indirectly owned as to 68.37% by the Ministry of Finance of the PRC. CLIC is the controlling shareholder of China Life Insurance. Another limited partner, Jiangsu Provincial Government Investment Fund (Limited Partnership) (江蘇省政府投資基金(有限合夥)), a Jiangsu Provincial Government fund, holds 30.00% partnership interests in Jiequan Chengda. None of the other limited partners of Jiequan Chengda holds 30% or more partnership interest therein.

China Life Insurance is a leading life insurance company in the PRC and is one of the largest institutional investors in the PRC, and becomes one of the largest insurance asset management companies in the PRC through its controlling shareholding in China Life Asset Management Company Limited, a non-wholly owned subsidiary of China Life Insurance.

In addition to our Company, China Life Insurance, has invested in other listed companies in Hong Kong such as QuantumPharm Inc. (stock code: 2228), Innovent Biologics, Inc. (stock code: 1801), JD Health International Inc. (stock code: 6618), HBM Holdings Limited (stock code: 2142), Biocytogen Pharmaceuticals (Beijing) Co., Ltd. (stock code: 2315) and Jenscare Scientific Co., Ltd. (stock code: 9877). As of June 30, 2021 and September 30, 2025, the investment assets of China Life Insurance amounted to RMB4,457,524 million and RMB7,282,982 million, respectively, which comprised investment in bond, term deposits, debt-type financial products, stocks and funds.

Please refer to notes (a) to (o) to "Capitalization of our Company and Public Float" for details of the other Pre-IPO Investors. Save for CICC Healthcare and CICC Kangrui, who is core connected person only because it is a substantial shareholder of our Company, to the best of the knowledge, information and belief of our Directors having made all reasonable enquiries, each of other Pre-IPO Investors is an Independent Third Party.

6. Meaningful investment from Sophisticated Independent Investors

We have received investments from five Pathfinder SIIs, namely CICC, HSG, PICC Health & Pension Fund, 5Y Capital and Jiequan Chengda each having invested in the Group for at least 12 months prior to the first submission of our Listing application to the Stock Exchange for the purpose of the Global Offering. In accordance with Chapter 2.5 of the Guide for New Listing Applicants, each of CICC, HSG, PICC Health & Pension Fund, 5Y Capital and Jiequan Chengda holds more than 3%, and in aggregate more than 10%, of the issued share capital of the Company as at the date of our listing application and throughout the pre-application 12-month period. For details of the ownership percentage of shareholding in our Company's share capital of each of the Pathfinder SIIs, see "— Capitalization of Our Company and Public Float."

As at the date of this Prospectus, our Sophisticated Independent Investors, all of whom being Pathfinder SIIs, held, in aggregate, approximately 32.08% in the total issued share capital of our Company. Upon completion of the Global Offering (assuming the Presumptions), such Sophisticated Independent Investors will hold, in aggregate, no less than 25% in the total issued share capital of our Company, assuming that our expected market capitalization at the time of Listing will exceed HK$8 billion and less than HK$15 billion).

7. Lock-up periods

The table below sets out the list of persons who are, together with their respective close associates, subject to lock-up requirements pursuant to Rule 18C.14 of the Listing Rules:

Name	Capacity	Number of Shares held immediately following the completion of the Global Offering[1]	Ownership percentage of shareholding in the total issued share capital of our Company following the completion of the Global Offering[1]	Lock-up period for a Pre-Commercial Company
Key persons[2] and their close associates				
Dr. Lai	Co-founder, chairman of the Board, executive Director and chief executive officer	–	–	Commencing on the date of this Prospectus and ending on expiry of 24 months from the Listing Date
Scientia HK	Dr. Lai's close associate	121,334,260	10.53%	
Delos Holding	Dr. Lai's close associate	16,000,000	1.39%	
Dechi Holding	Dr. Lai's close associate	10,232,590	0.89%	
Dr. Chen	Co-founder, executive Director and chief research and development officer	66,913,490	5.81%	
Dr. Wang	Co-founder, executive Director and chief operating officer	34,911,380	3.03%	
Nanjing Chengtai Yuxin	Dr. Wang's close associate	25,857,170	2.24%	
Hangzhou Shengtai	Dr. Wang's close associate	16,524,730	1.43%	
Pathfinder SIIs				
CICC	Pathfinder SIIs	108,800,000	9.44%	Commencing on the date of this Prospectus and ending on expiry of 12 months from the Listing Date
HSG	Pathfinder SIIs	65,558,660	5.69%	
PICC Health & Pension Fund	Pathfinder SIIs	50,324,060	4.37%	
5Y Capital	Pathfinder SIIs	45,463,970	3.94%	
Jiequan Chengda	Pathfinder SIIs	35,025,550	3.04%	

Notes:

(1) Assuming the Presumptions.

(2) Dr. Lai, Dr. Chen and Dr. Wang are our Co-founders, executive Directors and senior management, each being our key persons responsible for our technical operations and/or the research and development of our Specialist Technology Products, who are subject to lock-up requirements pursuant to Rule 18C.14 of the Listing Rules. In addition, our key persons for the purpose of Rule 18C.14 of the Listing Rules also include (i) Dr. Alan Fu, Dr. Wei Xu and Mr. Mark Robert Herbert, each being a senior management member of the Company, and (ii) Dr. Andong Liu, our vice president and head of technology and one of our key personnel responsible for our Company's technical operations and/or the research and development of our Specialist Technology Products (collectively, the "**Other Key Persons**"). As of the date of this Prospectus, the Other Key Persons held certain Equity Incentives under our Employee Incentive Schemes, for further details of the Employee Incentives, please refer to section headed "Appendix V — Statutory and General Information — Further Information about our Directors, Senior Management and Substantial Shareholders — 5. Employee Incentive Schemes."

(3) In the event that upon the notification by the Stock Exchange that our Company will no longer be regarded as a Pre-Commercial Company after the Listing, the lock-up period will expire on the later of: (i) the date which is 12 months from the Listing Date; and (ii) the date falling on the 30th day after the announcement on the removal of designation as a Pre-Commercial Company as required under Rule 18C.24 of the Listing Rules.

FULL CIRCULATION

Our Company has applied for H Share full circulation to convert an aggregate of 851,697,111 Unlisted Shares (as adjusted by the Share Subdivision) held by all 39 existing Shareholders, representing approximately 89.53% of the total issued Shares of our Company as of the date of this Prospectus and approximately 73.90% of the total issued Shares of our Company upon completion of the Conversion of Unlisted Shares into H Shares and the Global Offering (assuming the Presumptions). For details, please refer to the section headed "Share Capital — Upon Completion of the Global Offering" in this Prospectus.

CAPITALIZATION OF OUR COMPANY AND PUBLIC FLOAT

Following the completion of the Global Offering and the Share Subdivision (assuming the Presumptions), certain of our Unlisted Shares that will be converted into H Shares. The table below is a summary of the capitalization of our Company and the breakdown of the public float:

	As of the date of this Prospectus		Upon the Listing				
Name of Shareholders	No. of Shares	Approximate ownership percentage	No. of Shares	Description of Shares	Approximate ownership percentage	No. of H Shares to be counted towards public float	Shareholding percentage held by each public Shareholder
Single Largest Group of Shareholders							
Dr. Wang	3,491,138	3.67%	10,473,414	Unlisted Shares	0.91%	–	–
			24,437,966	H Shares	2.12%	–	–
Dr. Chen	6,691,349	7.03%	20,074,047	Unlisted Shares	1.74%	–	–
			46,839,443	H Shares	4.06%	–	–
Dr. Lai/Scientia HK	12,133,426	12.75%	36,400,278	Unlisted Shares	3.16%	–	–
			84,933,982	H Shares	7.37%	–	–
Delos	1,600,000	1.68%	16,000,000	H Shares	1.39%	–	–
Nanjing Chengtai Yuxin	2,585,717	2.72%	25,857,170	H Shares	2.24%	–	–
Hangzhou Shengtai	1,652,473	1.74%	16,524,730	H Shares	1.43%	–	–
Dechi Holding	1,023,259	1.08%	10,232,590	H Shares	0.89%	–	–
Sub-total	29,177,362	30.67%	66,947,739	Unlisted Shares	5.81%	–	–
			224,825,881	H Shares	19.51%	–	–
Other Shareholders							
Beijing Yuhetai	98,500	0.10%	985,000	H Shares	0.09%	985,000	0.09%
CICC Kangrui	7,253,333	7.62%	21,759,999	Unlisted Shares	1.89%	–	–
			50,773,331	H Shares	4.41%	50,773,331	4.41%
PICC Health & Pension Fund	5,032,406	5.29%	50,324,060	H Shares	4.37%	50,324,060	4.37%
Evolution Holding	3,191,673	3.36%	31,916,730	H Shares	2.77%	31,916,730	2.77%
HSG Seed I	4,342,010	4.56%	43,420,100	H Shares	3.77%	43,420,100	3.77%
LS Metis[(c)]	4,322,521	4.54%	43,225,210	H Shares	3.75%	43,225,210	3.75%
Martis Fund[(e)]	4,261,643	4.48%	42,616,430	H Shares	3.70%	42,616,430	3.70%
XtalPi[(d)]	3,214,646	3.38%	32,146,460	H Shares	2.79%	32,146,460	2.79%
CICC Healthcare	3,626,667	3.81%	10,880,001	Unlisted Shares	0.94%	–	–
			25,386,669	H Shares	2.20%	25,386,669	2.20%
Jiequan Chengda	3,502,555	3.68%	35,025,550	H Shares	3.04%	35,025,550	3.04%
Matrice Capital[(b)]	3,062,010	3.22%	30,620,100	H Shares	2.66%	30,620,100	2.66%
Duckling Fund[(f)]	2,977,171	3.13%	29,771,710	H Shares	2.58%	29,771,710	2.58%
FreeS[(a)]	2,723,592	2.86%	27,235,920	H Shares	2.36%	27,235,920	2.36%
HSG Venture VIII	2,213,856	2.33%	22,138,560	H Shares	1.92%	22,138,560	1.92%
Guangzhou CMB[(e)]	1,625,185	1.71%	16,251,850	H Shares	1.41%	16,251,850	1.41%
Vibrant Evolution	1,354,724	1.42%	13,547,240	H Shares	1.18%	13,547,240	1.18%
IMO Global[(k)]	609,445	0.64%	6,094,450	H Shares	0.53%	6,094,450	0.53%

	As of the date of this Prospectus		Upon the Listing				
Name of Shareholders	No. of Shares	Approximate ownership percentage	No. of Shares	Description of Shares	Approximate ownership percentage	No. of H Shares to be counted towards public float	Shareholding percentage held by each public Shareholder
Chia Tai Pharmaceutical Group Investment Co., Limited[(1)(o)]	805,185	0.85%	8,051,850	H Shares	0.70%	8,051,850	0.70%
Kunshan Fengrui[(a)]	773,486	0.81%	7,734,860	H Shares	0.67%	7,734,860	0.67%
YUAN BEN CHEN XING[(l)]	723,668	0.76%	7,236,680	H Shares	0.63%	7,236,680	0.63%
Monolith[(i)]	677,362	0.71%	6,773,620	H Shares	0.59%	6,773,620	0.59%
Chengdu Fengrui[(a)]	536,696	0.56%	5,366,960	H Shares	0.47%	5,366,960	0.47%
Tianjin Taixi[(j)]	406,417	0.43%	4,064,170	H Shares	0.35%	4,064,170	0.35%
Yael Capital[(g)]	261,685	0.28%	2,616,850	H Shares	0.23%	2,616,850	0.23%
Taiping GBA[(h)]	241,778	0.25%	2,417,780	H Shares	0.21%	2,417,780	0.21%
Yael Evergreen[(g)]	241,556	0.25%	2,415,560	H Shares	0.21%	2,415,560	0.21%
Nanjing CMB[(e)]	126,092	0.13%	1,260,920	H Shares	0.11%	1,260,920	0.11%
Shanghai Ziyuan[(a)]	87,564	0.09%	875,640	H Shares	0.08%	875,640	0.08%
Alaya Capital Partners Limited[(2)]	2,515,510	2.64%	25,155,100	H Shares	2.18%	25,155,100	2.18%
Beijing Medical and Health[(m)]	2,573,478	2.71%	25,734,780	H Shares	2.23%	25,734,780	2.23%
Beijing Daxing[(n)]	1,930,108	2.03%	19,301,080	H Shares	1.67%	19,301,080	1.67%
AHI Investment[(3)]	638,601	0.67%	6,386,010	H Shares	0.55%	6,386,010	0.55%
Other public Shareholders	–	–	201,229,000	H Shares	17.46%	201,229,000	17.46%
Total	95,128,485	100.00%	1,152,513,850	–	100.00%	828,100,230	71.85%

Notes:

(1) Pursuant to a share transfer agreement dated December 1, 2021 between Dr. Chen and Mr. Eric Tse, Dr. Chen transferred 6,362,394 class B ordinary shares of Metis Pharmaceuticals Inc to Mr. Eric Tse at a consideration of US$4,000,000. The consideration was determined based on arm's length negotiation between the parties. As a result of the unwinding of our red-chip structure as detailed in paragraph "(3) Historical Offshore Corporate Structure" above and pursuant to the restructuring agreement dated April 24, 2023, the shares of Metis Pharmaceuticals Inc. held by Mr. Eric Tse's was designated to be held by Chia Tai. Chia Tai is a limited company incorporated in Hong Kong and was wholly-owned by Mr. Eric Tse, an Independent Third Party. The equity interest held by Chia Tai was equivalent to the 805,185 Shares after the conversion of net asset into shares by our Company.

(2) Alaya Capital Partners Limited ("**Alaya**") is a BVI business company incorporated in the BVI with investment as its principal business. The sole shareholder of Alaya is Mr. Liaw Lin Hsiang (廖淩祥), an Independent Third Party. Pursuant to three equity transfer agreements dated July 1, 2025, July 22, 2025 and August 6, 2025, Alaya acquired a total of 2,515,510 Shares from Evolution IV Holding Limited, IMO Global and XtalPi, respectively. The relevant consideration was settled on July 31, 2025, August 6, 2025 and August 7, 2025, respectively.

(3) AHI Investment Ltd. ("**AHI Investment**") is a BVI business company incorporated in the BVI. The sole shareholder of AHI Investment is Cheng Po-Chi, an Independent Third Party who is a private investor. Pursuant to a equity transfer agreement dated August 6, 2025, AHI Investment acquired 638,601 Shares from Scientia HK. The relevant consideration was settled on August 6, 2025.

(a) Fengrui

FreeS International Holdings (Hong Kong) Limited is a limited company incorporated in Hong Kong. The sole shareholder of FreeS is FreeS Fund LP. FreeS Fund LP is an exempted limited partnership incorporated in the Cayman Islands focusing on investment opportunities in equity and equity-linked securities of privately-held companies in the technology, media and telecommunications industry, finance, education and healthcare industries as they relate to the TMT industry, and business service industry, which are in seed-stage, early stage or high-growth stage and organized and/or operated in United States, China, or otherwise with a significant nexus to China. FreeS Fund LP has over ten limited partners who are private investors and institutional investors. None of the limited partners has 30% or more of the limited partnership interests. The general partner of FreeS Fund LP is FreeS Capital Management LP which is wholly owned by Brightest Leads Limited. Brightest Leads Limited is in turn wholly owned by Mr. Li Feng (李豐) ("**Mr. Li**").

Chengdu Fengrui is a limited partnership established in the PRC which focuses on among others, start-up investments, project management, investment management and investment advisory. Chendu Fengrui is managed by Shanghai Ziyou Investment Management Co., Ltd. (上海自友投資管理有限公司) ("**Shanghai Ziyou**"). Shanghai Ziyou was directly owned as to approximately 78.2% by Mr. Li. Chengdu Fengrui has over 10 limited partners and none of them owned 30% or more of the partnership interest in Chengdu Fengrui.

Kunshan Fengrui is a limited partnership established in the PRC which focuses on, among others, start-up investments, equity investments and investment advisory. Kunshan Fengrui is also managed by Shanghai Ziyou. Kunshan Fengrui has over 10 limited partners and none of them owned 30% or more of the partnership interest in Kunshan Fengrui.

Shanghai Ziyuan is a limited partnership established in the PRC which focuses on, among others, start-up investment, enterprise management advisory and business consultancy. The general partner is also Shanghai Ziyou. Xiamen Jinyuan Zhanhong Equity Investment Enterprise (Limited Partnership) (廈門金圓展鴻股權投資合夥企業(有限合夥)) ("**Xiamen Jinyuan**"), as a limited partner, owned as to 70% of the partnership interest in Shanghai Ziyuan. Xiamen Jinyuan is managed by Jinyuan Capital Management (Xiamen) Co., Ltd (金圓資本管理(廈門)有限公司), which is ultimately wholly owned by Xiamen Jin Yuan Investment Group Co., Ltd. (廈門金圓投資集團有限公司), a company wholly owned by Xiamen Municipal Bureau of Finance. None of the other limited partners of Shanghai Ziyuan holds 30% or more partnership interest therein.

The area of investment of Chengdu Fengrui, Kunshan Fengrui and Shanghai Ziyuan mainly includes TMT, key and core technology and bio-pharmaceuticals.

(b) Matrice Capital

Matrice Capital Hong Kong Limited is a limited company incorporated in Hong Kong. The sole shareholder of Matrice Capital is Source Code Venture Fund IV L.P. ("**Source Code**"). Source Code is a private fund registered in the Cayman Islands. There is no entity or individual holding 30% or more of the partnership interest in Source Code.

The general partner of Source Code is Source Code Venture Fund IV Management L.P., the ultimate beneficial shareholder of which is Enlightenment Trust. Enlightenment Trust is a trust established under the laws of the Island of Jersey, with Mr. Charlie Cao and his family members as beneficiaries. Mr. Charlie Cao is the founding partner of Source Code Capital. Mr. Charlie Cao is an Independent Third Party.

(c) Lightspeed

LS Metis Holding Limited is a company incorporated in Hong Kong on March 16, 2023. It is wholly owned by Lightspeed China Partners IV, L.P., which is an exempted limited partnership incorporated in the Cayman Islands. The general partner of Lightspeed China Partners IV, L.P. is Lightspeed China Partners IV GP, LLC, the ultimate beneficial owners of which are James Qun Mi and Yan Han. Each of James Qun Mi and Yan Han is an Independent Third Party. None of the limited partners of Lightspeed China Partners IV, L.P. hold 30% or more partnership interest therein.

Lightspeed China Partners IV, L.P. is one of the USD Funds Managed by Lightspeed China Partners. Lightspeed China Partners is a leading China-focused venture capital firm serving entrepreneurs as a lead investor in early stage and emerging growth companies. Lightspeed China Partners supports China's technology innovation and is committed to working with entrepreneurs to realize sustainable development. To date, the partnership has helped develop a group of transformational industry leaders. These companies include: Pinduoduo (NASDAQ: PDD), Zhongji InnoLight (SZ: 300308), Full Truck Alliance (NYSE: YMM), Hesai Technology (NASDAQ: HSAI), Hanshow (SZ: 301275), Southchip (SH: 688484), Smarter Micro (SH: 688512), FinVolution (NYSE: FINV), QingCloud Technology (SH: 688316), Nemo (acquired by Baidu), FaceU (acquired by ByteDance), etc. As of March 31, 2025, the total market value of investment of Lightspeed China Partners is US$3.85 billion.

(d) XtalPi

XtalPi Investment Limited is a limited liability company incorporated in Hong Kong. It is a subsidiary owned as to 87.69% by XtalPi Holdings Limited, a company listed on the Stock Exchange (stock code: 2228, together with XtalPi Investment Limited and other subsidiaries of XtalPi Holdings Limited referred to as "**XtalPi**"). XtalPi is a quantum physics-based, AI-powered, and robotics-driven innovative R&D platform. The company adopts a combination of quantum physics-based first-principles calculation, AI, high performance cloud computing, and scalable and standardized robotic automation to provide drug and material science R&D solutions and services to global and domestic companies in the pharmaceutical and material science (including agritech, energy and new chemicals, and cosmetics) industries and other related sectors.

(e) CMBI

Guangzhou Zhaoxin Wuji Equity Investment Partnership (Limited Partnership) (廣州市招信五暨股權投資合夥企業(有限合夥)) ("**Guangzhou Zhaoxin Wuji**") is a limited partnership established in the PRC. The general partner of Guangzhou Zhaoxin Wuji is Shenzhen China Merchants Telecom Equity Investment Fund Management Co., Ltd. (深圳招銀電信股權投資基金管理有限公司), which is owned as to 80% by CMB International Capital Management (Shenzhen) Ltd. (招銀國際資本管理(深圳)有限公司), an indirect wholly owned subsidiary of CMB International Capital Corporation Limited, with a focus on private equity investment and investment fund management. Guangzhou Zhaoxin Wuji has over ten limited partners and none of whom holds 30% or more of the partnership interest in Guangzhou Zhaoxin Wuji.

Nanjing Zhaoyin Gongying Equity Investment Partnership (Limited Partnership) (南京市招銀共贏股權投資合夥企業(有限合夥)) ("**Nanjing Zhaoyin Gongying**") is a limited partnership established in the PRC. Nanjing Zhaoyin Gongying has ten limited partners who are private investors. None of the limited partners has 30% or more of the limited partnership interests. The general partner of Nanjing Zhaoyin Gongying is Jiangsu Zhaoyin Industrial Fund

Management Co., Ltd., a wholly-owned subsidiary of CMB International Capital Management (Shenzhen) Ltd., which in turn is a wholly-owned subsidiary of CMB Financial Holdings (Shenzhen) Co., Ltd. (招銀金融控股(深圳)有限公司). CMB Financial Holdings (Shenzhen) Co., Ltd. is wholly owned by CMB International Capital Corporation Limited (招銀國際金融有限公司).

CMB International Capital Corporation Limited is an indirect wholly-owned subsidiary of China Merchants Bank Co., Ltd. whose shares are listed on the Stock Exchange (stock code: 3968) and Shanghai Stock Exchange (stock code: 600036).

(f) Duckling Fund and Martis Fund

Duckling Fund, L.P., ("**Duckling Fund**") an exempted limited partnership registered under the laws of Cayman Islands, whose general partner is Grandiflora Hook GP Limited and ultimately wholly owned by Eric Li. The only limited partner of Duckling Fund is Lionet Fund, L.P., which is a fund focusing on logistics, healthcare, telecommunication, media, technology and consumer industries investment. The general partner of Lionet Fund, L.P. is Grandiflora Hook GP Limited. No limited partner holds 30% or more partnership interest in Lionet Fund, L.P..

Martis Fund, L.P. ("**Martis Fund**") is an exempted limited partnership registered under the laws of Cayman Islands, focusing on healthcare, telecommunication, media, technology and consumer industries investment. The general partner of Martis Fund is Pulsating Star GP Limited, which is ultimately wholly owned by Eric Li. No limited partner holds 30% or more partnership interest in Martis Fund.

(g) Yael

Yael Capital Partners III L.P. is a limited partnership incorporated in the BVI. Save as one of the limited partners, Liu Chong holding approximately 96.9% partnership interests therein, none of the other limited partners of Yael Capital Partners III L.P. holds 30% or more limited partnership interests therein. The general partner of Yael Capital Partners III L.P. is Yael Capital Management Limited which is wholly owned by Liu Chong (劉翀), an Independent Third Party. Yael Capital Partners III L.P. primarily focuses on investment area of biotechnology and medical health.

Yael Evergreen Fund SPC is a segregated portfolio company incorporated in the Cayman Islands with limited liability. The management shares of Yael Evergreen Fund SPC is owned as to 100% by Yael Evergreen Capital Management Limited, which is wholly owned by Liu Chong. Yael Capital primarily engages in private equity investment in companies of high-tech, biological and medical sectors.

(h) Taiping GBA Inno-Tech LPF

Taiping GBA Inno-Tech Limited Partnership Fund ("**Taiping GBA Inno-Tech LPF**") is a limited partnership fund incorporated in Hong Kong. The general partner of Taiping GBA Inno-Tech LPF is Taiping Financial Investment Company Limited, which does not hold any partnership interest in Taiping GBA Inno-Tech LPF and is owned by Taiping Financial Holdings Company Limited. Taiping Financial Holdings Company Limited is a wholly owned subsidiary of China Taiping Insurance Holdings Company Limited ("**China Taiping**"), a company listed on the Main Board of the Stock Exchange (Stock Code: 00966).

Taiping GBA Inno-Tech LPF was owned as to 50% and 50% by Taiping Reinsurance Co., Ltd. ("**Taiping Reinsurance**") and China Taiping Insurance (HK) Company Limited ("**Taiping HK**"), respectively, each being a limited partner of Taiping GBA Inno-Tech LPF. Taiping Reinsurance is owned as to 75% by China Taiping while Taiping HK is a wholly owned subsidiary of China Taiping.

Taiping GBA Inno-Tech LPF focuses on the investment in the areas of medical, healthcare and technology.

(i) Monolith Mini Fund L.P.

Monolith Mini Fund L.P. ("**Monolith**") is an exempted limited partnership registered in the Cayman Islands, mainly engaging in investment activities, covering areas such as technology, software, life science. The general partner of Monolith is Monolith Master Fund GP, which is wholly owned by Mr. Cao Xi (曹曦) and does not hold any partnership interests in Monolith. Monolith Master Fund is the only limited partner of Monolith, holding 100% partnership interests therein. 100% management shares (being voting rights) of Monolith Master Fund is held by Monolith Holding Limited, which in turn was wholly owned by Mr. Cao. 100% participating shares (being none voting shares) of Monolith Master Fund is held by Monolith Feeder Fund, and none of the shareholders of Monolith Feeder Fund holds 30% or more interests therein. Mr. Cao is an Independent Third Party.

(j) Tianjin Taixi

Taixi (Tianjin) Enterprise Management Partnership (Limited Partnership) (泰熙(天津)企業管理合夥企業(有限合夥)) ("**Tianjin Taixi**") is a limited partnership established in the PRC. Tianjin Taixi is owned as to (i) 99% of partnership interest therein by its general partner Yang Jing (楊靜); and (ii) 1% of partnership interest therein by its sole limited partner Wang Naimei (王乃梅). Each of Yang Jing and Wang Naimei is an Independent Third Party. The area of investment of Tianjin Taixi mainly includes bio-pharmaceuticals, robotics and artificial intelligence. The assets under management of Tianjin Taixi is around RMB20 million.

(k) IMO Global Growth Fund SPC

IMO Global Growth Fund SPC — IMO Opportunity Fund III SP (the "**IMO Opportunity Fund SP**") is segregated portfolio created by IMO Global Growth Fund SPC. IMO Global Growth Fund SPC is a segregated portfolio company incorporated in the Cayman Islands. The management shares of IMO Global Growth Fund SPC is owned as to 100% by Global Growth Fund Investment Limited. Immersion Ventures Capital Limited is the investment manager of IMO Global Growth Fund SPC — IMO Opportunity Fund III SP. Global Growth Fund Investment Limited and Immersion Ventures Capital Limited are ultimately wholly owned by Yiwen Zhai, an Independent Third Party.

Immersion Ventures Capital Limited manages funds that invest in startups, with a specific focus on AI and biotechnology. The assets under management of Immersion Ventures Capital Limited is over US$100 million.

(l) YUAN BEN CHEN XING

YUAN BEN CHEN XING ONE-PERSON LIMITED COMPANY (元本晨星一人有限公司) ("**YUAN BEN CHEN XING**") is a limited company registered under the law of Macau, focusing on business in emerging industries with strategic importance, including telecommunications, media, technology and culture. The sole shareholder of YUAN BEN CHEN XING is Wonderful Adventures Limited, which in turn is ultimately wholly owned by John Zhao, an Independent Third Party.

*(m) Beijing Medical and Health Industry Investment Fund (Limited Partnership) ("**Pharmaceutical Fund**")*

Pharmaceutical Fund is a limited partnership established under the laws of PRC, the general partners of which are Beijing Jingguoguan Real Estate Management Co., Ltd. (北京京國管置業管理有限公司) ("**Beijing Jingguoguan**") and Beijing Kangshida Management Consulting Co., Ltd. (北京康士達管理諮詢有限公司) ("**Beijing Kangshida**"), each holding 0.5% of the partnership interest therein. Beijing Jingguoguan is wholly-owned by Beijing State-owned Capital Operation and Management Co., Ltd. (北京國有資本運營管理有限公司), which in turn is wholly-owned by State-owned Assets Supervision and Administration Commission of Beijing Municipal People's Government (北京市人民政府國有資產管理委員會). Beijing Kangshida is wholly-owned by Shanghai Kangshida Management Consulting Co., Ltd. (上海康士達管理諮詢有限公司). Pharmaceutical Fund has one limited partner, Beijing Municipal Government Investment Guidance Fund (Limited Partnership) (北京市政府投資引導基金(有限合夥)), which owns 99.0% of the partnership interest in Pharmaceutical Fund and is ultimately wholly-owned by the Beijing Municipal People's Government SASAC (北京市人民政府國有資產監督管理委員會).

(n) Beijing Daxing District Industrial Development Fund Partnership (Limited Partnership)

Beijing Daxing District Industrial Development Fund Partnership (Limited Partnership) (北京市大興區產業發展基金合夥企業(有限合夥)) is a limited partnership established under the laws of PRC and is mainly engaged in equity investment, investment management and asset management through private equity funds. Beijing Daxing is owned by (i) its general partner Beishang Capital Management (Beijing) Co., Ltd. (北商資本管理(北京)有限公司) ("**Beishang Capital Management**") as to 0.10%; and (ii) its sole limited partner Beijing Daxing Development Guidance Fund (Limited Partnership) (北京市大興發展引導基金(有限合夥)) as to 99.9%. Beishang Capital Management and Beijing Daxing Development Guidance Fund (Limited Partnership) are ultimately controlled by the State-owned Assets Supervision and Administration Commission of the People's Government of Daxing District, Beijing, as to 100% and 99.9%, respectively.

Beijing Daxing centers its investments around three major industry clusters: (i) life and health; (ii) advanced manufacturing; and (iii) airport-related sectors, each valued in the hundreds of billions. It targets key development areas in Daxing District such as pharmaceuticals and healthcare, the digital economy, intelligent equipment, hydrogen energy, and commercial aerospace. At the same time, Beijing Daxing supports other national and municipal priority sectors, addressing underdeveloped segments to accelerate technological innovation, drive industrial upgrades, foster leading enterprises, enhance industry-wide applications, and build a thriving industrial ecosystem, with its scale of investment amounting to around RMB2 billion.

(o) Chia Tai

Chia Tai Pharmaceutical Group Investment Co., Limited ("**Chia Tai**") is a limited liability company incorporated in Hong Kong as an investment holding company. Chia Tai is wholly-owned by Mr. Tse Eric S Y, an Independent Third Party.

Pursuant to the applicable PRC law, within the 12 months following the Listing Date, all current Shareholders could not dispose of any of the Shares held by them.

Based on the above, it is expected that immediately following completion of the Global Offering and the conversion of the Unlisted Shares into H Shares, taking into account 201,229,000 H Shares to be offered pursuant to the Global Offering (assuming the Over-allotment Option is not exercised and no additional Shares are issued under the Employee Incentive Schemes), an aggregate of 828,100,230 H shares will count towards the public float of our Company, representing 71.85% of the total issued Shares of our Company. Therefore, our Company will be able to meet the minimum public float requirement under Rule 8.08(1)(b).

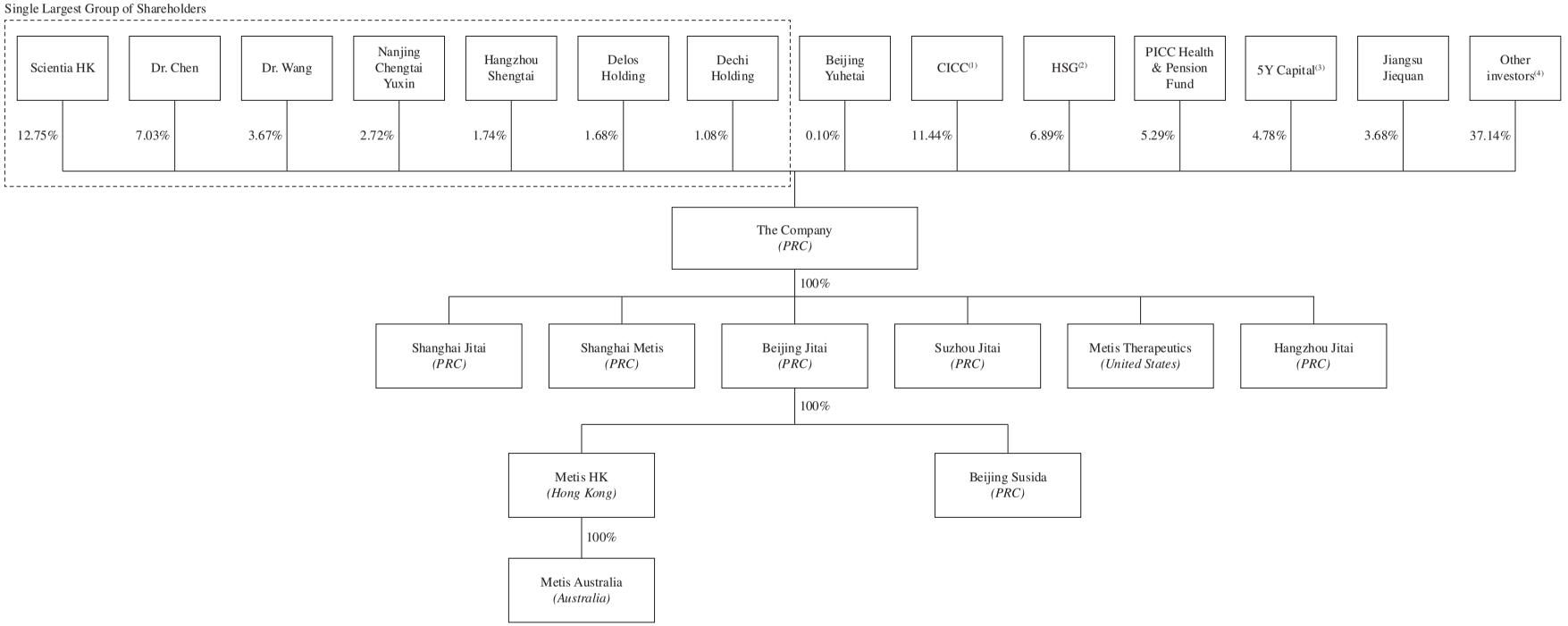
FREE FLOAT

Under Rule 19A.13C(1)(b), 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 have an expected market value at the time of listing of not less than HK$600,000,000.

It is expected that immediately following completion of the Listing, a market capitalization of not less than HK$600,000,000 of the H Shares listed on the Stock Exchange are not subject to such disposal restrictions at the time of the Listing (assuming an Offer Price of HK$10.50 per Offer Share, the Overallotment Option is not exercised and no additional Shares are issued under the Employee Incentive Schemes). Accordingly, our Company will be able to satisfy the requirements under Rule 19A.13C(1)(b) of the Listing Rules.

CORPORATE STRUCTURE IMMEDIATELY BEFORE COMPLETION OF THE GLOBAL OFFERING

The chart below sets out the shareholding structure of our Company immediately before completion of the Global Offering:



Notes:

(1) CICC includes CICC Healthcare and CICC Kangrui.

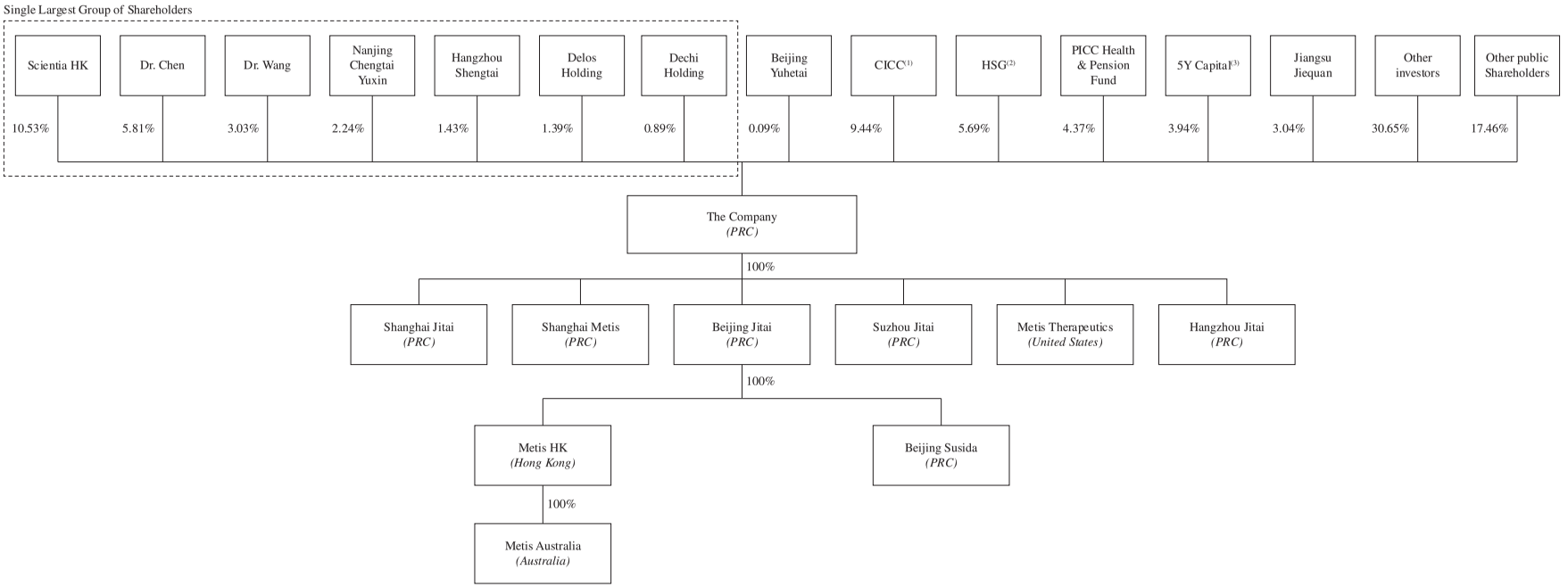
(2) HSG includes HSG Seed I and HSG Venture VIII.

(3) 5Y Capital includes Evolution Holding IV Limited and Vibrant Evolution II Limited.

(4) See "— Pre-IPO Investments" and "— Capitalization of Our Company and Public Float" above for details of other investors of the Company.

CORPORATE STRUCTURE IMMEDIATELY FOLLOWING COMPLETION OF THE GLOBAL OFFERING

The chart below sets out the shareholding structure of our Company immediately following completion of the Global Offering (assuming the Presumptions):



Notes: Please refer to the notes to "— Corporate Structure Immediately Before Completion of The Global Offering" above.

OVERVIEW

Who We Are

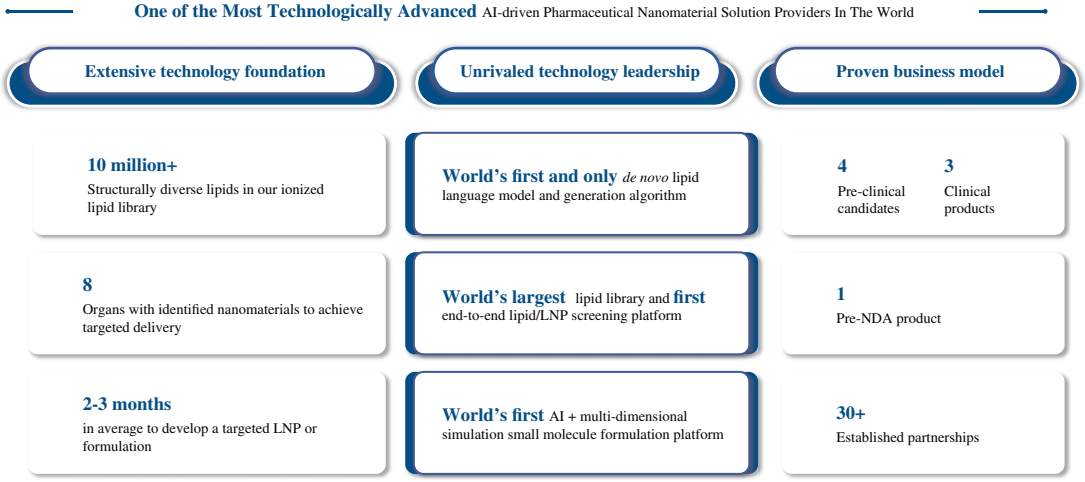
We are a pioneer in AI-empowered nanomaterial innovation, dedicated to the delivery and application of functional payloads across life forms with the commitment to unlocking a healthier world through AI-driven nanotechnology. The foundation of our AI-driven nanotechnology is NanoForge, a suite of proprietary and synergistic technologies that include our extensive *de novo* lipid library, AI foundational models, METiS AI Agent, quantum chemistry and molecular dynamics simulations, and AI-driven high-throughput screening platforms. Building upon this foundation, we have developed three specialized solution platforms (i.e., AiTEM, AiLNP and AiRNA platforms) that simulate, predict, and interpret nanoscale interactions, enabling the rational design, optimization, and validation of advanced nanomaterials and their associated payloads.

Our platforms address longstanding challenges in the pharmaceutical industry, particularly the need for precise and effective therapeutic delivery, and accelerate the development of innovative medicines. In addition to advancing human therapeutics, we are actively extending the application of our technologies to a broader range of life forms, unlocking new opportunities including longevity and animal health.

We have built the industry's first, largest and most diverse lipid library, comprising over 10 million structurally diverse lipids that serve as the foundational building blocks for targeted delivery. This extensive library has enabled the development of nanomaterials capable of delivering payloads to multiple distinct organs with precision.

Our most advanced drug candidate — designed using AI-driven formulation technology — reduced preclinical formulation timelines from approximately one to two years to less than three months. According Frost & Sullivan, MTS-004, which does not contain nanomaterials-based delivery systems such as LNPs, represents the most advanced asset designed by AI-driven formulation technologies.

The following chart illustrates our leadership in nanotechnology innovation:



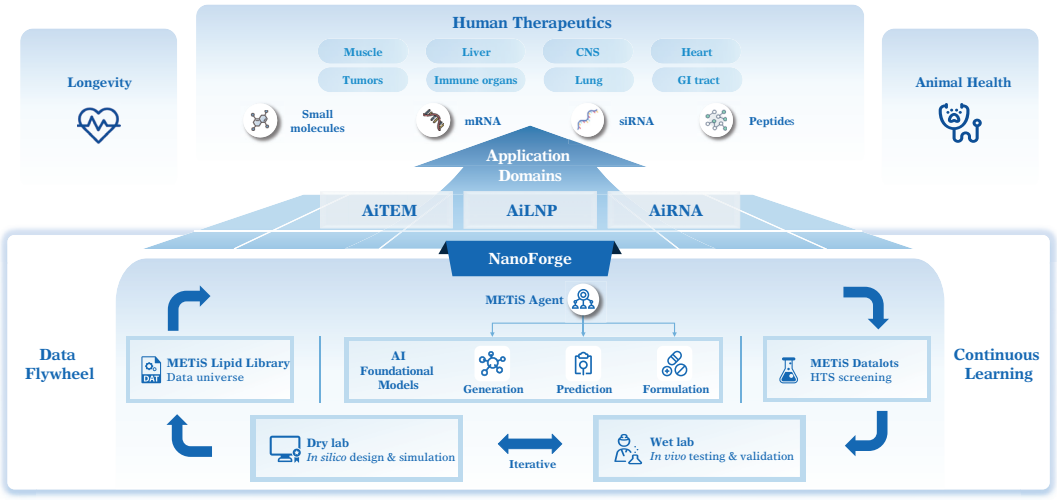
Our Market Opportunity and Competitive Landscape

Nanomaterials enable targeted delivery to specific organs and tissues and allow direct cellular interaction, offering significant potential to address diseases at the molecular level. However, traditional nanomaterial development relies heavily on trial-and-error approaches, is constrained to limited molecular structures and suffers from an incomplete understanding of biological interactions, resulting in slow, costly and inefficient discovery with low success rates. Advances in artificial intelligence, particularly domain-specific models, are transforming nanomaterial discovery by enabling faster design, prediction and optimization through integrated data, algorithms

and iterative validation, significantly improving efficiency, precision and safety. According to Frost & Sullivan, the global nanotechnology-based drug market grew from US$187.5 billion in 2020 to US$222.0 billion in 2024, representing a CAGR of 4.3%, and is projected to reach US$585.4 billion by 2035, at a CAGR of 9.2% from 2024 to 2035. Similar technological advances are also creating opportunities beyond human therapeutics, including in animal health. According to Frost & Sullivan, the animal health product market reached US$52.2 billion in 2024 and is expected to grow to US$131.5 billion by 2035, representing a CAGR of 8.8% from 2024 to 2035. The industry is highly competitive and rapidly evolving. We face competition from specialized nanotechnology companies in drug delivery and from established pharmaceutical, biotechnology and academic institutions in conventional drug development. While we believe our proprietary generative AI-driven nanomaterial platforms, differentiated pipeline and experienced management team position us competitively, our drug candidates and licensed products will compete with existing and future therapies.

NanoForge — Foundation of Our AI-driven Nanomaterial Platform Technologies

At the forefront of innovation in targeted drug delivery, NanoForge represents a cutting-edge suite of nano-delivery-focused AI technologies. This integrated platform enables molecular generation and property prediction, AI-driven dry-wet lab iteration, and formulation design and optimization. Designed for scalability and adaptability, NanoForge forms the foundation of our efforts to revolutionize nanomaterial discovery and application across human therapeutics and beyond. The following diagram illustrates the structure of our NanoForge platform:



Each component of NanoForge works synergistically within a bottom-up architecture, progressing from data generation to model refinement and ultimately to application, to form a self-reinforcing loop of data generation, prediction, validation, and continuous learning, significantly expanding the scope of discovery and accelerating development timelines. This closed-loop cycle enables us to achieve successive monthly upgrades to our nanomaterial libraries, increasing both pace of innovation and breath of applications.

- ***Foundational Dry-Wet Data Layer — Integrated Dry-wet Lab Infrastructure:*** NanoForge is built on a fully integrated, AI-driven dry-wet lab system that enables closed-loop, end-to-end optimization from *in silico* design to *in vivo* validation. This system integrates dry-lab mechanism-based simulations of bio-nano interactions, active learning strategies to strategically guide experimental choices with high-throughput wet-lab screening and experimental validation. This real-time feedback loop allows rapid validation and refinement of AI predictions, significantly shortening nanomaterial discovery timelines and improving the translational success rate.

- ***Library Layer — METiS Ionizable Lipid Library — Our Data Universe:*** Building upon this experimental foundational layer, NanoForge continuously feeds data into the METiS Ionizable Lipid Library. We have built the world's largest and most diverse ionizable lipid library, comprising over 10 million lipid structures, far surpassing any other database in the field. A substantial number of these lipids are supported by experimental data generated from our wet-lab studies, providing a strong foundation for reliable model training and continuous algorithm improvement. The scale and proprietary nature of our dataset enhances our ability to differentiate from existing intellectual properties, expands organ-specific targeting capabilities, and enables fine-tuning of our molecular generation and prediction models. Notably, both positive and negative experimental outcomes are systematically captured, ensuring comprehensive coverage and deeper learning.

- ***Model Layer — METiS AI Foundational Models:*** Above the data layer, NanoForge incorporates a suite of verticalized, function-specific AI foundational models purpose-built for each key stage of the nanomaterial development cycle, including molecular generation, property prediction, experiment design, formulation optimization, and expert validation. These models have been trained on the 10 million proprietary lipid structures from the dry lab and more than 100,000 data points in lipid and LNP properties we generated from the wet lab through the dry-wet feedback loop, and are capable of predicting over 20 key physicochemical and functional properties of lipids and LNPs with key models achieving high predictive R^2 values above 0.8 for reliable and efficient virtual screening. Our deep domain expertise enables us to strategically orchestrate and integrate these models, maximizing predictive accuracy and ensuring discovery efficiency.

- ***Application Layer — METiS Agent:*** Serving as the intelligent interface of our platform, METiS Agent interprets and executes user queries, dynamically coordinating and selecting the most suitable AI foundational models and retrieving relevant information. It features a user-friendly interface that enables in-house scientists to engage with the platform. METiS Agent also provides transparent reasoning and actionable insights, helping researchers optimize development strategies and accelerate innovation.

The four components of NanoForge operate as an integrated, closed-loop system that connects data generation, model development, and practical application. The dry-wet lab infrastructure forms the foundation by generating experimental data through iterative testing and validation. This data feeds directly into the METiS Ionizable Lipid Library, which serves as the central database for training and refining the platform's AI models. The AI foundational models then analyze and learn from this data to generate new molecular candidates and predict their properties. These predictions guide subsequent laboratory experiments, creating a continuous feedback cycle between the lab and the models. Finally, the METiS Agent acts as the coordinating interface, linking all layers together by translating research queries into model actions and experimental workflows, ensuring that insights from one component immediately inform and improve the others.

Our technology leadership is driven by a highly skilled, interdisciplinary team and a deep commitment to innovation. We operate three global R&D hubs — in Beijing, Hangzhou and Cambridge, Massachusetts, with over 70% of our talents dedicated to research and development. Our R&D team includes over 100 scientists across AI, drug delivery, and pharmaceutical R&D. As of the Latest Practicable Date, our efforts have resulted in 52 granted patents and 224 filed patent applications, reflecting our continued leadership at the intersection of AI and nanomaterials.

Suite of METiS Solutions

We have developed three core solutions that simulate, predict, and interpret complex nanoscale interactions across chemical, biomolecular, and life systems. These advanced capabilities empower us to achieve exceptional precision, efficiency, and cost-effectiveness in the design and optimization of nanomaterials, their formulations, and associated payloads. This allows for targeted delivery and effective treatment in specific organs, tissues, cells, and molecular targets.

- ***AiTEM — Nanoscale Chemical-biological Interactions:*** In small molecule drug formulation, our AiTEM platform is at the forefront of understanding nanoscale interactions between chemical molecules and biological systems — interactions that are critical to formulation success. AiTEM leverages advanced AI-driven high-throughput screening iteration, molecular dynamics, and quantum chemistry to power proprietary algorithms that design and optimize drug formulations, including excipient types and ratios. It uses quantum chemistry and molecular dynamics simulations to predict drug-excipient interactions and identify optimal excipient candidates. The platform also enables optimization of nanoscale formulations such as cosolvent solvation, micelles, solid dispersions, cyclodextrin encapsulations, and microspheres to improve solubility and bioavailability and to achieve desirable pharmacokinetics profile. Formulation samples can be rapidly tested using automated high-throughput screening platforms. AI-driven iteration further analyzes experimental outputs — including solubility, stability, and permeability — to recommend top-performing formulations for further development.

  Building on the AiTEM platform described above, our drug formulation solution is an important component of our integrated technology platform. Formulation capabilities play a foundational role in enabling drug efficacy, bioavailability and patient compliance, particularly for small-molecule therapeutics. It is essentially a delivery technology platform for small molecules. For example, MTS-004, an oral small-molecule drug candidate, relies on formulation optimization to improve patient compliance through an orally disintegrating tablet, addressing clinical needs such as dysphagia. Although MTS-004 does not employ delivery systems such as LNPs, its development illustrates how formulation innovation can drive meaningful therapeutic outcomes through delivery improvement.

  In addition, our drug formulation capabilities support research collaboration opportunities with pharmaceutical partners, including formulation optimization for specific drug candidates or patient populations. Leveraging our AI-driven formulation platform, we are able to accelerate formulation development and enhance the attractiveness of our platform to potential partners. Together with our LNP-based delivery technologies, our formulation solution forms part of an integrated platform that supports a broad range of therapeutic development activities and contributes to our long-term competitiveness.

- ***AiLNP — Biomolecular and Supramolecular Interactions:*** Understanding interactions between nanomaterials and biological molecules — such as proteins and nucleic acids — is critical to ensuring the efficiency, precision, and safety of active agent delivery. Our AiLNP platform applies advanced computational modeling to simulate these interactions and predict the behavior of supramolecular assemblies. At its core, AiLNP leverages our proprietary lipid library, lipid language models, and generative and predictive algorithms to identify and design optimal lipid candidates. Predictive AI and molecular dynamics models provide mechanistic insights and predict over 20 lipid properties. The platform enables systematic design and optimization of LNP components — including ionizable lipids, helper lipids, cholesterol, PEG-lipids and other targeting moieties — and their ratios to create tailored, high-performance formulations. Through our Datalots high-throughput screening platform, in-house animal models, and AI-guided screening workflows, AiLNP accelerates *in vivo* data collection and optimization. It also supports rapid, scalable, and LNP synthesis, streamlining the path from discovery to development.

- ***AiLNP + AiRNA — Biomolecule-organism Interactions:*** The complexity of drug delivery increases significantly when supramolecular structures like LNPs interact with living systems, and when biomolecules such as mRNA engage with the cellular machinery. A deep understanding of these dynamic, multiscale interactions is critical for precise biological modulation. Our integrated AiLNP and AiRNA platforms are built to meet this challenge. They enable AI-driven, full-length mRNA sequence design optimized for expression, protein folding, stability, and manufacturability. Using generative AI, the platforms also design organ-targeting untranslated regions (UTRs), validated through high-throughput cell-based UTR screening datasets. Additionally, they simulate and predict key *in vivo* behaviors — including biodistribution, cellular uptake, endosomal escape, and downstream biological responses — of both LNPs and mRNA. These predictive models are continuously refined with experimental data, enabling the co-optimization of lipid components, formulations, and mRNA sequences to function synergistically and maximize therapeutic efficacy.

AiTEM, AiLNP, and AiRNA are three individual platforms built on top of our NanoForge system, each serving distinct but complementary functions. AiTEM focuses on small-molecule formulation design, AiRNA on mRNA sequence optimization, and AiLNP on LNP design. While each platform operates independently, AiRNA and AiLNP are often used together to co-design and optimize complete mRNA-LNP delivery systems. AiTEM is primarily served as a distinct platform for small molecules but can also be integrated with the other two platforms in specific use cases — for example, combining with AiRNA for siRNA-permeation enhancer conjugate/co-formulation or with AiLNP for small-molecule LNP delivery optimization.

During the Track Record Period and as of the Latest Practicable Date, these platforms are primarily used internally by our R&D teams to support both in-house pipeline development and externally for collaboration projects. In the future, we may consider making selected functions of these platforms available to external partners under the defined collaboration arrangements, either by granting limited access or by deploying customized versions on partners' infrastructure.

Many biological and cellular mechanisms — such as tissue penetration, biodistribution, and cellular uptake — are conserved across species, giving our solution platforms exceptional versatility. Originally developed for human therapeutics, our technologies can be seamlessly adapted to other domains, including longevity and animal health. This adaptability significantly expands our addressable market and highlights the broad cross-sector applicability of our platform.

Our Real-world Applications

Our solutions accelerate the development of advanced therapeutics for a broad spectrum of diseases with high unmet clinical needs. They have enabled the creation of novel chemical formulations and LNPs targeting key organs and tissues — including the gastrointestinal tract, liver, lung, heart, immune organs, brain, muscle and tumors. These organs are central to many of the world's most prevalent and difficult-to-treat conditions, representing substantial market opportunities that our technologies are uniquely equipped to address. Notable applications include:

Chemical Nano-world Franchise

- ***MTS-004*** is an orally administered, novel therapeutic candidate under development as the first drug in China for the treatment of pseudobulbar affect (PBA). Leveraging AiTEM's predictive analytics and advanced modeling in MTS-004's development, we were able to shorten preclinical formulation timelines from 1-2 years to less than 3 months. For the avoidance of doubt, MTS-004 does not contain nanomaterials-based delivery systems such as LNPs but its formulation still involves interactions at a nanoscale level between the active pharmaceutical ingredients and other drug components.

Established Liver-targeted Nano-delivery Leveraging AiLNP+AiRNA Platforms

- ***MTS-105*** is a potentially first-in-class mRNA therapeutic for liver cancer and other advanced solid tumors with liver metastasis. Built on METiS's AiRNA and AiLNP platforms, it encodes a TCE and uses an optimized LNP delivery system for efficient liver targeting and sustained *in vivo* expression, driving robust local and intra-tumoral immune activation and potent tumor cell killing.

Broader Organ Applications:

- ***MTS-109*** is a best-in-class mRNA-encoded TCE, designed for targeted delivery via LNPs to lymphoid organs, including the spleen, bone marrow, and lymph nodes, to achieve deep and sustained depletion of pathogenic B cells in autoimmune diseases. The use of mRNA enables controlled *in vivo* protein translation, providing favorable PK for balanced immune resetting.

Applications Beyond Human Health:

- Leveraging our in-depth understanding of nano-scale interactions in biology world, we are exploring adoption of our NanoForge technologies and various solution platforms in new frontiers across broader life forms, expanding our impact into non-human applications. For example, our PTS-101 is designed to address animal obesity and our AiLNP platform has developed muscle-targeted LNPs that enable precise delivery of therapeutics to muscular tissue, unlocking the potential to address the significant unmet needs for animal longevity.

Our Specialist Technology Products and Related Transaction Models

Our AI and nanomaterial technologies underpinning each of our (i) AI-driven lipid validation services through NanoForge platform and (ii) specific nanomaterials developed from a suite of specialized solution platforms, including AiTEM, AiLNP and AiRNA solutions, fall under the acceptable sectors of "next-generation information technology" and "advanced materials," which are included in the list of Specialist Technology Industries set out in Chapter 2.5 of the Guide for New Listing Applicants. Our Specialist Technology Products are transaction-based in nature. We do not operate under any subscription-based or hybrid models. Depending on the type of Specialist Technology Product and collaboration structure, our transaction-based arrangements can be broadly categorized into two principal models:

Specialist Technology Product	Specialist Technology	Acceptable Sectors	Applications	Timeframe of Delivery
(1) AI-Driven Nanomaterial Solutions for Drug Delivery and Formulation .	AI	Next-generation information technology • AI • *AI solutions*: the design and provision of AI solutions used in different industry verticals	AiTEM solution enables optimization of nanoscale formulations such as cosolvent solvation, micelles, solid dispersions, cyclodextrin encapsulations, and microspheres to improve solubility and bioavailability and to achieve desirable pharmacokinetics profile.	Small molecule drug formulation: The whole development cycle typically lasts 3–6 months, and the collaboration model is also based on stage-by-stage deliverables, typically including the following steps: formulation screening → dissolution testing → stability study → data analysis → reporting

Specialist Technology Product	Specialist Technology	Acceptable Sectors	Applications	Timeframe of Delivery
Platform Partnership Model . . .	AI	Next-generation information technology • AI • *AI solutions*: the design and provision of AI solutions used in different industry verticals	We provide AI-driven lipid identification services through our NanoForge platform. NanoForge is a cutting-edge suite of nano-delivery focused AI technologies, which enables molecular generation and property prediction, AI-driven dry-wet lab iterative discovery, and formulation design and optimization. METiS ionizable lipid library is the world's largest and most diverse ionizable lipid library, which enhances our ability to differentiate from existing intellectual properties, expands organ-specific targeting capabilities, and enables fine-tuning of our molecular generation and prediction models. METiS AI foundational models are verticalized, function-specific AI foundational models purpose built for each key stage of the nanomaterial development cycle, including molecular generation, property prediction, experiment design, formulation optimization, and expert validation.	Nanomaterial delivery system development (Metis delivery technology + payloads provided by partners): Our collaboration with partners follows a staged R&D-to-Option-to-License model. The initial research and development phase ("Research Term") typically lasts around one year, during which both parties jointly conduct preclinical studies, including mRNA production, LNP formulation, *in vivo* biodistribution, PK/PD, toxicity assessments, and *in vitro* functional characterization. Following the R&D stage, Partner is granted a time-limited option period (typically 60 days post-Research Term) to decide whether to enter into a royalty-bearing license to METiS technology. If the option is exercised, the collaboration transitions into a license agreement, under which Partner obtains commercialization rights to products derived from the research, while METiS retains ownership of its core platform technology and improvements. Deliverables are thus structured in clear phases: experimental data and reports during R&D → the option to license upon project completion → a potential license framework for downstream product development and commercialization.
	Nanomaterials	Advanced materials • Nanomaterials • *The manipulation of materials conducted at a nanoscale*, including manufacturing of end products using nanotechnology	METiS Agent is the intelligent interface of our platform, which interprets and executes user queries, dynamically coordinating and selecting the most suitable AI foundational models and retrieving relevant information. Integrated dry-wet lab infrastructure: a fully integrated, AI-driven dry-wet lab system that enables closed loop, end-to-end optimization from in silico design to *in vivo* validation. See "Business — Overview — NanoForge — Foundation of Our AI-driven Nanomaterial Platform Technologies."	

Under our platform partnership model, we conduct project-based R&D collaborations with pharmaceutical and biotechnology partners, commencing with a defined research program in which we apply our proprietary AI platforms and delivery technologies to optimize LNPs or formulations for partner-provided payloads and target applications. Partners typically contribute complementary materials and study designs, and we receive fees primarily to cover research activities and, in certain cases, option fees. Upon completion of the research phase, partners may elect to enter into a license agreement with us to license our LNPs or specific formulations, pursuant to which we may receive upfront, milestone and royalty payments linked to downstream development, commercialization and product sales, with revenues recognized in accordance with transaction milestones.

Specialist Technology Product	Specialist Technology	Acceptable Sectors	Applications	Timeframe of Delivery
(2) Specific nanomaterials developed from METiS platforms (Metis delivery technology + Metis payload) . . .	AI	Next-generation information technology • AI • *AI solutions*: the design and provision of AI solutions used in different industry verticals	We develop nanomaterial products through AiTEM, AiLNP and AiRNA solutions. We have also developed an organ-specific delivery platform, which supports a growing and diversified pipeline across oncology, immunology, CNS, respiratory, cardiovascular, muscular, and metabolic diseases.	Our pipeline out-licensing model typically follows a staged collaboration cycle. We leverage our proprietary technology platforms to develop internal pipeline assets and advance them through clinical validation. Once proof of concept is established, we engage with partners to out-license the products under structured agreements. The collaboration model is designed to combine our R&D expertise with the partner's clinical and commercial capabilities, ensuring efficient progression into late-stage development and market entry. In terms of deliverables, our pipeline products are generally transferred to the partner upon agreement execution, with the partner assuming responsibility for subsequent clinical development, regulatory approval, and commercialization, while we remain engaged to support the program's continued success.
Product Partnership Model . . .	Nanomaterials	Advanced materials • Nanomaterials • *The manipulation of materials conducted at a nanoscale*, including manufacturing of end products using nanotechnology	Drug and other nanomaterial products emerged from these solution platforms, including: • MTS- 201, MTS-105, MTS-109, PTS-101 and PTS-201. • MTS-004 (which does not contain nanomaterials-based delivery systems such as LNPs but its formulation still involves interactions at a nanoscale level between the active pharmaceutical ingredients and other drug components) See "Business — Overview — Suit of METiS Solutions" and "Business — Our Advanced AI-Empowered Solution Platforms."	

Under our product partnership model, proprietary pipeline products developed from our internal technology platforms are commercialized through transaction-based out-licensing arrangements. Upon achieving sufficient preclinical or early-stage clinical validation, we may grant partners exclusive rights to further develop, register and commercialize the licensed products. Revenues under this model are primarily milestone-driven and may include upfront payments, development, regulatory or commercial milestone payments, and sales-based royalties or profit-sharing upon commercialization.

"Drug payload" or "payload" refers to the active therapeutic agent carried or delivered by a drug delivery system or therapeutic platform, which is responsible for exerting the intended pharmacological or biological effect after being released or activated in the body. The drug payload may include, among others, small-molecule compounds, peptides, nucleic acids, or other therapeutic substances.

"Drug target" refers to the specific biological molecules or structures, such as proteins, receptors, enzymes, or genetic materials, that are intended to be interacted with or modulated by a drug to produce a therapeutic effect. Drug targets are typically disease-associated components within cells, tissues, or organs.

In general, the drug payload represents what delivers the therapeutic effect, while the drug target represents where and how the therapeutic effect is achieved. The drug payload is the active substance administered to or delivered into the body, whereas the drug target is the biological site or mechanism that the payload is designed to act upon. A single drug payload may act on one or multiple drug targets, and conversely, different drug payloads may be designed to act on the same drug target.

Development Progress and R&D Stages by Each of Our Specialist Technology Products

The table below summarizes the R&D progress, key development milestones, and commercialization plans for each of our Specialist Technology Products. Our Specialist Technology Products are at different development stages, ranging from fully commercialized AI platforms to pre-commercial and pre-clinical nanomaterial products, reflecting the progressive maturation of our proprietary technologies under the METiS platforms.

Specialist Technology Products	Timeframe of Operations	Current Stage of Development	Key R&D/Validation Activities Remaining	Commercialization Pathway and Expected Timeline
(1) AI-Driven Nanomaterial Solutions for Drug Delivery and Formulation	Commencement of R&D: second quarter of 2020 Pilot commercialization: second quarter of 2021 Commercial-ready: third quarter of 2025	Commercialized and revenue-generating	Ongoing algorithm refinement, model expansion and application to additional formulation types and therapeutic areas. *In vitro* and *in vivo* performance assessments; Biodistribution and pharmacokinetic/ pharmacodynamic (PK/PD) profiling; Safety and toxicity evaluations; and Functional characterization of novel nanomaterials generated through our proprietary AI platforms.	Our platform entered the pilot commercialization stage in 2021 through collaborations focusing on formulation development. Under these collaboration frameworks, we primarily contribute our proprietary materials, data analytics, and formulation optimization capabilities, while partners provide complementary resources such as reference compounds, preclinical study designs, and bioanalytical assays. Upon completion of these research and validation activities, the collaboration typically advances into an option and license stage, where partners may exercise options to negotiate specific commercial terms, which we believe represent the commercialization stage. Successful transition to this stage would allow us to realize defined commercial benefits, including milestone-based payments and potential royalty income tied to downstream commercialization outcomes.

Our AI-Driven Nanomaterial Solutions for Drug Delivery and Formulation commenced R&D activities in the second quarter of 2020, and entered pilot commercialization in the second quarter of 2021 through collaborations focusing on formulation development. During this pilot stage, we generated only an immaterial amount of revenue as we were refining our commercial model. We become commercial ready starting third quarter of 2025 after establishing a collaboration with a leading global pharmaceutical company, followed by several additional agreements of similar structure.

We expect this business line to deliver meaningful revenue within 24 months after the Listing, supported by ongoing collaborations and the potential exercise of licensing options as well as additional discussions we are conducting with potential partners. This expectation is based on several assumptions: (i) we can successfully complete predefined research projects within the partners' expected timelines; (ii) the LNP delivery systems and optimized formulations developed by us will meet our partners' standards, typically evaluated through pre-clinical and clinical studies; and (iii) we can enter into additional research collaborations that can generate milestone payments and potential royalties.

The key risks associated with this STP primarily relate to potential delays in project completion, changes in the development priorities of our collaboration partners, and the pace of technology adoption, which may be affected by regulatory or scientific considerations. In addition, the timeline for converting proof-of-concept projects into license or commercialization arrangements may vary depending on the scope and progress of each collaboration. While these factors may influence the pace at which revenue is realized, we believe they are inherent to the nature of collaborative R&D in our industry. We continue to enhance the commercial readiness of our platforms, broaden the applicability of our technologies, and strengthen relationships with existing and potential partners to support the sustainable expansion of our collaboration pipeline and mitigate these risks over time.

Our drug delivery solutions and drug formulation solutions are inherently interconnected and are integrated as part of a comprehensive, end-to-end technology platform. Certain underlying algorithms used in drug formulation development and drug delivery are shared. While these technologies have distinct technical focuses, they do not operate as fully standalone products, as their combined application is essential to achieving optimal therapeutic outcomes.

The small-molecule drug formulation technologies under the AiTEM platform are, in essence, small-molecule delivery technologies. The ultimate objective of a small-molecule drug is to reach its intended protein target and interact with the relevant binding pocket to exert its pharmacological effect. However, small-molecule drugs often exhibit inherent limitations, including poor solubility, permeability and stability, among other properties. The objective of the AiTEM platform, and of drug formulation technologies generally, is to formulate small-molecule compounds together with appropriate excipients to enhance such properties and thereby facilitate effective delivery to the target protein.

Similarly, the AiLNP and mRNA delivery technologies are driven by comparable considerations. Naked mRNA molecules cannot be effectively delivered to the desired organs or cells without formulation. Accordingly, mRNAs are formulated with additional excipients, including ionizable lipids, to form LNP formulations. The ratios of the various components within an LNP formulation must be optimized, which is achieved through our proprietary AI-enabled high-throughput screening and iterative optimization methods. These optimization processes employ the same underlying algorithms used in small-molecule formulation optimization, whereby the ratios of different formulation components are iteratively evaluated and refined.

Our drug formulation technologies, particularly those utilizing the AiTEM platform, are designed to optimize drug-excipient interactions and pharmacokinetic profiles, with the objective of enhancing bioavailability and patient compliance. For example, the MTS-004 formulation has been optimized to address the needs of patients with dysphagia through an orally disintegrating tablet, improving delivery of the active ingredients.

Our drug delivery technologies, based on the AiLNP platform, are designed to enhance the targeting, biodistribution and bioavailability of therapeutics through advanced delivery systems such as lipid nanoparticle formulations. The optimization of LNP components is a critical aspect of the drug delivery process and is often informed by insights obtained during the formulation stage. The performance of the LNP delivery system depends on formulation optimization, as the composition of LNPs must be aligned with the specific formulation characteristics to enable effective encapsulation and controlled release of the therapeutic payload at the intended site of action.

Thus, while drug formulation and drug delivery each have distinct areas of focus, they are not regarded as separate STPs because they function as part of a holistic platform. Both technologies are deeply intertwined: formulation optimization directly supports enhanced drug delivery, and delivery system components are optimized based on the formulation design. As such, the combined value derived from both formulation and delivery technologies is far greater than the sum of their parts, positioning them as inseparable elements of the overall therapeutic development process.

Specialist Technology Products	Timeframe of Operations	Current Stage of Development	Key R&D/Validation Activities Remaining	Commercialization Pathway and Expected Timeline
(2) Proprietary Nanomaterial Pipeline Products (METiS formulation/ METiS delivery technology + METiS payloads)	Commencement of R&D: second quarter of 2021 PoC: firstly achieved for MTS-004, MTS-105 and MTS-201 from fourth quarter of 2021 to second quarter of 2023; PoC validation for remaining pipeline products ongoing Commercial-ready stage: MTS-004 reached commercial readiness and was successfully out-licensed in September 2025; remaining assets expected to reach commercial-ready status by first quarter of 2027 to fourth quarter of 2028 Revenue generation: MTS-004 out-licensing upfront payment received in 2025; additional out-licensing revenue of MTS-004 subject to licensee's commercialization progress; remaining assets subject to further business development efforts	Mixed stage: MTS-004 commercial-ready and out-licensed; other pipeline assets preclinical/early clinical	For remaining assets: Completion of preclinical toxicology packages; Generation of comprehensive PK/PD datasets; and Progression through early-phase clinical trials to establish safety and preliminary efficacy.	One proprietary formulation-optimized asset (MTS-004) successfully out-licensed in September 2025 – marking our first commercial milestone. For the avoidance of doubt, MTS-004 does not contain nanomaterials-based delivery systems such as LNPs but its formulation still involves interactions at a nanoscale level between the active pharmaceutical ingredients and other drug components. Other pipeline assets expected to enter license-out negotiations upon completion of preclinical and/or early clinical validation.

Our proprietary nanomaterial-based pipeline products, which integrate METiS delivery technologies/formulations with METiS payloads, commenced R&D in the second quarter of 2021. Proof-of-concept validation for selected assets was firstly achieved between the fourth quarter of 2021 and the second quarter of 2023.

Among them, MTS-004, a formulation-optimized asset that does not contain nanomaterials-based delivery systems such as LNPs, reached commercial readiness and was successfully out-licensed in September 2025, generating upfront licensing income and providing the potential for future milestone and royalty revenues.

Our remaining pipeline assets are at pre-clinical or early clinical stages and are expected to reach commercial-ready status and enter into license-out discussions upon the generation of promising safety and efficacy data.

We anticipate further revenue contribution from MTS-004 licensing agreement and new license-out transactions within the 24 months following the Listing, supported by the expected completion of key pre-clinical and clinical milestones that will enable commercial discussions with potential partners. This expectation is based on the timely completion of pre-clinical toxicology and PK/PD datasets, smooth progression into early clinical development, and sustained business development momentum.

Key risks associated with this STP include regulatory uncertainties, potential delays in pre-clinical or early clinical validation, challenges in demonstrating sufficient clinical relevance, and extended timelines for out-licensing negotiations. These factors could affect the pace and timing of revenue realization. Nevertheless, given the successful out-licensing of MTS-004 — which validates both our technology platform and commercial model — and the advanced stage of readiness of our remaining assets, we believe we are reasonably well positioned to achieve the revenue requirement within 24 months after the Listing.

OUR STRENGTHS

A Pioneer in the Rapid Growing AI Nanomaterial Market

We are a pioneering force in the emerging AI nanomaterial market, with a strong and growing presence across the pharmaceutical industry and adjacent fields. Since our inception, we have driven innovation in the next-generation drug discovery and delivery, fueled by our long-term commitment, visionary leadership, and executional excellence. Our sustained focus on technological excellence has enabled us to establish a core competency and a strong first-mover advantage, positioning us as the front-runner in this rapidly evolving market.

At the core of our technology is NanoForge, the world's first AI foundational model suite purpose-built for nanomaterials. By integrating artificial intelligence with quantum chemistry and molecular dynamics simulations with wet-lab experimental validation, NanoForge enables seamless interaction between *in silico* predictions and real-world experimental outcomes. Our proprietary generative models significantly expand the accessible lipid design space compared to traditional methods and are continuously refined using data from our in-house high-throughput wet-lab screening systems, including diverse cell-based assays and animal models.

NanoForge supports a fully integrated R&D workflow — from lipid optimization driven by mechanistic modeling and predictive analytics to formulation development powered by METiS Datalots, our AI-enabled high-throughput screening experimentation platform. This closed-loop system generates a powerful data loop: each iteration produces high-quality experimental data that continuously refines our models, accelerates discovery, and enhances translational success.

As a result, we have built the world's largest and most diverse *de novo* ionizable lipid library, comprising over 10 million AI-generated structures. Our library has been validated through molecular dynamics, high-throughput screening, *in vivo* studies, and external collaboration with leading global pharmaceutical and biotechnology companies.

Our infrastructure also supports the development of METiS Agent, an advanced AI agent for nanomaterials. Designed to coordinate multiple models in real time, METiS Agent serves as both a retrieval-augmented generation (RAG) system and an intelligent screening engine. It enables high-confidence virtual screening, prediction, experimental design, and preliminary FTO analysis — dramatically increasing the likelihood of identifying novel, effective, and patentable candidates for future clinical and commercial translation.

Our Proprietary AI-driven Nanomaterial Platforms Deliver Precision, Efficiency, and Cost-effectiveness Across a Range of Applications

We have developed a suite of proprietary platforms at the intersection of artificial intelligence and nanomaterials, designed to address key bottlenecks across the drug discovery and development cycle. These platforms are designed to deliver scalable solutions with high predictive accuracy, accelerated development timeline, and broad applicability across small molecule formulation, organ-targeted therapeutics, as well as other advanced therapies.

- ***Application I: Transforming Small Molecule Formulation***. Our AiTEM platform significantly improves small molecule drug formulation by integrating AI-driven design, high-throughput screening, and automated formulation testing. AiTEM has meaningfully shortened preclinical formulation timelines — from 1-2 years to less than three months — while improving the bioavailability over three folds. MTS-004, a small molecule drug candidate emerged from AiTEM platform that does not contain nanomaterials-based delivery systems such as LNPs has advanced from IND to Phase III completion within two years. AiTEM also enables the development of oral small molecule therapies with strong safety profiles, robust efficacy, and improved patient compliance.

- ***Application II: Liver-targeted Nano-delivery.*** Our AiLNP platform leverages AI-driven screening of over 10 million proprietary ionizable lipids to design LNPs with exceptional liver-targeting efficiency. In preclinical models, METiS-designed LNPs have shown over 20-fold higher liver delivery compared to leading benchmarks. Complementing AiLNP, our AiRNA platform enables mRNA sequence design and optimization, creating a seamless workflow from payload design to delivery. To ensure clinical readiness, we have developed a GMP-compliant CMC process covering drug product manufacturing. Together, these platforms enable precise delivery to and around liver tumor lesions — enhancing local drug concentration while reducing systemic toxicity — and support the development of advanced mRNA and LNP-based therapies.

- ***Application III: Precise Nano-delivery across Organs to Tackle Next-level Complexity.*** We are extending our nano-delivery capabilities to reach complex and difficult-to-target tissues and organs — including tumors, lungs, brain, muscles, and the heart and immune organs — addressing a broad range of diseases with significant unmet medical needs. Powered by our AI-driven nanomaterial platform design engine, high-throughput screening, and *in vivo* validation, we have achieved first-in-class delivery capabilities to muscle, heart, and brain, and best-in-class performance in lung and liver. This integrated approach enables highly selective and efficient delivery across organ systems. Our organ-specific delivery platform supports a growing and diversified pipeline across oncology, immunology, CNS, respiratory, cardiovascular, muscular, and metabolic diseases. By enabling targeted therapies across multiple high-value indications, we are advancing the next frontier of precision medicine.

Diversified and Low-risk Pipeline Spanning Therapeutic Areas, Organ Targets, and Modalities

Within just six years since inception, we have built a diversified and strategically low-risk pipeline that spans multiple therapeutic areas, organ targets, and modalities. This rapid progression reflects our strong innovation capability and validates the scalability of our AI-driven nanomaterial platforms across a wide range of disease areas.

A key feature of our pipeline is its strategic low-risk profiles: instead of pursuing unproven targets, we focus on clinically validated targets and biomarkers, applying our proprietary nano-delivery technologies to unlock therapeutic potential in areas where traditional approaches have been limited by drug delivery challenges. This delivery-first strategy enables us to pursue high-value and high unmet medical needs indications with a reduced scientific and clinical risk profile while a better clinical efficacy target.

In the past six years, we have built a robust active on-going pipeline with over 10 pipeline products, comprising a few discovery-stage pipeline candidates, 4 pre-clinical candidates (MTS-107, MTS-108, MTS-118, MTS-128), 3 clinical-stage products (MTS-201, MTS-105, MTS-109), 1 pre-NDA product (MTS-004) and 2 animal health products (PTS-201, PTS-101). Our pipeline assets are each differentiated by their unique mechanisms, clinical profiles, and market potential, and collectively targeting disease areas with significant unmet medical need and strong commercial potential.

Taken together, our pipeline reflects a thoughtful balance of clinical-stage and preclinical programs, first- and best-in-class candidates, and broad therapeutic reach, while maintaining scientific differentiation and development efficiency. This robust pipeline structure positions us to generate sustained clinical, regulatory, and commercial milestones in the near and long term.

A Dual-pathway Business Model to Maximize Platform and Product Value

We adopt a dual-pathway business model to realize the commercial and strategic value of both our proprietary AI-driven nanomaterial platforms and pipeline products. This model enables us to engage leading pharmaceutical and biotechnology companies through complementary collaboration structures, accelerating technology validation and real-world application.

