丹诺医药

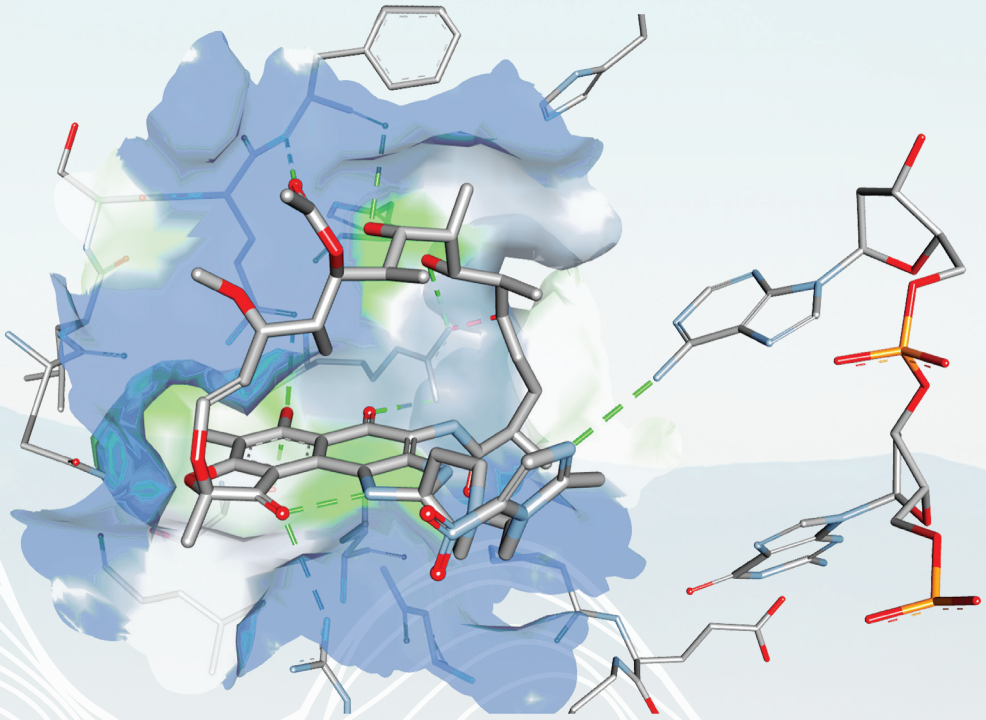
TENNOR THERAPEUTICS

丹諾醫藥(蘇州)股份有限公司

TenNor Therapeutics (Suzhou) Limited

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

Stock code : 6872



Global Offering

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

CITIC SECURITIES　　ABCI 農銀國際

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

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Global Offering

Number of Offer Shares under the Global Offering	**:**	**8,280,550 H Shares (subject to the Offer Size Adjustment Option and the Over-allotment Option)**
Number of Hong Kong Offer Shares	**:**	**828,100 H Shares (subject to reallocation)**
Number of International Offer Shares	**:**	**7,452,450 H Shares (subject to reallocation, the Offer Size Adjustment Option and the Over-allotment Option)**
Offer Price	**:**	**HK$75.70 per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Hong Kong Stock Exchange trading fee of 0.00565% (payable in full on application in Hong Kong dollars and subject to refund)**
Nominal value	**:**	**RMB1.00 per H Share**
Stock code	**:**	**6872**

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

CITIC SECURITIES　ABCI 農銀國際

Joint Bookrunners and/or Joint Lead Managers

China Renaissance 华兴资本　富途證券 FUTU Securities International　老虎證券 TIGER BROKERS

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

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

The Offer Price will be HK$75.70 per Offer Share unless otherwise announced. Applicants for Hong Kong Offer Shares may be required to pay, on application (subject to application channels), the Offer Price of HK$75.70 for each Hong Kong Offer Share together with a brokerage fee of 1%, an SFC transaction levy of 0.0027%, a Stock Exchange trading fee of 0.00565% and an AFRC transaction levy of 0.00015%.

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

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

The Offer Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered, sold, pledged or transferred within the United States, except that Offer Shares may be offered, sold or delivered (a) in the United States to a limited number of institutional "accredited investors" (as defined in Rule 501(a) under the U.S. Securities Act) in reliance on the Rule 506 safe harbor under the U.S. Securities Act; or (b) outside the United States in offshore transactions in reliance on Regulation S.

ATTENTION

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

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

May 14, 2026

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 the "HKEXnews > New Listings > New Listing Information" section, and our website at www.tennortherapeutics.com. If you require a printed copy of this prospectus, you may download and print from the website addresses above.

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

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

(2) apply through the **HKSCC EIPO** channel to electronically cause HKSCC Nominees to apply on your behalf, including by instructing your **broker** or **custodian** who is a HKSCC Participant to submit an EIPO application on your behalf through HKSCC's FINI system in accordance with your instruction.

We will not provide any physical channels to accept any application for the Hong Kong Offer Shares by the public. The contents of the electronic version of this prospectus are identical to the printed prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

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

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

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

If you are applying through the **HKSCC EIPO** channel, you are required to prefund your application based on the amount specified by your **broker** or **custodian**, as determined based on the applicable laws and regulations in Hong Kong.

No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
50	3,823.17	700	53,524.40	5,000	382,317.18	70,000	5,352,440.41
100	7,646.34	800	61,170.75	6,000	458,780.60	80,000	6,117,074.75
150	11,469.52	900	68,817.09	7,000	535,244.04	90,000	6,881,709.10
200	15,292.69	1,000	76,463.43	8,000	611,707.48	100,000	7,646,343.46
250	19,115.86	1,500	114,695.16	9,000	688,170.91	200,000	15,292,686.90
300	22,939.02	2,000	152,926.87	10,000	764,634.35	300,000	22,939,030.36
350	26,762.21	2,500	191,158.58	20,000	1,529,268.69	414,050[1]	31,659,685.06
400	30,585.38	3,000	229,390.30	30,000	2,293,903.04		
450	34,408.54	3,500	267,622.02	40,000	3,058,537.38		
500	38,231.72	4,000	305,853.74	50,000	3,823,171.73		
600	45,878.07	4,500	344,085.46	60,000	4,587,806.06		

Notes:

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

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

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

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

Hong Kong Public Offering commences . . . . . .9:00 a.m. on Thursday, May 14, 2026

Latest time for completing electronic applications under the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk**[2] . . . . . .11:30 a.m. on Tuesday, May 19, 2026

Application lists open[3] . . . . . .11:45 a.m. on Tuesday, May 19, 2026

Latest time for (a) completing payment of **HK eIPO White Form** applications by effecting internet banking transfer(s) or PPS payment transfer(s) and (b) giving **electronic application instructions** to HKSCC[4] . . . . . .12:00 noon on Tuesday, May 19, 2026

If you are instructing your broker or custodian who is a HKSCC Participant will submit an EIPO application on your behalf through HKSCC's FINI system in accordance with your instruction, you are advised to contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

Application lists close[3] . . . . . .12:00 noon on Tuesday, May 19, 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 on the Company's website at **www.tennortherapeutics.com**[5] at or before. . . . . 11:00 p.m. on Thursday, May 21, 2026

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

- in the announcement to be posted on our website and the website of the Stock Exchange at **www.tennortherapeutics.com** and **www.hkexnews.hk**, respectively . . . . . at or before 11:00 p.m. on Thursday, May 21, 2026

- Results of allocation for the Hong Kong Public Offering will be available at the "Allotment Results" page from the designated results of allocations website at **www.hkeipo.hk/IPOResult** (or **www.tricor.com.hk/ipo/result**) with a "search by ID" function from ..... 11:00 p.m. on Thursday, May 21, 2026 to 12:00 midnight on Wednesday, May 27, 2026

- from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from ..... Friday, May 22, 2026 to Thursday, May 28, 2026 (except Saturday, Sunday and public holidays in Hong Kong)

H Share certificates in respect of wholly or partially successful applications to be dispatched or deposited into CCASS on or before[6][8] ..... Thursday, May 21, 2026

HK eIPO White Form e-Auto Refund payment instructions/ refund checks in respect of wholly or partially unsuccessful application under the Hong Kong Public Offering to be dispatched on or before[7][8] ..... Friday, May 22, 2026

Dealings in the H Shares on the Stock Exchange expected to commence at ..... 9:00 a.m. on Friday, May 22, 2026

Notes:

(1) Unless otherwise stated, all times and dates refer to Hong Kong local times and dates.

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

(3) If there is/are a "black" rainstorm warning or a tropical cyclone warning signal number 8 or above and/or Extreme Conditions in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Tuesday, May 19, 2026, the application lists will not open or close on that day. For details, please refer to the paragraph headed "How to Apply for Hong Kong Offer Shares—E. Bad Weather Arrangements" in this prospectus.

(4) Applicants who apply for Hong Kong Offer Shares by instructing their broker or custodian to give **electronic application instructions** to HKSCC via FINI should refer to the paragraph headed "How to Apply for Hong Kong Offer Shares—A. Application for Hong Kong Offer Shares—2. Application Channels" in this prospectus.

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

(6) H Share certificates will only become valid evidence of title at 8:00 a.m. on the Listing Date provided that the Global Offering has become unconditional 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 on the basis of publicly available allocation details prior to the receipt of H Share certificates or prior to the H Share certificates becoming valid evidence of title do so entirely at their own risk.

(7) **HK eIPO White Form** e-Auto Refund payment instructions/refund cheques will be issued in respect of wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering.

(8) 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.

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

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

Any uncollected H Share certificates will be dispatched by ordinary post, at the applicants' risk, to the addresses specified in the relevant applications.

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

The above expected timetable is a summary only. For further details of the structure of the Global Offering, including its conditions, and the procedures for applications for Hong Kong Offer Shares, please see "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this prospectus, 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 case, the 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, the Joint Lead Managers, the Capital Market Intermediaries, 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 and is qualified in its entirety by, and should be read in conjunction with, the more detailed information and financial information appearing elsewhere in this prospectus. As this is a summary, it does not contain all the information that may be important to you and we urge you to read the entire prospectus carefully before making your investment decision. There are risks associated with any investment. ***In particular, we are a biotechnology company seeking a listing on the Main Board of the Stock Exchange under Chapter 18A of the Listing Rules on the basis that we are unable to meet the requirements under Rule 8.05 (1), (2) or (3) of the Listing Rules.*** *Our Core Products are the products for the purpose of satisfying the eligibility requirements under Chapter 18A of the Listing Rules and Chapter 2.3 of the Guide for New Listing Applicants. 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. Notably, we may continue to incur substantial costs and expenses in relation to R&D activities for the Core Products and our Core Products may not be successfully developed or marketed.*

OVERVIEW

Incorporated in 2013, we are a near-commercial stage biotechnology company dedicated to the discovery, development and commercialization of differentiated therapies to address medical needs in disease areas associated with bacterial infections and bacterial metabolism. As of the Latest Practicable Date, we had built a pipeline of seven innovative programs, including two Core Products, namely, rifasutenizol (TNP-2198), a new molecular entity ("**NME**") drug candidate used as part of a triple therapy in combination with amoxicillin and a proton pump inhibitor for the treatment of *Helicobacter pylori* ("***H. pylori***") infection in China and U.S. as well as monotherapy for bacterial vaginosis and *C. difficile* infection in China; and rifaquizinone (TNP-2092 injection), a triple-targeting antibacterial drug candidate for the treatment of implant-associated bacterial infections, i.e. acute bacterial skin and skin structure infection ("**ABSSSI**") and prosthetic joint infection ("**PJI**"), as well as left ventricular assist device infection ("**LVADI**") and catheter-related bloodstream infection ("**CRBSI**") in China and the U.S.