Under our platform collaboration, we offer end-to-end solutions leveraging our AI-enabled nanomaterial platforms to support partners in lipid nanoparticle design and therapeutic molecule optimization. We have formed such collaborations with leading global pharmaceutical companies, as well as innovative biotechnology companies, reflecting strong industry demand for our drug delivery capabilities.

In parallel, we pursue product partnership for select pipeline programs, which are expected to be out-licensed or co-developed following proof-of-concept validation. For example, we have entered into a licensing agreement to out-license MTS-004, a formulation-optimized asset that does not contain nanomaterials-based delivery systems such as LNPs, to Zhejiang Yin'an. If approved, it would be the first approved treatment for PBA in China, offering differentiated clinical value and significant market potential.

We are currently engaged in business development dialogues with over 30 global pharmaceutical and biotechnology companies, spanning diverse therapeutic areas and deal structures. In addition to pharmaceuticals, we are exploring collaboration opportunities in adjacent areas such as human and pet longevity, pet health, and other novel applications of our technology platforms.

These efforts have already begun to generate revenues, which enable us to further develop next-generation AI-driven nanomaterial platforms and maintain at the frontier of the drug delivery industry.

Visionary Founders and Proven Leadership Driving Scalable Innovation

Our success is anchored by a visionary founding team from MIT, and is further supported by a seasoned executive leadership team, a globally recognized scientific advisory board, and a strong base of institutional investors. Together, they provide a strong combination of scientific excellence, entrepreneurial execution, and global industry perspective — enabling METiS to scale breakthrough innovation across AI and nanomaterials.

Our three Co-founders bring deep and complementary expertise across AI, drug delivery, and translational science. Dr. Lai, Co-founder and CEO, earned his Ph.D. from the Massachusetts Institute of Technology and is a serial entrepreneur who previously founded AquaFresco, an award-winning water-tech company. He also worked as a strategy consultant at McKinsey & Company, advising leading pharmaceutical clients, and now leads our AI platform development and corporate strategy. Dr. Hongming Chen, Co-founder and Chief R&D Officer is a member of the U.S. National Academy of Engineering and a veteran drug delivery scientist. She played a pivotal role

in founding TransForm Pharmaceuticals, which was later acquired by Johnson & Johnson. She also served as the vice president of research, executive vice president of research, and chief scientific officer at Kala Pharmaceuticals, Inc. (NASDAQ: KALA) from 2010 to 2021. Her leadership ensures scientific rigor and translational success across our R&D programs. Dr. Wenshou Wang, Co-founder and COO, holds a Ph.D. in polymer chemistry and previously conducted research at MIT's Computer Science and Artificial Intelligence Lab, where he co-developed a machine learning-enabled 3D printer and co-founded a company based on this technology. Dr. Wang leads our AI-driven formulation and delivery platforms while overseeing day-to-day operations in China.

Our senior leadership team brings deep expertise across operations, science, and business development. Key members include Dr. Alan Fu (CFO), Dr. Wei Xu (CSO), and Mr. Mark Robert Herbert (CBO), each with extensive experience from leadership roles in global enterprises and emerging technology ventures. The team is further strengthened by global talents drawn from leading research institutions, pharmaceutical and biotechnology companies, and financial institutions. As of the Latest Practicable Date, our team included approximately 40 Ph.D.s with expertise spanning nanomedicine, physics, chemistry, biology, biochemistry, computational biology, medical science, polymer science, chemical engineering, and physical chemistry — reflecting the interdisciplinary foundation that drives our innovation.

OUR GROWTH STRATEGIES

We are focused on building foundational models and technology platforms that integrate interdisciplinary approaches, including data-driven AI algorithms, mechanism-based quantum chemistry, molecular dynamics, and high-throughput experimental screening systems. With our vision of harnessing these platforms to design AI-enabled targeted nanomaterials, we intend to execute the following growth strategies:

Advance the Core Technologies Supporting Our AI-driven Nanomaterial Platforms

We are committed to continuously advancing the core technologies that power NanoForge, our AI-driven nanomaterial platforms. This includes ongoing development of our foundational models through interdisciplinary research and the integration of cutting-edge AI technologies. Our goal is to enhance prediction efficiency and accuracy, while deepening our understanding of nanomaterials. At the same time, we are upgrading our AI-driven high-throughput experimental screening systems to improve the efficiency of wet-lab workflows and data collection. We also plan to further improve the METiS Agent, including integrating AiTEM into METiS agent as well as embed our proprietary domain expertise into the METiS Agent architecture to enable more sophisticated reasoning and decision-making in highly specialized areas.

Data remains a critical competitive advantage in the field of nanomaterial delivery. We will continue to scale our data infrastructure by combining large-scale simulations with real-world experimental data, helping us drive more precise, efficient, and cost-effective development. While our current wet-lab models focus on cells and mice, we plan to expand into large animal models, which better reflect human physiology and diseases. This will not only improve the translational relevance of our data but also support future applications beyond human healthcare, including animal health and longevity.

Looking ahead, we are deepening our efforts in protein and antibody research through the development of proprietary protein and antibody language models, as well as refinement of AI algorithms for protein engineering based on iterative wet-lab and computational feedback. Building on these capabilities, we plan to establish a *de novo* antibody design and screening platform to further enhance our ability to design, optimize, and validate novel biologics. These efforts aim to advance AI-powered protein engineering and improve the success rate of nucleic acid drug development, while also laying the foundation for the independent development of advanced protein therapeutics.

We intend to allocate approximately HK$988.5 million, representing approximately 50.0% of the net proceeds, to fund research, development, and advancement of the core technologies supporting our AI infrastructure and AI-driven nanomaterial platforms. Specifically, (1) we will continue to enhance NanoForge, our proprietary suite of AI models and agents, by strengthening its capabilities in molecular generation, property prediction, formulation design, and high-throughput experimentation, thereby enabling more efficient and scalable AI-driven development of next-generation nano-based delivery systems; (2) we will invest in the research and development of our AI-empowered solutions, which serve as the technological foundation for our next-generation delivery and therapeutic design capabilities, driving innovation across molecular design, formulation optimization, and targeted delivery systems for mRNA and other modalities; and (3) we will allocate resources to *in vivo* validation studies for our non-liver targeting LNPs and their associated payloads. These products are designed to deliver optimized mRNAs, developed through our AiRNA platform, to specific organs such as the lung, lymphoid tissues, and muscle. The resulting data will not only enhance the value and readiness of these products but also further refine our AI generative and predictive models, strengthening the precision and versatility of our AI-enabled nano-delivery platforms across diverse organs and cell types. See "Future Plans and Use of Proceeds."

Enable More Precise Nano-delivery across Diverse Organs and Cell Types

Building on the success of our targeted delivery into eight organs and tissues, we will continue to refine and expand our AiLNP and AiRNA platforms to push the boundaries of targeted delivery mediated by nanomaterials. Our goal is to further improve delivery efficiencies and precision and expand to additional organs and cell types.

We also plan to further enhance our delivery capabilities by supplementing conjugating moieties to our core delivery technologies. By rationally designing and attaching specific targeting ligands — such as antibodies, peptides and small molecules — to the surface of our LNPs, we aim to significantly enhance cellular uptake, achieve selective delivery to specific cell types within a given organ or tissue, and overcome key barriers associated with non-specific biodistribution. This ligand-directed approach builds upon our existing strengths in LNP engineering and AI-driven delivery optimization, and is informed by a comprehensive understanding of the life cycle of nanoparticle-mediated drug delivery, including LNP self-assembly, protein corona interactions, cellular entry mechanisms, and endosomal escape. We believe this strategy will expand the treatable landscape of new drug modalities such as *in vivo* CAR-T and include previously inaccessible tissues and disease indications.

Approximately HK$197.7 million (or approximately 10.0% of the net proceeds) will be used for the *in vivo* validation of our non-liver targeting LNPs in association with their payloads. These products target different organs in the human body, such as the lung, lymphoid and muscle, and carry mRNAs optimized through our AiRNA platform. Data from these studies will not only increase the value of these products, but also help improve our AI generative and predictive models and enhance the value of our AI nano-delivery platforms, enabling more precise nano-delivery across diverse organs and cell types.

Broaden the Applications of Our AI-driven Nanomaterial Platforms to Advance Human Health

We aim to apply our AI-driven nanomaterial platforms across a broader range of human healthcare applications, with a strategic focus on therapeutic areas such as CNS, metabolism, oncology, and immunology diseases. Our pipeline spans both small molecule and nucleic acid therapeutics, forming a well-structured portfolio across various stages of development. We plan to accelerate the advancement of our clinical and preclinical programs, aiming to secure partnership with appropriate partners to accelerate their development and commercialization.

As our AI-driven nanomaterial platform technologies further advance, we also plan to expand into areas such as longevity. We are exploring the development of nanomaterial delivery systems capable of precisely targeting senescent cells so that we can address the fundamental driver of aging, including dysregulated expression patterns, protein misfolding and disrupted signaling pathways. This marks a broader effort to extend the reach of our technology platform from disease treatment to longevity.

We intend to allocate approximately HK$395.4 million, representing around 20.0% of the net proceeds, to support ongoing and planned clinical trials of our AI-developed pipeline products across multiple therapeutic areas and modalities. These investments will be directed toward advancing key candidates through regulatory filings, indication expansion, and early-stage clinical validation, thereby accelerating the translation of our platform innovations into clinical applications. In particular, a portion of the proceeds will be used to advance the clinical development of MTS-201, including the initiation and completion of Parts B and C of the ongoing Phase I trial, to further validate its differentiated mechanism of action, efficacy in weight management, and favorable safety profile. Another portion will be allocated to the research and development of MTS-105, primarily to fund IND-enabling studies and subsequent clinical trials. We plan to submit an IND application for MTS-105 to the NMPA in 2026. In addition, we plan to allocate a portion of the proceeds to the research and development of MTS-109, primarily to fund IND-enabling studies and subsequent clinical trials. We plan to submit an IND application for MTS-109 in 2026 and initiate Phase I clinical trial in 2027. See "Future Plans and Use of Proceeds."

Build a Comprehensive Ecosystem in China and Globally Centered around Our Nanomaterial Technologies

We are building a broader collaborative ecosystem around our AI-driven nanomaterial platforms to support the development and translation of advanced therapeutics. Leveraging our proprietary delivery technologies, we collaborate with academic institutions, pharmaceutical companies, and medical centers to deliver customized delivery systems for breakthrough drug cargos under various forms of collaboration. These collaborations often involve us providing preclinical proof-of-concept research, with the goal of advancing projects through co-development or milestone-based engagements.

We may also explore opportunities to build a global ecosystem through a combination of business development collaborations, strategic joint ventures, and potential mergers and acquisitions. By leveraging our core technological platforms and interdisciplinary expertise, we aim to establish a strong international presence and deepen engagement with global partners across the pharmaceutical, biotechnology, and broader life science sectors. We have accumulated substantial experience collaborating with U.S.-based partners on research and development projects, and our management team comprises professionals with diverse educational and industry backgrounds in China, the United States and Europe, providing a strong foundation for cross-border operations. These efforts will be focused on accelerating cross-border innovation, accessing new markets, and enhancing the commercial reach of our AI-driven nanomaterial platform technologies.

We intend to allocate approximately HK$197.7 million, representing around 10.0% of the net proceeds, to support the construction of our AI-driven nanomaterial ecosystem globally. These proceeds will be used to pursue licensing opportunities, research collaborations, strategic partnerships, joint ventures, mergers and acquisitions, and other investment activities aimed at building an international nanomaterials ecosystem. We plan to strengthen our presence in key markets including the United States, Europe, the Middle East, and East Asia (Japan, Korea, and Hong Kong) by leveraging our proprietary technologies and interdisciplinary expertise to deepen engagement with partners in the pharmaceutical, biotechnology, and life sciences sectors. In addition, we intend to expand our overseas operations and business development teams, including through new regional offices, participation in global industry conferences, and targeted promotional campaigns to enhance our international brand visibility and accelerate commercial adoption of our AI-driven nanomaterial technologies. See "Future Plans and Use of Proceeds."

Expand into Emerging Non-human Life Science Sectors

In addition to our focus on human health, we see significant potential to extend our platform technologies to non-human biological systems, particularly in the rapidly growing field of animal health. We are exploring applications in areas such as pet longevity, obesity management, and cancer vaccines — segments where the unmet needs, consumer demand, and willingness to pay are increasing alongside the global rise in pet ownership and awareness of companion animal wellness. These initiatives align with our AI-driven nanomaterial platforms' strengths in precision delivery, scalability, and modular adaptability, and allow us to bring innovation from human therapeutics into adjacent high-growth markets.

We intend to collaborate with industry players across animal health sector to co-develop new products, leveraging our delivery technologies. By tailoring our nanomaterial delivery platforms to suit animal-specific biological contexts, we aim to create differentiated solutions that address critical challenges in these fields. These explorations mark an important step in broadening our market reach, enhancing platform versatility, and establishing new revenue streams across emerging verticals beyond traditional pharmaceutical development. To that end, we have entered into a strategic cooperation intent agreement with a leading veterinary group to jointly develop and commercialize AI-driven therapeutics for the animal health market. We plan to develop our proprietary assets PTS-101 to address pet obesity in that market. For detailed discussion, see "Business — Business Development and Collaborative Partnership — Product Business Development — Strategic Collaboration in AI-driven Animal Health Products." We also intend to develop PTS-201 as a differentiated, muscle-targeted therapeutic for addressing critical unmet needs in the animal health market, particularly for longevity and mobility-impaired companion animals.

Approximately HK$197.7 million, representing around 10.0% of the net proceeds, will be allocated to the development of our animal health and longevity solutions, extending the application of our AI-driven nanomaterial platforms beyond human therapeutics. These funds will support the discovery and preclinical development of products targeting animal longevity and health, leveraging our strengths in targeted delivery and regenerative modulation. Key focus areas include age-related dysfunction, systemic inflammation, cellular senescence, obesity management, cancer vaccines, and nutritional supplements for pets. The proceeds will also fund early-stage product development, preclinical research, and strategic collaborations with industry partners, enabling us to capture opportunities in these high-growth fields and broaden the commercial applications of our technologies. See "Future Plans and Use of Proceeds."

NANOFORGE — FOUNDATION OF OUR AI-DRIVEN NANOMATERIAL PLATFORMS

Integrated Dry-wet Lab Infrastructure

The foundational layer of the NanoForge platform is our fully integrated dry-wet lab infrastructure, which enables closed-loop learning and end-to-end optimization from *in silico* design to *in vivo* validation:

- For lipid optimization, we employ mechanistic simulation models, AI predictive models, and *in vivo* testing to evaluate candidates against targeted delivery profiles and biodistribution objectives. This allows for early-stage selection of high-performing lipids with desirable therapeutic index.

- For formulation optimization, we use METiS Datalots, our proprietary AI-enabled high-throughput formulation screening system. Iterating between high-throughput experiments and AI, Datalots allows us to test hundreds of formulation permutations in parallel, significantly accelerating the discovery of LNP systems that are tailored to specific organ targets and administration routes.

This infrastructure provides a unique feedback loop in which predictions from our AI models are rapidly validated and refined using real-world biological experiments. This closed-loop design-learning-validation process substantially reduces development timelines and improves the probability of successful translation to clinical candidates.

METiS Ionizable Lipid Library — Our Data Universe

Building upon this experimental foundational layer, NanoForge continuously feeds data into our ionizable lipid library — the world's largest and most structurally diverse ionizable lipid library, comprising over 10 million AI-generated unique entries.

The library began with about 14,000 lipid structures collected from publicly available patents and scientific publications, including well-known lipid families, and research works by experts in the field. These molecules were used as the first training dataset for our AI models.

At first, we tried to design entire lipid molecules directly, but the results lacked diversity. We then shifted to a fragment-based approach, breaking down lipids into smaller building blocks and reassembling them into new structures using AI algorithms developed in-house. Each lipid is made up of several fragments, allowing the generation of diverse molecules with different shapes, lengths, and chemical properties using publicly available small molecule datasets, AI sequence-based generative models and reinforcement learning. These molecules were then screened using AI models that assess their lipid-like properties, ease of synthesis, and predicted performance.

We further expanded the library using PhatGPT and other METiS-customized generative models trained with our lipid library, which generate new molecules based on what the AI has already learned. In parallel, our laboratory team tested more than 2,000 lipids in experiments to measure particle size, stability, toxicity and organ-specific delivery in animals, including mice, rats and NHPs. The results were used to train and refine our LipidBERT prediction model and LipidFLAG generation model, creating a continuous feedback loop between AI and laboratory validation.

By combining publicly available scientific data, AI-based molecular generation, and high-throughput experimental testing, we built a comprehensive and self-learning lipid database that forms the foundation of our nanomaterial discovery and delivery technologies.

Primarily, our lipid library serves as a robust discovery engine, enabling the systematic and diversified filtering and screening of lipid candidates with strong therapeutic potential. Lipids identified and validated through our NanoForge platform are designed to support high patentability due to their structural novelty.

Beyond serving as a screening library, our lipid library has also laid the groundwork for the development of lipid-specific AI foundation models. It is a dynamic learning corpus, providing large and unique training materials to our proprietary AI models to really understand what lipid molecules are before they can generate new lipids or predict properties of the *de novo* lipids, just like large language models learn human languages from the natural language corpus. This integration of *in silico* design, high-performance molecular simulations, and wet-lab validation exemplifies the full fusion of computation and experimentation across our platform. The consistently strong model performance further demonstrates the robustness and diversity of our lipid library, establishing it as an unparalleled starting point for AI-driven discovery of cell-, tissue-, or organ-specific lipids and LNPs — particularly in underexplored areas lacking known ionizable lipid leads.

METiS AI Foundational Models — Generative and Predictive Toolkits

Above the data layer, NanoForge platform comprises a comprehensive suite of generative and predictive AI foundational models specifically developed for lipid discovery, LNP and mRNA design:

- ***LipidFLAG*** (Fragment-based Lipid Automatic Generation, a generative AI model): We have developed our proprietary fragment-based lipid design algorithm that enables the automated generation of novel, synthesizable ionizable lipids. Drawing on our deep understanding of lipid chemistry, LipidFLAG decomposes lipid molecules into 7-12 chemically meaningful fragments based on structural features, atom types, and molecular connectivity. Sequence-based generation methods trained on publicly available small molecule dataset — combined with reinforcement learning with in-house reward functions defining the optimal characteristics of each fragment based on our deep understanding of ioniable lipids — are used to create new building blocks, which are then reassembled using an in-house connection algorithm. This approach allows LipidFLAG to efficiently explore diverse chemical scaffolds and generate high-quality lipid candidates optimized for drug delivery applications.

- ***PhatGPT*** (Precision High-throughput AI-driven Targeting using Generative Pre-trained Transformer, a generative AI model): We have also developed a proprietary transformer-based generative model purpose-built for lipid design, enabling rapid and precise generation and optimization of nanomaterials for drug delivery. PhatGPT is pre-trained on the proprietary lipid structure database generation by LipidFLAG and is specifically designed to generate novel lipid structures with enhanced delivery performance. Combining with LipidBERT below, PhatGPT's architecture is tailored to conditionally generate new lipids with specified properties, allowing it to suggest lipid candidates with improved organ targeting, stability, and formulation compatibility. This capability further strengthens our platform's ability to produce high-quality lipid nanoparticles efficiently and at scale.

- ***LipidBERT*** (LNP Property Prediction, a non-generative predictive language model): We have developed a dedicated lipid property prediction engine capable of accurately estimating more than 20 essential characteristics of LNPs, such as how effectively they carry therapeutic payloads, which organs they are likely to target, and their potential safety profiles. LipidBERT has been pre-trained on synthetically generated lipid structures by LipidFLAG and fine-tuned using high-quality in-house experimental data. It plays a central role in our AI-enabled nanomaterial delivery platform, helping us identify the most promising candidates from our proprietary *de novo* lipid library and screen out those with lower potential, thereby streamlining nanomaterial discovery and improving overall success rates.

All three of our models are built on publicly available base architectures developed by third-party research communities, which provide core machine learning functions such as sequence generation and contextual prediction. We have customized and retrained these frameworks using our proprietary METiS Ionizable Lipid Library, tailoring them specifically for nanomaterial discovery and lipid delivery applications. These models are trained using a multi-stage approach combining reinforcement learning, pre-training and supervised fine-tuning. In the absence of large public datasets for lipid structures, we simulate structurally plausible data and iteratively improve model performance using our proprietary high-quality wet-lab datasets. This layered training methodology ensures robust generalizability and enables *de novo* design with high predictive confidence. For discussion on how we develop the datasets or inputs used to pre-train the models, please see "Business — NANOFORGE — Foundation of Our AI-Driven Nanomaterial Platforms — METiS Ionizable Lipid Library — Our Data Universe".

METiS Agent — NanoForge's Dynamical Coordinator for Intelligent Discovery

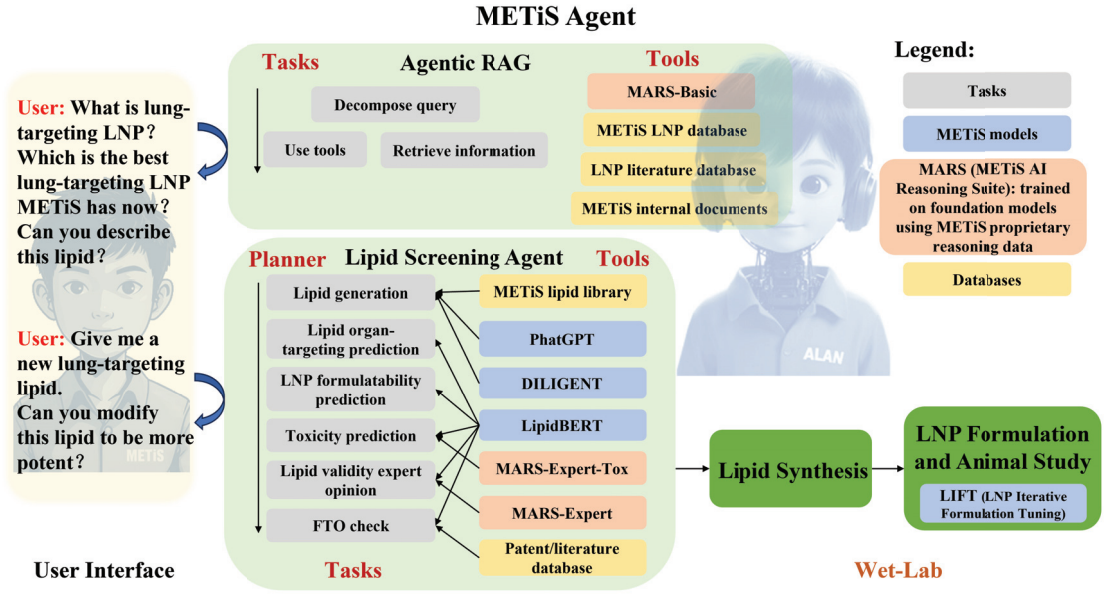
METiS Agent functions as the intelligent interface of our NanoForge platform, enabling in-house scientists to seamlessly interact with the full capabilities of our AI-driven nanomaterial platform discovery engine. Designed for accessibility, METiS Agent allows users — regardless of their AI expertise — to issue natural language or structured queries that guide the discovery, evaluation, and optimization of lipid-based delivery systems.

Upon receiving a query — such as "identify a new LNP for lung delivery" or "recommend an optimized formulation for mRNA targeting the liver" — METiS Agent interprets the intent, decomposes the task, and dynamically activates the most appropriate foundational models, tools, and datasets available within the NanoForge platform. This includes engaging models like PhatGPT for lipid generation and optimization, LipidBERT for property prediction, and other in-house models trained on proprietary experimental data.

Beyond coordination, METiS Agent serves as a reasoning layer: it integrates outputs from multiple models, applies structured inference based on domain-specific rules, and delivers results with transparent logic and scientific traceability. It also connects directly to curated lipid libraries, internal screening data, and external sources such as patents and academic literature, helping researchers assess not just technical performance, but also novelty and potential freedom to operate.

By serving as a dynamic coordinator across the NanoForge platform, METiS Agent significantly improves development efficiency, reduces dependency on trial-and-error experimentation, and enhances decision-making through interpretable and data-driven recommendations. As a result, it enables a closed-loop design process that accelerates the translation of ideas into viable preclinical candidates and differentiates our platform in the field of AI-powered nanomedicine.

METiS Agent is integrated into AiLNP and AiRNA, serving as an intelligent assistant to help in-house scientists and researchers navigate and utilize these platforms effectively. We currently do not yet have a dedicated agent for AiTEM, and we plan to develop one in the near future. Looking ahead, we also intend to create a unified METiS Agent capable of supporting user interactions and cross-functional tasks across all three solution platforms.



OUR ADVANCED AI-EMPOWERED SOLUTION PLATFORMS

Our AI-empowered drug delivery platforms empower the design, development, and optimization of advanced nanomaterials for the targeted delivery of active agents across a broad spectrum of biological targets. By addressing challenges such as tissue penetration, biodistribution, and cellular uptake, our models provide versatile solutions that extend beyond human medicine. Their adaptability allows us to explore applications in longevity, and animal health, significantly expanding market opportunities and addressing unmet needs across multiple sectors.

AiTEM — Accelerating Small Molecule Development with AI-enabled Formulation and Screening

We have developed AiTEM, a proprietary AI-driven small molecule formulation optimization platform that integrates algorithmic formulation design, physics-based excipient screening, and a high-throughput AI-enabled wet-lab screening system. AiTEM is designed to overcome key bottlenecks in traditional formulation development by enabling rapid, accurate, and cost-effective iteration cycles.

AiTEM operates through four interdependent modules:

- ***AI-powered Formulation Design***: Our proprietary machine learning algorithms enable exploration and prioritization of dosage form, formulation technologies, ratios, and excipient combinations. The design engine leverages historical data and prediction loops to narrow down optimal candidates with high probability of success.

- ***AI-enabled High-throughput Screening (AI-HTS)***: Central to AiTEM is our proprietary AI-HTS platform, which automates parallelized sample preparation, *in vitro* testing, and data acquisition for both solid and liquid formulations. Compared to traditional high-throughput screening methods, our AI-HTS approach is significantly more efficient, reduces experimental load by approximately 30%, and enables deeper, more refined exploration of continuous variables such as concentration gradients. Without AI-enabled iteration, a typical HTS process explores approximately 2,000 formulation combinations, yielding only around 100 positive hits. In contrast, our AI-HTS approach iteratively explores 1,300 to 1,500 combinations over 5 to 8 learning cycles, achieving 85% to 90% positive hit rates. The system integrates real-time analytics with predictive modeling feedback loops, substantially accelerating formulation discovery while improving efficiency and success rates.

- ***Intelligent Data Processing and Visualization***: Our AiTEM platform features an integrated visualization engine that systematically analyzes and presents key experimental parameters. It enables multi-scale exploration of formulation characteristics through advanced data visualization and interpretation tools. Specifically, the system captures and processes readouts from dissolution profiles, dynamic light scattering (both particle size and PDI), transmission electron microscopy (TEM), and turbidity. These outputs are then mapped against AI-generated predictions to validate model accuracy and guide next-round optimization, enabling a more intelligent and efficient formulation development process.

- ***Mechanism-based Excipient Screening***: Using molecular dynamics simulations and quantum chemistry methods, AiTEM predicts drug-excipient interactions and simulates *in situ* molecular behavior. This mechanistic modeling layer significantly enhances formulation stability prediction and rational excipient selection.

AiTEM delivers marked improvements in both operational efficiency and predictive accuracy. By leveraging AI-driven formulation design, the platform compresses early-stage development timelines from 1-2 years to less than three months while improving the bioavailability over three folds. With an average prediction accuracy of around 85%, AiTEM enhances the reliability of formulation outcomes.

AiLNP — AI-driven Lipid Nanoparticle Platform

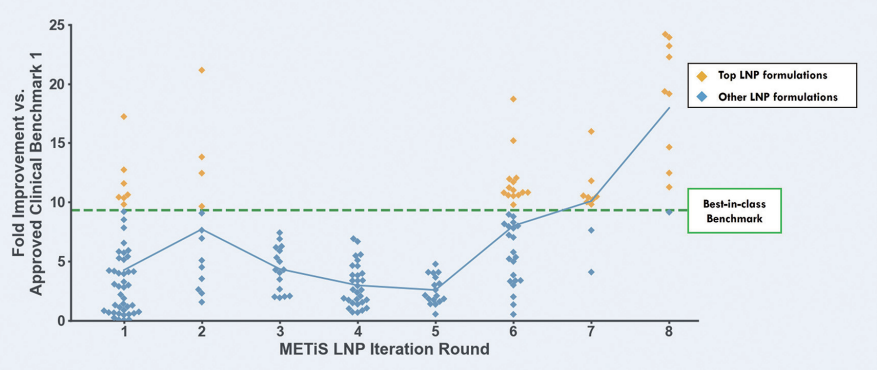
At the core of our innovation strategy is AiLNP, our proprietary AI-driven LNP platform built to transform how LNP-based therapeutics are designed, optimized, and translated. By integrating advanced AI models, high-throughput screening experimentation, and proprietary lipid datasets, AiLNP offers a scalable, closed-loop system that overcomes longstanding industry challenges, including the lack of comprehensive lipid data and rational design capabilities.

AiLNP operates as a self-reinforcing engine, achieving a "Moore's Law" for drug delivery — enabling the development of a new generation of LNPs every 1-2 months. We have developed hundreds of LNPs that outperform industry benchmarks, with dozens demonstrating over 10 times improvement in delivery efficiency. AiLNP's quality and throughput far exceed current industry standards.

Through AI-driven, multi-round dry-wet experimental loops, AiLNP rapidly identifies and optimizes high-performing lipid candidates. In just under four weeks, AiLNP is capable of generating first-round LNPs that are comparable to, or significantly more effective than, industry benchmark LNPs. Hundreds of LNPs have achieved equivalent or superior delivery efficiency.

Following the identification of promising lead lipids, we further apply an active learning-based formulation optimization strategy. This iterative process integrates model prediction with experimental validation to dynamically select the most informative samples for testing, continuously improving both model performance and formulation outcomes with each round. This approach often results in multi-fold enhancements in targeted delivery efficiency and enables coordinated optimization across efficacy, selectivity, and stability.

By integrating our lipid language model with an active learning framework, we have built a feedback-driven, computation-experiment coupled LNP development platform that significantly accelerates the end-to-end process from molecule design to formulation optimization. The chart below illustrates the formulation fine-tuning achieved through our solutions.



AiLNP is supported by NanoForge platform, encompassing the world's largest and most diverse empirical lipid library and a fully integrated dry-wet lab infrastructure, that enables continuous model refinement through real-time biological validations. AiLNP allows us to generate and test structurally novel lipid candidates at scale and with greater precision — improving delivery efficiency, tissue targeting, and therapeutic performance.

Unlike traditional discovery approaches, AiLNP gives us full control across the discovery process — from AI-driven molecular generation to *in vivo* testing — enabling accelerated discovery timelines and higher translational success rates. Each design-validation iteration compounds model performance and data richness, creating a flywheel that continuously enhances platform intelligence and broadens its application potential.

We believe AiLNP represents a fundamental shift in how LNPs are developed and applied, serving as a cornerstone for both our pipeline programs and future external collaborations.

AiRNA — Our AI-driven mRNA Design Platform

At the heart of our mRNA therapeutics capability is AiRNA, our proprietary AI-powered mRNA design engine, developed to enable rapid, efficient, and high-fidelity design of full-length mRNA sequences for diverse therapeutic targets.

AiRNA begins with input from partners or internal programs — namely, the target protein sequence and therapeutic objective. Leveraging a combination of structural biology insights and advanced machine learning algorithms, AiRNA designs optimized mRNA coding sequences tailored for robust expression. One of AiRNA's unique advantages is its use of our proprietary untranslated region (UTR) library, which enables the generation of multiple parallel full-length mRNA candidates with enhanced translational efficiency and tissue-specific targeting potential.

These mRNA constructs are synthesized using our in-house high-throughput *in vitro* transcription (IVT) screening platform, which supports parallel production and screening of mRNA sequences at scale. Each candidate is subjected to a closed-loop dry-wet validation cycle — first evaluated via *in silico* predictions, then tested *in vitro* and *in vivo* to assess expression levels, protein function, and delivery efficiency. Insights from these experiments are used to iteratively refine sequence design, accelerating the discovery of optimal mRNA constructs.

When combined with our AiLNP platform, AiRNA enables integrated design of both mRNA and its delivery vehicle (i.e. LNP), allowing for organ-targeted and application-specific mRNA therapeutic development. This end-to-end workflow supports our mRNA pipeline programs, particularly in oncology and immunology, and positions us at the frontier of AI-enabled mRNA drug discovery globally.

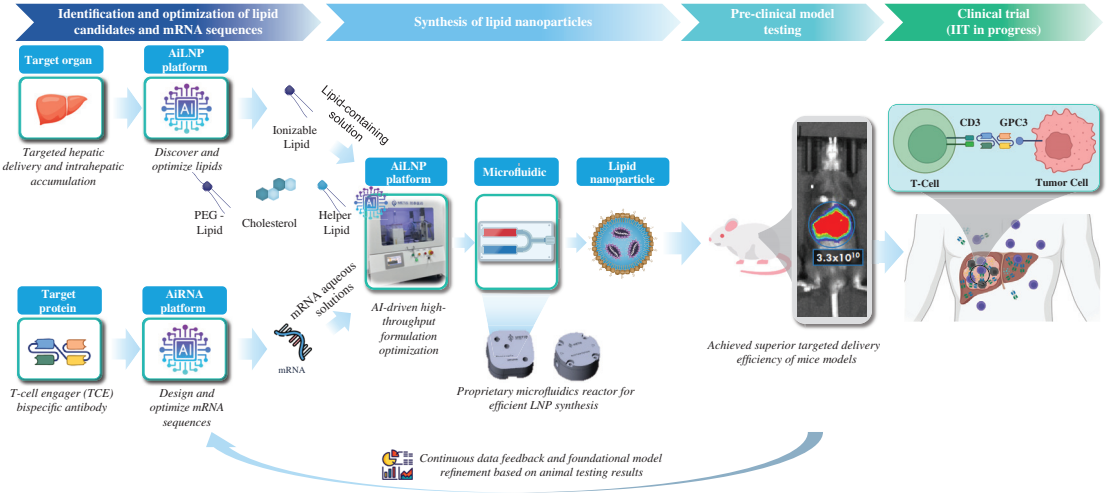
The impactful integration of the AiRNA and AiLNP platforms has already been demonstrated through programs such as MTS-105, our liver-targeted mRNA-LNP T-cell engager for HCC, which showed significant advantages over an Ab-based TCE in intrahepatic enrichment of drug concentration and superior efficacy profiles in preclinical models. The AiRNA and AiLNP platforms have since expanded to support delivery to muscle, brain, lung, and heart, and has enabled the development of candidates across modalities including vaccines and protein replacement.

APPLICATIONS OF OUR AI-EMPOWERED SOLUTION PLATFORMS

How We Developed MTS-105 With METiS Solutions

The following flow chart illustrates our innovative development process for MTS-105: We first identified the therapeutic target, which is the GPC3 biomarker associated with hepatocellular carcinoma, a well-known target for HCC. We designed a bispecific TCE antibody targeting GPC3 and CD3 using our AiRNA platform, which optimizes mRNA sequences for high expression and increased organ specificity. We then proceed to the stage of synthesizing lipid nanoparticles, where these elements (together with other lipid components) then went through AI-driven high-throughput screening to identify optimized formulation and through advanced microfluidics reactors to efficiently form lipid nanoparticles. The lipid nanoparticles were subsequently tested in preclinical models to verify delivery efficiency and anti-tumor efficacy, which provide valuable inputs to further drive LNP or mRNA design improvement. This continuous, data-driven optimization enables accelerated advancement of MTS-105 into clinical stage, underscoring our commitment to rapid and effective therapeutic innovation.

Overview of MTS-105 Research and Development



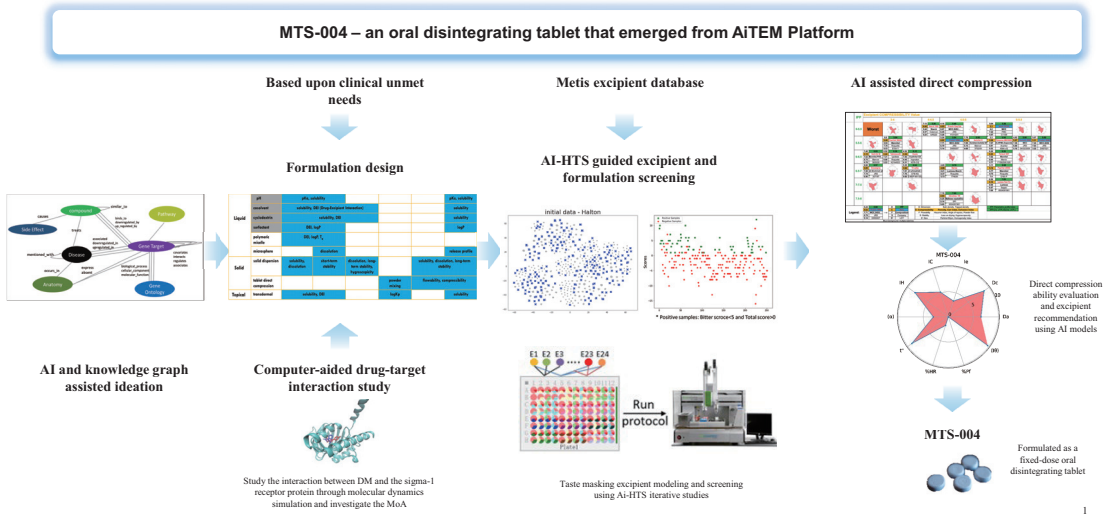
How We Develop MTS-004 with METiS Solution (AiTEM)

MTS-004 is a small-molecule drug product formulated as an orally disintegrating tablet, with dextromethorphan and quinidine as its active pharmaceutical ingredients. The product does not contain nanomaterials-based delivery systems, as it is not designed for organ- or tissue-targeted delivery. However, the molecular dimensions of dextromethorphan and quinidine are on the order of a few nanometers, and the formulation of MTS-004 still involves interactions at a nanoscale level between the active pharmaceutical ingredients and other drug components which falls within the scope of an acceptable sector under Chapter 18C, namely, the manipulation of materials conducted at a nanoscale.

Importantly, the development of MTS-004 was enabled by our proprietary AiTEM platform, which integrates artificial intelligence with nanoscale simulation and modeling capabilities to optimize small-molecule formulation design. AiTEM was used to predict and optimize molecular-level interactions, screen excipients, and determine formulation parameters at the nanometer scale. From tens of thousands of possible theoretical formulations, AiTEM screened and tested over 200 across various dosage forms and successfully identified the optimal formulation within three months.

The resulting formulation demonstrated improved stability, rapid oral disintegration, and effective taste masking, validating AiTEM's ability to accelerate formulation development and enhance product quality. By comparison, traditional formulation development would typically require one to two years to achieve similar results. MTS-004 therefore serves as a validation example of AiTEM's application in small-molecule formulation optimization, rather than a nanomaterials-based delivery system such as LNPs, which are primarily used for large-molecule therapeutics.

The following diagram illustrates how we develop MTS-004 with AiTEM:



How MTS-004 Serves to Validate Our Platform

MTS-004 serves as a strong validation of our platform, demonstrating the capability of our integrated NanoForge platform to drive drug formulation innovations. While MTS-004 is focused on formulation and does not contain nanomaterials-based delivery systems such as LNPs, it exemplifies how our platform, which combines both drug formulation and drug delivery solutions, can deliver effective, patient-centric therapies. Some of the underlying algorithms used in drug formulation development and drug delivery are shared in common. This integration ensures that formulation optimization, such as the development of the orally disintegrating tablet for MTS-004, is aligned with delivery system goals, even if the current application does not rely on advanced delivery technologies such as LNP.

MTS-004 represents a pivotal validation of our integrated platform strategy, underscoring the technological versatility and robustness of our drug formulation capabilities. As a flagship example of our AI-driven formulation platform in practice, MTS-004 demonstrates our ability to optimize complex formulations rapidly and effectively: we have successfully developed an orally disintegrating tablet for the treatment of PBA, a neurological disorder, with the formulation to enhance bioavailability and improve patient compliance. Leveraging our AI-enabled approach, we decreased a conventional formulation optimization cycle of one to two years into less than three months, highlighting both development efficiency and our platform's capacity to deliver high-quality outputs against demanding clinical requirements. While MTS-004 does not employ drug delivery modalities such as LNPs, its successful development and continued clinical progress provide compelling evidence of our ability to generate meaningful therapeutic impact through formulation innovation alone. In particular, the program's focus on addressing dysphagia through a patient-friendly dosage form illustrates how our platform can deliver tangible clinical advantages without relying exclusively on LNP-based delivery technologies, reinforcing that our capabilities extend beyond drug delivery into value-creating, formulation-based solutions that address unmet needs. Moreover, as a proof-of-concept for our broader R&D pipeline — especially within small-molecule development — MTS-004 exemplifies our ability to solve sophisticated formulation challenges, expand across therapeutic areas, and position ourselves as a leader in patient-centric therapies. From a commercial standpoint, an optimized oral formulation that is both easy to administer and clinically effective strengthens our competitive differentiation and enhances our attractiveness as a partner for pharmaceutical companies seeking formulation expertise.

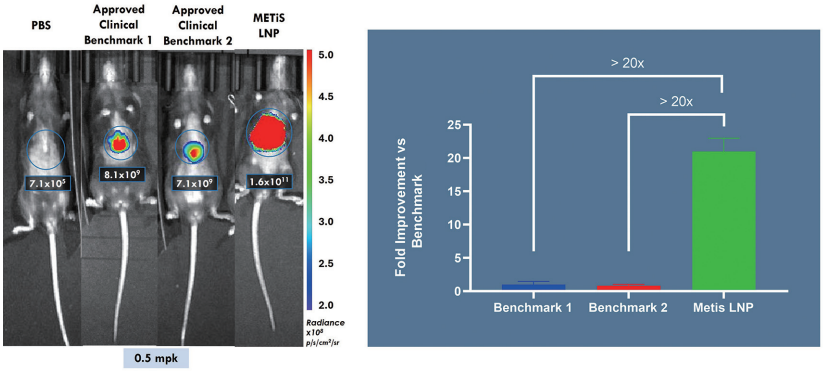
Overall, the MTS-004 program provides strong external validation of our platform strengths, confirming our ability to generate clinically relevant and commercially viable solutions, and further substantiating the long-term value of an integrated platform that combines formulation excellence with broader delivery and development capabilities.

OUR ORGAN-SPECIFIC DELIVERY PROGRAMS

Liver-targeted LNPs: Over 20x Enhanced Delivery Efficiency Over Industry Standards

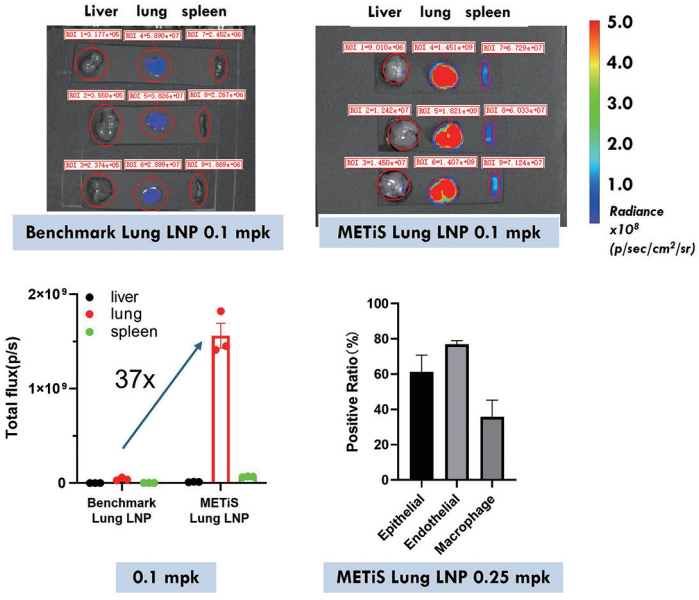
Our proprietary liver-targeted LNP platform achieves over 20-fold greater mRNA delivery to the liver compared to leading industry benchmarks. This step-change in delivery efficiency unlocks the full therapeutic potential of RNA-based medicines–including mRNA and RNAi–for a range of liver-related diseases such as liver cancer, viral hepatitis and metabolic disorders.

Validated across multiple *in vivo* models, our LNPs consistently demonstrate high liver specificity with minimal off-target distribution. This unique combination of potency and precision positions our platform as a best-in-class solution for nucleic acid therapeutics with strong commercial and clinical potential.



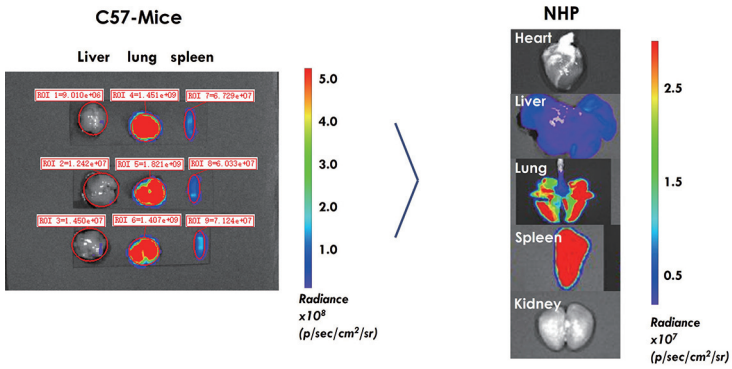
Lung-targeted LNPs: Deep Lung Delivery Enabling Respiratory RNA Therapeutics

Our lung-targeted LNP platform expands the reach of nucleic acid delivery into the respiratory system with industry-leading performance. In preclinical studies, our LNPs achieved over 37-fold higher mRNA delivery to the lungs compared to benchmark, while maintaining high specificity and minimal off-target expression in non-respiratory organs such as the liver and spleen.



Robust and Translatable Performance Across Species

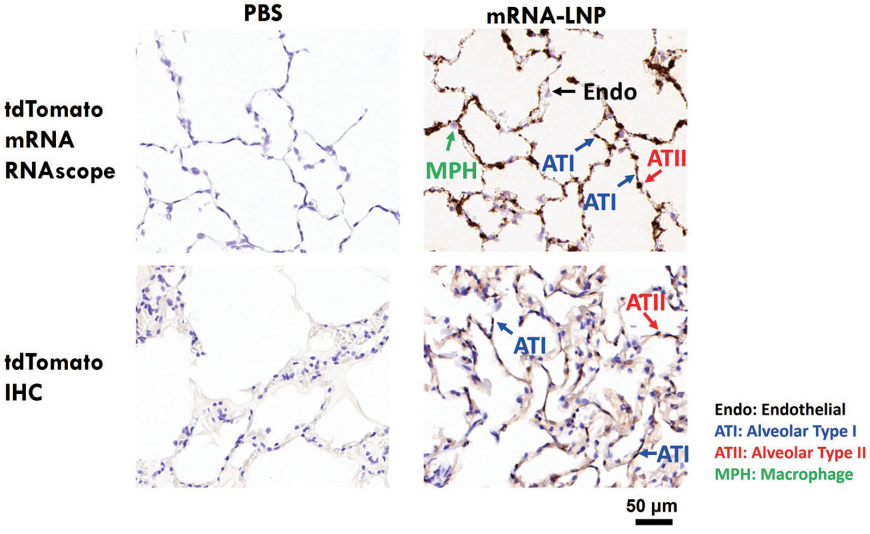
Our lead lung-targeted LNP has demonstrated strong and consistent delivery across species, with high transfection efficiency observed in both mice and non-human primates (NHPs). Following systemic administration, robust luciferase expression was detected in lung tissues of NHPs, confirming effective mRNA delivery and translation in large-animal models. These results support the platform's translatability and feasibility for clinical development in pulmonary indications.



Reaching Deep into the Lung: Unlocking Clinical Potential

Using both rodent and NHP models, we have demonstrated that our LNPs can efficiently deliver mRNA payloads deep into the lung, targeting a broad range of therapeutically relevant cell types–including alveolar type I (ATI) and type II (ATII) epithelial cells, pulmonary endothelial cells, and alveolar macrophages. These are key cellular drivers of major respiratory diseases.

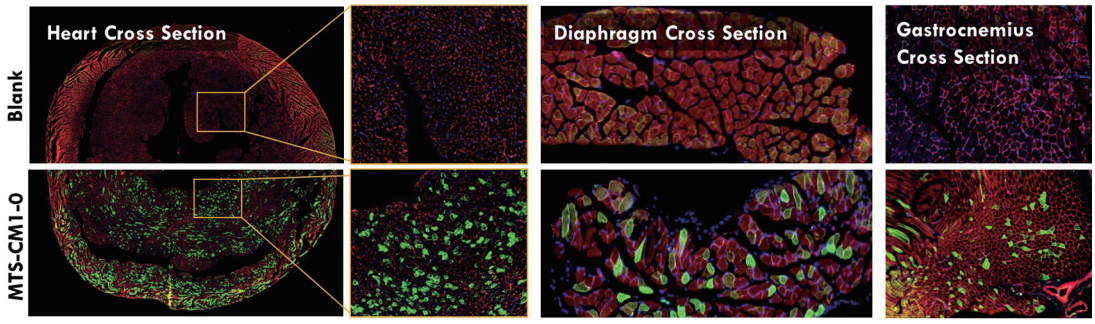
This differentiated targeting capability potentially enables transformative therapeutic opportunities in conditions such as idiopathic pulmonary fibrosis (IPF), chronic obstructive pulmonary disease (COPD), cystic fibrosis, and other difficult-to-treat lung disorders. Unlike traditional inhaled or systemically administered approaches, our platform enables targeted, systemic delivery to deep lung tissues–enabling more effective treatment of complex pulmonary diseases.



Muscle-targeted LNPs: Systemic Delivery to Cardiac and Skeletal Muscles

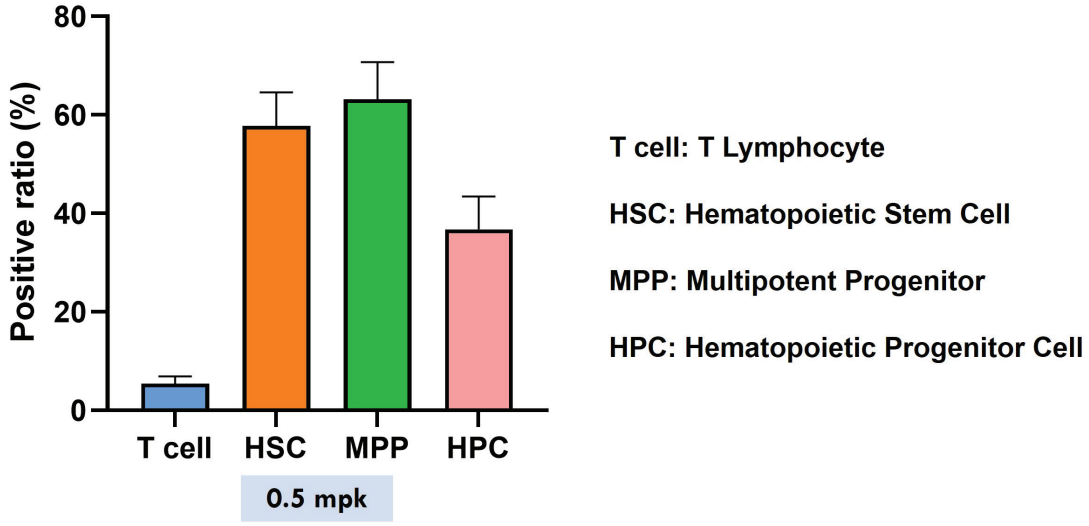
Our muscle-targeted LNP platform enables systemic and cell-specific delivery to both cardiac and skeletal muscle tissues, opening new therapeutic avenues for diseases such as muscular dystrophy and cardiomyopathy.

In mTmG transgenic mouse models, our LNPs efficiently delivered mRNA encoding Cre recombinase, resulting in green fluorescence protein upregulation in cardiomyocytes and skeletal muscle cells. Notably, robust expression was observed across multiple muscle compartments in key functional organs, highlighting the platform's broad muscle-targeting capability.



Immune and Hematopoietic Cells: Enabling *In Vivo* CAR-T and Treatments for Blood Disorders

Our LNP platform achieves organ-level detargeting of the liver while enabling targeted delivery to lymphatic organs such as the spleen and lymph nodes. At the cellular level, our LNPs broadly deliver to immune and hematopoietic cells, including T cells, hematopoietic stem cells (HSCs), multipotent progenitors (MPPs), and hematopoietic progenitor cells (HPCs). This targeting profile opens up transformative opportunities in *in vivo* CAR-T therapies and the treatment of a broad range of blood disorders.



OUR BUSINESS MODEL

We operate a dual-pathway business model that synergistically integrates our proprietary AiTEM, AiLNP, and AiRNA platforms — and the services rendered thereunder — with our internally developed therapeutic assets. Our AI platforms are primarily focused on (i) the design and optimization of nanomaterials-based drug delivery systems, primarily including LNPs, and (ii) other nanoscale formulation technologies, to enhance the druggability, effectiveness, and safety of well-studied and validated therapeutic targets.

Our R&D strategy adopts a low-risk, application-driven approach by focusing on known or clinically validated drug targets and enhancing existing drugs through nanomaterial-enabled formulation and delivery improvements. Through this approach, we aim to accelerate development timelines, improve pharmacokinetic profiles, and increase the probability of clinical and commercial success while minimizing the risks inherent in first-in-class target discovery.

We have established a presence within the drug discovery and development value chain, contributing through our proprietary AI capabilities and nanomaterial delivery technologies. Our business model comprises two complementary components, namely, platform partnerships and product partnerships, which together maximize technological impact and commercial value while diversifying development risk through a diversified portfolio of partnerships.

Our Specialist Technology Products reflect this positioning and include:

- *AI-Driven Nanomaterial Solutions for Drug Delivery and Formulation* — Leveraging the NanoForge platform, our AI-driven solutions accelerate both small-molecule formulation optimization and nanomaterial development. We apply AI-enabled nanomaterial design to integrate partner payloads with advanced LNPs and other nanocarriers, enabling the targeted delivery of therapeutics and formulation optimization. In parallel, we optimize nanoscale formulations, including cosolvent solvation, micelles, solid dispersions, cyclodextrin encapsulations, and microspheres, to enhance solubility, bioavailability, and pharmacokinetics of partner-provided small molecules.

- *Proprietary Nanomaterial-based Functional Assets Developed from METiS Platforms* — integrating the METiS delivery technology with our own payloads, we develop internally Integrating therapeutic assets with defined out-licensing potential.

This dual-pathway model enables us to generate both technology-driven partnership revenue and product-based commercialization opportunities, ensuring a balanced progression across innovation, validation, and monetization within the broader biopharmaceutical ecosystem. Our revenue generated during the early part of the Track Record Period, however, was mainly derived from ancillary services as our Specialist Technology Products were still at an early stage of development.

Platform Partnerships

In our platform partnerships, we enter into research collaboration agreements with pharmaceutical or biotechnology companies, pursuant to which we co-develop with them pipeline products by leveraging our proprietary AI-driven platforms (AiLNP, AiTEM and AiRNA). These partnerships are typically non-exclusive and structured to deliver solutions across drug discovery, delivery, and optimization.

Our partners leverage our end-to-end capabilities in:

- LNP formulation and lipid discovery via AiLNP, our fully integrated LNP platform built on the world's largest and most diverse lipid library;

- Small molecule formulation and redirection using AiTEM, which enhances formulation development through AI-HTS and mechanistic modeling; and
- mRNA sequence design through AiRNA, which includes proprietary UTR generative models and coding sequence design algorithms.

We offer customized collaboration models that span from sequence design to candidate screening and formulation optimization. Our platforms function as integrated engines that allow our partners to reduce discovery timelines, lower experimental burden, and improve success rates in both preclinical and clinical stages.

As of the Latest Practicable Date, we have established over 30 global platform-based partnerships and are actively expanding our pipeline of collaborations across mRNA, small molecule, and biologics programs. These collaborations not only validate our platform value but also generate milestone revenue and recurring income that we reinvest into platform advancement. See "— Commercialization and Business Sustainability" for further discussion.

Product Partnerships

In addition to our platform-based collaborations, we pursue product partnerships as part of our broader strategy to maximize the clinical and commercial value of our internally developed pipeline. Our approach emphasizes flexibility in development and a sharp focus on breakthrough innovation in advanced therapeutics.

We adopt a selective and strategic product partnership model based on the following principles:

- ***Low-risk Target Selection:*** We prioritize on selecting targets with relatively low development risks. By applying our proprietary nanomaterial delivery technologies to these validated areas, we are able to address known limitations in therapeutic delivery while minimizing scientific and clinical uncertainty — allowing for a more efficient and risk-mitigated development path.
- ***Flexible Development Paths:*** We are open to either independently develop or co-develop certain pipeline products with regional or global partners, depending on the strategic fit, therapeutic area, and development stage. This allows us to maintain control over key programs while benefiting from external expertise, capital, and commercial infrastructure when appropriate.
- ***High Unmet Medical Needs:*** We focus on pipeline products that demonstrate clear potential to be first-in-class or best-in-class — those that address significant unmet needs, while delivering superior efficacy, safety, or delivery characteristics relative to existing standards of care.
- ***Diversification of Modalities and Therapeutic Areas:*** Our partnering strategy centers on small molecules and nucleic acid-based therapeutics, including mRNA and RNA-targeting modalities. Rather than concentrating our efforts on any single franchise or indication, we aim to diversify across disease areas and delivery targets, thereby expanding the potential of our technology platforms while reducing risk.

We believe this approach enables us to accelerate clinical development with the support of experienced commercial partners, expand global patient access through established distribution networks, and monetize our pipeline products while retaining upside potential.

Synergies Between the Two Models

The term "dual-pathway business model" refers to the two complementary approaches through which we create value, namely, (i) platform partnerships and (ii) product partnerships.

Through platform partnerships, we support pharmaceutical and biotechnology companies in drug formulation optimization, delivery-system development and mRNA sequence optimization using our proprietary AI-driven platforms (AiLNP, AiTEM and AiRNA), thereby generating project-based revenues, including option fees (if applicable), research fees and ultimately licensing fees of the nanomaterial-based products we develop for them. In parallel, through product partnerships, we apply these same AI-driven nanomaterial and formulation technologies to develop our own functional assets, which may subsequently be out-licensed to partners, such as pharmaceutical or biotechnology companies, to realize longer-term value in the form of upfront payments, milestones and royalties.

A defining feature of our business model is the synergistic flywheel effect between our platform and asset-driven strategies. Insights and data generated from our external collaborations flow back into our platform, enhancing model accuracy, expanding chemical and biological diversity, and enriching METiS Ionizable Lipid Library. In turn, these improved platform capabilities allow us to internally develop more advanced pipeline products and offer higher-value solutions to our partners.

This self-reinforcing innovation cycle — where platform services accelerate product development, and asset progress enhances platform credibility — creates a balanced and sustainable business model that supports both near-term income and long-term growth within the drug discovery and delivery value chain. These synergistic efforts have already begun to generate revenue, which enable us to further develop next-generation AI-driven nanomaterial platforms and maintaining at the fore-front of the drug delivery development.

We believe this dual-pathway business model positions us for sustainable growth, broad global reach, and durable leadership in the emerging field of AI-enabled drug design and delivery.

Commercialization Strategy under the Dual-Pathway Business Model

Our commercialization strategy directly reflects our dual-pathway business model, which consists of (i) platform partnerships and (ii) product partnerships. The two pathways operate concurrently and complement each other — the first generates near-term service and milestone income through research partnerships, while the second creates long-term value through the out-licensing of internally developed assets.

Platform Partnerships

Under our platform collaboration model, we enter into research collaboration agreements with pharmaceutical or biotechnology partners. These agreements typically include an upfront non-refundable option fee, a defined research scope and term, and fees for the agreed research activities. The research scope usually involves developing and optimizing delivery systems (such as LNPs) targeting specific organs or cells using payloads provided by our partners or nano-scale small-molecule formulations in the case of AiTEM.

At the conclusion of a collaboration, our partners are generally entitled to exercise an option to license the LNPs or formulations identified from the research activities for use with their own payloads. Should the partner exercise this option, we negotiate a license agreement that includes a significantly larger upfront payment, as well as development and sales milestones and royalties. For the avoidance of doubt, such collaboration is not a form of "software-as-a-service" (SaaS) offerings, as our collaborations involve jointly defined research and experimental deliverables rather than subscription-based data services.

We have entered into a few collaborations with pharmaceutical and biotechnology partners and are currently in active discussions with several other pharmaceutical and biotechnology companies regarding additional platform collaborations. As we expand the number of ongoing collaborations, we expect a growing portion of these research partnerships to convert into license agreements, which will contribute future potential revenues in the form of upfront payments, milestone payments, and royalties.

Product Partnerships

In parallel, we conduct product partnerships, through which we develop and out-license our own pipeline products using our proprietary AI-driven nanomaterial delivery and formulation technologies, with the objective of out-licensing these products prior to final regulatory approval for marketing.

The key distinction between platform collaborations and product collaborations lies in the source of the therapeutic payloads:

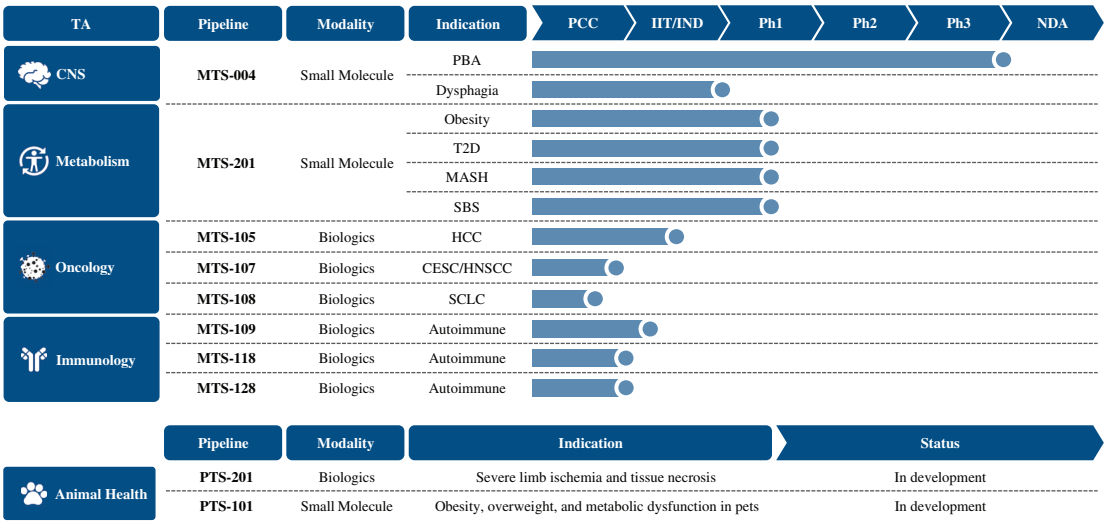
- in platform partnerships, our partners provide the payloads, and we design and optimize the LNPs or formulations for those payloads; whereas,
- in product partnerships, we design and optimize both the delivery system or formulation and the payload as an integrated asset.

A representative example of our product partnership is the out-licensing of MTS-004, our lead candidate for PBA. MTS-004 is a formulation-optimized asset that does not contain nanomaterials-based delivery systems such as LNPs. We entered into a license agreement with Zhejiang Yin'an Pharmatech on September 12, 2025, which includes an upfront payment of RMB100 million, and additional commercial milestones, and tiered mid-to-high teens royalties. Under the agreement, Zhejiang Yin'an will be responsible for NDA approval, manufacturing, and commercialization of MTS-004 in Chinese Mainland.

For detailed discussion of our commercialization pathway and business sustainability, see "Business — Commercialization and Business Sustainability."

AI NANOMATERIAL APPLICATIONS ACROSS VARIOUS THERAPEUTIC AREAS

We focus on leveraging our industry expertise, bio-nano platforms and lipid library for the discovery and development of differentiated therapeutics across various therapeutic areas, including oncology, immunology, metabolism and central nervous system diseases. We have built a robust active on-going pipeline with over 10 pipeline products, comprising a few discovery-stage pipeline candidates, 4 pre-clinical candidates, 3 clinical-stage products, 1 pre-NDA product and 2 animal health products. The following chart represents our leading product candidates as of the Latest Practicable Date:



Note: MTS-004 is a formulation-optimized asset that does not contain nanomaterials-based delivery systems such as LNPs.

Our Specialist Technology Products Applied in Human Therapeutics

MTS-004 — A Small Molecule Drug Candidate Emerged from AiTEM Platform, Filing the Vacuum of the China PBA Market

Overview

MTS-004 is an orally disintegrating tablet (ODT) formulation developed by us, comprising dextromethorphan hydrobromide (DM) and quinidine sulfate (Q), intended for the treatment of PBA caused by various neurological diseases.

MTS-004 does not contain nanomaterials-based delivery systems such as LNPs, as it is not designed for organ- or tissue-targeted delivery. However, the molecular dimensions of dextromethorphan and quinidine are on the order of a few nanometers, and the formulation of MTS-004 still involves interactions at a nanoscale level between the active pharmaceutical ingredients and other drug components, which falls within the scope of an acceptable sector under Chapter 18C, namely, the manipulation of materials conducted at a nanoscale.

PBA, commonly known as the "uncontrollable laughing and crying syndrome," is a neurological disorder of emotional expression, characterized by frequent, involuntary, and uncontrollable episodes of laughing and/or crying that are incongruent or disproportionate to the patient's actual emotional state. These sudden and often socially disruptive episodes can impair patients' ability to work or engage in normal social interactions, and may exacerbate the symptoms of the primary neurological condition.

Advantages of MTS-004

- ***Clinically Validated with Favorable Safety and Efficacy Profiles.*** MTS-004 has demonstrated a favorable safety and efficacy profile in clinical trials, reinforcing its potential as a reliable treatment for PBA.
- ***Designed for Ease of Use and Better Patient Compliance.*** Formulated as a fixed-dose oral disintegrating tablet (DM 20 mg / Q 10 mg), MTS-004 dissolves quickly without the need for water—an important advantage for patients with dysphagia. Its high palatability, with over 97% acceptability, supports improved treatment adherence.
- ***First and Only PBA Drug Completed Clinical Trials in China.*** With no approved treatments currently available domestically, MTS-004 holds a clear first-mover advantage and faces no direct competition in the Chinese market.
- ***Large and Growing Market Opportunity.*** The PBA drug market in China is projected to reach RMB7.0 billion by 2035, driven by increasing disease awareness, diagnostic improvements, and the urgent need for new treatment options–positioning MTS-004 to capture substantial market share.

Business Development Status

On September 12, 2025, we entered into a license agreement with Zhejiang Yin'an Pharmatech Ltd. with respect to MTS-004 for the treatment of PBA in Chinese Mainland. Under such license agreement, Zhejiang Yin'an will be solely responsible for obtaining regulatory approvals in Chinese Mainland, while we will provide necessary technical support during the regulatory process. Zhejiang Yin'an or its designated affiliate will act as the marketing authorization holder and bear all costs and expenses associated with securing such approvals. On October 16, 2025, we entered into the MTS-004 Supplemental Agreement with Zhejiang Yin'an, under which both parties agreed to jointly develop MTS-004 for the treatment of dysphagia and share related costs. Zhejiang Yin'an will be responsible for obtaining market approval for dysphagia, and upon such approval, we are entitled to receive a development milestone payment of up to RMB100 million.

The prevalence of dysphagia in China rose from 49.9 million cases in 2020 to 67.2 million cases in 2024, reflecting a CAGR of 7.7% over the period. This figure is projected to increase further to 131.9 million cases by 2035, with a CAGR of 6.3% from 2024 to 2035.

MTS-201 — Novel TGR5 Agonist Demonstrates Safe, Effective Gut-targeted Delivery with Intrinsic GLP-1, GLP-2, and PYY Release

Overview

MTS-201 is a novel, orally administered, minimally systemic and locally acting Takeda G protein-coupled receptor 5 (TGR5) agonist. TGR5, also called G-protein-coupled bile acid receptor 1 (GPBAR1), represents a novel potential target for several metabolic and inflammatory indications, including proven MASH, diabetes, obesity and colitis among others.

In the intestine, MTS-201 activation of TGR5 stimulates GLP-1 and GLP-2 secretion from enteroendocrine cells. The therapeutic benefits of incretin (GLP-1 and GLP-2) regulation are well established, with GLP-1 receptor agonist drugs, such as liraglutide and semaglutide, approved for the treatment of type-2 diabetes mellitus and obesity and a GLP-2 receptor agonist, teduglutide, approved for the treatment of short bowel syndrome. Furthermore, TGR5 activation by MTS-201 stimulates the release of peptide tyrosine-tyrosine (PYY), a hormone involved in reducing appetite and inhibiting gastric motility. Given the multifaceted roles of TGR5 and its downstream effectors such as GLP-1, GLP-2 and PYY, MTS-201 is expected to show effects on a range of metabolic and GI conditions.

Advantages of MTS-201

- ***First-in-Class Mechanism:*** TGR5 activation enables coordinated secretion of multiple endogenous peptides. MTS-201 is a TGR5 agonist that robustly induces the secretion of multiple endogenous peptides — including GLP-1, GLP-2, and PYY — enabling a single agent to modulate multiple metabolic and physiological pathways. Compared to exogenously administered peptides, endogenous hormone release better mimics physiological rhythms and offers improved safety.
- ***Oral Small Molecule:*** MTS-201 is a daily oral tablet, providing high convenience and adherence for patients. Compared to GLP-1 peptide therapies, its simplified CMC process and lower production cost are expected to enhance scalability and accessibility.
- ***Excellent Safety Profile and Improved Tolerability:*** Gut-restricted action minimizes systemic toxicity. MTS-201's gut-restricted chemical design enables local TGR5 activation while avoiding common toxicities associated with systemic TGR5 agonists, such as impaired gallbladder emptying, hepatotoxicity, and pancreatitis. Minimally systemic chemistry to maximize gut exposure with minimal off-target effects, differentiating from past TGR5 agonists and contributing to improved tolerability. Phase I data shows dose dependent increase in GLP-1, GLP-2 at pharmacologically relevant levels; safe and well tolerated with 0% Grade 3 or 4 TEAEs. In contrast to systemic TGR5 agonists, locally acting MTS-201 induces sustained, robust, long lasting GLP-1 and GLP-2 secretion (further improved by gliptins) directly into the mouse gastrointestinal tissue and circulation.
- ***Synergistic Multi-peptide Activation:*** MTS-201 induces GLP-1, GLP-2, and PYY, enabling coordinated cross-organ regulation (pancreas, liver, adipose tissue, gut, CNS, cardiovascular) and delivering complementary metabolic, anti-inflammatory, and protective effects beyond weight loss. Each of these peptides is highly promising, with strong industry interest and encouraging preclinical and clinical progress supporting their relevance and translational potential.

Key Preclinical Findings

In vitro and *in vivo* pharmacology studies in multiple species have demonstrated that MTS-201 produced a dose dependent increase on GLP-1, GLP-2 and PYY secretion when administered alone or in combination with DPP-4 inhibitors. MTS-201 did not block gallbladder emptying. In a PK/PD study in lean mice, MTS-201 showed very limited systemic exposure while it is highly distributed into the different segments of intestinal tissues, validating the minimally systemic and gut-restricted PK profile of MTS-201. Mice treated with MTS-201 showed dose-dependent increase in the secretion of active GLP-1 compared to the vehicle-treated mice as a result of TGR5 activation by MTS-201. The level of active GLP-1 secretion was further enhanced when mice were co-administered with MTS-201 and a DPP4 inhibitor, sitagliptin, which is known to stabilize the active forms of GLP-1 and GLP-2. A small but dose-dependent decrease in body weight was observed in mice treated with MTS-201.

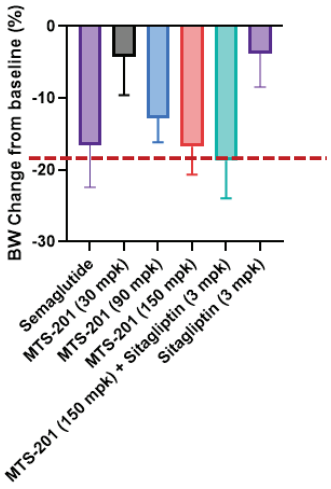
In vitro and *in vivo* genetic toxicology studies indicate that MTS-201 has no mutagenic, clastogenic or genetic toxicity potential. Results from the 28-day repeat dose toxicity studies in mice and dogs indicated potential MTS-201 pharmacology-related pathology in the gallbladder (epithelial hypertrophy in mice and increased gallbladder weights in dogs) and thymus (lymphoid depletion in mice); both effects were dose-dependent, minimal to moderate and reversible. MTS-201 had a no-observed-adverse-effect level (NOAEL) of 300 mg/kg/day in mice and 1,000 mg/kg/day in dogs in the 28-day studies.

In a preclinical study, MTS-201 was evaluated in a diet-induced obesity (DIO) mouse model to assess its effects on body weight and glucose regulation. The results presented in the following diagrams demonstrated a dose-dependent reduction in body weight, with higher doses of MTS-201 producing greater weight loss. In addition, MTS-201 induced a dose-dependent improvement in glucose tolerance, reflected by reduced glucose levels following a glucose challenge. Notably, the

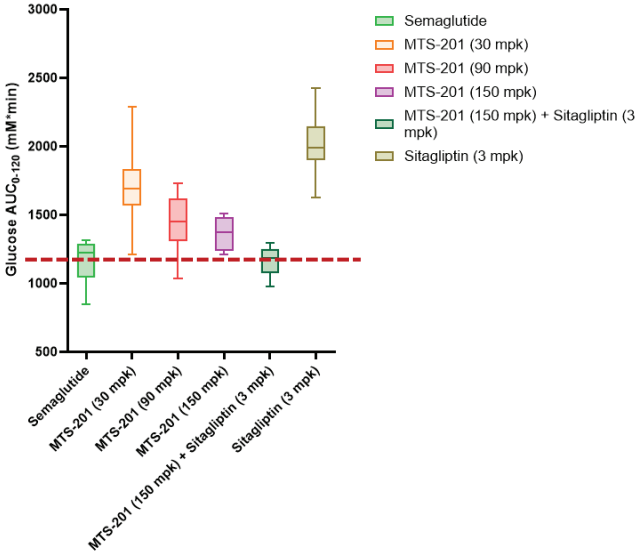
combination of MTS-201 (150 mpk) with sitagliptin (3 mpk), a well known protease inhibitor administered twice daily exhibited comparable efficacy to semaglutide, a clinically approved benchmark therapy, in both weight loss and glucose control. These findings support the therapeutic potential of MTS-201 for the treatment of obesity and metabolic disorders.

MTS-201: Dose-Dependent Weight Loss and Glucose Response in DIO Mouse Model (BID x 27D)

BW weight change from baseline at D28 (%)



Glucose tolerance test: Glucose AUC_{0-120} (mM*min) at D28



Summaries of Clinical Trials

Status: Part A of the Phase I clinical trial was completed on January 28, 2025. We initiated Part B of the Phase I clinical trial in September 2025.

Safety Data of the Part A of Phase I Clinical Trial. As of December 16, 2024, a total of 32 volunteers were enrolled and randomized to 4 cohorts (n=8/cohort to receive single doses of 50, 150, 450 and 900 mg of MTS-201 or placebo at a 3:1 randomization ratio). MTS-201 was well-tolerated across cohorts. Nineteen subjects were observed to have at least one AE, out of which 9 subjects had possibly drug-related AEs. All drug-related AEs were mild in severity. No > Grade 3 AEs or SAEs were reported. There were no safety concerns identified by the SRC.

MTS-105 — Liver-targeted mRNA-LNP TCE Emerged from our AiRNA and AiLNP Platforms

Overview

MTS-105 is an mRNA-based therapeutic product at IIT stage. It consists of: (i) an mRNA encoding the GPC3×CD3 bispecific TCE, and (ii) a LNP delivery system designed to target liver. Following intravenous administration, the mRNA-LNP complex is expected to accumulate in the liver, where it is internalized by hepatocytes and Kupffer cells. The mRNA is then released into the cytoplasm and translated by ribosomes into the therapeutic TCE protein. This protein consists of two linked scFv domains — one targeting the CD3ε subunit of the T-cell receptor (TCR) complex, and the other targeting GPC3 on HCC cells. By simultaneously binding to CD3 on T cells and GPC3 on tumor cells, the TCE forms a trimeric complex ("T cell-antibody-tumor cell"), leading to the formation of an immunological synapse. Through this synapse via TCR crosslinking, the T cells are activated leading to proliferation and the release of pro-inflammatory cytokine (such as interferon gamma) and cytotoxic granules (such as perforin and granzymes) — ultimately resulting in targeted tumor cell killing.

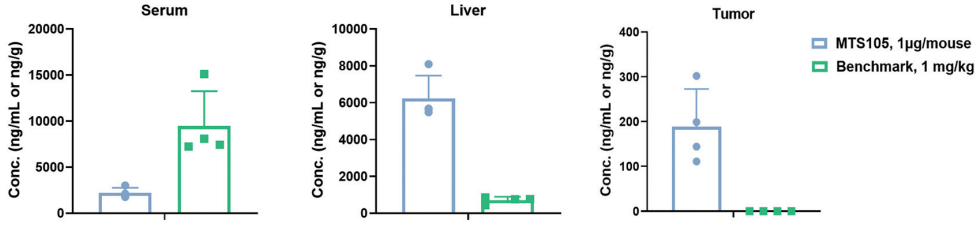
Advantages of MTS-105

Compared to conventional anti-tumor therapies, MTS-105 offers several key advantages:

- it is expected to significantly enhance drug concentration in the target organ (the liver);
- it reduces drug exposure in non-target organs, potentially lowering on-target off-tumor and off-target toxicity;
- unlike antibody-based therapies, mRNA requires time to be translated into active protein after administration, which helps reduce peak plasma concentration and prolongs half-life — thereby broadening the therapeutic window; and
- it is designed to specifically bind GPC3 on the surface of hepatocellular carcinoma cells while simultaneously engaging CD3-positive cytotoxic T cells, thereby inducing a targeted immune-mediated anti-tumor response.

Key Results from Preclinical Studies:

- ***Liver and Tumor-specific Delivery of TCE:*** MTS-105 have shown significant advantages over Ab-based TCE in tissue-specific enrichment of drug concentration. In the tumor-bearing mice (mouse liver HCC orthotopic model), MTS-105 generated much higher than liver/serum ratio of TCE and intra-tumoral TCE expression, whereas the benchmark Ab-based TCE had the opposite profile.