THERE IS NO ASSURANCE THAT WE WILL ULTIMATELY BE ABLE TO DEVELOP AND MARKET OUR CORE PRODUCTS OR ANY OF OUR PIPELINE PRODUCTS SUCCESSFULLY.

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

	Candidate (Dosage form)	Target (Modality)	Source of IP[1]	Indication[4] (Dosage/Administration)	Development Status[7]	Commercial Rights	Upcoming Milestone
Bacterial Infections***	Rifasutenizol* (Oral)	RNA polymerase and nitroreductase (Broad spectrum dual-target small molecule drug)	Acquired from Cumbre	*H. pylori* infection (capsule, RTT)	NMPA	Global[8]	To receive NDA approval in late 2026
				H. pylori infection (tablet, RTT)[5]	FDA		To initiate BA followed by Ph IIb in 2H 2026
				Bacterial vaginosis	NMPA		To enter Ph II in 2027
				C. difficile infection	NMPA		To enter Ph II in 2027
	TNBi-1	Confidential (Narrow spectrum novel small molecule drug)	Internally Developed	*H. pylori* infection	Pre-IND	Global	To submit IND application in 2H 2026
	Rifaquizinone* (Injectable)[2]	RNA polymerase, DNA gyrase, and topoisomerase IV (Broad spectrum triple-target small molecule drug)	Acquired from Cumbre	ABSSSI (IV)	NMPA (Studies conducted by Cumbre Inc. in China); FDA (Studies conducted by Cumbre Inc. in the U.S.)	Global	To enter Ph III MRCT in 2H 2026
				PJI (IV)[6]	NMPA; FDA		Leveraging data collected from two Ph I, a Ph II for ABSSSI and the joint tissue distribution study in THA and TKA patients in the U.S., to enter Ph III MRCT in 2029
				PJI (IA)	NMPA		To complete Ph Ib/IIa in 2H 2026
				LVADI (IV)	NMPA; FDA		To submit IND application for Ph II in China in 1H 2026
	TNP-2092 (Topical)[3]	RNA polymerase, DNA gyrase, and topoisomerase IV (Broad spectrum triple-target small molecule drug)	Acquired from Cumbre	DFI	NMPA	Global	To enter Ph I/II in 2027
	TNBi-2	Confidential (Broad spectrum multi-targeting small molecule drug)	Internally Developed	NTM-PD	Pre-IND	Global	To submit IND application in 2027
Bacterial Metabolism***	TNP-2092** (Oral)[3]	RNA polymerase, DNA gyrase and topoisomerase IV (Broad spectrum triple-target small molecule drug)	Acquired from Cumbre	HE	NMPA; FDA	Global	To enter Ph IIb in 2027
				IBS-D	NMPA		Submit IND application and enter Ph II in 2028
	TNBm-1	Confidential (Broad spectrum bifunctional small molecule drug)	Internally Developed	Metabolic diseases	Pre-IND	Global	To submit IND application in 2028

NMPA FDA Pre-IND Studies conducted by Cumbre Inc. in China Studies conducted by Cumbre Inc. in the U.S. Leverage data from a different indication to proceed to the next clinical phase for the current indication

Abbreviations: RTT = rifasutenizol triple therapy, rifasutenizol in combination with amoxicillin and a proton pump inhibitor for *H.pylori* eradication; RNA = ribonucleic acid; DNA = deoxyribonucleic acid; IV = intravenous administration (when referring to dosage form/administration method); IA = intra-articular administration; *H. pylori* = *Helicobacter pylori*; PJI = prosthetic joint infection; ABSSSI = acute bacterial skin and skin structure infection; LVADI = left ventricular assist device infection; CRBSI = catheter-related bloodstream infection; DFI = diabetic foot infection; NTM-PD = nontuberculous mycobacterial pulmonary disease; HE = hepatic encephalopathy; IBS-D = irritable bowel syndrome with diarrhea; NMPA= National Medical Products Administration; FDA = Food and Drug Administration; IND = investigational new drug; NDA = new drug application; Ph = Phase; BA = bioavailability study; MRCT = multiregional clinical trial; 1H = first half; 2H = second half.

Notes:

* Core Product

** Key Product

*** Bacterial infections refer to indications directly caused by pathogenic bacteria, which can lead to cellular injury, disruption of normal physiological functions, and immune responses. Diseases associated with bacterial metabolism are indications caused by metabolites produced by either harmful or beneficial bacteria. The chemical compound of TNP-2092 is of a mechanism of action that has the potential to address both categories. TNP-2092 injection is categorized as a therapy for bacterial infections, as it is being developed to eradicate pathogenic bacteria and relieve symptoms directly caused by such infections. TNP-2092 oral is categorized as a therapy targeting bacterial metabolism, as it is being developed for the treatment of HE by inhibiting the production of gut bacterial metabolites, including ammonia and other neurotoxins.

1. The rights to patents related to composition matters of our Core Products were transferred to us by Cumbre as part of the Series A investment, and based on these patents, we further independently identified rifasutenizol as a preclinical candidate and developed TNP-2092 (oral) and TNP-2092 (topical) as new products and have conducted all subsequent R&D activities to advance these product candidates in clinical development, and we have the global rights to develop, manufacture and commercialize rifasutenizol, rifaquizinone, TNP-2092 (oral), and TNP-2092 (topical). Dr. Ma Zhenkun ("**Dr. Ma**"), our founder, executive Director, and chief executive officer, was the former director of medical chemistry of Cumbre Inc. During his tenure at Cumbre Inc., he made significant contributions to the discovery of the compound series that eventually led to identification of rifasutenizol and of TNP-2092. For details, see "— License, Rights, and Obligations Related to Core Products and Key Product."

2. Phase I SAD and MAD clinical trials of rifaquizinone were conducted by Cumbre Inc., while we independently conducted all other clinical trials for our pipeline products.

3. Rifaquizinone, TNP-2092 (oral) and TNP-2092 (topical) share the same active ingredient, consisting of a rifamycin pharmacophore and a quinolizinone pharmacophore. Nevertheless, these products have different product formulations, different routes of administration and different indications. They will be regulated as separate products.

4. All of our pipeline products are Class I innovative drug candidates intended to be first-line or initial treatments. Except for RTT for *H. pylori*, all other pipelines are being developed as monotherapies.

5. In March 2023, based on the Phase I and Phase II clinical trial results of rifasutenizol capsule obtained in China, we received IND approval from the FDA to conduct a bioavailability study to compare the absorption of rifasutenizol tablets with rifasutenizol capsules.

6. Leveraging data collected from previously completed clinical trials including the Phase II clinical trial of rifaquizinone for ABSSSI in the U.S., we obtained regulatory clearance from both the FDA and the NMPA to conduct a Phase III MRCT of rifaquizinone for PJI.

7. Based on the data collected from previous clinical trials, including completed two Phase I clinical trials, a Phase II clinical trial for ABSSSI and the joint tissue distribution study in THA and TKA patients in the U.S., we received the regulatory clearance from the FDA for conducting a Phase III clinical trial of rifaquizinone through IV administration for PJI in the U.S. and China. Phase Ia and Phase Ib clinical trials were required by regulatory authorities to conduct separately and sequentially for rifasutenizol, rifaquizinone and TNP-2092 (oral), and we voluntarily chose to conduct Phase IIa and Phase IIb as separate Phase II trials for rifasutenizol.

8. In November 2024, we entered into an exclusive commercialization agreement with a subsidiary of Grand Life Sciences Group Limited (together with Grand Life Sciences Group Limited, the "**Grand Life Science**") for the commercialization of rifasutenizol in Greater China (excluding Taiwan). For further details on the key terms of the agreement, see "Business — Commercialization — Collaboration with Grand Life Science for rifasutenizol (TNP-2198)."

OUR BUSINESS MODEL

We are dedicated to the discovery, development and commercialization of differentiated therapies that have the potential to become the best therapeutic solutions in disease areas associated with bacterial infections and bacterial metabolism. Since our inception, we have been committed to addressing one of the most significant and urgent health challenge—antimicrobial resistance a global health threat that has evolved over the past century. In addition to bacterial infections, we have devoted substantial resources to addressing prevalent and serious conditions associated with gut bacterial metabolism, a class of diseases that lacks innovative treatment options.

We employ a medical need-driven approach to clinical development and focus on carefully selected indications, mainly targeting conditions with limited or no effective treatment options. In addition, we intend to maximize the global value of our pipeline and adopt a global development strategy. Our robust and fully-integrated R&D capabilities — empowered by our multi-targeting conjugate molecule technology, a dedicated team of high-caliber R&D professionals and a distinguished team of clinical development consultants and advisors — enable efficient execution of new drug development both in China and the United States.

OUR PIPELINE PRODUCTS

Core Product: Rifasutenizol

Rifasutenizol (TNP-2198), a Core Product, is the world's first and as of the Latest Practicable Date, the only NME drug candidate developed for the treatment of *H. pylori* infection since the discovery of this bacteria in 1982. Rifasutenizol is a stable drug conjugate consisting of a rifamycin pharmacophore and a nitroimidazole pharmacophore. It is intended for use in combination with amoxicillin and a proton pump inhibitor for the eradication of *H. pylori* infection. Rifasutenizol and amoxicillin are antibiotics that act to eliminate the bacteria, while a proton pump inhibitor reduces gastric acid secretion, creating a favorable environment for antibiotics to exert their effects, thereby improving the eradication success rate. When used as part of a triple regimen, rifasutenizol offers major advantages compared to bismuth quadruple therapy ("**BQT**") (the currently guideline-recommended first-line treatment) in terms of efficacy, safety, and potential patient compliance.

We have completed a head-to-head Phase III clinical trial of rifasutenizol triple therapy ("**RTT**") against BQT in China and submitted a new drug application ("**NDA**") to the National Medical Products Administration of the PRC ("**NMPA**") in August 2025. The NDA was accepted by the NMPA during the same period. Results of our clinical trials demonstrated non-inferiority to BQT overall and superiority to BQT in multidrug-resistant population in terms of eradication rate as well as improved safety and tolerability profile. Notably, RTT achieved an eradication rate of over 90% in the modified intention-to-treat ("**mITT**") population (referring to participants who received at least one dose of any study drug), which was higher than that of the BQT control (92.0% vs. 87.9%; difference: 4.1%; non-inferiority test $p<0.0001$; superiority test $p=0.034$; meaning RTT demonstrated statistical non-inferiority to BQT). In the per-protocol ("**PP**") population (referring to participants without major protocol deviations), the rifasutenizol regimen also demonstrated a higher eradication rate compared to BQT (93.7% vs. 90.3%; difference: 3.4%; non-inferiority test $p<0.0001$; superiority test $p=0.056$; meaning RTT demonstrated statistical non-inferiority to BQT). In the multidrug-resistant population, the RTT demonstrated superiority over BQT (89.9% vs. 81.2%; difference: 8.7%; non-inferiority test $p<0.0001$; superiority test $p=0.023$; meaning RTT demonstrated statistical superiority over BQT). Results from this trial showed that the incidence of clinically relevant treatment emergent adverse events ("**TEAEs**") in the RTT group was 37.3%, compared to 53.2% in the BQT group. The majority of TEAEs were mild to moderate in severity, and no SAEs related to rifasutenizol were reported. These findings indicate that RTT have a significantly better safety and tolerability profile compared to BQT. In addition, RTT does not require prior susceptibility testing, which underscores its potential to become a standardized first-line treatment, allowing seamless integration with the urea breath test ("**UBT**"). Moreover, RTT offers more convenient administration due to the reduced complexity of daily dosing schedules, which, together with better safety and tolerability profile, are expected to enhance patient adherence.

We are implementing a clearly defined clinical development and commercialization strategy for rifasutenizol for the treatment of *H. pylori* and beyond. For detailed information of clinical development plan, see "Business — Core Product: Rifasutenizol — World's First NME Drug Candidate for *H. pylori* Infection Since the Discovery of This Pathogen — Clinical Development Plan."

Addressable Market and Competition

H. pylori is a Gram-negative microaerophilic pathogen that is closely associated with a variety of upper gastrointestinal diseases and is a major cause of gastric cancer. The prevalence of *H. pylori* infection in China and globally in 2024 amounted to 621.1 million and 4,081.0 million, respectively, according to Frost & Sullivan. According to Frost & Sullivan, approximately 44.2% of the patient population is treatment-naïve, multidrug-resistant population. Following the discovery of *H. pylori*, considerable efforts have been made to identify effective treatment regimens. BQT is currently the recommended first-line treatment for *H. pylori* infection, which is a combination of a proton pump inhibitor ("**PPI**"), a bismuth agent and two antibiotics. The cost of a BQT treatment course is approximately RMB 750 to 1,000 (pre-reimbursement) in China and US$700 to 1,000 in the U.S. The commonly used antibiotics for *H. pylori* infection are not exclusive to *H. pylori* treatment but are also widely used to treat other bacterial infections. The broad and frequent use has contributed significantly to the development of antimicrobial resistance. RTT can provide high cure rates for patients with both sensitive and resistant *H. pylori* infections and is therefore expected to become a first-line therapy for treatment-naïve patients.

The growing problem of antibacterial resistance poses a significant public health challenge both in China and globally. Specifically, rising antibiotic resistance rates in China—20% to 50% for clarithromycin, 60% to 90% for metronidazole, and 20% to 50% for levofloxacin—have significantly compromised the effectiveness of *H. pylori* treatment. Overall, China's resistance rates often exceed the average global levels, underscoring the urgent need for enhanced antibiotic stewardship, diagnostics, and novel drug development. While amoxicillin is among one of the few antibiotics with approximately 10% resistance rates in China and is considered a last defense for *H. pylori* treatment, its widespread use in recent years has led to an emerging trend of resistance. If amoxicillin resistance continues to rise, there may soon be no effective antibiotics available for *H. pylori* eradication. For further details, see "Industry Overview."

As of the Latest Practicable Date, no innovative antibacterial drug had been approved for *H. pylori* infection. Upon NDA approval (anticipated in late 2026), rifasutenizol is expected to be the first NME drug targeting *H. pylori* infection approved for sale globally. As such, rifasutenizol is expected to face limited competition following its market launch, well-positioning it to capitalize on its competitive advantage and rapidly capture significant market opportunities.

Since all antibiotic classes currently used for *H. pylori* infection were discovered before the pathogen itself was identified, none were originally developed for this indication. As a result, their use is based on expert consensus or clinical guidelines rather than regulatory approval for *H. pylori* infection. Although BQT remains the standard first-line treatment and accounts for 50% to 60% of the market, RTT, built on rifasutenizol, is intended to serve as an alternative to BQT due to the growing concern of drug resistance in this rapidly growing market. For the upcoming commercialization of rifasutenizol capsules in China, we plan to adopt a marketing strategy that combines our own commercialization team with our collaboration partner. For details regarding our strategy, see "Business — Commercialization."

Core Product: Rifaquizinone

Rifaquizinone (TNP-2092 injection), a Core Product, is a triple-targeting antibacterial drug candidate for the treatment of implant-associated bacterial infections. It is the world's first NME drug candidate with the potential to be effective against biofilm infections at clinically achievable doses. Rifaquizinone is a stable drug conjugate consisting of two pharmacophores — rifamycin and quinolizinone (a bioisostere of the fluoroquinolone antibacterial class). Rifaquizinone exerts its antibacterial activity through a synergistic mechanism that simultaneously inhibits RNA polymerase, DNA gyrase, and

topoisomerase IV, all associated with bacterial gene replication and expression. This multi-targeting approach is expected to enhance bactericidal efficacy against biofilms while also reducing the frequency of spontaneous resistance development.

As of the Latest Practicable Date, rifaquizinone injection had received investigational new drug ("**IND**") approvals from the NMPA and FDA for the treatment of prosthetic joint infection ("**PJI**") and acute bacterial skin and skin structure infection ("**ABSSSI**") and had completed six clinical trials, including two Phase I clinical trials, three clinical pharmacology trials and one Phase II clinical trial, in China and the United States. In a Phase II clinical trial for the treatment of ABSSSI, rifaquizinone showed improved efficacy over vancomycin (one of the most commonly used antibiotics), with an early clinical response rate in the mITT population higher than that of the vancomycin group (76.9% vs. 67.5%). Notably, the advantage of rifaquizinone was more pronounced in drug-resistant populations (*methicillin-resistant staphylococcus aureus ("**S. aureus**")* ("**MRSA**"): 78.1% vs. 57.9%; quinolone-resistant *S. aureus* ("**QRSA**"): 75.9% vs. 55.6%). In addition, in this trial, rifaquizinone demonstrated encouraging safety and tolerability profile. In a joint tissue distribution study of rifaquizinone in total hip/knee arthroplasty patients conducted in the U.S., the results showed that rifaquizinone was well tolerated in these patients and achieved high concentrations in synovial fluids and bone tissues. The concentrations of rifaquizinone achieved in joint tissues are expected to exceed the minimum biofilm bactericidal concentration for 90% ($MBBC_{90}$) of PJI clinical isolates, supporting its potential in the treatment of PJI.

To fully leverage its therapeutic potential, we are developing both intravenous ("**IV**") administration and intra-articular ("**IA**") administration of rifaquizinone for PJI. While IV administration is essential for managing systemic infections, IA administration could potentially provide a higher local concentration and a better opportunity for cure without the need for surgery. In addition to indications currently under investigation, we plan to explore rifaquizinone injection for the treatment of left ventricular assist device ("**LVAD**") infection. We believe rifaquizinone has broad applicability with strong potential for the treatment of a wide range of implant-associated bacterial infections and potential for further expansion into prophylactic use in high-risk procedures.

According to the relevant rules and regulations, rifaquizinone, TNP-2092 oral and TNP-2092 topical will be regulated as separate products in both the U.S. and China. For details, see "Business—Core Product: Rifaquizinone—World's Only Drug Candidate in Late-Stage Clinical Development for Implant—Associated Bacterial Infections— Rifaquizinone, TNP-2092 Oral, and TNP-2092 Topical Will be Regulated as Separate Products."

Addressable Market and Competition

Driven by the advances in medical technology and the aging population, the use of implanted medical devices has become increasingly prevalent. However, infections associated with implanted medical devices pose a significant clinical challenge.

ABSSSIs encompass a spectrum of bacterial infections affecting the skin and underlying soft tissues. These infections typically arise from a breach in the skin barrier, although in rare cases, bacteria may spread through the bloodstream (hematogenous spread) to the affected tissues. Between 2019 and 2024, the global incidence of ABSSSI increased modestly from 43.1 million to 44.8 million. This gradual upward trend is expected to continue, with cases projected to reach 46.3 million in 2029 and 47.9 million in 2035. In contrast, the incidence of ABSSSI in China remained relatively stable at approximately 2.8 million during the same period. However, a slight decline is anticipated due to a shrinking overall population, with the number of cases expected to decrease from 2.8 million in 2029 to 2.7 million in 2035. Among *S. aureus* isolates, one of the most common causative pathogens in ABSSSI, approximately 28.4% are MRSA, and 26.9% of these MRSA strains are resistant to levofloxacin. The drug resistance rate to vancomycin is approximately 1.7% in China and approximately 1% to 2% in the U.S. The cost of approved drugs for ABSSSI treatment is approximately RMB2,700-7,200 per course in China and US$3,000-5,000 per course in the U.S.

Prosthetic joint implant is used in a joint replacement surgery to replace a damaged joint and treat conditions such as arthritis, joint pathologies, osteoarthritis and rheumatoid arthritis. According to Frost & Sullivan, the global incidence of PJI is projected to increase from 86.4 thousand in 2024 to reach 165.0 thousand in 2029 and further increase to 425.8 thousand in 2035, representing a CAGR of 13.8% from 2024 to 2029 and a CAGR of 17.1% from 2029 to 2035. The incidence of PJI in China is estimated to increase from 22.5 thousand in 2024 to reach 44.5 thousand in 2029 and 86.5 thousand in 2035, representing a CAGR of 14.6% from 2024 to 2029 and a CAGR of 11.7% from 2029 to 2035. As of the Latest Practicable Date, on a global scale, there was no innovative antibacterial drug for the treatment of PJI approved for sale, and rifaquizinone was the only small molecule drug candidate under clinical development of PJI.

LVAD, a mechanical circulatory support device implanted in patients with advanced heart failure, is another type of implanted medical device with significant risk of infections in addition to prosthetic joints. According to Frost & Sullivan, the three-year accumulative infection rate of LVAD infections is approximately 60%, and patients who develop infections have a one-year mortality rate 5.6 times higher than those without infections. As of the Latest Practicable Date, on a global scale, no innovative antibacterial drug had been approved for marketing for the treatment of LVAD infection or was under Phase II or later stages of clinical development.

In summary, as of the Latest Practicable Date, there were typically three types of conventional products used off-label globally for the treatment of ABSSSI, including glycopeptide, lipopeptide, and oxazolidinones, and nine types of conventional products used off-label globally for the treatment of PJI, including glycopeptides, β-lactams, carbapenems, rifamycins, tetracyclines/glycylcyclines, oxazolidinones, lipopeptides, fluoroquinolones, and aminoglycosides, and eight types of conventional products used off-label globally for the treatment of LVADI. As of the Latest Practicable Date, only two innovative small-molecule antibacterial agents have been approved for ABSSSI, while there remains a global lack of innovative therapies for PJI and LVADI. The primary challenge lies in implant-associated infections, which are caused by biofilm-forming bacteria on implant surfaces. These biofilms are highly resistant to both conventional antibiotics and immune responses, making their treatment particularly difficult. Most existing antibiotics have limited efficacy in penetrating and eradicating biofilms, creating a significant barrier to innovation.