- ***Anti-tumor Activities of MTS-105:*** In the same model, MTS-105 generated 100% complete remission at a dose level as low as 0.5μg, which showed 1/10 of the peripheral drug exposure as that of Ab-based TCE which only showed 50% of tumor growth inhibition. More importantly, when those tumor-free mice were re-challenged with a new tumor in another liver lobe, they remained tumor-free, suggesting a long-term T cell memory by the MTS-105 treatment.
- ***MTS-105 induced more terminally differentiated memory subsets with higher activation score:*** The optimized PK profile of mRNA-translated TCE induced higher activation score on intra-tumoral T cells than the Ab-based TCE, based on a single cell RNA-sequencing analysis in the above-mentioned mouse HCC orthotopic model. More importantly, MTS-105 preferentially expanded a subset of CD8 T cells with genes clustered with terminal differentiation phenotypes.

Clinical Development Plan

We plan to submit IND application of MTS-105 to NMPA in 2026.

MTS-109

Overview

MTS-109 is a best-in-class, mRNA-encoded, tri-specific TCE at IIT-stage for B-cell mediated autoimmune diseases and hematologic malignancies.

MTS-109's LNP formulation enables delivery of the mRNA-encoded TCE cargo to lymphoid organs, with data demonstrating a complete depletion of peripheral and tissue resident B cells in NHPs.

Innovation and Differentiation:

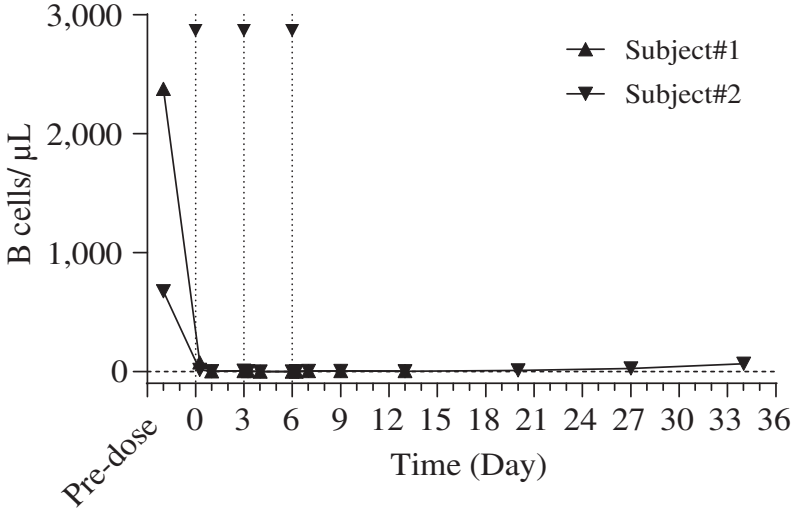
The use of mRNA as the modality optimizes the PK profile, providing a controlled and optimal duration of therapeutic activity coupled with a favorable safety profile that minimizes cytokine release and eliminates the need for pre-treatment with dexamethasone.

MTS-109 also holds the potential for subcutaneous, intravenous or intramuscular dosing, transforming the clinical practice of immunotherapies. MTS-109 has potential applications in B cell mediated autoimmune diseases and hematologic malignancies including Systemic Lupus Erythematosus (SLE), lupus nephritis, systemic sclerosis, B-NHL, CLL, B-ALL, and multiple myeloma (MM).

Key Results from Preclinical Studies:

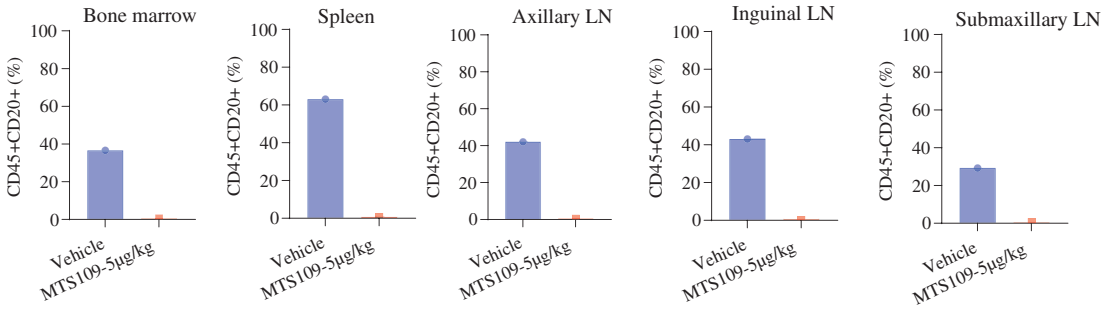
- ***Biological activities***: Non-human primates administered MTS-109 subcutaneously at 5 μg/kg every three days for a total of three doses exhibited: (1) rapid depletion of B cells; (2) complete depletion of B cells; and (3) initiation of B-cell reconstitution approximately one month after dosing. This sustained and selective depletion profile demonstrates the long-lasting pharmacodynamic effect of MTS-109 after three doses.

MTS-109 subcutaneous administration (5μg/kg)



The following charts demonstrate B cell depletion in lymphoid tissues mediated by MTS-109

B Cell depletion in lymphoid tissues mediated by MTS-109



MTS-109 achieves complete peripheral and deep tissue B cell depletion at doses 100-300 times lower than in-vivo CAR-T benchmarks, demonstrating exceptional potency and in-vivo efficiency. Due to its tailored PK profile, MTS-109 enables rapid B cell depletion and recovery, with repopulation beginning approximately 3 weeks after the final dose. The preferential return of naïve B cells underscores a high-quality immune reconstitution. Furthermore, MTS-109 triggers 17-20 times lower IL-6 induction at efficacious doses compared to in-vivo CAR-T and protein TCEs, supporting a clearly differentiated and favorable safety profile.

Our Preclinical Assets

In addition to our clinical-stage product candidates, we have several differentiated IND-ready and preclinical candidates. These programs are in various stages of drug discovery and preclinical evaluation emerged from our AiTEM, AiLNP and AiRNA application programs.

MTS-107

MTS-107 is an mRNA-based, LNP-delivered therapeutic vaccine designed to target malignancies driven by HPV16 and HPV18, such as cervical cancer and head and neck cancers. The vaccine encodes the E6 and E7 antigens of HPV16/18, which have been specifically engineered to eliminate their ability to degrade p53 and Rb proteins, thereby removing oncogenic risk. In addition, MTS-107 incorporates a proprietary co-stimulatory adjuvant that enhances dendritic cell-mediated cross-presentation and robustly stimulates CD8+ T-cell responses.

MTS-108

MTS-108 is a lung-tropic LNP encapsulating mRNA encoding a biparatopic DLL3xCD3 TCE for the treatment of small cell lung cancer (SCLC) and other DLL3+ neuroendocrine tumors. Following administration, the lung-tropic LNP delivers the mRNA payload specifically to tumor-bearing lung tissue. Lung epithelial cells take up the nanoparticles, enabling intracellular translation of the biparatopic DLL3xCD3 TCE protein. The functional TCE is then secreted and penetrates the tumor microenvironment (TME) in the lung tissue. Within the TME, the biparatopic DLL3xCD3 TCE simultaneously binds cytotoxic T cells via CD3 and DLL3-expressing tumor cells, mediating potent tumor cell killing.

MTS-118

MTS-118 is a first-in-class, mRNA encoded, tri-specific, CD19xBCMAxCD16a NK Cell Engager (NKCE) in late preclinical development for B-cell mediated autoimmune diseases. MTS-118's LNP formulation enables delivery of its mRNA-encoded NKCE cargo to secondary lymphoid organs, with data demonstrating a robust depletion of peripheral B cells in NHPs. MTS-118 has potential applications in moderate autoimmune diseases where patients place high priority on safety and suitability for outpatient administration.

MTS-128

MTS-128 is a potentially best-in-class TCE targeting both CD19 and BCMA. For the treatment of autoimmune diseases, MTS-128 leverages the patient's own T cells through CD3 engagement to rapidly and completely eliminate B cells or plasma cells that contain autoantigen-specific pathogenic subsets, thereby enabling immune reset and allowing patients to achieve drug-free remission. In addition, for hematologic malignancies such as B-cell lymphoma, B-cell leukemia, and multiple myeloma, MTS-128 can similarly eliminate CD19+ or BCMA+ tumor cells to achieve therapeutic goals. MTS-128 features several differentiated design elements: through our AI-powered antibody discovery platform, high-affinity CD19 and BCMA single-domain antibodies were identified, resulting in a significantly smaller molecular size compared to competing products, which enables enhanced tissue penetration and improved efficacy and therapeutic window; additionally, incorporation of a HSA-binding domain optimizes the half-life *in vivo*, achieving an extended therapeutic window while allowing rapid immune system reconstitution.

MTS-128 demonstrated highly efficient B-cell depletion in *in vitro* PBMC assays, along with potent killing of BCMA+ tumor cells. Complete peripheral B-cell and plasma cell depletion was observed in both CD3/CD19 humanized mice and non-human primates (NHPs), with deep B-cell depletion also achieved in lymphoid tissues. Furthermore, MTS-128 exhibited a favorable safety profile in NHPs.

We believe MTS-128 has commercial potential for early out-licensing.

Our Specialist Technology Products Applied in Animal Health

PTS-201 — Our Precise Solution to Restore Pet Mobility

PTS-201 is a first-in-class, locally administered mRNA therapy encoding hepatocyte growth factor (HGF) formulated in a LN carrier. Designed to treat severe limb ischemia and tissue necrosis in companion animals — including diabetic foot-like conditions — PTS-201 is delivered via intramuscular injection to the affected limb, where it drives robust local HGF expression. This, in turn, stimulates neovascularization and collateral circulation, rapidly restoring tissue perfusion, halting necrosis, and significantly reducing the risk of amputation and mortality. PTS-201 represents a key part of our animal health portfolio and demonstrates the translational potential of our AI-enabled delivery platform across veterinary and human applications. PTS-201 is a promising therapeutic candidate for addressing critical unmet needs in the animal health market, particularly in aging or mobility-impaired companion animals. With localized efficacy, a favorable safety profile, and scalable formulation technology, PTS-201 is positioned to become a differentiated solution for veterinary applications in vascular regeneration and ischemia-related conditions.

PTS-101 – A Potentially First-in-class Oral Therapy for Pet Weight Management and Metabolic Health

PTS-101 is a potentially first-in-class, gut-restricted oral small molecule therapy that, in addition to its human applications, is designed to address the widespread problems of obesity, overweight, and metabolic dysfunction in pets. By selectively activating TGR5 receptors in the gut, PTS-101 induces the coordinated endogenous release of GLP-1, GLP-2, and PYY, delivering safe and sustainable weight loss along with broad metabolic, cardiovascular, and anti-inflammatory benefits. Its gut-restricted design avoids systemic TGR5-related adverse effects, while offering a more convenient and adherence-friendly approach compared to existing pet weight-loss interventions, addressing a critical unmet need in long-term veterinary weight management.

We are in partnership with a leading veterinary group in China, whose extensive customer coverage is expected to accelerate PTS-101's registration, launch, and commercialization in the pet health market. This collaboration is poised to enhance market penetration and leverage the partner's distribution and branding capabilities to maximize PTS-101's commercial impact.

BUSINESS DEVELOPMENT AND COLLABORATIVE PARTNERSHIP

We have established a global network of partnerships with leading pharmaceutical and biotechnology companies to unlock the significant value of our AI-driven nanomaterial platforms and potential pipeline products. Our business model is structured around two key pathways for business development partnerships: platform BD and product BD.

Platform Business Development

Through our platform BD model, we provide one-stop solutions utilizing our proprietary AI-driven nanomaterial platforms to discover LNPs and molecules. We have established multiple platform BD partnerships with leading global pharmaceutical companies as well as innovative biotech companies.

Collaboration with a Leading Global Pharmaceutical Company

In December 2024, we entered into a research collaboration agreement with a leading global pharmaceutical company, which was amended in March 2025 (the "2024 Amended Research Agreement"). Pursuant to the 2024 Amended Research Agreement, the parties agreed to jointly conduct strategic research to evaluate the *in vivo* performance of our proprietary ionizable lipid library for delivery into a specific organ and to validate and optimize a promising lipid for such organ-specific delivery.

Under the terms of the 2024 Amended Research Agreement, the leading global pharmaceutical company pays for the research project. In addition, it paid us a non-refundable US$2.0 million for an exclusive right of first negotiation, exercisable during the term of the 2024 Amended Research Agreement and for six months thereafter, to negotiate and enter into a collaboration or license agreement with respect to the research results, inventions, and our background intellectual property used in or resulting from the research project.

In March 2026, we entered into a new research collaboration agreement effective in November 2025 (the "2025 Research Agreement") with the leading global pharmaceutical company, pursuant to which the parties agreed to jointly conduct strategic research to broadly screen and identify a promising lipid(s) for delivery into a specific cell type. Under the 2025 Research Agreement, both parties approved a research plan outlining the research objectives, program milestones, and the funding and resource commitments of each party

We also granted the leading global pharmaceutical company an exclusive right of first negotiation, exercisable during the term of the 2025 Research Agreement and for six months thereafter, to negotiate and enter into a collaboration or license agreement with respect to the research results, inventions, and our background intellectual property used in or resulting from the research project.

The term of both research agreements is two years from the effective date, unless the underlying research project is completed or terminated or the research agreement is otherwise early terminated in accordance with its terms.

Other platform BD partnerships

In July 2025, we entered into a research collaboration agreement with a U.S.-listed biopharmaceutical company with a market capitalization of over US$4 billion, pursuant to which the parties agreed to jointly conduct strategic research to evaluate our mRNA and LNP technology for the development of therapeutics for different diseases. We have also granted such company an option to negotiate an exclusive license to use our technology for up to three expressed protein targets. The U.S.-listed biopharmaceutical company recently announced that it entered into an agreement to be acquired by another public company.

We have also entered into five research collaboration agreements with other new partners that are private companies starting from July 2025, each following a similar contractual and scientific structure with contract value ranging from approximately US$45 million to US$109 million per target. These collaborations collectively demonstrate the scalability and growing market recognition of our platform partnership model and reflect our strengthened capability to expand our collaborator base and deepen existing relationships.

The following table sets out an illustrative example of the typical payment structure, timing and nature of consideration under our platform collaboration agreements:

Stage	Nature of Activities	Typical Consideration	Timing of Payment
Contract initiation	Execution of collaboration agreement and commencement of research program	Upfront payment (non-refundable)	Within certain days following the execution of the agreement
Research phase	Conduct of research activities under agreed research plan	Research fees	Periodic payments tied to research stages or budget milestones
End of research phase	Assessment of options for further collaboration/licensing	Option exercise fees	Upon exercise of options
Subject to the exercise of the option, the following payments may apply:			
Development milestones	Advancement of candidates into preclinical and clinical development (e.g., candidate selection, IND-enabling activities, initiation of clinical trials, and different phases of clinical trials)	Development milestone payments	Upon achievement of specified development milestones
Regulatory approval	Receipt of regulatory approvals in key jurisdictions	Regulatory milestone payments	Upon approval in relevant jurisdictions
Commercialization	Sale of approved products by collaboration partner	Sales-based milestone payments and/or royalties	Upon achievement of sales thresholds and on an ongoing basis based on net sales

Product Business Development

Our breakthrough pipeline products represent another significant avenue for BD partnerships. With POC data, we plan to out-license or co-develop these products with our partners to maximize their value. We have entered into a licensing agreement with Zhejiang Yin'an to out-license MTS-004, which is poised to become the first approved ODT for PBA in China.

License Agreement with Zhejiang Yin'an for MTS-004 for the Treatment of PBA

On September 12, 2025, we entered into a license agreement with Zhejiang Yin'an Pharmatech Company ("Zhejiang Yin'an") (as may be amended from time to time, the "MTS-004 License Agreement"), pursuant to which we granted Zhejiang Yin'an an exclusive, royalty-bearing, and sublicensable license under certain patents and know-how owned or otherwise controlled by us to develop, manufacture, commercialize, and otherwise exploit MTS-004 and pharmaceutical products

comprising MTS-004 for the treatment of PBA (collectively, the "MTS-004 Products") for all uses in Chinese Mainland (the "Territory"). We retain the full rights to develop, manufacture, commercialize, and otherwise exploit MTS-004 and the MTS-004 Products worldwide except for Chinese Mainland (the "Retained Territory"). MTS-004 is a formulation-optimized asset that does not contain nanomaterials-based delivery systems such as LNPs.

Under the MTS-004 License Agreement, Zhejiang Yin'an will be solely responsible for obtaining regulatory approvals in the Territory and will act as the marketing authorization holder and bear all costs and expenses associated with securing such approvals. Zhejiang Yin'an will also be solely responsible for manufacturing, supply as well as commercialization activities within the Territory.

We are eligible to receive RMB100 million upfront payment in installments and up to an aggregate of RMB1,845 million in additional payments upon the achievement of specified commercialization milestones tied to tiered annual net sales. Upon commercialization, we will also be entitled to tiered mid-to-high teens royalties on annual net sales of MTS-004 Products, subject to customary adjustments.

Each party shall solely own all inventions conceived or first reduced to practice solely by or on behalf of such party. Inventions conceived or first reduced to practice jointly by or on behalf of Zhejiang Yin'an and us shall be solely owned by us, with Zhejiang Yin'an having the right to practice such inventions without accounting to us. We have the sole right to file, prosecute, and maintain any patents or patent applications related to MTS-004 and those arising from the collaboration.

Supplemental License Agreement with Zhejiang Yin'an for MTS-004 for the Treatment of Dysphagia

On October 16, 2025, we entered into a supplemental agreement to the MTS-004 License Agreement with Zhejiang Yin'an (the "MTS-004 Supplemental Agreement"), pursuant to which both parties agreed to collaborate on the further research and development of MTS-004 for the expansion of its indication to the treatment of dysphagia and share related costs. Zhejiang Yin'an will be responsible for obtaining market approval for dysphagia, and upon such approval, we are entitled to receive a development milestone payment of RMB100 million upon MTS-004 obtaining marketing approval for the treatment of dysphagia, which will be adjusted to RMB50 million if such approval is obtained on or before December 31, 2027.

Supplemental License Agreement No. 2 with Zhejiang Yin'an for MTS-004 for the Treatment of PBA

On November 18, 2025, we entered into Supplement Agreement No. 2 to the MTS-004 Agreement with Zhejiang Yin'an (the "MTS-004 Supplemental Agreement No. 2"), pursuant to which both parties agreed that the upfront payment of RMB100 million entered into on September 12, 2025 shall be fully paid on or before December 31, 2025. We have received the RMB100 million upfront payment in full in early December 2025.

Strategic Collaboration in AI-driven Animal Health Products

On August 1, 2025, we entered into a strategic cooperation intent agreement with a leading integrated supply chain service provider in China's pet healthcare sector to jointly develop and commercialize AI-driven therapeutics for the animal health market. The collaboration envisions the establishment of a joint venture company, with an initial total investment amount of approximately RMB30.0 million from both parties and potential third-party investors.

Under the proposed framework, we will license exclusive rights to selected pipeline products in the animal health sector to the joint venture, while our partner is expected to lead daily operations, regulatory registration, commercialization, and supply chain management, leveraging its strong distribution network in animal health products.

Definitive binding licensing agreement and joint venture agreement will be negotiated separately and are expected to include standard commercial terms such as upfront payments, milestone payments, and royalties, subject to unanimous approval by the joint venture's board of directors, comprising representatives appointed by both parties.

We may not enter into any definitive licensing agreement or joint venture agreement, despite the signing of strategic cooperation intent agreement.

This collaboration reflects our ability to execute strategic partnerships that expand the reach of our AI-empowered nanomaterial platforms into a high-growth animal health market. It also supports our dual-pathway commercialization strategy by reducing development risk through external operational and regulatory expertise, while creating new revenue opportunities.

COMMERCIALIZATION AND BUSINESS SUSTAINABILITY

We believe our commercialization efforts have been a key driver of our growth to date and will remain central to our long-term sustainability. As we scale, our strategic focus is to deepen the commercial value of our platform by expanding our pipeline, broadening our application areas, and forging long-term partnerships with leading global pharmaceutical and biotechnology companies.

Our commercialization strategy is anchored by a dual-pathway business model that integrates (a) platform business development and (b) product licensing opportunities. This strategy is driven by our proprietary AI-driven nanomaterial platform, which enables rapid, targeted, and scalable design of delivery systems across a broad range of modalities and therapeutic areas. To implement this strategy, we are focused on three core areas: (i) scaling and deepening our existing collaborations, (ii) expanding into novel delivery modalities and high-value adjacent applications, and (iii) strengthening our international footprint through strategic global partnerships.

We are a Pre-Commercial Company dedicated to the delivery and application of functional payloads across life forms. Since our inception, we have been primarily engaged in the research and development of our AI-driven nanomaterial platform technologies and the continuous refinement of our specialized solution platforms, namely AiTEM, AiLNP and AiRNA, alongside the advancement of our proprietary pipeline assets.

As a result of our continued investment in research and development and organizational build-out, we recorded adjusted net losses (non-IFRS measure) of RMB347.0 million, RMB239.6 million and RMB180.2 million for the years ended December 31, 2023, 2024 and 2025, respectively. The adjusted net losses (non-IFRS measure) during the Track Record Period were primarily attributable to the following factors:

Significant R&D Investment. A substantial portion of our operating expenses during the Track Record Period was related to research and development activities. Our R&D expenses amounted to RMB290.5 million, RMB274.0 million and RMB269.8 million in 2023, 2024 and 2025, respectively.

These expenses primarily consisted of employee benefit costs for scientists, engineers and data researchers involved in developing our AI-enabled platforms and product candidates, the procurement of laboratory materials, consumables and specialized instruments for formulation and testing, and professional service fees paid mainly to contract research organizations and other external research providers.

Administrative Expenses. We also incurred administrative expenses of RMB85.5 million, RMB90.6 million and RMB196.0 million in 2023, 2024 and 2025, respectively. Fluctuations in administrative expenses during the Track Record Period were primarily attributable to adjustments in our staffing structure and share-based compensation expenses, as well as ongoing investment in management and compliance capabilities to support our business expansion and listing preparation.

Limited Revenue Base During the Pre-Commercial Stage. As we remained in a pre-commercial stage, our revenues during the Track Record Period were limited, primarily derived from early-stage research collaboration projects under our platform partnership model. We generated revenues of RMB9.3 million, RMB1.5 million and RMB105.0 million in 2023, 2024 and 2025, respectively. Given the early stage of our commercialization activities, these revenues were insufficient to offset our substantial R&D and administrative expenditures, resulting in recurring adjusted net losses (non-IFRS measure) throughout the Track Record Period.

We recorded net cash used in operating activities of RMB192.4 million, RMB239.2 million and RMB121.6 million in 2023, 2024 and 2025, respectively. Our increased net cash used in operating activities during the Track Record Period was primarily due to our net loss position and the increased operating expenses, reflecting the continuous upgrade and innovation of our technological capabilities and our rapid business expansion. See "Financial Information — Liquidity and Capital Resources — Cash Flow Analysis" for details regarding our cash flows.

Scaling and Deepening Our Existing Collaborations

A core pillar of our commercialization strategy is to scale and deepen our existing collaborations through our dual-pathway approach that integrates platform and product business development. Through platform partnerships, we apply our delivery technologies to partner pipelines across a range of therapeutic modalities, generating recurring revenue and fostering long-term engagement. In parallel, we pursue strategic transactions around our proprietary therapeutic assets, with the aim of accelerating development, expanding market access, and capturing downstream value through licensing, co-development, and royalty-bearing agreements.

Platform Business Development

We have established a solid commercial foundation through strategic technology collaborations with global pharmaceutical and biotechnology companies. These partnerships span a wide range of modalities — including mRNA, small molecules, and biologics — and are structured to support flexible engagement models, from early-stage screening and formulation design to end-to-end delivery solutions. Our commercial terms typically include research service fees, option-based payments, and downstream milestone and royalty arrangements tied to program advancement.

Once validated within a partner's pipeline, our platform frequently becomes a scalable foundation for multiple assets, enhancing retention and fostering multi-program collaboration. For example, our multi-year partnership with a leading global pharmaceutical company involves the co-development of LNPs for CNS delivery, with multiple therapeutic programs under evaluation. This scalable model not only strengthens long-term revenue visibility but also positions us as a strategic partner across therapeutic portfolios.

Product Business Development

In parallel with our platform strategy, we are actively advancing business development for our internal pipeline products, including MTS-105, MTS-201, MTS-109 and MTS-128. These therapeutic candidates are designed with differentiated mechanisms of action, strong pre-clinical profiles and clinical results, and the potential to address significant unmet needs in high-value indications.

On September 12, 2025, we entered into the MTS-004 License Agreement, pursuant to which we granted the licensee, Zhejiang Yin'an, an exclusive, royalty-bearing, and sublicensable license under certain patents and know-how owned or controlled by us to develop, manufacture, commercialize, and otherwise exploit MTS-004 and the MTS-004 Products for the treatment of PBA within Chinese Mainland. MTS-004 is a formulation-optimized asset that does not contain nanomaterials-based delivery systems such as LNPs.

MTS-105, MTS-109, MTS-201 and MTS-128 are also under strategic review for business development opportunities, targeting partnerships that can accelerate development, optimize regulatory pathways, and maximize commercial access.

Our current goal for these pipeline products is to enter into licensing agreements with terms that include upfront payments, clinical and regulatory milestones, and tiered royalties on net sales. These transactions are expected to enable us to further develop next-generation AI-driven nanomaterial platforms and maintain at the forefront of the drug delivery industry.

Ability to Retain and Expand Our Customer and Collaborator Base

The quantity, quality and diversity of our customers and our collaborators are crucial to our results of operations and continued growth. We have established collaborations with over 30 global pharmaceutical and biotechnology companies through flexible engagement models from early-stage screening and formulation design to end-to-end delivery solutions. These partnerships generate revenue through research service fees and upfront option payments. Once the joint collaboration materializes, we may receive milestone payments and potential royalties from the collaborative efforts, subject to further commercial discussion. Our collaborations are structured to create long-term value. Once our delivery platform is validated within a partner's program, it often becomes a scalable reusable foundation for multiple products, increasing the cost of switching and enhancing partner retention.

Our platform partnership model requires initial validation through successful proof-of-concept studies before broader market adoption. In this regard, our collaboration with a leading global pharmaceutical company serves as a representative example to demonstrate the capability and reliability of our technology platform. We commenced the collaboration in late December 2024 and we are currently in active discussion with the global pharmaceutical company to expand the scope of the research collaborations to additional organs. For further details, please refer to the section headed "Business — Business Development and Collaborative Partnership — Collaboration with a Leading Global Pharmaceutical Company."

As our platform continues to gain technical validation, we continue to expand our business development activities. We have entered into several collaboration agreements with contract value ranging from approximately US$45 million to US$109 million per target. The term and structure of which are generally consistent with those under the Research Agreement, pursuant to which we will conduct specific research activities as defined in the agreement. Upon completion of the research project and delivery of the nanomaterials, the business partner will have an option to license the our LNPs utilized in the collaboration.

These new collaborations collectively demonstrate the scalability and growing market recognition of our platform partnership model and reflect our strengthened capability to expand our collaborator base and deepen existing relationships.

Based on our development strategies, commercialization plans and the foregoing analysis, we expect to be able to qualify as a Commercial Company by May 2028, being within 24 months from our Listing Date. However, our expectation of qualifying as a Commercial Company within such timeframe is based on our reasonable estimates and beliefs as of the Latest Practicable Date and is subject to various assumptions, many of which are beyond our control, including, without limitation, the following assumptions: (i) there will be no material delays or obstacles to the implementation of our commercialization plans and development strategies; (ii) we will be able to

deliver our solutions and services, including LNP and mRNA, in the anticipated manner and quality; (iii) we will be able to perform our contractual undertakings relating to our solutions and services in accordance with the relevant contractual terms; (iv) our counterparties will duly perform their obligations, exercise their options and cooperate with us in accordance with the relevant contractual terms; (v) our counterparties will be able to successfully develop and commercialize the licensed products covered by our technologies under the relevant contracts, including the completion of clinical trials, the obtaining of regulatory approvals, and the manufacturing and marketing of the relevant drug candidates in a timely and cost-effective manner; (vi) our operations and our business relationships with major customers and collaborators, suppliers and other business partners will not be materially adversely affected; (vii) there will be no regulatory regime that would materially undermine our business; (viii) there will be no material changes in the operating conditions of our business; (ix) there will be no other material adverse developments that would undermine our business and financial performance; and (x) our business and financial performance during the 24 months following our Listing will improve, and our expected revenue during such period will grow at a pace faster than that during the Track Record Period. For relevant risks associated with the commercialization of our technologies and services, see "Risk Factors — Risks Related to the Commercialization of Our Technologies and Services."

Building on the solid foundation we have established, the momentum we have achieved, and the advancement of our pipeline programs, we believe that we are well positioned to sustain the long-term growth of our business.

Expanding into Novel Delivery Modalities and High-Value Adjacent Applications

We believe our proprietary AI-driven nanomaterial platforms position us to capitalize on emerging opportunities across both established and adjacent markets. Originally developed to address unmet needs in human therapeutics, our platform has evolved into a versatile engine for designing advanced delivery systems with broader applicability.

We operate at the convergence of artificial intelligence and nanotechnology, two transformative fields that are reshaping drug development and delivery paradigms. According to Frost & Sullivan, global investment in AI-driven pharmaceutical R&D increased from US$5.4 billion in 2020 to US$13.7 billion in 2024 and is projected to reach US$123.9 billion by 2035, reflecting a CAGR of 22.2% from 2024 to 2035. In parallel, the global nano-enabled drug market is expected to grow at a CAGR of 9.2% from 2024 to 2035, reaching US$585.4 billion by 2035. These trends signal accelerating demand for precise, efficient, and scalable delivery technologies — capabilities at the core of our platform.

Beyond traditional pharmaceutical use cases, we are selectively expanding into adjacent areas where delivery innovation remains a critical challenge. These include nucleic acid-based therapeutics, non-viral payload delivery systems, advanced biologics, and other modalities requiring tunable, tissue-specific delivery solutions. We are also actively collaborating with academic institutions and innovation hubs to co-develop applications in emerging domains, helping to extend the impact of our platform while fostering a broader innovation ecosystem.

In addition, our platform has demonstrated early potential in cross-sector applications such as animal health, and pet longevity. On August 1, 2025, we entered into a cooperation intent agreement with a leading pet healthcare supply chain provider in China to jointly develop and commercialize AI-driven animal health products. The parties plan to form a joint venture with an initial investment of approximately RMB30 million, to which we will out license select pipeline products. Our partner will lead operations, regulatory affairs, and commercialization. Definitive agreements will be negotiated separately and are expected to include typical commercial terms.

By advancing R&D in these high-value adjacent industries, we aim to diversify our revenue streams, broaden our commercial footprint, and enhance the long-term resilience of our business. While this expansion may lead to fluctuation in short-term financial performance, we believe it will contribute to sustainable growth and long-term technology validation across multiple verticals.

Strengthening Our International Footprint Through Strategic Global Partnerships

We are exploring a global growth strategy aimed at enhancing our international footprint, accelerating cross-border innovation, and driving long-term commercial adoption of our AI-empowered nanomaterial technologies. This strategy encompasses a range of initiatives, including business development activities, strategic collaborations, joint ventures, mergers and acquisitions, and targeted investments in overseas markets. Through these efforts, we aim to unlock new commercial opportunities, strengthen our competitive position, and broaden the reach of our platform across key international geographies.

Leveraging our core technological strengths in AI-driven formulation design, nanomaterial discovery, and targeted delivery systems, we plan to initiate and expand strategic collaborations with pharmaceutical, biotechnology, and broader life sciences companies seeking to integrate advanced delivery technologies into their therapeutic pipelines. These partnerships may take the form of platform access arrangements, co-development arrangements, or option-based deals with global or regional scope. In addition, we are evaluating opportunities to engage in joint ventures or strategic alliances with international companies.

We also recognize the strategic value of inorganic growth through mergers and acquisitions. We may selectively pursue licensing opportunities, research collaborations, strategic partnerships, joint ventures, mergers and acquisitions, and other investment activities aimed at building an international nanomaterials ecosystem. We plan to strengthen our presence in key markets including the United States, Europe, the Middle East, and East Asia (Japan, Korea, and Hong Kong) by leveraging our proprietary technologies and interdisciplinary expertise to deepen engagement with partners in the pharmaceutical, biotechnology, and life sciences sectors. In addition, we intend to expand our overseas operations and business development teams, including through new regional offices, participation in global industry conferences, and targeted promotional campaigns to enhance our international brand visibility and accelerate commercial adoption of our AI-driven nanomaterial technologies. See "Future Plans and Use of Proceeds."

These global initiatives are designed to accelerate the translation of our platform into real-world applications, enable deeper integration into international R&D and commercialization pipelines, and expand our global customer and partner base. By strategically allocating resources toward high-impact opportunities across borders, we aim to position our company as a trusted global partner in AI-driven nanomaterial platform innovation and to build a commercially sustainable business with diversified revenue and long-term growth potential.

RESEARCH AND DEVELOPMENT

As a technology-centric R&D platform, we are committed to the ongoing enhancement and advancement of our technological capabilities through both in-house research initiatives and strategic collaborations with counterparties — typically leaders in their respective fields.

Our R&D Team

Our R&D team, led by our three Co-founders, comprised over 100 scientists and technologists as of the Latest Practicable Date, the majority of whom hold master's degrees or higher, including approximately 40 Ph.D. holders. The team brings together multidisciplinary expertise across nanomedicine, chemistry, biology, physics, medical science, computational biology and engineering, supporting an integrated, innovation-driven platform underpinning our proprietary AI and nanomaterial technologies. Our computational and data scientists have applied advanced machine learning and computational methods to optimize complex systems such as nanoparticles and polymers, while our nanomaterials researchers have conducted pioneering work in nanoparticle design, protein–nanoparticle interactions and targeted delivery systems. Through close interdisciplinary collaboration, our R&D organization has achieved deep integration of AI and nanomaterial sciences, enabling proprietary algorithmic frameworks that accelerate drug discovery and formulation and reinforcing our technological leadership in AI-powered nanomedicine.

As of the Latest Practicable Date, we had filed 224 patent applications, including 12 in the United States, nine in Europe, 97 in China, seven in Australia, seven in the Republic of Korea, seven in Canada, eight in Japan, one in United Arab Emirates, four in Argentina, one in Brazil, three in Eurasia, one in Egypt, one in Indonesia, one in Malaysia, one in Saudi Arabia, one in Singapore, one in Thailand, one in South Africa, 18 in Taiwan, three in Hong Kong, and 40 under the Patent Cooperation Treaty ("PCT"). Based on these PCT applications, we plan to file additional applications in the United States, Europe, China, and other jurisdictions. As of the Latest Practicable Date, we had been granted 52 patents, including two in the United States, one in Europe, 38 in China, three in Australia, one in the Republic of Korea, two in Japan, three in Taiwan, and two in Hong Kong. We operated two R&D facilities totaling over 3,100 square meters of laboratory space.

Our R&D expenses were RMB290.5 million, RMB274.0 million and RMB269.8 million in 2023, 2024 and 2025, respectively, representing approximately 72.5%, 72.2% and 55.2% of our total operating expenses in the respective year/period.

Core R&D Member	Profile
Dr. Lai Co-founder and CEO. . . .	As a pioneer in AI-driven drug development, Dr. Lai has laid the foundation for our technology platforms by integrating drug formulation, delivery technology and machine learning. Dr. Lai has led our Company to its fast development by leveraging his entrepreneurial vision, strategic leadership, and deep expertise in AI, automation, and pharmaceutical R&D transformation. Prior to founding METiS TechBio, Dr. Lai served as Active Chief Operating Officer at XtalPi Inc., where he supported the development of an integrated AI–automation R&D infrastructure and led the design and deployment of high-throughput experimental and wet-lab automation systems. He drove the integration of algorithms, automation, and experimental data into a closed-loop "AI prediction – automated validation – data feedback" model, establishing an industry-leading operational paradigm for AI-driven drug discovery. Before joining XtalPi, Dr. Lai was a strategy consultant at McKinsey & Company, where he advised leading pharmaceutical companies on their digital and AI transformation strategies. He led multiple AI-driven initiatives applying machine learning and data analytics to optimize drug development workflows, enhance R&D success rates and operational efficiency, and promote automation and intelligent decision-making in drug commercialization. The AI solutions he designed significantly improved clients' data utilization and R&D productivity, positioning him as one of the early industry leaders in AI enablement within the pharmaceutical sector.

Core R&D Member	Profile
	At METiS TechBio, Dr. Lai is one of the core architects of AI-powered nanomedicine and formulation research. He has combined drug discovery and delivery sciences with artificial intelligence, quantum simulation, and machine learning, establishing the technological foundation of the Company. Under his leadership, our Company has developed NanoForge, which applies generative AI algorithms to design and screen nanomaterials, thereby improving organ-targeting efficiency and shortening development timelines. Dr. Lai also led the development and commercialization of our AI-based formulation and delivery technology platforms–AiTEM, AiLNP, and AiRNA–and built strategic collaborations with over 30 global pharmaceutical and biotechnology companies, spanning therapeutic areas including oncology, metabolic diseases, and neurodegenerative disorders. These efforts have successfully extended the industrial application of AI from drug design to drug delivery. Dr. Lai obtained his Ph.D. at the Massachusetts Institute of Technology.
Dr. Chen Co-founder and Chief R&D Officer	As the Chief R&D Officer, Dr. Chen is responsible for setting and executing the company's research and development strategy, overseeing scientific innovation, pipeline advancement, and cross-functional collaboration to drive product discovery and development. Dr. Chen has been a pioneer in applying nanomaterials to drug delivery, particularly through the development of the mucus penetrating particles platform and mucus-penetrating nanocrystal technology. These innovations have revolutionized drug delivery systems, enabling more effective treatments for ocular and pulmonary diseases by enhancing drug penetration through mucosal barriers. Her work has led to advancements in non-invasive therapies and has contributed to the approval of FDA treatments like INVELTYS and Eysuvis. Dr. Chen was elected to membership of the United States National Academy of Engineering in 2018. She is recognized for her contributions to the research, development and translation of drug delivery technologies. Dr. Chen has made significant impact on drug delivery technology innovation, nanotechnology translation and the development of nanomedicines, highlighted by her work translating the mucus penetration nanoparticle technology from academic research through Phase III human clinical trial and FDA approval. Dr. Chen is also a Fellow of the American Institute for Medical and Biological Engineering, a Fellow of the Controlled Release Society and a member of the Academy of Distinguished Chemical Engineers at the University of Texas at Austin. Dr. Chen holds a B.S. in Chemical Engineering from UT Austin and an M.S. and an Sc.D. in Chemical Engineering from Massachusetts Institute of Technology.
Dr. Wang Co-founder, Chief Operating Officer	Dr. Wang leads the development of AI-driven drug formulation and drug delivery platforms at METiS, and is in charge of our Company's day-to-day operations in China.

Core R&D Member	Profile
	Prior to joining the Company, Dr. Wang worked as a research associate in the University of Minnesota from July 2010 to October 2012, where he was primarily responsible for research of new biomaterials and drug delivery research. From November 2012 to June 2017, Dr. Wang worked as a research scientist in Computer Science and Artificial Intelligence Lab (CSAIL), Massachusetts Institute of Technology, where he worked on the building of world's first AI-driven 3D printer, utilizing machine learning and machine vision tools for real-time three dimensional printing process monitoring and feedback, making the lengthy printing process significantly more reliable and accurate; Dr. Wang is also responsible for the design and development of 3D printable materials. Dr. Wang co-founded Inkbit Corporation and served as Chief Materials Scientist from September 2016 to May 2019. He contributed to the transition of the company's AI-driven 3D printer from lab prototype to production-ready equipment and was primarily responsible for developing high-performance 3D printing materials tailored for industries such as medical devices and automotive. Dr. Wang worked as the senior scientist in XtalPi from May 2019 to February 2020, where he was primarily screening and testing AI models for drug formation. Dr. Wang received his bachelor degree in chemistry from Henan University in July 2001 and obtained his Ph.D. in polymer chemistry from the Chinese Academy of Sciences in March 2007.
Dr. Wei Xu Chief Scientific Officer . .	Dr. Xu joined our Company in December 2023 and leads our drug discovery programs, particularly in the field of mRNA-based therapeutics. Dr. Xu brings over 15 years of research experience in human immunology and immunotherapy across both academic and biopharmaceutical settings. He possesses deep expertise in drug discovery and translational medicine, with a focus on immuno-oncology, immunology and inflammatory diseases, as well as cellular therapies. Prior to joining our Company, Dr. Xu built from the ground up an AI team at Innovent Biologics, where the team aimed to apply AI to construct three-dimensional maps of cell–cell interactions within tumor tissues to facilitate new target discovery. He also organized and led a large-scale research collaboration with the Cancer Hospital, Chinese Academy of Medical Sciences, utilizing its tissue bank resources to generate datasets supporting AI model training and validation. Dr. Xu has authored over 20 publications and has been frequently invited to present at scientific conferences. Dr. Xu received his Bachelor's degree in medicine at Nanjing University of Chinese Medicine, a M.S. in Biomedical Sciences, and Ph.D. in immunology at Leiden University.

Core R&D Member	Profile
Dr. Andong Liu Vice President and Head of Technology . . .	Dr. Liu is responsible for the overall development and advancement of our core technology platforms, including the AiLNP and AiRNA platforms. Dr. Liu first joined us in March 2021 and has since led the establishment and continuous innovation of our proprietary platform technologies. Dr. Liu has extensive experience and made significant contributions in the fields of nanomaterials science and drug delivery. As of December 31, 2025, Dr. Liu has been granted a total of 24 patents, including 20 granted patents during his tenure with our Group. He has published 21 peer-reviewed publications. Dr. Liu obtained his Bachelor's degree in Chemical and Biomolecular Engineering from Nanyang Technological University, Singapore, and his Ph.D. in Chemical Engineering from MIT. He subsequently completed postdoctoral research at Harvard Medical School from 2017 to 2021. Throughout his research career, Dr. Liu has worked in several of the world's top laboratories in nanomaterials and drug delivery, including: • the laboratory of Professor Karen Gleason, former Associate Provost of MIT and Member of the U.S. National Academy of Engineering, a pioneer in nanomaterials for biomedical devices, sensors, optoelectronic devices and MEMS; • the laboratory of Professor Robert Langer of MIT, a Mem ber of the U.S. National Academy of Sciences, National Academy of Engineering, National Academy of Medicine and National Academy of Inventors, and a founding figure in nanomedicine and drug delivery; and • the laboratory of Professor Daniel Kohane at Harvard Medical School, a Member of the U.S. National Academy of Inventors and former Associate Editor of Nano Letters, recognized internationally as an expert in nanomedicine and drug delivery.

As of the date of this Prospectus, all of our core R&D personnel have been retained with the Company. For more details regarding our core R&D members, see "Directors and Senior Management."

We are further guided by a distinguished scientific advisory board composed of world-renowned experts, including Dr. Kerry Blanchard, Dr. Jacques Banchereau, Dr. Eric Rowinsky, and Dr. Virginia Pascual, whose insights help shape our scientific direction and therapeutic strategy.

We retain our key management and technical staff through competitive compensation packages comprising base salaries, performance-based bonuses, and stock-based incentives. We have also implemented a series of talent development and succession planning mechanisms to ensure the continuity of our research and management functions. These include (i) maintaining a tiered project management structure, (ii) cross-functional training and knowledge-sharing systems to ensure that key technical know-how is institutionalized within our Company, and (iii) employee equity incentive programs designed to foster long-term commitment.

Our employees have remained stable, with voluntary resignation rates of 5.3%, 2.6% and 4.3% in 2023, 2024 and 2025, respectively. Our key R&D staff collectively form an integral part of our technological capabilities, and over the years we have built a collaborative and knowledge-driven culture that encourages collective ownership of projects rather than reliance on any single individual.

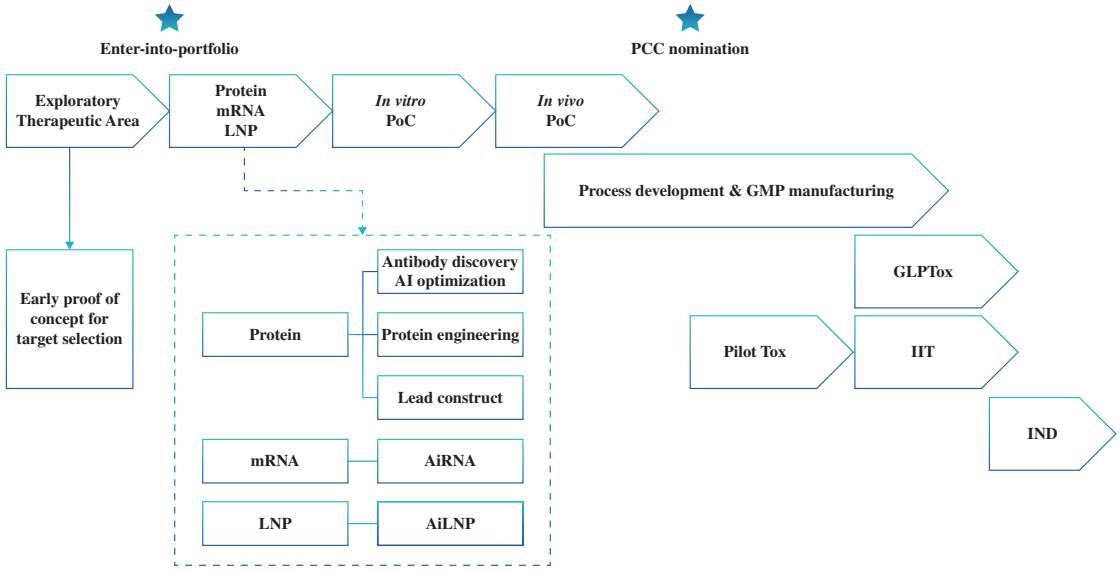
In addition, pursuant to our employment arrangements, all intellectual property developed by our employees during their tenure belongs to us, ensuring that our proprietary know-how and research outputs remain within the Company. That said, as is typical for technology-driven companies, our success depends in part on the continued service of key management and technical personnel. Should one or more key individuals leave unexpectedly, it may temporarily affect our R&D progress, project timelines, or collaboration efficiency. For details, see "Risk Factors – Risks Related to Our Research and Development–If our current partners or employees, in particular, our key R&D employees, terminate their relationships with us or develop relationships with a competitor, our ability to conduct research and development could be adversely affected." To mitigate such risks, we have in place structured project documentation, and team-based accountability systems to ensure business and research continuity.

To strengthen our team's technical capabilities, we have implemented a comprehensive training system that includes regular technical workshops and industry knowledge sharing to enhance project execution and service quality. We also offer an IP incentive scheme that provides cash rewards to employees who contribute to IP generation, such as patent filings, patent granting, or IP strategy.

To safeguard our proprietary technologies, we have entered into confidentiality, invention assignment, and non-competition agreements with our R&D staff, or incorporated these obligations in their employment contracts. We have also put in place confidentiality provisions with our customers and collaborators. During the Track Record Period and up to the Latest Practicable Date, we were not involved in any legal proceedings that would have a material adverse impact on our key R&D programs or business operations.

Our R&D Process

The following chart outlines our roadmap and approach to strengthening and safeguarding our R&D capabilities:



Exploratory Therapeutic Area: Before initiating any project, we typically conduct an early validation study over a six-month period to thoroughly assess the following criteria: (1) unmet medical need; (2) target validation and scientific rationale; and (3) technical feasibility. Entry into the portfolio (EiP) is determined through a formal evaluation by our portfolio committee.

Protein/mRNA/LNP Discovery Workflow: Our product discovery process involves three sequential stages:

- ***Protein Design:*** We begin by defining the proprietary molecule based on its protein sequence. For example, in the case of an antibody (Ab), we initiate antibody discovery and apply protein engineering to finalize the optimal protein format.
- ***mRNA Optimization:*** Once the protein sequence is established, we use our AiRNA platform to optimize the corresponding mRNA sequence for expression and function.
- ***LNP Formulation:*** In parallel, we initiate lipid screening and LNP formulation through our AiLNP platform to identify the most suitable LNP for effective delivery of the mRNA payload.

In Vitro Proof-of-Concept (PoC): We perform most biological assays *in vitro* to validate the functionality of lead candidates and confirm the desired biological activity as part of our proof-of-concept efforts.

In Vivo PoC: Prior to nominating a PCC, we typically conduct studies in 2-3 different disease models (primarily in mice) to confirm therapeutic efficacy and assess dose-response relationships.

CMC: Upon PCC nomination, we initiate CMC activities, which include formal process development for scale-up manufacturing and GMP production to support GLP toxicology studies and future clinical trials.

GLP Toxicology Study: GLP toxicology studies are standardized preclinical safety studies conducted in accordance with regulatory guidelines, typically in non-human primates (NHP), to fulfill requirements set by regulatory bodies such as the China CDE or the U.S. FDA.

Investigator-Initiated Trial (IIT): In China, under the oversight of the National Health Commission and the China Medical Products Administration, our mRNA-LNP product candidates can enter clinical evaluation via IITs. These studies enable early assessment of safety and efficacy in patients before formal IND submission for Phase I trials, helping to de-risk programs at an earlier stage.

Computational Infrastructure and Cloud Resources

We maintain a hybrid computational infrastructure that integrates both self-built on-premises systems and cloud-based computing resources procured from reputable third-party service providers. Our internal computing cluster supports key research functions, including AI model training, algorithm testing, and data processing for our AI-driven nanomaterial discovery platforms, ensuring security and efficiency for proprietary datasets.

To complement our internal capacity, we also utilize cloud computing resources for high-performance and large-scale computational tasks, such as complex simulations and large model training. This hybrid architecture allows us to achieve an optimal balance between data security, computational efficiency, and scalability, enabling uninterrupted R&D operations while maintaining control over sensitive data and intellectual property.

Collaboration with CROs

We conduct the majority of our research and development activities internally, focusing primarily on the development of mRNA therapeutics and LNP delivery systems.

During the course of our R&D, certain specialized activities–such as lipid synthesis, non-human primate (NHP) experiments, specialty animal disease models, immunohistochemistry/immunofluorescence, sequencing, VHH antibody discovery, alpaca immunization and titer screening, as well as non-GLP pilot and GLP toxicology studies–are outsourced to reputable CROs. All other R&D work is conducted in-house.

We collaborate with reputable CROs to manage, conduct, and support our preclinical research and clinical trials. Under our direct oversight, these CROs provide services including site management, patient recruitment, pharmacovigilance, and preclinical and clinical laboratory testing, as well as other specialized services aligned with our research needs.

In terms of chemistry, manufacturing and controls (CMC), we adopt a combined model of internal R&D and external development. As we do not possess GMP-compliant production facilities, clinical drug manufacturing is outsourced to contract development and manufacturing organizations (CDMOs). Given that consistency between R&D and production equipment directly impacts product quality, CDMOs are also required to undertake certain process development work tailored to their facilities.

At the same time, relying entirely on outsourcing could delay issue resolution when technical challenges arise; therefore, our internal R&D capabilities serve as an important complement to accelerate development and strengthen understanding and control of product processes and critical quality attributes. In practice, process and analytical methods initially developed internally are transferred to CDMOs at the commencement of outsourcing.

When multiple projects are conducted in parallel with overlapping delivery timelines, we may also strategically outsource certain animal sample preparation tasks when internal capacity is constrained. For early-stage projects, some stability tests and complex analytical assays are retained in-house to accelerate progress. Specifically, GMP production is entirely outsourced, process development is primarily conducted internally, while process scale-up and optimization are jointly undertaken by internal and external teams.

With respect to clinical development, our medical affairs and project management functions are performed internally, while other operational functions, such as medical writing, clinical monitoring, data management, pharmacovigilance, and biostatistics, are outsourced to CROs under our supervision.

Accordingly, our R&D model is predominantly based on in-house development, complemented by outsourced collaborations for highly specialized experimental components and for the customary execution of preclinical research, clinical trials, and manufacturing.

In 2023, 2024 and 2025, our external R&D outsourcing expenses were RMB82.2 million, RMB99.2 million and RMB84.3 million, respectively.

When selecting CRO partners, we consider a range of factors such as their professional qualifications, relevant research experience, service quality and efficiency, industry reputation, and pricing competitiveness. Depending on the specific services required, we enter into project-based service agreements with our CROs that outline the detailed scope of work, sample size, procedures, deliverables, timelines, and payment terms. Many CROs we collaborate with are among the leading and well-recognized players in the industry. We maintain close supervision of our CRO partners to ensure their performance fully complies with our protocols and all applicable regulations. We hold regular meetings with our CROs to monitor project progress and execution details, and we conduct periodic audits to ensure their compliance with applicable standards. Specifically, we audit CROs to verify that their work adheres to Good Laboratory Practice (GLP), Good Manufacturing Practice (GMP), and Good Clinical Practice (GCP) standards. This rigorous oversight helps protect the integrity and authenticity of the data generated from our trials and studies.

We currently expect to continue in the engagement of our key existing CROs and do not expect delays from them within or outside China. To the best knowledge of our Directors, all of our CROs are independent of the Company.

Key terms of our agreements that we typically enter into with our CROs are set forth below.

- ***Services.*** The CRO provides us with ancillary services in the course of our preclinical studies and clinical trials, such as implementing animal studies, providing clinical support, record keeping and report preparation.
- ***Term.*** The CRO is required to perform its services within the prescribed time limit set out in each work order, usually on a project basis.
- ***Confidentiality.*** The CRO is required to maintain the confidentiality of the content of the services, the results of the services, as well as all types of information used or generated during the service process, within the stipulated time period.
- ***Payments.*** We are required to make payments to the CROs in accordance with a payment schedule agreed by the parties.
- ***Intellectual Property Rights.*** We generally own the intellectual property rights arising from the projects conducted by the CROs within the stipulated work scope.

INTELLECTUAL PROPERTY

Intellectual property is critical to the success of our business, and our commercial prospects depend in part on our ability to obtain, maintain and enforce patents and other proprietary rights covering our key technologies, inventions and know-how, while safeguarding our trade secrets and avoiding infringement of valid third-party intellectual property rights. Our ability to prevent others from making, using or commercializing technologies or products we develop may depend on the scope, strength and enforceability of our patent portfolio and trade secret protections. The patent landscape in our industry is complex and uncertain, and there can be no assurance that our patent applications will result in issued patents, or that any patents obtained will provide meaningful or lasting protection. Patent claims may be narrowed during prosecution, challenged or invalidated after issuance, or circumvented by third parties, and we may not be able to effectively protect all aspects of our technologies, platforms or pipeline products. Accordingly, a core component of our commercial strategy is to build, maintain and enforce a strong intellectual property portfolio, including filing patent applications covering our key clinical programs and AI-, nanomaterial-, computational- and automation-related technologies that underpin our integrated platform and drug discovery and delivery programs.

As of the Latest Practicable Date, we had filed 224 patent applications, including 12 in the United States, nine in Europe, 97 in China, seven in Australia, seven in the Republic of Korea, seven in Canada, eight in Japan, one in United Arab Emirates, four in Argentina, one in Brazil, three in Eurasia, one in Egypt, one in Indonesia, one in Malaysia, one in Saudi Arabia, one in Singapore, one in Thailand, one in South Africa, 18 in Taiwan, three in Hong Kong, and 40 under the Patent Cooperation Treaty ("PCT"). Based on these PCT applications, we plan to file additional applications in the United States, Europe, China, and other jurisdictions. As of the Latest Practicable Date, we had been granted 52 patents, including two in the United States, one in Europe, 38 in China, three in Australia, one in the Republic of Korea, two in Japan, three in Taiwan, and two in Hong Kong. We operated two R&D facilities totaling over 3,100 square meters of laboratory space.

The following table sets forth an overview of our material granted patents and filed patent applications in connection with our selected core technologies as of the same date.

No	Specialist Technology Product*	Patent name	Jurisdiction	Status	Filing date	Grant date	Owner or Applicant
1.	AI technology related to AiLNP solution platform (AiLNP similation)	Head-tail recognition method for ionizable lipid molecules, molecular simulation method, system, and computer program product for lipid bilayers	China	Granted	2024.06.18	2024.09.06	The Company, Beijing Jitai
2.	AI technology related to AiLNP solution platform (AiLNP similation)	Method, device, and computer program product for predicting molecular properties of ionizable lipids	China	Granted	2024.06.18	2024.08.27	The Company, Beijing Jitai
3.	AI technology related to AiLNP solution platform (AiLNP similation)	Coarse-grained simulation method, device, and computer program product for lipid molecules	China	Granted	2024.06.18	2024.09.17	The Company, Beijing Jitai
4.	AI technology related to AiLNP solution platform (AiLNP similation)	Training method, prediction method, and device for molecular property prediction models of lipid molecules	China	Granted	2024.06.29	2024.09.24	The Company, Beijing Jitai
5.	AI technology related to AiTEM solution platform (AI-based simulation of solid dispersions)	Excipients screening method and device for solid dispersions	China	Granted	2024.08.05	2025.01.24	The Company, Beijing Jitai

No	Specialist Technology Product*	Patent name	Jurisdiction	Status	Filing date	Grant date	Owner or Applicant
6 . .	Technology associated with AiLNP solution platform (LNP for local injection)	Lipid-based topical injection formulation	Australia China, Taiwan, Hong Kong, EPO, United States, Canada, Korea	Granted Pending	2023.05.16 China: 2023.01.20; Taiwan: 2023.06.19; Hong Kong: 2023.01.20; EPO: 2023.05.15; United States: 2023.05.18; Canada: 2023.05.18; Korea: 2023.7.4	2025.01.30 NA	The Company, Beijing Jitai
7 . .	Component emerged from AiLNP solution platform (Lipid 5)	Rapidly-metabolized lipid compound	China, United States, Taiwan, EPO, and other jurisdictions within PCT	Pending except granted in Taiwan	China: 2024.04.11; United States: 2024.06.06 and 2024.10.10; Taiwan: 2024.06.13; EPO and other jurisdictions within PCT: 2024.04.11	Taiwan: 2025.11.21; rest jurisdictions pending	The Company, Beijing Jitai
8 . .	Component emerged from AiLNP solution platform (Chols LNP)	Lipid nanoparticle compositions and uses thereof	China; United States; EPO; Canada; Australia; Japan; Korea; Eurasia;	Pending	2024.04.12	NA	The Company, Beijing Jitai
9 . .	Technologies related to AiRNA solution platform (UTR LIB)	UTR that facilitates RNA translation	PCT, Taiwan	Pending	2025.03.25	NA	The Company, Beijing Jitai

* Represents areas that we have applied our material IP to and/or that we expect to apply our material IP to.

In addition to patent protection, as of the Latest Practicable Date, we had 13 copyright registrations for our proprietary software code. We also rely upon unpatented trade secrets and confidential know-how and continuing technological innovation to develop and maintain our competitive position. However, protecting trade secrets and confidential know-how is challenging. We seek to protect our proprietary information, in part, using confidentiality agreements with customers, scientific advisors, service providers, employees, and consultants, and invention assignment agreements with our employees and selected consultants, scientific advisors, and collaborators. These agreements may not provide meaningful protection. There is a risk of breaches, unauthorized use, or independent development of our trade secrets or confidential information by third parties. We may not always have sufficient remedies for such breaches or unauthorized access to our proprietary information.

We also own trademarks registered in multiple jurisdictions, including "", "METiS" and "劑泰." As of the Latest Practicable Date, we had five trademarks registered in the United States, 18 in China, eight in Japan, seven in the Republic of Korea, eight in Europe, six in Great Britain, and nine in Hong Kong. We pursue additional trademark registrations to the extent we believe doing so will be beneficial to our competitive position. See "Appendix V — Statutory and General Information — Further Information about Our Business — Intellectual Property Rights" to this Prospectus for further details regarding our IP.

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material proceedings in respect of IP right infringement claims against us or initiated by us. However, there are risks if we fail to protect our IP rights in the future. For details, see "Risk Factors — Risks Related to Our Intellectual Property."

BUSINESS DEVELOPMENT

We are supported by a dedicated business development team comprising two professionals based in China and three in the United States. Each member brings relevant qualifications and experience across the pharmaceutical and materials science industries, enabling effective engagement with global partners and strategic execution of our dual-pathway collaboration model.

The business development team leads the full engagement cycle — from identifying potential partners and opportunities to negotiating and executing agreements. Their responsibilities include sourcing and screening new programs, cultivating relationships with existing and prospective partners, understanding each partner's objectives and challenges, and coordinating closely with our R&D team to develop and tailor solutions. Working collaboratively with our scientists, technologists, and subject matter experts, the team ensures that partner needs are addressed with customized and scientifically sound offerings.

Pricing

We adopt flexible pricing strategies based on the nature of each engagement. Factors considered include fulfillment costs, the value and uniqueness of our solutions, customer urgency and delivery expectations, market demand, competitive dynamics, and willingness to pay. Depending on the scenario, we apply either cost-driven or target-return pricing models to ensure commercial viability while delivering value to our partners.

MANUFACTURING

As of the Latest Practicable Date, our GMP manufacturing is outsourced with tech transfer of METiS CMC platform process to CDMOs. We have established an integrated, end-to-end process development capability for LNP CMC, enabling rapid, consistent, and scalable production of high-quality LNP formulations. Our in-house CMC platform supports a closed-loop workflow from design to scale up, including the following key steps: lipid and mRNA solution preparation, encapsulation using microfluidic mixing, TFF-based purification, and final sterile filtration and formulation. In addition, our integrated infrastructure and proprietary automation systems further enhance our out-sourced manufacturing readiness and flexibility, positioning us to rapidly transition LNP-based assets from discovery to clinical and commercial production.

OUR CUSTOMERS AND SUPPLIERS

Our Customers

Our customers primarily comprise top global pharmaceutical companies, innovative biotechnology companies, and medical research institutions. In each of 2023, 2024 and 2025, revenue generated from our five largest customers was RMB9.1 million, RMB1.2 million and RMB103.8 million, respectively, accounting for 98.0%, 83.7% and 98.9% of our total revenue for the same periods, respectively. In each of 2023, 2024 and 2025, revenue generated from our largest customer was RMB4.7 million, RMB0.5 million and RMB100.0 million, respectively, accounting for 50.5%, 35.5% and 95.2% of our total revenue for the same periods, respectively.

The following table sets forth details of our five largest customers for each period during the Track Record Period. "Other services" primarily represent ancillary technical services related to research and development activities, such as providing customers access to our *in vivo* testing and animal experiment capabilities.

Year Ended December 31, 2025

Customer N is a pharmaceutical technology company established in 2025 with a registered capital of RMB22.8 million. We commenced our relationship with Customer N in 2025 and sold licensing products to it on credit terms of 30 to 100 days, generating sales of RMB100 million, representing 95.2% of our revenue.

Customer A, founded in Indiana in 1876 and listed on the New York Stock Exchange, is a global pharmaceutical company engaged in the discovery, development, manufacturing and marketing of innovative medicines. Our relationship with Customer A began in 2023, and we provided R&D services with a credit term of 14 days, generating sales of RMB2.3 million, representing 2.2% of our revenue.

Customer D is a preclinical-stage biotech company dedicated to developing cutting-edge RNA technologies. We commenced our relationship with Customer D in 2025 with a credit term of 15 days, generating sales of RMB672.5 thousand, representing 0.6% of our revenue.

Customer C was established in 2023 with a registered capital of RMB3.0 million and is engaged in pharmaceutical manufacturing as well as business consulting, technology development and technical support services. We commenced our relationship in 2023, provided other services with a credit term of 10 days, and recorded sales of RMB456.4 thousand, representing 0.4% of our revenue.

Customer B is a company focused on addressing gene delivery challenges across human tissues and organs. Our relationship with Customer B began in 2023, we provided other services with a credit term of 10 days, and generated sales of RMB434.2 thousand, representing 0.4% of our revenue.

Year Ended December 31, 2024

Customer B, with whom we commenced our relationship in 2023, purchased other products or services on credit terms of 10 days, generating sales of RMB525.9 thousand, representing 35.5% of our revenue.

Customer F is a global patient-focused biotechnology company dedicated to developing therapies for rare diseases. We began our relationship with Customer F in 2024 and provided R&D services on credit terms of 30 days, generating sales of RMB371.0 thousand, representing 25.0% of our revenue.

Customer E, founded in 2022 with a registered capital of RMB5.25 million, specializes in the promotion and application of scientific and technological services and engaged in technology development, consulting, and research across multiple scientific disciplines including medicine, agriculture, and engineering, commenced its relationship with us in 2023. We provided other services on credit terms of 10 days, recording sales of RMB152.6 thousand, representing 10.3% of our revenue.

Customer G is a Beijing-based national high-tech enterprise focused on veterinary drug R&D, production and sales. Our relationship with Customer G began in 2023, and we provided other services on credit terms of 10 days, generating sales of RMB131.7 thousand, representing 8.9% of our revenue.

Customer H is a biotechnology company focused on next-generation single-stranded oligonucleotide drug development. We commenced our relationship with Customer H in 2023 and provided other services on credit terms of 10 days, with sales of RMB59.6 thousand, representing 4.0% of our revenue.

Year Ended December 31, 2023

Customer I is an innovative biopharmaceutical company established in 2004 and listed on the Shanghai Stock Exchange STAR Market, focused on infectious disease prevention through the development, manufacturing and sale of human vaccines. We commenced our relationship with Customer I in 2022 and provided R&D services under milestone-based credit terms, generating sales of RMB4,717.0 thousand, representing 50.5% of our revenue.

Customer J is a science and technology company listed on the Frankfurt Stock Exchange with operations spanning healthcare, life sciences and electronics. Our relationship with Customer J began in 2022, under which we provided R&D services on milestone-based credit terms, recording sales of RMB2,368.4 thousand, representing 25.4% of our revenue.

Customer A commenced its relationship with us in 2023 and we provided R&D services under milestone-based credit terms, generating sales of RMB1,294.2 thousand, representing 13.9% of our revenue.

Customer L is the China subsidiary of a global biotechnology and *in vitro* diagnostics company founded in 1896. Our relationship with Customer L began in 2022, and we provided R&D services on milestone-based credit terms, recording sales of RMB656.8 thousand, representing 7.0% of our revenue.

Customer E commenced its relationship with us in 2023. We provided other services on credit terms of 10 days, generating sales of RMB111.8 thousand, representing 1.2% of our revenue.

To the best of our knowledge, all our five largest customers in each period during the Track Record Period are independent third parties. To the best knowledge of our Directors, none of our Directors, their respective associates or any shareholders who owned more than 5% of our issued share capital as of the Latest Practicable Date, had any interest in any of our five largest customers in each period during the Track Record Period.

Below is a summary of the key terms of a typical agreement with our collaboration agreement customers during the Track Record Period:

- ***Services.*** The collaboration involves joint research and development using our proprietary AI and nanomaterial platforms for mRNA and/or LNP design and formulation. The project generally aims to co-develop optimized mRNA and LNP formulations for designated targets, with clear arrangements on data sharing, ownership of intellectual property, and subsequent licensing or commercialization rights.

- ***Term.*** Typically two years, or until both parties fulfill their obligations under the agreement.

- ***Price.*** The price of the services are fixed as set forth in the agreement.

- ***Payment.*** The customer is typically required to make payments upon delivery/research milestone.

- ***Credit Term.*** We generally grant our customers credit terms within 30 days.

- ***Confidentiality.*** The parties agree to keep confidential any information in relation to the performance of the agreement, including but not limited to any documents, know-how and other information related to us, the agreement or the purchase order.

- ***Intellectual ownership.*** Both parties will jointly own the patent rights to the mRNA sequence design where the payload is developed by the collaboration partner. If the payload is a naturally occurring protein, we will solely own the related mRNA sequence design. We will be responsible for the design and development of the LNP delivery system and will exclusively own all patent application rights and resulting patents arising from the collaboration that relate to the LNP delivery system, including delivery materials and delivery compositions.

- ***Termination.*** The agreement may be terminated with immediate effect upon written notice by either party upon mutual agreement, or by the non-breaching party if the other party commits a material breach and fails to remedy such breach within 15 business days after receipt of written notice. The agreement may also be terminated upon the bankruptcy, insolvency, liquidation, dissolution, or cessation of business of either party.

Our Suppliers

During the Track Record Period, our purchases primarily consisted of raw materials and services. Our suppliers mainly include raw material suppliers for laboratory reagents and consumables, CRO vendors, clinical trial service providers, software and database service providers, cloud computing service providers, and laboratory operation service suppliers. In each of 2023, 2024 and 2025, the amount of purchases from our five largest suppliers was RMB77.2 million, RMB68.2 million and RMB58.9 million, respectively, accounting for 34.5%, 36.1% and 28.2% of our total purchases for the same periods, respectively. In each of 2023, 2024 and 2025, the amount of purchases from our largest supplier was RMB32.6 million, RMB16.0 million and RMB17.6 million, respectively, accounting for 14.6%, 8.5% and 8.5% of our total purchases for the same periods, respectively.

Below is a summary of the key terms of a typical agreement with our R&D consumables and equipment provider:

- ***Products/Services.*** The supplier provides us with products, such as R&D consumables and equipment, and/or services as specified in the purchase agreement or purchase order.

- ***Term.*** Typically one year, or until both parties fulfill their obligations under the agreement.

- ***Price.*** Unless both parties agree on a lower price for a particular purchase, the price of the products (including services) shall be fixed as set forth in the agreement.

- ***Payment.*** We are required to make payments to the supplier according to the payment schedule agreed by the parties.

- ***Credit Term.*** Our suppliers generally settle with us by wire transfer and grant to us credit terms within 30 to 60 days. Certain suppliers also require for prepayment.

- ***Confidentiality.*** The supplier agrees to keep confidential any information in relation to the performance of the agreement, including but not limited to any documents, know-how and other information related to us, the agreement or the purchase order.

- ***Discontinuance of Supply***. In the event of cessation of production or supply of any products, the supplier shall notify us immediately; we shall have the right to place a final order for such products in such quantities as may be reasonably required, and the supplier shall accept such order at the price agreed upon by the parties, which shall not be higher than the applicable price set forth in the agreement.

The follow table sets forth details of our five largest suppliers for each period during the Track Record Period:

Year Ended December 31, 2025

Supplier B is a limited liability company registered in the United States, primarily engaged in real estate leasing and related services. We commenced our relationship with Supplier B in 2022 and purchased administrative operation services on a non-applicable credit term basis, with purchase amounts of RMB17.6 million, representing 8.5% of our total purchases.

Supplier C is a leading global provider of life sciences R&D services, established in 2004 and based in Beijing. Our relationship with Supplier C began in 2022, under which we procured R&D services on milestone-based credit terms, with purchases totaling RMB12.4 million, representing 5.9% of our total purchases.

Supplier A is a full-service contract research organization headquartered in Australia, with operations across New Zealand, Asia, North America and Europe. We commenced our relationship with Supplier A in 2024 and purchased R&D services on credit terms of 30 days, with purchase amounts of RMB10.6 million, representing 5.1% of our total purchases.

Supplier E is a large and experienced clinical trial center in Australia. Our relationship with Supplier E began in 2024 and purchased clinical R&D services on credit terms of 30 days, with purchase amounting to RMB9.8 million, representing 4.7% of our total purchases.

Supplier D, established in 1996 and based in Hangzhou with registered and paid-in capital of RMB123.4 million, operates primarily in general equipment manufacturing and related businesses. We began our relationship with Supplier D in 2022 and procured administrative operation services on a non-applicable credit term basis, with purchases amounting to RMB8.4 million, representing 4.0% of our total purchases.

Year Ended December 31, 2024

Supplier B, with whom we commenced our relationship in 2022, provided administrative operation services on a non-applicable credit term basis, with purchases of RMB16,018.7 thousand, representing 8.5% of our total purchases.

Supplier C, our R&D service provider since 2022, supplied services under milestone-based credit terms, with purchases totaling RMB15,721.8 thousand, representing 8.3% of our total purchases.

Supplier F is a contract development and manufacturing organization specializing in advanced therapy medicinal products, including plasmids, mRNA, LNPs, viral vectors and cell therapies. We began our relationship with Supplier F in 2023 and procured R&D services on milestone-based credit terms, with purchases of RMB14,698.5 thousand, representing 7.8% of our total purchases.

Supplier G is a professional contract research organization established in 2004, providing end-to-end clinical research and regulatory submission services. Our relationship with Supplier G commenced in 2022, and we procured R&D services on milestone-based credit terms, with purchases amounting to RMB13,782.5 thousand, representing 7.3% of our total purchases.

Supplier A, with whom we began our relationship in 2024, provided R&D services on credit terms of 30 days, generating purchase amounts of RMB7,945.0 thousand, representing 4.2% of our total purchases.

Year Ended December 31, 2023

Supplier B, with whom we commenced our relationship in 2022, provided administrative operation services on a non-applicable credit term basis, with purchases of RMB32,573.1 thousand, representing 14.6% of our total purchases.

Supplier C has supplied R&D services to us since 2022 under milestone-based credit terms, with purchase amounts of RMB26,105.4 thousand, representing 11.7% of our total purchases.

Supplier D, our administrative operations service provider since 2022, supplied services on a non-applicable credit term basis, with purchases totaling RMB6,722.0 thousand, representing 3.0% of our total purchases.

Supplier H is a provider of integrated end-to-end new drug R&D and manufacturing services listed on both the Shanghai Stock Exchange and the Hong Kong Stock Exchange. We commenced our relationship with Supplier H in 2021 and procured R&D services under milestone-based credit terms, with purchases of RMB6,515.4 thousand, representing 2.9% of our total purchases.

Supplier I is a Nasdaq-listed pharmaceutical company focused on the discovery, development and commercialization of first-in-class medicines. Our relationship with Supplier I began in 2023, and we purchased R&D services on milestone-based credit terms, with purchase amounts of RMB5,312.0 thousand, representing 2.4% of our total purchases.

To the best of our knowledge, all our five largest suppliers in each period during the Track Record Period are independent third parties. To the best knowledge of our Directors, none of our Directors, their respective associates or any shareholders who owned more than 5% of our issued share capital as of the Latest Practicable Date, had any interest in any of our five largest suppliers in each period during the Track Record Period.

IMPACT OF THE TARIFFS

In 2025, the United States government announced a number of executive actions under the International Emergency Economic Powers Act (IEEPA) that significantly increased tariffs on Chinese-origin goods, including tariff rates that at one point reached up to 145% on certain imports. The United States Supreme Court's decision on February 20, 2026, however, determined that the President lacks authority under IEEPA to impose tariffs, thereby rendering the tariffs imposed pursuant to IEEPA invalid. On February 24, 2026, a 10% global baseline tariff under Section 122 of the Trade Act of 1974 became effective for a 150-day period, notwithstanding the U.S. President's prior announcement of the intent to impose a tariff of up to 15% for the same duration under the same statutory authority. It remains unclear what additional actions, if any, will be taken by the U.S. or other governments.

Our suppliers include primarily various equipment, R&D raw materials and consumables suppliers, such as tangential flow filtration (TFF) equipment suppliers and raw materials for wet lab. In 2023, we made a one-time purchase of U.S.-designed chips totaling RMB1.1 million. We currently have no plans to procure additional U.S.-designed chips in the foreseeable future, as our computing requirements can be fully met using domestically designed and manufactured chips and semiconductors.

Considering that (i) the President lacks authority under IEEPA to impose tariffs as determined by the United States Supreme Court's decision on February 20, 2026, (ii) we did not generate any meaningful revenue from any customers in the U.S., (iii) we had limited imports from the suppliers in the U.S., throughout the Track Record Period, and (iv) our computing requirements can be fully met using domestically designed and manufactured chips and semiconductors, our Directors believe that the tariff escalation or export restrictions on certain categories of chips did not have a material adverse impact on our operations, financial performance and supply chain during this period.

Our Directors are also of the view that, to the best of our knowledge and based on currently available information, the tariff escalation by the United States will not have a material adverse impact on our business or results of operations in the foreseeable future. This conclusion is reached based on the following reasons:

(i) our business model primarily involves the provision of R&D and technology-related services rather than the cross-border sale of physical goods;

(ii) intangible services and payments arising from collaboration or licensing arrangements are not subject to import tariffs under existing trade regulations; and

(iii) we maintain access to alternative domestic suppliers and partners, which further mitigates potential exposure to tariff-related disruptions.

Based on the due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would reasonably cause them to disagree with the Directors' view in any material respect that the tariff escalation by the United States will not have a material adverse impact on the Company's business or results of operations in the foreseeable future.

IMPACT OF COVID-19

During the Track Record Period and up to the Latest Practicable Date, we had not experienced material disruptions in our operations as a result of COVID-19. During the COVID-19 pandemic, we maintained operational continuity through remote work arrangements across our offices. Through effective coordination with our lab researchers and CROs across various locations, we sustained the smooth progress of our research activities and achieved key regulatory milestones. As COVID-19's global impact continued to lessen as of the Latest Practicable Date, our Directors do not expect COVID-19 to have a material adverse impact on our business going forward. See also "Risk Factors — Risks Related to Our Operations — Our business, results of operations and financial condition may be adversely affected by natural disasters, health epidemics and pandemics, civil and social disruption and other outbreaks."

EMPLOYEES

As of the Latest Practicable Date, we had 146 employees. The following table sets forth a breakdown of our employees by function as of the same date:

Function	Number of Employees	% of Total
Research & Development	105	71.9%
General Administration and Operations	34	23.2%
Business Development and Sales	7	4.8%
Total	**146**	**100.0%**

Our success depends on our ability to attract, retain and motivate talented employees, which we support through competitive compensation, benefits, share-based incentives and a supportive work environment that promotes development and work-life balance. We recruit through multiple channels, provide onboarding and training programs, and comply with PRC social security and housing fund requirements. We also protect our confidential information through confidentiality agreements with key employees. We believe we maintain positive employee relations and did not experience any material labor disputes during the Track Record Period or up to the Latest Practicable Date.

COMPETITION

Our industry is marked by intense competition and rapid advancements in technology and science. In the emerging field of nanotechnology based drug delivery, we compete with a limited number of specialized companies focused on similar technologies. In the broader field of conventional drug development, we face competition from both approved treatments and investigational therapies currently in development.

We believe our competitive advantages — including our proprietary generative AI-driven nanomaterial platforms, robust research and development capabilities, differentiated drug candidate profiles, dual-pathway commercialization strategy, and experienced leadership team — position us strongly in this dynamic landscape. Nonetheless, we continue to face competition from a diverse range of players, including established nanomaterial drug delivery companies, large pharmaceutical companies, specialized biotech companies, and academic research centers. Any drug candidates we successfully bring to market will face competition from existing products as well as future therapies. For a detailed discussion of the competitive landscape for each of our pipeline programs, please refer to the section titled "Industry Overview" in this Prospectus.

INSURANCE

We maintain insurance policies that are required under PRC laws and regulations, and based on our assessment of our operational needs and industry practice. As required by regulations in China, we participate in various employee social security plans that are organized by municipal and provincial governments, including pension insurance, unemployment insurance, maternity insurance, work-related injury insurance, medical insurance and housing funds. We also maintain property insurance covering physical damages to, or loss of, our facilities, equipment, office furniture and inventory, and clinical trial insurance covering us against liabilities in the event of injury to any trial subjects caused by serious adverse events in our clinical trials. We are not required under PRC laws and regulations to, and we generally do not, purchase any employer's liability insurance or key person insurance.