Key Product: TNP-2092 Oral

TNP-2092 oral, a Key Product, is the world's first multi-targeting antibacterial drug candidate for the treatment of diseases associated with gut bacterial metabolism. Research has demonstrated strong links between the gut bacterial metabolism and the pathophysiology of many prevalent and serious diseases, including hepatic encephalopathy ("**HE**") and irritable bowel syndrome with diarrhea ("**IBS-D**"). Leveraging its multi-targeting mechanism of action, compared to rifaximin (a widely prescribed treatment), TNP-2092 oral formulation has demonstrated an exceptionally lower spontaneous resistance frequency in *S. aureus* compared to rifaximin ($<10^{-12}$ vs. approximately 10^{-8}). With a similar pharmacokinetic profile to rifaximin (i.e., gut-localized action and minimal systemic exposure), TNP-2092 exhibits a similar antibacterial spectrum to rifaximin but possesses superior activities against ammonia-producing gut bacteria and greater selectivity for probiotic strains.

As of the Latest Practicable Date, we had completed four Phase I and Phase II clinical trials of TNP-2092 capsule in China, with proof-of-concept clinical data validating its efficacy and safety profile for the treatment of HE. Clinical data have shown that TNP-2092 oral formulation has a stronger effect in reducing blood ammonia than rifaximin, based on a non-head-to-head comparison. This highlights the strong efficacy of TNP-2092 oral in improving hyperammonemia, which is a key driver of the development of HE.

Addressable Market and Competition

HE is a serious neuropsychiatric complication that affects up to 28% of patients with cirrhosis. According to Frost & Sullivan, the prevalence of HE in China and globally in 2024 was 1.7 million and 9.3 million, respectively. IBS is the most prevalent disorder of gut-brain interaction, affecting 5% to 10% of the general population worldwide, and IBS-D is one of the primary subtypes of IBS. According to Frost & Sullivan, the incidence of IBS-D in China and globally in 2024 was 119.9 million and 489.7 million, respectively. Despite their high prevalence, the treatment options for HE and IBS-D remain limited globally.

As of the Latest Practicable Date, there was no innovative antibacterial drug under clinical development specifically targeting HE. Current therapies like lactulose and rifaximin show limited effectiveness in some patients, especially those with advanced cirrhosis or multi-organ dysfunction. Although lactulose, α-crystalline rifaximin, and microbial therapies (e.g., probiotics), remain the standard first-line therapy, accounting for 77% of the market, TNP-2092 oral is being developed as a novel alternative to these approaches.

License, Rights, and Obligations Related to Core Products and Key Product

On June 21, 2013, TenNor Cayman, Dr. Ma Zhenkun ("**Dr. Ma**"), and Cumbre entered into a Series A Preferred Share Purchase Agreement, pursuant to which Cumbre agreed to purchase, and TenNor Cayman agreed to issue 3,925,000 Series A preferred shares of TenNor Cayman, as part of the Series A investment by Cumbre. The consideration was paid through the transfer of certain assets, including patents related to the compound structures of rifamycin-nitroimidazole coupling molecules (comprising rifasutenizol and compounds of similar structures), and TNP-2092, as well as research reports, compound and intermediate samples, and bacterial strains, owned by Cumbre. Dr. Ma, our founder, executive Director, and chief executive officer, was the former director of medical chemistry of Cumbre Inc. During his tenure at Cumbre Inc., he made significant contributions to the discovery of the compound series that eventually led to identification of rifasutenizol and of TNP-2092. He was named as an inventor on each of these patents. Since the patent transfer, we have been the sole owner of all intellectual property rights related to rifasutenizol, rifaquizinone, TNP-2092 (oral) and TNP-2092 (topical), including existing patents, patent applications and any future patents and patent applications. We have the global rights to develop, manufacture and commercialize rifasutenizol, rifaquizinone, TNP-2092 (oral) and TNP-2092 (topical).

Other Product Candidates

- **TNP-2092 (topical)** is a specially formulated treatment designed for diabetic foot infections. Drug-resistant bacterial strains (including MRSA and QRSA) and biofilm-associated infections represent major clinical challenges in the treatment of diabetic foot infections. We have obtained IND approval in China and expect to initiate a Phase I/II clinical trial in 2027.

- **TNBi-1** is a novel chemical series of small molecules with a unique mechanism of action discovered by us. The mechanism of action has been elucidated: the small molecule targets the *H. pylori* electron transport chain by replacing its natural ligand, thereby impairing bacterial ATP synthesis. As of the Latest Practicable Date, TNBi-1 was currently in the lead optimization stage, and we anticipate to submit an IND application to the NMPA in 2026.

- **TNBi-2** is a multi-targeting drug conjugate series developed using our multi-targeting conjugate molecule technology. This series is designed to address the medical needs in nontuberculous mycobacterial pulmonary disease ("**NTM-PD**"), a condition with a rising incidence worldwide. As of the Latest Practicable Date, TNBi-2 was in the lead optimization stage, and we anticipate to submit an IND application to the NMPA in 2027.

- **TNBm-1** is a novel chemical series of dual-functional small molecules with a unique mechanism of action discovered by us. The series is designed to address the medical needs in metabolic disease. As of the Latest Practicable Date, TNBm-1 was in the lead identification stage, and we anticipate to submit an IND application to the NMPA in 2028.

For details regarding other product candidates, see "Business — Other Product Candidates."

Our Technology Platform

Our multi-targeting conjugate molecule technology platform is a fully-integrated R&D engine that spans the full spectrum of drug design, synthesis and evaluation, with a strategic focus on disease areas associated with bacterial infections and bacterial metabolism. The primary goal in developing this platform is to address the critical challenges in antibacterial drug development, namely, antimicrobial resistance and antimicrobial tolerance. With this platform, we carefully select potential targets, design and synthesize conjugate molecules, and iteratively fine-tune the molecular structure based on evaluation results. Highlights of our multi-targeting conjugate molecule technology include:

- ***Conjugate Molecule Design***. Leveraging our deep understanding of essential bacterial drug targets and extensive knowledge in structure-activity relationships, with the support of computer-aided drug design, we identify appropriate targets and use clinically validated pharmacophores as building blocks to design conjugate molecules capable of acting through two or more distinct mechanisms simultaneously. This approach significantly reduces development risks related to safety and efficacy. Meanwhile, conjugation enhances target specificity, reducing off-target effects while preserving the intended multi-targeting mechanism of action.

- ***Evaluation of Conjugate Molecules***. Our evaluation of conjugate molecules is centered on an assay system based on bacterial isogenic resistant mutant strains. The isogenic mutant panel is a bacterial-level tool that helps us evaluate conjugate molecules systematically. Specifically, we induce resistance-conferring mutations at each intended target individually and in combination. This allows us to construct a panel of bacterial strains that are genetically identical except for specific resistance mutations. Because the genetic background of these strains is consistent apart from the engineered resistance mutations, they enable rapid and precise evaluation of both the mechanism of action and antibacterial potency of the conjugate molecules. Our evaluation of conjugate molecules plays a critical role in directing conjugate molecule design during the discovery stage, optimizing potency, target balance and synergy to select conjugate molecules with optimal multitargeting engagement and strong therapeutic potential.

For details regarding technology platforms, see "Business — Research and Development — Our Technology Platform."

OUR COMPETITIVE STRENGTHS

We believe the following strengths have contributed to our success and differentiate us from our competitors:

- Rifasutenizol (TNP-2198), a near-commercial, first and only NME drug candidate globally for *H. pylori* infection

- Rifaquizinone (TNP-2092 injection), a NME antibacterial drug candidate for implant-associated bacterial infections

- TNP-2092 oral, the world's first multi-targeting antibacterial drug candidate for the treatment of diseases associated with gut bacterial metabolism

- Robust and fully-integrated R&D capabilities empowered by our multi-targeting conjugate molecule technology, a dedicated team of high-caliber R&D professionals and a distinguished team of clinical development consultants and advisors

- Our global development strategy backed by rich clinical development experience both in China and the United States

- Seasoned management team with international experience and vision, with strong support from prominent investors

OUR STRATEGIES

We intend to capitalize on our competitive strengths by pursuing the following strategies:

- Accelerate the clinical development, regulatory approval process and commercialization of our Core Products and Key Product

- Leverage our multi-targeting conjugate molecule technology to rapidly advance the development of other novel drug candidates

- Actively pursue opportunities to bring in complementary or synergistic assets to expand our product pipeline

- Further strengthen our manufacturing and quality control capabilities

- Explore business collaboration opportunities to maximize the global value of our pipeline assets

RESEARCH AND DEVELOPMENT

We consistently devote resources to research and development to pave for long-term growth. We believe the diversification and expansion of our product pipeline through both in-house research and development and external collaborations are critical to our long-term competitiveness and success. In 2023, 2024 and 2025, the amount of research and development expenses attributed to our Core Products was RMB99.7 million, RMB64.2 million and RMB60.5 million, respectively, accounting for 91.9%, 91.9% and 84.1% of our total research and development expenses, and 78.0%, 77.4% and 50.1% of our total operating expenses (i.e. research and development expenses and administrative expenses) in the respective year/period.

As of the Latest Practicable Date, we had 39 members in our R&D team, over 50% of whom held master's or doctoral degrees in relevant fields. Core members of our R&D team include Dr. Ma Zhenkun, Dr. Geng Guozhu, Ms. Chen Jing and Ms. Yu Yinjiao. All our core R&D team members have been with the Group throughout the Track Record Period and up to the Latest Practicable Date, except for Ms. Yu who is mainly responsible for regulatory affairs and quality management and joined our Group in September 2023.

MANUFACTURING

During the Track Record Period and up to the Latest Practicable Date, we had worked with qualified contract development and manufacturing organization ("**CDMOs**") to manufacture drug candidates for preclinical and clinical supply. As of the Latest Practicable Date, we did not have any in-house manufacturing facility that are operational. In anticipation of the commercialization of our rifasutenizol, we plan to establish our in-house cGMP-compliant manufacturing facility. Such facility is expected to commence operations in 2028.

COMMERCIALIZATION

We will pursue the commercialization strategy to maximize the value of our drug candidates. For the upcoming commercialization of rifasutenizol (TNP-2198) in China, we plan to adopt a promotion strategy that combines our collaboration partner with our own commercialization team. We have entered into an exclusive commercial collaboration agreement with Grand Life Science for the commercialization of rifasutenizol in the Greater China (excluding Taiwan) to leverage their sales and marketing expertise and well-established networks and resources. See "Business — Commercialization — Collaboration with Grand Life Science for rifasutenizol (TNP-2198)." In parallel, we will build a small but highly capable marketing team with medical and scientific background to facilitate and enhance the collaboration with Grand Life Science. For further details, please see "Business — Commercialization."

INTELLECTUAL PROPERTY

As of the Latest Practicable Date, we had 41 registered trademarks, and 25 domain names, which we consider to be material to our business. As of the Latest Practicable Date, we held 42 issued patents including 14 issued patents in China, five issued patent in the U.S., and 23 issued patents in other jurisdictions, and 85 patent applications including nine patent applications in China, eight patent applications in the U.S., 63 patent applications in other jurisdictions, and five patent applications under the Patent Cooperation Treaty ("**PCT**"). As of the Latest Practicable Date, for our Core Products, we held 19 issued patents including seven issued patents in China, three issued patents in the U.S., and nine issued patents in other jurisdictions, and 67 patent applications including six patent applications in China, five patent applications in the U.S., 54 patent applications in other jurisdictions, and two patent applications under PCT. As of the Latest Practicable Date, there were 15 issued patents protecting TNP-2198, including four in China, two in the U.S. and nine in other jurisdictions, and 41 pending patent applications, including four in China, three in the U.S. and 34 in other jurisdictions (including PCT applications). As of the Latest Practicable Date, there were four issued patents protecting TNP-2092 injection, including three in China and one in the U.S., and 26 pending patent applications, including two in China, two in the U.S. and 22 in other jurisdictions (including PCT applications).

SUPPLIERS

During the Track Record Period, our major suppliers primarily consisted of (i) suppliers of materials (such as consumables and reagents); and (ii) third party contractors including contract research organizations ("**CROs**") and CDMOs. In 2023, 2024 and 2025, our purchases from our five largest suppliers in each year during the Track Record Period in aggregate accounted for 49.5%, 80.8% and 68.6% of our total purchases in the respective year, respectively, and purchases from our largest supplier alone in each year during the Track Record Period accounted for 20.6%, 43.8% and 38.2% of our total purchases in each respective year, respectively. To the best of knowledge of our Directors, all of our five largest suppliers in each year during the Track Record Period are Independent Third Parties. Except for WuXi AppTec Co., Ltd., none of our Directors, their respective associates nor any shareholder who, to the best knowledge of our Directors, owned more than 5% of our issued share capital as of the Latest Practicable Date, has any interest in any of our five largest suppliers in each year during the Track Record Period. For further details, please see "Business — Suppliers."

SUMMARY OF MATERIAL COLLABORATION ARRANGEMENT

We entered into an exclusive commercialization collaboration agreement with Grand Life Science in respect of the commercialization of rifasutenizol (the "**Collaboration Agreement**") in November 2024, as amended in January 2026. Grand Life Science is a company focused on therapeutic areas, such as immunology and infectious diseases, perioperative care and critical illness, hematology, gastroenterology and metabolism, and wound management. It possesses full-value-chain operational capabilities encompassing R&D, manufacturing, marketing, and management. We became acquainted with Grand Life Science to explore and discuss potential business collaboration for rifasutenizol.

We will be the sole marketing authorization holder (the "**MAH**") for rifasutenizol and the function of Grand Life Science is similar to a CSO. Pursuant to the Collaboration Agreement, Grand Life Science has the exclusive right to carry out commercialization activities throughout the marketing, promotion and distribution of rifasutenizol within the Authorized Territory and Authorized Scope (as defined in "Business — Commercialization — Collaboration with Grand Life Science for rifasutenizol (TNP-2198)"). To facilitate sales and marketing and in line with general practice in the industry, Grand Life Science is entitled to decide on general matters with respect to the routine and day-to-day marketing of rifasutenizol in the Authorized Territory, while we remain the rights to make final decisions on specific matters that affect the commercial success of rifasutenizol such as its initial pricing upon the inclusion in the NRDL, and participation in volume-based procurement, if applicable.

Grand Life Science shall make milestone payments with the aggregate amount of RMB65.0 million to us in installments, subject to fulfillment of certain payment condition precedents. Grand Life Science is entitled to promotion service fees calculated with reference to our net sales, based on tiered rates stipulated in the Collaboration Agreement with higher rates during the initial years following the first commercial sale and progressively decreasing over time from 75% to 65%. In addition, Grand Life Science is entitled to commercial incentive payments of up to RMB20.0 million, which will be due in two installments upon the first achievement of specified annual net sales thresholds. Meanwhile, Grand Life Science shall pay us commercial milestone payments of up to RMB710.0 million, payable in six installments upon the first achievement of specified cumulative annual net sales thresholds. For more details regarding salient terms of the Collaboration Agreement, please see "Business — Commercialization — Collaboration with Grand Life Science for rifasutenizol (TNP-2198)."

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

This summary of key financial information set forth below has been derived from, and should be read in conjunction with, our consolidated audited financial statements, including the accompanying notes, set forth in the Accountant's Report set out in Appendix I to this prospectus, as well as the information set forth in "Financial Information."

Summary Consolidated Statements of Comprehensive Loss

We recorded net loss of RMB191.8 million, RMB145.9 million and RMB153.2 million, in 2023, 2024 and 2025, respectively, primarily due to the significant research and development expenses incurred during the Track Record Period. The following table sets forth our consolidated statements of comprehensive loss for the years indicated:

	Year Ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Research and development expenses	(108,399)	(69,838)	(71,872)
Administrative expenses	(19,388)	(13,135)	(48,910)
Other income	4,519	4,938	1,746
Other gains, net	786	37	366
Operating loss	**(122,482)**	**(77,998)**	**(118,670)**
Finance income	474	250	664
Finance costs	(69,836)	(68,181)	(35,238)
Finance costs, net	(69,362)	(67,931)	(34,574)
Loss before income tax	**(191,844)**	**(145,929)**	**(153,244)**
Income tax expense	–	–	–
Loss for the year	**(191,844)**	**(145,929)**	**(153,244)**

Summary of Certain Selected Items From the Consolidated Balance Sheets

The following table sets forth selected information from our consolidated balance sheets as of the dates indicated:

	As of December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Non-current assets	32,411	30,957	35,691
Current assets	63,643	101,929	191,345
Current liabilities	831,010	65,595	38,140
Net current (liabilities)/assets	**(767,367)**	**36,334**	**153,205**
Total non-current liabilities	23,953	965,339	35,039
Net (liabilities)/assets	**(758,909)**	**(898,048)**	**153,857**

We recorded net current liabilities of RMB767.4 million as of December 31, 2023 and net current assets of RMB36.3 million as of December 31, 2024. Such change was primarily due to (i) a decrease of RMB766.9 million in redemption liabilities caused by the reclassification from current position to non-current position as the due date of our redemption obligation was extended, and (ii) an increase of RMB39.7 million in cash and cash equivalents mainly attributable to the proceeds we received from our Series E1 Financing in 2024.

Our net current assets increased from RMB36.3 million as of December 31, 2024 to RMB153.2 million as of December 31, 2025. Such change was primarily due to an increase of RMB85.9 million in cash and cash equivalents mainly attributable to the proceeds we received from our Series E2 and E3 Financing in 2025.

We recorded net liabilities of RMB758.9 million and RMB898.0 million as of December 31, 2023 and 2024, respectively. Such change was primarily attributable to the loss for the year ended December 31, 2024 of RMB145.9 million. For more discussion of our loss for the year, please see "Financial Information — Description of Major Components of Our Consolidated Statements of Comprehensive Loss." We then recorded net assets of RMB153.9 million as of December 31, 2025. Such change was primarily attributable to (i) derecognition of redemption liabilities upon termination of special rights of RMB1,063.6 million, and (ii) capital contributions from Series E3 Investors of RMB104.8 million, partially offset by the loss for the year of RMB153.2 million.

In addition, we recorded the redemption liabilities of RMB766.9 million, RMB931.5 million and nil as of December 31, 2023, 2024 and 2025, respectively. Our redemption liabilities arose from our redemption obligation to redeem the capital contributions for certain Pre-IPO Investments. Pursuant to the supplemental agreement entered into between our Company and certain Pre-IPO Investors, the special rights related to recognition of the Company's redemption liabilities ceased to be effective as of May 22, 2025, and therefore, there were no redemption liabilities and our Group's net liabilities turned into net assets from that date. For more details of redemption liabilities, see Note 28 to the Accountant's Report in Appendix I to this prospectus.

Summary of Consolidated Cash Flow Statements

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

	Year Ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Cash used in operations before movements in working capital	(111,470)	(66,752)	(80,067)
Changes in working capital	12,880	17,901	(7,792)
Interest received	474	250	664
Net cash flows used in operating activities	(98,116)	(48,601)	(87,195)
Net cash flows generated from/(used) in investing activities	70,381	(185)	2,500
Net cash flows generated from financing activities	4,726	88,497	170,635
Net (decrease)/increase in cash and cash equivalents	(23,009)	39,711	85,940
Cash and cash equivalents at beginning of the year	81,134	58,112	97,818
Effect of foreign exchange rate changes	(13)	(5)	7
Cash and cash equivalents at end of the year	**58,112**	**97,818**	**183,765**

For the years ended December 31, 2023, 2024 and 2025, we had net cash outflows from operating activities in an amount of RMB98.1 million, RMB48.6 million and RMB87.2 million, respectively. Our net cash outflows from operating activities during the Track Record Period were primarily attributable to our loss before tax, which was primarily because we incurred significant research and development expenses and administrative expenses as a result of the development of our pipeline products during the Track Record Period. For more details, see "Financial Information — Liquidity and Capital Resources — Cash Flows — Net Cash Flows Used in Operating Activities."

Our Directors are of the opinion that, taking into account the financial resources available to our Group, including cash and cash equivalents as of December 31, 2025, and the estimated net proceeds from the Global Offering, we have available sufficient working capital to cover at least 125% of the Group's costs, including research and development expenses and administrative expenses, for at least the next 12 months from the date of this prospectus.

Our cash burn rate refers to the average monthly amount of (i) net cash used in operating activities, (ii) payments for property, plant and equipment, intangible assets and other capital expenditures, and (iii) payments of lease liabilities. Assuming an average cash burn rate going forward of 2 times the average level of 2023 and 2024, we estimate that our cash and cash equivalents as of December 31, 2025, will be able to maintain our financial viability for 15 months, or, if we also take into account the estimated net proceeds (based on the Offer Price of HK$75.70 per Share, assuming the Offer Size Adjustment Option and the Over-Allotment Option are not exercised), 54 months. Our Directors and our management team will continue to monitor our working capital, cash flows, and our business development progress.

KEY FINANCIAL RATIO

The table below sets forth our key financial ratio as of the dates indicated:

	As of December 31,		
	2023	2024	2025
Current ratio[(1)]	0.1	1.6	5.0

Note:

(1) Current ratio equals to current assets divided by current liabilities as of the same date.

Our current ratio increased from 0.1 as of December 31, 2023 to 1.6 as of December 31, 2024, mainly due to (a) the reclassification from current position to non-current position as the due date of our redemption obligation was extended to December 31, 2026 according to the shareholders' resolutions dated June 16, 2024, and (b) the proceeds received from our Series E1 Financing in 2024. Our current ratio then increased to 5.0 as of December 31, 2025, mainly due to increases in cash and cash equivalents as we received proceeds from our Series E2 and E3 Financing in 2025. Pursuant to the supplemental agreement entered into between our Company and certain Pre-IPO Investors, the special rights related to recognition of our redemption liabilities ceased to be effective as of May 22, 2025.