During the Track Record Period and up to the Latest Practicable Date, we did not submit any material insurance claims, nor did we experience any material difficulties in renewing our insurance policies. Our Directors believe that our insurance coverage is adequate and in line with industry norm. However, the risks related to our business and operations may not be fully covered by insurance.

PROPERTIES

As of the Latest Practicable Date, we did not own any properties. As of the Latest Practicable Date, we had five main leased properties in Hangzhou and Beijing, with a total aggregate gross floor area of approximately 14,000 sq.m, mainly for R&D and lab operations, animal facility, administrative offices and business development.

We believe that our leased facilities meet our present needs and we regularly assess our space requirements. As of the Latest Practicable Date, we were not aware of any environmental issues or other constraints that would materially impact the intended use of our facilities.

Pursuant to the applicable PRC laws and regulations, property lease contracts must be registered with the local branch of the Ministry of Housing and Urban-Rural Development of the PRC. As of the Latest Practicable Date, the leases of five of our leased properties had not been registered with relevant authorities. We will take all practicable and reasonable steps to ensure that the unregistered leases are registered if required by the competent authorities, including requiring relevant property owners to cooperate with us to complete the lease registration under new or renewed lease agreements. Our PRC Legal Advisor has advised us that the failure to complete the registration and filing of lease agreements will not affect the validity of such leases or result in us being required to vacate the leased properties. However, the relevant government authorities may

impose a fine ranging from RMB1,000 to RMB10,000 on each lease agreement that is not registered and filed. The aggregate amount of the maximum fine will be approximately RMB30,000. We believe the likelihood that we will be punished due to failure to register and file all the relevant lease agreements at the same time is remote. During the Track Record Period, we have not been subject to any administrative penalties imposed by the competent authorities for failing to complete the registration and filing of the lease agreements. See also "Risk Factors — Risks Related to Our Operations — There are risks associated with our leased properties or lease agreements."

Upon expiry of these lease agreements, we will assess the legal risk when renewing the relevant lease agreements. If we are not able to continue to use such leased properties due to such non-compliance on lease registration, we expect to be able to identify alternative places for relocation in a timely manner without incurring material related loss due to the limited number of leased properties with incomplete lease registration, given that (i) there are alternative properties at comparable rental rates on the market, and (ii) the relocation process will not have a material and adverse impact on our business and operations. Our Directors believe that the absence of lease registration would not cause a material adverse impact on our business, operations and financial results.

As of the Latest Practicable Date, we leased one investment property which is sublet to third party tenants. Pursuant to Rules 5.01A and 5.01B of the Listing Rules, if the carrying amount (as defined in Rule 5.01(1) of the Listing Rules) of a property interest (as defined in Rule 5.01(3) of the Listing Rules) that forms part of an applicant's property activities is or is above 1% of the applicant's total assets, the prospectus must include the full text of a valuation report for such property interest. As of December 31, 2025, being the date of which the most recent audited consolidated statements of the financial position of our Group, the carrying amount of our investment property exceeds 1% of our total assets. Thus, a property valuation report in respect of our investment property is included in this Prospectus. Save as disclosed in this Prospectus, as of December 31, 2025, (i) no single property that forms part of property activities has a carrying amount of 1% or more of our total assets; and (ii) no single property interest that forms part of our non-property activities has a carrying amount of 15% or more of total assets. Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent property valuer, valued our investment property based on certain assumptions.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

ESG Strategy and Risk Management

We recognize that ESG factors can have a material impact on our business, operations and financial performance. Guided by our strategy, industry characteristics and development stage, we incorporate stakeholder considerations into ESG planning, identify and assess material ESG risks, and implement targeted response measures.

Our ESG priorities focus on environmental compliance, product responsibility, talent development and business ethics. We manage environmental risks through compliance with applicable emissions and waste disposal regulations, supported by monitoring and control measures. Product responsibility risks, including those related to R&D competitiveness, intellectual property and data security, are addressed through continued investment in innovation and strengthened protection systems. Talent-related risks are mitigated through competitive compensation, an inclusive culture and training programs, while business ethics risks are managed through strict compliance and anti-corruption policies.

ESG risk management is integrated into our overall risk management and internal control framework, with oversight by our ESG working group. During the Track Record Period and up to the Latest Practicable Date, we have not encountered any non-compliance incidents related to ESG regulations.

Environmental Management

We are committed to environmental protection and strictly comply with national and local environmental regulations. We incorporate ecological sustainability across our operations to avoid any significant negative environmental impact.

We have implemented an Environmental, Health and Safety (EHS) management system led by our EHS department, which is responsible for overseeing environmental, health and safety matters. Through systematic assessment, we identify and evaluate environmental aspects of our operations, assign responsible departments for significant risks and implement appropriate control measures. We regularly monitor key environmental indicators, including greenhouse gas emissions, pollutant discharges and resource consumption, to ensure compliance with applicable laws and regulations, while pursuing technological upgrades and promoting environmental awareness to minimize environmental impact. In addition, we apply green procurement principles by prioritizing suppliers certified under ISO 14001 and by using structured assessment tools to evaluate chemical-related environmental risks, enabling risk management at the source and supporting sustainable development across our value chain.

Emissions Management

We integrate pollution prevention deeply into our operations through a company-wide Environmental Protection and Hazard-Free Disposal Management Procedure, under which responsibilities for emissions control are clearly assigned across departments along the value chain. Wastewater generated from operations is treated and monitored by licensed third-party service providers to ensure that all discharges comply with applicable regulatory standards. Air emissions, primarily volatile organic compounds (VOCs), are managed through real-time monitoring systems, strict controls on hazardous substances and ventilation and purification systems in cleanroom areas to minimize environmental impact. Solid waste management complies with applicable laws, with hazardous waste subject to classified storage, traceable recordkeeping, regular inspections and disposal by qualified third parties, while general waste is managed through classified recycling and centralized collection in line with principles of reduction, harmless treatment and resource utilization.

We have also adopted an Emergency Environmental Incident Response Plan, regularly training and conducting drills to ensure swift, effective responses when necessary.

Our pollutant emission data for the years 2023, 2024, and 2025 are as follows:

Indicator	Unit	2023	2024	2025
Hazardous Waste[1]	Tons	7.11	7.45	6.74
General Waste[2]	Tons	18.43	21.93	12.43

1 Our hazardous waste primarily includes infectious waste, sharps waste, single-use laboratory supplies, organic waste liquids, inorganic waste liquids, solid waste from biological laboratories, and liquid waste from biological laboratories.

2 Our general waste primarily includes general packaging materials, discarded reverse osmosis membranes, and domestic waste.

Resource Use

To improve energy efficiency, we have established and implemented an Energy Management Policy. We prioritize energy-efficient equipment and advanced technologies, aiming to optimize energy allocation and reduce consumption. Our systems support smart control and low-energy operation modes. We also encourage innovation in process optimization, equipment upgrades, and energy recovery. In our offices, we promote energy-saving equipment and proper use of air conditioning.

To optimize water use, we have upgraded our purified water systems, instaled water-saving laboratory fixtures, and perform routine leak inspections. We use biodegradable lab supplies and promote centralized sterilization to reduce single-use items. We also encourage digital documentation to cut paper consumption.

Our resource consumption data for the years 2023, 2024, and 2025 are as follows:

Indicator	Unit	2023	2024	2025
Electricity Usage	kWh	2,467,754.15	2,440,414.98	2,390,777.00
Electricity Intensity	kWh/employee	15,233.05	17,944.23	18,677.95
Water Consumption	Tons	2,947.00	3,130.40	3,295.40
Water Intensity	Tons/employee	18.19	23.02	25.75

Climate Change

We actively respond to the challenges and opportunities posed by climate change through strategic planning and data-driven decision-making. We regularly collect and calculate greenhouse gas emissions to support emission-reduction initiatives and have committed to adopting low-carbon technologies and management practices as part of our transition toward carbon neutrality.

Our greenhouse gas emissions data for the years 2023, 2024, and 2025 are as follows:

Indicator	Unit	2023	2024	2025
Scope 1 Emissions[3]	Tons CO_2-eq	0	0	0
Scope 2 Emissions	Tons CO_2-eq	1,309.39	1,294.88	1,268.55
Total Emissions	Tons CO_2-eq	1,309.39	1,294.88	1,268.55
Emission Intensity	Tons CO_2-eq/ employee	8.08	9.52	9.91

We have identified long-term risks from climate change, including operational disruptions and data security threats due to extreme weather events in cities like Hangzhou and Beijing, as well as potential cost increases from stricter carbon policies and renewable energy mandates across our supply chain. In response, we continue to improve our EHS systems and conduct regular emergency drills to enhance climate risk preparedness.

Health and Safety

Employee health and safety is a priority for us. We have implemented an occupational health and safety management system supported by internal policies, emergency plans and regular drills, and equipped our offices and laboratories with certified safety and emergency facilities that are routinely inspected. We adhere to biosafety and chemical safety standards, provide role-specific safety training, and arrange periodic health checkups to help protect employee health and safety.

3 Currently, we do not operate any stationary or mobile emission sources, nor do we use fugitive agents. As such, we do not generate Scope 1 emissions.

Employee Development and Training

We are dedicated to fostering a culture of innovation and prioritize talent development. We have implemented a company-wide training policy and established a tiered development system that covers all levels and functional areas. Our programs span onboarding, technical skills, and management capabilities. We also provide employees with a personal training fund to support professional growth and align individual development with corporate goals. In addition, we have put in place a clear performance evaluation and promotion mechanism, offering fair and transparent career advancement opportunities.

Business Ethics and Anti-Corruption

We require all employees to uphold high standards of integrity and ethical conduct and operate in compliance with applicable laws and regulations, including the PRC Anti-Unfair Competition Law. We have implemented policies covering anti-corruption, anti-bribery, fraud prevention, anti-money laundering and codes of conduct, and require employees and suppliers to adhere to these standards. We also maintain confidential reporting channels with whistleblower protections, and address confirmed violations in accordance with applicable laws and regulations. During the Track Record Period and up to the Latest Practicable Date, we had no concluded corruption-related lawsuits involving us or our employees.

Animal Welfare

We conduct animal experiments only when scientifically necessary and in strict compliance with all applicable laws and regulations, including the Biosafety Law of the People's Republic of China. To ensure robust oversight, we have established an internal governance framework, including an animal welfare and ethics committee and an animal management committee. These bodies are responsible for the comprehensive review and supervision of all animal use and experimental protocols, ensuring the protection of animal welfare and the effective implementation of our management measures.

Our in-house vivarium is exclusively licensed for and utilized for experiments involving rodents, ensuring our activities remain strictly within our permitted scope. We procure all animals from suppliers holding valid production licenses and maintain a strict policy against the use of any endangered species as research subjects. For experiments beyond the scope of our internal capabilities, we engage qualified third-party CROs that have received accreditation from the Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC). Furthermore, all toxicology-related studies are outsourced to facilities certified for Good Laboratory Practice (GLP), thereby ensuring the highest standards of qualification and capability in all our animal studies.

Our vivarium operates under a valid Permit for Use of Laboratory Animals issued by the Beijing Municipal Science & Technology Commission, and all relevant personnel hold the requisite Certificate for Laboratory Animal Practitioners. We have established and implemented a comprehensive set of management policies and standard operating procedures that govern experimental protocols, animal husbandry, and environmental hygiene. Crucially, every proposed experiment involving animals must first undergo a welfare and ethics review and receive explicit approval from our animal welfare and ethics committee before commencement, a process that validates the necessity and ethical compliance of the study.

In all our animal-related activities, we are guided by the internationally recognized "3R" principles: Reduction, Replacement, and Refinement. We are committed to reducing the number of animals used to the minimum necessary to achieve valid scientific outcomes and replacing animal studies with alternative methods, such as *in-vitro* experiments, wherever feasible. To uphold the principle of Refinement, we mandate that all experimental personnel undergo rigorous training and assessment to ensure they possess the high level of technical proficiency required to enhance experimental efficacy and minimize any potential pain or distress to the animals. To ensure continuous adherence, we conduct inspections of our animal use practices at least every six months, reinforcing our commitment to conducting all experiments with the utmost regard for animal welfare.

During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material penalties or disciplinary actions, nor were we aware of any material incidents of non-compliance or improper conduct in relation to animal welfare.

INFORMATION SECURITY AND PRIVACY PROTECTION

We retain sole ownership of all data assets that were developed, generated or accumulated prior to the commencement of any R&D programs. We also retain sole ownership of data independently developed, generated or accumulated by us outside the scope of R&D activities during the course of such programs. For data jointly developed, generated or accumulated with counterparties during R&D activities under the relevant agreements, such data are typically subject to joint ownership in accordance with the terms of the applicable contracts.

In the PRC, we collect, store and process pre-clinical dry lab and wet lab experimental data on secure local servers situated in the jurisdictions where the data are collected. Our principal data processing activities in the PRC relate to clinical research, where we collect personal information from trial participants and investigators through our collaboration with clinical trial sites and CROs. The personal information collected includes coded subject identifiers and clinical indicators such as age, sex, height, weight, blood pressure, lung capacity, medical history, pregnancy status, laboratory results, adverse events and mortality outcomes. We also collect limited project-related personal information from investigators, such as name, contact details, professional role and institutional affiliation.

All such personal information is collected, stored and processed entirely within the PRC and is not transferred outside of China or made accessible to any overseas organizations or individuals. We only process limited employment-related personal data of our personnel in the U.S. in the ordinary course of business. We do not collect personally identifiable information of clinical trial subjects. All processing that occur outside the PRC is limited, compliant, and supported by data-minimization and security controls. We are subject to applicable laws and regulations on data protection and cybersecurity in the jurisdictions where we operate, and we have adopted measures to ensure compliance with such laws, including the PRC's evolving regulatory framework. To strengthen our data governance, we have engaged a leading PRC law firm to conduct legal reviews of our data processing practices and compliance framework. To date, we have not been subject to any administrative penalties, enforcement actions or third-party claims in connection with violations of data privacy or cybersecurity laws.

We have adopted and implemented internal policies and technical measures to safeguard data security and ensure compliance with applicable laws and regulations. Our technical controls include encryption of sensitive data, role-based access control, user authentication, network intrusion detection and monitoring, and regular system backups. A dedicated data security management committee is responsible for overseeing the implementation and enforcement of our data security protocols.

We maintain strict confidentiality measures to protect personal data associated with clinical trials. Access to clinical trial data is restricted to authorized personnel in accordance with applicable laws and Good Clinical Practice (GCP) guidelines. Database administration responsibilities are assigned to designated personnel, who are tasked with system maintenance, access management and security oversight. All employees and contractors with access to personal or confidential data are required to comply with our internal confidentiality policies and are bound by confidentiality agreements. These agreements prohibit the misuse or unauthorized disclosure of confidential information and impose post-employment obligations regarding data confidentiality. External collaborators involved in clinical trials are subject to similar contractual requirements. The use of personal information is strictly limited to the purposes disclosed in the relevant informed consent forms.

To reinforce internal compliance, we regularly provide training to our employees on data privacy, cybersecurity and information governance. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material data breaches or incidents of non-compliance with applicable data protection or cybersecurity regulations. During the Track Record Period and up to the Latest Practicable Date, we had complied with all relevant laws and regulations related to cybersecurity in all relevant jurisdictions.

However, we may still be subject to certain risks in relation to the heightened regulations and market scrutiny. For additional information, see "Risk Factors — Risks Related to Our Operations — We are subject to stringent data privacy and cybersecurity laws and policies, and we may be restricted from transferring data abroad or using human genetic resources collected within the PRC."

LEGAL PROCEEDINGS AND COMPLIANCE

From time to time, we may become involved in legal proceedings and claims that arise in the ordinary course of our business activities. We cannot predict the results of litigation and claims. See "Risk Factors — Risks Related to Our Operations — We are subject to risks relating to disputes and legal proceedings, which could have a material adverse effect on our business, financial condition and results of operations." During the Track Record Period and up to the Latest Practicable Date, there were no legal proceedings pending or threatened against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material non-compliance incidents that have led to fines, enforcement actions, or other penalties that would have a material adverse effect on our business, results of operations, financial condition or reputation.

RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management

We recognize that effective risk management is critical to the success of our business operations. The key operational risks we face include, among others, changes in the general market conditions and regulatory environment of the PRC and global biopharmaceutical markets, our ability to develop, manufacture, and commercialize our drug candidates, as well as our ability to compete with other biopharmaceutical companies. See "Risk Factors" for detailed discussion of the various risks and uncertainties we confront. We also encounter diverse market risks, including credit, liquidity, interest rate, and currency risks. See "Financial Information — Financial Risks Disclosure — Market Risk".

To address these challenges, we have implemented a comprehensive set of risk management policies that establish a framework to identify, assess, evaluate, and continuously monitor the key risks associated with our strategic objectives. Risks identified by our management are analyzed based on likelihood and impact, and are then properly followed up, mitigated, and rectified by our Group, meanwhile reporting to our Board of Directors. Our Directors oversee the implementation of these risk management policies.

To monitor the ongoing implementation of risk management policies and corporate governance measures after the Listing, we have adopted or will continue to adopt, among other things, the following risk management measures:

- Our Directors will oversee and manage the overall risks associated with our business operations by (i) reviewing and approving our risk management policy to ensure alignment with our corporate objectives; (ii) reviewing and approving the annual working plan and annual report on corporate risk management; (iii) monitoring the most significant risks related to our business operations and evaluating our management's handling of these risks; (iv) assessing our corporate risk in relation to our risk tolerance; and (v) ascertaining the appropriate application of our risk management framework across our Group.

- Our finance, internal audit, legal, human resources and other relevant departments will be responsible for (i) developing our risk management policy and reviewing major risk management issues within our Company; (ii) creating the annual risk management plan and report; (iii) offering guidance on our risk management approach to relevant departments and supervising the implementation of our risk management policy; (iv) reviewing reports on key risks from relevant departments and providing feedback; and (v) conducting education and training related to risk management.

- Our finance, internal audit, legal, human resources and other relevant departments will be responsible for implementing our risk management policy and conducting daily risk management activities. To standardize risk management across our Group and establish a common level of transparency and performance, these departments will (i) gather information about risks related to their operations or functions; (ii) conduct risk assessments, which include identifying, prioritizing, measuring, and categorizing all key risks that could potentially impact their objectives; (iii) continuously monitor key risks related to their operations or functions; (iv) implement appropriate risk responses as needed; (v) develop and maintain mechanisms to facilitate the application of our risk management framework; and (vi) promptly report any material risks to relevant departments.

- We have created anti-fraud and anti-corruption and anti-bribery guidelines and manuals to provide guidance to our employees and suppliers on ways to identify and address risks associated with fraud and bribery that may arise in the course of business. These guidelines also provide guidance on transactions involving sanctioned persons or countries.

Internal Control

Our Board is responsible for establishing our internal control system and reviewing its effectiveness. We have engaged an independent 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 and our major operating subsidiaries and to report factual findings on our Group's entity-level controls and internal controls of various processes, including financial reporting and disclosure controls, human resources and payroll management, general controls of IT system, taxation management, procurement management, and other procedures of our operations. The Internal Control Consultant performed the Internal Control Review in March 2025 and follow-up reviews in July 2025. As of the Latest Practicable Date, there were no material outstanding issues relating to our Group's internal control.

During the Track Record Period, we regularly reviewed and enhanced our internal control system. Below is a summary of the internal control policies, measures and procedures we have implemented or plan to implement:

- We have implemented a range of measures and procedures covering various aspects of our business operations, including related party transactions, risk management, intellectual property protection, environmental protection, and occupational health and safety. For more information, see "— Intellectual Property" and "— Environmental, Social and Governance." As part of our employee training program, we regularly provide training on these measures and procedures to our staff.

- We have ESG guidelines in place to mitigate the potential impact of ESG-related risks on our operations and other stakeholders in society. We effectively control potential ESG-related risks through scientific and comprehensive policies and management systems to ensure compliance with the relevant laws and regulations in all materials respects.

- Our Directors, who are responsible for overseeing the corporate governance of our Group, will, with assistance from our legal advisers, will periodically review our compliance status with all relevant laws and regulations following the Listing.

- We have created guidelines on internal control, which set out the principles and basis of internal audit work. In particular, we will establish an audit committee which (i) makes recommendations to our Directors on the appointment and removal of external auditors; and (ii) reviews the financial statements and renders advice in respect of financial reporting as well as oversees internal control procedures of our Group. Their authority encompasses but is not limited to overseeing the audit process, internal control procedures and risk management system of our Company. For details of qualification and experiences on person in charge of risk management, see "Directors and Senior Management — Board of Directors" and "Directors and Senior Management — Board Committees — Audit Committee."

- We have engaged Rainbow Capital (HK) Limited as our compliance adviser to provide advice to our Directors and management team until the end of the first fiscal year after the Listing regarding matters relating to the Listing Rules. Our compliance adviser is expected to ensure our use of funding complies with the section headed "Future Plans and Use of Proceeds" in this Prospectus after the Listing, as well as to provide support and advice regarding requirements of relevant regulatory authorities in a timely fashion.

- We have adopted policies to ensure compliance with the Listing Rules and other applicable laws, rules and regulations, including but not limited to compliance in respect of Chapter 13 (Continuing Obligation), Chapter 14 (Notifiable Transactions) and Chapter 14A (Connected Transactions) of and Appendix D2 (Disclosure of Financial Information) to the Listing Rules, and Part XIVA of the SFO.

Taking into consideration the adoption and implementation of the above-mentioned internal control procedures and risk management measures, our Directors are of view that our enhanced internal control and risk management system are adequate and effective to address various potential risks identified in relation to our business.

LICENSES, PERMITS AND APPROVALS

We are required to obtain permits, licenses, approvals, filings and certifications for certain business operated by us from the relevant government authorities as required under PRC laws and regulations. During the Track Record Period and up to the Latest Practicable Date, we had obtained all licenses, permits, approvals, filings and certifications that are material to our operations, and such licenses, permits, approvals, filings and certifications all remain in full effect. See "Regulatory Overview" for more details regarding the laws and regulations to which we are subject.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material difficulty in renewing such licenses, permits, approvals and certificates. To the best of our Directors' knowledge, we do not expect to encounter any material difficulty in renewing them when they expire, if applicable, and no material unexpected or adverse changes have occurred since the date of their respective issuance.

AWARDS AND RECOGNITIONS

- In 2023, we were recognized as one of the TOP 10 Nucleic Acid Drug Companies to watch by PHARMCUBE.

- In 2024, we were recognized as Top 50 Most Innovative Companies in China by Forbes China.

- In 2024, we were designated as a Specialized and New "Little Giant" (專精特新小巨人) and a National High-tech enterprise by relevant PRC authorities.

- In 2025, we were selected as MIT Technology Review's 50 Smartest Companies (TR50).

BOARD OF DIRECTORS

Upon Listing, our Board of Directors will comprise eight Directors, including three executive Directors, two 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 out information in respect of the Directors.

Name	Age	Position/Title	Date of Joining our Group	Date of Appointment as Director	Role and Responsibility
Executive Directors					
Dr. Tsai-Ta Lai (賴才達)[1]	37	Chairman of the Board, executive Director and chief executive officer	October 2, 2019[2]	October 2, 2019[2]	Overall management of business strategies, R&D, operation and financing of our Group
Dr. Hongming Chen[1]	55	Executive Director and chief research and development officer	October 2, 2019[2]	October 2, 2019[2]	Overseeing the R&D activities of our Group
Dr. Wenshou Wang (王文首)[1]	46	Executive Director and chief operating officer	October 2, 2019[2]	October 2, 2019[2]	Overseeing the overall management and business operation of the Group
Non-executive Directors					
Mr. Hantao Huang (黃瀚濤)	30	Non-executive Director	October 26, 2023	October 26, 2023	Providing professional advice, opinion and guidance to the Board
Ms. Yuan Gong (公元)	36	Non-executive Director	August 1, 2023	August 1, 2023	Providing professional advice, opinion and guidance to the Board
Independent Non-executive Directors					
Mr. Frank Yee Chon Lyn (林怡仲)	67	Independent Non-executive Director	Listing Date	Listing Date	Providing independent advice on issues relating to corporate governance, audit and the remuneration and assessment of our Directors and senior management
Dr. Jin Li (李晉)	46	Independent Non-executive Director	Listing Date	Listing Date	Providing independent advice on issues relating to corporate governance, audit and the remuneration and assessment of our Directors and senior management
Dr. Peter Edward Lobie	58	Independent Non-executive Director	Listing Date	Listing Date	Providing independent advice on issues relating to corporate governance, audit and the remuneration and assessment of our Directors and senior management

Notes:

(1) Dr. Lai, Dr. Chen and Dr. Wang are parties acting in concert. For details, see section headed "Relationship with Our Single Largest Group of Shareholders."

(2) Denotes the date when Dr. Lai, Dr. Chen and Dr. Wang were appointed as the directors of Metis Pharmaceuticals Inc.

(3) Dr. Alan Fu and Ms. Wanting Shu (舒琬婷) were our Directors who resigned from their directorship on April 21, 2026, with Dr. Fu continuing to serve as our chief financial officer. Meanwhile, the appointment of Mr. Frank Yee Chon Lyn (林怡仲), Dr. Jin Li (李晉) and Dr. Peter Edward Lobie as independent non-executive Directors will become effective upon Listing. Dr. Fu tendered his resignation from the directorship with the intention to focus on his role as our chief financial officer. Ms. Shu is the board representative of our Pre-IPO Investor, Beijing PICC Health and Pension Industry Investment Fund (Limited Partnership) (北京人保健康養老產業投資基金(有限合夥)), prior to Listing and has performed non-executive functions. Ms. Shu tendered her resignation based on internal decision-making of the Pre-IPO Investor she represents and intention to focus on other endeavours.

Their resignation would allow us to, upon Listing, meet the requirements under Rules 3.10(1) and 3.10A of the Listing Rules that our Board shall include at least three independent non-executive Directors, who shall represent at least one-third of our Board. Each of Dr. Fu and Ms. Shu has confirmed to the Board that he/she has no disagreement with the Board and there are no other matters in relation to his/her resignation that need to be brought to the attention of the Shareholders of the Company.

Executive Directors

Dr. Tsai-Ta Lai (賴才達), aged 37, is our Co-founder, chairman of the Board and a Director of our Company. He has been the chief executive officer of our Company since February 2020. He was redesignated as our executive Director in August 2025. He is responsible for the overall management of business strategies, R&D, operation and financing of our Group. Dr. Lai also serves as a director in certain of our subsidiaries of our Company including Beijing Jitai, Shanghai Jitai, Suzhou Jitai, Shanghai Metis, Metis HK, Metis Australia, Metis Therapeutics.

Dr. Lai has extensive work experience in the technology industry and consulting industry. Prior to joining our Group, Dr. Lai served as a chief technology officer of AquaFresco Inc. from June 2016 to June 2017, where he was primarily responsible for the technology development of the company. Dr. Lai served as an associate of McKinsey & Company from July 2017 to July 2019, where he was primarily responsible for providing strategic advisory services. Dr. Lai also served as the head of science and technology strategy and enterprise development of the Boston Branch of XtalPi Holdings Limited (深圳晶泰科技有限公司) (HKEX: 2228), where he was primarily responsible for providing strategic advisory services.

Dr. Lai received his bachelor's degree in chemical engineering from Taiwan University (台灣大學) in June 2011. He received his master's degree and doctorate degree in chemical engineering from Massachusetts Institute of Technology in the United States in June 2014 and June 2016, respectively.

Dr. Hongming Chen, aged 55, is our Co-founder and a Director of our Company. She has been the Chief Research and Development Officer of our Company since December 2021. She was redesignated as our executive Director in August 2025. Dr. Chen is primarily responsible for overseeing the R&D activities of our Group. Dr. Chen also serves as a Director and President of Metis Therapeutics, a subsidiary of our Company.

Dr. Chen has approximately 29 years of working and management experience in the pharmaceutical/biotech industry. She once served in Merck & Co. (NYSE: MRK). From 1997 to 2000, Dr. Chen was a scientist of formulation research and development at AstraZeneca R&D Boston, where she was primarily responsible for developing new formulations and delivery vehicles for recombinant H. pylori proteins for oral vaccination. Dr. Chen was a senior scientist, associate director, and director at Transform Pharmaceuticals from 2000 to 2009, where she was involved in building company core technology platforms, designing novel formulations using the technology platforms, working with strategic partners, optimizing drug formulations and developing proprietary drug products. She also served as the vice president of research, executive vice president of research, and chief scientific officer at Kala Pharmaceuticals, Inc. (NASDAQ: KALA) from 2010 to 2021, where she was primarily responsible for all research and development, building company core technology platforms and intellectual properties, working with strategic partners, and developing proprietary drug products. Dr. Chen is a member of the College of Fellows, American Institute for Medical and Biological Engineering, a member of the National Academy of Engineering, and a member of the College of Fellows, Controlled Release Society.

Dr. Chen received her bachelor's degree in chemical engineering from the University of Texas, Austin in the United States in 1992. She received her master's degree in chemical engineering from Massachusetts Institute of Technology in the United States in 1995, and her doctorate degree in chemical engineering from Massachusetts Institute of Technology in the United States in 1997.

Dr. Wenshou Wang (王文首), aged 46, is our Co-founder and a director. He has been the chief operating officer of our Company since February 2020. He was redesignated as our executive Director in August 2025. Dr. Wang is primarily responsible for overseeing the overall management and business operation of our Group. Dr. Wang also serves as a manager, director and legal representative at Beijing Susida and Hangzhou Jitai.

Prior to joining our Group, Dr. Wang worked as a post-doctoral fellow in the University of Southern Mississippi from January 2007 and as a post-doctoral fellow in the University of Minnesota from July 2010 to June 2012, where he was primarily responsible for research. Dr. Wang also worked as a research scientist in Massachusetts Institute of Technology from November 2012 to June 2017, where he was primarily responsible for scientific research. Dr. Wang then worked as the Co-founder and chief materials scientist in Inkbit Corporation from September 2016 to May 2019, where he was primarily responsible for scientific research. Dr. Wang worked as the senior scientist in XtalPi from May 2019 to February 2020, which has affiliated relation with us as a shareholder of our Company, where he was primarily responsible for scientific research.

Dr. Wang received his bachelor's degree in chemistry from Henan University (河南大學) in the PRC in July 2001. Dr. Wang received his master's degree in polymer chemistry and physics from Chinese Academy of Sciences (中國科學院) in the PRC in March 2007.

Non-executive Directors

Mr. Hantao Huang (黃瀚濤), aged 30, joined the Group on October 26, 2023 as a non-executive Director. He is primarily responsible for providing professional advice, opinion and guidance to the Board.

Mr. Huang serves as a vice president in CICC Capital Management Co., Ltd. ("**CICC Capital**") since January 2023 where he is primarily responsible for private equity fund management, including leading private equity investment projects, fund formation and fundraising with a primary focus on the medical and healthcare industry. Mr. Huang joined CICC Capital in September 2018 as analyst and was promoted to his current position in January 2023.

Mr. Huang received his bachelor's degree of science in business and finance from New York University in May 2017. He also received the Certification of Fund Practice Qualification (基金從業資格證書) from the Asset Management Association of China (中國證券投資基金業協會) in March 2023.

Ms. Yuan Gong (公元), aged 36, joined the Group on August 1, 2023 as a non-executive Director. She is primarily responsible for providing professional advice, opinion and guidance to the Board.

Ms. Gong joined HSG in September 2019, and currently serves as a partner, where she is primarily responsible for venture capital investment. From September 2012 to September 2019, she served as a venture investor at China Growth Capital, an assistant manager at Deloitte and an associate at PricewaterhouseCoopers ("**PwC**"), where she was primarily involved in auditing.

Ms. Gong received her Bachelor's degree in science from Birmingham-Southern College in the US in February 2012.

Independent Non-executive Directors

Mr. Frank Yee Chon Lyn (林怡仲), aged 67, was appointed as an independent non-executive Director with effect from the Listing Date. Mr. Lyn is primarily responsible for providing independent advice on issues relating to corporate governance, audit and the remuneration and assessment of our Directors and senior management.

Mr. Lyn served as a partner at PricewaterhouseCoopers ("**PwC**") from 1993 to 2019 and held multiple senior positions at PwC China & Hong Kong, including markets leader, member of management board, corporate finance leader and Hong Kong senior partner. Mr. Lyn served as an independent non-executive director and the chairman of the audit committee at Mox Bank Limited since July 2020. Mr. Lyn also served as an independent non-executive director and the chairman of the audit committee of Standard Chartered Bank (China) Ltd. since October 2020 and November 2020, respectively. Mr. Lyn worked as an independent non-executive director and the chairman of the audit committee at SenseTime Group Inc. (stock code (Stock Exchange): 0020) since December 2021. Mr. Lyn was appointed as an independent non-executive director of Bright Smart Securities & Commodities Group Limited on March 30, 2026 (stock code (Stock Exchange): 1428). Mr. Lyn has been a member of the Hong Kong Institute of Certified Public Accountants (HKICPA) since October 1989 and the Institute of Chartered Accountants in England and Wales (ICAEW) since July 1988. Mr. Lyn served at The Community Chest (香港公益金) as a director from June 2015 to June 2021 and as a treasurer during the financial years between 2015/2016 to 2019/2020. Mr. Lyn was also a member of the Chinese People's Political Consultative Committee of the Guangxi Zhuang Autonomous Region (中國人民政治協商會議廣西壯族自治區委員會) from 2000 to 2018.

Mr. Lyn received his bachelor's degree in accounting and finance from Nottingham Trent University (Trent Polytechnic) in the United Kingdom in July 1983.

Dr. Jin Li (李晉), aged 46, was appointed as an independent non-executive Director with effect from the Listing Date. Dr. Li is primarily responsible for providing independent advice on issues relating to corporate governance, audit and the remuneration and assessment of our Directors and senior management.

From July 2008, Dr. Li worked as an assistant professor of strategy in Kellogg School of Management at Northwestern University. Dr. Li worked as an associate professor of Managerial Economics and Strategy (with tenure) at London School of Economics from September 2017 to July 2018. Dr. Li has worked as an affiliate at Center for the Study of Industrial Organization at Northwestern University. Dr. Li also worked as a visiting scholar in the Bank of Finland Institute for Economies in Transition in January 2004, Dr. Li has been serving as the Area Head of Management and Strategy in Faculty of Business and Economics at the University of Hong Kong since July 2018. He has worked as Zhang Yonghong Professor in Economics and Strategy and Professor of HKIHSS (by courtesy). He has been serving as director of Centre for AI, Management and Organization since January 2025. Since November 21, 2025, Dr. Li has been serving as an independent non-executive Director of China New Economy Fund Limited, a company listed on the Stock Exchange (stock code: 0080).

Dr. Li received his bachelor of arts degree in economics and math (with High Honor) from Wesleyan University in the United States in 2002, and received his bachelor of science degree in applied math (with Honor) from California Institute of Technology in the United States in 2002. Dr. Li received his doctorate degree in economics from Massachusetts Institute of Technology in the United States in 2007.

Dr. Peter Edward Lobie, aged 58, was appointed as an independent non-executive Director with effect from the Listing Date. Dr. Lobie is primarily responsible for providing independent advice on issues relating to corporate governance, audit and the remuneration and assessment of our Directors and senior management.

Dr. Lobie works as the professor of Institute of Biopharmaceutical and Health Engineering in Tsinghua Shenzhen International Graduate School at Tsinghua University and the founding scientist in Sinotar Pharmaceuticals Ltd. at present. Dr. Lobie was employed in Karolinska Institute. After

that, he worked at National University of Singapore and held several positions including as the principal investigator and senior scientist in the Institute of Molecular and Cell Biology, the adjunct faculty in Department of Medicine, and was the principal investigator and associate professor in the Institute of Molecular and Cell Biology from 1996, has worked as the associate director and professor in the Liggins Institute from 2005 to 2011. Dr. Lobie worked as the senior principal investigator in the Cancer Science Institute of Singapore and the professor of Department of Pharmacology at National University of Singapore from 2011 to 2017. Dr. Lobie has worked as the professor and co-director in the Centre for Precision Medicine and Healthcare in Tsinghua Berkeley Shenzhen Institute at Tsinghua University from 2017 to 2020. Dr. Lobie is/was an editorial board member of Cambridge Prisms — Precision Medicine, Endocrinology and Molecular Endocrinology, among a number of other international journals and a visiting/guest professor at a number of institutions in China.

Dr. Lobie received his bachelor's degree in medical science from the University of Queensland in Australia in 1990, and received his bachelor degree in medicine and surgery (with First Class Honours) from the University of Queensland in Australia in 1992. Dr. Lobie received his doctorate degree in molecular endocrinology from Karolinska Institutet in Sweden in 1994.

SENIOR MANAGEMENT

The following table sets out information regarding the members of senior management of our Company.

Name	Age	Position/Title	Date of Joining our Group	Date of Appointment as Senior Management	Role and Responsibility
Dr. Tsai-Ta Lai (賴才達)	37	Chief executive officer	January 10, 2020	February 12, 2020	Overall management of business strategies, R&D, operation and financing of our Group
Dr. Hongming Chen	55	Chief research and development officer	December 16, 2021	December 16, 2021	Oversee the R&D of our Group
Dr. Wenshou Wang (王文首)	46	Chief operating officer	January 10, 2020	February 11, 2020	Oversee the overall management and business operation of the Group
Dr. Chong Fu (付翀)	57	Chief financial officer and Board secretary	April 1, 2025	April 1, 2025	Overall management of finance, investments and capital market activities of our Group
Dr. Wei Xu	49	Chief scientific officer	December 15, 2023	December 15, 2023	Research and development of pipelines of our Group
Mr. Mark Robert Herbert	47	Chief business officer	January 20, 2025	January 20, 2025	Lead partnership, licensing and strategic collaborations of the Group

Dr. Tsai-Ta Lai (賴才達), aged 37, is the chairman of the Board, an executive Director and the chief executive officer of our Company. For details of his biography, see "— Board of Directors" in this section.

Dr. Hongming Chen, aged 55, is an executive Director and the chief research and development officer of our Company. For details of her biography, see "— Board of Directors" in this section.

Dr. Wenshou Wang (王文首), aged 46, is an executive Director and the chief operating officer of our Company. For details of his biography, see "— Board of Directors" in this section.

Dr. Chong Fu (付翀), alias Dr. Alan Fu, aged 57, is the chief financial officer and Board secretary of our Company. Dr. Fu is primarily responsible for the overall management of finance, investments, capital market activities, legal matters and public relations of our Group.

Prior to joining our Group, Dr. Fu served as a director from March 2023 to July 2025 and chief financial officer from October 2021 to March 2025 at IASO Biotherapeutics where he was responsible for overseeing finance, capital market activities, legal matters and business development of the company. From April 2018 to August 2021, Dr. Fu served as managing director of Haitong International Securities Group Limited, where he was primarily engaged in investment banking activities. From November 2009, Dr. Fu served as a vice president and then a director in Citigroup Inc. where he was primarily responsible for executing investment banking transactions. Prior to that, Dr. Fu worked as an associate in the law firms Davis Polk & Wardwell and Skadden, Arps, Slate, Meagher & Flom, where he was a capital markets and corporate lawyer. Dr. Fu also worked as a research scientist in Rigel Pharmaceuticals, Inc. (NASDAQ: RIGL).

Dr. Fu received his bachelor's degree of science in genetics and genetic engineering from Fudan University in July 1989. He then received his master's degree of science in cell biology from the Shanghai Institute of Biochemistry and Cell Biology, China Academy of Sciences (中國科學院生物化學與細胞生物學研究所) (formerly known as Shanghai Institute of Cell Biology (中國科學院上海細胞生物學研究所)) in June 1992. Dr. Fu received his PhD degree in molecular immunology from Washington University School of Medicine in May 1998. Dr. Fu received his Juris Doctor degree from the University of California, Berkeley in May 2004.

Dr. Fu was admitted to the State Bar of California, USA in December 2004.

Dr. Wei Xu, aged 49, is the chief scientific officer of our Company. Dr. Xu was appointed as the chief scientific officer in December 2023. Dr. Xu is primarily responsible for the research and development of pipelines of our Group.

Prior to joining our Group, Dr. Xu worked as the chief scientific officer in Roche (USA and Switzerland) from December 2012 to October 2018, where he was primarily responsible for research and development. Dr. Xu worked as the vice president in Innovent Biologics, Inc. (信達生物) from October 2018 to October 2021, where he was primarily responsible for new drug development, translational medicine and cell therapy. Dr. Xu also worked as the chief scientific officer in Numab Therapeutics (Switzerland) from June 2022 to September 2023, where he was primarily responsible for the research and development of pipelines, translational medicine and production. Dr. Xu has served as the member of American Association of Cancer Research (AACR) since 2017 and the member of American Society of Clinical Oncology (ASCO) since 2019.

Dr. Xu received his doctorate degree in medicine (immunology) from Leiden University in the Netherlands in September 2007.

Mr. Mark Robert Herbert, aged 47, is the chief business officer of our Company. He is primarily responsible for leading partnership, licensing and strategic collaborations of the Group.

Prior to joining our Group, Mr. Herbert worked as a vice president, business development in Varda Space Industries, Inc. from September 2022 to 2025 where he was primarily responsible for building legal and operational infrastructure and assembling technical and sales team for the company. In 2020, he served as the chief business officer in The Assay Depot, Inc. From 2015 to 2018, Mr. Herbert served as the vice president (business development and alliance management) and president in Arcturus Therapeutic., Ltd. From October 2013 to November 2015, Mr. Herbert served as the director, senior director and head of North American Sales in WuXi AppTec Co., Ltd. where he was primarily responsible for all business development and customer alliance in the North America. Mr. Herbert served as a senior manager, associate director and director in Aragon Pharmaceuticals, Inc.

Mr. Herbert received his bachelor's degree of Science in chemistry from the Kent State University in May 2000 and his master's degree of Science in organic chemistry from the Indiana University in May 2004.

CONFIRMATION FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

Save as disclosed in the section headed "Relationship with Our Single Largest Group of Shareholders" in this Document, each of our Directors confirms that as of the Latest Practicable Date, he or she did not have any interest in a business which competes or is likely to compete, either directly or indirectly, with our Company's business which would require disclosure under Rule 8.10 of the Listing Rules.

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules in July 2025, and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) his independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) he has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person of the Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect his independence at the time of his appointments.

GENERAL

Save as disclosed above, none of the Directors or members of senior management of our Company has been a director of any public company the securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this Document. None of the Directors or members of the senior management of our Company is related to any other Directors and members of the senior management of our Company.

Save as disclosed herein, to the best knowledge, information and belief of our Directors having made all reasonable inquiries, there was no other matter with respect to the appointment of our Directors that needs to be brought to the attention of the Shareholders and there was no information relating to our Directors that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules as of the Latest Practicable Date.

JOINT COMPANY SECRETARIES

Dr. Chong Fu (付翀) was appointed as a joint company secretary in August 2025. For details of his biography, see "— Senior Management" in this section.

Ms. Cheng Yuk Ting (鄭玉婷) was appointed as a joint company secretary in April 2026. She is an Assistant Manager of Company Secretarial Services of Tricor Services Limited, a global professional services provider specializing in integrated business, corporate and investor services. Ms. Cheng has over 8 years of experience in the company secretarial field. Ms. Cheng has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies. Ms. Cheng is a Chartered Secretary, a Chartered Governance Professional and an Associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Ms. Cheng obtained a Master of Science degree in Professional Accounting and Corporate Governance from City University of Hong Kong.

BOARD COMMITTEES

Our Board delegates certain responsibilities to various committees. In accordance with the relevant PRC laws and regulations and the Corporate Governance Code, our Company has formed three Board committees, namely the Audit Committee, the Remuneration and Appraisal Committee and the Nomination 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 paragraph D.3 of Part 2 of the Corporate Governance Code. The Audit Committee consists of three Directors, namely Mr. Frank Yee Chon Lyn, Dr. Jin Li and Dr. Peter Edward Lobie. Mr. Lyn, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules, serves as the chairperson of the Audit Committee. The primary duties of the Audit Committee are to, among others, (i) supervise and evaluate the work of external auditors, (ii) provide suggestions to the Board on appointment and dismissal of external auditors, (iii) supervise the audit process, (iv) review financial statements of the Company, monitor the financial reporting system, risk management and internal control, and (v) discharge other duties as assigned by the Board.

Remuneration and Appraisal Committee

We have established a Remuneration and Appraisal Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph E.1 of Part 2 of the Corporate Governance Code. The Remuneration and Appraisal Committee consists of three Directors, namely Dr. Jin Li, Mr. Frank Yee Chon Lyn and Dr. Tsai-Ta Lai. Dr. Li serves as the chairperson of the Remuneration and Appraisal Committee. The primary duties of the Remuneration and Appraisal Committee are to, among others, (i) formulate the remuneration plans or packages and assess the remuneration policies and system for Directors and senior management, (ii) oversee the implementation of the remuneration policy of the Company, (iii) review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules, and (iv) discharge other duties as assigned 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 paragraph B.3 of Part 2 of the Corporate Governance Code. The Nomination Committee consists of three Directors, namely Dr. Peter Edward Lobie, Dr. Hongming Chen and Dr. Jin Li. Dr. Lobie serves as the chairperson of the Nomination Committee. The primary duties of the Nomination Committee are to, among others, (i) review the structure, size and composition of the Board and make recommendations to the Board on change of directors and members of senior management, (ii) assess the independence of independent non-executive Directors, and (iii) discharge other duties as assigned by the Board.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

During the reporting period, our non-executive Directors who did not hold management positions in the company did not receive remuneration from the Company. Other Directors and senior managers receive their remuneration in the form of salary, annual bonuses, share-based payments and retirement plan.

The total compensation before taxation accrued to our Directors for the years ended December 31, 2023, 2024 and 2025 were RMB92.0 million, RMB77.6 million and RMB127.0 million, respectively. Under the arrangement currently in force, we estimate the total compensation before taxation to be accrued to our Directors for the year ending December 31, 2026 to be approximately RMB136.1 million.

The remuneration paid by our Company to the five highest paid individuals (excluding Directors) for the years ended December 31, 2023, 2024 and 2025 were RMB14.0 million, RMB25.5 million and RMB13.5 million, respectively.

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 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 any of our subsidiary to our Directors or the five highest paid individuals during the Track Record Period.

CORPORATE GOVERNANCE

Our Company aims to achieve high standards of corporate governance which are crucial to our development and safeguard the interests of our Shareholders. To accomplish this, we expect 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 as set out in Appendix C3 to the Listing Rules after the Listing.

Pursuant to Code Provision C.2.1 of part 2 of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairperson and the chief executive should be separate and should not be performed by the same individual. We do not have a separate chairperson and chief executive officer, and Dr. Lai currently performs these two roles. The Board believes that vesting the roles of both chairperson and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired, and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairperson 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.

BOARD DIVERSITY POLICY

We are committed to promoting the culture of diversity in the Company. We have strived to promote diversity to the extent practicable by taking into consideration a number of factors in our corporate governance structure.

We have adopted the board diversity policy (the "**Board Diversity Policy**") which sets out the objective and approach to achieve and maintain diversity of our Board in order to enhance the effectiveness of our Board. Pursuant to the Board Diversity Policy, we seek to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, race, cultural background, educational background, industry experience and professional experience. Our Directors have a balanced mix of knowledge and skills, including knowledge and experience in the areas of business administration, mechanics, accounting, engineering, etc. Our three independent non-executive Directors have different industry backgrounds, with solid experiences in the fields of finance and accounting, investment and corporate governance, law and engineering, representing one-third of the members of our Board. Our Board Diversity Policy is well implemented as evidenced by the fact that there are Directors ranging from 30 years old to 67 years old and comprises one female Director and seven male Directors. Pursuant to the Board Diversity Policy, we aim to maintain at least one female representation in the Board and the current composition of the Board satisfies this target gender ratio. We will implement policies to ensure gender diversity when recruiting staff to develop a pipeline of female senior management and potential successors to the Board. We will strive to enhance our female representation and achieve

appropriate balance of gender diversity with reference to the stakeholders' expectation and international and local recommended best practices. Furthermore, we will implement comprehensive programs aimed at identifying and training our female staff who display leadership and potential, with the goal of promoting them to the senior management or the Board.

Our Nomination Committee is responsible for ensuring the diversity of our Board members. After the Listing, our Nomination Committee will review the Board Diversity Policy from time to time, develop and review measurable objectives for implementing the policy, and monitor the progress on achieving these measurable objectives to ensure its continued effectiveness. We will disclose in our corporate governance report about the implementation of the Board Diversity Policy on an annual basis.

COMPLIANCE ADVISOR

We have appointed Rainbow Capital (HK) Limited as our compliance advisor upon the Listing in compliance with Rule 3A.19 of the Listing Rules. The compliance advisor will provide us with guidance and advice as to compliance with the requirements under the Listing Rules and applicable Hong Kong laws. Pursuant to Rule 3A.23 of the Listing Rules, the compliance advisor will advise our Company, among others, in the following circumstances:

(a) before the publication of any regulatory announcement, circular, or financial report;

(b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;

(c) where we propose to use the proceeds of the Global Offering in a manner different from that detailed in this document or where the business activities, development or results of our Group deviate from any forecast, estimate or other information in this document; and

(d) where the Hong Kong Stock Exchange makes an inquiry to our Company regarding unusual movements in the price or trading volume of its listed securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

The term of appointment of the compliance advisor shall commence on the Listing Date and is expected to end 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 and such appointment may be subject to extension by mutual agreement.

Pursuant to the AIC Agreement, each of the AIC Parties, namely Dr. Lai, Dr. Chen, Dr. Wang and Scientia HK, agreed to act in concert since June 25, 2023. For further details of the AIC Agreement, see "History, Development and Corporate Structure — Concert Party Agreement".

Immediately following the completion of the Global Offering and the Share Subdivision (assuming the Presumptions), the AIC Parties, together with (i) Nanjing Chengtai Yuxin (an Employee Incentive Platform controlled by Dr. Wang), (ii) Delos Holding (an Employee Incentive Platform controlled by Dr. Lai), (iii) Hangzhou Shengtai (an Employee Incentive Platform controlled by Dr. Wang and (iv) Dechi Holding (an Employee Incentive Platform controlled by Dr. Lai), as our Single Largest Group of Shareholders, will directly or indirectly hold in aggregate approximately 25.32% of the total share capital of our Company. Accordingly, the AIC Parties together with Nanjing Chengtai Yuxin, Delos Holding, Hangzhou Shengtai and Dechi Holding are considered as our Single Largest Group of Shareholders.

For details of the shareholding of our Single Largest Group of Shareholders immediately prior to and following the completion of the Global Offering, please refer to the section headed "History, Development and Corporate Structure" in this Prospectus.

INDEPENDENCE FROM OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Our Directors consider that we are capable of carrying on our business independently from our Single Largest Group of Shareholders and their close associates after the Listing, taking into consideration the factors below.

Management Independence

We are able to carry on our business independently from our Single Largest Group of Shareholders from a management perspective. Our Board consists of eight Directors, including three executive Directors, two non-executive Directors and three independent non-executive Directors.

(a) each Director is aware of his/her fiduciary duties as a director which require, among other things, that he/she acts for the benefit and in the interest of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interests;

(b) our daily management and operations are carried out by a senior management team, all of whom have substantial experience in the industry in which our Company is engaged, and will therefore be able to make business decisions that are in the best interests of our Group. For details of the industry experience of our senior management team, see "Directors and Senior Management";

(c) we have three independent non-executive Directors and certain matters of our Company must always be referred to the independent non-executive Directors for review;

(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 Single Largest Group of Shareholders which would support our independent management. For details, see "— Corporate Governance."

Based on the above, our Directors believe that our Board as a whole and together with our senior management are able to perform the managerial role in our Group independently from our Single Largest Group of Shareholders and their close associates after the Listing.

Operational Independence

We do not rely on our Single Largest Group of Shareholders and their close associates for our business development, staffing, logistics, administration, finance, internal audit, information technology, sales and marketing, or company secretarial functions. We have our own departments specializing in these respective areas which have been in operation and are expected to continue to operate separately and independently from our Single Largest Group of Shareholders and their close associates. In addition, we have our own headcount of employees for our operations and management for human resources.

We have independent access to suppliers and customers and an independent management team to handle our day-to-day operations. We are also in possession of all relevant licenses, certificates, facilities and intellectual property rights necessary to carry on and operate our principal businesses and we have sufficient operational capacity in terms of capital and employees to operate independently.

Based on the above, our Directors believe that we are able to operate independently of our Single Largest Group of Shareholders and their close associates.

Financial Independence

We have an independent financial system and make financial decisions according to our Group's own business needs. We have internal control and accounting systems and an independent finance department for discharging the treasury function. We have sufficient capital to operate our business independently, and have adequate internal resources and working capital to support our daily operations. We do not expect to rely on our Single Largest Group of Shareholders and their close associates for financing after the Listing as we expect that our working capital will be funded by cash flows generated from operating activities, equity financing, bank loans as well as the proceeds from the Global Offering.

In addition, we are capable of obtaining financing from independent third parties without relying on any guarantee or security provided by our Single Largest Group of Shareholders or their respective associates. As of the Latest Practicable Date, there was no outstanding loans or guarantees provided by or granted to our Single Largest Group of Shareholders or their respective associates. During the Track Record Period and as of the Latest Practicable Date, we had also received a series of Pre-IPO Investments from third party investors independently. For details of the Pre-IPO Investments, see "History, Development and Corporate Structure."

Based on the above, our Directors believe that we do not place undue reliance on our Single Largest Group of Shareholders upon the Listing.

INTERESTS OF OUR SINGLE LARGEST GROUP OF SHAREHOLDERS IN OTHER BUSINESSES

Save for the interests of our Single Largest Group of Shareholders in our Company and its subsidiaries, our Single Largest Group of Shareholders and the Directors confirm that as of the Latest Practicable Date, they did not have any interest in a business, apart from the business of our Group, 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.

CORPORATE GOVERNANCE

Our Company will comply with the provisions of the Corporate Governance Code in Appendix C1 to the Listing Rules (the "**Corporate Governance Code**"), which sets out principles of good corporate governance.

Our Directors recognize the importance of good corporate governance in protection of our Shareholders' interests. We would adopt the following measures to safeguard good corporate governance standards and to avoid potential conflict of interests between our Group and our Single Largest Group of Shareholders:

(a) where a Shareholders' meeting is to be held for considering proposed transactions in which our Single Largest Group of Shareholders or any of their respective associates has a material interest, our Single Largest Group of Shareholders will not vote on the resolutions and shall not be counted in the quorum in 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 a substantial shareholder or any of his/its associates, our Company will comply with the applicable Listing Rules;

(c) the independent non-executive Directors will review, on an annual basis, whether there is any conflict of interests between the Group and our Single Largest Group of Shareholders (the "**Annual Review**") and provide impartial and professional advice to protect the interests of our minority Shareholders;

(d) our Single Largest Group of Shareholders will undertake to provide all information necessary, including all relevant financial, operational and market information and any other necessary information as required by the independent non-executive Directors for the Annual Review;

(e) our Company will disclose decisions (with basis) on matters reviewed by the independent non-executive Directors either in its annual report or by way of announcements;

(f) where our Directors reasonably request the advice of independent professionals, such as financial advisors, the appointment of such independent professionals will be made at our Company's expenses; and

(g) we have appointed Rainbow Capital (HK) Limited as our Compliance Advisor to provide advice and guidance to us in respect of compliance with the Listing Rules, including various requirements relating to corporate governance.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest between our Group and our Single Largest Group of Shareholders, and to protect minority Shareholders' interests after the Listing.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following completion of the Global Offering and the Share Subdivision (assuming the Presumptions), the following persons will have interests and/or short positions in the Shares or underlying Shares which would fall to be disclosed pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO:

		Immediately prior to the Global Offering		Immediately following the Global Offering and the Share Subdivision (assuming the Presumptions)		
Name of Shareholder	Nature of Interest	Number of Shares held	Approximate percentage of shareholding in our total share capital	Number and class of Shares held[1]	Approximate percentage of shareholding in the relevant class of Shares[1]	Approximate percentage of shareholding in our total share capital
			(%)		(%)	(%)
Dr. Lai[2]	Interest in controlled corporations	147,566,850	13.85	36,400,278 Unlisted Shares	36.55	3.16
				111,166,572 H Shares	10.56	9.65
Delos Holding[2]	Beneficial interest	16,000,000	1.68	16,000,000 H Shares	1.52	1.39
Dechi Holding[2]	Beneficial interest	10,232,590	1.08	10,232,590 H Shares	0.97	0.89
Scientia HK[2]	Beneficial owner	121,334,260	12.75	36,400,278 Unlisted Shares	36.55	3.16
				84,933,982 H Shares	8.07	7.37
Dr. Chen	Beneficial owner	66,913,490	7.03	20,074,047 Unlisted Shares	20.16	1.74
				46,839,443 H Shares	4.45	4.06
Dr. Wang[3]	Beneficial interest	34,911,380	3.67	10,473,414 Unlisted Shares	10.52	0.91
				24,437,966 H Shares	2.32	2.12
	Interest in controlled corporations	42,381,900	4.46	42,381,900 H Shares	4.03	3.68
Nanjing Chengtai Yuxin[3]	Beneficial owner	25,857,170	2.72	25,857,170 H Shares	2.46	2.24
Hangzhou Shengtai[3]	Beneficial interest	16,524,730	1.74	16,524,730 H Shares	1.57	1.43
CICC Healthcare[4]	Beneficial owner	36,266,670	3.81	10,880,001 Unlisted Shares	10.93	0.94
				25,386,669 H Shares	2.41	2.20
CICC Kangrui[4]	Beneficial owner	72,533,330	7.62	21,759,999 Unlisted Shares	21.85	1.89
				50,773,331 H Shares	4.82	4.41
China International Capital Corporation Limited[4]	Interest in controlled corporations	108,800,000	11.44	32,640,000 Unlisted Shares	32.78	2.83
				76,160,000 H Shares	7.23	6.61
PICC[5]	Beneficial owner	50,324,060	5.29	50,324,060 H Shares	4.78	4.37
The People's Insurance Company (Group) of China[5]	Interested in controlled corporations	50,324,060	5.29	50,324,060 H Shares	4.78	4.37
HSG Venture VIII[6]	Beneficial interest	22,138,560	2.33	22,138,560 H Shares	2.10	1.92
HSG Seed I[6]	Beneficial interest	43,420,100	4.56	43,420,100 H Shares	4.12	3.77
HSG Holding Limited[6]	Interest in controlled corporations	65,558,660	6.89	65,558,660 H Shares	6.23	5.69
Eric Li[7]	Interest in controlled corporations	72,388,140	7.61	72,388,140 H Shares	6.87	6.28
Martis Fund, L.P.[7]	Beneficial interest	42,616,430	4.48	42,616,430 H Shares	4.05	3.70
Duckling Fund, L.P.[7]	Beneficial interest	29,771,710	3.13	29,771,710 H Shares	2.83	2.58

Notes:

(1) The calculation is based on the total number of 99,587,739 Unlisted Shares in issue and 1,052,926,111 H Shares in issue immediately after completion of the Global Offering and the Share Subdivision (assuming the Presumptions). The number of Shares were presented based on the assumption that the Share Subdivision is completed.

(2) Each of Scientia HK, Delos Holding and Dechi Holding is controlled by Dr. Lai. Hence, Dr. Lai was deemed to be interested in the Shares held by these three entities under SFO.

(3) Each of Nanjing Chengtai Yuxin and Hangzhou Shengtai is controlled by Dr. Wang. Hence, Dr. Wang was deemed to be interested in the Shares held by these two entities under SFO.

(4) The general partner of CICC Kangrui is CICC Capital Management Co, a wholly-owned subsidiary of China International Capital Corporation Limited (中國國際金融股份有限公司), a company listed on the Stock Exchange (stock code: 3908) and the Shanghai Stock Exchange (stock code: 601995). CICC Healthcare is held by CICC Healthcare Cayman as to approximately 93.3%. The general partner of CICC Healthcare Cayman is CICC Healthcare Investment Management Limited (Cayman), which is a subsidiary indirectly wholly owned by China International Capital Corporation Limited. Therefore, China International Capital Corporation Limited was deemed to be interested in the Shares that CICC Kangrui and CICC Healthcare was interested in under the SFO.

(5) As PICC is ultimately controlled by The People's Insurance Company (Group) of China ("**PICC Group**"), a Company controlled by Ministry of Finance of the PRC, PICC Group was deemed to be interested in the Shares that PICC was interested in under the SFO.

(6) HSG Venture VIII is wholly owned by HongShan Capital Venture Fund VIII, L.P., whose general partner is HSG Venture VIII Management, L.P. HSG Seed I is wholly owned by HongShan Capital Seed Fund I, L.P., whose general partner is HSG Seed Fund I Management, L.P. The general partner of each of HSG Venture VIII Management, L.P. and HSG Seed Fund I Management, L.P. is HSG Holding Limited, a wholly-owned subsidiary of SNP China Enterprises Limited. Neil Nanpeng Shen is the sole shareholder of SNP China Enterprises Limited. Accordingly, under the SFO, each of HSG Holding Limited, SNP China Enterprises Limited and Neil Nanpeng Shen is deemed to be interested in the shares in which HSG Venture VIII and HSG Seed I are interested.

(7) The general partner of Duckling Fund, L.P. is Grandiflora Hook GP Limited and ultimately controlled by Eric Li. The general partner of Martis Fund, L.P. is Pulsating Star GP Limited, which is 100% ultimately controlled by Eric Li. Accordingly, Eric Li was deemed to be interested in the Shares held by Duckling Fund, L.P. and Martis Fund, L.P..

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 varying rights to vote in all circumstances at general meetings of any member of our Group, see "Appendix V — Statutory and General Information — Further Information about our Directors, Senior Management and Substantial Shareholders — 2. Substantial Shareholders." Save as disclosed herein, our Directors are not aware of any persons who will, immediately following completion of the Global Offering and the Share Subdivision (assuming the Presumptions), 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.

THE CORNERSTONE PLACING

We have entered into cornerstone investment agreements (each a "**Cornerstone Investment Agreement**", and together, the "**Cornerstone Investment Agreements**") with the cornerstone investors set out below (each a "**Cornerstone Investor**", and together, the "**Cornerstone Investors**"), pursuant to which the Cornerstone Investors have agreed to, subject to certain conditions, subscribe, or cause their designated entities (including qualified domestic institutional investor(s) ("**QDII(s)**") as approved by the relevant PRC authorities) to subscribe, at the Offer Price for such number of Offer Shares (rounded down to the nearest whole board lot of 500 H Shares) that may be purchased for an aggregate amount of US$148 million (or approximately HK$1,159 million, calculated based on the exchange rate set out in the section headed "Information about this Prospectus and the Global Offering — Exchange Rate Conversion") (the "**Cornerstone Placing**").

Based on an Offer Price of HK$10.50, the total number of Offer Shares to be subscribed by the Cornerstone Investors (including those to be subscribed through QDII(s)) would be 110,415,000 Offer Shares, representing approximately (i) 54.87% of the H Shares offered pursuant to the Global Offering (assuming the Over-allotment Option is not exercised); (ii) 9.58% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised); and (iii) 9.34% of our total issued share capital immediately upon completion of the Global Offering and the full exercise of the Over-allotment Option.

We believe that the Cornerstone Placing demonstrates our Cornerstone Investors' confidence in our Company and its business prospect, and that the Cornerstone Placing will help to raise the profile of our Company. Our Company became acquainted with each of the Cornerstone Investors in its ordinary course of operation through the Group's business network or through introduction by the Overall Coordinators in the Global Offering.

The Cornerstone Placing will form part of the International Offering, and, 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 by the Cornerstone Investors (including those to be subscribed through QDIIs) will rank *pari passu* in all respects with the fully paid H Shares in issue following the Global Offering of the Company and will be counted towards the public float of our Company under Rule 19A.13A of the Listing Rules. Immediately following the completion of the Global Offering, (i) the Cornerstone Investors or their close associates will not, by virtue of their cornerstone investments, have any Board representation in our Company; and (ii) none of the Cornerstone Investors and their close associates will become a substantial Shareholder of our Company. Other than a guaranteed allocation of the relevant Offer Shares at the final Offer Price, the Cornerstone Investors do not have any preferential rights under each of their respective Cornerstone Investment Agreements, as compared with other public Shareholders. There are no side arrangements or agreements between our Company and the Cornerstone Investors or any benefit, direct or indirect, conferred on the Cornerstone Investors by virtue of or in relation to the Listing, other than a guaranteed allocation of the relevant Offer Shares at the Offer Price, following the principles as set out in Chapter 4.15 of the Guide for New Listing Applicants. In addition, pursuant to Rule 18C.08 of the Listing Rules, at least 50% of the total number of shares offered in the Global Offering (excluding any shares to be issued pursuant to the exercise of the Over-allotment Option) will be taken up by independent price setting investors, as defined under the Listing Rules, in the International Offering.

To the best knowledge of the Company and our ultimate beneficial owners and after making reasonable enquiries, (i) each of the Cornerstone Investors and their ultimate beneficial owners are independent from our Company, the Single Largest Group of Shareholders, our connected persons, their respective ultimate beneficial owners and their respective associates and they are not our existing Shareholders, and each of the entities and individuals mentioned in respect of each Cornerstone Investors under the subsection headed "— The Cornerstone Investors" below is an Independent Third Party; (ii) the Cornerstone Investors and their ultimate beneficial owners are

independent from each other and makes independent investment decisions; (iii) the Cornerstone Investors and their ultimate beneficial owners are not accustomed to take instructions from our Company or any of our Directors, chief executive, the Single Largest Group of Shareholders, substantial Shareholders or existing Shareholders or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in their name or otherwise held by them; and (iv) the subscription of Offer Shares pursuant to the Cornerstone Investment Agreements is not directly or indirectly financed by our Company, the Single Largest Group of Shareholders, or any of our Directors, chief executive of our Company, substantial Shareholders, existing Shareholders or any of its subsidiaries or their respective close associates.

As confirmed by each of the Cornerstone Investors, its subscription under the Cornerstone Placing would be financed by its own internal financial resources, financial resources of its shareholders or the assets managed for its investors (in the case of Cornerstone Investors which are funds or investment managers) and it has sufficient funds to settle its respective investment under the Cornerstone Placing. Each of the Cornerstone Investors has confirmed that all necessary approvals have been obtained with respect to the Cornerstone Placing and that no specific approval from any stock exchange (if relevant) is required for the relevant Cornerstone Placing. Save as disclosed below, each of the Cornerstone Investors and its ultimate beneficial owner are not listed on any stock exchange.

The total number of Offer Shares to be subscribed by the Cornerstone Investors (including those to be subscribed through QDIIs) may be affected by reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering. If the total demand for H shares in the Hong Kong Public Offering falls within the circumstance as set out in the section headed "Structure of the Global Offering — The Hong Kong Public Offering — Reallocation and Clawback" in this Prospectus, our Company and the Overall Coordinators have the absolute discretion, but not obliged, to deduct the number of Offer Shares to be subscribed by the Cornerstone Investors on a pro rata basis in accordance with the terms of the Cornerstone Investment Agreements to satisfy the public demands under the Hong Kong Public Offering, 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 the Cornerstone Investors will be disclosed in the allotment results announcement of our Company to be published on or around May 12, 2026.

The Cornerstone Investors have agreed to fully pay for the relevant Offer Shares that they have subscribed before dealings in the Company's H Shares commence on the Stock Exchange. 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 Placing. 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 on or before 8:00 a.m. on the Listing Date. If there is no over-allocation in the International Offering, delayed delivery will not take place. 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. For details of the Over-allotment Option, please refer to the paragraph headed "Structure of the Global Offering — Over-allotment Option" in this Prospectus.

THE CORNERSTONE INVESTORS

The information about our Cornerstone Investors set forth below has been provided by the Cornerstone Investors in connection with the Cornerstone Placing.

BlackRock

Investment management subsidiaries of BlackRock, Inc. ("**BlackRock**") have discretionary investment management authority over BlackRock Health Sciences Term Trust, BlackRock Global Funds — World Healthscience Fund, The 32 Capital Master Fund SPC Ltd., BlackRock Global Equity Market Neutral Fund of BlackRock Funds, All China Opportunities Fund, Emerging Markets Alpha Master Fund Ltd., Global Alpha Opportunities Master Fund Ltd., BLACKROCK STRATEGIC FUNDS — BlackRock Systematic Global Equity Absolute Return Fund, Pan Asia Opportunities Master Fund Ltd., BLACKROCK STRATEGIC FUNDS — BlackRock Systematic Asia Pacific Equity Absolute Return Fund, SAE Liquidity Fund LP, BlackRock Systematic China Absolute Return Master Fund Ltd., BlackRock Systematic Total Alpha Master Fund Ltd. and certain separately managed accounts (as several, and not joint nor joint and several investors; each, a "**BlackRock Fund**", and collectively the "**BlackRock Funds**"). BlackRock is listed on the New York Stock Exchange (stock code: BLK). As of March 31, 2026, the firm managed approximately US$13.9 trillion in assets on behalf of investors worldwide. BlackRock's shareholders' and New York Stock Exchange's approval are not required for BlackRock Funds' subscription for the Offer Shares pursuant to the Cornerstone Investment Agreement.

In addition to the conditions precedent as set out in "— Closing Conditions", the subscription obligation of the BlackRock Funds is subject to the respective representations, warranties, acknowledgements, undertakings and confirmations of the Company being accurate, true and complete in all material respects and not misleading and there being no material breach of the Cornerstone Investment Agreement on the part of the Company. Further, the BlackRock Funds are entitled to terminate the Cornerstone Investment Agreement in the event there is a material breach of the Cornerstone Investment Agreement by the Company or other contracting parties or it is prevented or delayed from performing its obligations under the Cornerstone Investment Agreement as a result of circumstances beyond its control.

UBS AM Singapore

UBS Asset Management (Singapore) Ltd. ("**UBS AM Singapore**"), a company incorporated in Singapore in December 1993, has entered into a Cornerstone Investment Agreement with the Company, the Joint Sponsors and the Overall Coordinators, in its capacity as the delegate of the investment manager on a discretionary basis for and on behalf of the following fund(s): (i) UBS (Lux) Equity Fund — Greater China (USD); (ii) UBS (Lux) Equity Fund — China Opportunity (USD); (iii) UBS (HK) Fund Series — China Opportunity Equity (USD); (iv) UBS (Lux) Equity SICAV — All China (USD); (v) UBS (CAY) China A Opportunity; and (vi) Eskom Pension and Provident Fund. To the best of UBS AM Singapore's knowledge, no single ultimate beneficial owner holds 30% or more interest in those funds. UBS AM Singapore is a wholly owned subsidiary of UBS Asset Management AG, an investment management company, which is wholly ultimately owned by UBS Group AG, which is a company organized under Swiss law as a corporation that has issued shares of common stock to investors. UBS Group AG's shares are listed on the SIX Swiss Exchange (stock code: UBSG) and the New York Stock Exchange (stock code: UBS).

China Venture Capital Innovation Investment Fund Co., Ltd.

China Venture Capital Innovation Investment Fund Co., Ltd. (國風投創新投資基金股份有限公司) is a company incorporated in the PRC. China Venture Capital Innovation Investment Fund Co., Ltd. is held by China State-owned Capital Venture Capital Fund Co., Ltd. (中國國有資本風險投資基金股份有限公司) as to 50% and three other shareholders each holding less than 21% equity interests therein. All of the aforementioned four shareholders are state-owned companies. China State-owned Capital Venture Capital Fund Co., Ltd. is held as to approximately 35.29% by Guoxin (Shenzhen) Investment Co., Ltd. (國新(深圳)投資有限公司) which is wholly owned by China Reform Holdings Corporation Ltd. (中國國新控股有限責任公司), a wholly-owned subsidiary of State Council of the PRC. China State-owned Capital Venture Capital Fund Co., Ltd. has five other

shareholders, each holding less than 20% equity interests therein. Save as disclosed above, none of the ultimate beneficial owners of China Venture Capital Innovation Investment Fund Co., Ltd. is interested in 30% or more equity interests therein.

The Offer Shares to be allocated to China Venture Capital Innovation Investment Fund Co., Ltd. will be held through a wealth management service trust managed by Shanghai International Trust Co., Ltd. (上海國際信託有限公司), a QDII product approved by the relevant PRC authority.

Mirae

Mirae Asset Securities (HK) Limited ("**Mirae Asset Securities HK**") and Mirae Asset Securities Co., Ltd. ("**Mirae Asset Securities**", together with Mirae Asset Securities HK, "**Mirae**") have respectively entered into Cornerstone Investment Agreements with our Company.

Mirae Asset Securities HK, a wholly-owned subsidiary of Mirae Asset Securities, was established in Hong Kong in July 2005 and is licensed by the SFC to carry on type 9 (asset management) regulated activity. Mirae Asset Securities is one of the largest investment banks in the Republic of Korea, providing a comprehensive range of financial services, including brokerage, wealth management, investment banking, sales & trading, and principal investments. It is ultimately controlled as to 33.13% by Mirae Asset Capital Co., Ltd. ("**Mirae Asset Capital**"), a financial investment company in the Republic of Korea. Mirae Asset Securities is listed on the Korea Exchange under stock code 006800.KS.

Mirae Asset Securities HK is the fund manager of, and subscribes for the Offer Shares on behalf of, a discretionary fund, Mirae Asset Visionary X Fund, and Mirae Asset Securities conducts this transaction on a proprietary basis. To the best knowledge of Mirae Asset Securities, there is no other individual or corporate shareholder, other than Mirae Asset Capital, that holds 30% or more interest in Mirae Asset Securities. There is no ultimate beneficial owner holding 30% or more interest in Mirae Asset Visionary X Fund. As of December 2025, Mirae Asset Securities has equity capital of approximately US$9.3 billion and total customer assets under management of approximately US$415.9 billion.

HHLRA

HHLR Advisors, Ltd. ("**HHLRA**") is an exempted company incorporated in the Cayman Islands that acts as the investment manager of investment funds (collectively the "**HHLRA Funds**"), which are limited partnerships formed under the laws of the Cayman Islands. There is no individual limited partner investor who holds an economic interest of 30% or more in the HHLRA Funds.

HHLRA collaborates with industry-defining enterprises, aiming to establish alignment with sustainable, forward-thinking companies across healthcare, industrial, consumer and business services sectors. HHLRA manages capital for global institutions, including non-profit foundations, endowments, and pensions. HHLRA is entering the cornerstone investment agreement with the Company in its capacity as an investment manager and on behalf of the HHLRA Funds.

Deerfield

Deerfield Management Company, L.P. ("**Deerfield**"), is a Delaware limited partnership that acts as investment manager to Deerfield Healthcare Innovations Fund II, L.P., Deerfield Healthcare Innovations Fund III, L.P., Deerfield Healthcare Innovations Fund III-A, L.P. and Deerfield Private Design Fund V, L.P. (collectively, the "**Deerfield Investor Funds**") on a discretionary basis and certain other investment funds. Deerfield has approximately $16.3 billion of assets under management as of December 31, 2025. Deerfield has been a dedicated healthcare-focused investment manager since 1994, with over 30 years of experience investing across the healthcare sector including therapeutics, medical technologies, and healthcare services. The ultimate General

Partner of each of the Deerfield Investor Funds is Deerfield UGP, LLC, a Delaware limited liability company controlled by Deerfield's Managing Partner, James E. Flynn, a United States citizen. No limited partner of Deerfield Healthcare Innovations Fund II, L.P., Deerfield Healthcare Innovations Fund III, L.P. and Deerfield Private Design Fund V, L.P. holds 30% or more interest therein, respectively, while a sovereign wealth fund holds more than 30% interest in Deerfield Healthcare Innovations Fund III-A, L.P., with no other limited partner holding 30% or more interest therein. Deerfield is registered as an investment adviser with the United States Securities and Exchange Commission.

RTW Funds

RTW Master Fund, Ltd. ("**RTW Master Fund**", a private investment fund incorporated in the Cayman Islands), RTW Innovation Master Fund, Ltd. ("**RTW Innovation Fund**", a private investment fund incorporated in the Cayman Islands) and RTW Biotech Opportunities Ltd. (as the sole shareholder of RTW Biotech Opportunities Operating Ltd.) ("**RTW Biotech**", a publicly listed investment fund incorporated in Guernsey, together with RTW Master Fund and RTW Innovation Fund, the "**RTW Funds**") are collective investment vehicles consisting of hundreds of underlying investors that are high-net-worth individuals, institutional investors, funds of funds, etc. As of December 31, 2025, RTW Master Fund, RTW Innovation Fund and RTW Biotech had approximately US$4.4 billion, US$3.7 billion and US$865 million in assets under management, respectively. As of December 31, 2025, RTW Master Fund and RTW Innovation Fund had 1,433 and 356 limited partners, respectively, none of whom owned 30% or more partnership interest in the relevant fund. RTW Biotech is a fund listed on the London Stock Exchange (ticker code: RTW).

RTW Funds are managed by RTW Investments, LP ("**RTW Investments**"), a healthcare and biotech investment management firm based in New York. The general partner of RTW Investments is RTW Investments GP, LLC. Rod Wong, an Independent Third Party, is the sole member of RTW Investments GP, LLC. RTW Investments is a full life cycle investment firm supporting scientists and entrepreneurs at any stage where it identifies opportunity, from academic programs in need of industry sponsorship all the way to mature publicly traded companies.

Arc Avenue

Arc Avenue Asset Management Pte. Ltd. ("**Arc Avenue**") is a fund management company incorporated in Singapore and regulated by the Monetary Authority of Singapore ("**MAS**"). It holds an Accredited/Institutional Licensed Fund Management Company (A/I LFMC) license, authorizing it to manage investment funds exclusively for accredited and institutional investors. It specializes in asset management, with a primary focus on equity investment funds. Arc Avenue has a market-renowned investment team, focusing on investments in industries such as AI, TMT, consumer, healthcare, and advanced manufacturing, aiming to identify outstanding companies that transform industry business models and the most forward-thinking entrepreneurs through in-depth industry analysis and accurate grasp of emerging technology and consumer trends.

Arc Avenue will subscribe for the Offer Shares as cornerstone investor in its capacity as the discretionary investment managers of Enreal China Master Fund and Forreal China Value Fund under its management. These two funds pursue investment opportunities in the Greater China market, primarily through equities listed in Hong Kong and Chinese Mainland, as well as ADRs. The ultimate beneficial owner of Enreal China Master Fund and Forreal China Value Fund holding 30% or more of its interest is a global institutional investor with several hundred billion US dollar of assets under management rather than an individual investor.

Huadeng Technology

Huadeng Technology Piovt Ventures Ltd ("**Huadeng Technology**") is a company incorporated in the British Virgin Islands. Huadeng Technology and its affiliates have a solid industrial and investment background in the semiconductor and AI industries. There is no shareholder holding 30% or more of the shareholding interests in Huadeng Technology.

Isometry Global

Isometry Global Master Fund, L.P. ("**Isometry Global**") is a private investment fund managed on a discretionary basis by Isometry Capital, LLC ("**Isometry Capital**") – a global investment management firm incorporated in the United States and regulated by the US Securities and Exchange Commission. The only ultimate beneficial owner of Isometry Capital holding 30% or more of its interest is Suhaib Jamjoom, the Co-founder and Chief Investment Officer of Isometry Capital. The only ultimate beneficial owner of Isometry Global holding 30% or more of its interest is a large sovereign wealth fund with several hundred billion USD of assets under management rather than an individual investor.