SUMMARY OF MATERIAL RISK FACTORS

We believe that there are certain risks involved in our operations. These risks are set out in the section headed "Risk Factors." Some of the major risks we face include: (i) our business and financial prospects depend substantially on the success of our clinical stage and preclinical stage drug candidates; (ii) we may face competition with other traditional antibiotics as well as existing first-line treatments of the targeted indications; (iii) we may not be able to identify, discover or develop new drug candidates, or to identify or develop new indications for our drug candidates; (iv) we may encounter unexpected difficulties in executing our clinical trials and commercializing our drug candidates on a timely basis; (v) we may not be able to build, manage, expand and optimize an effective sales and distribution network for our drug candidates, either by ourselves or through third parties; and (vi) we have incurred net losses since inception. We expect to continue to incur net losses for the foreseeable future and may not be able to generate sufficient revenue to achieve or maintain profitability.

PRE-IPO INVESTMENTS

We have concluded several rounds of Pre-IPO Investments with a broad and diverse base of Pre-IPO Investors, among which WuXi AppTec Co., Ltd. (無錫藥明康德新藥開發股份有限公司) ("**WuXi AppTec**"), which is listed on the Stock Exchange (stock code: 2359) and the Shanghai Stock exchange (stock code: 603259.SH) and a major CRDMO company, is a Sophisticated Investor. Since 2013, the aggregate amount of our Company's Pre-IPO Investments amounted to approximately RMB733.42 million. Upon completion of the Global Offering and without taking into consideration the exercise of the Offer Size Adjustment Option and the Over-allotment Option, WuXi AppTec, through WuXi Fund, will hold approximately 5.50% of the total issued share capital of our Company, respectively. For further details of the identity and background of the Pre-IPO Investors, and the principal terms of the Pre-IPO Investments, see the section headed "History, Development and Corporate Structure — Pre-IPO Investments".

OUR SINGLE LARGEST SHAREHOLDERS GROUP AND DR. MA

Immediately after the completion of the Global Offering (without taking into account any H Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option), the Cumbre Entities, being the passive financial investors, are expected to be entitled to exercise an aggregate of approximately 15.82% voting rights in our Company. As of the Latest Practicable Date, to the best knowledge of our Company, having made due inquiries, after the pass away of Mr. Morton H Meyerson ("**Mr. Meyerson**"), the Cumbre Entities have been controlled by Mr. Meyerson's family members, including Ms. Marti Meyerson (daughter of Mr. Meyerson) who is the executor of Mr. Meyerson's estates and are expected to remain controlled by family members of Mr. Meyerson upon completion of the implementation of the will of Mr. Meyerson. Therefore, the Cumbre Entities and family members of Mr. Meyerson constituted our Single Largest Group of Shareholders as of the Latest Practicable Date, and our Company will not have any controlling shareholder (as defined under the Listing Rules) upon Listing. See the section headed "Relationship with Our Single Largest Group of Shareholders" in this prospectus.

Although the Cumbre Entities and Ms. Marti Meyerson and her family members constitute our Single Largest Group of Shareholders, we have been managed by Dr. Ma, our founder, chairman of the Board, executive Director, chief executive officer and general manager, who has extensive research and managerial experience in the pharmaceutical industry across the PRC and the United States, since our inception. Our achievements have been enabled under the leadership of Dr. Ma, who is responsible for the overall strategic planning, management and operation of our Group. As of the Latest Practicable Date, Dr. Ma, together with the ESOP Platforms, controls approximately 13.61% voting rights in our Company. In all Board meetings of our Company held historically and up to the Latest Practicable Date, Dr. Ma and the Cumbre Entities have voted unanimously and the Cumbre Entities have voted alongside with Dr. Ma on matters related to our Company. Immediately after the completion of the Global Offering (without taking into account any H Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option), Dr. Ma, together with the ESOP Platforms, are expected to control approximately 11.42% voting rights in our Company. For details of Dr. Ma's biographical background, relevant industry experience and contributions to the research and development of our product pipelines, see the sections headed "Directors and Senior Management" and "Business — Overview" in this prospectus.

RECENT DEVELOPMENTS

We expect a significant increase in our net loss for the year ending December 31, 2026 primarily due to (i) an increase in our research and development expenses mainly as we continue to advance our research and development activities for our Core Products and other pipeline products; and (ii) an increase in administrative expenses mainly as we incurred expenses in relation to the Listing.

DIVIDENDS

We did not declare or pay any dividend during the Track Record Period. We do not currently have a formal dividend policy or a fixed dividend payout ratio. We currently intend to retain all available funds and earnings, if any, to fund the development and expansion of our business and we do not anticipate paying any cash dividends in the foreseeable future. Investors should not purchase our ordinary shares with the expectation of receiving cash dividends. Any future determination to pay dividends will be made at the discretion of our Directors and may be based on a number of factors. In light of our accumulated losses as disclosed in this prospectus, it is unlikely that we will be eligible to pay dividends out of our profits in the foreseeable future. For further details, please see "Financial Information – Dividends."

OFFERING STATISTICS

The numbers in the following table are based on the assumptions that (i) the Global Offering had completed and 8,280,550 H Shares were issued in the Global Offering, (ii) the Offer Size Adjustment Option and the Over-allotment Option are not exercised, and (iii) 51,753,476 Shares are in issue and outstanding following the completion of Global Offering.

	Based on the Offer Price of HK$75.70
Market capitalization of our Shares[(1)]	HK$3,917.7 million
Unaudited pro forma adjusted consolidated net tangible assets per Share[(2)]	HK$14.00

Notes:

(1) The calculation of market capitalization is based on 51,753,476 Shares expected to be in issue immediately upon completion of the Global Offering, assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised.

(2) The unaudited pro forma adjusted consolidated net tangible assets per Share is calculated after making the adjustments referred to Appendix II.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$557.8 million, after deducting underwriting commissions, fees and other estimated expenses paid and payable by us in connection with the Global Offering, assuming the Offer Size Adjustment Option and the Over-Allotment Option being not exercised and based on the Offer Price of HK$75.70 per Share. We intend to use the net proceeds from the Global Offering for the following purposes:

- 71.0%, or approximately HK$395.7 million, will be used for the research, development, registrational filings and commercialization of our Core Products, including:

  a. 27.9%, or approximately HK$155.4 million, will be used to fund the clinical trials, registrational filings and commercialization of rifasutenizol;

  b. 43.1%, or approximately HK$240.3 million, will be used to fund the research and development of rifaquizinone injection;

- 7.0%, or approximately HK$39.2 million, will be used to fund the research and development of TNP-2092 oral formulation;

- 7.3%, or approximately HK$40.9 million, will be used for the research and development of our other product candidates;

- 7.2%, or approximately HK$40.2 million will be used for the construction of our in-house manufacturing facility; and

- 7.5%, or approximately HK$41.8 million, will be used for working capital and other general corporate purposes.

See "Future Plans and Use of Proceeds."

LISTING EXPENSES

Our listing expenses represent professional fees, underwriting commissions and other fees incurred in connection with the Global Offering. Based on the Offer Price of HK$75.70 per Share and assuming the Offer Size Adjustment Option and the Over-Allotment Option are not exercised, our listing expenses in relation to the Global Offering are estimated to be approximately RMB60.4 million (HK$69.0 million), representing 11.0% of the gross proceeds. The listing expenses consist of (i) underwriting-related expenses, including underwriting commissions, of approximately RMB22.0 million (HK$25.1 million), and (ii) non-underwriting-related expenses of approximately RMB38.4 million (HK$43.9 million), comprising (a) fees and expenses of our legal advisers and reporting accountant of approximately RMB23.5 million (HK$26.9 million), and (b) other fees and expenses of approximately RMB14.9 million (HK$17.0 million).

We had incurred listing expenses of RMB21.4 million as of December 31, 2025, of which RMB17.6 million was charged to our consolidated statement of comprehensive loss and RMB3.8 million was recognized as deferred listing expenses and will be recognized directly as a deduction from equity upon completion of the Global Offering. We expect to incur additional listing expenses of approximately RMB39.0 million, of which RMB15.6 million is expected to be charged to our consolidated statement of comprehensive loss and RMB23.4 million will be deducted from equity.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that there has been no material adverse change in our business, financial condition and results of operations since December 31, 2025, being the latest balance sheet date of our consolidated financial statements in the Accountant's Report set out in Appendix I to this prospectus, and up to the date of this prospectus.

In this prospectus, unless the context otherwise requires, the following terms and expressions shall have the meanings set out below.

"Accountant's Report"	the accountant's report of our Company from PricewaterhouseCoopers, the text of which is set out in Appendix I to this prospectus
"affiliate(s)"	with respect to any specified person, any other person(s), directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person(s)
"AFRC"	the Accounting and Financial Reporting Council of Hong Kong
"Articles" or "Articles of Association"	the articles of association of our Company adopted on July 23, 2025 with effect upon the Listing Date (as amended from time to time), a summary of which is set out in Appendix V to this prospectus
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	the audit committee of our Board
"Big Bend 72"	Big Bend 72 LLC, a limited liability company incorporated in the United States on February 18, 2021, being one of our Single Largest Group of Shareholders and our Pre-IPO Investors
"Big Bend 73"	Big Bend 73 LLC, a limited liability company incorporated in the United States on February 18, 2021, being one of our Single Largest Group of Shareholders and our Pre-IPO Investors
"Big Bend 77"	Big Bend 77 LLC (previously known as "Big Bend GPE Investments LLC"), a limited liability company incorporated in the United States on May 6, 2014, being one of our Single Largest Group of Shareholders and our Pre-IPO Investors
"Board" or "Board of Directors"	the board of Directors
"Business Day"	a day on which banks in Hong Kong are generally open for normal business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
"Capital Market Intermediary(ies)" or "CMI(s)"	the capital market intermediary(ies) as named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"China" or "PRC"	the People's Republic of China, which only in the context of describing PRC rules, laws, regulations, regulatory authority, and any PRC entities or citizens under such rules, laws and regulations and other legal or tax matters in this prospectus, excludes Taiwan, Hong Kong and the Macau Special Administrative Region of the People's Republic of China
"close associate(s)"	has the meaning ascribed thereto under the Listing Rules