GF Fund

GF Fund Management Co., Ltd. ("**GF Fund Management**") and GF International Investment Management Limited (廣發國際資產管理有限公司) ("**GF Fund HK**", together with GF Fund Management, "**GF Fund**") have respectively entered into Cornerstone Investment Agreements with our Company.

GF Fund Management was established on August 5, 2003. As of December 31, 2025, its assets under management exceeded RMB2 trillion. It offers a comprehensive range of product offerings, covering active equity, bonds, money market, overseas investments, passive investments, FOF, and quantitative hedging, among others, to meet the diversified investment needs of domestic and international clients. The controlling shareholder of GF Fund Management is GF Securities Co., Ltd. ("**GF Securities**"), a company limited by shares listed on the Stock Exchange (stock code: 1776) and the Shenzhen Stock Exchange (stock code: 000776), holding a 54.53% equity interest in GF Fund Management. Apart from GF Securities, no other shareholder holds 30% or more of the equity in GF Fund Management.

GF Fund HK is a wholly-owned subsidiary of GF Fund Management. GF Fund HK (central entity number of its Hong Kong Securities and Futures Commission license: AXL121) was incorporated in Hong Kong in December 2010. It is licensed by the SFC to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities in Hong Kong. GF Fund HK serves as the global investment and business platform for its parent company, GF Fund Management. Acting as GF Fund Management's overseas window company, GF Fund HK strategically connects the Chinese and overseas markets. Leveraging the investment and research capabilities of GF Fund Management and its competitive advantages in the overseas market, GF Fund HK provides comprehensive and high-quality services to its clients.

GF Fund Management and GF Fund HK will subscribe for the Offer Shares as cornerstone investors in their capacity as the discretionary investment managers of certain funds under their management. To the best knowledge of GF Fund Management and GF Fund HK, each fund is an Independent Third Party, and no ultimate beneficial owner holds 30% or more of the interest.

ICBCUBS Entities

ICBC UBS Asset Management Co., Ltd. ("**ICBCUBS**") and ICBC UBS Asset Management (International) Company Limited ("**ICBCUBSI**", together with ICBCUBS, "**ICBCUBS Entities**") have respectively entered into Cornerstone Investment Agreements with our Company.

ICBCUBS is China's first joint-venture fund management company directly established and controlled by a state-owned commercial bank. It was founded on June 21, 2005, and is headquartered at Xinsheng Tower, No. 5 Jinrong Street, Xicheng District, Beijing. ICBCUBS was jointly established by the Industrial and Commercial Bank of China (80%) and UBS (20%) with a registered capital of RMB0.2 billion. It holds licenses for a wide range of business activities, including public mutual funds, QDII, and corporate pension plans, and is one of the few "fully licensed" fund management companies in the industry. As of December 31, 2025, ICBCUBS

(including its subsidiaries) managed 272 publicly offered funds with total assets under management of RMB2.37 trillion. It leads the industry in assets under management for pension funds, with an investment research team comprising 230 professionals, each averaging 12 years of industry experience.

With respect to this cornerstone investment, ICBCUBS will, through qualified domestic institutional investors, subscribe for and hold the relevant number of Offer Shares pursuant to the cornerstone investment agreement. The investment funds of ICBCUBS in the Company are allocated from ICBCUBS New Economy Flexible Allocation Hybrid Securities Investment Fund (QDII) ("**ICBCUBS New Economy Fund**") and ICBCUBS Hongkong Mid/Small-Cap Equity Fund (QDII)("**ICBCUBS Hongkong Mid/Small-Cap Equity Fund**"). According to ICBCUBS New Economy Fund's 2025 annual report, it has more than 10,087 holders. According to ICBCUBS Hongkong Mid/Small-Cap Equity Fund's 2025 annual report, it has more than 13,063 holders. None of the individual holder of each of ICBCUBS New Economy Fund and ICBCUBS Hongkong Mid/Small-Cap Equity Fund holds 30% or more interests therein.

ICBCUBSI is licensed by the Securities and Futures Commission of Hong Kong to conduct Type 1 (Dealing in Securities), Type 4 (Advising on Securities) and Type 9 (Asset Management) regulated activities. ICBCUBSI is incorporated in Hong Kong and wholly owned by ICBCUBS. As confirmed by ICBCUBSI, the ultimate beneficial owner of the discretionary account participating in this cornerstone investment under the management of ICBCUBSI is an Independent Third Party.

China AMC (HK)

China Asset Management (Hong Kong) Limited (華夏基金(香港)有限公司) ("**China AMC (HK)**") is a wholly-owned subsidiary of China Asset Management Co., Ltd., ("**China AMC**"), which is owned as to 62.2% by CITIC Securities Company Limited (a company listed on the Shanghai Stock Exchange (stock code 600030) and on the Stock Exchange (stock code 6030)). Save for CITIC Securities Company Limited, no other shareholder holds 30% or more equity interests in China AMC. As a top Chinese fund management company in Hong Kong, China AMC (HK) is committed to developing offshore and cross-border asset management businesses by leveraging the expertise of its experienced investment and research teams and its shareholder companies' resources, services and connections in Chinese Mainland. China AMC provides a full range of services to retail and institutional investors home and abroad, covering equity, fixed income, money markets, etc. With more than RMB3.03 trillion in assets under management (including that of subsidiaries) as of June 30, 2025, it is one of the largest asset managers in China. China AMC provides services to National Social Security Fund, corporate pensions, separate accounts, sovereign funds in Europe, America, and Asia, central banks, pensions, banks, asset managers, securities companies and other overseas institutional clients. China AMC (HK) will hold the Offer Shares subscribed through the Cornerstone Placing on behalf of funds managed by it on a discretionary basis. No single beneficial owner holds 30% or more interest in any of the underlying funds of China AMC (HK). To the best knowledge of China AMC (HK), the underlying investors of such funds are Independent Third Parties.

Given that (i) CLSA Limited, one of the Overall Coordinators and Underwriters of the Global Offering, is an indirect wholly-owned subsidiary of CITIC Securities Company Limited; and (ii) China AMC, as a member of the same group of companies as CLSA Limited, China AMC (HK) is a "connected client" of CLSA Limited for the purpose of paragraph 1B of Appendix F1 to the Listing Rules. The Company has applied to the Stock Exchange for, and the Stock Exchange has granted, its consent under paragraph 1C(1) of Appendix F1 to the Listing Rules to permit us to allocate the Offer Shares to China AMC (HK). See "Waivers."

Fullgoal Fund

Fullgoal Fund Management Co., Ltd. ("**Fullgoal Fund**") is a fund management company established in China in April 1999, and is one of the first ten fund management companies authorized by the CSRC and other regulatory authorities to obtain full licenses to provide asset management services in the PRC. Fullgoal Fund has a registered capital of RMB520 million and its main scope of business includes the provision of traditional fund management services, fund raising, fund sale and asset management solutions to both domestic and overseas clients. Fullgoal Fund is a QDII approved by the relevant PRC authority and is also the first fund management company with foreign equity participation among the first ten fund management companies in China. The relevant funds proposed to subscribe for the Offer Shares under the management of Fullgoal Fund on a discretionary basis are open-ended publicly raised securities investment funds registered with the CSRC.

The shareholders of Fullgoal Fund include (i) Guotai Haitong Securities Co., Ltd. (國泰海通證券股份有限公司) holding 27.775% in Fullgoal Fund; (ii) Shenwan Hongyuan Securities Co., Ltd. (申萬宏源證券有限公司) holding 27.775% in Fullgoal Fund; (iii) Bank of Montreal holding 27.775% in Fullgoal Fund, and (iv) Shandong Financial Asset Management Co., Ltd. (山東省金融資產管理股份有限公司), holding 16.675% in Fullgoal Fund.

Lake Bleu

Lake Bleu Prime Healthcare Master Fund Limited ("**Lake Bleu Prime**") is a long-bias public equity fund that concentrates on the Asia/Greater market. The fund primarily invests in publicly traded equities across various sectors, including healthcare, as well as other industries. Recently, Lake Bleu Prime acts as a cornerstone investor for GenFleet Therapeutics (stock code 2595), Duality Biotherapeutics, Inc. (stock code 9606), Joinn Laboratories (stock code 6127), JD Health International Inc. (stock code 6618), MicroPort CardioFlow Medtech Corporation (stock code 2160), Akeso, Inc. (stock code 9926), Pharmaron Beijing Co., Ltd. (stock code 3759), RemeGen Co., Ltd. (stock code 9995), Hygeia Healthcare Holdings Co., Limited (stock code 6078), and Kangji Medical Holdings Limited (stock code 9997). Lake Bleu Prime is dedicated to assisting its portfolio companies with value-added initiatives and has successfully supported numerous companies in achieving this goal.

Lake Bleu Innovation Healthcare Master Fund Limited ("**Lake Bleu Innovation**") is a long-bias public equity fund that concentrates on the Asia/Greater market. The fund primarily invests in publicly traded equities across various sectors, including healthcare, as well as other industries. Lake Bleu Innovation is dedicated to assisting its portfolio companies with value-added initiatives and has successfully supported numerous companies in achieving this goal.

LBC HK Opportunity Fund Limited ("**LBC HK Opportunity**", together with Lake Bleu Prime and Lake Bleu Innovation, "**Lake Bleu**") is a long-bias fund that primarily invests in publicly traded equities across various sectors, including healthcare, as well as other industries in Hong Kong market.

Each of Lake Bleu Prime, Lake Bleu Innovation and LBC HK Opportunity is managed by Lake Bleu Capital (Hong Kong) Limited ("**Lake Bleu Capital**") on a discretionary basis. There is no ultimate beneficial owner holding 30% or more interest in each of Lake Bleu Prime, Lake Bleu Innovation and LBC HK Opportunity. Bin LI, an Independent Third Party, is the ultimate beneficial owner of Lake Bleu Capital. Lake Bleu Capital is also licensed by the SFC to carry out type 9 regulated activities.

Sage Partners

Sage Partners Master Fund ("**Sage Partners**") is an exempted company with limited liability incorporated in the Cayman Islands. It is managed by Sage Partners Limited, a Hong Kong incorporated SFC Type 9 licensed investment management company established in 2019. The ultimate beneficial owner of Sage Partners Limited is Mr. Wang Fei. Sage Partners is a discretionary fund and it primarily focuses on investment opportunities in the healthcare and emerging technologies by deploying a long-term fundamental-based approach. None of the investors in Sage Partners holds 30% or more of its interest.

ICBC Wealth Management

ICBC Wealth Management Co., Ltd. ("**ICBC Wealth Management**") was officially established in Beijing in May 2019 with a registered capital of RMB16 billion). It is a wholly-owned subsidiary of Industrial and Commercial Bank of China Limited (A-share stock code: 601398, H-share stock code: 1398). The business scope of ICBC Wealth Management covers: public offering of wealth management products to the general public, investment and management of properties entrusted by investors; private placement of wealth management products to qualified investors, investment and management of properties entrusted by investors; advisory service on asset and wealth management; and other businesses approved by the banking supervisory authorities of the State Council.

As confirmed by ICBC Wealth Management, the subscription of the Offer Shares as a Cornerstone Investor will be made by ICBC Wealth Management in its capacity as the investment manager of certain wealth management products under its discretionary management, and no single ultimate beneficial owner holds 30% or more interests in such products.

ORIX Asia AM

Lazurite Hime L.P. (the "**Lazurite Hime**"), being the Cornerstone Investor participating in the Cornerstone Placing, is a Cayman Islands Exempted Limited Partnership registered as a private fund with the Cayman Islands Monetary Authority. No single ultimate beneficial owner holds 30% or more interest in Lazurite Hime. Akoya Hime Investment Limited is a Cayman Islands exempted company and acts as general partner of Lazurite Hime. Akoya Hime Investment Limited's controlling shareholder is ORIX Corporation (TYO: 8591, NYSE: IX). ORIX Corporation has JPY 74 trillion of assets under management. ORIX Asia Asset Management Limited ("**ORIX Asia AM**"), acts as the investment manager on a discretionary basis of Lazurite Hime.

ORIX Asia AM is a key investment management platform for ORIX Corporation in the Asia-Pacific Region. ORIX Group (ORIX Corporation: TYO: 8591, NYSE: IX) was established in 1964 and has grown from its roots in leasing in Japan to become a global, diverse, and unique corporate group. Today, it is active around the world in financing and investment, life insurance, banking, asset management, real estate, concession, environment and energy, automobile-related services, industrial/ICT equipment, ships and aircraft. Since expanding outside of Japan in 1971, ORIX Group has grown its business globally and now operates in around 30 countries and regions across the world.

The table below sets forth details of the Cornerstone Placing:

Based on the Offer Price of HK$10.50

Cornerstone Investor	Investment Amount[1]	Number of Offer Shares (rounded down to nearest whole board lot of 500 H Shares)	Approximate % of total number of Offer Shares		Approximate % of H Shares in issue immediately following the completion of the Global Offering		Approximate % of total Shares in issue immediately following the completion of the Global Offering	
			Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is fully exercised	Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is fully exercised	Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is fully exercised
	($U.S. in millions)							
BlackRock	50.0	37,304,500	18.54%	16.12%	3.54%	3.44%	3.24%	3.15%
UBS AM Singapore	15.0	11,191,000	5.56%	4.84%	1.06%	1.03%	0.97%	0.95%

Cornerstone Investor	Investment Amount[1]	Number of Offer Shares (rounded down to nearest whole board lot of 500 H Shares)	Approximate % of total number of Offer Shares		Approximate % of H Shares in issue immediately following the completion of the Global Offering		Approximate % of total Shares in issue immediately following the completion of the Global Offering	
			Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is fully exercised	Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is fully exercised	Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is fully exercised
	($U.S. in millions)							
China Venture Capital Innovation Investment Fund Co., Ltd.	10.0	7,460,500	3.71%	3.22%	0.71%	0.69%	0.65%	0.63%
Mirae	8.0	5,968,500	2.97%	2.58%	0.57%	0.55%	0.52%	0.50%
HHLRA	8.0	5,968,500	2.97%	2.58%	0.57%	0.55%	0.52%	0.50%
Deerfield	5.0	3,730,000	1.85%	1.61%	0.35%	0.34%	0.32%	0.32%
RTW Funds	5.0	3,730,000	1.85%	1.61%	0.35%	0.34%	0.32%	0.32%
Arc Avenue	5.0	3,730,000	1.85%	1.61%	0.35%	0.34%	0.32%	0.32%
Huadeng Technology	5.0	3,730,000	1.85%	1.61%	0.35%	0.34%	0.32%	0.32%
Isometry Global	5.0	3,730,000	1.85%	1.61%	0.35%	0.34%	0.32%	0.32%
GF Fund	5.0	3,730,000	1.85%	1.61%	0.35%	0.34%	0.32%	0.32%
ICBCUBS Entities	5.0	3,730,000	1.85%	1.61%	0.35%	0.34%	0.32%	0.32%
China AMC (HK)	5.0	3,730,000	1.85%	1.61%	0.35%	0.34%	0.32%	0.32%
Fullgoal Fund	5.0	3,730,000	1.85%	1.61%	0.35%	0.34%	0.32%	0.32%
Lake Bleu	4.0	2,984,000	1.48%	1.29%	0.28%	0.28%	0.26%	0.25%
Sage Partners	4.0	2,984,000	1.48%	1.29%	0.28%	0.28%	0.26%	0.25%
ICBC Wealth Management	2.0	1,492,000	0.74%	0.64%	0.14%	0.14%	0.13%	0.13%
ORIX Asia AM	2.0	1,492,000	0.74%	0.64%	0.14%	0.14%	0.13%	0.13%
Total	**148**	**110,415,000**	**54.87%**	**47.71%**	**10.49%**	**10.19%**	**9.58%**	**9.34%**

Notes:

1. The investment amount is exclusive of brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee. The calculations are for illustration purposes based on the exchange rate as disclosed in this Prospectus, the number of Offer Shares to be subscribed by the Cornerstone Investors are subject to the exchange rate to be determined in accordance with the relevant Cornerstone Investment Agreements.

2. Any discrepancies in the tables above between the amounts identified as total amounts and the sum of the amounts listed therein are due to rounding.

CLOSING CONDITIONS

The obligation of each Cornerstone Investor to subscribe for the Offer Shares (including those to be subscribed through QDIIs) under the respective Cornerstone Investment Agreement is subject to, among other things, 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 the Underwriting Agreements, and neither of the Underwriting Agreements having been terminated;

(b) the Offer Price having been agreed between the Company and the Overall Coordinators (for themselves and on behalf of the Underwriters) of the Global Offering;

(c) the Listing Committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in, the H Shares (including the H Shares subscribed for by the Cornerstone Investors) as well as other applicable waivers and approvals, and such approval, permission or waiver having not been revoked prior to the commencement of dealings in the H Shares on the Stock Exchange;

(d) in respect of certain Cornerstone Investment Agreement(s), the CSRC having accepted the CSRC Filing (as defined under the respective Cornerstone Investment Agreement) and published the filing results in respect of the CSRC Filing on its website, and such notice of acceptance and/or filing results published not having otherwise been rejected, withdrawn, revoked or invalidated prior to the commencement of dealings in the H Shares on the Stock Exchange;

(e) no laws shall have been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Global Offering or in the respective Cornerstone Investment Agreements and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions;

(f) the respective acknowledgements, representations, warranties, undertakings and confirmations of relevant Cornerstone Investor under the respective Cornerstone Investment Agreement are (as of the date of the respective Cornerstone Investment Agreement) and will be (as of the Listing Date) accurate, complete and true in all respects or all material respects (as the case may be) and not misleading or deceptive and that there is no material breach of the respective Cornerstone Investment Agreement on the part of the relevant Cornerstone Investor;

(g) in respect of certain Cornerstone Investment Agreement(s), the respective acknowledgements, representations, warranties, undertakings and confirmations of the Company under the relevant Cornerstone Investment Agreement(s) are (as of the date of the relevant Cornerstone Investment Agreement) and will be (as of the Listing Date) accurate, complete and true in all material respects and not misleading or deceptive and that there is no material breach of the relevant Cornerstone Investment Agreement(s) on the part of the Company.

RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each of the Cornerstone Investors has agreed that it will not, whether directly or indirectly, at any time during the period of six months from (and inclusive of) the Listing Date (the "**Lock-up Period**"), dispose of, in any way, any of the Offer Shares or any interest in any company or entity holding such Offer Shares that they have purchased pursuant to the relevant Cornerstone Investment Agreement, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries, entities under the same management or control (as the case maybe) who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.

This section presents certain information regarding our share capital before and upon completion of the Global Offering.

BEFORE THE GLOBAL OFFERING

As of the Latest Practicable Date, the registered capital of our Company was RMB95,128,485, comprising 95,128,485 Unlisted Shares of nominal value RMB1.0 each.

UPON COMPLETION OF THE GLOBAL OFFERING

Immediately following completion of the Global Offering, the Share Subdivision and conversion of certain Unlisted Shares into H Shares, assuming the Presumptions, the share capital of our Company will be as follows:

Description of Shares	Number of Shares (assuming the Over-allotment Option is not exercised)	Approximate percentage to total share capital (assuming the Over-allotment Option is not exercised)	Number of Shares (assuming the Over-allotment Option is fully exercised)	Approximate percentage to total share capital (assuming the Over-allotment Option is fully exercised)
		(%)		*(%)*
Unlisted Shares in issue	99,587,739	8.64	99,587,739	8.42
H Shares converted from Unlisted Shares	851,697,111	73.90	851,697,111	72.01
H Shares to be issued under the Global Offering	201,229,000	17.46	231,413,000	19.57
Total	1,152,513,850	100.00	1,182,697,850	100.00

OUR SHARES

The H Shares in issue following the completion of the Global Offering and the Unlisted Shares are ordinary Shares in the share capital of our Company, and are considered as one class of Shares. However, apart from certain qualified domestic institutional investors in the PRC, qualified PRC investors under the Shanghai-Hong Kong stock exchanges connectivity mechanism (Shanghai-Hong Kong Stock Connect) and the Shenzhen-Hong Kong stock exchanges connectivity mechanism (Shenzhen-Hong Kong Stock Connect) and other persons entitled to hold H Shares pursuant to the relevant PRC laws and regulations or upon approval by any competent authorities, H Shares generally may not be subscribed for by, or traded between, legal or natural persons of the PRC.

RANKING

Unlisted Shares and H Shares are regarded as one class of Shares under our Articles of Association and 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. Dividends in respect of our Shares may be paid by us in Hong Kong dollars or Renminbi. In addition to cash, dividends may be distributed in the form of Shares.

CONVERSION OF OUR UNLISTED SHARES INTO H SHARES

Upon completion of the Global Offering, our Unlisted Shares are not listed or traded on any stock exchange. The holders of our Unlisted 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 been approved by the securities regulatory authorities of the State Council, including the CSRC. The listing of such converted Shares on the Hong Kong Stock Exchange will also require the approval of the Hong Kong Stock Exchange.

Based on the procedures for the conversion of our Unlisted Shares into H Shares as disclosed in this section, we can apply for the listing of all or any portion of our Unlisted Shares on the Hong Kong Stock Exchange as H Shares in advance of any proposed conversion to ensure that the conversion process can be completed promptly upon notice to the Hong Kong Stock Exchange and delivery of Shares for entry on the H Share register. As any listing of additional Shares after our initial listing on the Hong Kong Stock Exchange is ordinarily considered by the Hong Kong Stock Exchange to be a purely administrative matter, it will not require such prior application for listing at the time of our initial listing in Hong Kong.

No class Shareholder voting is required for the listing and trading of the converted Shares on the Hong Kong Stock Exchange. Any application for listing of the converted Shares on the Hong Kong Stock Exchange after our initial listing is subject to prior notification by way of announcement to inform Shareholders and the public of such proposed conversion.

After all the requisite approvals have been obtained, the following 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 Hong Kong Stock Exchange a letter confirming the proper entry of the relevant H Shares on the H Share register of members and the due dispatch of H Share certificates and (b) the admission of the H Shares to trade on the Hong Kong Stock Exchange 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.

Please refer to "Risk Factors — Risks Related to the Global Offering — The actual or perceived sale or availability for sale of substantial amounts of our H Shares, especially by our Directors and/or existing Shareholders, could adversely affect the market 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. For details of the lock-up undertaking given by our Single Largest Group of Shareholders pursuant to Rule 10.07 of the Listing Rules see "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Undertakings Pursuant to the Hong Kong Underwriting Agreement — Undertakings by the Single Largest Group of Shareholders."

REGISTRATION OF SHARES NOT LISTED ON AN OVERSEAS STOCK EXCHANGE

According to the Notice of Centralized Registration and Deposit of Non-overseas Listed Shares of Companies Listed on an Overseas Stock Exchange (關於境外上市公司非境外上市股份集中登記存管有關事宜的通知) issued by the CSRC, our Company is required to register and deposit our Shares that are not listed on the overseas stock exchange with the China Securities Depository and Clearing Corporation Limited within 15 business days upon the Listing and provide a written report to the CSRC regarding the centralized registration and deposit of our Shares that are not listed on the overseas stock exchange as well as the offering and listing of our H Shares.

EMPLOYEE INCENTIVE SCHEMES

We adopted four Employee Incentive Schemes. For the details of the Employee Incentive Schemes, see "Appendix V — Statutory and General Information — Further Information about Our Directors, Senior Management and Substantial Shareholders — 5. Employee Incentive Schemes."

You should read the following discussion and analysis in conjunction with our consolidated financial statements together with the accompanying notes as set forth in the Accountant's Report in Appendix I to this Prospectus. Our consolidated financial statements have been prepared in accordance with IFRS, which may differ in certain aspects from generally accepted accounting principles in other jurisdictions. You should read the entire Accountant's Report and not merely rely on the information contained in this section.

The following discussion and analysis contains 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, many of which we cannot control or foresee. In evaluating our business, you should carefully consider all of the information provided in this Prospectus, including the sections headed "Risk Factors" and "Business."

For the purposes of this section, unless the context otherwise requires, references to the years of 2023, 2024 and 2025 refer to our fiscal years ended December 31 of such years, respectively.

OVERVIEW

We are a pioneer in AI-empowered nanomaterial innovation, dedicated to the delivery and application of functional payloads across life forms. The foundation of our AI-driven nanomaterial platform technology is NanoForge, a suite of proprietary and synergistic technologies that include our extensive *de novo* lipid library, AI foundational models, METiS AI Agent, quantum chemistry and molecular dynamics simulations, and AI-driven high-throughput platforms. Building upon this foundation, we have developed three specialized solution platforms (i.e., AiTEM, AiLNP and AiRNA platforms) that simulate, predict, and interpret nanoscale interactions, enabling the rational design, optimization, and validation of advanced nanomaterials and their associated payloads. By advancing AI-enabled nanotechnology, we are committed to a healthier world.

We adopt a dual-pathway business model to maximize the commercial value of our solution platforms. This model combines (i) strategic platform-based collaborations offering delivery systems, lipid libraries, and discovery solutions to external partners, and (ii) product partnerships for advancing our in-house pipeline through licensing, co-development, or commercialization.

BASIS OF PREPARATION

Our historical financial information has been prepared in accordance with all applicable IFRS Accounting Standards issued by the International Accounting Standards Board. The historical financial information has been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss, and financial assets at fair value through profit or loss ("FVPL").

The preparation of the historical financial information in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying our accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the historical financial information are disclosed in Note 4 to the Accountant's Report included in Appendix I to this Prospectus.

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations have been, and are expected to continue to be, materially affected by a number of factors, including the following:

The Evolving Markets in Which We Operate

We operate at the intersection of rapidly advancing, technology-driven sectors, including artificial intelligence and nanomaterials, which are reshaping drug delivery, therapeutic innovation and material science. According to Frost & Sullivan, global spending on AI-powered pharmaceutical R&D increased from US$5.4 billion in 2020 to US$13.7 billion in 2024, representing a CAGR of 26.1%, and is projected to reach US$123.9 billion by 2035, reflecting a CAGR of 22.2% from 2024 to 2035. In parallel, the global nano-based drug market is expected to grow at a CAGR of 9.2% from 2024 to 2035, reaching US$585.4 billion by 2035. We seek to capture growth across these expanding markets by leveraging our proprietary AI-enabled nanomaterial platform, which supports applications across human health, animal health and other adjacent industries. For further discussion, see "Industry Overview."

Our Technological Innovation Capabilities

We operate in industries characterized by rapid technological change, making continuous innovation critical to maintaining competitiveness. We have invested significantly in R&D to enhance our NanoForge platform, METiS solution suite and organ-specific delivery programs. These efforts include AI-driven lipid nanoparticle and mRNA design platforms, closed-loop wet-lab and computational optimization systems, and proprietary models supporting protein and antibody design. Our R&D expenses were RMB290.5 million, RMB274.0 million and RMB269.8 million in 2023, 2024 and 2025, respectively, representing approximately 72.5%, 72.2% and 55.2% of total operating expenditure. While continued investment may affect short-term results, it is essential to sustaining long-term growth.

Our Ability to Retain and Expand Our Customer and Collaborator Base

Our performance depends on the scale, quality and diversity of our customers and collaborators. We have established collaborations with over 30 global pharmaceutical and biotechnology companies through flexible engagement models, generating revenue from research service fees, upfront option payments and, subject to further progress, milestone payments and royalties. Once validated, our delivery platforms often become reusable foundations for multiple partner programs, enhancing retention and long-term value. We continue to expand a broader collaborative ecosystem with pharmaceutical companies, academic institutions and medical centers, and may pursue strategic partnerships, joint ventures or selective M&A to strengthen our global presence and commercial reach.

Our Ability to Continue to Generate New Drug Candidates Leveraging Our Specialized Solution Platforms and to Advance Our Drug Pipeline

Our business performance depends on our ability to continuously generate new drug candidates using our proprietary AI-enabled platforms and advance our pipeline through preclinical and clinical development. Since inception, we have built a diversified pipeline spanning multiple therapeutic areas, organ targets and delivery modalities. As of the Latest Practicable Date, we had over 10 pipeline products, comprising a few discovery-stage pipeline candidates, one pre-NDA product, 4 pre-clinical candidates, 3 clinical-stage products, and 2 animal health products. We plan to advance selected programs internally while pursuing partnership or out-licensing opportunities on a program-by-program basis. Progression into later clinical stages is expected to increase R&D expenditure and materially affect financial results, and any delays or failures in development or regulatory approvals could adversely impact our performance.

Our Ability to Expand into High-Value Adjacent Industries

Our growth prospects may also be affected by our ability to expand into adjacent high-value industries beyond human therapeutics, including animal health, pet longevity and material innovation. Our platform's cross-sector applicability, including the potential of lead candidates such as PTS-101 in animal health, supports diversification of applications and revenue streams. While such expansion may lead to short-term financial fluctuations, we expect it to support long-term growth and broader validation of our technologies.

MATERIAL ACCOUNTING POLICY INFORMATION AND CRITICAL ESTIMATES AND JUDGMENT

Some of our accounting policies require us to apply estimates, assumptions, and complex judgments related to accounting items. These estimates, assumptions and judgments have a significant impact on our financial position and results of operations. During the Track Record Period, there has not been any material deviation from our management's estimates or assumptions and actual results, and we have not made any material changes to these estimates or assumptions. We do not expect any material changes to these estimates and assumptions in the foreseeable future.

Below are accounting policies that we believe are of critical importance to us or involve the most significant estimates, assumptions and judgments used in the preparation of our financial statements. For a better understanding of our financial condition and results of operations, we have set forth our material accounting policy information and significant accounting judgment and estimates in Note 4 to the Accountant's Report included in Appendix I to this Prospectus.

Revenue

We recognise revenue when (or as) a performance obligation is satisfied, i.e., when control of the goods or services underlying the particular performance obligation is transferred to the customer. At contract inception, we assess the goods or services promised within each contract and determine those that are performance obligations and assess whether each promised good or service is distinct. Further details are included in Note 6 to the Accountant's Report included in Appendix I to this Prospectus.

Fair Value of Convertible Loan

We have engaged an independent valuer to determine the fair value of convertible loans that are not traded in an active market by using valuation techniques. The Group applied the back-solve method and discounted cash flow approach to determine the underlying equity value of our Company and adopted the scenario analysis method to determine the fair value of the convertible loan. Key assumptions such as risk free interest rate and discount rate are disclosed in Note 29 to the Accountant's Report included in Appendix I to this Prospectus.

Share-based Payment Expenses

We have granted share options and share awards to our employees. We have engaged an independent valuer to determine the fair value of the options and awards granted to employees, which is expensed over the vesting periods. Unobservable inputs such as the risk-free interest rate, volatility and dividend yield, etc. are used in determining the fair value of the share-based compensations. Further details are included in Note 26 to the Accountant's Report included in Appendix I to this Prospectus.

Impairment of Investment Property and Property, Plant and Equipment

Investment property and property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in profit and loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal ("FVLCD") and value-in-use ("VIU"). Judgment is required to determine key assumptions adopted in the valuation models for impairment review purpose. Furter details are included in Note 17 to the Accountant's Report included in Appendix I to this Prospectus.

DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

The following table sets forth a summary of our consolidated statements of profit or loss for the periods indicated.

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Revenue	9,338	1,482	105,000
Cost of revenue	(3,753)	(659)	(1,913)
Gross profit	5,585	823	103,087
Research and development expenses	(290,463)	(274,001)	(269,809)
Administrative expenses	(85,473)	(90,565)	(196,045)
Selling and marketing expenses	(24,781)	(14,750)	(22,857)
Other income/(expense) – net	(53,881)	14,941	19,934
Other (losses)/gains	(393)	6,262	4,083
Operating loss	**(449,406)**	**(357,290)**	**(361,607)**
Finance income	6,405	14,734	13,207
Finance expenses	(78,374)	(156,634)	(43,313)
Finance income/(costs) – net	(71,969)	(141,900)	(30,106)
Fair value changes of convertible loan	(60,551)	–	–
Loss before income tax	**(581,926)**	**(499,190)**	**(391,713)**
Income tax expense	(2)	(8)	(123)
Loss for the year	**(581,928)**	**(499,198)**	**(391,836)**

Non-IFRS Measure

To supplement our consolidated financial statements, we also use adjusted net loss (a non-IFRS measure) as additional financial measure, which is not required by, or presented in accordance with IFRS Accounting Standards. We believe this non-IFRS Accounting Standards measure facilitates comparisons of operating performance from period to period and provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of adjusted net loss (a non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure as an analytical tool has limitations, and you should not consider it in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

We define adjusted net loss (a non-IFRS measure) as loss for the year adjusted by adding back (i) interest expense on redemption liabilities, (ii) fair value changes of convertible loan, (iii) finance charges paid for issuance of convertible loan, and (iv) share-based compensation. The following table reconciles our adjusted net loss (a non-IFRS measure) for the years presented in accordance with IFRS Accounting Standards, which is loss for the year.

	For the year ended December 31,		
	2023	2024	2025
	RMB	*RMB*	*RMB*
	(in thousands, except percentages)		
Reconciliation of net loss to adjusted net loss (non-IFRS measure)			
Loss for the year	**(581,928)**	**(499,198)**	**(391,836)**
Add:			
Interest expense on redemption liabilities[(1)]	64,739	165,710	27,925
Fair value changes of convertible loan[(2)]	60,551	–	–
Finance charges paid for issuance of convertible loan[(2)]	1,716	–	–
Share-based compensation[(3)]	107,905	93,889	183,739
Adjusted net loss (non-IFRS measure)	**(347,017)**	**(239,599)**	**(180,172)**

Notes:

(1) Interest expenses on redemption liabilities are non-cash expenses arising from the redeemable preferred shares issued in connection with our historical equity investments. Interest expenses on redemption liabilities are not expected to result in future cash payments.

(2) Fair value changes of and finance charges paid for issuance of convertible loan have ceased from charging since 2023, as all convertible loans have been converted into the relevant equity interest of the Company in 2023.

(3) Share-based payment is a non-cash expense arising from granting share-based awards to selected employees. Share-based payment is not expected to result in future cash payments.

Revenue

During the Track Record Period, we derived revenue from (i) providing our research and development services as pilot commercialization activities and (ii) providing customers access to our *in vivo* testing and animal experiment capabilities.

The following table sets forth the breakdown of our revenue, in an absolute amount and as a percentage of our total revenue, for the periods indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except percentages)					
Type of revenue						
Revenue from collaboration agreements	9,036	96.8	371	25.0	103,646	98.7
Others	302	3.2	1,111	75.0	1,354	1.3
Total	**9,338**	**100.0**	**1,482**	**100.0**	**105,000**	**100.0**

Revenue from Collaboration Agreements

We generate revenue from collaboration agreements by supporting our partners with our proprietary AI-driven platforms, including AiLNP, AiTEM, and AiRNA. However, during the Track Record Period, our primary focus remained on advancing and validating our NanoForge platform and core technologies, rather than pursuing broad commercialization. As such, the revenue we recorded from R&D services during this period was reflective of early-stage collaboration activities aimed at demonstrating the capabilities and potential applications of our nanotechnologies. These initial revenues represents our preliminary commercialization efforts as we are still at the early stages of validating our AI-empowered nanotechnology platform and building a foundation for future scale-up and monetization. In particular, during the earlier stage of the Track Record Period, our revenue generated from providing our research and development services as pilot commercialization activities mainly refers to the contract research projects/services, which primarily consist of CRO-like, project-based research services of relatively low value. Such services are typically customized in scope, exploratory in nature, and non-recurring, and are conducted mainly to support early-stage research collaboration and platform validation. In contrast, our Specialist Technology Products would enable us to generate both delivery solution-based partnership revenue and product-based partnership revenue. Such Specialist Technology Products are intended to be commercialized in a more scalable and repeatable manner through technology partnerships, licensing and asset out-licensing arrangements, and constitute the foundation of our long-term commercialization strategy.

Others

During the Track Record Period, our other revenue was primarily derived from ancillary technical services related to research and development activities, such as providing customers access to our *in vivo* testing and animal experiment capabilities. These services were offered as part of our strategy to enhance operational efficiency and optimize the utilization of our R&D facilities. However, generating revenue from such activities is not our core business focus and does not reflect our primary commercialization strategy.

For detailed discussion of our revenue composition and detailed discussion of revenue recognition policy, please refer to Note 6 to the Accountant's Report included in Appendix I to this Prospectus.

Operating Data

During the Track Record Period, we primarily focused on the development and refinement of our AI-driven nanomaterial platforms, with only preliminary exploration of the commercialization of our Specialized Technology Products. During this period, we were also assessing and establishing appropriate business models to support our long-term strategic development. As our platforms reached a more mature stage, we began to enter into four research collaboration agreements and one out-licensing agreement starting from July 2025.

The table below sets forth the number of contracts which generated revenue for the years/period indicated. For the avoidance of doubt, we have excluded ancillary services, such as transactions arising from CRO-like services, from the following key operating data, as such activities are not representative of our core business operations nor indicative of our current or future business performance or commercial trajectory.

	Year ended December 31,		
	2023	2024	2025
At the beginning of the year	1	1	4
Addition	1	4	5
Cessation due to completion of contracts	1	1	2
At the end of the year	1	4	7

None of our customers had terminated their agreements with the Company during the Track Record Period, although certain customers have ceased to be in collaboration with us due to the completion of the contract services. The table below sets forth the number of customers, excluding customers purchasing our CRO-like services, which contributed to our revenue for the years/period indicated.

	Year ended December 31,		
	2023	2024	2025
At the beginning of the year	1	1	4
Addition	1	4	4
Cessation due to completion of contracts	1	1	1
At the end of the year	1	4	7

Cost of Revenue

We recorded cost of revenue of RMB3.8 million, RMB0.7 million and RMB1.9 million in 2023, 2024 and 2025, respectively. Our cost of revenue primarily includes (i) employee benefit expenses, in relation to our staff costs in providing our technological services, (ii) material consumption, (iii) professional service fees, primarily representing certain third-party services we used in the deployment of our platforms, such as software and database service, cloud computing service and laboratory operation service, (iv) depreciation and amortization, primarily related to the use of our facilities and platforms along with our services, and (v) others, primarily including costs associated with animal maintenance.

Gross Profit and Gross Profit Margin

As a result of the foregoing, we recorded gross profit of RMB5.6 million, RMB0.8 million and RMB103.1 million in 2023, 2024 and 2025, respectively, representing gross profit margin of 59.8%, 55.5% and 98.2%, respectively, during the same periods. We recorded generally stable gross profit margin during the Track Record Period, with fluctuation mainly attributable to the change of nature of our research and development services in our offering mix, which had diverse margin profile. The increase in our overall gross profit margin in 2025 was primarily driven by the RMB100 million MTS-004 revenue recognized during this period. Going forward, we plan to develop new forms of high-value services and offerings to elevate our overall profit margin.

Research and Development Expenses

Our research and development expenses amounted to RMB290.5 million, RMB274.0 million and RMB269.8 million in 2023, 2024 and 2025, respectively. We expect our research and development expenses to increase in the next few years to support our continuous effort in the development of our pipeline products and proprietary technology platforms.

The following table sets forth the breakdown of our research and development expenses, in an absolute amount and as a percentage of our total research and development expenses, for the periods indicated. "Others" mainly includes expenses associated with equipment operation and maintenance.

	For the year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except percentages)					
Employee benefit expenses	149,927	51.6	122,371	44.7	134,162	49.7
Professional service fees	82,241	28.3	99,181	36.2	84,306	31.2
Depreciation and amortization	30,568	10.5	28,387	10.4	27,908	10.3
Material consumption	15,034	5.2	15,088	5.5	14,970	5.5
Business travel expenses	2,265	0.8	2,067	0.8	1,773	0.7
Short-term rental and utilities	1,411	0.5	361	0.1	–	0.0
Others	9,017	3.1	6,547	2.3	6,690	2.5
Total	**290,463**	**100.0**	**274,001**	**100.0**	**269,809**	**100.0**

Administrative Expenses

Our administrative expenses amounted to RMB85.5 million, RMB90.6 million and RMB196.0 million in 2023, 2024 and 2025, respectively. The fluctuations of administrative expenses during the Track Record Period were primarily associated to the adjustment of our staff structure and the related share-based compensations. We expect our administrative expenses to increase in the next few years as we become a public company.

The following table sets forth a breakdown of the components of our administrative expenses, in an absolute amount and as a percentage of our total administrative expenses, for the periods indicated. "Others" mainly includes office expenses, transportation fees and logistics expenses.

	For the year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except percentages)					
Employee benefit expenses	57,803	67.6	68,017	75.1	142,624	72.8
Listing expense	–	–	–	–	29,171	14.9
Professional service fees	9,723	11.4	6,061	6.7	9,380	4.8
Depreciation and amortization	5,612	6.6	5,760	6.4	5,860	3.0
Business travel expenses	1,865	2.2	1,373	1.5	2,497	1.3
Short-term rental and utilities	3,988	4.7	2,343	2.6	2,508	1.3
Taxes and surcharges	1,104	1.3	928	1.0	197	0.1
Others	5,377	6.2	6,082	6.7	3,808	1.9
Total	**85,472**	**100.0**	**90,564**	**100.0**	**196,045**	**100.0**

Selling and Marketing Expenses

Our selling and marketing expenses amounted to RMB24.8 million, RMB14.8 million and RMB22.9 million, respectively, in 2023, 2024 and 2025. We expect our selling and marketing expenses to increase in the next few years, in line with our business expansion.

The following table sets forth a breakdown of our selling and marketing expenses, in an absolute amount and as a percentage of our total selling and marketing expenses, for the periods indicated. "Others" mainly includes business development expenses, transportation fees and logistics expenses.

	For the year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(in thousands, except percentages)					
Employee benefit expenses	16,790	67.8	12,154	82.4	18,151	79.4
Professional service fees	1,946	7.9	592	4.0	2,439	10.7
Business travel expenses	696	2.8	327	2.2	643	2.8
Marketing and advertisement expenses	3,063	12.4	1,100	7.5	1,051	4.6
Depreciation and amortization	1,373	5.5	17	0.1	6	0.0
Others	913	3.6	560	3.8	565	2.5
Total	**24,781**	**100.0**	**14,750**	**100.0**	**22,855**	**100.0**

Other Income/(Expense) — Net

The following table sets forth the breakdown of our other income/(expenses), net for the periods indicated. Impairment losses were recognized on an investment property in Massachusetts and its leasehold improvements as a result of deterioration in the local real estate markets.

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Lease income	–	7,425	9,070
Interest income from term deposit	5,605	9,056	8,963
Government grants	4,985	5,786	7,373
Tax refund	60	1,106	196
Lease expenses	(2,593)	(7,033)	(4,937)
Impairment loss for an investment property and its leasehold improvement	(61,938)	(1,399)	(731)
Total	**(53,881)**	**14,941**	**19,934**

Other (Losses)/Gains — Net

The following table sets forth the breakdown of our other (losses)/gains — net for the periods indicated. Fair value changes of financial assets at FVPL is recorded mainly due to various structural deposits and other wealth management products we held.

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Net loss on disposal of property, plant and equipment	(504)	(610)	(2)
Fair value changes of financial assets at FVPL	103	6,852	4,628
Other items	8	20	(543)
Total	**(393)**	**6,262**	**4,083**

Finance Income/(Costs) — Net

The following table sets forth the breakdown of our finance cost — net for the periods indicated.

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Finance income:			
Interest income from financial assets held for cash management purposes	6,405	14,734	13,207
Finance cost:			
Interest expense on redemption liabilities	(64,739)	(165,710)	(27,925)
Interest paid/payable for lease liabilities	(2,864)	(2,458)	(3,049)
Interest expenses on borrowings	(883)	(331)	(832)
Finance charges paid for issuance of convertible loan	(1,716)	–	–
Net exchange gain/(losses) on foreign currency	(7,850)	11,996	(11,249)
Others	(322)	(131)	(258)
Finance costs expensed	**(78,374)**	**(156,634)**	**(43,313)**
Net finance income/(costs)	**(71,969)**	**(141,900)**	**(30,106)**

Fair Value Changes of Convertible Loan

Our fair value changes of convertible loan were primarily in relation to the fair value changes on convertible loan associated with our equity financing activities. From 2020 to 2023, we entered convertible loans with the total principal amount of US$114.6 million with a number of investors, who are also the Series Angel, Series Pre-A, Series A, Series B and Series C investors. For details, see Note 29 to the Accountant's Report included in Appendix I to this Prospectus. We recorded fair value changes of convertible loan in the amount of RMB60.6 million in 2023. In 2023, all these convertible loans have been converted into the relevant equity interests in the Company.

Income Tax Expense

We recorded income tax expense of RMB2.0 thousand, RMB8.0 thousand and RMB0.1 million in 2023, 2024 and 2025, respectively. During the Track Record Period and as of the Latest Practicable Date, we had fulfilled all our tax obligations and did not have any unresolved tax disputes.

TAXATION

PRC

We and our subsidiaries established in the PRC are generally subject to statutory income tax at a rate of 25% in accordance with the relevant PRC income tax laws, subject to preferential tax treatments available to certain qualified enterprises. In particular, we were approved as "High and New Technology Enterprise" in December 2024 and, accordingly, enjoys a preferential income tax rate of 15% thereafter. This qualification is subject to review by relevant PRC governmental authorities every three years. All other major entities incorporated in the PRC of our Group were subject to a 25% income tax rate for all the years presented.

United States

Metis Therapeutics Inc. is incorporated in the United States and is subject to federal income tax at 21% and state and local income tax (generally ranges from 1% to 12%) where it has operation. Metis Therapeutics Inc. did not have any taxable income, therefore no income tax expense was accrued for the Track Record Period.

DISCUSSION OF HISTORICAL OPERATING RESULTS

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

Revenue

Our revenue increased from RMB1.5 million in 2024 to RMB105.0 million in 2025. Such increase was attributed primarily to increased revenue generated from research and development services.

- ***Collaboration agreements***. Revenue from collaboration agreements increased from RMB0.4 million in 2024 to RMB103.6 million in 2025. The increase was primarily attributable to the revenue of RMB100 million MTS-004 upfront payment in connection with MTS-004 out-licensing arrangement.

- ***Others***. Our other revenue increased by 21.9% from RMB1.1 million in 2024 to RMB1.4 million in 2025, primarily related to our *in vivo* testing and animal experiment services.

Cost of Revenue

Our cost of revenue increased from RMB0.7 million in 2024 to RMB1.9 million in 2025, in line with our overall business growth.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased from RMB0.8 million in 2024 to RMB103.1 million in 2025. Our gross profit margin was 55.5% and 98.2% in 2024 and 2025, respectively. The increase in our overall gross profit margin in 2025 was primarily driven by the revenue from MTS-004.

Research and Development Expenses

Our research and development expenses decreased by 1.5% from RMB274.0 million in 2024 to RMB269.8 million in 2025, primarily attributable to the decrease in professional service fees, partially offset by the increase in employee benefit expenses primarily due to the increased share-based compensation. Our professional service fees decreased by RMB14.9 million, primarily because our MTS-004 had completed its resource-intensive Phase III clinical trial by the end of 2024, leading to substantially lower clinical expenses in the subsequent period. Our employee benefit expenses increased by RMB11.8 million, primarily resulted from the increase in share-based compensation for R&D personnel in 2025, reflecting our continued commitment to incentivizing and supporting our research and development efforts.

Administrative Expenses

Our administrative expenses increased significantly from RMB90.6 million in 2024 to RMB196.0 million in 2025. This increase was mainly driven by the increase of management headcount that leads to the higher share-based compensation from RMB48.9 million in 2024 to RMB112.5 million in 2025, as well as the recognition of listing expense of RMB29.2 million.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 55.0% from RMB14.8 million in 2024 to RMB22.9 million in 2025. This increase was mainly driven by the increase in our share-based compensation from RMB0.8 million in 2024 to RMB8.8 million in 2025, primarily due to higher incentive for our business development personnel in relation to our enhanced business development efforts.

Other Income

Our other income increased by 33.4% from RMB14.9 million in 2024 to RMB19.9 million in 2025. This was primarily due to (i) the decrease of lease expenses of RMB2.1 million, (ii) the increase of lease income of RMB1.6 million, and (iii) the increase of government grants of RMB1.6 million.

Other Gains

Our other gains decreased by 34.8% from RMB6.3 million in 2024 to RMB4.1 million in 2025. This was primarily due to the decrease in fair value of our financial assets at financial assets at fair value through profit or loss ("FPVL").

Finance Expenses — Net

Our net finance expenses decreased by 78.8% from RMB141.9 million in 2024 to RMB30.1 million in 2025. The decrease was primarily attributed to decrease in our interest expense on redemption liabilities from RMB165.7 million in 2024 to RMB27.9 million in 2025, related to the termination of redemption rights of our preferred shares.

Income Tax Expense

We recorded income tax expense of RMB8.0 thousand and RMB0.1 million in 2024 and 2025, respectively.

Loss for the Year

As a result of the foregoing, our loss for the year decreased by 21.5% from RMB499.2 million in 2024 to RMB391.8 million in 2025.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenue

Our revenue decreased by 84.1% from RMB9.3 million in 2023 to RMB1.5 million in 2024. Such decrease was attributed primarily to the decrease in our revenue generated from research and development services.

- ***Collaboration agreements***. Revenue from collaboration agreements decreased by 95.9% from RMB9.0 million in 2023 to RMB0.4 million in 2024. The decrease was primarily due to the strategic focus on the development of technology platform instead of conducting contract research services. For nature of our contract research services, see "— Description of Major Components of Our Results of Operations — Revenue — Revenue from Collaboration Agreements."

- ***Others***. Our other revenue increased from RMB0.3 million in 2023 to RMB1.1 million in 2024, primarily driven by our decision to tentatively expand access to our *in vivo* testing and animal experiment services during 2024.

Cost of Revenue

Our cost of revenue decreased by 82.4% from RMB3.8 million in 2023 to RMB0.7 million in 2024, which was in line with the changes in our revenues.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit decreased by 85.3% from RMB5.6 million in 2023 to RMB0.8 million in 2024. Our gross profit margin was 59.8% and 55.5% in 2023 and 2024, respectively. The decrease in our overall gross profit margin was primarily driven by the decrease in the proportion of our research and development services in our offering mix, which has a higher gross profit margin.

Research and Development Expenses

Our research and development expenses decreased by 5.7% from RMB290.5 million in 2023 to RMB274.0 million in 2024. This decrease was mainly driven by the decrease in employee benefit expenses of RMB27.6 million, due to our efficient management of research and development activities, partially offset by the increase in professional service fees of RMB16.9 million due to our increased R&D collaborations with CROs.

Administrative Expenses

Our administrative expenses increased by 6.0% from RMB85.5 million in 2023 to RMB90.6 million in 2024. This increase was mainly driven by the increase of our employee benefit expenses of RMB10.2 million mainly attributable to the increase of share-based compensations, partially offset by the decrease in our professional service fees of RMB3.7 million.

Selling and Marketing Expenses

Our selling and marketing expenses decreased by 40.5% from RMB24.8 million in 2023 to RMB14.8 million in 2024. This decrease was mainly driven by the decrease in our employee benefit expenses of RMB4.6 million in relation to the adjustment in our business development team, as well as decreases in marketing and advertising expenses by RMB2.0 million, professional service fees by RMB1.4 million and depreciation and amortization by RMB1.4 million from 2023 to 2024, largely due to one-off marketing material expenditures incurred in 2023.

Other Income/(Expense) — Net

We had other expense, net of RMB53.9 million in 2023 and other income, net of RMB14.9 million in 2024. This was primarily due to (i) the decrease in our impairment losses for an investment property and its leasehold improvement from RMB61.9 million in 2023 to RMB1.4 million in 2024, which was in relation to a decline in the market value of our investment property in Massachusetts, reflecting the overall performance of the local real estate market, and (ii) the increase in our lease income from nil in 2023 to RMB7.4 million in 2024 as we sublet such property starting 2024.

Other (Losses)/Gains — Net

We had other loss, net of RMB0.4 million in 2023 and other gains, net of RMB6.3 million in 2024. This was primarily due to the increase in our fair value changes of financial assets at FVPL of RMB6.7 million related to the wealth management products we held.

Finance Expenses — Net

Our net finance expenses increased by 97.2%, from RMB72.0 million in 2023 to RMB141.9 million in 2024. This increase was primarily driven by a RMB101.0 million rise in interest expenses related to redemption liabilities, reflecting the accrual of higher interest on these redemption liabilities as the redemption date approached. The impact was partially offset by a RMB8.3 million increase in finance income, mainly from interest earned on financial assets held for cash management purposes.

Fair Value Changes of Convertible Loan

We recorded fair value changes of convertible loan of RMB60.6 million in 2023, primarily related to our convertible loan associated with our financing activities. In 2023, all these convertible loans were converted into the relevant equity interests. For details, see Note 29 to the Accountant's Report included in Appendix I to this Prospectus.

Income Tax Expense

We recorded income tax expense of RMB2.0 thousand and RMB8.0 thousand in 2023 and 2024, respectively.

Loss for the Year

As a result of the foregoing, our loss for the year decreased by 14.2% from RMB581.9 million in 2023 to RMB499.2 million in 2024.

DISCUSSION OF CERTAIN KEY ITEMS FROM OUR CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The table below sets forth the selected information from our consolidated statements of financial position as of the dates indicated, which have been extracted from our audited consolidated financial statements included in Appendix I to this Prospectus.

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Total non-current assets	287,007	229,078	141,324
Total current assets	1,026,387	819,457	1,148,944
Total assets	**1,313,394**	**1,048,535**	**1,290,268**
Total non-current liabilities	2,192,743	2,321,498	77,202
Total current liabilities	98,214	109,426	172,208
Total liabilities	**2,290,957**	**2,430,924**	**249,410**
Net assets/(liabilities)	**(977,563)**	**(1,382,389)**	**1,040,858**
Share capital	87,680	87,851	94,105
Reserves	117,775	211,976	2,696,316
Accumulated losses	(1,183,018)	(1,682,216)	(1,749,563)
Total (deficit)/equity	**(977,563)**	**(1,382,389)**	**1,040,858**

NET CURRENT ASSETS

The following table sets forth our net current assets as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
				(unaudited)
	(RMB in thousands)			
Current assets				
Prepayments and other current assets	184,632	31,005	23,259	22,049
Trade receivables	705	268	181	212
Financial assets at fair value through profit or loss	–	209,102	30,062	161,284
Term deposits	279,580	21,441	267,179	212,739
Restricted cash	–	–	–	–
Cash and cash equivalents	561,470	557,641	828,263	643,265
Total current assets	**1,026,387**	**819,457**	**1,148,944**	**1,039,549**
Current liabilities				
Trade payables	9,359	10,687	10,605	24,612
Contract liabilities	–	11,084	17,193	14,086
Borrowings	30,000	10,000	40,000	20,000
Lease liabilities	17,397	16,420	18,979	19,131
Employee benefit obligations	15,362	14,066	16,214	7,631
Convertible loan	–	–	–	–
Deferred government grants	–	37,000	32,000	32,975
Accruals and other payables	26,096	10,169	37,217	27,202
Total current liabilities	**98,214**	**109,426**	**172,208**	**145,637**
Net current assets	**928,173**	**710,031**	**976,736**	**893,912**

Our net current assets decreased from RMB976.7 million as of December 31, 2025 to RMB893.9 million as of March 31, 2026, primarily due to the decrease in our total current assets, which outweighed the decrease in our total current liabilities. Our total current assets decreased from RMB1,148.9 million as of December 31, 2025 to RMB1,039.5 million as of March 31, 2026, primarily due to (i) the decrease of our cash and cash equivalents of RMB185.0 million and (ii) the decrease of our term deposits of RMB54.4 million. In addition, our total current liabilities decreased from RMB172.2 million as of December 31, 2025 to RMB145.6 million as of March 31, 2026, primarily due to (i) the decrease of our borrowings of RMB20.0 million, (ii) the decrease of our employee benefit obligations of RMB8.6 million and (iii) the decrease of our accruals and other payables of RMB10.0 million.

Our net current assets increased from RMB710.0 million as of December 31, 2024 to RMB976.7 million as of December 31, 2025, primarily due to the increase in our total current assets, which outweighed the increase in our total current liabilities. Our total current assets increased from RMB819.5 million as of December 31, 2024 to RMB1,148.9 million as of December 31, 2025, primarily due to (i) the increase of our cash and cash equivalents of RMB270.6 million and (ii) the increase of our term deposits of RMB245.7 million; partially offset by (i) the decrease of our financial assets at fair value through profit or loss of RMB179.0 million, and (ii) the decrease of our prepayments and other current assets of RMB7.7 million. This increase in total current assets was partially offset by the increase of our total current liabilities from RMB109.4 million as of December 31, 2024 to RMB172.2 million as of December 31, 2025, primarily due to (i) the increase of our borrowings of RMB30.0 million, (ii) the increase of our accruals and other payables of RMB27.0 million, and (iii) the increase of our contract liabilities of RMB6.1 million; partially offset by the decrease of our deferred government grants of RMB5.0 million.

Our net current assets decreased from RMB928.2 million as of December 31, 2023 to RMB710.0 million as of December 31, 2024, primarily due to the decrease of our total current assets as well as the increase of our total current liabilities. Our total current assets decreased from RMB1,026.4 million as of December 31, 2023 to RMB819.5 million as of December 31, 2024, primarily due to (i) the decrease of our term deposits of RMB258.1 million, (ii) the decrease of our prepayments and other current assets of RMB153.6 million, and (iii) the decrease of our cash and cash equivalents of RMB3.8 million; partially offset by the increase of our financial assets at fair value through profit or loss of RMB209.1 million. In addition, our total current liabilities increased from RMB98.2 million as of December 31, 2023 to RMB109.4 million as of December 31, 2024, primarily due to (i) the increase of our deferred government grants of RMB37.0 million, and (ii) the increase of our contract liabilities of RMB11.1 million, partially offset by (i) the decrease of our borrowings of RMB20.0 million, (ii) the decrease of our employee benefit obligations of RMB1.3 million, and (iii) the decrease of our lease liabilities of RMB1.0 million.

Prepayments, Other Current Assets and Other Non-current Assets

The following table sets forth prepayments, other current assets and other non-current assets as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Non-current			
Input VAT to be deducted	15,449	16,121	15,384
Rental and other deposits	2,158	355	4,644
Prepayment for property, plant and equipment	361	69	2,452
Prepayment for intangible assets	493	341	–
Total prepayments and other non-current assets	**18,461**	**16,886**	**22,480**
Current			
Input VAT to be deducted	1,548	7,687	11,863
Prepayments to suppliers	6,903	16,959	8,012
Deferred listing expense	–	–	2,849
Investment amounts receivables from a shareholder	172,147	–	–
Rental and other deposits	575	3,033	99
Other receivables	133	2,814	436
Amounts due from related parties	3,326	512	–
Less: Credit loss allowance	–	–	–
Total prepayments and other current assets	**184,632**	**31,005**	**23,259**
Total prepayments, other current assets and other non-current assets	**203,093**	**47,891**	**45,739**

The investment amounts receivables from a shareholder of RMB172.1 million we recorded in 2023 represents the receivable in financing arrangement in 2023, which had been subsequently settled.

Input VAT to be deducted represents the value added tax (VAT) we pay on the purchases of goods and services used for our business operations that can be offset against the output VAT when calculating the amount of VAT owed to the tax authorities. The change in the amount of input VAT to be deducted (both current portion and non-current portion) as of the respective date indicated was proportionate to the amount we paid on the purchase of goods and services during the respective period.

Prepayments to suppliers represent prepayment primarily for R&D materials and services. Prepayments to suppliers increased from RMB6.9 million as of December 31, 2023 to RMB17.0 million as of December 31, 2024, primarily in relation to a prepayment of R&D services for CDMO manufacturing. Prepayments to suppliers subsequently decreased to RMB8.0 million as of December 31, 2025, primarily due to the completion of the R&D services.

As of March 31, 2026, RMB6.6 million, or 14.4% of our prepayment, other current assets and other non-current assets as of December 31, 2025 had been subsequently settled.

Trade Receivables

Trade receivables are amounts due from customers for services performed. Our trade receivables decreased from RMB0.7 million as of December 31, 2023 to RMB0.3 million as of December 31, 2024 and RMB0.2 million as of December 31, 2025.

For further details of the aging analysis of our trade receivables, see Note 20 to the Accountant's Report in Appendix I to this Prospectus.

We adopted the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. We closely review the trade receivables balance and any overdue balances on an ongoing basis and assess the collectability of overdue balances, taking into account the financial position, past experience and other relevant factors. We normally performed impairment assessment based on credit risk and expected credit loss rate, considering our customers' strong capacity to meet the contractual cash flow obligation in the near term and the low historical default risk.

As of March 31, 2026, RMB0.1 million, or 73.3% of our trade receivables as of December 31, 2025 had been subsequently settled. Accordingly, we do not believe there is a recoverability issue, given (i) the relatively small balance of such trade receivables and (ii) the relatively high recovery rate as of March 31, 2026.

Financial Assets at Fair Value through Profit or Loss

Our financial assets at fair value through profit or loss represent wealth management products. We recorded financial assets at fair value through profit or loss of nil, RMB209.1 million and RMB30.1 million as of December 31, 2023, 2024 and 2025, respectively. These fluctuations were mainly attributable to the portfolio rebalancing resulting from the addition and disposal of wealth management products during each respective year or period.

We adhere to a conservative investment management strategy, with a strict requirement that all investment products, for both domestic and foreign currencies, should be principal-protected. Our internal process is managed by the finance department, which oversees corporate liquidity, determines appropriate investment tenors, and solicits proposals from partner banking institutions. The final product selection is based on a comprehensive evaluation of returns, our historical relationship with the institution, and achievement of yield targets. These transactions are prepared by specialized finance personnel, reviewed and approved by the authorized director, and formally executed in accordance with company policy. Currently, our primary investment vehicles for both local and foreign currencies are term deposits. To mitigate currency risk associated with our foreign currency holdings, we also utilize forward financial instruments to lock in exchange rates, allowing us to prudently manage the conversion and settlement of capital. This operational investment process is conducted within an established framework and does not require approval from the Board of Directors for each individual transaction.

In the future, we may continue to invest in structured deposits and other financial products that are in our Group's interest upon thorough evaluations and analysis, and we will ensure that all such investments comply with the applicable laws and regulations, including the relevant requirements under Chapter 14 of the Listing Rules after the Listing.

Deferred Government Grants

Our deferred government grants primarily represent government subsidies in relation to certain of our research and development projects, which will be received once the conditions are fulfilled. Our deferred government grants amounted to RMB37.8 million, RMB41.7 million and RMB37.1 million as of December 31, 2023, 2024 and 2025, respectively.

Trade Payables

Our trade payables primarily relate to purchases from suppliers, mainly for research and development consumables and equipment. Our trade payables amounted to RMB9.4 million, RMB10.7 million and RMB10.6 million as of December 31, 2023, 2024 and 2025, respectively, generally in line with our R&D activities.

For further details of the aging analysis of our trade payables, see Note 27 to the Accountant's Report in Appendix I to this Prospectus. As of March 31, 2026, RMB4.7 million, or 44.5% of our trade payables outstanding as of December 31, 2025 had been subsequently settled.

Contract Liabilities

Our contract liabilities primarily represent cash collections in advance of fulfilling performance obligations. Our contract liabilities increased from nil as of December 31, 2023 to RMB11.1 million as of December 31, 2024 and RMB17.2 million as of December 31, 2025, primarily due to new performance obligations derived from new contracts with our customers. As of March 31, 2026, RMB3.0 million, or 17.4% of our contract liabilities as of December 31, 2025 had been subsequently settled.

Accruals and Other Payables

Our accruals and other payables mainly include (i) payables for purchase of property, plant and equipment, (ii) other taxes payable, (iii) payables for third-party service fees, (iv) payables for employee reimbursement, (v) tax payable related to re-organization, and (vi) others.

The following table sets forth the details of our accruals and other payables as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Other taxes payable	1,767	607	601
Other payables			
– Payable related to employee share awards	–	–	13,243
– Payables for third-party service fees	6,534	5,016	14,259
– Accrued listing expense	–	–	1,264
– Payables for purchase of property, plant and equipment	2,248	1,697	6,613
– Payables for employee reimbursement	1,360	418	125
– Tax payable related to reorganization	13,703	1,776	–
– Others	484	655	1,112
Total	**26,096**	**10,169**	**37,217**

Our accruals and other payables decreased from RMB26.1 million as of December 31, 2023 to RMB10.2 million as of December 31, 2024, primarily due to the completion of reorganization and settlement of tax payables. Our accruals and other payables subsequently increased to RMB37.2 million as of December 31, 2025, primarily due to the increase in our payables for third-party service fees associated with the payments to our R&D services suppliers. As of March 31, 2026, RMB12.6 million, or 34.5% of our accruals and other payables as of December 31, 2025 had been subsequently settled.

LIQUIDITY AND CAPITAL RESOURCES

During the Track Record Period, we financed our capital expenditure and working capital requirements primarily through capital contributions from our shareholders and commercial loans. After the Global Offering, we intend to finance our future capital requirements through cash generated from our business operations, and the net proceeds from the Global Offering. We had cash and cash equivalents of RMB561.5 million, RMB557.6 million and RMB828.3 million as of December 31, 2023, 2024 and 2025, respectively.

Cash Flow Analysis

The following table sets forth our cash flows for the periods indicated.

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Loss before income tax	(581,926)	(499,190)	(391,713)
Operating loss before movements in working capital	(245,042)	(237,047)	(153,020)
Working capital changes	46,211	(16,889)	18,343
Interest received	6,405	14,734	13,207
Income taxes paid	(2)	(8)	(123)
Net cash used in operating activities	**(192,428)**	**(239,210)**	**(121,593)**
Net cash (outflow)/inflow from investing activities	**(404,892)**	**78,925**	**35,092**
Net cash inflow from financing activities	**799,937**	**143,311**	**369,479**
Net increase/(decrease) in cash and cash equivalents	**202,617**	**(16,974)**	**282,978**
Cash and cash equivalents at the beginning of the year	364,472	561,470	557,641
Effects of exchange rate changes on cash and cash equivalents	(5,619)	13,145	(12,356)
Cash and cash equivalents at the end of the year	**561,470**	**557,641**	**828,263**

Net Cash Used in Operating Activities

Net cash used in operating activities was RMB121.6 million in 2025, which was primarily attributable to our loss before income tax of RMB391.7 million, as adjusted by (i) non-cash and non-operating items, which primarily comprised share-based compensation expenses of RMB183.7 million, depreciation and amortization of RMB38.0 million, and finance costs expensed of RMB29.8 million, and (ii) changes in working capital, which primarily comprised an increase in accrued expenses and other payables of RMB10.7 million, an increase in contract liabilities of RMB6.1 million and a decrease in prepayments and other current assets.

Net cash used in operating activities was RMB239.2 million in 2024, which was primarily attributable to our loss before income tax of RMB499.2 million, as adjusted by (i) non-cash and non-operating items, which primarily comprised finance costs expensed of RMB141.8 million, share-based compensation expenses of RMB93.9 million, and depreciation and amortization of RMB40.4 million, and (ii) changes in working capital, which primarily comprised an increase in contract liabilities of RMB11.1 million; partially offset by an increase in prepayments and other current assets of RMB18.1 million, and a decrease in accrued expenses and other payables of RMB15.3 million.

Net cash used in operating activities was RMB192.4 million in 2023, which was primarily attributable to our loss before income tax of RMB581.9 million, as adjusted by (i) non-cash and non-operating items, which primarily comprised share-based compensation expenses of RMB107.9 million, finance costs expensed of RMB71.6 million, and impairment of long-term asset of RMB61.9 million, and (ii) changes in working capital, which primarily comprised an increase in accruals and other liabilities of RMB37.8 million, and an increase in accrued expenses and other payables of RMB15.1 million; partially offset by an increase in other non-current assets of RMB9.7 million.

To improve our operating cash flow status, we are implementing a focused strategy to scale our commercial operations while simultaneously improving our cash flow profile by increasing the proportion of customer prepayments. Our commercial efforts will be concentrated on high-value client segments with strong payment potential, particularly multinational corporations. For example, our collaboration with the leading global pharmaceutical company is our latest commercial effort to focus on high-value client with strong repayment potential. To foster long-term partnerships and secure revenue streams with these key clients, we are introducing milestone-based, tiered prepayment structures that incentivize commitment and reinforce value alignment. Concurrently, we are optimizing our collaboration by strategically reducing our engagement in small-volume orders characterized by low gross margins and extended payment terms. For example, we plan to gradually cease to provide our *in vivo* testing and animal experiment services moving forward. This dual approach is designed to accelerate our cash inflows and fortify our working capital, ensuring we meet the heightened expectations for cash flow stability and predictability required of a publicly-listed company. Further, we are deepening the synergy between our R&D and business development teams to ensure our innovation pipeline is precisely aligned with market demand. For instance, we have successfully entered into a license agreement with respect to our MTS-004, which is expected to improve our operating cash flow given the upfront payment and potential milestone and royalties. MTS-004 is a formulation-optimized asset that does not contain nanomaterials-based delivery systems such as LNPs. Under this integrated model, our business development team engages with potential business partners at the earliest stages of consultation to clearly define core requirements, such as specific product functionalities, performance metrics, and delivery timelines. These validated insights are then systematically synchronized with our R&D team, enabling our development process to be driven by clear, customer-validated priorities and thereby avoiding ineffective investment in non-essential projects. We are also establishing a formal iterative feedback mechanism that allows us to rapidly incorporate client feedback from product usage into subsequent development cycles for swift optimization. This market-responsive approach is designed to enhance customer satisfaction and increase repurchase rates, further solidifying our commercial success and creating a virtuous cycle of market demand, targeted innovation, successful sales, and efficient cash collection.

Net Cash (outflow)/inflow from Investing Activities

Net cash inflow from investing activities in 2025 was RMB35.1 million, which consisted primarily of (i) proceeds from redemption of short-term investments measuredat fair value through profit or loss of RMB1,181.7 million, and (ii) proceeds from maturity of term deposits of RMB233.0 million; partially offset by (i) payments for purchases of short-term investments measured at fair value through profit or loss of RMB998.0 million, and (ii) purchase of term deposits of RMB361.8 million.

Net cash inflow from investing activities in 2024 was RMB78.9 million, which consisted primarily of (i) proceeds from maturity of term deposits of RMB284.7 million, and (ii) proceeds from redemption of short-term investments measured at fair value through profit or loss of RMB592.9 million; partially offset by (i) payments for purchases of short-term investments measured at fair value through profit or loss of RMB795.1 million, and (ii) purchase of property and equipment of RMB3.3 million.

Net cash outflow from investing activities in 2023 was RMB404.9 million, which consisted primarily of (i) purchase of term deposits of RMB392.3 million, (ii) purchase of property and equipment of RMB49.5 million, and (iii) purchase of intangible assets of RMB7.0 million; partially offset by (i) proceeds from maturity of term deposits of RMB22.9 million, and (ii) proceeds from redemption of short-term investments measured at fair value through profit or loss of RMB20.1 million.

Net Cash inflow from Financing Activities

Net cash inflow from financing activities in 2025 was RMB369.5 million, which consists primarily of (i) proceeds injected by shareholders of RMB350.0 million, (ii) proceeds from bank borrowings of RMB40.0 million; partially offset by (i) payment of lease of RMB23.5 million, and (ii) repayment to bank borrowings of RMB10.8 million.

Net cash inflow from financing activities in 2024 was RMB143.3 million, which consists primarily of (i) proceeds injected by shareholders of RMB183.6 million, and (ii) proceeds from bank borrowings of RMB10.0 million; partially offset by (i) repayment to bank borrowings of RMB30.3 million, and (ii) payment of lease of RMB19.9 million.

Net cash inflow from financing activities in 2023 was RMB799.9 million, which consists primarily of (i) proceeds injected by shareholders of RMB1,132.1 million, (ii) proceeds from convertible loan of RMB344.3 million, and (iii) proceeds from bank borrowings of RMB30.0 million; partially offset by (i) repayment of re-organization of RMB521.9 million, (ii) repayment of capital reduction of RMB84.8 million, and (iii) repayment of convertible loan of RMB73.2 million.

Cash Operating Costs

The following table sets forth key information relating to our cash operating costs for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Workforce employment[(1)]	34,584	30,432	39,485
R&D costs[(2)]	191,847	199,399	177,680
Cost of revenue	3,753	659	1,913
Taxes and surcharges	1,104	928	197
Marketing and advertisement expenses	3,063	1,100	1,051
Total	**234,351**	**232,518**	**220,326**

Notes:

(1) Cash operating costs relating to workforce employment represent the sum of employee benefit expenses under general and administrative expenses, cost of revenue and selling and marketing expenses (excluding share-based compensation which is non-cash in nature).

(2) R&D costs under cash operating costs represent the R&D expenses, including professional service fees, material consumption, short-term rental and utilities and others but excluding share-based compensation and depreciation and amortization, which are non-cash in nature under R&D expenses.

INDEBTEDNESS

The following table sets forth our indebtedness as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
				(unaudited)
	(RMB in thousands)			
Current				
Borrowings	30,000	10,000	40,000	20,000
Lease liabilities	17,397	16,420	18,979	19,131
Non-current				
Borrowings	–	–	–	20,000
Redemption liabilities	2,073,125	2,250,247	–	–
Lease liabilities	81,811	66,595	72,151	64,759
Total	**2,202,333**	**2,343,262**	**131,130**	**123,890**

Borrowings

As of December 31, 2023, 2024 and 2025 and March 31, 2026, we had borrowings of RMB30.0 million, RMB10.0 million, RMB40.0 million and RMB 40.0 million, respectively. The fluctuation in the balance of our borrowings during the Track Record Period were primarily due to our dynamic adjustment of financing arrangements responding to preferential interest rates in certain regions. We borrow primarily from well-established commercial banks in China.

As of December 31, 2023, 2024 and 2025, all of our borrowings were unsecured and repayable less than one year. As of December 31, 2025, all of our borrowings were denominated in Renminbi, and had an effective interest rate of 2.65% per annum. As of March 31, 2026, our borrowings were unsecured, and we had RMB20.0 million borrowing repayable less than one year and RMB20.0 million borrowing repayable within two years. As of March 31, 2026, we had a committed unutilized banking facility of RMB200 million.

For details, see Note 30 to the Accountant's Report included in Appendix I to this Prospectus.

Lease Liabilities

Our lease liabilities primarily represent our liabilities under our lease agreements for leased offices and laboratories. Our leases of properties generally have lease terms of three to ten years. The following table sets forth the details of our lease liabilities as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
				(unaudited)
	(RMB in thousands)			
Current portion of lease liabilities	17,397	16,420	18,979	19,131
Non-current portion of lease liabilities	81,811	66,595	72,151	64,759
Total	**99,208**	**83,015**	**91,130**	**83,890**

As of December 31, 2023, 2024 and 2025 and March 31, 2026, we recognized total lease liabilities of RMB99.2 million, RMB83.0 million, RMB91.1 million and RMB83.9 million, respectively, which was in line with lease payments made by our Group.

Redemption Liabilities

Our redemption liabilities are primarily related to preferred rights granted to our investors. We recorded redemption liabilities of RMB2,073.1 million, RMB2,250.2 million and nil as of December 31, 2023, 2024 and 2025, respectively. Such preferred rights had been terminated in February 2025. The increase in redemption liabilities as of December 31, 2024, compared to December 31, 2023, was primarily due to the accumulation of accrued interest as the redemption deadline approached. For details, see Note 29 of the Accountant's Report in the Appendix I to this Prospectus.

Contingent Liabilities

During the Track Record Period, we did not have material contingent liabilities that were expected to materially and adversely affect our financial condition or results of operations. Our Directors confirmed that there had not been any material change in the contingent liabilities of our Company since March 31, 2026 and up to the Latest Practicable Date.

Indebtedness Statement

Our Directors confirm that as of the Latest Practicable Date, there was no material covenant on any of our outstanding debt and that our Group did not experience any difficulty in obtaining bank loans and other borrowings, material default in payment of trade and non-trade payables, bank loans and other borrowings or breach of covenants during the Track Record Period and up to the Latest Practicable Date.

Save as disclosed above, as of March 31, 2026, being the most recent practicable date for determining our indebtedness, we did not have any outstanding mortgages, charges, debentures, other issued debt capital, bank overdrafts, borrowings, liabilities under acceptance or other similar indebtedness, hire purchase commitments, guarantees or other material contingent liabilities. Our Directors have confirmed that there had been no material change in our indebtedness since March 31, 2026 and up to the Latest Practicable Date. Our Directors have confirmed that there were no material covenants on any of our outstanding debts and that we had no default in repayment or breach of covenants during the Track Record Period and up to the Latest Practicable Date.

R&D EXPENDITURE AND TOTAL OPERATING EXPENDITURE

During the Track Record Period, our R&D expenditure primarily consisted of R&D expenses adjusted by adding back intangible assets related to R&D software acquired from third parties and capitalized and deducting amortization expenses for capitalized intangible assets included in R&D expenditure. The table below sets forth our annual and total R&D expenditure for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
R&D expenses	290,463	274,001	269,809
Adjustments:			
Add: Intangible assets acquired from third parties and capitalized	954	401	724

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Less: Amortization expenses of capitalized intangible assets included in R&D expenditure	(997)	(1,330)	(1,276)
Annual R&D expenditure	**290,420**	**273,072**	**269,257**
Total R&D expenditure			**832,749(1)**

Note:

(1) Total R&D expenditure over the Track Record Period.

The table below sets forth our annual and total operating expenditure for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
R&D expenses	**290,463**	**274,001**	**269,809**
Administrative expenses	**85,473**	**90,565**	**196,045**
Selling and marketing expenses	**24,781**	**14,750**	**22,857**
Adjustments:			
Add: Intangible assets acquired from third parties and capitalized	954	401	724
Less: Amortization expenses of capitalized intangible assets included in R&D expenditure	(997)	(1,330)	(1,276)
Annual total operating expenditure	**400,674**	**378,387**	**488,159**
Total operating expenditure			**1,267,220(1)**

Note:

(1) Total operating expenditure over the Track Record Period.

The table below sets forth our annual R&D expenditure ratio and total R&D expenditure ratio for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	(in percentages)		
Annual R&D expenditure ratio(1)	72.5	72.2	55.2
Total R&D expenditure ratio			**65.7(2)**

Notes:

(1) Calculated by dividing annual R&D expenditure by annual total operating expenditure.

(2) Calculated by dividing total R&D expenditure over the Track Record Period by total operating expenditure over the Track Record Period.

CAPITAL EXPENDITURES AND COMMITMENTS

Capital Expenditures

We regularly incur capital expenditures to expand our operations and upgrade our facilities. Our capital expenditures during the Track Record Period primarily consisted of expenditures on property and equipment, and intangible assets. The following table sets forth our capital expenditures for the periods indicated.

	For the year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Capital expenditures			
Purchase of property and equipment	(49,494)	(3,341)	(18,653)
Purchase of other intangible assets	(6,968)	(294)	(380)
Subtotal	**(56,462)**	**(3,635)**	**(19,033)**

Historically, we have funded our capital expenditures mainly through equity financing, capital injections and bank borrowings. We will continue to make capital expenditures to meet the expected growth of our business and our expansion plan. We intend to fund our planned capital expenditures through cash generated from operations, bank borrowings and net proceeds from the Global Offering. See "Future Plans and Use of Proceeds — Use of Proceeds."

Our actual capital expenditures may differ from the amounts set forth above due to various factors, including our future cash flows, results of operations and financial condition, economic conditions in the PRC, the availability of financing on terms acceptable to us and changes in the regulatory environment in the PRC. In addition, we may incur additional capital expenditures from time to time as we pursue new opportunities to expand our business.

Capital Commitments

Our capital commitments mainly represent the capital expenditure in respect of the purchase of property, plant and equipment contracted for but not provided in the historical financial information. Our capital commitments amounted to RMB38 thousand as of December 31, 2023, RMB38 thousand as of December 31, 2024, and nil as of December 31, 2025.

KEY FINANCIAL RATIOS

	As of December 31,		
	2023	2024	2025
Current ratio[(1)]	10.5	7.5	6.7
Cash ratio[(2)]	8.6	7.2	6.5

Notes:

(1) Calculated using current assets divided by current liabilities as of the end of the year/period.

(2) Calculated by dividing the sum of cash and cash equivalents, term deposits, restricted cash, and current portion of financial assets at FVTPL by total current liabilities as of the year end/period end.

RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. For details of our related party transactions, see Note 34 to the Accountant's Report included in Appendix I to this Prospectus. Our Directors are of the view that each of the related party transactions set out in Note 34 to the Accountant's Report included in Appendix I to this Prospectus was conducted in the ordinary course of business on an arm's length basis and with normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we did not have any material off-balance sheet commitments or arrangements.

FINANCIAL RISKS DISCLOSURE

We are exposed to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. Our overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance. Risk management is carried out by our senior management. For further details, see Note 3 to the Accountant's Report in Appendix I to this Prospectus.

PROPERTY VALUATION

In valuing the property interest which is leased by our Group in the United States, the valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, attributed no commercial value to the property interest due to the leased nature and prohibition against assignment or otherwise due to the lack of substantial profit rent. Details of the valuation are set out in Appendix III to this Prospectus.

DIVIDENDS

No dividend was paid or declared by our Company or other entities comprising our Group during the Track Record Period. As of the Latest Practicable Date, we did not have a formal dividend policy or a fixed dividend distribution ratio. PRC laws require that dividends be paid only out of our distributable profits. Distributable profits are our after-tax profits, less appropriations to statutory and other reserves that we are required to make. Pursuant to our Articles of Association, subject to the approval of our Board and Shareholders, we may distribute dividends to our Shareholders when we have distributable profits and after ensuring sufficient working capital for the Company and making required statutory reserves until the aggregate amount of such reserves reach 50% of its registered capital, which are not available for distribution as cash dividends.

According to the Company Law of the PRC (《中華人民共和國公司法》), which was promulgated by the Standing Committee of the National People's Congress on December 29, 2023 and became effective on July 1, 2024, when a company distributes its after-tax profit for the current year, 10% of the profit shall be accrued and included in the company's statutory reserve. Where the accumulative amount of the company's statutory reserve is not enough to make up for the losses of the previous year, the current year's profits shall first be used to make up for the losses before the statutory reserve is accrued according to the aforementioned provision. The residual after-tax profits after a company has made up its losses and accrued reserve shall be distributed by the company. Thus, as advised by the PRC Legal Advisor, we may not pay dividends in view of accumulated losses.

After the Global Offering, we may declare and pay dividends mainly by cash or by stock that we consider appropriate. Decisions to declare or to pay any dividends in the future, will depend on, among other things, our Company's profitability, operation and development plans, external financing environment, costs of capital, our Company's cash flows and other factors that our Directors may consider relevant. Our ability to make dividend in the future also depends on whether we can receive dividends from our subsidiaries.

WORKING CAPITAL SUFFICIENCY

Our Directors are of the view that, taking into account the estimated net proceeds from the Global Offering and other financial resources available to us, including cash and cash equivalents, term deposits, restricted cash, the current portion of financial assets at FVTPL, and bank borrowings, we have sufficient working capital to cover 125% of our costs, including R&D expenses, selling and marketing expenses, general and administrative expenses and other operating costs, for the next 12 months from the date of this Prospectus.

Our cash burn rate is calculated as the sum of (i) net cash used in operating activities, (ii) capital expenditures, and (iii) lease payment, divided by the number of months in the relevant year/period. Our historical monthly average cash burn rate was RMB22.3 million, RMB21.9 million, and RMB13.7 million in 2023, 2024 and 2025, respectively. We had cash and cash equivalents, current portion of term deposits, current portion of financial assets at FVTPL and restricted cash of RMB1,125.5 million in aggregate as of December 31, 2025. We estimate that we will receive net proceeds of approximately HK$1,976.9 million after deducting the listing expenses payable by us in the Global Offering, assuming no Over-allotment Option is exercised and based on an Offer Price of HK$10.50 per Offer Share.

We assume that the average cash burn rate going forward will be similar to the cash burn rate level in 2023, which was the highest amount of average cash burn rate during each year/period of the Track Record Period, for the sake of prudence, although the cash burn rate is subject to change due to various factors, including but not limited to, the business development, industry trend and customers' requirement. We expect to recognize certain revenues from platform collaborations with our partners and out-licensing of product candidates after the Track Record Period in 2025, supported by the advancement of ongoing collaboration projects and new business development initiatives. We also anticipate continued increases in research and development expenses as we deepen our investment in platform technology innovation and advancing our proprietary nanomaterial assets. In addition, we expect higher administrative expenses primarily due to enhanced corporate governance, compliance, and professional service costs associated with our preparation for the Listing. We estimate that our cash and cash equivalents, current portion of term deposits, current portion of financial assets at FVTPL and restricted cash as of December 31, 2025, will be able to maintain our financial viability for approximately 50 months or, if we take into account 10% of the estimated net proceeds (based on an Offer Price of HK$10.50 per Share) from the Global Offering (namely, the portion allocated for our working capital and other general purposes), approximately 59 months or, if we take into account 100% of the estimated net proceeds (based on an Offer Price of HK$10.50 per Share) from the Global Offering, for approximately 133 months. Our Directors and our management will continue to monitor our working capital, cash flows, and our business development status.

We have no immediate plan for future financing after the Listing for purpose of our commercialization plan as disclosed in this Prospectus taking into account our available cash, proceeds from the Global Offering and based on our cash burn rate. However, with the continuing expansion of our business and development of our solutions or services, or if we discover suitable targets for acquisition or business collaboration, we could not exclude the possibility to require further funding through public or private equity offerings, debt financing and other sources. We will comply with applicable laws and regulations, including requirements under the Listing Rules, when we proceed with such financings.

DISTRIBUTABLE RESERVES

As of December 31, 2025, we had no distributable reserves.

LISTING EXPENSES

Our listing expenses mainly include (i) underwriting-related expenses, such as underwriting fees and commissions, and (ii) non-underwriting-related expenses, comprising professional fees paid to our legal advisors and Reporting Accountant for their services rendered in relation to the Listing and the Global Offering, and other fees and expenses. Assuming full payment of the discretionary incentive fee, the estimated total listing expenses (based on an Offer Price of HK$10.50 per Share and assuming that the Over-Allotment Option is not exercised) for the Global Offering are approximately HK$136.0 million, accounting for approximately of 6.4% of our gross proceeds. Among such estimated total listing expenses, we expect to pay underwriting-related expenses of HK$84.5 million, professional fees for our legal advisors and Reporting Accountant of HK$32.7 million and other fees and expenses of HK$18.8 million. An estimated amount of HK$51.4 million for our listing expenses, accounting for approximately 2.4% of our gross proceeds, is expected to be expensed through the statement of profit or loss and an estimated amount of HK$84.6 million is expected to be recognized directly as a deduction from equity upon the Listing. During the Track Record Period, we incurred listing expenses of HK$33.3 million expensed through the statement of profit or loss. We expect to charge listing expenses of HK$18.1 million through the statement of profit or loss.

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that, up to the date of this Prospectus, there had been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since December 31, 2025, which is the end date of the periods reported on in the Accountant's Report included in Appendix I to this Prospectus, and there had been no event since December 31, 2025 that would materially affect the information shown in the Accountant's Report set out in Appendix I to this Prospectus.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that as of the Latest Practicable Date, there were no circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

For the unaudited pro forma statement of adjusted net tangible assets of our Group prepared in accordance with Rule 4.29 of the Listing Rules for illustrating the effect of the Global Offering on the consolidated net tangible assets of our Group attributable to the owners of the Company as at December 31, 2025 as if the Global Offering were completed on December 31, 2025, please refer to Appendix II to this Prospectus.

FUTURE PLANS

For further details of our future plans, see "Business — Our Growth Strategies."

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$1,976.9 million, based on an Offer Price of HK$10.50 per Offer Share, after deducting the underwriting commissions and estimated expenses paid or payable by us in connection with the Global Offering and assuming that the Over-allotment Option is not exercised.

In line with our strategies, we intend to apply the net proceeds from the Global Offering, in the next 3-5 years, for the following purposes and in the amounts set forth below:

- **Approximately HK$988.5 million (or approximately 50.0% of the net proceeds) to fund research, development, and advancement of the core technologies supporting our AI infrastructure and AI-driven nanomaterial platforms, including:**
  - Approximately HK$494.2 million (or approximately 25.0% of the net proceeds) will be used for the continued development of NanoForge, our suite of self-developed AI models and agents. These proceeds will support enhancements across molecular generation, property prediction, formulation design, and high-throughput experimentation, enabling more efficient and scalable AI-driven development of next-generation nano-based delivery systems. In particular:
    - Approximately HK$197.7 million (or approximately 10.0% of the net proceeds) will be used for the development of our generative and vertical models and expansion into protein and antibody research, with a focus on developing *de novo* protein language models. In furtherance to our current models tailored to lipid design and delivery optimization, these next-generation models will be purpose-built to understand and generate protein sequences with desirable structural and functional characteristics to enable active targeting of our LNPs.
    - Approximately HK$98.8 million (or approximately 5.0% of the net proceeds) will be used for the development of METiS Agents, the intelligent interface layer of our NanoForge platform. METiS Agents dynamically coordinate multiple foundation models and experimental datasets in response to complex scientific queries, enabling our in-house scientists to interact with the platform through intuitive prompts while receiving scientifically traceable, actionable recommendations. Further enhancements will increase the platform's responsiveness, reasoning capabilities, and automation of decision-making in nanomaterial discovery.
    - Approximately HK$97.7 million (or approximately 10.0% of the net proceeds) will be used for the expansion of our high-throughput wet-lab experiments, including using large-animal model systems. This investment will support end-to-end experimental validation of AI-generated candidates *in vitro* and *in vivo*, strengthen our data loop, and further expand the valuable data sets that can lead to AI nano models with improved delivery precision
  - Approximately HK$296.5 million (or approximately 15.0% of the net proceeds) for research and development of our AI-empowered solutions, which serve as the foundation for our next-generation delivery and therapeutic design capabilities. These proceeds will help drive platform innovation across molecular design, formulation optimization, and targeted delivery systems for mRNA and beyond. In particular:

  - Approximately HK$98.8 million (or approximately 5.0% of the net proceeds) will be used for the continued development of our AiLNP and AiRNA solutions, which together form an integrated engine for designing and validating both therapeutic payloads and their delivery vehicles; and

  - Approximately HK$197.7 million (or approximately 10.0% of the net proceeds) will be used for the development of our extrahepatic targeted delivery platforms, which address one of the most pressing challenges in the field of nano-delivery — the ability to efficiently deliver therapeutic agents beyond the liver. This includes the development of novel chemical formulations and LNPs including active targeting through conjugating moieties that can be more efficient and precise in targeting the eight organs and tissues — the gastrointestinal tract, liver, lung, heart, immune organs, brain, muscle and tumors as well as those that can target additional organ and cell types.

- Approximately HK$197.7 million (or approximately 10.0% of the net proceeds) will be used for the *in vivo* validation of our non-liver targeting LNPs in association with their payloads. These products target different organs and tissues in the human body, such as the lung and lymphoid tissues, and carry mRNAs optimized through our AiRNA platform. Data from these studies will not only increase the value of these products, but also help improve our AI generative and predictive models and enhance the value of our AI nano-delivery platforms, enabling more precise nano-delivery across diverse organs and cell types.

- We believe our growth strategies to advance the core technologies supporting our AI-driven nanomaterial platforms and to enable more precise nano-delivery across diverse organs and cell types are well aligned with the proposed use of the proceeds.

- **Approximately HK$395.4 million (or approximately 20.0% of the net proceeds) will be used for ongoing and planned clinical trials of our AI-developed pipeline products, advancing candidates across a range of therapeutic areas and modalities. These investments will support regulatory filings, indication expansion, and early-stage clinical validation, accelerating the translation of our platform innovations into therapeutic solutions. In particular:**

  - approximately HK$131.8 million (or approximately 6.67% of the net proceeds) will be used for advancing clinical trial of MTS-201, which is an oral gut-restricted small molecule TGR5 agonist, activating gut TGR5 receptors, releasing hormones GLP-1, GLP-2, PYY that deliver multi-tissue benefits with minimized safety risks. Developed through our AiTEM solution, MTS-201 is undergoing Phase I clinical evaluation for indications such as obesity, type 2 diabetes, metabolic dysfunction-associated steatohepatitis and short bowel syndrome. Proceeds will support the advancement of clinical trial, including the initiation and completion of Parts B and C of the ongoing Phase I trial, further validating its unique mechanism of action, efficacy for weight loss, and superior safety.

  - approximately HK$131.8 million (or approximately 6.67% of the net proceeds) will be used for the research and development of MTS-105, which is a potentially first-in-class mRNA therapeutic for liver cancer and other advanced solid tumors with liver metastasis. Built on METiS' AiRNA and AiLNP platforms, it encodes a TCE and leverages an optimized LNP delivery system to target the liver, unleashing potent, localized immune attack while minimizing systemic toxicity. Proceeds will be used to fund IND-enabling activities and clinical trials. We plan to submit IND application of MTS-105 to the NMPA in the first half of 2026.

  - approximately HK$131.8 million (or approximately 6.67% of the net proceeds) will be used for the research and development of MTS-109, which is a potentially best-in-class, mRNA-encoded, tri-specific TCE for B-cell mediated autoimmune diseases and hematologic malignancies. Built on METiS' AiRNA and AiLNP platforms, MTS-109's LNP formulation enables delivery of the mRNA-encoded TCE cargo to lymphoid organs, with data demonstrating a complete depletion of peripheral and tissue resident B cells in NHPs. Proceeds will be used to fund IND-enabling activities and clinical trials. We plan to submit IND application of MTS-109 in 2026 and initiate Phase I clinical trial in 2027.

  - The proposed allocation of proceeds is consistent with our long-term growth strategy to extend the application of our AI-driven nanomaterial platforms to promote human health across key therapeutic areas.

- **Approximately HK$197.7 million (or approximately 10.0% of the net proceeds) will be used for the development of our animal health and longevity solutions, extending the application of our AI-empowered solutions into these high-growth fields. These investments will enable us to adapt and deploy our nanomaterial technologies beyond human therapeutics, capturing value in fields with strong unmet needs and rising global demand, facilitating our growth strategies to broaden the applications of our AI-driven nanomaterial platforms and further expand into emerging life science sectors. In particular:**

  - approximately HK$98.8 million (or approximately 5.0% of the net proceeds) will be used to drive the development of products targeting animal longevity leveraging our platform's strengths in targeted delivery and regenerative modulation. These funds will support discovery and preclinical efforts aimed at developing novel therapeutics for age-related dysfunction, systemic inflammation, cellular senescence, and other conditions where our technologies may offer differentiated value, including our PTS-201.

  - approximately HK$98.8 million (or approximately 5.0% of the net proceeds) will be used to support our animal health programs, with a focus on pet, obesity management, cancer vaccines and food supplements that can improve pet health. These proceeds will fund early-stage product development, preclinical research, and strategic collaborations with industry partners.

- **Approximately HK$197.7 million (or approximately 10.0% of the net proceeds) will be allocated to support our growth strategy of the construction of our AI-driven nanomaterials ecosystem globally, as we believe overseas market presents greater potential for our AI-driven nanomaterial platforms. In particular:**

  - Approximately HK$118.6 million (or approximately 6.0% of the net proceeds) will be used in business development activities relating to global expansion of our business, including licensing, research collaborations, strategic corporations, joint ventures, mergers and acquisitions, and investments. As part of this strategy, we may explore opportunities in key international markets, including the US, Europe, Middle East and East Asia (Japan, Korea and Hong Kong), by leveraging our core technological platforms and interdisciplinary expertise to deepen engagement with global partners across the pharmaceutical, biotechnology, and broader life sciences sectors. We plan to increase our presence at international conferences, participate in more global exhibitions and launch promotional campaigns to increase our brand awareness among our potential partners. We have rented properties in the U.S., plan to rent a property in Hong Kong, and may rent additional properties in other regions to support expansion locally and in the neighboring regions. These initiatives are intended to accelerate cross-border innovation, expand market access, and drive long-term commercial adoption of our AI-driven nanomaterial platform technologies.

- Approximately HK$79.1 million (or approximately 4.0% of the net proceeds) will be used in expanding our global business development and marketing team. We aim to recruit talents with broad knowledge in the relevant industries, including pharmaceutical, biotech and other life sciences sectors, in the relevant markets to support business development activities.

- **Approximately HK$197.7 million (or approximately 10.0% of the net proceeds) will be used for working capital and other general corporate purposes.**

If the Over-allotment Option is fully exercised, we will receive additional net proceeds of approximately HK$304.2 million (based on an Offer Price of HK$10.50 per Offer Share). In the event that the Over-allotment Option is exercised, we intend to apply the additional net proceeds to the above purposes on a pro rata basis.

To the extent that our net proceeds are not sufficient to fund the purposes set out above, we intend to fund the balance through a variety of means, including cash generated from operations, bank loans and other borrowings.

If any part of our plan does not proceed as planned for reasons such as changes in government policies that would render any of our plans not viable, or the occurrence of force majeure events, our Directors will carefully evaluate the situation and may reallocate the net proceeds from the Global Offering. We will issue an appropriate announcement if there is any material change to the above proposed use of proceeds.

To the extent that the net proceeds of the Global Offering are not immediately used for the purposes described above, and to the extent permitted by the relevant laws and regulations, we will only deposit the proceeds in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under SFO or applicable laws and regulations in the other jurisdictions).

HONG KONG UNDERWRITERS

Jefferies Hong Kong Limited
Deutsche Bank AG, Hong Kong Branch
CLSA Limited
CMB International Capital Limited
Futu Securities International (Hong Kong) Limited

UNDERWRITING

This Prospectus is published solely in connection with the Hong Kong Public Offering. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters on a conditional basis. The International Offering is expected to be fully underwritten by the International Underwriters.

The Global Offering comprises the Hong Kong Public Offering of initially 10,061,500 Hong Kong Offer Shares and the International Offering of initially 191,167,500 International Offer Shares, subject, in each case, to reallocation on the basis as described in "Structure of the Global Offering" as well as to the Over-allotment Option (in the case of the International Offering).

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 by the public in Hong Kong on the terms and conditions set out in this Prospectus and the Hong Kong Underwriting Agreement at the Offer Price.

Subject to the 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.

Grounds for Termination

The Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) may, in their sole and absolute discretion and upon giving notice in writing to our Company terminate the Hong Kong Underwriting Agreement with immediate effect if, at any time prior to 8:00 a.m. on the Listing Date:

(a) there develops, occurs, exists or comes into force:

  (i) any new law or regulation or any change or development involving a prospective change or any event or series of events or circumstances likely to result in a change or a development involving a prospective change in existing laws or regulations, or the interpretation or application thereof by any court or any competent Authority (as defined under the Hong Kong Underwriting Agreement) in or affecting Hong Kong, the PRC, the United States, the United Kingdom, the European Union (or any member thereof), or other jurisdictions relevant to the Group or the Global Offering (each a "**Relevant Jurisdiction**" and collectively, the "**Relevant Jurisdictions**"); or

  (ii) any change or development involving a prospective change, or any event or series of events or circumstances likely to result in a change or prospective change, in any local, national, regional or international financial, political, military, industrial, economic, fiscal, legal, regulatory, currency, credit or market conditions or sentiments, Taxation, equity securities or currency exchange rate or controls or any monetary or trading

settlement system, or foreign investment regulations (including, without limitation, a devaluation of the Hong Kong dollar, United States dollar or Renminbi against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or the Renminbi is linked to any foreign currency or currencies) or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, the inter-bank markets and credit markets) in or affecting any Relevant Jurisdictions, or affecting an investment in the Offer Shares; or

(iii) any event or series of events, or circumstances in the nature of force majeure (including, without limitation, any acts of government, declaration of a regional, national or international emergency or war, calamity, crisis, economic sanctions, strikes, labor disputes, other industrial actions, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, rebellion, public disorder, paralysis in government operations, acts of war, epidemic, pandemic, outbreak or escalation, mutation or aggravation of diseases, accident or interruption or delay in transportation, local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), act of God or act of terrorism (whether or not responsibility has been claimed)) in or affecting any of the Relevant Jurisdictions; or

(iv) the imposition or declaration of any moratorium, suspension or limitation (including without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on (i) the trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market or the London Stock Exchange; or (ii) the trading in any securities of the Company listed or quoted on a stock exchange or an over-the-counter market; or

(v) the imposition or declaration of any general moratorium on banking activities in or affecting any of the Relevant Jurisdictions or any disruption in commercial banking or foreign exchange trading or securities settlement or clearing services, procedures or matters in or affecting any of the Relevant Jurisdictions; or

(vi) any change or prospective change, or a materialization of, any of the risks set out in the section headed "Risk Factors" in this Prospectus; or

which, in any such case 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):

(1) has or will or may have a material adverse effect, whether directly or indirectly, on the assets, liabilities, business, general affairs, management, prospects, shareholders' equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of the Company or the Group as a whole;

(2) has or will or may have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of indications of interest under the International Offering; or

(3) makes or will make or may make it impracticable, inadvisable, inexpedient or incapable for any material part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering or the Global Offering to be performed or implemented as envisaged, or for the Hong Kong Public Offering and/or the Global Offering to proceed, or to market the Global Offering or the delivery or distribution of the Offer Shares on the terms and in the manner contemplated by the Offering Documents (as defined under the Hong Kong Underwriting Agreement); or

(4) has or will or may have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

(b) there has come to the notice of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) that:

(i) any statement contained in any of the Offering Documents, the CSRC Filings and/or any notices, announcements, advertisements, communications or other documents issued or used by, for or on behalf of the Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) but excluding the information relating to the Joint Sponsors, the Joint Global Coordinators, the Joint Lead Managers, the Joint Bookrunners or the Underwriters it being understood that such information consists of only their names, logos, addresses and qualifications (the "**Global Offering Documents**") was, when it was issued, or has become untrue, incorrect, inaccurate in any material respect or misleading; or that any estimate, forecast, expression of opinion, intention or expectation contained in any such documents, was, when it was issued, or has become unfair or misleading in any respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith; or

(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 or misstatement in any Global Offering Document; or

(iii) any breach of, or any event or circumstance rendering untrue or incorrect in any material respect, or misleading in any respect, any of the representations, warranties and undertakings given by the Company or any of the Single Largest Shareholders in the Hong Kong Underwriting Agreement or the International Underwriting Agreement; 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 under the Hong Kong Underwriting Agreement) pursuant to the indemnities in the Hong Kong Underwriting Agreement; or

(v) any breach of any of the obligations or undertakings imposed upon the Company or any of the Single Largest Shareholders or any cornerstone investor (as applicable) to the Hong Kong Underwriting Agreement, the International Underwriting Agreement or the Cornerstone Investment Agreements; or

(vi) there is any change or development involving a prospective change, constituting or having a Material Adverse Effect (as defined under the Hong Kong Underwriting Agreement); or

(vii) the Chairman of the Board, any Director or any member of senior management of the Company named in this Prospectus seeks to retire, or is removed from office or vacating his/her office; or

(viii) any Director or any member of senior management of the Company named in this Prospectus is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company; or

(ix) the Company withdraws this Prospectus (and/or any other documents used in connection with the subscription or sale of any of the Offer Shares pursuant to the Global Offering) or the Global Offering; or

(x) the approval by the Listing Committee of the listing of, and permission to deal in, the H Shares in issue and to be issued pursuant to the Global Offering (including any additional H Shares that may be issued pursuant to the exercise of the Over-allotment Option) is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or

(xi) any person has withdrawn its consent to the issue of this Prospectus with the inclusion of its reports, letters and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or

(xii) any prohibition on the Company for whatever reason from offering, allotting, issuing or selling any of the Offer Shares pursuant to the terms of the Global Offering; or

(xiii) any person has withdrawn or sought to withdraw its consent to being named in any of the Offering Documents or to the issue of any of the Offering Documents; or

(xiv) an order or petition is presented for the winding-up or liquidation of any member of the Group, or any member of the Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of the Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of the Group or anything analogous thereto occurs in respect of any member of the Group; or

(xv) (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 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 (as defined under the Hong Kong Underwriting Agreement) 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

(xvi) other than with the prior written consent of the Joint Sponsors and Sponsor-overall Coordinators, the issue or requirement to issue by the Company of a supplement or amendment to this Prospectus or other documents in connection with the offer and sale of the Offer Shares pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance or the Listing Rules or upon any requirement or request of the Stock Exchange and/or the SFC; or

(xvii) the commencement by any Authority or other regulatory or political body or organization of any public action or investigation against a Group Company (as defined under the Hong Kong Underwriting Agreement) or a director or a supervisor or a senior management member of any Group Company or announcing an intention to take any such action; or

(xviii) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any Group Company or any of the Single Largest Shareholders or by or on any Relevant Jurisdiction, or the withdrawal of trading privileges which existed on the date of the Hong Kong Underwriting Agreement, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction; or

(xix) any valid demand by creditors for payment or repayment of indebtedness of any member of the Group or in respect of which any member of the Group is liable prior to its stated maturity; or

(xx) 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

(xxi) any litigation, dispute, legal action or claim or regulatory or administrative investigation or action being threatened, instigated or announced against any member of the Group or any of the Single Largest Shareholders or any Director or senior management members as named in this Prospectus which might have a material adverse effect on the success of the Global Offering; or

(xxii) any contravention by any Group Company or any Director or any member of the senior management of the Company of any applicable Laws; or

(xxiii) that (i) a material portion of the orders placed or confirmed in the bookbuilding process or (ii) any investment commitment made by any cornerstone investors under the Cornerstone Investment Agreements signed with such cornerstone investors, have been withdrawn, terminated or cancelled, as a result of the payment of the relevant investment amount not being received or settled in the stipulated time and manner or otherwise.

Undertakings to the Stock Exchange Pursuant to the Listing Rules

Undertakings by our Company

Pursuant to Rule 10.08 of the Listing Rules, our Company has undertaken to the Stock Exchange that no further Shares or securities convertible into equity securities of our Company (whether or not of a class already listed) will be issued or sold or transferred out of treasury or form the subject of any agreement to such an issue, or sale or transfer out of treasury within six months from the Listing Date (whether or not such issue of Shares or securities, or sale or transfer of treasury Shares will be completed within six months from the Listing Date), except (a) pursuant to the Global Offering (including pursuant to the Over-allotment Option) or (b) under any of the circumstances provided under Rule 10.08 of the Listing Rules.

Undertakings by Key Persons and Pathfinder SIIs

Pursuant to Rule 18C.14 of the Listing Rules, each of the key persons of the Company and the Pathfinder SIIs, and their respective close associates, as identified under the section headed "History, Development and Corporate Structure — Lock-up periods", has undertaken to the Stock Exchange and to us that, except pursuant to the Global Offering (including the Over-allotment Option), it will not, unless otherwise permitted under Rule 18C.15 of the Listing Rules: at any time in the period commencing on the date by reference to which disclosure of its shareholding is made in this Prospectus and ending on the date which is 24 months (or 12 months in the case of the Pathfinder SIIs) 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 it is shown by this Prospectus to be the beneficial owner.

Note 2 to Rule 18C.14 of the Listing Rules provides that the above undertakings do not prevent such persons from using the Shares beneficially owned by it/him/her as security (including a charge or pledge) 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.

Further, pursuant to Note 2 to Rule 18C.14 of the Listing Rules, each of such persons has undertaken to the Stock Exchange and to us that, within the period commencing on the date by reference to which disclosure of its shareholding is made in this Prospectus and ending on the date which is 24 months (or 12 months in the case of the Pathfinder SIIs) from the Listing Date:

(a) when it pledges or charges any Shares beneficially owned by 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, immediately inform us and the Stock Exchange of such pledge or charge together with the number of Shares so pledged or charged; and

(b) when it receives indications, either verbal or written, from the pledgee or charge that any of the pledged or charged Shares will be disposed of, immediately inform us and the Stock Exchange of such indications.

We will inform the Stock Exchange as soon as we have been informed of the above matters, if any, by such persons and disclose such matters as soon as possible after being so informed.

Undertakings Pursuant to the Hong Kong Underwriting Agreement

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 Hong Kong Underwriters and the Capital Market Intermediaries that, except pursuant to the Global Offering (including pursuant to the Over-allotment Option), at any time from the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the Listing Date (the "**First Six Month Period**"), it will not, without the prior written consent (such consent not to be unreasonably withheld) 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:

(a) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, assign, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create an Encumbrance (as defined under the Hong Kong Underwriting Agreement) over, or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally, or repurchase, any legal or beneficial interest in the share capital or any other securities of our Company or any interest in any of the foregoing (including, 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 share capital or other securities of our Company, as applicable), or deposit any share capital or other securities of the Company, as applicable, with a depositary in connection with the issue of depositary receipts; or

(b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of the Shares or any other securities of our Company, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares); or

(c) enter into any transaction with the same economic effect as any transaction described in (a) or (b) above; or

(d) offer to or agree to do any of the foregoing specified in (a), (b) or (c) or announce any intention to do so,

in each case, whether any of the foregoing transactions is to be settled by delivery of share capital or such other securities, in cash or otherwise (whether or not the issue of such share capital or other securities will be completed within the First Six Month Period). Our Company further agrees that, in the event our Company is allowed to enter into any of the transactions described in (a), (b) or (c) above or offers to or agrees to or announces any intention to effect any such transaction during the period of six months commencing on the date on which the First Six Month Period expires (the "**Second Six Month Period**"), it will take all reasonable steps to ensure that such an issue or disposal will not, and no other act of our Company will, create a disorderly or false market for any Shares or other securities of our Company.

The Single Largest Group of Shareholders have 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 Hong Kong Underwriters and the Capital Market Intermediaries that he/she/it shall procure our Company to comply with the above undertakings.

Our Company has agreed and 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 Hong Kong Underwriters and the Capital Market Intermediaries that it will, and the Single Largest Group of Shareholders undertake to procure that our Company will, comply with the minimum public float requirements (the "**Minimum Public Float Requirement**") and the minimum free float requirements (the "**Minimum Free Float Requirement**") specified in the Listing Rules, and it will not (i) effect any purchase of the Shares, or agree to do so, which may reduce the holdings of the H Shares held by the public (as defined in Rule 8.24 of the Listing Rules) to below the Minimum Public Float Requirement without first having obtained the prior written consent of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters), or (ii) enter into any agreement, arrangement or transaction which shall cause or have the effect of causing the portion of the H Shares that are held by the public and that are available for trading and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable Laws or otherwise) on the Listing Date to fall below the Minimum Free Float Requirement under Rule 19A.13C of the Listing Rules.

Undertakings by the Single Largest Group of Shareholders

Each of the Single Largest Group of Shareholders has undertaken to each of our Company, the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries that, without the prior written consent of the 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, 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 24 months after the Listing Date (the "**24-Month Period**"):

(a) he/she/it will not, and will procure that the relevant registered holder(s), any nominee or trustee holding on trust for him/her/it and the companies controlled by him/her/it will not, (i) sell, offer to sell, accept subscription for, contract or agree to allot, issue or sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an Encumbrance over, or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or other securities of our Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities, as applicable or any interest in any of the foregoing) in respect of which he/she/it is shown by this Prospectus to be the beneficial owner(s) (the "**Single Largest Shareholders Locked-up Securities**"), or deposit any Shares or other securities of our Company with a depositary in connection

with the issue of depositary receipts, or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of any Single Largest Shareholders Locked-up Securities, or (iii) enter into any transaction with the same economic effect as any transaction specified in (i) or (ii) above, or (iv) offer to or agree to or announce any intention to effect any transaction specified in (i), (ii) or (iii) above, in each case, whether any of the transactions specified in (i), (ii) or (iii) above is to be settled by delivery of Shares or other securities of our Company or in cash or otherwise, and whether or not the transactions will be completed within the 24-Month Period; and

(b) upon the expiry of the 24-Month Period, in the event that he/she/it enters into any of the transactions specified in (i), (ii) or (iii) or offer to or agrees to or contract to or publicly announce any intention to effect any such transaction, he/she/it will take all reasonable steps to ensure that such a disposal will not create a disorderly or false market in the securities of our Company.

The restrictions above shall not prevent the Single Largest Group of Shareholders from (i) purchasing additional Shares or other securities of our Company and disposing of such additional Shares or securities of our Company in accordance with the Listing Rules, provided that any such purchase or disposal does not contravene the lock-up arrangements with the Single Largest Group of Shareholders referred to above or the compliance by our Company with the Minimum Public Float Requirement, (ii) disposing of any interest of the Single Largest Shareholders Locked-up Securities in the circumstances provided under Rule 18C.15 of the Listing Rules; and (iii) using the Shares or other securities of our Company or any interest therein beneficially owned by them as security (including a charge or a pledge) 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, provided that, within 24-Month Period, (a) the relevant Single Largest Group of Shareholders will immediately inform our Company and the Sponsor-Overall Coordinators in writing of such pledge or charge together with the number of Shares or other securities of our Company so pledged or charged if and when he/she/it or the relevant registered holder(s) pledges or charges any Shares or other securities of our Company beneficially owned by him/her/it, and (b) when the relevant Single Largest Group of Shareholders receives indications, either verbal or written, from the pledgee or chargee of any Shares that any of the pledged or charged Shares or other securities of our Company will be disposed of, he/she/it will immediately inform our Company and the Sponsor-Overall Coordinators of such indications.

In the event that upon the notification by the Stock Exchange that our Company will no longer be regarded as a Pre-Commercial Company after the Listing, the lock-up period set out in this paragraph will expire on the later of: (1) the date on which such lock-up periods would have ended if our Company had applied for listing as a Commercial Company; and (2) the date falling on the 30th day after the announcement on the removal of designation as a Pre-Commercial Company as required under Rule 18C.24 of the Listing Rules.

Our Company has undertaken to the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries that upon receiving such information in writing from the Single Largest Group of Shareholders, it will, as soon as practicable and if required pursuant to the Listing Rules, the SFO and/or any other applicable Law, notify the Stock Exchange and/or other relevant Authorities, and make a public disclosure in relation to such information by way of an announcement.

International Offering

International Underwriting Agreement

In connection with the International Offering, it is expected that our Company and the Single Largest Group of Shareholders will enter into the International Underwriting Agreement with, among others, the Joint Sponsors, the Overall Coordinators and the International Underwriters on or about Monday, May 11, 2026. 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 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 or is terminated, the Global Offering will not proceed. See "Structure of the Global Offering — The International Offering."

Over-allotment Option

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) at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offering, being Sunday, June 7, 2026, pursuant to which our Company may be required to issue up to an aggregate of 30,184,000 additional H Shares, representing not more than 15% of the Offer Shares initially available under the Global Offering, at the Offer Price to, among other things, cover over-allocations in the International Offering, if any. See "Structure of the Global Offering — Over-allotment Option."

Underwriting Commissions and Expenses

The Underwriters and the Capital Market Intermediaries will receive an underwriting commission (the "**Fixed Fee**") of 3.0% of the aggregate Offer Price in respect of all of the Offer Shares (including Offer Shares to be issued pursuant to the Over-allotment Option, if any) (the "**Aggregate Offer Price**"). Our Company may, at its discretion, pay an additional discretionary fee (the "**Discretionary Fee**") of up to 1.0% of the Aggregate Offer Price, to one or more Underwriter(s) and Capital Market Intermediary(ies). Assuming the Discretionary Fee is paid in full, the ratio of the Fixed Fee to the Discretionary Fee will be 50.50:49.50.

For any unsubscribed Hong Kong Offer Shares reallocated to the International Offering, our Company will pay an underwriting commission at the rate applicable to the International Offering to the relevant International Underwriters (and not the Hong Kong Underwriters).

Assuming an Offer Price of HK$10.50 per H Share, the Discretionary Fee is paid in full and the Over-allotment Option is not exercised, the aggregate underwriting commissions and fees payable to the Underwriters and the Capital Market Intermediaries, together with Stock Exchange listing fees, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee, legal and other professional fees and printing and other expenses payable by us in relation to the Global Offering are estimated to be approximately HK$84.5 million.

Indemnity

Each of our Company and the Single Largest Group of Shareholders has agreed to jointly and severally indemnify the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters, the Capital Market Intermediaries and each of them for certain losses which they may suffer or incur, including losses arising from the performance of their obligations under the Hong Kong Underwriting Agreement or any breach by any of our Company and the Single Largest Group of Shareholders of the Hong Kong Underwriting Agreement.

INDEPENDENCE OF THE JOINT SPONSORS

As of the Latest Practicable Date, the Joint Sponsors satisfied the independence criteria applicable to sponsors 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 relation to the H Shares, the activities of the Syndicate Members and their affiliates could include acting as agent for buyers and sellers of the H Shares, entering into transactions with those buyers and sellers in a principal capacity, including as a lender to initial purchasers of the H Shares (which financing may be secured by the H Shares) in the Global Offering, proprietary trading in the H 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 H Shares. Such transactions may be carried out as bilateral agreements or trades with selected counterparties. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the H Shares, which may have a negative impact on the trading price of the H 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 H Shares, in baskets of securities or indices including the H Shares, in units of funds that may purchase the H Shares, or in derivatives related to any of the foregoing.

All such activities may occur both during and after the end of the stabilizing period described in "Structure of the Global Offering — Stabilization." Such activities may affect the market price or value of the H Shares, the liquidity or trading volume in the H Shares and the volatility of the price of the H Shares, and the extent to which this occurs from day to day cannot be estimated.

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

(a) the Syndicate Members (other than the Stabilizing Manager or any person acting for it) may 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 Group and 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 has made an application on behalf of our Company to the Listing Committee for the listing of, and permission to deal in, the H Shares to be converted from Unlisted Shares and to be issued as mentioned in this Prospectus.

201,229,000 Offer Shares will initially be made available (subject to the Over-allotment Option) under the Global Offering comprising:

(a) the Hong Kong Public Offering of initially 10,061,500 H Shares (subject to reallocation) in Hong Kong as described in "— The Hong Kong Public Offering" below; and

(b) the International Offering of initially 191,167,500 H Shares (subject to reallocation and the Over-allotment Option) in the United States to QIBs in reliance on Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act, and outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in accordance with Regulation S as described in "— The International Offering" below.

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.

Assuming the Over-allotment Option is not exercised, the Offer Shares will represent approximately 17.5% of the total Shares in issue immediately following the completion of the Global Offering. 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 and the issue of H Shares pursuant to the Over-allotment Option.

References in this Prospectus to applications, application monies or the procedures for applications relate solely to the Hong Kong Public Offering.

THE HONG KONG PUBLIC OFFERING

Number of Offer Shares Initially Offered

Our Company is initially offering 10,061,500 H Shares (subject to reallocation) for subscription by the public in Hong Kong at the Offer Price, representing approximately 5% of the Offer Shares initially available under the Global Offering. The Offer Shares initially offered under the Hong Kong Public Offering, subject to any reallocation of Offer Shares between the Hong Kong Public Offering and the International Offering, will represent approximately 0.87% of the total Shares in issue immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised).

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to professional and institutional 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" below.

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 (after taking into account any reallocation referred to below) will be divided equally (to the nearest board lot) into two pools (with any odd lots being allocated to pool A): pool A and pool B. The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to applicants who have applied for Hong Kong Offer Shares with an aggregate price of HK$5 million (excluding brokerage, SFC transaction levy, AFRC transaction levy and 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 price of more than HK$5 million (excluding brokerage, SFC transaction levy, AFRC transaction levy and 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. 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 5,030,500 Hong Kong Offer Shares is liable to be rejected.

Reallocation and Clawback

The allocation of Offer Shares between the Hong Kong Public Offering and the International Offering is subject to reallocation under the Listing Rules. Paragraph 4.2 of Practice Note 18 and 18C.09 to the Listing Rules requires a clawback mechanism to be put in place, which would have the effect of increasing the number of Hong Kong Offer Shares to certain percentages of the total number of Offer Shares to be offered in the Global Offering if certain prescribed total demand levels in the Hong Kong Public Offering are reached as further described below:

- 10,061,500 Offer Shares are initially available under the Hong Kong Public Offering, representing 5% of the Offer Shares initially available under the Global Offering;

in the event that the International Offer Shares are fully subscribed or over-subscribed:

- if the number of Offer Shares validly applied for under the Hong Kong Public Offering represents 10 times or more but less than 50 times the number of Offer Shares initially available under the Hong Kong Public Offering, then Offer Shares will be reallocated to the Hong Kong Public Offering from the International Offering, so that the total number of Offer Shares available under the Hong Kong Public Offering will be 20,123,000 Offer Shares, representing approximately 10% of the Offer Shares initially available under the Global Offering;

- if the number of Offer Shares validly applied for under the Hong Kong Public Offering represents 50 times or more of Offer Shares initially available under the Hong Kong Public Offering, then Offer Shares will be reallocated to the Hong Kong Public Offering from the International Offering, so that the total number of Offer Shares available under the Hong Kong Public Offering will be 40,246,000 Offer Shares, representing approximately 20% of the Offer Shares initially available 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 and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Overall Coordinators (for themselves and on behalf of the Underwriters) deem appropriate. In addition, the Overall Coordinators (for themselves and on behalf of the Underwriters) may reallocate the Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering.

In addition to any mandatory reallocation which may be required, the Overall Coordinators (for themselves and on behalf of the Underwriters) and the Joint Sponsors may, at their discretion, reallocate Offer Shares initially allocated for the International Offering to the Hong Kong Public Offering to satisfy valid applications in pool A and pool B under the Hong Kong Public Offering. In the event that (i) the International Offer Shares are undersubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times; or (ii) the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed as to less than 10 times of the number of Hong Kong Offer Shares initially available under the Hong Kong Public Offering up to 10,061,000 Offer Shares may be reallocated to the Hong Kong Public Offering from the International Offering, so that the total number of the Offer Shares available under the Hong Kong Public Offering will be increased to 20,122,500 Offer Shares, representing 10.00% of the number of the Offer Shares initially available under the Global Offering (before any exercise of the Over-Allotment Option), in accordance with Chapter 4.14 of the Guide for New Listing Applicants.

If the Hong Kong Public Offering is not fully subscribed for, the Overall Coordinators have the authority to reallocate all or any unsubscribed Hong Kong Offer Shares to the International Offering, in such proportions as the Overall Coordinators deem appropriate.

Details of any reallocation of Offer Shares between the Hong Kong Public Offering and the International Offering will be disclosed in the results announcement of the Global Offering, which is expected to be published on Tuesday, May 12, 2026.

Applications

Each applicant under the Hong Kong Public Offering will be required to give an undertaking and confirmation in the application submitted by him/her/it that he/she/it and any person(s) for whose benefit he/she/it is making the application has not applied for or taken up, or indicated an interest 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 under the International Offering is liable to be rejected if such undertaking and/or confirmation is/are breached and/or untrue (as the case may be).

Applicants under the Hong Kong Public Offering may (depending on application channels) be required to pay, on application, the Offer Price of HK$10.50 per H Share plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%, amounting to a total of HK$5,302.95 for one board lot of 500 H Shares. If an application is revoked, rejected, not accepted or accepted in part only, or if the conditions of the Global Offering as set out in "— Conditions of the Global Offering" are not satisfied, appropriate refund payments (including brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee attributable to the surplus application monies) will be made to the relevant applicants, without interest. Further details are set out in "How to Apply for Hong Kong Offer Shares."

THE INTERNATIONAL OFFERING

Number of Offer Shares Initially Offered

Subject to reallocation and the Over-allotment Option, the International Offering will consist of an offering of initially 191,167,500 H Shares, representing approximately 95% of the Offer Shares initially available under the Global Offering. The Offer Shares initially offered under the International Offering, subject to any reallocation of Offer Shares between the Hong Kong Public Offering and the International Offering, will represent approximately 95.0% of the total Shares in issue immediately following the 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 QIBs in the United States as well as professional and institutional 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" below 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 H Shares and/or hold or sell its H Shares after the Listing. Such allocation is intended to result in a distribution of the H 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. In addition, pursuant to Rule 18C.08 of the Listing Rules, at least 50% of the total number of shares offered in the Global Offering (excluding any shares to be issued pursuant to the exercise of the Over-allotment Option) will be taken up by independent price setting investors, as defined under the Listing Rules, in the International Offering.

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 it 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 and Clawback

The total number of Offer Shares to be issued or sold pursuant to the International Offering may change as a result of reallocation as described in "— The Hong Kong Public Offering — Reallocation and Clawback" above and/or the exercise of the Over-allotment Option in whole or in part.

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, being Sunday, June 7, 2026, to require our Company to issue up to an aggregate of 30,184,000 additional H Shares, representing not more than 15% of the Offer Shares initially available under the Global Offering, at the Offer Price to, among other things, cover over-allocations in the International Offering, if any.

If the Over-allotment Option is exercised in full, the additional H Shares to be issued pursuant thereto will represent approximately 2.55% of the total Shares in issue immediately following the completion of the Global Offering and the issue of H Shares pursuant to the Over-allotment Option. If the Over-allotment Option is exercised, an announcement will be made.

STABILIZATION

In connection with the Global Offering, the Stabilizing Manager or any person acting for it may make purchases, over-allocate or effect transactions in the market or otherwise take such stabilizing action(s) 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. Any such stabilizing action will be effected in compliance with all applicable laws and regulatory requirements, including the Securities and Futures (Price Stabilizing) Rules under the SFO. 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, (b) may be discontinued at any time and (c) is required to be brought to an end within 30 days after the last day for lodging applications under the Hong Kong Public Offering.

Stabilizing 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 subscribing for or agreeing to purchase or subscribe for the H Shares pursuant to the Over-allotment Option in order to close out any position established under (a) or (b) above, (d) purchasing or agreeing to purchase any of the H Shares for the sole purpose of preventing or minimizing any reduction in the market price of the H Shares, (e) selling or agreeing to sell any H Shares in order to liquidate any position established as a result of those purchases and (f) offering or attempting to do anything as described in (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 Sunday, June 7, 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 the taking of 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.

In order to effect stabilizing actions, the Stabilizing Manager will arrange cover of up to an aggregate of 30,184,000 H Shares, representing not more than 15% of the Offer Shares initially available under the Global Offering, through delayed delivery arrangements with investors who have been allocated Offer Shares in the International Offering. The delayed delivery arrangements (if specifically agreed by an investor) relate only to the delay in the delivery of the Offer Shares to such investor and the Offer Price for the Offer Shares allocated to such investor will be paid on or before the Listing Date.

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 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 means.

PRICING AND ALLOCATION

The Offer Price will be HK$10.50 per H Share, unless otherwise announced by our Company no later than the morning of the last day for lodging applications under the Hong Kong Public Offering, as further explained below.

The International Underwriters will be soliciting from prospective investors indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as "book-building," is expected to continue up to, and to cease on or 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 it deems appropriate, based on the level of interest expressed by prospective investors during the book-building process, and with the consent of our Company, reduce the number of Offer Shares and/or the Offer Price below that stated in this Prospectus at any time in or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such 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 website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.metistechbio.com** notices of the reduction in the number of Offer Shares and/or the Offer Price, the cancelation of the Global Offering and the relaunch of the offering at the revised number of Offer Shares and/or Offer Price. Our Company will also, as soon as practicable following the decision to make such reduction, issue a supplemental or new prospectus updating investors of the reduction in the number of Offer Shares and/or the Offer Price, and giving investors at least three business days to consider the new information. The supplemental or new prospectus shall include at least the following: updated (a) Offer Price and market capitalization; (b) listing timetable and underwriting obligations; (c) price/earnings multiple (if applicable), unaudited pro forma and adjusted net tangible assets; and (d) use of proceeds and working capital adequacy confirmation based on revised estimated proceeds. In the absence of any such supplemental or new prospectus so published, the number of Offer Shares and/or the Offer Price will not be reduced.

If there is any change to the offer size due to change in the number of Offer Shares initially offered under the Global Offering (other than pursuant to the exercise of the Over-allotment Option and/or the reallocation mechanism as disclosed in this Prospectus), or if the Offer Price falls outside the Offer Price as stated in this Prospectus, or if our Company becomes aware that there has been a significant change affecting any matter contained in this Prospectus or a significant new matter has arisen, the inclusion of information in respect of which would have been required to be in this Prospectus if it had arisen before this Prospectus was issued, after the issue of this Prospectus and before the commencement of dealings in our H Shares as prescribed under Rule 11.13 of the Listing Rules, we are required to cancel the Global Offering, issue a supplemental or new prospectus and relaunch the offering on FINI pursuant to the supplemental or new prospectus.

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 are expected to be announced on Tuesday, May 12, 2026 on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.metistechbio.com.**

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. Our Company expects to enter into the International Underwriting Agreement relating to the International Offering on or about Monday, May 11, 2026. 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 Listing Committee granting approval for the listing of, and permission to deal in, the H Shares to be converted from Unlisted Shares and to be issued pursuant to the Global Offering (including any additional H Shares that may be issued pursuant to the exercise of the Over-allotment Option) on the Main Board of the Stock Exchange, and such approval and permission not having been withdrawn or revoked prior to the commencement of dealings in the H Shares on the Stock Exchange; (b) the execution and delivery of the International Underwriting Agreement on or about Monday, May 11, 2026; 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 on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.metistechbio.com** 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. Dispatch/Collection of H Share Certificates and Refund of Application Monies." In the meantime, all application monies will be held in separate bank account(s) with the receiving bank or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

DEALINGS IN THE H SHARES

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. on Wednesday, May 13, 2026 (Hong Kong time), dealings in the H Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Wednesday, May 13, 2026 (Hong Kong time). The H Shares will be traded in board lots of 500 H Shares each. The stock code of the H Shares will be 7666.

IMPORTANT NOTICE TO INVESTORS OF HONG KONG OFFER SHARES

FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering and below are the procedures for application.

This Prospectus is available at the website of the Stock Exchange at **www.hkexnews.hk** under "HKEXnews > New Listings > New Listing Information" and our website at **www.metistechbio.com**.

The contents of this Prospectus are identical to the Prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

A. APPLICATION FOR HONG KONG OFFER SHARES

1. Who Can Apply

You can apply for Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying (i) are 18 years of age or older; and (ii) have a Hong Kong address (for the **White Form eIPO** service only).

Unless permitted by the Listing Rules or a waiver and/or consent has been granted by the Stock Exchange to our Company, you cannot apply for any Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying (i) are an existing Shareholder or close associates; (ii) are a Director or any of his/her close associate; or (iii) have been allocated or have applied for any International Offer Shares or otherwise participated in the International Offering.

2. Application Channels

The Hong Kong Public Offering period will begin at 9:00 a.m. on Tuesday, May 5, 2026 and end at 12:00 noon on Friday, May 8, 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
White Form eIPO service. .	**www.eipo.com.hk**	Investors 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 Tuesday, May 5, 2026 to 11:30 a.m. on Friday, May 8, 2026 (Hong Kong time). The latest time for completing full payment of application monies will be 12:00 noon on Friday, May 8, 2026 (Hong Kong time).

Application Channel	Platform	Target Investors	Application Time
HKSCC EIPO channel	Your broker or custodian who is a HKSCC Participant will submit electronic application instruction(s) on your behalf through HKSCC's FINI system in accordance with your instructions.	Investors 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 **White Form eIPO** 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 for applications to apply for Hong Kong Offer Shares.

For those applying through the **White Form eIPO** service, once you complete payment in respect of any application instruction given by you or for your benefit through the **White Form eIPO** 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 application instructions are given, you shall be deemed to have declared that only one set of 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 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 **White Form eIPO** service more than once and obtaining different application reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you apply through the **White Form eIPO** service, you are deemed to have authorized the **White Form eIPO** Service Provider to apply on the terms and conditions in this Prospectus, as supplemented and amended by the terms and conditions of the **White Form eIPO** service.

By instructing your broker or custodian to apply for Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to apply for Hong Kong Offer Shares on your behalf and to do on your behalf all the things stated in this Prospectus and any supplement to it.

For those applying through the **HKSCC EIPO** channel, an actual application will be deemed to have been made for any application instruction given by you or for your benefit to HKSCC (in which case an application will be made by HKSCC Nominees on your behalf) provided such application instruction has not been withdrawn or otherwise invalidated before the closing time of the Hong Kong Public Offering.

HKSCC Nominees will only be acting as a nominee for you and neither HKSCC nor HKSCC Nominees shall be liable to you or any other person in respect of any actions taken by HKSCC or HKSCC Nominees on your behalf to apply for Hong Kong Offer Shares or for any breach of the terms and conditions of this Prospectus.

3. Information Required to Apply

You must provide the following information with your application:

For Individual/Joint Applicants	For Corporate Applicants
• Full name(s)[2] as shown on your identity document • Identity document's issuing country or jurisdiction • Identity document type, with order of priority: i. Hong Kong identity card ("**HKID**"); or ii. National identification document; or iii. Passport • Identity document number	• 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. Legal Entity Identifier ("**LEI**") registration document; or ii. Certificate of incorporation; or iii. Business registration certificate; or iv. Other equivalent document • Identity document number

Notes:

(1) If you are applying through the **White Form eIPO** 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.

(2) The applicant's full name as shown on his/her/its 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 English and Chinese names, both English and Chinese names must be used. Otherwise, either English or Chinese name 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 (including Hong Kong residents and Hong Kong permanent residents), the HKID number must be used when making an application for Hong Kong Offer Shares. Similarly, for corporate applicants, a LEI number must be used if an entity has a LEI certificate.

(3) If the applicant is a trustee, the client identification data ("**CID**") of the trustee, as set out above, will be required. If the applicant is an investment fund (i.e. a collective investment scheme, or CIS), the CID of the asset management company or the individual fund, as appropriate, which has opened a trading account with the broker will be required, as above.

(4) The maximum number of joint applicants on FINI is capped at 4 in accordance with market practice.

(5) If you are applying as a nominee, you must provide: (i) the full name (as shown on the identity document), the identity document's issuing country or jurisdiction, the identity document type; and (ii) the identity document number, for each of the beneficial owners or, in the case(s) of joint beneficial owners, for each of the joint beneficial owners. If you do not include this information, the application will be treated as being made for your benefit.

(6) If an application is made by 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 the **HKSCC EIPO** channel and making an application under a power of attorney, the Overall Coordinators may accept the application at its discretion and on any conditions it thinks fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

4. Permitted Number of Hong Kong Offer Shares for Application

Board lot size . . . . . : 500 H Shares

Permitted number of Hong Kong Offer Shares for application and amount payable on application/successful allotment . . . . . : Hong Kong Offer Shares are available for application in specified board lot sizes only. Please refer to the amount payable associated with each specified board lot size in the table below.

The Offer Price is HK$10.50 per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565%.

If you are applying through the **HKSCC EIPO** channel, your **broker** or **custodian** may require you to pre-fund your application in such amount as determined by the **broker** or **custodian**, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for. By instructing your broker or custodian to apply for Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the Offer Price, brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee by debiting the relevant nominee bank account at the designated bank for your broker or custodian.

No. of Hong Kong Offer Shares applied for	Amount payable[2] on application	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application
	HK$		*HK$*		*HK$*		*HK$*
500	5,302.95	6,000	63,635.35	40,000	424,235.70	400,000	4,242,357.00
1,000	10,605.89	7,000	74,241.24	45,000	477,265.17	500,000	5,302,946.26
1,500	15,908.84	8,000	84,847.15	50,000	530,294.63	1,000,000	10,605,892.50
2,000	21,211.79	9,000	95,453.03	60,000	636,353.56	1,500,000	15,908,838.76
2,500	26,514.73	10,000	106,058.93	70,000	742,412.48	2,000,000	21,211,785.00
3,000	31,817.68	15,000	159,088.39	80,000	848,471.40	2,500,000	26,514,731.26
3,500	37,120.63	20,000	212,117.86	90,000	954,530.33	3,000,000	31,817,677.50
4,000	42,423.56	25,000	265,147.31	100,000	1,060,589.26	3,500,000	37,120,623.76
4,500	47,726.52	30,000	318,176.78	200,000	2,121,178.50	4,000,000	42,423,570.00
5,000	53,029.47	35,000	371,206.23	300,000	3,181,767.76	5,030,500[1]	53,352,942.22

Notes:

(1) The maximum number of Hong Kong Offer Shares you may apply for.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee. If your application is successful, the brokerage will be paid to the Exchange Participants and the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee will be paid to the Stock Exchange (in the case of the SFC transaction levy and the AFRC transaction levy, collected by the Stock Exchange on behalf of the SFC 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 "— A. Application for Hong Kong Offer Shares — 3. Information Required to Apply" above. If you are suspected of submitting or causing to be submitted more than one application, all of your applications will be rejected.

Multiple applications made either through (i) the **White Form eIPO** service, (ii) the **HKSCC EIPO** channel or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **White Form eIPO** service or the **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 **White Form eIPO** service or the **HKSCC EIPO** channel, you (or as the case may be, HKSCC Nominees will do the following things on your behalf):

(a) undertake to execute all relevant documents and instruct and authorize us and/or the Overall Coordinators (or its agents or nominees), as our 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;

(b) confirm that you have read and understood the terms and conditions and application procedures set out in this Prospectus and the designated website of the **White Form eIPO** service (or as the case may be, the agreement you entered into with your broker or custodian), and agree to be bound by them;

(c) (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;

(d) confirm that you are aware of the restrictions on the Hong Kong Public Offering set out in this Prospectus and they do not apply to you or the person(s) for whose benefit you have made the application;

(e) confirm that you have read this Prospectus and any supplement to it, and have relied only on the information and representations contained therein in making your application (or as the case may be, causing your application to be made), and will not rely on any other information or representations;

(f) agree that we, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries, our and their respective directors, officers, employees, partners, agents, advisers and other parties involved in the Global Offering (the "**Relevant Persons**"), the H Share Registrar, the **White Form eIPO** Service Provider and HKSCC will not be liable for any information and representations not in this Prospectus and any supplement to it;

(g) undertake and confirm that you or the person(s) for whose benefit you have made the application have not applied for or taken up, or indicated an interest in, and will not apply for or take up, or indicate an interest in, any International Offer Shares nor participated in the International Offering;

(h) 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 us, 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 specified under "— G. Personal Data" below;

(i) 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;

(j) 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 "— B. Publication of Results" below;

(k) confirm that you are aware of the situations specified in "— C. Circumstances in Which You Will Not Be Allocated Hong Kong Offer Shares" below;

(l) 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;

(m) agree and warrant that you have complied 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 we nor the Relevant Persons will breach any law inside and/or outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this Prospectus;

(n) represent, warrant and undertake that (a) you understand that the Hong Kong Offer Shares have not been and will not be registered under the U.S. Securities Act; and (b) you and the person(s) for whose benefit you have made the application are outside the United States (as defined in Regulation S) or are a person described in paragraph (h)(3) of Rule 902 of Regulation S;

(o) confirm that (a) your application or HKSCC Nominees' application on your behalf is not financed directly or indirectly by the Company, any of the director(s), chief executive(s), controlling shareholder(s), substantial shareholder(s) or other 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 director(s), chief executive(s), controlling shareholder(s), substantial shareholder(s) or other existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the H Shares registered in your name or otherwise held by you;

(p) warrant that the information you have provided is true and accurate;

(q) confirm that you understand that we 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;

(r) agree to accept Hong Kong Offer Shares applied for or any lesser number allocated to you under the application;

(s) authorize us to place your name(s) or the name of HKSCC Nominees on our register of members as the holder(s) of any Hong Kong Offer Shares allocated to you and such other registers as may be required under the Articles of Association, and we and/or our agents to send any H Share certificate(s) and/or any White Form e-Refund payment instructions and/or any refund check(s) to you or the first-named applicant for joint application to the address specified in your application instructions by ordinary post at your own risk, unless you are eligible to collect the H Share certificate(s) and/or refund check(s) in person;

(t) 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;

(u) (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 application instructions to HKSCC directly or indirectly or through the **White Form eIPO** service or by you or by anyone as your agent or by any other person; and

(v) (if you are making the application as an agent for the benefit of another person) warrant that (a) 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 application instructions to HKSCC and (b) you have due authority to give 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 White Form eIPO service or HKSCC EIPO channel:		
Website	The designated results of allocation website at **www.iporesults.com.hk** (alternatively: **www.eipo.com.hk/eIPOAllotment**) with a "search by ID" function. The full list of (i) wholly or partially successful applicants using the **White Form eIPO** service and **HKSCC EIPO** channel, and (ii) the number of Hong Kong Offer Shares conditionally allotted to them, among other things, will be displayed on the "Allotment Results" page of the **White Form eIPO** service at **www.iporesults.com.hk** (alternatively: **www.eipo.com.hk/eIPOAllotment**).	24 hours, from 11:00 p.m. on Tuesday, May 12, 2026 to 12:00 midnight on Monday, May 18, 2026 (Hong Kong time).
	The website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.metistechbio.com**, which will provide links to the above-mentioned websites of the H Share Registrar.	By 11:00 p.m. on Tuesday, May 12, 2026 (Hong Kong time).
Telephone	+852 2862 8555 — the allocation results telephone enquiry line provided by the H Share Registrar	Between 9:00 a.m. and 6:00 p.m. on Wednesday, May 13, 2026, Thursday, May 14, 2026, Friday, May 15, 2026 and Monday, May 18, 2026 (Hong Kong time).

For those applying through the **HKSCC EIPO** channel, you may also check with your broker or custodian from 6:00 p.m. on Monday, May 11, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Monday, May 11, 2026 (Hong Kong time) on a 24-hour basis, and should report any discrepancies on allotments to HKSCC as soon as practicable.

Allocation Announcement

We expect to announce the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.metistechbio.com** by no later than 11:00 p.m. on Tuesday, May 12, 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:

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 we or our agents exercise our discretion to reject your application:

We, 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 (i) within three weeks from the closing date of the application lists; or (ii) within a longer period of up to six weeks if the Stock Exchange notifies us of that longer period within three weeks of the closing date of the application lists.

4. **If** (i) you make multiple applications or suspected multiple applications. You may refer to "— A. Application for Hong Kong Offer Shares — 5. Multiple Applications Prohibited" above on what constitutes multiple applications; (ii) your application instruction is incomplete; (iii) your payment (or confirmation of funds, as the case may be) is not made correctly; (iv) the Underwriting Agreements do not become unconditional or are terminated; or (v) the Company or the Overall Coordinators believes that by accepting your application, it or they would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted 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 bank 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 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 us, 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. DISPATCH/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 H Shares. No receipt will be issued for sums paid on application.

The H Share certificates will only become valid evidence of title at 8:00 a.m. on the Listing Date, which is expected to be Wednesday, May 13, 2026 (Hong Kong time), provided that the Global Offering has become unconditional in all respects and the right of termination described in "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination" has not been exercised. Investors who trade H Shares prior to the receipt of H Share certificates or prior to the H Share certificates becoming valid evidence of title do so entirely at their own risk. The right is reserved to retain any H Share certificate(s) and (if applicable) any surplus application monies pending clearance of application monies. The following sets out the relevant procedures and time:

	White Form eIPO service	HKSCC EIPO channel
Dispatch/collection of H Share certificate		
For H Share certificate(s) of 1,000,000 Hong Kong Offer Shares or more issued under your own name	Collection in person from the H Share Registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. **Time**: from 9:00 a.m. to 1:00 p.m. on Wednesday, May 13, 2026 (Hong Kong time). If you are an individual, you must not authorize any other person to collect for you. If you are a corporate applicant, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop. 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. No action by you is required.

	White Form eIPO 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 H Share certificate(s) of less than 1,000,000 Hong Kong Offer Shares issued under your own name	Your H Share certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk. **Time: Tuesday, May 12, 2026**	
Refund mechanism for surplus application monies paid by you		
Date	Wednesday, May 13, 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	White Form e-Refund payment instructions to your designated bank account.	Your broker or custodian will arrange refund to your designated bank account subject to the arrangement between you and it.
Application monies paid through multiple bank accounts	Refund check(s) will be dispatched to the address specified in your application instructions by ordinary post at your own risk.	

Except in the event of any Severe Weather Signals (as defined below) in force in Hong Kong on Tuesday, May 12, 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 application lists will not open or close on Friday, May 8, 2026 if there is/are (i) a tropical cyclone warning signal number 8 or above; (ii) a "black" rainstorm warning signal; and/or (iii) Extreme Conditions (collectively, "**Severe Weather Signals**") in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Friday, May 8, 2026 (Hong Kong time).

Instead they will open at 11:45 a.m. and/or close at 12:00 noon on the next business day which does not have **Severe** Weather Signals in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon (Hong Kong time).

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 "Expected Timetable," an announcement will be made and published on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.metistechbio.com** of the revised timetable.

If a **Severe** Weather Signal is hoisted on Tuesday, May 12, 2026 (i) the H Share Registrar will make appropriate arrangements for the delivery of the H Share certificates to CCASS so that they would be available for trading on Wednesday, May 13, 2026; and (ii) for physical H Share

certificate(s) of less than 1,000,000 Hong Kong Offer Shares issued under your own name, dispatch will be made by ordinary post when the post office re-opens after the **Severe** Weather Signal is lowered or canceled (e.g. in the afternoon of Tuesday, May 12, 2026 or on Wednesday, May 13, 2026).

If a **Severe** Weather Signal is hoisted on Wednesday, May 13, 2026, for physical H Share certificate(s) of 1,000,000 Hong Kong Offer Shares or more issued under your own name, you may pick it/them up from the H Share Registrar's office after the **Severe** Weather Signal is lowered or canceled (e.g. in the afternoon of Wednesday, May 13, 2026 or on Thursday, May 14, 2026).

Prospective investors should be aware that if they choose to receive physical H Share certificates issued in their own name, there may be a delay in receiving the H Share certificates.

F. ADMISSION OF THE H SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the H Shares on the Stock Exchange and we comply 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 advisers for details of those settlement arrangements 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. Such 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 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 dispatch 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 check and White Form e-Refund payment instruction(s), where applicable, verification of compliance with the terms and application procedures set out in this Prospectus and announcing results of allocation of Hong Kong Offer Shares; (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 Company's register of members; (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 for and holders of the H Shares and/or regulators and/or any other purposes to which applicants for 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 advisers, 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 operations; (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 purposes 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 for 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, at the Company's registered address disclosed in "Corporate Information" or as notified from time to time, for the attention of the joint company secretaries, 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-2, received from the Company's reporting accountant, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this Prospectus. It is prepared and addressed to the directors of the Company and to the Joint Sponsors pursuant to the requirements of Hong Kong Standard on Investment Circular Reporting Engagement 200 (the "HKSIR 200"), Accountants' Reports on Historical Financial Information in Investment Circulars issued by the Hong Kong Institute of Certified Public Accountants.

pwc 羅兵咸永道

ACCOUNTANT'S REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF METIS TECHBIO CO., LTD., JEFFERIES HONG KONG LIMITED, DEUTSCHE SECURITIES ASIA LIMITED AND CITIC SECURITIES (HONG KONG) LIMITED

Introduction

We report on the historical financial information of Metis TechBio Co., Ltd. (the "Company") and its subsidiaries (together, the "Group") set out on pages I-3 to I-49, which comprises the consolidated statements of financial position as at December 31, 2023, 2024 and 2025, the Company statements of financial position as at December 31, 2023, 2024 and 2025, and the consolidated statements of profit or loss, the consolidated statements of comprehensive loss, the consolidated statements of changes in equity/(deficit) and the consolidated statements of cash flows for each of the years ended December 31, 2023, 2024 and 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-49 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated May 5, 2026 (the "Prospectus") in connection with the initial listing of H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of presentation and preparation set out in Notes 1.2 and 2 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountant's responsibility

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

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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 accountant's judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountant considers internal control relevant to the entity's preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of presentation and preparation set out in Notes 1.2 and 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 the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

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

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountant's report, a true and fair view of the financial position of the Company as at December 31, 2023, 2024 and 2025 and the consolidated financial position of the Group as at December 31, 2023, 2024 and 2025 and of its consolidated financial performance and its consolidated cash flows for the Track Record Period in accordance with the basis of presentation and preparation set out in Notes 1.2 and 2 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") 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 31 to the Historical Financial Information which states that no dividends have been paid by Metis TechBio Co., Ltd. in respect of the Track Record Period.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, May 5, 2026

I 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 accountant's report.

The financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by PricewaterhouseCoopers in accordance with International Standards on Auditing issued by the International Auditing and Assurance Standards Board (the "Underlying Financial Statements").

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

Consolidated statements of profit or loss

	Note	Year ended December 31,		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Revenue from contracts with customers	*6*	9,338	1,482	105,000
Cost of revenue	*9*	(3,753)	(659)	(1,913)
Gross profit		**5,585**	**823**	**103,087**
Research and development expenses	*9*	(290,463)	(274,001)	(269,809)
Administrative expenses	*9*	(85,473)	(90,565)	(196,045)
Selling and marketing expenses	*9*	(24,781)	(14,750)	(22,857)
Other (expense)/income – net	*7*	(53,881)	14,941	19,934
Other (losses)/gains – net	*8*	(393)	6,262	4,083
Operating loss		**(449,406)**	**(357,290)**	**(361,607)**
Finance income	*10*	6,405	14,734	13,207
Finance costs	*10*	(78,374)	(156,634)	(43,313)
Finance costs – net		(71,969)	(141,900)	(30,106)
Fair value changes of convertible loan	*29*	(60,551)	–	–
Loss before income tax		**(581,926)**	**(499,190)**	**(391,713)**
Income tax expense	*13*	(2)	(8)	(123)
Loss for the year attributable to the owners of the Company		**(581,928)**	**(499,198)**	**(391,836)**
Loss per share for loss attributable to the owners of the Company (expressed in RMB per share):				
Basic and diluted loss per share	*14*	(7.22)	(6.37)	(4.66)

Consolidated statements of comprehensive loss

	Note	Year ended December 31,		
		2023	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
Loss for the year		(581,928)	(499,198)	(391,836)
Other comprehensive loss				
Items that will be reclassified to profit or loss				
Currency translation differences		2,431	494	(245)
Other comprehensive loss for the year, net of nil tax		2,431	494	(245)
Total comprehensive loss for the year attributable to the owners of the Company		**(579,497)**	**(498,704)**	**(392,081)**

Consolidated statements of financial position

	Note	As at December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
ASSETS				
Non-current assets				
Property, plant and equipment	*15*	92,959	67,388	65,745
Right-of-use assets	*16*	12,606	5,587	27,925
Investments property	*17*	31,137	26,160	20,915
Intangible assets	*18*	6,397	5,094	4,259
Term deposits	*22*	125,447	107,963	–
Prepayments and other non-current assets	*21*	18,461	16,886	22,480
Total non-current assets		**287,007**	**229,078**	**141,324**
Current assets				
Prepayments and other current assets	*21*	184,632	31,005	23,259
Trade receivables	*20*	705	268	181
Financial assets at fair value through profit or loss	*3.3*	–	209,102	30,062
Term deposits	*22*	279,580	21,441	267,179
Cash and cash equivalents	*23*	561,470	557,641	828,263
Total current assets		**1,026,387**	**819,457**	**1,148,944**
Total assets		**1,313,394**	**1,048,535**	**1,290,268**
LIABILITIES				
Non-current liabilities				
Lease liabilities	*16*	81,811	66,595	72,151
Redemption liabilities	*29*	2,073,125	2,250,247	–
Deferred government grants	*28*	37,807	4,656	5,051
Total non-current liabilities		**2,192,743**	**2,321,498**	**77,202**
Current liabilities				
Trade payables	*27*	9,359	10,687	10,605
Contract liabilities	*6*	–	11,084	17,193
Borrowings	*30*	30,000	10,000	40,000
Lease liabilities	*16*	17,397	16,420	18,979
Employee benefit obligations		15,362	14,066	16,214
Deferred government grants	*28*	–	37,000	32,000
Accruals and other payables	*27*	26,096	10,169	37,217
Total current liabilities		**98,214**	**109,426**	**172,208**
Total liabilities		**2,290,957**	**2,430,924**	**249,410**
Net current assets		**928,173**	**710,031**	**976,736**
Net (liabilities)/asset		**(977,563)**	**(1,382,389)**	**1,040,858**
EQUITY				
(Deficits)/equity attributable to owners of the Company				
Share capital/Paid-in capital	*24*	87,680	87,851	94,105
Reserves	*25*	117,775	211,976	2,696,316
Accumulated losses		(1,183,018)	(1,682,216)	(1,749,563)
Total (deficits)/equity		**(977,563)**	**(1,382,389)**	**1,040,858**

Company statements of financial position

	Note	As at December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
ASSETS				
Non-current assets				
Investment in subsidiaries	*12(b)*	127,778	235,135	290,463
Property, plant and equipment		48,120	33,262	20,604
Right-of-use assets		8,600	2,917	11,097
Intangible assets		1,856	1,630	1,878
Term deposits	*22*	63,804	55,017	–
Prepayments and other non-current assets	*21*	407,438	272,263	259,725
Total non-current assets		**657,596**	**600,224**	**583,767**
Current assets				
Prepayments and other current assets	*21*	181,584	23,733	12,926
Trade receivables		681	22,490	24,407
Financial assets at fair value through profit or loss		–	129,007	30,062
Term deposits	*22*	279,580	10,788	212,638
Cash and cash equivalents	*23*	270,133	447,607	742,502
Total current assets		**731,978**	**633,625**	**1,022,535**
Total assets		**1,389,574**	**1,233,849**	**1,606,302**
LIABILITIES				
Non-current liabilities				
Lease liabilities		3,221	–	9,891
Redemption liabilities	*29*	2,073,125	2,250,247	–
Deferred government grants		1,937	966	975
Total non-current liabilities		**2,078,283**	**2,251,213**	**10,866**
Current liabilities				
Trade payables	*27*	5,548	3,966	3,963
Contract liabilities		–	8,113	60
Borrowings		30,000	10,000	40,000
Lease liabilities		6,133	3,221	546
Employee benefit obligations		7,109	7,622	900
Accruals and other payables	*27*	22,134	7,245	6,927
Total current liabilities		**70,924**	**40,167**	**52,396**
Total liabilities		**2,149,207**	**2,291,380**	**63,262**
Net (liabilities)/asset		**(759,633)**	**(1,057,531)**	**1,543,040**
EQUITY				
(Deficits)/equity attributable to owners of the Company				
Share capital/Paid-in capital	*24*	87,680	87,851	94,105
Reserves	*25*	(14,899)	78,808	2,571,038
Accumulated losses		(832,414)	(1,224,190)	(1,122,103)
Total (deficits)/equity		**(759,633)**	**(1,057,531)**	**1,543,040**

Consolidated statements of changes in equity/(deficit)

	Note	Deficits attributable to owners of the Company			
		Paid-in capital	Reserves	Accumulated losses	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Balance at January 1, 2023		**111,917**	**399,042**	**(601,090)**	**(90,131)**
Loss for the year		–	–	(581,928)	(581,928)
Currency translation differences	*25*	–	2,431	–	2,431
Total comprehensive loss for the year		**–**	**2,431**	**(581,928)**	**(579,497)**
Transactions with owners in their capacity as owners:					
Capital contribution from shareholders	*25*	45,331	1,258,883	–	1,304,214
Shareholder withdrawal of capital	*25*	(84,776)	–	–	(84,776)
Conversion of convertible loan to ordinary shares	*29*	15,208	883,280	–	898,488
Recognition of redemption liabilities	*29*	–	(2,008,386)	–	(2,008,386)
Reserves related to reorganization	*25*	–	(521,948)	–	(521,948)
Share-based payments	*26*	–	104,473	–	104,473
Balance at December 31, 2023		**87,680**	**117,775**	**(1,183,018)**	**(977,563)**

	Note	Deficits attributable to owners of the Company			
		Paid-in capital	Reserves	Accumulated losses	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Balance at January 1, 2024		**87,680**	**117,775**	**(1,183,018)**	**(977,563)**
Loss for the year		–	–	(499,198)	(499,198)
Currency translation differences	*25*	–	494	–	494
Total comprehensive loss for the year		**–**	**494**	**(499,198)**	**(498,704)**
Transactions with owners in their capacity as owners:					
Capital contribution from shareholders	*25*	171	11,230	–	11,401
Recognition of redemption liabilities	*29*	–	(11,412)	–	(11,412)
Share-based payments	*26*	–	93,889	–	93,889
Balance at December 31, 2024		**87,851**	**211,976**	**(1,682,216)**	**(1,382,389)**

	Note	Equity attributable to owners of the Company			
		Paid-in capital/ Share capital	Reserves	Accumulated losses	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Balance at January 1, 2025		**87,851**	**211,976**	**(1,682,216)**	**(1,382,389)**
Loss for the year		–	–	(391,836)	(391,836)
Currency translation differences	*25*	–	(245)	–	(245)
Total comprehensive loss for the year		**–**	**(245)**	**(391,836)**	**(392,081)**
Transactions with owners in their capacity as owners:					
Conversion into a joint stock company		–	(324,489)	324,489	–
Capital contribution from shareholders	*24*	4,504	345,496	–	350,000
Capital contribution related to employee share awards	*25*	1,750	13,622	–	15,372
Derecognition of redemption liabilities	*29*	–	2,278,172	–	2,278,172
Repurchase liabilities for employee share awards	*25*	–	(11,955)	–	(11,955)
Share-based payments	*26*	–	183,739	–	183,739
Balance at December 31, 2025		**94,105**	**2,696,316**	**(1,749,563)**	**1,040,858**

Consolidated statements of cash flows

	Note	Year ended December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Cash flows from operating activities				
Cash used in operating activities	*32(a)*	(198,831)	(253,936)	(134,677)
Interest received		6,405	14,734	13,207
Income taxes paid	*13*	(2)	(8)	(123)
Net cash outflow from operating activities		**(192,428)**	**(239,210)**	**(121,593)**
Cash flows from investing activities				
Purchase of term deposits		(392,310)	–	(361,823)
Payments for financial assets at fair value through profit or loss	*3.3*	–	(795,145)	(998,000)
Purchase of property and equipment		(49,494)	(3,341)	(18,653)
Payments of deposits related to lease		–	–	(823)
Purchase of intangible assets		(6,968)	(294)	(380)
Proceeds from maturity of term deposits		22,888	284,679	233,011
Proceeds from redemption of short-term investments measured at fair value through profit or loss	*3.3*	20,148	592,895	1,181,668
Cash received for disposal of property and equipment		844	131	92
Net cash inflow from investing activities		**(404,892)**	**78,925**	**35,092**
Cash flows from financing activities				
Proceeds injected by shareholders		1,132,067	183,550	350,000
Cash received from employee share awards		–	–	15,372
Proceeds from convertible loan	*29*	344,318	–	–
Proceeds from bank borrowings	*30*	30,000	10,000	40,000
Repayment of reorganization		(521,948)	–	–
Repayment of convertible loan	*29*	(73,226)	–	–
Repayment of capital reduction		(84,776)	–	–
Payments for transaction cost for issuance of convertible bond	*10*	(1,716)	–	–
Payment of listing expenses to be capitalized		–	–	(1,528)
Repayment to bank borrowings		(5,883)	(30,331)	(10,832)
Payment of lease		(18,899)	(19,908)	(23,533)
Net cash inflow from financing activities		**799,937**	**143,311**	**369,479**
Net increase/(decrease) in cash and cash equivalents		202,617	(16,974)	282,978
Cash and cash equivalents at the beginning of the year		364,472	561,470	557,641
Effects of exchange rate changes on cash and cash equivalents		(5,619)	13,145	(12,356)
Cash and cash equivalents at the end of the year		**561,470**	**557,641**	**828,263**

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 GENERAL INFORMATION, REORGANIZATION AND BASIS OF PRESENTATION

1.1 General information

Metis TechBio Co., Ltd. (the "Company") was incorporated in Hangzhou, the People's Republic of China (the "PRC") on January 10, 2020 as a limited liability company. On June 30, 2025, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the "Group") are principally engaged in AI-empowered nanomaterial innovation for the delivery and application of active agents across all carbon-based life forms.