"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company" or "our Company"	TenNor Therapeutics (Suzhou) Limited (丹諾醫藥(蘇州)股份有限公司), a company established under the laws of the PRC as a limited liability company on February 25, 2013 and converted into a joint stock company with limited liability in the PRC on June 27, 2025
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"core connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"Core Product(s)"	has the meaning ascribed to them under Chapter 18A of the Listing Rules and are the products for the purpose of satisfying the eligibility requirements under Chapter 18A of the Listing Rules and Chapter 2.3 of the Guide for New Listing Applicants; for the purpose of this prospectus, our Core Product(s) refers to rifasutenizol and rifaquizinone
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會)
"Cumbre"	Cumbre IP Ventures, L.P. (previously known as "Big Bend V-A Investments L.P."), a limited partnership organized and existing under the laws of the State of Texas (United States), being one of our Single Largest Group of Shareholders and our Pre-IPO Investors
"Cumbre Entities"	Each of Cumbre, Big Bend 72, Big Bend 73, Big Bend 77 or any other affiliated entities from time to time
"Cumbre Inc."	Cumbre Pharmaceutical Inc., a Delaware corporation and a spin-out entity from Tularik Inc., engaging in research and development and commercialization of new drug for infectious diseases. Upon its dissolution, Cumbre Inc. distributed all the properties, including the patents it owned, to Cumbre IP Ventures, L.P. which was wholly owned by Mr. Morton H Meyerson at the material time
"Danyuan Aonuo"	Suzhou Danyuan Aonuo Consulting Management Partnership Enterprise (Limited Partnership) (蘇州丹源奧諾諮詢管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on September 8, 2021 and one of our ESOP Platforms
"Danyuan Kangnuo"	Suzhou Danyuan Kangnuo Enterprise Management Partnership Enterprise (Limited Partnership) (蘇州丹源康諾企業管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on August 18, 2021 and one of our ESOP Platforms
"Danyuan Nuokang"	Suzhou Danyuan Nuokang Consulting Management Partnership Enterprise (Limited Partnership) (蘇州丹源諾康諮詢管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on September 3, 2021 and one of our ESOP Platforms

"Director(s)"	the director(s) of our Company
"Dr. Ma"	Dr. Ma Zhenkun (馬振坤), chairman of our Board, an executive Director, the chief executive officer and general manager of our Company
"EIT Law"	the PRC Enterprise Income Tax Law (《中華人民共和國企業所得税法》)
"Employee Incentive Plan(s)"	the employee incentive plan(s) of our Company adopted in August 2021 and December 2021, respectively, a summary of the principal terms of which is set forth in the paragraph headed "Further Information about Our Directors and Substantial Shareholders—5. Employee Incentive Plans" in Appendix VI to this prospectus
"ESOP Platform(s)"	Danyuan Kangnuo, Danyuan Aonuo and Danyuan Nuokang, or any one of them as the context may require
"Extreme Conditions"	extreme conditions caused by a super typhoon as announced by the government of Hong Kong
"FINI"	Fast Interface for New Issuance, an online platform operated by HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for all new listings
"Frost & Sullivan" or "Industry Consultant"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., our industry consultant
"Frost & Sullivan Report"	the industry report commissioned by our Company and independently prepared by Frost & Sullivan, a summary of which is set forth in the section headed "Industry Overview" in this prospectus
"General Rules of HKSCC"	General Rules of HKSCC published by the Stock Exchange and as amended from time to time
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Greater China"	for the purpose of this prospectus and for geographical reference only, references in this prospectus to "Greater China" apply to the PRC, Hong Kong, the Macau Special Administrative Region and Taiwan
"Group", "our Group", "we", "us" or "our"	our Company and all of its subsidiaries, or any one of them as the context may require
"Guide for New Listing Applicants"	the Guide for New Listing Applicants published by the Stock Exchange
"H Share(s)"	overseas listed foreign ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and to be listed on the Hong Kong Stock Exchange
"H Share Registrar"	Tricor Investor Services Limited

"**HK eIPO White Form**"	the application for Hong Kong Offer Shares to be issued in the applicant's own name, submitted online through the designated website at **www.hkeipo.hk**
"**HK eIPO White Form** Service Provider"	the **HK eIPO White Form** service provider designated by our Company as specified on the designated website at **www.hkeipo.hk**
"HKSCC"	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"**HKSCC EIPO**"	the application for the Hong Kong Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your designated HKSCC Participant's stock account through causing HKSCC Nominees to apply on your behalf, including by instructing your broker or custodian who is a clearing participant or a custodian participant under HKSCC 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 the HKSCC
"HKSCC Operational Procedures"	the operational procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to the operations and functions of CCASS, as from time to time in force
"HKSCC Participant"	a participant admitted to participate in CCASS as a direct clearing participant, a general clearing participant or a custodian participant
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong dollars" or "HK$"	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
"Hong Kong Offer Shares"	the 828,100 H Shares being initially offered by us for subscription pursuant to the Hong Kong Public Offering (subject to reallocation as described in the section headed "Structure of the Global Offering" in this prospectus)
"Hong Kong Public Offering"	the offer for subscription of the Hong Kong Offer Shares to the public in Hong Kong, 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"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"Hong Kong Underwriters"	the underwriters of the Hong Kong Public Offering as listed in the section headed "Underwriting" in this prospectus
"Hong Kong Underwriting Agreement"	the underwriting agreement dated Wednesday, May 13, 2026 relating to the Hong Kong Public Offering and entered into by, among others, our Company, Dr. Ma Zhenkun, the Joint Sponsors, the Overall Coordinators and the Hong Kong Underwriters, as further described in the section headed "Underwriting" in this prospectus

"HKFRS Accounting Standards"	Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards, and Interpretations issued by the Hong Kong Institute of Certified Public Accountants
"HKICPA"	Hong Kong Institute of Certified Public Accountants
"Independent Third Party(ies)"	any person(s) or entity(ies) who/which is not a connected person of our Company within the meaning of the Listing Rules
"International Offer Shares"	the 7,452,450 H Shares being initially offered by us for subscription under the International Offering (subject to reallocation and the exercise of the Offer Size Adjustment Option and the Over-allotment Option as described in the section headed "Structure of the Global Offering" in this prospectus)
"International Offering"	the conditional placing of the International Offer Shares at the Offer Price (i) in the U.S. to a limited number of institutional "accredited investors" (as defined in Rule 501(a) under the U.S. Securities Act) in reliance on the Rule 506 safe harbor under the U.S. Securities Act; and (ii) outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S, as further described in the section headed "Structure of the Global Offering" in this prospectus
"International Underwriters"	the underwriters of the International Offering listed in the International Underwriting Agreement
"International Underwriting Agreement"	the underwriting agreement relating to the International Offering which is expected to be entered into by, among others, our Company, Dr. Ma Zhenkun, the Joint Sponsors, the Overall Coordinators and the International Underwriters, as further described in the section headed "Underwriting" in this prospectus
"Joint Bookrunners", "Joint Global Coordinators", "Joint Lead Managers" or "Joint Sponsors"	the joint bookrunners, joint global coordinators, joint lead managers, and joint sponsors as named in the section headed "Directors and Parties Involved in the Global Offering" in this prospectus
"Key Product"	TNP-2092 oral formulation
"Latest Practicable Date"	May 4, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this prospectus prior to its publication
"Listing"	the listing of the H Shares on the Main Board of the 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 Friday, May 22, 2026, on which the H Shares are listed and dealings in the H Shares are first permitted to commence on the Hong Kong Stock Exchange
"Listing Rules" or "Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time

"Main Board"	the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the GEM of the Hong Kong Stock Exchange
"Nomination Committee"	the nomination committee of our Board
"Offer Price"	HK$75.70, being the offer price per Offer Share (exclusive of brokerage of 1.0%, an SFC transaction levy of 0.0027%, an AFRC transaction levy of 0.00015% and a Hong Kong Stock Exchange trading fee of 0.00565%) at which the Offer Shares are to be subscribed for and issued pursuant to the Global Offering as described in the section headed "Structure of the Global Offering" in this prospectus
"Offer Shares"	the Hong Kong Offer Shares and the International Offer Shares, together with, where relevant, any additional H Shares which may be issued by our Company pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option
"Offer Size Adjustment Option"	the option expected to be granted by us to the International Underwriters, exercisable by the Overall Coordinators (for themselves and on behalf of the International Underwriters) under the International Underwriting Agreement, pursuant to which our Company may allot and issue up to an aggregate of 1,242,050 additional H Shares (representing in aggregate approximately 15% of the Offer Shares initially being offered under the Global Offering assuming the Over-allotment Option is not exercised) at the Offer Price, to cover the excess demand in the International Offering, if any, as described in the section headed "Structure of the Global Offering" in this prospectus
"Overall Coordinators"	the overall coordinators as named in the section headed "Directors and Parties involved in the Global Offering"
"Over-allotment Option"	the option expected to be granted by us to the International Underwriters, exercisable by the Overall Coordinators (for themselves and on behalf of the International Underwriters) under the International Underwriting Agreement, to require our Company to allot and issue up to an aggregate of 1,242,050 additional H Shares at the Offer Price (representing approximately 15.0% of the total number of Offer Shares initially available under the Global Offering assuming the Offer Size Adjustment Option is not exercised) or up to an aggregate of 1,428,350 additional H Shares at the Offer Price (representing approximately 15.0% of the total number of Offer Shares offered under the Global Offering assuming the Offer Size Adjustment Option is exercised in full), to cover over-allocations in the International Offering, if any, as described in the section headed "Structure of the Global Offering" in this prospectus
"Overseas Listing Trial Measures"	the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) promulgated by the CSRC on February 17, 2023

"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》), as amended, supplemented or otherwise modified from time to time
"PRC Government"	the central government of the PRC and all governmental subdivisions (including provincial, municipal and other regional or local government entities) and instrumentalities thereof or, where the context requires, any of them
"PRC Legal Adviser"	AllBright Law Offices, the legal adviser to our Company as to the PRC laws
"PRC Securities Law"	the Securities Law of the PRC (《中華人民共和國證券法》), as amended, supplemented or otherwise modified from time to time
"Pre-IPO Investment(s)"	the investment(s) in our Company and/or TenNor Cayman undertaken by the Pre-IPO Investors pursuant to the relevant equity transfer agreement(s) and/or share subscription agreement(s), details of which are set out in the section headed "History, Development and Corporate Structure" in this prospectus
"Pre-IPO Investor(s)"	the investor(s) who acquired interest in our Company pursuant to the relevant equity transfer agreement(s) and/or share purchase agreement(s), details of which are set out in the section headed "History, Development and Corporate Structure" in this prospectus
"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration Committee"	the remuneration committee of our Board
"Renminbi" or "RMB"	Renminbi, the lawful currency of the PRC
"R&D"	research and development
"Securities and Futures Commission" or "SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Single Largest Group of Shareholders"	refers to the Cumbre Entities and Ms. Marti Meyerson and her family members
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, including both Unlisted Shares and H Shares
"Shareholder(s)"	holder(s) of our Share(s)
"Stabilizing Manager"	CLSA Limited

"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Takeovers Code"	the Code on Takeovers and Mergers and Share Buy-backs published by the SFC (as amended, supplemented or otherwise modified from time to time)
"TenNor Cayman"	TenNor Therapeutics Limited, an exempted company organized and existing under the laws of the Cayman Islands on October 25, 2012 which was the holding company of our Group through TenNor Hong Kong prior to the Flip-down
"TenNor Hong Kong"	TenNor Therapeutics HK Limited (丹諾醫藥(香港)有限公司 a limited liability company incorporated in Hong Kong on November 8, 2012 which held majority interests in our Company prior to the Flip-down and became an indirect wholly-owned subsidiary of our Company immediately after the Flip-down
"TenNor Shanghai"	TenNor Therapeutics Technology (Shanghai) Limited (丹諾醫藥技術(上海)有限公司) a limited liability company established under the laws of the PRC on December 12, 2014 and a wholly-owned subsidiary of our Company as of the Latest Practicable Date
"TenNor USA"	TenNor Therapeutics, Inc., a limited liability company incorporated in the United States on June 4, 2018 and a direct wholly-owned subsidiary of our Company as of the Latest Practicable Date
"TenNor Zhongshan"	TenNor Therapeutics (Zhongshan) Limited (丹諾醫藥(中山)有限公司), a limited liability company established under the laws of the PRC on August 25, 2023 and a wholly-owned subsidiary of our Company as of the Latest Practicable Date
"Track Record Period"	the three 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 the International Underwriting Agreement
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"Unlisted Share(s)"	ordinary Share(s) issued by our Company, with a nominal value of RMB1.00 each, which is/are not listed or traded on any stock exchange
"U.S. dollars", "US$" or "USD"	United States dollars, the lawful currency of the United States
"U.S. Securities Act"	the U.S. Securities Act of 1933, as amended, supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder
"%"	per cent