The Company's principal subsidiaries during the Track Record Period and as at the date of this report are set out in Note 12.

1.2 Reorganization and basis of presentation

Prior to April 24, 2023, the Company was held indirectly by Metis Pharmaceuticals Inc ("Metis"), which was incorporated in the Cayman Islands on October 2, 2019 as an exempted company with limited liability under the Company Law Cap.22. of the Cayman Islands.

Pursuant to a reorganization agreement dated April 24, 2023, (1) the Company acquired 100% of equity interests of Metis Therapeutics Inc. and Beijing Jitai Pharmaceutical Technology Co., Ltd. from Metis and its subsidiary respectively, which is regarded as a business combination under common control and accounted using the predecessor method, (2) each of the shareholders of Metis became the shareholders of the Company with substantially the same shareholding percentages in Metis before and after the reorganization.

Under the predecessor method, the net assets of subsidiaries acquired were consolidated using the existing book values from Metis' perspective, and differences between the consideration paid and net assets recognised were recorded in equity, instead of goodwill.

2 BASIS OF PREPARATION

The Historical Financial Information of the Group has been prepared in accordance with all applicable IFRS Accounting Standards ("IFRS Accounting Standards") issued by the International Accounting Standards Board. The Historical Financial Information has been prepared under the historical cost convention, as modified by the revaluation of financial liabilities at fair value through profit or loss ("FVPL"), and financial assets at FVPL.

The preparation of Historical Financial Information in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are disclosed in Note 4 below.

The accounting policies applied in the preparation of the Historical Financial Information have been consistently applied to the Track Record Period, unless otherwise stated.

Other than those material accounting policies information as disclosed in the notes to the relevant financial line items or transactions in this Historical Financial Information, a summary of the other accounting policies information has been set out in Note 37 to this Historical Financial Information.

2.1 New or amended standards, amendments or interpretations

All effective standards, amendments to standards and interpretations, which are mandatorily effective for the financial year beginning on 1 January 2025, are consistently applied to the Group for the Track Record Period.

Standards, amendments and interpretations that have been issued but not yet effective and not been early adopted by the Group during the Track Record Period are as follows:

Standards and amendments	Effective for accounting periods beginning on or after
Amendments to IFRS 9 and IFRS 7, 'Amendments to the Classification and Measurement of Financial Instruments'	1 January 2026
Amendments to IFRS 9 and IFRS 7, 'Contracts referencing nature-dependent electricity'	1 January 2026
Annual Improvements – Volume 11 IFRS accounting standards	1 January 2026
IFRS 18, 'Presentation and Disclosure in Financial Statements'	1 January 2027
IFRS 19, 'Subsidiaries without Public Accountability: Disclosures'	1 January 2027
Amendments to IFRS 10 and IAS 28 'Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group has already commenced an assessment of the impact of these new or revised standards, amendments and interpretations, certain of which are relevant to the Group's operations. According to the preliminary assessment made by the directors, these standards and amendments are not expected to have a significant impact on the Group's financial performance and position, except IFRS 18.

IFRS 18 sets out requirements on disclosures in financial statements and it will replace IAS 1 Presentation of Financial Statements and the application of IFRS 18 will not have significant impact on the financial position. Although the adoption of IFRS 18 will have no impact on the group's net loss, the group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating loss is calculated and reported. From the high-level impact assessment that the Group has performed, the income and expense from the investment property and the income from term deposit and wealth management products might potentially impact operating loss of the Group.

3 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group.

3.1 Financial risk factors

(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the respective functional currency of the Group's subsidiaries. The functional currency of the Company and its subsidiaries operate in Chinese Mainland is RMB whereas functional currency of the subsidiaries operate outside Chinese Mainland are USD and AUD. The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures and tries to minimize these exposures through natural hedges, wherever possible.

The foreign currency assets and liabilities of the Group entities are certain cash and cash equivalents, term deposits, financial assets at FVPL and receivables and payables denominated in foreign currencies of respective group entities that are exposed to foreign currency risk. The foreign exchange risk the Group is facing mainly comes from movements in the USD/RMB.

If USD had strengthened by 5% against RMB with all other variables held constant, loss before income tax for the year would have been approximately RMB14,823,000, RMB25,299,000 and RMB14,011,000 lower for the years ended December 31, 2023, 2024 and 2025 respectively.

(ii) Interest rate risk

Except for cash and cash equivalents, restricted cash, term deposits and short-term borrowings, the Group has no significant interest-bearing assets and borrowings.

The directors of the Company do not anticipate significant impact to interest-bearing assets and borrowings resulted from the changes in interest rate because the interest rates of the above-mentioned interest-bearing assets and borrowings are not expected to change significantly.

(iii) Price risk

The Group's exposure to equity securities price risk arises from investments in low-risk wealth management products and classified in the statement of financial position as financial assets at fair value through profit or loss.

To manage its price risk arising from investments in low-risk wealth management products, the Group makes investment decisions related to wealth management products on a case-by-case basis after thoroughly considering a number of factors, including but not limited to macroeconomic environment, general market conditions and the expected profit or potential loss of the investment.

(b) Credit risk

Credit risk arises from cash and cash equivalents, restricted cash, term deposits, financial assets at FVPL, as well as trade receivables and other receivables. The carrying amount of each class of the above financial assets represents the Group's maximum exposure to credit risk in relation to the corresponding class of financial assets. The directors considered that the Group's credit risk of these financial assets measured at amortised cost was insignificant and no material loss allowance provision was recognized for these financial assets measured at amortized cost.

To manage this risk, cash and cash equivalents, restricted cash and term deposits are mainly deposited with state-owned or reputable financial institutions in the PRC and reputable international financial institutions outside of the PRC. Thus, the credit risk related to cash and cash equivalents, restricted cash and term deposit was insignificant and no loss allowance provision was recognized.

For trade receivables, management applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The directors of the Group believe that there is no material credit risk inherent in the Group's outstanding balance of trade receivables, details of which have been disclosed in Note 20.

For other receivables and other non-current assets, management has assessed that during the years ended 31 December 2023, 2024 and 2025, other receivables and other non-current assets have not had a significant increase in credit risk since initial recognition. Thus, a 12-month expected credit loss approach that results from possible default event within 12 months of each reporting date is adopted by management. The Group does not expect any losses from non-performance by the counterparties of other receivables and no loss allowance provision for other receivables and other non-current assets was recognized.

(c) Liquidity risk

The Group intends to maintain sufficient cash and cash equivalents. Due to the dynamic nature of the underlying business, the policy of the Group is to regularly monitor the Group's liquidity risk and to maintain adequate liquid assets such as cash and cash equivalents and term deposits or to retain adequate financing arrangements to meet the Group's liquidity requirements.

The tables below analyse the Group's non-derivative financial liabilities that will be settled into relevant maturity groupings based on the remaining period at each balance sheet date to their contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At December 31, 2023					
Trade payables	9,359	–	–	–	9,359
Accruals and other payables (excluding non-financial liabilities)	10,626	–	–	–	10,626
Lease liabilities	19,844	18,151	43,035	32,371	113,401
Borrowings	30,000	–	–	–	30,000
Redemption liabilities *(i)*	–	–	2,583,013	–	2,583,013
Total	**69,829**	**18,151**	**2,626,048**	**32,371**	**2,746,399**

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At December 31, 2024					
Trade payables	10,687	–	–	–	10,687
Accruals and other payables (excluding non-financial liabilities)	7,786	–	–	–	7,786
Lease liabilities	18,346	15,113	43,459	17,937	94,855
Borrowings	10,000	–	–	–	10,000
Redemption liabilities *(i)*	–	2,597,175	–	–	2,597,175
Total	**46,819**	**2,612,288**	**43,459**	**17,937**	**2,720,503**

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At December 31, 2025					
Trade payables	10,605	–	–	–	10,605
Accruals and other payables (excluding non-financial liabilities)	36,616	–	–	–	36,616
Lease liabilities	21,899	22,509	54,689	2,516	101,613
Borrowings	40,000	–	–	–	40,000
Total	**109,120**	**22,509**	**54,689**	**2,516**	**188,834**

(i) The liquidity risk of redemption liabilities is the original investment principal plus the respective predetermined interest (the "Redemption Amount"), assuming that no consummation of a qualified initial public offering of the Company's shares before November 18, 2026, and the investors request the Company to redeem all of their investments (the "redemption event").

3.2 Capital management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital by regularly reviewing the capital structure. As a part of this review, the Group considers the cost of capital and the risks associated with the issued share capital. The Group may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares or repurchase the Company's shares. In the opinion of the directors of the Company, the Group's capital risk is not significant.

3.3 Fair value estimation

(a) Financial instruments carried at fair value

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents the Group's assets that were measured at fair value as at December 31, 2024 and 2025:

At December 31, 2024	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Financial assets at FVPL				
Investments in wealth management products	–	–	209,102	209,102
Total financial assets	**–**	**–**	**209,102**	**209,102**

At December 31, 2025	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Financial assets at FVPL				
Investments in wealth management products	–	–	30,062	30,062
Total financial assets	**–**	**–**	**30,062**	**30,062**

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There were no transfers between level 1, 2 and 3 of fair value hierarchy classifications during the years ended December 31, 2023, 2024 and 2025.

(ii) Valuation techniques used to determine fair values and process

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments;
- the discounted cash flow model and unobservable inputs mainly including assumptions of expected future cash flows and discount rate;
- the latest round financing, i.e. the prior transaction price or the third-party pricing; and

- a combination of observable and unobservable inputs, including risk-free rate, expected volatility, discount rate for lack of marketability ("DLOM"), market multiples, etc.

The Group has a team that manages the valuation exercise of level 3 instruments for financial reporting purposes. The team manages the valuation exercise of the financial instruments on a case-by-case basis. At least once every year, the team would use valuation techniques to determine the fair value of the Group's level 3 instruments. External valuation experts will be involved when necessary.

(iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 financial assets at FVPL for the years ended December 31, 2023, 2024 and 2025:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At the beginning of the year	**20,045**	**–**	**209,102**
Additions	–	795,145	998,000
Disposals	(20,148)	(592,895)	(1,181,668)
Changes in fair value	103	6,852	4,628
At the end of the year	**–**	**209,102**	**30,062**
Net unrealized gains for the year	–	2,218	62

The changes of financial liabilities at FVPL and the valuation techniques and significant unobservable inputs for the year ended December 31, 2023 have been disclosed in Note 29.

(iv) Valuation inputs and relationships to fair value of financial assets

The following table summarizes the quantitative information about the significant unobservable inputs used in level 3 fair value:

Description	Fair Value			Significant unobservable inputs	Range of inputs			Relationship of unobservable inputs to fair values
	As at December 31,				As at December 31,			
	2023	2024	2025		2023	2024	2025	
	RMB'000	*RMB'000*	*RMB'000*					
Investments in wealth management products	–	209,102	30,062	Expected rate of return	–	2.00%-5.80%	0.95%-5.8%	The higher the expected rate of return, the higher the fair value

If the fair values of the investments in wealth management products held by the Group had been 5% higher/lower, loss for the years ended December 31, 2023, 2024 and 2025 would have been approximately RMB nil lower/higher and RMB10,455,000 lower/higher and RMB1,503,000 lower/higher, respectively.

(b) Financial instruments carried at other than fair value

The carrying amounts of the Group's financial assets that are not measured at fair value including cash and cash equivalents, restricted cash, term- deposits, trade receivables and other receivables, and the Group's financial liabilities that are not measured at fair value, including borrowings, lease liabilities, trade payables, other payables and redemption liabilities, approximate their fair values due to their short maturities or the interest rates are close to the market interest rates.

4 CRITICAL ESTIMATES AND JUDGMENT

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(a) Fair value of convertible loan

The Company has engaged an independent valuer to determine the fair value of convertible loans that are not traded in an active market by using valuation techniques. The Group applied the back-solve method and discounted cash flow approach to determine the underlying equity value of the Company and adopted the scenario analysis method to determine the fair value of the convertible loan. Key assumptions such as risk free interest rate and discount rate are disclosed in Note 29.

(b) Share-based payment expenses

The Group has granted share options and share awards to the Group's employees. The Company has engaged an independent valuer to determine the fair value of the options and awards granted to employees, which is expensed over the vesting periods. Unobservable inputs such as the risk-free interest rate, volatility and dividend yield, etc. are used in determining the fair value of the share-based compensations. Further details are included in Note 26.

(c) Impairment of investment property and property, plant and equipment

Investment property and property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in profit and loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal ("FVLCD") and value-in-use ("VIU"). Judgment is required to determine key assumptions adopted in the valuation models for impairment review purpose. Changing the assumptions selected by management in assessing impairment could materially affect the result of the impairment test and as a result affect the Group's financial position and results of operations. If there is a significant adverse change in the key assumptions applied, it may be necessary to recognize additional impairment charge in profit or loss. Further details are included in Note 17.

5 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors of the Group.

The Group is principally engaged in the research and development of new nano materials. The CODM reviews the operating results of the business as one operating segment to make decisions about resources to be allocated. Therefore, the CODM regards that there is only one segment which is used to make strategic decisions.

The total of the non-current assets mainly including property, plant and equipment, right-of-use assets, investment property and intangible assets as at December 31, 2023, 2024, and 2025, broken down by the location of the assets, is as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Chinese Mainland	94,062	63,531	86,784
United States	49,037	40,698	32,060

6 REVENUE

(a) Disaggregation of revenue from contracts with customers

During the Track Record Period, the Group enters into several collaboration agreements with customers mainly to provide research and development services.

In the following table, revenue disaggregated by revenue source as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Type of revenue			
Revenue from collaboration agreements	9,036	371	103,646
Others	302	1,111	1,354
Total Revenue	**9,338**	**1,482**	**105,000**

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Timing of revenue recognition			
At a point in time	9,036	371	103,646
Over the time	302	1,111	1,354
Total Revenue	**9,338**	**1,482**	**105,000**

Revenue disaggregated by geography, based on the billing address is as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
PRC	8,044	1,111	102,065
United States	1,294	371	2,935
Total Revenue	**9,338**	**1,482**	**105,000**

The major customers which contributed more than 10% of total revenue of the Group for the years ended December 31, 2023, 2024 and 2025 are listed as below:

	Year ended December 31,		
	2023	2024	2025
Percentage of revenue from the major customers to the total revenue of the Group			
Customer i	13.86%	–	*
Customer ii	50.51%	–	–
Customer iii	25.36%	–	–
Customer iv	*	35.50%	*
Customer v	–	25.04%	–
Customer vi	*	10.30%	*
Customer vii	–	–	95.24%

* Less than 10% of the total revenue of the Group in the respective year.

(b) Contract liabilities

During the Track Record Period, the additions to the contract liabilities were primarily due to cash collections in advance of fulfilling performance obligations.

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Contract liabilities	–	11,084	17,193

In January 2025, the Group received US$2,000,000 upfront non-refundable payments from a customer for an option to license the Group's intellectual property. The option represents a material right and defers for future revenue.

The following table shows how much of the revenue, which was included in the contract liabilities at the beginning of the period, recognized during the Track Record Period relates to carried-forward contract liabilities:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Revenue recognized that was included in the contract liability balance at the beginning of the year	4,013	–	140

(c) Transaction price allocated to the unsatisfied performance obligations

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Aggregate amount of transaction price allocated to contracts that are partially or fully unsatisfied	–	24,958	17,352

Management expects that the unsatisfied obligations of nil, RMB3,282,000 and RMB17,352,000 as of December 31, 2023, 2024 and 2025, respectively will be recognised as revenue during the next twelve months. The remaining unsatisfied obligations will be recognized in one to three year(s).

(d) Accounting policies of revenue recognition

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e., when control of the goods or services underlying the particular performance obligation is transferred to the customer.

At contract inception, the Group assesses the goods or services promised within each contract and determines those that are performance obligations and assesses whether each promised good or service is distinct.

The Group considers the terms of the contracts to determine the transaction price. When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates and enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Contracts with customers may include multiple performance obligations. For such arrangements, at the contract inception date, the Group allocates transaction price to each performance obligation based on its relative standalone selling price. The Group determines standalone selling prices based on the prices charged to customers if it is directly observable. If the standalone selling price is not directly observable, the contractually stated price is believed to best reflect the relative standalone selling price of performance obligations in a contract considering the Group's customary business practices. Assumptions and estimations have been made in estimating the relative selling price of each distinct performance obligation, and changes in judgments on these assumptions and estimates may impact the revenue recognition.

When either party to a contract has performed, the Group presents the contract in the statement of financial position as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

A contract asset is the Group's right to consideration in exchange for goods and services that the Group has transferred to a customer. A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

If a customer pays consideration or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer, the Company presents the contract liability when the payment is made, or a receivable is recorded (whichever is earlier). A contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

During the Track Record Period, the Group enters into collaboration arrangements with customers, where the Group would perform one or more activities such as AI-enabled research services, testing services, license of intellectual properties, etc. The Group evaluates whether different activities are distinct to identify performance obligations in each arrangement. The Group allocates the contract price to each performance obligations based on their contractually stated price unless the Group believes such price can't represent the standalone selling price of certain performance obligations.

For research and testing services that are separately agreed or identified as distinct performance obligations, revenue is generally recognized at the point of time when the service is completed and accepted by customer.

For licenses of intellectual properties that are separately agreed or identified as distinct performance obligations, the Group generally grants a right to use licenses to its customers and recognizes revenue at the point of time when the license is transferred to the licensee and the licensee is able to use and benefit from the license. Any milestone and variable payment are recognized when the relevant milestone or conditions are met.

7 OTHER (EXPENSES)/INCOME, NET

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Government grants	4,985	5,786	7,373
Tax refund	60	1,106	196
Lease income	–	7,425	9,070
Lease expenses *(i)*	(2,593)	(7,033)	(4,937)
Impairment loses for an investment property and its leasehold improvement	(61,938)	(1,399)	(731)
Interest income from term deposit	5,605	9,056	8,963
Total	**(53,881)**	**14,941**	**19,934**

(i) The lease expenses represents the depreciation of investment property and its leasehold improvements.

8 OTHER (LOSSES)/GAINS, NET

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Net loss on disposal of property, plant and equipment	(504)	(610)	(2)
Fair value changes of financial assets at FVPL	103	6,852	4,628
Other items	8	20	(543)
Total	**(393)**	**6,262**	**4,083**

9 EXPENSES BY NATURE

	Notes	Year ended December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Employee benefit expenses	*11*	226,632	202,543	294,938
Listing Expense		–	–	29,171
Professional service fees		94,488	105,834	97,416
Material consumption		15,699	15,088	14,970
Office expenses		2,936	3,255	3,282
Short-term rental and utilities		5,399	2,704	2,508
Depreciation and Amortization		37,556	34,255	33,774
Business travel expenses		4,826	3,767	4,913
Marketing and advertisement expenses		3,063	1,100	1,051
Auditor's remuneration		36	36	133
Taxes and Surcharges		1,104	928	197
Others		12,731	10,465	8,271
Total		**404,470**	**379,975**	**490,624**

10 FINANCE COSTS, NET

	Notes	Year ended December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Finance income				
Interest income from financial assets held for cash management purposes		6,405	14,734	13,207
Finance income		**6,405**	**14,734**	**13,207**
Finance costs				
Interest paid/payable for lease liabilities		(2,864)	(2,458)	(3,049)
Interest expense on redemption liabilities	*29*	(64,739)	(165,710)	(27,925)
Interest expenses on borrowings		(883)	(331)	(832)
Finance charges paid for issuance of convertible loan		(1,716)	–	–
Net exchange (losses)/gain on foreign currency		(7,850)	11,996	(11,249)
Others		(322)	(131)	(258)
Finance cost		**(78,374)**	**(156,634)**	**(43,313)**
Net finance costs		**(71,969)**	**(141,900)**	**(30,106)**

11 EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' REMUNERATIONS)

	Year ended December 31, 2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Wages, salaries and bonuses	95,221	84,019	87,168
Share-based compensation expenses	107,905	93,889	183,739
Pension cost – defined contribution plans	6,068	6,282	5,934
Housing fund, medical insurance and other social insurance *(a)*	11,139	10,106	9,772
Termination benefits	2,776	4,855	5,534
Other employee benefits	3,523	3,392	2,791
Total employee benefit expenses	**226,632**	**202,543**	**294,938**

(a) Housing fund and social insurance

The employees of the Company and its subsidiaries participate in various government-sponsored defined contribution pension plans and various government supervised housing funds, medical insurance and other employee social insurance plan under which these subsidiaries are required to make monthly contributions to these plans at certain percentages of the employee's monthly salaries and wages subject to certain ceilings. During the years ended December 31, 2023, 2024 and 2025, the Group had no forfeited contributions under these plans which may be utilized by the Group to reduce its contributions for the current year.

The Group has no other material obligation for the payment of retirement benefit associated with these schemes beyond the annual contribution described above.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the years ended December 31, 2023, 2024 and 2025 include 3, 2 and 4 directors respectively, whose emoluments are disclosed in the Note 35. The emoluments payable to the remaining 2, 3 and 1 individuals during the respective period are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Wages, salaries and bonuses	3,629	4,306	3,059
Share-based payments *(i)*	9,878	20,788	10,125
Pension cost – defined contribution plans	117	86	–
Housing fund, medical insurance and other social insurance	252	289	227
Other employee benefits	118	–	123
Total employee benefit expense	**13,994**	**25,469**	**13,534**

The emoluments fell within the following bands:

	Number of individuals		
	Year ended December 31,		
	2023	2024	2025
Emolument bands (in HK$)			
HK$6,000,001-HK$6,500,000	–	1	–
HK$7,000,001-HK$7,500,000	1	–	–
HK$8,500,001-HK$9,000,000	1	–	–
HK$10,500,001-HK$11,000,000	–	2	–
HK$14,500,001-HK$15,000,000	–	–	1
	2	3	1

(i) Represents the amount recognized as an expense during the Track Record Period in accordance with IFRS 2 Share-based Payment.

12 SUBSIDIARIES

(a) Subsidiaries of the Group

The Company's principal subsidiaries during the Track Record Period are set out below. Unless otherwise stated, they have share capital solely held by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country/region of incorporation or registration is also their principal place of business.

Name of entity	Effective interest held in terms of %				Date and place of incorporation/ establishment and kind of legal entity	Issued capital/ paid in capital	Principal activities	Place of Operation	*Note*
	As at December 31,			As at the date of this report					
	2023	2024	2025						
Directly held by the Company:									
Beijing Jitai Life Sciences Ltd.	100	100	100	100	September 18, 2021/ Beijing, PRC/limited liability company	RMB200,000,000	Pharmaceuticals research, development and production	Beijing, PRC	*(i)*
Hangzhou Jitai Life Sciences Ltd	–	–	100	100	July 4, 2025/Hangzhou, PRC/limited liability company	RMB20,000,000	Pharmaceuticals research, development and production	Hangzhou, PRC	*(ii)*
Indirectly held by the Company:									
Hong Kong Metis TechBio Limited	–	100	100	100	April 5, 2024/Hong Kong, PRC/limited liability company	HKD1	Pharmaceuticals research, development and production	Hong Kong, PRC	*(iii)*

The English names of certain subsidiaries referred herein represent the directors' best effort at translating the Chinese names of these companies as no English names have been registered.

The statutory auditors of these companies for the Track Record Period were as follows:

(i) The financial statements were audited by Shijiazhuang Xinqiao CPA for the years ended December 31, 2023 and 2024. The financial statements have not yet been audited for the year ended December 31, 2025.

(ii) The financial statements have not yet been audited for the year ended December 31, 2025.

(iii) The financial statements were audited by ZF (International) CPA Limited for the year ended December 31, 2024. The financial statements have not yet been audited for the year ended December 31, 2025.

(b) Investments in subsidiaries — the Company

	As at December 31,		
	2023	2024	2025
Investments in subsidiaries	239,211	339,211	339,211
Deemed investments relating to share-based payments *(i)*	10,413	18,815	83,717
Provisions for impairment	(121,846)	(122,891)	(132,465)
	127,778	235,135	290,463

(i) The Company granted share options and share awards directly to the employees of its subsidiaries and did not charge the relevant costs to the subsidiaries. In the consolidated financial statements, this transaction is treated as an equity-settled share-based payment expenses. In the separate financial statements of the Company, such amounts are recorded as part of the investments in the subsidiaries.

13 INCOME TAX EXPENSE

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income.

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

(i) Chinese Mainland

The Company is subject to Corporate Income Tax at a rate of 15% as the "High and New Technology Enterprises" certificate was obtained on December 6, 2024 with a valid period of three years. All other major Chinese Mainland incorporated entities of the Company were subject to a 25% income tax rate for all the years presented.

No provision for Chinese Mainland profits tax has been provided for at a rate of 15% or 25% pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "CIT Law"), as the Group has no estimated assessable profits during the Track Record Period.

(ii) United States

Metis Therapeutics Inc. is incorporated in the United States and is subject to federal income tax at 21% and state income tax at 8% where it has operation. Metis Therapeutics Inc. did not have any taxable income, therefore no income tax expense was accrued for the Track Record Period.

The income tax on the Group's loss before income tax differs from the theoretical amount that would arise using the enacted tax rate applicable to losses of the subsidiaries as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Loss before income tax	**(581,926)**	**(499,190)**	**(391,713)**
Income tax calculated at PRC statutory income tax rate (25%)	(145,482)	(124,798)	(97,928)
Tax effect of:			
– Effect of different tax rates in other jurisdictions	(8,094)	(1,177)	8,242
– Preferential income tax rates applicable to the Company	–	33,623	22,240
– Expense not deductible for tax purposes	39,550	17,313	34,929
– Tax losses and other temporary difference not recognized as deferred tax assets *(a)*	139,748	90,711	53,291
– Super deduction for research and development	(25,720)	(15,664)	(20,651)
Income tax expense	**2**	**8**	**123**

(a) The Group only recognises deferred tax assets for cumulative tax losses if it is probable that future taxable amounts will be available to utilize those tax losses. Management will continue to assess the recognition of deferred tax assets in future reporting periods.

As at December 31, 2023, 2024 and 2025, the Group had unrecognised tax losses to be carried forward against future taxable income amounted to RMB466,792,000, RMB489,600,000 and RMB273,276,000 respectively. These unrecognised tax losses will mainly expire within 5 to 10 years. For the year ended December 31, 2023, 2024 and 2025, the potential deferred tax assets in respect of the above unrecognised tax losses amounted to RMB120,441,000, RMB90,805,000 and RMB106,958,000, respectively.

14 LOSS PER SHARE

The basic loss per share is calculated by dividing the loss attributable to the owners of the Company by the weighted average number of outstanding ordinary shares issued during the years ended December 31, 2023, 2024 and 2025.

	Year ended December 31,		
	2023	2024	2025
Loss attributable to the owners of the Company (RMB'000)	(581,928)	(499,198)	(391,836)
Weighted average number of ordinary shares in issue – basic and diluted (in "000")	80,637	78,399	84,125
Loss per share (expressed in RMB per share) – basic and diluted	(7.22)	(6.37)	(4.66)

The weighted average number of ordinary shares has been retrospectively adjusted for the effect of the conversion of the Predecessor Company into a joint stock company as if the conversion had occurred at the beginning of the earliest year reported. Those shares with redemption right are also treated as ordinary shares for the purpose of calculating basic loss per share.

The Company has adopted certain employee incentive schemes (see note 26) and has issued shares to the relevant employees or employee incentive platforms ("Employee Incentive Platforms"). Those shares issued to the employees or Employee Incentive Platforms corresponding to the unvested awards in the forms of restricted shares, and the share options not yet exercised, are treated as treasury stock for accounting purposes. For the purpose of calculating loss per share information, these treasury stock were not counted as shares in issue.

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has no dilutive instrument for the years ended December 31, 2023, 2024 and 2025. Accordingly, dilutive loss per share are the same as basic loss per share of the respective periods.

The loss per share information presented above has not taken into account the proposed share subdivision pursuant to the shareholders' resolution dated August 5, 2025 because the proposed share subdivision has not become effective as at the date of this report.

15 PROPERTY, PLANT AND EQUIPMENT

	Lab equipment	Furniture, fittings and equipment	Electronic equipment	Construction in Progress	Leasehold improvement	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2023						
Cost	39,979	1,635	2,279	36,542	18,007	98,442
Accumulated depreciation	(5,344)	(49)	(581)	–	(1,135)	(7,109)
Net book amount	**34,635**	**1,586**	**1,698**	**36,542**	**16,872**	**91,333**
Year ended December 31, 2023						
Opening net book amount	34,635	1,586	1,698	36,542	16,872	91,333
Additions	20,936	1,250	1,629	19,462	23,869	67,146
Transfers	4,046	–	–	(54,858)	50,812	–
Disposals	(1,324)	(24)	–	–	–	(1,348)
Depreciation charge	(9,544)	(466)	(949)	–	(15,920)	(26,879)
Impairment loss	–	–	–	–	(37,829)	(37,829)
Currency translation differences	14	10	4	251	257	536
Closing net book amount	**48,763**	**2,356**	**2,382**	**1,397**	**38,061**	**92,959**

	Lab equipment	Furniture, fittings and equipment	Electronic equipment	Construction in Progress	Leasehold improvement	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At December 31, 2023						
Cost	63,604	2,864	3,914	1,397	92,971	164,750
Accumulated depreciation	(14,841)	(508)	(1,532)	–	(17,081)	(33,962)
Provision for impairment	–	–	–	–	(37,829)	(37,829)
Net book amount	**48,763**	**2,356**	**2,382**	**1,397**	**38,061**	**92,959**
Year ended December 31, 2024						
Opening net book amount	48,763	2,356	2,382	1,397	38,061	92,959
Additions	2,427	27	176	363	89	3,082
Transfers	–	–	1,760	(1,760)	–	–
Disposals	(78)	–	(6)	–	(657)	(741)
Depreciation charge	(12,206)	(557)	(1,460)	–	(13,501)	(27,724)
Impairment loss	–	–	–	–	(366)	(366)
Currency translation differences	1	9	2	–	166	178
Closing net book amount	**38,907**	**1,835**	**2,854**	**–**	**23,792**	**67,388**
At December 31, 2024						
Cost	65,954	2,904	5,731	–	92,148	166,737
Accumulated depreciation	(27,047)	(1,069)	(2,877)	–	(29,594)	(60,587)
Provision for impairment	–	–	–	–	(38,762)	(38,762)
Net book amount	**38,907**	**1,835**	**2,854**	**–**	**23,792**	**67,388**
Year ended December 31, 2025						
Opening net book amount	38,907	1,835	2,854	–	23,792	67,388
Additions	364	–	278	20,940	1,639	23,221
Transfers	–	–	–	–	–	–
Disposals	(91)	–	(3)	–	–	(94)
Depreciation charge	(12,453)	(557)	(1,448)	–	(9,888)	(24,346)
Impairment loss	–	–	–	–	(184)	(184)
Currency translation differences	–	(9)	(2)	–	(229)	(240)
Closing net book amount	**26,727**	**1,269**	**1,679**	**20,940**	**15,130**	**65,745**
At December 31, 2025						
Cost	66,080	2,886	5,942	20,940	92,534	188,382
Accumulated depreciation	(39,353)	(1,617)	(4,263)	–	(39,320)	(84,553)
Provision for impairment	–	–	–	–	(38,084)	(38,084)
Net book amount	**26,727**	**1,269**	**1,679**	**20,940**	**15,130**	**65,745**

Property, plant, and equipment are stated at historical cost less depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements, the shorter lease term as follows:

• Office equipment	3-5 years
• Electronic equipment	3 years
• Laboratory equipment	5 years
• Leasehold improvement	Shorter of the lease terms or estimated useful lives

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in consolidated statement of profit or loss.

16 LEASES

This note provides information for leases where the Group is a lessee.

(i) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Right-of-use assets			
Office and Lab buildings	12,606	5,587	27,925
	12,606	**5,587**	**27,925**
Investment property			
Lab buildings	31,137	26,160	20,915
	31,137	**26,160**	**20,915**
Lease liabilities			
Current	17,397	16,420	18,979
Non-current	81,811	66,595	72,151
	99,208	**83,015**	**91,130**

Amount of the right-of-use asset transferred to investment property for the year ended December 31, 2023 was RMB58,358,000.

Addition to the right-of-use assets for the year ended December 31, 2025 was RMB31,252,162.

(ii) Amounts recognized in the consolidated statements of profit or loss

The consolidated statements of profit or loss and the consolidated statements of cash flows contain the following amounts relating to leases:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Depreciation charge of right-of-use assets			
Office and Lab buildings	11,224	6,587	7,870
Depreciation charge of investment property			
Office and Lab buildings	1,401	4,369	4,190
	12,625	**10,956**	**12,060**
Rental income from leases	–	7,425	9,070
Interest expense (included in finance cost)	2,864	2,458	3,049
Expense relating to short term leases not included in lease liabilities	1,083	530	677
Total cash outflow for lease payments	20,523	20,460	24,250

(iii) The Group's leasing activities and how these are accounted for

The Group leases offices, and laboratory as leases. Lease contracts are typically made for fixed periods from 3 to 8 years. They are stated at cost less accumulated depreciation and accumulated impairment losses.

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases of the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

The Group's lease payments are deductible upon payment for tax purposes. In accounting for the deferred tax relating to the lease, the Group separately accounts for the deferred taxation on the taxable temporary difference and the deductible temporary difference, which upon initial recognition are equal and offset to zero. Deferred tax is recognised on subsequent changes to the taxable and temporary differences and the deferred tax is not material.

17 INVESTMENT PROPERTY

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At the beginning of the year			
Cost	–	70,348	70,348
Accumulated Depreciation	–	(14,246)	(18,615)
Provision for impairment	–	(24,109)	(25,142)
Currency translation differences	–	(856)	(431)
Net book amount	**–**	**31,137**	**26,160**
During the year			
Opening net book amount	–	31,137	26,160
Additions	57,503	–	–
Depreciation charge	(1,401)	(4,369)	(4,190)
Impairment loss	(24,109)	(1,033)	(547)
Currency translation differences	(856)	425	(508)
Closing net book amount	**31,137**	**26,160**	**20,915**
At the end of the year			
Cost	70,348	70,348	70,348
Accumulated Depreciation	(14,246)	(18,615)	(22,805)
Provision for impairment	(24,109)	(25,142)	(25,689)
Currency translation differences	(856)	(431)	(939)
Net book amount	**31,137**	**26,160**	**20,915**

(i) Amounts recognised in profit or loss for the investment property

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Rental income from investment property	–	7,425	8,415
Direct operating expenses from investment property that generated rental income	–	(4,005)	(4,190)
Direct operating expenses from investment property that did not generate rental income	(1,401)	(364)	–
Impairment loss recognised in other expenses	(24,109)	(1,033)	(547)

(ii) Measuring investment property at cost

Investment property is held for long-term rental yields and are not occupied by the Group. They are carried at cost. Depreciation charges are presented in profit or loss as part of other expenses.

Depreciation is calculated using the straight-line method to allocate the cost, net of its accumulated impairment losses, over its estimated useful lives which is 6 years.

(iii) Leasing arrangements

The investment property is leased to the tenant under operating leases with rentals payable monthly. Lease income from operating leases where the group is a lessor is recognised in other income on a straight-line basis over the lease term.

Minimum lease payments receivable on leases of the investment property are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	–	9,552	3,426
Between 1 and 2 years	–	3,504	–
	–	**13,056**	**3,426**

(iv) Impairment of investment property

The Group regards the investment property and its leasehold improvements as a separately identifiable CGU and performed impairment assessments on the CGU with impairment indicators. The recoverable amount is the higher of CGU's value-in-use ("VIU") and fair value less costs of disposal ("FVLCD"). Key assumptions used for the value in use calculation as at December 31, 2023, 2024 and 2025 are as follows:

	Year ended December 31,		
	2023	2024	2025
Discount rate	7.5%	7.9%	7.9%
Vacancy rate	18.8%	27.1%	27.4%

The value in use calculations covering a period of the remaining lease term were lower than the carrying amounts of the CGU. Accordingly, the Group recognised an impairment of investment property and its leasehold improvements of RMB61,938,000, RMB1,399,000, RMB731,000, during the year ended December 31, 2023, 2024 and 2025.

(v) Fair value of investment property

The fair value of the investment property as at December 31, 2023, 2024 and 2025 were RMB31,137,000, RMB26,160,000 and RMB20,915,000 respectively.

18 INTANGIBLE ASSETS

	Computer software	License	Total
	RMB'000	*RMB'000*	*RMB'000*
At January 1, 2023			
Cost	1,798	–	1,798
Accumulated amortization	(308)	–	(308)
Net book amount	**1,490**	**–**	**1,490**
Year ended December 31, 2023			
Opening net book amount	1,490	–	1,490
Additions	954	5,286	6,240
Amortization charge	(539)	(794)	(1,333)
Closing net book amount	**1,905**	**4,492**	**6,397**
At December 31, 2023			
Cost	2,752	5,286	8,038
Accumulated amortization	(847)	(794)	(1,641)
Net book amount	**1,905**	**4,492**	**6,397**
Year ended December 31, 2024			
Opening net book amount	1,905	4,492	6,397
Additions	401	–	401
Amortization charge	(648)	(1,056)	(1,704)
Closing net book amount	**1,658**	**3,436**	**5,094**

	Computer software	License	Total
	RMB'000	*RMB'000*	*RMB'000*
At December 31, 2024			
Cost	3,153	5,286	8,439
Accumulated amortization	(1,495)	(1,850)	(3,345)
Net book amount	**1,658**	**3,436**	**5,094**
Year ended December 31, 2025			
Opening net book amount	1,658	3,436	5,094
Additions	724	–	724
Amortization charge	(509)	(1,050)	(1,559)
Closing net book amount	**1,873**	**2,386**	**4,259**
At December 31, 2025			
Cost	3,877	5,285	9,162
Accumulated amortization	(2,004)	(2,899)	(4,903)
Net book amount	**1,873**	**2,386**	**4,259**

Amortization expenses have been charged to the consolidated statements of profit or loss as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Research and development expenses	997	1,330	1,276
Administrative expenses	336	374	283
Total amortization expenses charged to profit or loss	**1,333**	**1,704**	**1,559**

19 FINANCIAL INSTRUMENTS BY CATEGORY

The detail information of financial instruments by category during Track Record Period is as below:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Financial assets			
Financial assets at FVPL:			
Wealth management products	–	209,102	30,062
Financial assets at amortized cost:			
Trade receivables	705	268	181
Other receivables and other current and non-current assets (excluding prepayments and deductible input VAT)	178,339	6,714	4,685
Term deposits	405,027	129,404	267,179
Cash and cash equivalents	561,470	557,641	828,263
	1,145,541	**903,129**	**1,130,370**

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Financial liabilities			
Financial liabilities at amortised cost:			
Trade and accruals and other payables (excluding non-financial liabilities)	19,985	18,473	47,221
Lease liabilities	99,208	83,015	91,130
Borrowings	30,000	10,000	40,000
Redemption liability	2,073,125	2,250,247	–
	2,222,318	**2,361,735**	**178,351**

20 TRADE RECEIVABLES

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Third party debtors	705	268	181
Total trade receivables, gross	**705**	**268**	**181**
Less: Credit loss allowance	–	–	–
Total trade receivables, net	**705**	**268**	**181**

The aging analysis of trade receivables based on revenue recognition date is as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Up to 3 months	705	239	149
3 to 6 months	–	29	32
Total	**705**	**268**	**181**
Less: Loss allowance	–	–	–
Total trade receivables, net	**705**	**268**	**181**

21 PREPAYMENTS, OTHER CURRENT ASSETS AND OTHER NON-CURRENT ASSETS

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Non-current:			
Input VAT to be deducted	15,449	16,121	15,384
Rental and other deposits	2,158	355	4,644
Prepayment for property, plant and equipment	361	69	2,452
Prepayments for intangible assets	493	341	–
Total prepayments and other non-current assets	**18,461**	**16,886**	**22,480**
Current:			
Input VAT to be deducted	1,548	7,687	11,863
Prepayments to suppliers	6,903	16,959	8,012
Deferred listing expense	–	–	2,849
Investment amounts receivables from a shareholder	172,147	–	–
Rental and other deposits	575	3,033	99
Other receivables	133	2,814	436
Amounts due from related parties *(Note 34)*	3,326	512	–
Less: Credit loss allowance	–	–	–
Total prepayments and other current assets	**184,632**	**31,005**	**23,259**
Total prepayments, other current assets and other non-current assets	**203,093**	**47,891**	**45,739**

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Non-current:			
Input VAT to be deducted	9,246	7,236	803
Rental and other deposits	1,803	–	729
Prepayments for property, plant and equipment	361	69	–
Prepayments for intangible assets	493	343	–
Amounts due from subsidiaries	449,550	373,130	457,993
Less: Loss allowance	(54,015)	(108,515)	(199,800)
Total prepayments and other non-current assets	**407,438**	**272,263**	**259,725**
Current:			
Input VAT to be deducted	1,311	7,630	10,663
Prepayments to suppliers	4,741	13,252	1,072
Deferred listing expense	–	–	1,179
Investment amounts receivables from a shareholder	172,147	–	–
Rental and other deposits	56	1,859	12
Other receivables	3	480	–
Amounts due from a related party	3,326	512	–
Total prepayments and other current assets	**181,584**	**23,733**	**12,926**
Total prepayments, other current assets and other non-current assets	**589,022**	**295,996**	**272,651**

22 TERM DEPOSITS

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current assets:			
RMB term deposits	10,000	21,441	111,234
US$ term deposits	269,580	–	155,945
	279,580	**21,441**	**267,179**
Non-current assets:			
RMB term deposits	125,447	107,963	–
	125,447	**107,963**	**–**
	405,027	**129,404**	**267,179**

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current assets:			
RMB term deposits	10,000	10,788	56,693
US$ term deposits	269,580	–	155,945
	279,580	**10,788**	**212,638**
Non-current assets:			
RMB term deposits	63,804	55,017	–
	63,804	**55,017**	**–**
	343,384	**65,805**	**212,638**

23 CASH AND CASH EQUIVALENT

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash at banks	966,497	687,045	1,095,442
Less: term deposits with initial term over three months	(405,027)	(129,404)	(267,179)
Cash and cash equivalents	561,470	557,641	828,263
Balances per consolidated statement of cash flows	**561,470**	**557,641**	**828,263**

The Group

Cash and cash equivalents are denominated in:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
RMB	529,047	118,986	474,886
US$	32,423	433,950	351,791
AU$	–	4,705	1,530
HKD	–	–	56
	561,470	**557,641**	**828,263**

The Company

Cash and cash equivalents are denominated in:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
RMB	265,072	37,620	425,813
US$	5,061	409,987	316,689
	270,133	**447,607**	**742,502**

24 SHARE CAPITAL/PAID-IN CAPITAL

Group and Company

(a) Paid-in capital

Paid-in capital are generated from founders' and investors' capital injection. The excess of total consideration raised over paid-in capital was credited to the Company's capital reserve (Note 25).

(b) Share capital

	Number of ordinary shares	Nominal value of ordinary shares
		RMB'000
Authorized and issued:		
At January 1, 2025	–	–
Issuance of ordinary shares upon conversion into a joint stock company *(Note (i))*	87,850,667	87,851
Capital contribution from shareholders *(Note (ii))*	4,503,586	4,504
Capital contribution related to employee share awards *(Note (iii))*	1,750,973	1,750
At December 31, 2025	94,105,226	94,105

Notes:

(i) On June 30, 2025, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The net assets of the Company as at February 28, 2025, the conversion base date were converted into 87,850,667 ordinary shares at RMB1 each and share capital of RMB87,850,667 was recorded accordingly.

(ii) After the conversion into a joint stock company, the Company completed its Series D financing, the share capital of the Company has then been increased by approximately RMB4,503,586 accordingly (with a total number of 4,503,586 ordinary shares being issued).

(iii) After the conversion into a joint stock company, the Company issued shares to employee share incentive platforms, the share capital of the Company has then been increased by approximately RMB1,750,973 accordingly (with a total number of 1,750,973 ordinary shares being issued).

25 RESERVES

The Group

	Reserve				
	Treasury stock	Other reserve	Share-based payment reserve	Currency translation differences	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	**–**	**164,803**	**232,526**	**1,713**	**399,042**
Currency translation differences	–	–	–	2,431	2,431
Capital contribution from shareholders	–	1,258,883	–	–	1,258,883
Conversion of convertible loan to ordinary shares	–	883,280	–	–	883,280
Recognition of redemption liabilities	(2,008,386)	–	–	–	(2,008,386)
Share reserves for employee share incentive	(12,296)	12,296	–	–	–
Reserves related to reorganization	–	(521,948)	–	–	(521,948)
Share-based payments	–	–	104,473	–	104,473
As at December 31, 2023	**(2,020,682)**	**1,797,314**	**336,999**	**4,144**	**117,775**

	Reserve				
	Treasury stock	Other reserve	Share-based payment reserve	Currency translation differences	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Currency translation differences	–	–	–	494	494
Capital contribution from shareholders	–	11,230	–	–	11,230
Recognition of redemption liabilities	(11,412)	–	–	–	(11,412)
Share reserves for employee share incentive	3,936	(3,936)	–	–	–
Share-based payments	–	–	93,889	–	93,889
As at December 31, 2024	**(2,028,158)**	**1,804,608**	**430,888**	**4,638**	**211,976**
Currency translation differences	–	–	–	(245)	(245)
Conversion into a joint stock company	–	(67,619)	(256,870)	–	(324,489)
Capital contribution from shareholders	–	345,496	–	–	345,496
Capital contribution related to employee share awards	–	13,622	–	–	13,622
Derecognition of redemption liabilities	2,019,798	258,374	–	–	2,278,172
Share reserves for employee share incentive	4,820	(4,820)	–	–	–
Repurchase liabilities for employee share awards	(11,955)	–	–	–	(11,955)
Share-based payments	–	–	183,739	–	183,739
As at December 31, 2025	**(15,495)**	**2,349,661**	**357,757**	**4,393**	**2,696,316**

The Company

	Reserve			
	Treasury stock	Other reserve	Share-based payment reserve	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	**–**	**–**	**129,557**	**129,557**
Capital contribution from shareholders	–	1,093,895	–	1,093,895
Conversion of convertible loan to ordinary shares	–	883,280	–	883,280
Recognition of redemption liabilities	(2,008,386)	–	–	(2,008,386)
Share reserves for employee share incentive	(8,535)	8,535	–	–
Reserves related to reorganization	–	(170,101)	–	(170,101)
Share-based payments	–	–	56,856	56,856
As at December 31, 2023	**(2,016,921)**	**1,815,609**	**186,413**	**(14,899)**

	Reserve			
	Treasury stock	Other reserve	Share-based payment reserve	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Capital contribution from shareholders	–	11,230	–	11,230
Recognition of redemption liabilities	(11,412)	–	–	(11,412)
Share reserves for employee share incentive	3,936	(3,936)	–	–
Share-based payments	–	–	93,889	93,889
As at December 31, 2024	**(2,024,397)**	**1,822,903**	**280,302**	**78,808**
Conversion into a joint stock company	–	(67,619)	(256,870)	(324,489)
Capital contribution from shareholders	–	345,496	–	345,496
Capital contribution related to employee share awards	–	9,312	–	9,312
Recognition of redemption liabilities	2,019,798	258,374	–	2,278,172
Share reserves for employee share incentive	2,923	(2,923)	–	–
Share-based payments	–	–	183,739	183,739
As at December 31, 2025	**(1,676)**	**2,365,543**	**207,171**	**2,571,038**

26 SHARE-BASED PAYMENTS

Total expenses arising from share-based payment transactions recognized during the Track Record Period were as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Share-based payments	**107,905**	**93,889**	**183,739**

Before the reorganization, on October 28, 2022, Metis Pharmaceuticals Inc. adopted the 2022 Share Incentive Plan (the "2022 Plan"), which permits the grant of share options, Restricted Stock Units (the "RSU") and Restricted Share (the "RS") of Metis to employees, consultants and directors of the Company and its affiliates. The Maximum number of shares of Metis that may be issued under the 2022 Plan shall be 126,460,842.

In connection with the reorganization, in June 2023, the Company adopted the 2023 Share Incentive Plan (the "2023 Plan", collectively with the 2022 Plan, "Employee Stock Ownership Plan", or "ESOP"), which permits the grant of share options and RS of the Company to employees, consultants and directors of the Group. The 2023 Plan is regarded as a replacement of the 2022 Plan. Under the 2023 Plan, the Company effected a pro-rata conversion of the Metis options

previously granted to employees by applying a fixed exchange ratio equal to the quotient of 7.90, thereby ensuring that the employees' aggregate equity interest at the Group level remained unchanged. The maximum number of shares that may be issued under the 2023 Plan was 16,004,096 shares of the Company.

In June 2025, the Company adopted the 2025 Share Incentive Plan (the "2025 Plan", collectively with the 2022 Plan and 2023 Plan, "Employee Stock Ownership Plan", or "ESOP"), which permits the grant of share options and RS of the Company to employees, consultants and directors of the Group. Additionally, under the 2025 Plan, all share options granted under the 2023 Plan were converted to RS. The maximum number of shares that issued under the 2025 Plan was 2,774,232 shares of the Company.

In June 2025, the Company adopted the Pre-IPO Share Option Scheme, which permits the grant of share options of the Company to Directors, senior management, core technical personnel and core business personnel of the Company, the maximum number of Shares to be granted under the Pre-IPO Share Option shall not exceed 1,849,487 shares of the Company.

The share options, RSU and RS granted will be vested upon the satisfaction of the service condition and/or non-market performance conditions.

(a) Share options

For the year ended 31 December 2023, before reorganization the Company granted 2,788,014 shares options of Metis under the 2022 Plan to certain employees of the Group. Upon the completion of reorganization, the share options of Metis granted to certain employees of the Group were converted into the RS of the Company. However, the employees did not pay the exercise price, instead, they are indeed able to decide whether to make the payment when the vesting conditions are met. Therefore, the Company accounts for the aforementioned RS as share options. After reorganization, the Company granted 1,095,242 share option of the Company under the 2023 Plan to certain employees of the Group.

For the year ended 31 December 2024, the Company granted 302,375 share options of the Company under the 2023 Plan to certain employees of the Group.

For the year ended 31 December 2025, the Company granted 2,365,732 share options of the Company under the 2025 Plan and 1,849,487 under Pre-IPO Share Option Scheme to certain employees of the Group.

The following table summarizes the movements in the number of Options granted and their related weighted average exercise price during the track record period.

	Metis		The Company	
	Average exercise price per Option	Number of options	Average exercise price per Option	Number of options
	USD		*RMB*	
Outstanding at January 1, 2023	0.21	49,846,855	–	–
Granted	0.27	2,785,014	3.22	1,095,242
Forfeited	0.27	(2,989,053)	1.52	(544,403)
Reorganization-convert to share option of the Company	0.25	(26,654,310)	2.18	3,373,276
Reorganization-convert to RS of the Company	0.21	(22,988,506)	N/A	N/A
Outstanding at December 31, 2023	–	–	2.22	3,924,115
Granted	–	–	4.39	302,375
Forfeited	–	–	2.47	(182,070)
Outstanding at December 31, 2024	–	–	2.35	4,044,420
Granted	–	–	61.61	4,215,219
Forfeited	–	–	2.74	(1,135,613)
Modification- convert to RS of the Company	–	–	2.22	(2,626,566)
Outstanding at December 31, 2025	–	–	57.57	4,497,460

(b) RSU/RS

For the year ended 31 December 2023, after reorganization, the Company granted 4,468,613 RS of the Company under the 2023 Plan RS to employees of the Group.

For the year ended 31 December 2024, the Company granted nil RS.

For the year ended 31 December 2025, the Company granted 609,992 RS of the Company under the 2023 Plan and 448,500 RS of the Company under the 2025 Plan RS to employees of the Group.

The following table summarizes the movements in the number of RSU/RS granted and their related weighted average exercise price during the track record period.

	Metis		The Company	
	Average exercise price per RSU	Number of RSU	Average subscription price per RS	Number of RS
	USD		*RMB*	
Outstanding at January 1, 2023	0.15	38,441,486	–	–
Granted	–	–	–	4,468,613
Reorganization-convert from RSU of Metis	0.15	(38,441,486)	–	4,864,902
Reorganization-convert from share option of Metis	N/A	N/A	–	2,909,275
Vested	–	–	–	(5,495,069)
Outstanding at December 31, 2023	–	–	–	6,747,721
Vested	–	–	–	(2,891,955)
Outstanding at December 31, 2024	–	–	–	3,855,766
Granted	–	–	17.59	1,058,492
Vested	–	–	1.80	(4,076,800)
Modification- convert to RS of the Company	–	–	2.22	2,626,566
Outstanding at December 31, 2025	–	–	6.19	3,464,024

(c) Fair value of share options, RSU and RS granted

The directors have used the discounted cash flow method to determine the underlying equity fair value of the Company and Metis and adopted the equity allocation model to determine the fair value of the underlying ordinary shares. Key assumptions are determined by the directors with best estimate.

Based on fair value of the underlying ordinary shares, the directors use binomial model to determine the fair value of the share options as of the grant date.

Key assumptions used by directors are set as below:

	Year ended December 31,		
	2023	2024	2025
Risk-free interest rate	2.7%-3.9%	1.7%	1.7%
Contractual term (in years)	10	10	10
Volatility	65.8%-67.1%	63.3%	63.1~63.2%
Expected dividend yield	0%	0%	0%

The fair value of RS at the grant date was determined by reference to the fair value of the underlying ordinary shares on the dates of grant.

	Year ended December 31,		
	2023	2024	2025
Fair value of underlying ordinary shares – Metis (US$)	0.62	N/A	N/A
Fair value of underlying ordinary shares – the Company (RMB)	31.45-36.69	57.58	77.72

Key assumptions used by directors to estimate the underlying ordinary shares' fair value are set as below:

	Year ended December 31,		
	2023	2024	2025
DLOM	20%-24%	15%	12%
Volatility	57%-64%	51%	60%

(d) Accounting policies of Share-based payment

The Group operates share incentive plan, under which it receives services from employees as consideration for equity instruments (share options and RS) of Metis and the Company.

The fair value of the employee services received in exchange for the grant of equity instruments is recognized as an expense in profit or loss with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the equity instruments granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, the requirement for employees to serve);
- including the impact of any non-vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of share options and RS that are expected to vest based on the non-market vesting performance and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

If the terms of an equity-settled share-based award are modified, an additional expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employees, as measured at the date of modification. Modifications of an equity-settled share-based award in a manner that is not beneficial to employees are not taken into account when determining the expenses to be recognised.

The Company has issued underlying shares to employee incentive platforms for the restricted shares and options granted to employees. These employee incentive platforms, namely Nanjing Chengtai Yuxin and Delos Holding, Hangzhou Shengtai, Beijing Yutai, Scientia Holding have been consolidated into the Group's financial statements, and the shares corresponding to the unvested awards in the form of restricted shares, and unexercised share options are therefore treated as treasury stock for accounting purpose.

27 TRADE PAYABLES, ACCRUALS, OTHER PAYABLES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current liabilities			
Trade payables *(i)*	9,359	10,687	10,605
Other taxes payable	1,767	607	601
Other payables			
– Payable related to employee share awards	–	–	13,243
– Payables for third-party service fees	6,534	5,016	14,259
– Accrued listing expense	–	–	1,264
– Payables for purchase of property, plant and equipment	2,248	1,697	6,613
– Payables for employee reimbursement	1,360	418	125
– Tax payable related to reorganization	13,703	1,776	–
– Others	484	655	1,112
Total trade payables and accruals and other payables	**35,455**	**20,856**	**47,822**

(i) The aging analysis of the trade payables based on purchase date were as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Up to 3 months	9,359	8,487	10,542
3 to 6 months	–	902	15
6 months to 1 year	–	997	48
1 to 2 years	–	301	–
Total trade payables	**9,359**	**10,687**	**10,605**

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current liabilities			
Trade payables *(i)*	5,548	3,966	3,963
Other taxes payable	1,472	347	200
Other payables			
– Payables to subsidiaries	1,908	1,908	727
– Payables for third-party service fees	2,852	1,583	5,315
– Accrued listing expense	–	–	482
– Payables for purchase of property, plant and equipment	664	784	19
– Payables for employee reimbursement	1,312	379	115
– Tax payable related to reorganization	13,703	1,776	–
– Others	223	468	69
Total trade payables and accruals and other payables	**27,682**	**11,211**	**10,890**

(i) The aging analysis of the trade payables based on purchase date were as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Up to 3 months	5,548	1,766	3,960
3 to 6 months	–	902	3
6 months to 1 year	–	997	–
1 to 2 years	–	301	–
Total trade payables	**5,548**	**3,966**	**3,963**

28 DEFERRED GOVERNMENT GRANTS

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Deferred government grants	**37,807**	41,656	37,051
Less: Amounts include under current liabilities	–	37,000	32,000
Amounts included under non-current liabilities	37,807	4,656	5,051
Total deferred government grants	**37,807**	**41,656**	**37,051**

29 REDEMPTION LIABILITIES AND CONVERTIBLE LOAN

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Redemption liabilities and convertible loan	2,073,125	2,250,247	–

(a) Redemption liabilities

The Group and the Company

Since the date of incorporation of Metis, it has completed several rounds of financing including Series Angel, Series Angel+, Series Pre A, Series Pre A+, Series A, Series B and Series C in the way of capital increase and capital transfer between investors. Upon the completion of the reorganization, all these investors became the shareholder of the Company. In addition to subscribing to the registered capital of the Company, the Company granted these investors preferential rights such as redemption rights, liquidation preferences, and anti-dilution rights.

The key terms of the preferred rights granted to the abovementioned investors are summarized as follows:

Redemption rights

Investors have a right to require the Company to redeem their investments if (a) the Company fails to achieve a Qualified Initial Public Offering ("Qualified IPO") by November 18, 2026; or (b) the founders or the Group has severely violated the provisions of the transaction documents and fails to take timely remedial action within ninety business days after the investor gives written notice to request the remedy.

The redemption amount is the original investment principal from the investors, plus an annual rate of 8% of the original investment principal for a period of time commencing from the relevant closing date of investments to the fully repayment date for the redeemed shares (calculated as 365 days in a calendar year) and any accumulated or declared but undistributed profit.

Liquidation preferences

In the event of a Legal Liquidation Event (refers to the liquidation, dissolution or closure of the Company) or a Deemed Liquidation Event (as defined in shareholder agreement), the distributable liquidation property (after satisfaction of all creditors' claims and claims that may be preferred by law in a Legal Liquidation Event and the total consideration received by the Company or the shareholders in a Deemed Liquidation Event) shall be distributed in the amount equal to the 100% of the original investment principal, plus annual rate of 8% of the original investment principal, and plus the declared but undistributed retained earnings on the equity held.

The distributable liquidation property can be distributed according to the equity proportion at that time, and in the priority order of Series C, Series B, Series A, Series Pre A+, Series Pre A, Series Angel+ to Series Angel.

Anti-dilution right

If the Company increases its registered capital at a price lower than the price paid by the Anti-Dilution Right Holder (the Series C, Series B, Series A, Series Pre A+, Series Pre A, Series Angel+ and Series Angel investors with preferred rights granted) (the "New Low Financing"), the subscription price per unit invested by the Anti-dilution Right Holder in the Company will be adjusted.

The Anti-Dilution Right Holder has the right to require the Company to issue new capitals for a nominal consideration or a minimum price permitted by applicable laws and permit the Anti-Dilution Right Holder to increase capitals then, so that the equity proportion held by the Anti-Dilution Right Holder can reach that can be subscribed according to the adjusted subscription price per unit.

The redemption rights and liquidation preferences granted to the investors constitute as the Company's obligations to repurchase its own equity instruments. These obligations were recognized as redemption liabilities which are initially measured 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 measured at amortized cost. The Company applied a redemption discount rate ranged from 7.89% to 8.07% to determine the initial recognition amount of the redemption liabilities. The anti-dilution right is a derivative financial instrument measured at fair value through profit or loss, of which the fair value was considered close to nil as the directors of Company expected the New Low Financing would never occur before the Company's success in the Qualified IPO.

The movements of redemption liabilities during the years ended December 31, 2023, 2024 and 2025 are set out below:

	Year ended December 31,		
	2023	2024	2025
At the beginning of the year	**–**	**2,073,125**	**2,250,247**
Recognition	2,008,386	11,412	–
Charged to finance costs	64,739	165,710	27,925
Derecognition *(Note i)*	–	–	(2,278,172)
At the end of the year	**2,073,125**	**2,250,247**	**–**

Note:

(i) On February 28, 2025, the Company and investors agreed to terminate the abovementioned preferred rights with immediate effect. The redemption liabilities of approximately RMB2,278,172,000 and the treasury stock of approximately RMB2,019,798,000 were derecognized, with the difference of approximately RMB258,374,000 credited to the capital reserve.

(b) Convertible loan

From 2020 to 2023, the Company entered convertible loans with the total principal amount of US$114,550,000 with several investors, who are also the Series Angel, Series Pre A, Series A, Series B and Series C investors.

As lenders have rights to ask the Company to repay all outstanding and unpaid principal amount when some contingent events occur which the Company does not have the unconditional right to avoid, these convertible loans are classified as financial liabilities given the Company does not have the unconditional right to avoid delivering cash to settle these loans.

The Group does not bifurcate any embedded derivatives, which do not meet the fix to fix requirement and are not closely related to the host instruments, and designates the entire convertible loans as financial liabilities at fair value through profit or loss with the changes in the fair value recorded in the consolidated statements of profit or loss.

In 2023, all these convertible loans have been converted into the relevant equity interests in the Company and the difference between the carrying amount of these convertible loans and the par value of each equity interest were recorded as reserves.

The movements of the convertible loan carrying amount are set out as below:

	RMB'000
At January 1, 2023	**566,845**
Issuance of convertible loan	344,318
Change in fair value through profit or loss	60,551
Repayment of convertible loan	(73,226)
Conversion of convertible loan	(898,488)
At December 31, 2023	**–**

30 BORROWINGS

	As at December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Bank loans-unsecured	30,000	10,000	40,000

As at December 31, 2023, 2024 and 2025, the weighted average effective interest rate for borrowings were 3.67%, 3.00% and 2.65%, respectively.

As at the end of each reporting period, all the Group's borrowings were repayable less than one year.

31 DIVIDENDS

No dividend has been paid or declared by the Company during each of the years ended December 31, 2023, 2024 and 2025.

32 CASH FLOW INFORMATION

(a) Cash used in operating activities

		Year ended December 31,		
	Note	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
Loss before income tax		**(581,926)**	**(499,190)**	**(391,713)**
Adjustments for				
Net Loss on disposal of property and equipment	*8*	504	610	2
Depreciation and amortization		40,047	40,384	37,964
Finance costs expensed	*10*	71,647	141,769	29,848
Share-based compensation expenses	*26*	107,905	93,889	183,739
Fair value change of convertible bonds	*29*	60,551	–	–
Impairment of long-term asset		61,938	1,399	731
Fair value change of financial assets at FVPL	*3.3*	(103)	(6,852)	(4,628)
Interest income from term deposits		(5,605)	(9,056)	(8,963)
Decrease/(increase) in trade receivable		(705)	437	87
Decrease/(increase) in restricted cash		710	–	–
Decrease/(increase) in prepayments and other current assets		2,252	(18,088)	3,350
Decrease/(increase) in other non-current assets		(9,689)	1,131	593
Increase/(decrease) in account payable		(255)	1,328	(82)
Increase/(decrease) in accrued expenses and other payables		15,141	(15,334)	10,743
Increase/(decrease) in contract liabilities		(4,013)	11,084	6,109
Increase/(decrease) in accruals and other liabilities		37,807	3,849	(4,605)
Increase/(decrease) in salary payable		4,963	(1,296)	2,148
Cash used in operating activities		**(198,831)**	**(253,936)**	**(134,677)**

(b) Non-cash investing activities

There were no material non-cash investing transactions for the years ended December 31, 2023, 2024 and 2025.

(c) Reconciliation of liabilities generated from financing activities

	Redemption Liabilities	Convertible loan	Lease liabilities	Borrowings	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Liabilities from financing activities as at January 1, 2023	**–**	**566,845**	**99,084**	**5,000**	**670,929**
Financing cash flows	–	344,318	(18,899)	25,000	350,419
Repayment of convertible loan	–	(73,226)	–	–	(73,226)
Accrued interest expenses	64,739	–	2,864	–	67,603
Addition of redemption liabilities	2,008,386	–	–	–	2,008,386
Changes in fair values	–	60,551	–	–	60,551
Conversion of convertible loan	–	(898,488)	–	–	(898,488)
Foreign currency translations	–	–	16,159	–	16,159
Liabilities from financing activities as at December 31, 2023	**2,073,125**	**–**	**99,208**	**30,000**	**2,202,333**
Financing cash flows	–	–	(19,908)	(20,000)	(39,908)
Accrued interest expenses	165,710	–	2,458	–	168,168
Addition of redemption liabilities	11,412	–	–	–	11,412
Foreign currency translations	–	–	1,257	–	1,257
Liabilities from financing activities as at December 31, 2024	**2,250,247**	**–**	**83,015**	**10,000**	**2,343,262**
Financing cash flows	–	–	(23,533)	30,000	6,467
Accrued interest expenses	27,925	–	3,049	–	30,974
Foreign currency translations	–	–	(1,607)	–	(1,607)
Derecognition of redemption liabilities	(2,278,172)	–	–	–	(2,278,172)
Addition of new leases	–	–	31,251	–	31,251
Lease Modification	–	–	(1,045)	–	(1,045)
Liabilities from financing activities as at December 31, 2025	**–**	**–**	**91,130**	**40,000**	**131,130**

33 COMMITMENTS

(a) Capital commitments

Capital expenditures contracted for at the end of the reporting period but not recognised as liabilities yet are as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Property, plant and equipment	38	38	–
Total	**38**	**38**	**–**

34 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operational decisions. Parties are also considered to be related if they are subjected to common control. Members of key management and their close family members of the Group are also considered as related parties.

The following significant transactions were carried out between the Group and its related parties during the periods presented. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

(a) Names and relationships with related parties

The following company and individuals are significant related parties of the Group that had transactions and/or balances with the Group during the Track Record Period:

Company or individuals	Relationship
Wenqian Shao	Spouse of one of the founders
Wenshou Wang	Founder of the Company
Metis Pharmaceuticals Inc	Controlling shareholder of the Company before Reorganization

(b) Significant transactions with related parties

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Employee benefit			
Wenqian Shao	–	9,735	1,525
Total	**–**	**9,735**	**1,525**

(c) Year end balances with related parties

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Other receivables due from related parties			
Due from Wenshou Wang	3,326	512	–
Total	**3,326**	**512**	**–**

Other receivables due from related parties are all non-trade in nature and have been settled as at the date of this report.

(d) Key management personnel compensation

The compensations to key management personnel as directors are shown below:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Director fees	297	300	76
Wages, salaries and bonuses	9,805	13,413	24,069
Share-based payments *(i)*	84,656	76,282	155,970
Pension cost-defined contribution plans	220	370	345
Housing fund, medical insurance and other social insurance	399	658	949
Other employee benefits	175	182	313
Total	**95,552**	**91,205**	**181,722**

(i) Represents the amount recognized as an expense during the Track Record Period in accordance with IFRS 2 Share-based Payment.

35 BENEFITS AND INTERESTS OF DIRECTORS

The remuneration of every director during the Track Record Period is set out below:

For the year ended December 31, 2023:

Name of Directors	Director fees	Wages and salaries	Discretionary bonuses	Share-based compensation expenses (a)	Social insurance and other employee welfare	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Dr. Tsai-Ta Lai *(i)*	–	1,040	292	40,869	119	42,320
Dr. Wenshou Wang *(ii)*	–	1,040	292	5,626	85	7,043
Dr. Hongming Chen *(iii)*	–	6,229	–	36,005	438	42,672
Mr. Hantao Huang *(iv)*	–	–	–	–	–	–
Ms. Yuan Gong *(v)*	–	–	–	–	–	–
Total	**–**	**8,309**	**584**	**82,500**	**642**	**92,035**

For the year ended December 31, 2024:

Name of Directors	Director fees	Wages and salaries	Discretionary bonuses	Share-based compensation expenses (a)	Social insurance and other employee welfare	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Dr. Tsai-Ta Lai *(i)*	–	1,097	340	51,390	134	52,961
Dr. Wenshou Wang *(ii)*	–	1,097	340	1,234	143	2,814
Dr. Hongming Chen *(iii)*	–	6,677	–	14,648	531	21,856
Mr. Hantao Huang *(iv)*	–	–	–	–	–	–
Ms. Yuan Gong *(v)*	–	–	–	–	–	–
Total	**–**	**8,871**	**680**	**67,272**	**808**	**77,631**

For the year ended December 31, 2025:

Name of Directors	Director fees	Wages and salaries	Discretionary bonuses	Share-based compensation expenses (a)	Social insurance and other employee welfare	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Dr. Tsai-Ta Lai *(i)*	–	3,027	1,316	54,197	149	58,689
Dr. Wenshou Wang *(ii)*	–	2,297	877	32,167	137	35,478
Dr. Hongming Chen *(iii)*	–	7,062	–	25,296	487	32,845
Mr. Hantao Huang *(iv)*	–	–	–	–	–	–
Ms. Yuan Gong *(v)*	–	–	–	–	–	–
Total	**–**	**12,386**	**2,193**	**111,660**	**773**	**127,012**

(a) Represents the amount recognized as expense during the Track Record Period in accordance with IFRS 2 Share-based Payment.

(i) Dr. Tsai-Ta Lai was appointed as a director effective from October 2019.

(ii) Dr. Wenshou Wang was appointed as a director effective from October 2019.

(iii) Dr. Hongming Chen was appointed as a director effective from October 2019.

(iv) Mr. Hantao Huang was appointed as a director effective from October 2023.

(v) Ms. Yuan Gong was appointed as a director effective from August 2023.

(vi) Mr. Frank Yee Chon Lyn, Dr. Jin Li and Dr. Peter Edward Lobie were appointed as Independent Non-executive Directors of the Company in August 2025 and will become effective upon Listing.

36 EVENTS OCCURRING AFTER THE REPORTING PERIOD

There have been no material events subsequent to the year ended December 31, 2025.

37 SUMMARY OF OTHER ACCOUNTING POLICIES

37.1 Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

37.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill in the financial statements.

37.3 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of the Company's subsidiaries outside the Chinese mainland are US$ and AU$ as their key activities and transactions are denominated in US$ and AU$. The Company and its primary subsidiaries are incorporated in the PRC Chinese mainland and for these subsidiaries, RMB is the functional currency. As the major operations of the Group during the Track Record Period are within the Chinese mainland, the Group determined to present its Historical Financial Information in RMB (unless otherwise stated).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognised in consolidated statements of profit or loss as part of the "finance costs, net".

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income or loss.

The Group has monetary items that are receivables from or payables to foreign operations. The items for which settlements are neither planned nor likely to occur in the foreseeable future are, in substance, part of the Group's net investment in foreign operations. Such monetary items include long-term receivables or loans. They do not include trade receivables or trade payables. On consolidation, foreign exchange gains or losses arising from the exchange of any net

investment in foreign entities, are recognised in the consolidated statement of comprehensive income. When a foreign operation is disposed, the related foreign exchange gains or losses are reclassified into consolidated statements of profit or loss as part of the "other (losses)/gains, net". The accumulative translation adjustments related to subsidiaries with same functional currency as the Company are presented as part of items of other comprehensive income that will not be reclassified to profit or loss.

37.4 Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

37.5 Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

- *Debt instruments*

  Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

  – Amortized cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other (losses)/gains together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

  – FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other (losses)/gains. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other (losses)/gains, and impairment expenses are presented as separate line item in the statement of profit or loss.

– FVPL: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other (losses)/gains in the period in which it arises.

During the Track Record Period, no amount is recognised in respect of financial assets at FVOCI.

• *Equity instruments*

The Group subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at FVPL are recognised in other (losses)/gains in the consolidated statement of profit or loss as applicable.

(iv) Impairment

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

37.6 Trade receivables, net

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection of trade receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method. See Note 3.1(b) for a description of the Group's impairment policies.

37.7 Cash and cash equivalents and term deposits

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank deposits with initial terms of over three months are presented as term deposits on the consolidated statement of financial positions.

37.8 Trade, accruals and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the periods presented which are unpaid. Trade, accruals and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method.

37.9 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statement of financial position.

(ii) Pension obligations

The Group participates in various defined contribution retirement benefit plans which are available to all relevant employees. These plans are generally funded through payments to schemes established by governments. A defined contribution plan is a pension plan under which the Group pays contributions on a mandatory, contractual or voluntary basis into a separate fund. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee services in the current and prior years. The Group's contributions to the defined contribution plans are expensed as incurred and not reduced by contributions forfeited by those employees who leave the plans prior to vesting fully in the contributions.

(iii) Housing funds, medical insurances and other social insurances

The employees of the Group in the PRC are entitled to participate in various government-supervised housing funds, medical insurance and other employee social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group's liability in respect of these funds is limited to the contributions payable in each period. Contributions to the housing funds, medical insurances and other social insurances are expensed as incurred.

(iv) Employee leave entitlement

Employee entitlement to annual leave is recognized when they have accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the statement of financial position date. Employee entitlement to sick leave and maternity leave are not recognized until the time of leave.

(v) Bonus plans

The expected cost of bonuses is recognized as a liability when the Group has a present legal or constructive obligation for payment of bonus as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonus plans are expected to be settled within 1 year and are measured at the amounts expected to be paid when they are settled.

(vi) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

37.10 Provisions

Provisions for legal claims, warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

37.11 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions

Where the grants related to an expense item, it is recognised as income on a systematic basis over the period that the costs, which it is intended to compensate, are expensed. Where the grants related to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset on straight-line basis.

37.12 Interest income

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

37.13 Intangible assets

The Group's intangible assets mainly include acquired licenses and computer software and are stated at historical cost. They have limited useful lives and are subsequently carried at cost less accumulated amortization and impairment losses.

Research expenditure is recognized as an expense as incurred. Costs incurred on development phases are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the product so that it will be available for use;
- Management intends to complete the product and use or sell it;
- There is an ability to use or sell the product;
- It can be demonstrated how the product will generate probable future economic benefits;

- Adequate technical, financial and other resources to complete the development and to use or sell the product are available; and
- The expenditure attributable to the product during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

The Group amortizes intangible assets with a limited useful life using the straight-line method over the following periods:

- License 5 years
- Computer software 3-5 years

III SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company in respect of any period subsequent to December 31, 2025 and up to the date of this report. No dividend or distribution has been declared or made by the Company or any of the companies now comprising the Group in respect of any period subsequent to December 31, 2025.

The information set out in this Appendix does not form part of the "Accountant's Report" from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, the reporting accountant of the Company, as set out in Appendix I in this Prospectus, and is included herein for illustrative purposes only.

The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" and "Appendix I — Accountant's Report."

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

The following is an illustrative statement of the unaudited pro forma adjusted consolidated net tangible assets which has been prepared in accordance with Rule 4.29 of the Listing Rules for the purpose of illustrating the effect of the Global Offering as if it had taken place on December 31, 2025 and based on the consolidated net tangible assets attributable to the owners of the Company as at December 31, 2025 as shown in the Accountant's Report, the text of which is set out in Appendix I to this Prospectus, and adjusted as described below.

This unaudited pro forma adjusted consolidated net tangible assets has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Global Offering been completed as at December 31, 2025 or at any future date.

	Unadjusted audited consolidated net tangible assets 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 assets attributable to the owners of the Company**	**Unaudited pro forma adjusted consolidated net tangible assets per share**	
	Note 1	*Note 2*			*Note 4*
	RMB'000	*RMB'000*	*RMB'000*	*RMB*	*HK$*
Based on an Offer Price of HK$10.5 per share	1,036,599	1,759,774	2,796,373	2.54	2.90

Notes:

(1) The unadjusted audited consolidated net tangible assets attributable to the owners of the Company as at December 31, 2025 is extracted from the Accountant's Report as set forth in Appendix I to the prospectus, which is based on the audited consolidated net assets attributable to the owners of the Company as at December 31, 2025 of RMB1,040,858,000 with an adjustment for the intangible assets as at December 31, 2025 of RMB4,259,000.

(2) The estimated net proceeds from the Global Offering are based on an Offer Price of HK$10.5 per share after deduction of the estimated underwriting fees and other related expenses payable by the Company (excluding RMB29,171,000 which had been charged to the consolidated statements of profit or loss up to December 31, 2025), without taking into account any shares which may be issued upon the exercise of the Over-allotment Option.

(3) The unaudited pro forma adjusted consolidated net tangible assets per share are determined after the adjustments as described in note (2) above and on the basis that 1,099,622,830 shares are in issue (excluding 52,891,020 shares relating to the restricted shares, and share options granted but not yet exercised, under the employee share plans), assuming the Global Offering and the Share Subdivision had been completed on December 31, 2025, but without taking into account any shares which may fall to be issued upon the exercise of the Over-Allotment Option.

(4) For the purpose of this unaudited pro forma adjusted net tangible assets, the balance stated in Renminbi is converted into Hong Kong dollars at a rate of HK$1.00 to RMB0.8754. No representation is made that Renminbi amounts have been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate.

(5) No adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to December 31, 2025.

B. REPORT FROM THE REPORTING ACCOUNTANT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from PricewaterhouseCoopers Certified Public Accountants, Hong Kong, for the purpose of incorporation in this Prospectus.

羅兵咸永道

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Directors of Metis TechBio Co., Ltd.

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Metis TechBio Co., Ltd. (the "Company") and its subsidiaries (together, 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 of the Group as at December 31, 2025 and related notes (the "Unaudited Pro Forma Financial Information") as set out on page II-1 of the Company's prospectus dated May 5, 2026 (the "Prospectus"), in connection with the proposed initial public offering of the shares of the Company (the "Proposed Initial Public Offering"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on page II-1 of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the Proposed Initial Public Offering on the Group's financial position as at December 31, 2025 as if the Proposed Initial Public 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 financial information for the year ended December 31, 2025, on which an accountant's report has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("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 behaviour.

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 or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

PricewaterhouseCoopers
22/F Prince's Building, Central
Hong Kong SAR, China
T: +852 2289 8888, F: +852 2810 9888

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Reporting Accountant's 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 accountant plans and performs 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 a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity 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 Proposed Initial Public Offering 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 accountant's judgment, having regard to the reporting accountant's understanding of the nature of the company, 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.

Our work has not been carried out in accordance with auditing standards or other standards and practices generally accepted in the United States of America or auditing standards of the Public Company Accounting Oversight Board (United States) or standards and practices of any professional body in any other overseas jurisdiction and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

- the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the basis stated;
- such basis is consistent with the accounting policies of the Group; and
- 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.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, May 5, 2026

The following is the text of a letter and valuation certificate prepared for the purpose of incorporation in this Prospectus received from Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer, in connection with its valuation as at 28 February 2026 of the property interest leased by the Group.

Jones Lang LaSalle Corporate Appraisal and Advisory Limited
7th Floor, One Taikoo Place
979 King's Road Hong Kong
tel +852 2846 5000 fax +852 2169 6001
Company Licence No.: C-030171

5 May 2026

The Board of Directors
Metis TechBio Co., Ltd.
Room 201, 2/F
Building 13
No. 21 Tianhe West Road
Daxing Biomedical Industry Base
Zhongguancun Science Park
Daxing District, Beijing
The People's Republic of China

Dear Sirs,

In accordance with your instructions to value the property interest leased by Metis Therapeutics Inc., a wholly-owned subsidiary of Metis TechBio Co., Ltd. (the "**Company**") (hereinafter together with its other subsidiaries referred to as the "**Group**") located at 101 Cambridge Park Drive, Cambridge, Massachusetts, the United States of America ("**United States**"), we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the property interest as at 28 February 2026 (the "**valuation date**").

Our valuation is carried out on a market value basis. Market value is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

In valuing the property interest which is leased by the Group in the United States, we have attributed no commercial value to the property interest due to the leased nature and prohibition against assignment or otherwise due to the lack of substantial profit rent.

In valuing the property interest, we have complied with all requirements contained in Chapter 5 of the Rules Governing the Listing of Securities issued by the Stock Exchange of Hong Kong Limited; the RICS Valuation — Global Standards published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors, and the International Valuation Standards issued by the International Valuation Standards Council.

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings, and all other relevant matters.

We have been shown copies of tenancy agreements and other official plans relating to the property interest and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the property interest in the United States and any material encumbrance that might be attached to the property interest or any tenancy amendment.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also sought confirmation from the Group that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

We have not carried out detailed measurements to verify the correctness of the areas in respect of the property but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the property. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the property is free of rot, infestation or any other structural defect. No tests were carried out on any of the services.

The site inspection was carried out on 1 July 2025 by Mr. Corey Gustafson who is a Member of the Appraisal Institute and has 24 years' experience in the valuation of properties in the United States.

Climate change, sustainability, resilience, and ESG are increasingly influencing investment approaches as they may affect prospects for rental and capital growth, and susceptibility to obsolescence. Properties that do not meet the sustainability characteristics expected in the market may represent a higher investment risk, particularly as occupiers become more conscious of ESG impacts on operational workspace, which could impact on vacancy and rental levels. This view is supported by RICS in their recently published guidance note "Sustainability and ESG in commercial property valuation and strategic advice (3rd Edition)."

While some of the sustainability and ESG initiatives are considered subjective and intangible, they cannot always be demonstrated with quantifiable evidence. Based on our research and local market knowledge, there is not yet any direct and tangible evidence of ESG being reflected in specific investment behaviours and/or pricing considerations for assets of a similar nature to the subject property, although it is acknowledged that ESG criteria is forming part of an increasing number of investment mandates. However more tangible benefits such as energy efficiency are realisable in operational costs. We have not undertaken full asset and market investigations in this regard. Whilst there is currently no direct and tangible evidence to suggest that the market is making pricing adjustments for ESG, we will continue to monitor market movements and sentiment.

Unless otherwise stated, all monetary figures stated in this report are in United States Dollar (USD).

Our valuation certificate is attached below for your attention.

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Corporate Appraisal and Advisory Limited
Eddie T. W. Yiu
MRICS MHKIS R.P.S. (GP)
Senior Director

Robert Dowdall
Designated Member, Appraisal Institute (MAI)
Senior Director

Note: Eddie T.W. Yiu is a Chartered Surveyor who has 32 years' experience in the valuation of properties in Hong Kong and the PRC as well as relevant experience in the Asia-Pacific region and the United States.

VALUATION CERTIFICATE

Property interest leased by the Group in the United States

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 28 February 2026
			USD
Office and laboratory on the 3rd floor, storage room on the 1st floor, and equipment room on the penthouse floor, 101 Cambridge Park Drive, Cambridge, Massachusetts, the United States	The property is located at 101 Cambridge Park Drive in Cambridge. The locality of the property is in North Cambridge's Alewife area, a rapidly developing technology and life sciences corridor with excellent transportation access via the adjacent MBTA Red Line station and Route 2. The property benefits from its position within a commercial office park housing notable companies like Forrester Research and Pfizer, while offering convenient amenities including the Fresh Pond Shopping Center, restaurants, and outdoor recreational spaces at Alewife Brook and Fresh Pond Reservations. The subject building comprises a 5-storey life science building with a gross floor area of approximately 161,040 sq.ft. (14,961 sq.m.) The building was completed in 2023 and is in excellent condition. It is suitable for a variety of uses including office, research and development, and laboratory uses. According to the Tenancy Agreement, the property comprises the office and laboratory on the 3rd floor, storage room on the 1st floor, and equipment room on the penthouse floor of the subject building and has a total rentable area of approximately 15,523 sq.ft. (1,442 sq.m.) for office and laboratory uses. Details are set out as followings: **Property** / **Floor** / **Rentable Area** *(sq.ft.)* Office and Laboratory / L3 / 14,788 Storage room / L1 / 138 Equipment room / Penthouse / 597 **Total:** / / **15,523**	As at the valuation date, the property was leased by the Group and subleased to a tenant for office and laboratory purposes.	No commercial value

Notes:

1. Pursuant to a copy of the 2025 City of Cambridge tax assessment, the registered owner of the property is HCP/KING 87 CPD, LLC. According to CoStar, this entity is a subsidiary of Healthpeak Properties, a national healthcare/life science REIT.
2. According to the Land Use Plan, the site of the property is zoned as "O-2A" which is an office district primarily designed for office and laboratory use that allows for higher density development.
3. Based upon a review of the Certificate of Ownership and Real Property Search Record, which are related to the property title and encumbrances or restrictions on the property, we are of the view that there are no easements, encroachments, restrictions or encumbrances on the property that would adversely affect its value.
4. Pursuant to a Tenancy Agreement, the property with a rentable area of approximately 15,523 sq.ft. (1,442 sq.m.) is leased by Metis Therapeutics Inc. ("**Metis Therapeutics**", a directly wholly-owned subsidiary of the Company) for a term of 8 years expiring on 28 February 2031 (with one 5-year extension option) for office and laboratory uses. The annual rent of the property was USD1,852,689.45 as at the valuation date.
5. Pursuant to a Subtenancy Agreement, the property with a rentable area of approximately 15,523 sq.ft. (1,442 sq.m.) is subleased out by Metis Therapeutics for a term of 2 years expiring on 12 May 2026 (with two 1-year extension options) for office and laboratory uses. The annual rent of the property was USD1,343,050 as at the valuation date.
6. We have attributed no commercial value to the property interest due to the leased nature and prohibition against assignment or otherwise due to the lack of substantial profit rent.

This Appendix mainly provides investors with an overview of the Articles of Association. As the following information is in summary form, it does not contain all the information that may be important to investors.

SHARES AND REGISTERED CAPITAL

The shares of the Company shall be issued in an open, fair and equal manner. Each share of the same class shall rank *pari passu* with each other. Shares of a class in each issuance shall be issued under the same terms and at the same price. Each of the shares shall be subscribed for at the same price by any entity or individual.

INCREASE, DECREASE, REPURCHASE AND TRANSFER OF SHARES

Increase and Decrease of Shares

According to the operation and development needs of the Company, subject to the laws and regulations, the Company may increase the capital by the following ways upon approval of resolutions at the Shareholders' general meeting:

(i) Public issuance of shares;

(ii) Non-public issuance of shares;

(iii) Distribution of bonus shares to existing shareholders;

(iv) Converting the reserve funds into share capital;

(v) Other means approved by the laws, administrative regulations or approved by the China Securities Regulatory Commission (CSRC).

Our Company may decrease our registered share capital and shall comply with the procedures stipulated in the Company Law of the PRC and the Articles of Association.

Repurchase of Shares

Company shall not to repurchase its own shares, unless otherwise under the circumstances:

(i) Reduce our Company's registered capital;

(ii) Merger with other companies which hold our shares;

(iii) Using the shares as an employee stock ownership plan or equity incentive plan;

(iv) Purchasing its shares from Shareholders who have voted against the resolutions on the merger or division of the Company at a Shareholders' general meeting upon their request;

(v) Use of shares for conversion of convertible corporate bonds issued by the Company;

(vi) Necessary for the Company to maintain its value and protect the interests of the shareholders.

(vii) Other means approved by the laws, administrative regulations.

A resolution shall be passed at the Shareholders' general meeting when the Company is to repurchase its own shares under the circumstances (i) and (ii) set out above. In case of the circumstances stipulated in (iii), (v), (vi) and (vii) above, a resolution of the Company's Board shall be passed by more than two-thirds of the Directors attending the Board meeting. After the Company has repurchased its own shares in accordance with the circumstances above, the shares so repurchased shall be canceled within ten days from the date of purchase (under the circumstance set

out in (i) above), or shall be transferred or canceled within six months (under the circumstances set out in (ii) and (iv) above). If the Company repurchases its shares under the circumstances set out in (iii), (v), (vi) and (vii) above, the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or canceled within three years.

Transfer of Shares

Shares of the Company that were issued prior to a public issue shall not be transferred within one year from the date on which shares of the Company are listed and traded on the stock exchange.

The Directors and senior management of the Company shall notify the Company of their holdings of shares in the Company and the changes therein. The shares transferrable by them during each year of their tenures shall not exceed 25% of their total holdings of shares in the Company. The shares in the Company held by them shall not be transferred within one year from the date on which the Company's shares are listed for trading. The shares in the Company held by them shall not be transferred within half a year from their departure from the Company. Where the listing rules of the places where the Company's shares are listed provide otherwise in respect of the restrictions on the transfer, such rules shall prevail.

SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETINGS

Shareholders

Shareholders holding shares of the same class shall enjoy the same rights and assume the same obligations.

The rights of our 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 attend the General Meeting and exercise corresponding voting rights;

(iii) To supervise operational activities of our Company, provide suggestions or submit queries;

(iv) To transfer, grant and pledge the Company's shares held according to the provisions of the laws, administrative regulations and the Articles of Association;

(v) To read the Articles of Association, the list of Shareholders, General Meeting minutes, resolutions of meetings of the Board of Directors and financial and accounting reports; Shareholders who meet the prescribed requirements may examine the Company's accounting books and vouchers;

(vi) To participate in the distribution of the remaining assets of our Company according to the proportion of shares held upon our termination or liquidation;

(vii) To require our Company to acquire the shares from Shareholders voting against any resolutions adopted at the General Meeting concerning the merger and division of the Company;

(viii) Other rights conferred by laws, administrative regulations, regulations of the authorities, regulatory rules where our Company's shares are listed, or the Articles of Association.

The obligations of Shareholders are as follows:

(i) To abide by laws, administrative regulations and the Articles of Association;

(ii) To provide Share capital according to the Shares subscribed for and Share participation methods;

(iii) Not to return Shares unless prescribed otherwise in laws and administrative regulations;

(iv) Not to abuse Shareholders' rights to infringe upon the interests of the Company or other Shareholders; not to abuse the Company's status as an independent legal entity or the limited liability of Shareholders to damage the interests of the Company's creditors;

(v) To perform other duties prescribed in laws, administrative regulations and the Articles of Association.

General Provisions for Shareholders' General Meetings

The Shareholders' general meeting is the organ of authority of the Company, which exercises its powers in accordance with the law:

(i) To elect or remove the Directors and to decide on matters relating to the remuneration of Directors;

(ii) To examine and approve reports of the Board of Directors;

(iii) To examine and approve the Company's proposals for profit distribution plans and loss recovery plans;

(iv) To decide on any increase or decrease of the Company's registered capital;

(v) To decide on the issue of corporate bonds by the Company;

(vi) To decide on matters such as merger, division, dissolution and liquidation or change of corporate form of the Company;

(vii) To amend the Articles of Association;

(viii) Resolution on appointment and dismissal of an accounting firm by the Company;

(ix) To examine and approve the provision of guarantees stipulated in Article 49;

(x) To examine matters relating to the purchases and disposals of the Company's material assets within one year, which exceed 30% of the Company's latest audited total assets;

(xi) To examine and approve matters relating to changes in the use of proceeds;

(xii) To examine and approve the equity incentive plans and employee stock ownership plans;

(xiii) To examine and approve any change of control events of the Company;

(xiv) To examine other matters as required by the laws, administrative regulations, departmental rules, the Articles of Association of the Company or the securities regulatory rules of the places where the Company's shares are listed, which shall be decided by the Shareholders' general meeting.

The Company shall convene an extraordinary general meeting within two months from the date of the occurrence of any of the following circumstances:

(i) The number of directors is less than the number provided for in the Company Law or less than two-thirds of the number prescribed in these Articles of Association;

(ii) The uncovered losses of our Company reach one-third of its total paid-in share capital;

(iii) The Shareholders with 10% or more shares of the Company separately or jointly request;

(iv) The Board of Directors considers it necessary;

(v) The Audit Committee proposes that such a meeting shall be held;

(vi) Other circumstances conferred by the laws, administrative regulations, departmental rules, securities regulatory rules of the places where the Company's shares are listed and the Articles of Association.

Convening of Shareholders' General Meetings

Shareholders who individually or collectively hold more than 10% of the shares of the Company shall have the right to request the Board of Directors to convene an extraordinary general meeting, and shall submit such request in writing to the Board of Directors. The Board of Directors shall in accordance with the provisions of laws, administrative regulations, securities regulatory rules of the places where the Company's shares are listed and the Articles of Association, provide written feedback on whether or not to convene the extraordinary general meeting within 10 days after receiving the request.

Where the Board of Directors agrees to convene an extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days after the resolution of the Board of Directors is made, and changes to the original request in the notice shall be subject to the consent of the relevant shareholders. Where the Board of Directors does not agree to convene an extraordinary general meeting, or fails to give feedback within 10 days after receiving the request, shareholders who individually or collectively hold more than 10% of the Company's shares have the right to propose to the Audit Committee to hold an extraordinary general meeting, and shall make a written request to the Audit Committee.

Where the Audit Committee agrees to convene an extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days of receiving the request, and any changes to the original request in the notice shall be subject to the consent of the relevant shareholders. Where the Audit Committee fails to issue a notice of the general meeting within the prescribed time limit, it shall be deemed that the Audit Committee has not convened and presided over the general meeting, and shareholders who individually or collectively hold more than 10% of the Company's shares for more than 90 consecutive days may convene and preside over it on their own.

Where the Audit Committee or shareholders decide to convene a Shareholders' general meeting by themselves, they shall notify the Board of Directors in writing and complete the necessary reporting, announcement, or filing in accordance with securities regulatory rules of the places where the Company's shares are listed and the provisions of the stock exchange.

Notice of Shareholders' General Meeting

The notice of the General Meeting and the supplementary notice shall fully and completely disclose all the specific contents of all proposals.

The convener shall notify all Shareholders by way of announcement 21 days prior to the convening of the annual general meeting, and each Shareholder shall be notified by way of announcement 15 days prior to the convening of the extraordinary general meeting.

Proposals at Shareholders' General Meetings

The Board of Directors, the Audit Committee and Shareholders who individually or jointly hold more than 1% of the shares of the Company shall have the right to put forward proposals to the Company. Shareholders who individually or collectively hold more than 1% of the shares of the Company may submit an interim proposal in writing to the convener 10 days prior to the convening of the Shareholders' general meeting. The convener shall issue a supplementary notice of the Shareholders' general meeting within the prescribed time limit, and announce the contents of the interim proposal.

Proxy for the Shareholders' General Meeting

A shareholder may attend and vote at the shareholders' general meeting in person or by proxy.

Individual shareholders attending the meeting in person shall present their personal identity cards or other valid certificates or documents or proof of shareholding. Proxies attending the meeting shall present their personal identity cards and the proxy statements from the shareholder.

Non-individual shareholders shall be represented by its legal representative or proxies authorized by the legal representative.

Voting at the Shareholders' General Meeting

The resolutions of the Shareholders' meeting divided into ordinary resolutions and special resolutions. An ordinary resolution at a shareholders' general meeting shall be passed by more than half of the voting rights held by the shareholders present at the shareholders' general meeting. A special resolution at a shareholders' general meeting shall be passed by at least two-thirds of the voting rights held by the shareholders present at the shareholders' general meeting.

Shareholders shall exercise voting rights based on the number of shares with voting rights held by them, and each share shall be entitled to one vote.

DIRECTORS AND BOARD OF DIRECTORS

Directors

Directors' term of office shall be three years. Upon expiration of the term, the Director may be re-elected. Director can be senior management personnel. However, provided that the total number of Directors who concurrently serve as Senior Management Members and Directors who are employee's representatives shall not exceed half (1/2) of the total number of Directors of the Company.

The Company has independent directors and the Board of Directors should not be less than three or one-third independent directors. Independent directors shall faithfully perform their duties and safeguard the interests of the Company, ensure that the legitimate rights and interests of minority shareholders are not jeopardized.

The directors shall abide by laws, administrative regulations and the Articles of Association, and bear fiduciary obligations towards the Company. The income obtained by the director in violation of the above article shall belong to the Company; If losses are caused to the Company, it shall be liable for compensation.

Directors shall abide by laws, administrative regulations and the Articles of Association, and have the following diligent obligations to the Company. The fiduciary duty assumed by the Directors shall not be automatically relieved upon the end of the term of office.

Chairman

The Board of Directors shall appoint a Chairman. The Chairman shall be elected by more than one half of all Directors.

Board of Directors

The Board of Directors consists of eight Directors. No fewer than one-third of the total number of directors shall be independent directors.

The Board of Directors exercises the following powers:

(i) To convene the general Shareholders' meeting and report on work to the General Meeting;

(ii) Implement the resolutions of the General Meeting;

(iii) Determine the business and investment plans of our Company;

(iv) Devise the earnings distribution and loss offset plans of our Company;

(v) Formulate the plans for increasing or decreasing our Company's registered capital, the issuance of corporate bonds or other securities, as well as the listing of the stock of our Company;

(vi) Formulate plans for major acquisitions of the Company, in case of the circumstances stipulated of the Articles of Association the buy-back of shares of our Company, corporate merger, separation, dissolution and changing the form of our Company;

(vii) Determine such matters as the Company's external investment, purchase or sale of assets, asset pledge, external guarantee, entrusting wealth management, connected transaction and external donation within the scope authorized by the General Shareholders' Meeting;

(viii) Decide on the setup of our Company's internal management organization;

(ix) To decide on matters such as appointment or dismissal of the Company's general manager, secretary to the Board of Directors and other senior officers and on their compensation and incentives/disincentives; to decide on matters such as appointment or dismissal of the Company's vice general manager, chief financial officer and other senior management and on their compensation and incentives/disincentives based on the nominations by the general manager;

(x) Set the basic management systems of our Company;

(xi) Make the modification plan to the Articles of Association;

(xii) Manage the disclosure of company information;

(xiii) Request to the general meeting of shareholders to hire or replace the accounting firm auditing for the company;

(xiv) Attend to the work report of our Company's general manager and review the work of the general manager;

(xv) The approval, amendment or deviation of annual budgets and annual business/commercial and financial plans;

(xvi) The determination to settle any material litigation or arbitration involving the Company;

(xvii) Other powers and duties authorized by the laws, administrative regulations, regulations of the authorities, the Articles of Association and the shareholders' meeting.

Meetings of the Board of Directors shall be attended by more than one-half of the Directors before the Board of Directors meeting can be convened.

Special Committees under the Board

The special committees shall be responsible to the Board of Directors, and perform their duties according to the Articles of Association and the authorization granted by the Board of Directors.

Senior Management Members

The Company shall have a Secretary to the Board of Directors, who shall be responsible for the preparation of the shareholders' general meeting and Board meeting, the custody of documents, the management of the shareholders' records and other relevant matters.

Our Company has one general manager, appointed or dismissed by the Board of Directors. The general manager of our Company is responsible to the Board of Directors and exercises the following powers:

(i) To be in charge of the Company's production, operation and management, and to organize and implement the resolutions of the Board of Directors and report on works to the Board of Directors;

(ii) To organize and implement the Company's annual business plan and investment proposals;

(iii) To draft plans for the establishment of the Company's internal management organizations;

(iv) To draft the Company's basic management system;

(v) To formulate specific rules and regulations for the Company;

(vi) To propose to the Board of Directors on the appointment or dismissal of chief operating officer, chief research and development officer, and financial officer;

(vii) To appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board of Directors;

(viii) Other functions and powers conferred by the Articles of Association or the Board of Directors.

QUALIFICATIONS AND RESPONSIBILITIES OF DIRECTORS AND SENIOR MANAGEMENT

None of the following persons shall serve as our Director or senior management:

(i) A person who has no civil capacity or has limited civil capacity;

(ii) A person who has committed an offense of corruption, bribery, infringement of property, misappropriation of property or disruption of the socialism economic order and has been punished because of committing such offense or who has been deprived of his/her political rights for committing an offense where a five-year period has not elapsed since the expiration of execution period; If he/she is pronounced for suspension of sentence, a two-year period has not elapsed since the expiration of the suspension of sentence;

(iii) A person who is a former director, factory manager or manager of an enterprise which has entered into insolvent liquidation and is personally liable for the insolvency of such company or enterprise, where less than three years have lapsed following the date of the completion of the insolvency and liquidation of such company or enterprise;

(iv) A person who is a former legal representative of a company or enterprise which had its business license revoked or had been ordered to close down due to violation of the laws and has incurred personal liability, where less than three years have lapsed since the date of the revocation of such business license;

(v) A person being listed as a dishonest person subject to enforcement by the people's court due to his/her failure to pay off a relatively large amount of due debts;

(vi) A person who is currently being prohibited from participating in the securities market by the CSRC and such barring period has not elapsed;

(vii) A person who has been publicly determined by the stock exchange as unfit to serve as a director or senior management of a listed company, and the disqualification period has not expired;

(viii) Any other circumstances stipulated by laws, administrative regulations, departmental rules or the securities regulatory rules of the place where the Company's shares are listed.

FINANCIAL AND ACCOUNTING SYSTEM

The Company shall establish its financial and accounting system in accordance with the laws, administrative regulations and the provisions stipulated by the relevant authorities of the PRC.

The Company shall disclose its annual reports within four months from the end of each fiscal year, and its interim reports within two months from the end of the first half of each fiscal year.

The Company is required to withdraw 10% of its profits into its statutory reserve fund when distributing each year's after-tax profits. When the cumulated amount of the statutory reserve fund of the Company has reached 50% or more of its registered capital, no further withdrawal is required.

Where the statutory reserve fund of the Company is insufficient to make up the losses of the Company for the preceding year, profits of the current year shall be applied to make up the losses before any allocation to the statutory reserve fund in accordance with the provisions in the preceding paragraph. Subject to a resolution of the shareholders' general meeting, after withdrawal has been made to the Company's statutory reserve fund from its after-tax profits, the Company may set aside funds for the discretionary reserve fund.

After making up of losses and appropriation to reserve funds, balance of the profit after tax shall be distributed to shareholders in proportion to their shareholdings, unless otherwise stipulated in the Articles of Association.

Reserve funds of the Company are used for recovering losses of the Company and expanding scale of operation of the Company or conversion into its capital. Where the reserve of a company is used for making up losses, the discretionary reserve and statutory reserve shall be firstly used. If losses still cannot be made up, the capital reserve can be used according to the relevant provisions. When the statutory reserve funds are converted into capital, the remaining balance of such reserve fund must not be less than 25% of its registered capital before such conversion.

The Company shall appoint such accounting firm which has complied with the Securities Law and the securities regulatory rules of the places where the Company's shares are listed for carrying out the audit for the accounting statements, net asset verification and other relevant consultancy services. The term of appointment is one (1) year and can be re-appointed.

The appointment of accounting firm by the Company shall be subject to the approval of the shareholders' general meetings.

DISSOLUTION AND LIQUIDATION OF THE COMPANY

The Company shall be dissolved for the following reasons:

(i) Occurrence of any other trigger for dissolution stipulated in the Articles of Association;

(ii) The General Meeting adopts a resolution to dissolve our Company;

(iii) Our Company needs to be dissolved for the purpose of merger or division;

(iv) The business license is revoked, or our Company is ordered to close or be eliminated according to applicable law;

(v) Where our Company encounters significant difficulties in business and management, continuous survival may be significantly detrimental to the interests of the shareholders, and the difficulties may not be overcome through other means, shareholders who hold more than 10% of all voting rights of the Company's shareholders may request the People's Court to dissolve the Company.

Where our Company is dissolved due to the provisions set forth in i, ii, iv, v above, the liquidation team shall be established within 15 days from the date of the event leading to liquidation to commence dissolution. The personnel of the liquidation team shall consist of the persons determined by the Directors or the General Meeting.

Within 10 days of the establishment of the liquidation team, the creditors shall be notified and an announcement shall be published in the media designated by the securities regulatory authorities and the stock exchange at the places where the shares are listed, or in the National Enterprise Credit Information Publicity System within 60 days. The creditors shall declare their claims to the liquidation team within 30 days of the date on which the notice is received or 45 days of the date of announcement if the notice is not received.

In the event the liquidation team finds that, after taking stock of our Company's property and preparing the balance sheet and list of property, that the assets are insufficient to pay the debts, it shall apply to the people's court to declare bankruptcy to the law.

AMENDMENT TO THE ARTICLES OF ASSOCIATION

If the amendment to the Articles of Association adopted by resolution of the shareholders' general meeting is subject to the approval of the competent authority, it shall be reported to the competent authority for approval; if it involves matters of company registration, the registration of the changes shall be made with the company registration authority in accordance with the law.

FURTHER INFORMATION ABOUT OUR COMPANY

Incorporation of Our Company

Our Company was established as a limited liability company in the PRC on January 10, 2020 and was converted into a joint stock company on June 30, 2025 under the laws of the PRC. As of the Latest Practicable Date, the registered share capital of our Company is RMB95,128,485.

Our Company has established a place of business in Hong Kong at Room 1920, 19/F, Lee Garden One, 33 Hysan Avenue, 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 November 19, 2025. Dr. Alan Fu, one of our joint company secretaries, has been appointed as our agent for the acceptance of service of process in Hong Kong whose correspondence address is the same as our place of business.

As we are established in the PRC, our corporate structure and Articles of Association 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 IV — Summary of Articles of Association."

Changes in the Share Capital of Our Company

Save as disclosed in the section headed "History, Development and Corporate Structure", there has been no other alteration in the share capital of our Company during the two years immediately preceding the date of this Prospectus.

Restrictions on Share Repurchase

Please refer to "Summary of the Articles of Association" in Appendix IV to this Prospectus for details.

Corporate Reorganization

Our Company has not gone through any corporate reorganization. For details of the history and development of our Company, see the section headed "History, Development and Corporate Structure" in this Prospectus.

Resolutions of our Shareholders

Pursuant to general meetings held on August 5, 2025 and April 22, 2026, among other things, our Shareholders resolved that:

(a) the adoption and implementation of the Share Subdivision immediately prior to the Listing and the issuance by our Company of the H Shares of nominal value of RMB0.10 each and such H Shares being listed on the Hong Kong Stock Exchange;

(b) the number of H Shares to be issued shall not be more than 20% of the total issued share capital of our Company as enlarged by the Global Offering, and the grant to the underwriters (or their representatives) of the Over-allotment Option of not more than 15% of the number of H Shares issued pursuant to the Global Offering;

(c) subject to the completion of the Global Offering, the adoption of the Articles of Association which shall become effective on the Listing Date, and authorization to the Board to amend the Articles of Association in accordance with the requirements of the relevant laws and regulations and the Listing Rules;

(d) authorization of the Board to handle all matters relating to, among other things, the Global Offering, the issue and listing of the H Shares;

(e) upon completion of the Listing, the granting of a general mandate to the Board to allot and issue Shares at any time within a period up to the date of the conclusion of the next annual general meeting of the Shareholders or the date on which the Shareholders pass a special resolution to revoke or change such mandate, whichever is earlier, upon such terms and conditions and for such purposes and to such persons as the Board in their absolute discretion deem fit, and to make necessary amendments to the Articles of Association, provided that, the number of Shares to be issued shall not exceed 20% of the number of the Shares in issue as at the Listing Date; and

(f) subject to the completion of the Global Offering, the granting of a general mandate to the Board to repurchase H Shares issued on the Stock Exchange at any time within a period commencing from the Listing Date and up to the date of the conclusion of the next annual general meeting of the Shareholders to be held after the Listing or the date on which the Shareholders pass a resolution to revoke or change such mandate, whichever is earlier, upon such terms and conditions and for such purposes as the Board in their absolute discretion deem fit, and to make necessary amendments to the Articles of Association, provided that, the number of Shares to be repurchased shall not exceed 10% of the number of the total issued H Shares (excluding any treasury shares) as at the Listing Date.

Explanatory Statement on Repurchase of Our Own Securities

The following paragraphs include, among others, certain information required by the Stock Exchange to be included in this Prospectus concerning the repurchase of our own securities.

(a) Reasons for repurchase

The Board considered that the repurchase of the Shares would be beneficial to and in the best interests of the Company and its Shareholders as a whole. It can strengthen the investors' confidence in the Company and promote a positive effect on maintaining the Company's reputation in the capital market. Such repurchases will only be made when the Board believes that such repurchases will benefit the Company and its Shareholder as a whole.

(b) Exercise of the general mandate to repurchase Shares

Subject to the passing of the special resolution approving the grant of the general mandate to repurchase Shares at annual general meetings, the Board will be granted general mandate to repurchase Shares until the end of the relevant period. The general mandate to repurchase Shares would expire on the earlier of:

(i) the conclusion of the next annual general meeting of the Company to be held after the Listing of which time it shall lapse unless, by special resolutions passed at that meeting, the authority is renewed, either conditionally or subject to conditions; or

(ii) the revocation or variation of the mandate under the resolution by a special resolution at any general meeting of the Company.

Furthermore, we need to complete registration and approval procedures with relevant government authorities for the actual grant of the repurchase mandate to the Board, as applicable. The exercise in full of the general mandate to repurchase H Shares (on the basis of 1,052,926,111 H Shares in issue as of the Listing Date and no H Shares will be allotted and issued or repurchased by the Company on or prior to the date of the next annual general meeting to be held after the Listing) would result in a maximum of 105,292,611 H Shares being repurchased by the Company during the relevant period, being the maximum of 10% of the H Shares in issue as of the Listing Date.

(c) Source of funds

In repurchasing its Shares, the Company intends to apply funds from the Company's internal resources (which may include surplus funds and retained profits) legally available for such purpose in accordance with the Articles of Association and the applicable laws, rules and regulations of the PRC.

The Company is empowered by its Articles of Association to repurchase its Shares. Any shares to be repurchased will be cancelled or kept as treasury shares if allowed by the Articles of Association and applicable laws and regulations. The Company may not purchase securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

(d) Suspension of repurchase

A listed company shall not repurchase its shares on the Stock Exchange at any time after inside information has come to its knowledge until the information is made publicly available. In particular, during the period of one month immediately preceding the earlier of: (i) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the issuer to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), until the date of the results announcement, the company may not repurchase its shares on the Stock Exchange unless there are exceptional circumstances.

(e) Close associates and core connected persons

None of our Directors or, to the best of their knowledge having made all reasonable inquiries, any of their close associates have a present intention, in the event the general mandate to repurchase Shares is approved, to sell any Shares to our Company.

No core connected person of our Company has notified our Company that they have a present intention to sell Shares to our Company, or have undertaken to do so, if the general mandate to repurchase Shares is approved.

A listed company shall not knowingly purchase its shares on the Stock Exchange from a core connected person (namely a director, supervisor, chief executive or substantial shareholder of the company or any of its subsidiaries, or a close associate of any of them), and a core connected person shall not knowingly sell their interest in shares of the company to it.

(f) Status of repurchased Shares

Any shares to be repurchased will be cancelled or kept as treasury shares, subject to the Articles of Association, the Listing Rules and any other applicable laws and regulations.

(g) Takeover implications

If, as a result of any repurchase of Shares, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

Save as aforesaid, our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the general mandate to repurchase Shares.

(h) General

If the general mandate to repurchase Shares were to be carried out in full at any time, there may be a material and adverse impact on our working capital or gearing position (as compared with the position disclosed in our most recent published audited accounts). However, our Directors do not propose to exercise the general mandate to repurchase Shares to such an extent as would have a material an adverse effect on our working capital or gearing position.

Our Directors have undertaken to the Stock Exchange that they will exercise the general mandate to repurchase Shares in accordance with the Listing Rules and the applicable laws in the PRC.

Changes in the Share Capital of our Subsidiaries

Our subsidiaries as of the Latest Practicable Date are set out in "History, Development and Corporate Structure — Our Major Subsidiaries."

The following changes in the share or registered capital of our subsidiaries have taken place within two years immediately preceding the date of this Prospectus.

On September 4, 2023, pursuant to a shareholders' resolution of Beijing Jitai dated September 4, 2023, the registered capital of Beijing Jitai was increased from RMB1,036,493.64 to RMB100,000,000.

On May 23, 2024, pursuant to a shareholders' resolution of Beijing Jitai dated May 17, 2024, the registered capital of Beijing Jitai was increased from RMB100,000,000 to RMB200,000,000.

FURTHER INFORMATION ABOUT OUR BUSINESS

Summary of 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 cornerstone investment agreement dated April 30, 2026 entered into among the Company, BlackRock Global Funds — World Healthscience Fund, BlackRock Global Equity Market Neutral Fund of BlackRock Funds, BLACKROCK STRATEGIC FUNDS — BlackRock Systematic Asia Pacific Equity Absolute Return Fund, BlackRock Health Sciences Term Trust, BlackRock Systematic Total Alpha Master Fund Ltd., BlackRock Systematic Total Alpha Master Fund Ltd., MINEWORKERS' PENSION SCHEME, Government Employees Pension Fund, Baldr Bayes Fund Inc., Baldr Bayes Fund Inc., Emerging Markets Alpha Master Fund Ltd., The 32 Capital Master Fund SPC Ltd., Global Alpha Opportunities Master Fund Ltd., BlackRock Systematic China Absolute Return Master Fund Ltd., Public Sector Pension Investment Board, BLACKROCK STRATEGIC FUNDS — BlackRock Systematic Global Equity Absolute Return Fund, SAE Liquidity Fund LP, EMN BNH Fund, LP, Pan Asia Opportunities Master Fund Ltd., National Pension Service, Republic of Korea, All China Opportunities Fund, Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$50 million;

(b) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, UBS Asset Management (Singapore) Ltd. (as the delegate of the investment manager for and on behalf of certain investors), Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$15 million;

(c) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, China Venture Capital Innovation Investment Fund Co., Ltd. (國風投創新投資基金股份有限公司), Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$10 million;

(d) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, Mirae Asset Securities Co., Ltd., Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$4 million;

(e) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, Mirae Asset Securities (HK) Limited, Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$4 million;

(f) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, HHLR Advisors, Ltd., Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$8 million;

(g) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, Deerfield Healthcare Innovations Fund II, L.P., Deerfield Healthcare Innovations Fund III, L.P., Deerfield Healthcare Innovations Fund III-A, L.P., Deerfield Private Design Fund V, L.P., Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$5 million;

(h) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, RTW Master Fund, Ltd., RTW Innovation Master Fund, Ltd., RTW Biotech Opportunities Operating Ltd., Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$5 million;

(i) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, Arc Avenue Asset Management Pte. Ltd., Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$5 million;

(j) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, Huadeng Technology Piovt Ventures Ltd, Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$5 million;

(k) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, Isometry Capital, LLC (in its capacity as the fund manager of Isometry Global Master Fund, L.P.), Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$5 million;

(l) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, GF International Investment Management Limited (廣發國際資產管理有限公司), Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$2.8 million;

(m) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, GF Fund Management Co., Ltd. (廣發基金管理有限公司), Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$2.2 million;

(n) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, ICBC UBS Asset Management Co., Ltd. (工銀瑞信基金管理有限公司), Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$3 million;

(o) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, ICBC UBS Asset Management (International) Company Limited (工銀瑞信資產管理(國際)有限公司), Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$2 million;

(p) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, China Asset Management (Hong Kong) Limited (華夏基金(香港)有限公司), Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$5 million;

(q) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, Fullgoal Fund Management Co., Ltd., Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$5 million;

(r) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, LBC HK Opportunity Fund Limited, Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$1.7 million;

(s) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, Lake Bleu Prime Healthcare Master Fund Limited, Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$1.4 million;

(t) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, Lake Bleu Innovation Healthcare Master Fund Limited, Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$0.9 million;

(u) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, Sage Partners Master Fund, Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$4 million;

(v) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, ICBC Wealth Management Co., Ltd. (工銀理財有限責任公司), Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$2 million;

(w) the cornerstone investment agreement dated April 30, 2026 entered into among the Company, Lazurite Hime L.P., Jefferies Hong Kong Limited, Deutsche Securities Asia Limited, Deutsche Bank AG, Hong Kong Branch, CITIC Securities (Hong Kong) Limited and CLSA Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$2 million; and

(x) the Hong Kong Underwriting Agreement.

Intellectual Property Rights

Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Place of registration	Class	Registered owner	Registration Number	Date of registration	Expiry date
1	劑泰	PRC	1	Beijing Jitai; Our Company	56123519	December 7, 2021	December 3, 2031
		PRC	5	Beijing Jitai; Our Company	56097485	December 28, 2021	December 27, 2031
		PRC	10	Beijing Jitai; Our Company	56094182	December 28, 2022	December 27, 2032
		PRC	35	Beijing Jitai; Our Company	56108055	December 7, 2021	December 6, 2031
		PRC	42	Beijing Jitai; Our Company	56095734	December 7, 2022	December 6, 2032
		PRC	44	Beijing Jitai; Our Company	56129943	December 7, 2023	December 6, 2033
2	劑泰	Japan	5, 42	Metis Therapeutics	6564953	June 1, 2022	June 1, 2032
3	劑泰、劑泰	Hong Kong	1, 5, 10, 35, 42, 44	Our Company	305864257	January 21, 2022	January 20, 2032
4	METiS	PRC	42	Beijing Jitai; Our Company	56105044	April 7, 2022	April 6, 2032
		International	5, 42	Metis Therapeutics	1667893	December 8, 2021	December 8, 2031
		Europe	5, 42	Metis Therapeutics	/	December 8, 2021	December 8, 2031
		UK	5, 42	Metis Therapeutics	/	December 8, 2021	December 8, 2031
		Japan	5, 42	Metis Therapeutics	2022-359222	December 8, 2021	December 8, 2031
		Hong Kong	1, 5, 10, 35, 42, 44	Our Company	305864239	January 21, 2022	January 20, 2032
5		PRC	1	Beijing Jitai; Our Company	57138246	January 14, 2022	January 13, 2032
		PRC	5	Beijing Jitai; Our Company	57133193	January 14, 2022	January 13, 2032
		PRC	10	Beijing Jitai; Our Company	57121348	January 14, 2022	January 13, 2032
6		Hong Kong	1, 5, 10, 35, 42, 44	Our Company	305864248	January 21, 2022	January 20, 2032

Patents

As of the Latest Practicable Date, we are the owner of the following material patents, details of which are as follows:

No.	Patent Description	Category	Registered Owner	Place of Registration	Patent Number	Filing Date	Expiry Date
1.	Nanoparticle preparation	Invention	Beijing Jitai; Our Company	PRC	CN115364734B	November 14, 2023	December 24, 2042
2.	Ionizable lipid compound	Invention	Beijing Jitai; Our Company	US	US12162819B2	December 10, 2024	January 5, 2043
3.	Lipid nanoparticles	Invention	Beijing Jitai; Our Company	PRC	CN115887674B	August 25, 2023	November 14, 2042
4.	A solid dispersion composition, its preparation method and its applications	Invention	Beijing Jitai; Our Company	PRC	CN114469882B	October 20, 2023	April 22, 2042
5.	A rapidly metabolized lipid compound	Invention	Beijing Jitai; Our Company	Taiwan	TW113121943	June 13, 2024	June 13, 2044

As of the Latest Practicable Date, we have applied for the registration of the following material patents, details of which are as follows:

No.	Patent Description	Category	Applicant	Place of Application	Date of Application
1.	Lipid-based local injection formulation	Invention	Beijing Jitai; Our Company	US	May 18, 2023
2.	A rapidly metabolized lipid compound	Invention	Beijing Jitai; Our Company	US	June 6, 2024
3.	Lung-targeted lipid nanoparticles	Invention	Beijing Jitai; Our Company	PCT	April 12, 2024
4.	Spleen-targeted lipid nanoparticles	Invention	Beijing Jitai; Our Company	PCT	April 12, 2024
5.	mRNA molecules encoding bispecific antibodies against GPC3 and CD3	Invention	Beijing Jitai; Our Company	PRC	July 15, 2024
6.	Muscle-targeted lipid nanoparticles	Invention	Beijing Jitai; Our Company	PCT	February 28, 2025
7.	Muscle-targeted lipid nanoparticles	Invention	Beijing Jitai; Our Company	Taiwan, China	March 3, 2025

Copyrights

For details of our software copyrights which we consider to be or may be material to our business, see "Business — Intellectual Property."

Domain Name

As of the date of this Prospectus, we had registered the following internet domain names which we consider to be or may be material to our business:

No.	Domain Name	Owner	Expiry Date
1 . . .	metistechbio.com	Our Company	July 17, 2029
2 . . .	metispharma.com	Our Company	December 7, 2026
3 . .	metistx.com	Metis Therapeutics	June 10, 2028

FURTHER INFORMATION ABOUT OUR DIRECTORS, SENIOR MANAGEMENT AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interests

Save as disclosed below, immediately following the completion of the Global Offering and the Share Subdivision and conversion of certain Unlisted Shares into H Shares (assuming the Presumptions), so far as our Directors are aware, none of our Directors or chief executive has any interests or short positions in our Shares, underlying shares and debentures of our Company or any associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to our Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules.

(a) Interests in our Company

		Immediately prior to the Global Offering		Immediately following the Global Offering and the Share Subdivision (assuming the Presumptions)		
Name of Shareholder	Nature of Interest	Number of Shares held	Approximate percentage of shareholding in our total share capital	Number and class of Shares held[1]	Approximate percentage of shareholding in the relevant class of Shares[1]	Approximate percentage of shareholding in our total share capital
			(%)		*(%)*	*(%)*
Dr. Lai[2]	Interest in controlled corporations	147,566,850	13.85	36,400,278 Unlisted Shares	36.55	3.16
				111,166,572 H Shares	10.56	9.65
Delos Holding[2]	Beneficial interest	16,000,000	1.68	– Unlisted Shares	–	–
				16,000,000 H Shares	1.52	1.39
Dechi Holding[2]	Beneficial interest	10,232,590	1.08	– Unlisted Shares	–	–
				10,232,590 H Shares	0.97	0.89
Scientia HK[2]	Beneficial owner	121,334,260	12.75	36,400,278 Unlisted Shares	36.55	3.16
				84,933,982 H Shares	8.07	7.37

		Immediately prior to the Global Offering		Immediately following the Global Offering and the Share Subdivision (assuming the Presumptions)		
Name of Shareholder	Nature of Interest	Number of Shares held	Approximate percentage of shareholding in our total share capital	Number and class of Shares held[1]	Approximate percentage of shareholding in the relevant class of Shares[1]	Approximate percentage of shareholding in our total share capital
			(%)		(%)	(%)
Dr. Chen	Beneficial owner	66,913,490	7.03	20,074,047 Unlisted Shares	20.16	1.74
				46,839,443 H Shares	4.45	4.06
Dr. Wang[3]	Beneficial interest	34,911,380	3.67	10,473,414 Unlisted Shares	10.52	0.91
				24,437,966 H Shares	2.32	2.12
	Interest in controlled corporations	42,381,900	4.46	42,381,900 H Shares	4.03	3.68
Nanjing Chengtai Yuxin[3]	Beneficial owner	25,857,170	2.72	25,857,170 H Shares	2.46	2.24
Hangzhou Shengtai[3]	Beneficial interest	16,524,730	1.74	16,524,730 H Shares	1.57	1.43

Notes:

(1) The calculation is based on the total number of 99,587,739 Unlisted Shares in issue and 1,052,926,111 H Shares in issue immediately after completion of the Global Offering and the Share Subdivision (assuming the Presumptions). The number of Shares were presented based on the assumption that the Share Subdivision is completed.

(2) Each of Scientia HK, Delos Holding and Dechi Holding is controlled by Dr. Lai. Hence, Dr. Lai was deemed to be interested in the Shares held by these three entities under SFO.

(3) Each of Nanjing Chengtai Yuxin and Hangzhou Shengtai is controlled by Dr. Wang. Hence, Dr. Wang was deemed to be interested in the Shares held by these two entities under SFO.

2. Substantial Shareholders

For the information on the persons who will, immediately following the completion of the Global Offering, have interests or short positions in our Shares or underlying Shares which would be required to be disclosed to our Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, see the section headed "Substantial Shareholders" in this Prospectus.

So far as set out above, our Directors are not aware of any persons (other than our Directors or chief executive) will, immediately following the completion of the Global Offering, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group.

3. Service Contracts

We have entered into a contract with each of our Directors in respect of, among other things, compliance with the relevant laws and regulations, the Articles of Association and applicable provisions on arbitration.

Our Directors have entered into service contracts with our Company. The principal particulars of these service contracts comprise (a) a term of three years which is equivalent to the term of the Board; and (b) termination provisions in accordance with their respective terms. Our Directors may be re-appointed subject to Shareholders' approval. The service contracts can be renewed pursuant to our Articles of Association and applicable rules.

Save as disclosed above, we have not entered, and do not propose to enter, into any service contracts with any of our Directors in their respective capacities as Directors (other than contracts expiring or determinable by the employer within one year without any payment of compensation (other than statutory compensation)).

4. Director's Remuneration

Save as disclosed in "Directors and Senior Management" and "Appendix I — Accountant's Report — Notes to The Historical Financial Information — 35 Benefits and interests of directors", for the years ended December 31, 2023, 2024 and 2025, none of our Directors received other remunerations of benefits in kind from us.

5. Employee Incentive Schemes

A. 2023 Equity Incentive Plan

The 2023 Equity Incentive Plan was adopted by the Shareholders on June 26, 2023.

The following is a summary of the principal terms of the 2023 Equity Incentive Plan.

Purposes

The purpose of the 2023 Equity Incentive Plan is mainly to promote the success and enhance the value of the Company, by linking the personal interests of the members of the Board, employees, consultants and/or contractors to those of the Company and by providing such individuals with an incentive for outstanding performance to generate superior returns to the Company.

Shares subject to the plan

Subject to certain provisions of the 2023 Equity Incentive Plan, the Shares that may be delivered under the plan will be the ordinary Shares approved by the Board.

The ordinary Share limit

The maximum number of ordinary Shares in connection with Equity Incentives granted under the plan will not exceed 16,004,095.99 Shares (or 160,040,959.9 Shares taking into account the Share Subdivision) in the aggregate (represented by RMB16,004,095.99 of the registered capital of the Company, proportionally adjusted to reflect any share dividends, share splits, or similar transactions).

Administrator

The plan may be administered by one or more Committees of the Board or if no Committee has been appointed, the entire Board of Directors shall administer the plan. Each Committee shall have such authority and be responsible for such functions as the Board has assigned to it. If no Committee has been appointed, the Board may authorize one or more officers or directors to administer this Plan and may limit such authority as the Board determines from time to time.

Eligibility

Persons eligible to participate in this plan include employees consultants and all members of the Board, as determined by the Administrator ("**Eligible Recipients**"). Subject to the employee agreements of Eligible Recipients, or based on the performance of Eligible Recipients, the Grantees under the plan shall be selected from time to time by the Administrator, at its sole discretion, from among the Eligible Recipients.

Exercise price or purchase price limit

Subject to certain provisions of the 2023 Equity Incentive Plan, the Administrator will determine the exercise price of the option or the purchase price of restricted stock at the time of the grant of the option, which exercise price or purchase price will be set forth in the applicable grant notice, if any, and the award agreement. Unless otherwise approved by the Board, the exercise price or purchase price of Shares purchasable under an option or restricted stock will be any of the following, which may be determined at the sole discretion of the Administrator: (a) the par value of an ordinary Share; (b) a certain discount of the fair market value of an ordinary Share on the date of grant; or (c) other prices as determined by the Administrator.

Exercise window

Exercise window is the period during which a Grantee can exercise his or her option. Options will be exercisable within the times or upon the occurrence of events determined by the Administrator by giving written notice of exercise (including electronic notice); provided, however, that no option will be exercisable after the expiration of ten (10) years from the date the option is granted. Notwithstanding the foregoing, if the Grantee is a U.S. taxpayer, Administrator may provide that, for the sole purpose of doing a Section 83(b) Election, an option under the plan may be exercised early in whole or in part at any time upon the election by the Grantee as to Shares that have not yet vested. The Administrator is entitled to determine the exercise window from time to time.

Non-Transferability of Equity Incentive

Equity Incentive, and any interest otherwise approved by the Board, will not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner by the Eligible Recipient, and may not be made subject to execution, attachment or similar process; provided, that (a) during a Grantee's lifetime, the Grantee may transfer vested Equity Incentive and any other interest in Shares otherwise approved by the Board directly or indirectly to his or her Family Members by gift or by sale for estate planning purposes if permitted by applicable securities laws, or pursuant to domestic relations order in the settlement of marital property rights, and (b) following a Grantee's death, Equity Incentive, to the extent they are vested upon the Grantee's death, may be transferred by will or other testamentary instrument, or if the Grantee dies intestate, by the Applicable Law of descent and distribution.

No Shareholder's right

No Equity Incentive gives the Grantee any of the rights of a shareholder of the Company unless and until Shares are in fact issued to the Grantee through the shareholding platform(s) in connection with such Equity Incentive.

Amendment, cancellation and termination

The Board of the Company shall be entitled to amend, alter, suspend, cancel or terminate the Plan at any time. Unless mutually agreed otherwise by a Grantee and the Company, no amendment, alteration, suspension, cancellation or termination of this Plan shall impair the rights and interests of such Grantee. Termination of this Plan shall not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Equity Incentives granted under this Plan prior to the date of such termination.

Term of the plan

The Plan shall continue in effect for the purpose of granting Equity Incentives for a term of ten (10) years from the date of its adoption by the Board (the "**Effective Date**") unless terminated earlier under Section 8 of this Plan. No Equity Incentive shall be granted pursuant to the Plan on or after the tenth (10th) anniversary of the Effective Date, but Equity Incentives theretofore granted may extend beyond that date, and shall remain subject to the terms and conditions of the Plan notwithstanding the Plan no longer being in effect for the purposes of granting Equity Incentives.

Details of the Interests Granted under the 2023 Equity Incentive Plan

As of the date of this Prospectus, the restricted shares under the 2023 Equity Incentive Plan corresponding to 41,857,170 Share (as adjusted by the Share Subdivision), being 3.63% of the equity interest in the Company immediately after completion of the Global Offering and the Share Subdivision (assuming the Presumptions), have been granted to 41 Participants in full, including two Directors, two senior management, three other connected persons and 34 other employees of the Group. The below sets out the details of the interests granted under the 2023 Equity Incentive Plan. As of the date of this Prospectus, all the Shares underlying the 2023 Equity Incentive Plan have been allotted and issued, and are held by Nanjing Chengtai Yuxi and Delos Holding. As a result, the 2023 Equity Incentive Plan will not cause any dilution of the shareholding of our Shareholders immediately after the Listing.

Name of Grantee	Position(s) held within our Group	Number of Shares (as adjusted by the Share Subdivision) underlying the Equity Incentives granted as of the date of this Prospectus and immediately before the completion of the Global Offering	Approximate percentage in the issued Shares immediately after the completion of the Global Offering
Directors			
Dr. Lai	Executive Director and chief executive officer	6,171,650	0.54%
Dr. Wang	Executive Director and chief operating officer	2,285,300	0.20%
Subtotal	–	**8,456,950**	**0.73%**
Senior management			
Dr. Alan Fu	Chief financial officer	1,887,280	0.16%
Dr. Wei Xu	Chief scientific officer	4,234,840	0.37%
Subtotal	–	**6,122,120**	**0.53%**
Other connected persons			
3 Grantees	Former Director, supervisor of certain of our subsidiaries and head of capital market and external relation	7,694,280	0.67%
Subtotal	–	**7,694,280**	**0.67%**
Other grantees			
Other 34 employees	–	19,583,820	1.70%
Subtotal	–	**19,583,820**	**1.70%**
Total	–	**41,857,170**	**3.63%**

B. 2025 Equity Incentive Plan

The 2025 Equity Incentive Plan was adopted by the Shareholders on June 27, 2025.

The following is a summary of the principal terms of the 2025 Equity Incentive Plan.

Purposes

The purpose of the 2025 Equity Incentive Plan is mainly to promote the success and enhance the value of the Company, by linking the personal interests of the members of the Board, employees, consultants and/or contractors to those of the Company and by providing such individuals with an incentive for outstanding performance to generate superior returns to the Company.

Shares subject to the plan

Subject to certain provisions of the 2025 Equity Incentive Plan, the Shares that may be delivered under the plan will be the ordinary Shares approved by the Board.

The ordinary Share limit

The maximum number of ordinary Shares in connection with Equity Incentives granted under the plan will not exceed 1,750,973 (or 17,509,730 Shares taking into account the Share Subdivision) Shares in the aggregate (represented by RMB1,750,973 of the registered capital of the Company, proportionally adjusted to reflect any share dividends, share splits, or similar transactions).

Administrator

The plan may be administered by one or more Committees of the Board or if no Committee has been appointed, the entire Board of Directors shall administer the plan. Each Committee shall have such authority and be responsible for such functions as the Board has assigned to it. If no Committee has been appointed, the Board may authorize one or more officers or directors to administer this Plan and may limit such authority as the Board determines from time to time.

Eligibility

Persons eligible to participate in this plan include employees consultants and all members of the Board, as determined by the Administrator. Subject to the employee agreements of Eligible Recipients, or based on the performance of Eligible Recipients, the Grantees under the plan shall be selected from time to time by the Administrator, at its sole discretion, from among the Eligible Recipients.

Exercise price or purchase price limit

Subject to certain provisions of the 2025 Equity Incentive Plan, the Administrator will determine the purchase price of restricted stock at the time of the grant of the equity incentive, which exercise price or purchase price will be set forth in the applicable grant notice, if any, and the award agreement. Unless otherwise approved by the Board, the exercise price or purchase price of Shares purchasable under a restricted stock will be any of the following, which may be determined at the sole discretion of the Administrator: (a) the par value of an ordinary Share; (b) a certain discount of the fair market value of an ordinary Share on the date of grant; or (c) other prices as determined by the Administrator.

Non-Transferability of Equity Incentive

Equity Incentive, and any interest otherwise approved by the Board, will not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner by the Eligible Recipient, and may not be made subject to execution, attachment or similar process; provided, that (a) during a Grantee's lifetime, the Grantee may transfer vested Equity Incentive and any other interest in Shares otherwise approved by the Board directly or indirectly to his or her Family Members by gift or by sale for estate planning purposes if permitted by applicable securities laws, or pursuant to domestic relations order in the settlement of marital property rights, and (b) following a Grantee's death, Equity Incentive, to the extent they are vested upon the Grantee's death, may be transferred by will or other testamentary instrument, or if the Grantee dies intestate, by the Applicable Law of descent and distribution.

No Shareholder's right

No Equity Incentive gives the Grantee any of the rights of a shareholder of the Company unless and until Shares are in fact issued to the Grantee through the shareholding platform(s) in connection with such Equity Incentive.

Amendment, cancellation and termination

The Board of the Company shall be entitled to amend, alter, suspend, cancel or terminate the Plan at any time. Unless mutually agreed otherwise by a Grantee and the Company, no amendment, alteration, suspension, cancellation or termination of this Plan shall impair the rights and interests of such Grantee. Termination of this Plan shall not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Equity Incentives granted under this Plan prior to the date of such termination.

Term of the plan

The Plan shall continue in effect for the purpose of granting Equity Incentives for a term of ten (10) years from the date of its adoption by the Board (the "**Effective Date**") unless terminated earlier under Section 8 of this Plan. No Equity Incentive shall be granted pursuant to the Plan on or after the tenth (10th) anniversary of the Effective Date, but Equity Incentives theretofore granted may extend beyond that date, and shall remain subject to the terms and conditions of the Plan notwithstanding the Plan no longer being in effect for the purposes of granting Equity Incentives.

Details of the Interests Granted under the 2025 Equity Incentive Plan

As of the date of this Prospectus, the restricted shares under the 2025 Equity Incentive Plan corresponding to 17,509,730 Share (as adjusted by the Share Subdivision), being 1.52% of the equity interest in the Company immediately after completion of the Global Offering and the Share Subdivision (assuming the Presumptions), have been granted to 67 Participants in full, including one Director, two other connected persons and 64 other employees of the Group. The below sets out the details of the interests granted under the 2025 Equity Incentive Plan. As of the date of this Prospectus, all the restricted shares under the 2025 Equity Incentive Plan have been granted but have not been exercised or vested, and all the Shares underlying the Equity Incentives are held by Hangzhou Shengtai and Beijing Yuhetai. As a result, the 2025 Equity Incentive Plan will not cause any dilution of the shareholding of our Shareholders immediately after the Listing.

Details of the outstanding Equity Incentives under the 2025 Employee Incentive Plan as of the Latest Practicable Date are set out below:

Name	Position	Address	Relevant Employee Incentive Platforms	Date of Grant	Purchase price/ exercise price per Share	Number of Shares (as adjusted by the Share Subdivision) underlying the Equity Incentives	Approximate percentage of shareholding interest in our Company underlying the Equity Incentives immediately after the completion of the Global Offering
					(RMB)		
Director							
Dr. Wang	Executive Director and chief operating officer	Unit 2402, Building 10, Linglong Mansion, No. 399, Xixing Street, Binjiang District, Hangzhou, PRC	Hangzhou Shengtai	July 15, 2025	1	13,024,730	1.130%
Subtotal	–	–	–	–	–	**13,024,730**	**1.130%**
Other connected persons							
Xie Wang	Former Director	Room 2518, Building 2, Chenghuayuan, No. 21 Xueqing Road, Haidian District, Beijing, PRC	Beijing Yuhetai	July 15, 2025	4	30,000	0.003%
			Hangzhou Shengtai	July 15, 2025	1	100,000	0.009%
Nan Cao	Supervisor of our subsidiaries	No. 10 Huixin East Street, Chaoyang District, Beijing, PRC	Beijing Yuhetai	July 15, 2025	4	10,000	0.001%
Subtotal	–	–	–	–	–	***140,000***	***0.012%***
Other grantees							
64 grantees	–	–	Hangzhou Shengtai	July 15, 2025 or December 3, 2025	1	3,400,000	0.295%
	–	–	Beijing Yuhetai	July 15, 2025	4	945,000	0.082%
Subtotal	–	–	–	–	–	***4,345,000***	***0.377%***
Total	–	–	–	–	–	**17,509,730**	**1.519%**

C. 2025 Restricted Share Plan

The 2025 Restricted Share Plan was adopted by the Shareholders on June 27, 2025.

The following is a summary of the principal terms of the 2025 Restricted Share Plan.

Purposes

The purpose of the 2025 Restricted Share Plan is mainly to promote the success and enhance the value of the Company, by linking the personal interests of the members of the Board, employees, consultants and/or contractors to those of the Company and by providing such individuals with an incentive for outstanding performance to generate superior returns to the Company.

Shares subject to the plan

Subject to certain provisions of the 2025 Restricted Share Plan, the Shares that may be delivered under the plan will be the ordinary Shares approved by the Board.

The ordinary Share limit

The maximum number of ordinary Shares in connection with Equity Incentives granted under the plan will not exceed 1,023,259 Shares (or 10,232,590 Shares taking into account the Share Subdivision) in the aggregate (represented by RMB1,023,259 of the registered capital of the Company, proportionally adjusted to reflect any share dividends, share splits, or similar transactions).

Administrator

The plan may be administered by one or more Committees of the Board or if no Committee has been appointed, the entire Board of Directors shall administer the plan. Each Committee shall have such authority and be responsible for such functions as the Board has assigned to it. If no Committee has been appointed, the Board may authorize one or more officers or directors to administer this Plan and may limit such authority as the Board determines from time to time.

Eligibility

Persons eligible to participate in this plan include employees consultants and all members of the Board, as determined by the Administrator. Subject to the employee agreements of Eligible Recipients, or based on the performance of Eligible Recipients, the Grantees under the plan shall be selected from time to time by the Administrator, at its sole discretion, from among the Eligible Recipients.

Exercise price or purchase price limit

Subject to certain provisions of the 2025 Restricted Share Plan, the Administrator will determine the purchase price of restricted stock at the time of the grant of the equity incentive, which exercise price or purchase price will be set forth in the applicable grant notice, if any, and the award agreement. Unless otherwise approved by the Board, the exercise price or purchase price of Shares purchasable under a restricted stock will be any of the following, which may be determined at the sole discretion of the Administrator: (a) the par value of an ordinary Share; (b) a certain discount of the fair market value of an ordinary Share on the date of grant; (c) other prices as determined by the Administrator.

Exercise window

Exercise window is the period during which a Grantee can exercise his or her equity incentives. Equity incentives will be exercisable within the times or upon the occurrence of events determined by the Administrator by giving written notice of exercise (including electronic notice); provided, however, that no equity incentive will be exercisable after the expiration of ten (10) years from the date the equity incentive is granted. Notwithstanding the foregoing, if the Grantee is a U.S. taxpayer, Administrator may provide that, for the sole purpose of doing a Section 83(b) Election, an equity incentive under the plan may be exercised early in whole or in part at any time upon the election by the Grantee as to Shares that have not yet vested. The Administrator is entitled to determine the exercise window from time to time.

Non-Transferability of Equity Incentive

Equity Incentive, and any interest otherwise approved by the Board, will not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner by the Eligible Recipient, and may not be made subject to execution, attachment or similar process; provided, that (a) during a Grantee's lifetime, the Grantee may transfer vested Equity Incentive and any other interest in Shares otherwise approved by the Board directly or indirectly to his or her Family Members by gift or by sale for estate planning purposes if permitted by applicable securities laws, or pursuant to domestic relations order in the settlement of marital property rights, and (b) following a Grantee's death, Equity Incentive, to the extent they are vested upon the Grantee's death, may be transferred by will or other testamentary instrument, or if the Grantee dies intestate, by the Applicable Law of descent and distribution.

No Shareholder's right

No Equity Incentive gives the Grantee any of the rights of a shareholder of the Company unless and until Shares are in fact issued to the Grantee through the shareholding platform(s) in connection with such Equity Incentive.

Amendment, cancellation and termination

The Board of the Company shall be entitled to amend, alter, suspend, cancel or terminate the Plan at any time. Unless mutually agreed otherwise by a Grantee and the Company, no amendment, alteration, suspension, cancellation or termination of this Plan shall impair the rights and interests of such Grantee. Termination of this Plan shall not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Equity Incentives granted under this Plan prior to the date of such termination.

Term of the plan

The Plan shall continue in effect for the purpose of granting Equity Incentives for a term of ten (10) years from the date of its adoption by the Board (the "**Effective Date**") unless terminated earlier under Section 8 of this Plan. No Equity Incentive shall be granted pursuant to the Plan on or after the tenth (10th) anniversary of the Effective Date, but Equity Incentives theretofore granted may extend beyond that date, and shall remain subject to the terms and conditions of the Plan notwithstanding the Plan no longer being in effect for the purposes of granting Equity Incentives.

Details of the Interests Granted under the 2025 Restricted Share Plan

As of the Latest Practicable Date, the restricted shares under the 2025 Restricted Share Plan corresponding to 10,232,590 Share, being 0.89% of the equity interest in the Company immediately after completion of the Global Offering and the Share Subdivision (assuming the Presumptions), have been granted to six Participants in full, including one Director, two senior management and three consultants of the Group. The below sets out the details of the interests granted under the 2025 Restricted Share Plan. As of the date of this Prospectus, all the restricted shares under the 2025 Restricted Share Plan have been granted but have not been exercised, and all the Shares underlying the equity incentives are held by Dechi Holding. As a result, the 2025 Restricted Share Plan will not cause any dilution of the shareholding of our Shareholders immediately after the Listing.

Below is a list of the grantees under the 2025 Restricted Share Plan. No further equity incentive will be granted under the 2025 Restricted Share Plan.

Name of Grantee	Position(s) held within our Group	Address	Exercise price	Date of grant	Vesting period	Number of Shares (as adjusted by the Share Subdivision) underlying the outstanding equity incentives	Approximate percentage of shareholding interest in our Company underlying the outstanding equity incentives immediately after the completion of the Global Offering
			(RMB)				
Dr. Lai	Executive Director, chief executive officer	1-502, Building 4, North District Vanke Ruyuan, Yongfeng Road, Haidian District Beijing, PRC 100095	1	January 23, 2026	4 years	400,000	0.03%
Dr. Alan Fu . . .	Chief financial officer	103 Mau Po Road, Clear Water Bay, Hong Kong	1	January 23, 2026	4 years	3,698,980	0.32%
			1	January 23, 2026	*Note 1*	886,950	0.08%
Mark Robert Herbert	Chief business officer	401 Firmona Avenue, Redondo Beach, CA 90278, USA	1	January 23, 2026	4 years	2,483,200	0.22%
			1	January 23, 2026	*Note 1*	1,000,000	0.09%
Yide Jiang. . . .	Consultant	83 Bird St, Needham MA 02492-4319, USA	4	January 23, 2026	4 years	1,363,460	0.12%
Kerry Blanchard .	Consultant	Room 1303, South Building 6, Huang Jin Cheng Dao 259 Lane, Changning Qu, Shanghai, 200042, PRC	4	January 23, 2026	4 years	200,000	0.02%
Eric Rowinsky . .	Consultant	1500 S Ocean BLVD APT 306 BOCA RATON FL 33432-8523	4	January 23, 2026	4 years	200,000	0.02%

Note 1 The vesting schedule of the relevant grant are based on the performance targets set for each relevant grantee in their grant letter.

D. Pre-IPO Share Option Scheme

The Employee Share Option Plan was adopted by the Shareholders on June 27, 2025.

The following is a summary of the principal terms of the Pre-IPO Share Option Scheme.

Objectives

The Pre-IPO Share Option Schemes are to improve the Company's incentive mechanism, attract and retain industry talents and to motivate employees to ensure the achievement of the Company's development goals.

Administration

The Pre-IPO Share Option Scheme is subject to Shareholders meetings. Our Board is authorized for the implementation of the Pre-IPO Share Option Schemes.

Eligibility

The eligible participants of the Pre-IPO Share Option Scheme are the Directors, senior management, core technical personnel and core business personnel of the Company, as well as other employees who contribute to the future development and operating of the Company which the Company believes should be incentivized, excluding independent Directors.

Source of Shares

The underlying Shares under the Pre-IPO Share Option Schemes are H Shares to be issued by the Company upon Listing. The Company will not grant any share option under the Pre-IPO Share Option Schemes after Listing.

Maximum number of Shares

The maximum number of Shares to be granted under the Pre-IPO Share Option shall not exceed 1,849,487 (or 18,494,870 Shares taking into account the Share Subdivision) Shares.

Validity

The Pre-IPO Share Option Scheme shall be valid and effective for the period commencing on the date of grant to the date of exercise or cancelled, but not exceeding ten years.

Date of grant

The date of grant shall be determined by the Management Committee after the plan was approved in the Shareholders' meeting.

Vesting schedules

The vesting schedules of the options granted under the Pre-IPO Share Option Scheme are as follows: (i) 25% to be vested on the first date following twelve months after the date of grant, and the grantee has achieve the annual performance assessment; and (ii) the remaining 75% to be vested in 36 equal installments (i.e. each approximately 2.08%) on the first date following each of the 36 months after the vesting date, provided that the grantee has achieved the annual performance assessment. The vesting schedules of the relevant grants are based on the performance targets set in the grant letter for each of the relevant grantees and the relevant grants will be vested upon milestone achievements.

Lock-up periods and restrictions

The participants under the Pre-IPO Share Option Scheme shall comply with the lock-up period and restriction requirements under the relevant laws and regulations after the Listing.

Exercise price

The exercise price of the options under the Pre-IPO Share Option Scheme is RMB1 per Share.

Condition of grant

The grant of share options is subject to all of the following conditions:

(i) The Company has not encountered any of the following circumstances: (a) the auditors of the Company issued an adverse opinion or a disclaimer of opinion in its audit report; (b) the Company is prohibited from implementing share incentive schemes under applicable laws and regulations; and (c) other circumstances under which regulatory authorities such as the CSRC, the regulators in the listing venue, or stock exchange prohibit the Company from granting share options.

(ii) The Grantee has not encountered any of the following circumstances: (a) any event that disqualifies the grantee's eligibility; (b) the grantee is prohibited from participating in the Company's equity incentive plan under applicable laws and regulations; and (c) other circumstances under which regulatory authorities such as the CSRC, the regulators in the listing venue, or stock exchange prohibit the individual from being a grantee under incentive plans.

Condition of exercise

The exercise of share options is subject to the followings: (i) The grantee may exercise the share options only after the Company completes the Listing and obtains the necessary regulatory approvals and filings from the relevant authorities; (ii) The granted options may be exercised proportionally by batches according to the vesting schedule only if the grantee meets the Company's annual performance targets and any individual performance targets, as determined by the Board from time to time; and (iii) After the Listing, the grantee's exercise of share options must comply with the Listing Rules. If the exercise of the share option would result in the Company's failure to meet the public float requirement under the Listing Rules, the Company may prohibit the grantee from exercising the options in a manner that would breach such public float requirement.

Outstanding Share Options Granted under the Pre-IPO Share Option Schemes

As of the Latest Practicable Date, the number of underlying Shares pursuant to the outstanding share options granted to a total of four grantees at nil consideration under the Pre-IPO Share Option Scheme amounted to 18,394,870 Shares, representing approximately 1.60% of the issued Shares immediately following the completion of the Global Offering and the Share Subdivision (assuming the Presumptions).

Assuming full vesting and exercise of all outstanding share options granted under the Pre-IPO Share Option Scheme, the shareholding of our Shareholders immediately following completion of the Global Offering and the Share Subdivision (assuming that (1) all options granted under the Pre-IPO Share Option Scheme are exercised; (2) the Over-allotment Option is not exercised; and (3) no further Shares are issued under the Employee Incentive Schemes), will be diluted by approximately 1.57%.

Below is a list of the grantees under the Pre-IPO Share Option Scheme. No further options are expected to be granted under the Pre-IPO Share Option Scheme. The exercise period of the options granted under the Pre-IPO Share Option Scheme is ten years from the date of grant unless otherwise provided by the applicable laws.

Name of Grantee	Position(s) held within our Group	Address	Exercise price	Date of grant	Vesting period	Number of Shares (as adjusted by the Share Subdivision) underlying the outstanding Share Options	Approximate percentage of shareholding interest in our Company underlying the outstanding Share Options immediately after the completion of the Global Offering
			(RMB)				
Dr. Alan Fu	Chief financial officer	103 Mau Po Road, Clear Water Bay, Hong Kong	1	July 15, 2025	*Note 1*	2,774,230	0.24%
Dr. Chen	Executive Director and chief research and development officer	16 Birch Hill Road, Belmont MA 02478, United States	1	July 15, 2025	4 years	12,259,890	1.06%
Dr. Wang	Executive Director and chief operating officer	Unit 2402, Building 10, Linglong Mansion, No. 399, Xixing Street, Binjiang District, Hangzhou, PRC	1	July 15, 2025	4 years	2,924,070	0.25%
Leona Zhao	Senior director of business development	Room 405, Building 21, No. 77 North Third Ring Middle Road, Haidian District, Beijing, PRC	1	July 15, 2025	*Note 1*	436,680	0.04%

Note 1 The vesting schedule of the relevant grant are based on the performance targets set for each relevant grantee in their grant letter.

OTHER INFORMATION

Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to impose on our Company or our subsidiary.

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 we are aware, no litigation, arbitration, administrative proceedings or claims of material importance are pending or threatened against any member of our Group.

Joint Sponsors

The Joint Sponsors have made an application on our behalf to the Stock Exchange for the listing of, and permission to deal in, our H Shares. All necessary arrangements have been made to enable the securities to be admitted into CCASS.

The Joint Sponsors satisfy the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules. Each of the Joint Sponsors will receive a fee of US$350,000 for acting as a sponsor for the Listing.

Preliminary Expenses

Our Company did not incur any material preliminary expenses.

Qualification of Experts

The qualifications of the experts who have given opinions or advice in this Prospectus are as follows:

Name	Qualification
Jefferies Hong Kong Limited	A licensed corporation to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Deutsche Securities Asia Limited	A corporation licensed to conduct Type 1 (Dealing in Securities), Type 2 (Dealing in Futures Contracts) and Type 6 (Advising on Corporate Finance in respect of Hong Kong IPO sponsor activity only) regulated activities under the SFO
CITIC Securities (Hong Kong) Limited	A corporation licensed to conduct Type 4 (advising on securities) and Type 6 (advising on corporate finance) of the regulated activities as defined under the SFO
PricewaterhouseCoopers	Certified Public Accountants under Professional Accountants Ordinance (Cap. 50) and Registered Public Interest Entity Auditor under Accounting and Financial Reporting Council Ordinance (Cap. 588)
Han Kun Law Offices	PRC legal advisor
Frost & Sullivan Limited	Industry consultant
Jones Lang LaSalle Corporate Appraisal and Advisory Limited	Property valuer

Consents of Experts

Each of the experts referred to in "Qualification of Experts" in this Appendix has given and has not withdrawn its respective written consents to the issue of this Prospectus with the inclusion of certificates, letters, opinions or reports and the references to its names included herein in the form and context in which it is respectively included.

None of the experts named above has any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

Compliance Advisor

We have appointed Rainbow Capital (HK) Limited as our Compliance Advisor upon the Listing in compliance with Rule 3A.19 of the Hong Kong Listing Rules.

Taxation of Holders of H Shares

The sale, purchase and transfer of H Shares registered with our Hong Kong branch register of members will be subject to Hong Kong stamp duty. The current rate charged on each of the purchaser and seller is HK$1.00 for every HK$1,000 (or part thereof) of the consideration or, if higher, the fair value of the H Shares being sold or transferred.

No Material Adverse Change

Our Directors confirm that, as of the date of this Prospectus, there has been no material adverse change in our financial position or prospects since December 31, 2025 and there has been no event that materially and adversely affected the data set out in the accountant's reports in Appendix I to this Prospectus since December 31, 2025.

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 so far as applicable.

Miscellaneous

Save as disclosed in this Prospectus:

(a) within the two years preceding the date of this Prospectus: (i) we have 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 commissions, discounts, brokerage fee or other special terms have been granted in connection with the issue or sale of any shares of our Company;

(b) no share or loan capital of our Company is under option or is agreed conditionally or unconditionally to be put under option;

(c) we have not issued nor agreed to issue any founder shares, management shares or deferred shares;

(d) there are no arrangements under which future dividends are waived or agreed to be waived;

(e) there are no procedures for the exercise of any right of pre-emption or transferability of subscription rights;

(f) there are no contracts for hire or hire purchase of plant to or by us for a period of over one year which are substantial in relation to our business;

(g) there have been no interruptions in our business which may have or have had a significant effect on our financial position in the last 12 months;

(h) there are no restrictions affecting the remittance of profits or repatriation of capital by us into Hong Kong from outside Hong Kong;

(i) no part of the equity or debt securities of our Company, if any, is currently listed on or dealt in on any stock exchange or trading system, and no such listing or permission to list on any stock exchange other than the Hong Kong Stock Exchange is currently being or agreed to be sought;

(j) our Company has no outstanding convertible debt securities or debentures;

(k) our Company is a joint stock limited company and is subject to the PRC Company Law; and

(l) our Company has adopted a code of conduct regarding Directors' securities transactions on terms as required under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules.

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 Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

Promoters

The promoters of our Company are all of the 32 then shareholders of our Company as at May 29, 2025 before our conversion into a joint stock limited liability company. Save as disclosed in this Prospectus, within the two years immediately preceding the date of this Prospectus, no cash, securities or benefit has been paid, allotted or given, or is proposed to be paid, allotted or given to the promoters named above in connection with the Global Offering or the related transactions described in this Prospectus.

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) the written consents referred to in "Appendix V — Statutory and General Information — Other Information — Consents of Experts"; and

(b) a copy of each of the material contracts referred to in "Appendix V — Statutory and General Information — Further Information about our Business — Summary of Material Contracts."

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.metistechbio.com** during a period of 14 days from the date of this Prospectus:

1. the Articles of Association;

2. the Accountant's Report from PricewaterhouseCoopers, the text of which is set forth in Appendix I to this Prospectus;

3. the audited consolidated financial statements of our Group for the years ended December 31, 2023, 2024 and 2025;

4. the report from PricewaterhouseCoopers on the unaudited pro forma financial information of our Group, the text of which is set forth in Appendix II to this Prospectus;

5. the letter and summary disclosure of property valuation relating to the property interests of our Group prepared by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, the texts of which are set out in Appendix III to this Prospectus;

6. the material contracts in "Appendix V — Statutory and General Information — Further Information about our Business — Summary of Material Contracts";

7. the written consents referred to in "Appendix V —Statutory and General Information — Other Information — Consents of Experts";

8. the service contracts referred to in "Appendix V — Statutory and General Information — Further Information about our Directors, Senior Management and Substantial Shareholders — 3. Service Contracts";

9. the legal opinions issued by Han Kun Law Offices, our PRC Legal Advisor, in respect of, among other things, the general matters and property interests of our Group under the PRC law;

10. the industry report issued by Frost & Sullivan Limited; and

11. a copy of the following PRC laws, together with unofficial English translations: a. the PRC Company Law; b. the PRC Securities Law; and c. the Overseas Listing Trial Measures.

剂泰科技
METiS TechBio

劑泰科技（北京）股份有限公司
Metis TechBio Co., Ltd.