"acute bacterial skin and skin structure infections" or "ABSSSI"	a group of serious bacterial infections that affect the skin and underlying soft tissues
"adverse events" or "AEs"	any untoward medical occurrences in a patient or clinical investigation participant administered a drug or other pharmaceutical product during clinical trials and which do not necessarily have a causal relationship with the treatment
"amoxicillin"	a penicillin antibiotic used to treat various bacterial infections, including *H. pylori infection*, middle ear infection, strep throat, pneumonia, skin infections, odontogenic infections, and urinary tract infections
"anaerobic bacteria"	bacteria that can live and grow without oxygen
"antibiotic susceptibility testing"	a laboratory method used to determine how effective specific antibiotics are against a particular bacterial strain
"antimicrobial"	a substance that kills or inhibits the growth of microorganisms, including bacteria, viruses, fungi, and parasites
"AUC"	area under the curve; AUC_t represents the observed drug exposure from the time of administration (0) to the last measurable concentration; AUC_{o-12h} refers to area under the concentration-time curve from the first time point measured (0) extrapolated to (12); AUC_∞ represents the total drug exposure, including both the observed portion (AUC_t) and the extrapolated portion beyond the last measurable concentration
"bactericidal"	substances or treatments that kill bacteria
"bacteroides"	a genus of Gram-negative, anaerobic, rod-shaped bacteria that plays a major role in the human gut microbiome — especially in the colon
"BID"	bis in die, means "twice a day," which is often used in prescriptions to indicate the frequency of medication intake
"bismuth quadruple therapy" or "BQT"	a first-line treatment for *Helicobacter pylori* infections, consisting of a proton pump inhibitor, bismuth, tetracycline, and a nitroimidazole, typically administered for 10 to 14 days
"BTT"	bridge-to-transplant, strategy uses mechanical circulatory support devices to support patients while they wait for a heart transplant
"bridging trial"	a clinical study designed to extrapolate foreign clinical data to a new regulatory region, typically to account for potential ethnic, genetic, or regional differences in drug response. Bridging trials may range from pharmacokinetic and pharmacodynamic studies to confirmatory efficacy and safety studies, depending on the requirements of the local regulatory authority. They are often mandated when a drug developed and approved in one country seeks approval in another
"BV"	bacterial vaginosis, a common vaginal infection caused by an imbalance of natural bacteria in the vagina

"C_{max}"	the maximum concentration of a drug in the bloodstream, cerebrospinal fluid, or target organ after a dose is administered
"*C. difficile*"	*Clostridioides difficile*, a bacterium that can cause serious intestinal illness, especially after antibiotic use
"CAGR"	compound annual growth rate, the rate of return that would be required for an investment to grow from its beginning balance to its ending balance, assuming the profits were reinvested at the end of each year of the investment's lifespan
"carbapenem-resistant *A. baumannii*" or "CRAB"	carbapenem-resistant *Acinetobacter baumannii*
"carbapenem-resistant *K. pneumoniae*" or "CRKP"	carbapenem-resistant *Klebsiella pneumoniae*
"carbapenem-resistant *P. aeruginosa*" or "CRPA"	carbapenem-resistant *Pseudomonas aeruginosa*
"catheter-related bloodstream infection" or "CRBSI"	a serious infection that occurs when bacteria or fungi enter the bloodstream through a central venous catheter
"CDC"	U.S. Centers for Disease Control and Prevention
"CDE"	Center for Drug Evaluation, a division of the NMPA
"CDMOs"	contract development and manufacturing organizations
"CE"	clinically evaluable, include patients who followed protocol
"CFU"	colony-forming units, a microbiological measurement used to estimate the number of viable living microorganisms in one gram of a sample
"cGMP(s)"	current good manufacturing practice(s)
"ciprofloxacin-resistant *S. aureus*" or "CRSA"	*S. aureus* strains resistant to ciprofloxacin
"rifabutin triple therapy"	a first-line treatment for *Helicobacter pylori* infections, consisting of a proton pump inhibitor, rifabutin, and amoxicillin, typically administered for 14 days
"clindamycin-susceptible *S. aureus*" or "CSSA"	*S. aureus* strains that remain susceptible to clindamycin
"clinically relevant"	AEs related to the ability of a therapy to improve how the patient feels, functions, and/or survives
"CMC"	chemistry, manufacturing, and controls processes
"CMO(s)"	contract manufacturing organization(s), a company that serves other companies in the pharmaceutical industry on a contract basis to provide drug manufacturing services
"CNIPA"	China National Intellectual Property Administration

"cohort"	a group of participants as part of a clinical study who share a common characteristic or experience within a defined period and who are monitored over time
"combination therapy"	treatment in which a participant is given two or more drugs or other therapeutic agents for a single disease
"COVID-19"	coronavirus disease 2019, a disease caused by the novel virus 2 SARS-CoV-2 and designated as severe acute respiratory syndrome
"CRO(s)"	a contract research organization, who provides support to the pharmaceutical, biotechnology, and medical device industries in the form of research services outsourced on a contract basis
"CSOs"	contract sales organizations
"CTCAE"	common terminology criteria for adverse event
"culture-positive microbiological intent-to-treat" or "Micro-ITTc"	a specialized analysis population used in clinical trials, particularly in infectious disease studies, to evaluate the efficacy of antimicrobial treatments in patients who have confirmed infections based on microbiological culture results
"DAIR"	debridement, antibiotics, and implant retention, a surgical and medical strategy used to treat acute periprosthetic joint infections
"debridement"	a medical procedure that involves the removal of dead, damaged, or infected tissue from a wound to promote healing and reduce the risk of infection
"driveline infections"	infections that occur at the exit site of the driveline
"drug distribution trial"	a clinical study conducted to evaluate the biodistribution of a drug candidate in the body, including its tissue penetration, localization, and potential accumulation. Such studies provide critical insights into pharmacokinetics, target engagement, and safety. Distribution studies may be conducted preclinically (in animals using radiolabeled compounds or imaging techniques) or clinically, depending on the drug's mechanism of action and intended use. Regulatory authorities often require distribution data to support NDA submission, particularly for drugs targeting specific tissues or for radiopharmaceuticals
"drug-drug interaction (clinical) trial"	a clinical study designed to evaluate the pharmacokinetic and/or pharmacodynamic interactions between two or more drugs administered concomitantly. Such studies are typically required by regulatory authorities and must be completed and submitted prior to NDA approval
"DT"	destination therapy, permanent mechanical support for patients who are not candidates for heart transplantation
"EA"	early assessment
"*Escherichia coli*" or "*E. coli*"	a type of bacteria that naturally lives in the intestines of humans and animals
"*Faecalibacterium prausnitzii*"	one of the most important and abundant beneficial bacteria in the human gut, especially in the colon

"FCPA"	Foreign Corrupt Practices Act of the United States
"FDA"	The United States Food and Drug Administration, a federal agency of the Department of Health and Human Services
"fecal microbiota transplantation" or "FMT"	a medical procedure where stool from a healthy donor is transferred into the gastrointestinal tract of a patient to restore a balanced gut microbiome
"first-in-class"	drugs that use a new and unique mechanism of action for treating a medical condition
"first-line treatment"	the initial, or first treatment recommended for a disease or illness
"FVPL"	fair value through profit or loss
"*Gardnerella vaginalis*" or "*G. vaginalis*"	a type of bacteria that naturally lives in the vagina as part of the vaginal microbiome
"gastroscopic biopsy"	a stomach biopsy, or gastric tissue biopsy, is a procedure to diagnose a range of conditions, including stomach ulcers
"GCP(s)"	good clinical practice(s), an international ethical and scientific quality standard for the performance of a clinical trial on medicinal products involving humans
"GFA"	gross floor area
"GMP"	Good Manufacturing Practice, guidelines and regulations from time to time issued pursuant to the PRC Drug Administration Law (《中華人民共和國藥品管理法》) as part of quality assurance which aims to minimize the risks of contamination, cross contamination, confusion and errors during the manufacture process of pharmaceutical products and to ensure that pharmaceutical products subject to these guidelines and regulations are consistently produced and controlled in conformity to quality and standards appropriate for their intended use
"Grade"	term used to refer to the severity of adverse events, using categories of Grade 1, Grade 2, Grade 3, Grade 4 and Grade 5
"Gram-negative infections"	infections caused by Gram-negative bacteria. When subjected to Gram staining, these bacteria appear pink or red, in contrast to Gram-positive bacteria, which appear violet. It is because that Gram-negative bacteria have a unique cell wall structure, with an outer membrane containing lipopolysaccharides, which makes them naturally more resistant to many antibiotics. They can cause serious infections, including diabetic foot infections, urinary tract infections, and wound or surgical site infections
"GSPs"	good storage practices, a set of guidelines and protocols proposed and regulated by various national and international health authorities, ensuring the proper storage of pharmaceutical products, biological samples, and clinical supplies to maintain their quality, potency, and safety
"GVPs"	good vigilance practices, a set of guidelines and standards that govern the monitoring and management of the safety of medicinal products

"half-life"	the time taken for the radioactivity of a specified isotope to fall to half its original value
"hAME clinical trial"	human absorption, metabolism, and excretion clinical trial. It is a study designed to characterize the absorption, metabolic pathways, and routes of excretion of a drug in humans. Typically conducted using radiolabeled compounds, such studies provide key information on drug disposition and metabolite profiles. hAME trials are generally required by regulatory authorities prior to NDA submission and are considered part of the clinical pharmacology package
"*Helicobacter pylori*" or "*H. pylori*"	a corkscrew-shaped bacterium that infects the stomach
"hepatic encephalopathy" or "HE"	a serious condition that affects brain function due to liver dysfunction
"*in vitro*"	studies conducted outside of a living organism in a laboratory environment using test tubes, petri dishes, etc. using components of an organism that have been isolated from their usual biological surroundings, such as microorganisms, cells or biological molecules
"*in vivo*"	studies in which the effects of various biological entities are tested on whole, living organisms as opposed to a partial or dead organism, or those done *in vitro*
"IND"	investigational new drug, an application and approval process required before drug candidates may commence clinical trials
"inhibitor"	a chemical or substance added or applied to another substance to slow down a reaction or to prevent an unwanted chemical change
"innovative"	when used in connection with a drug, referring to Class 1 innovative drugs that are NMEs or novel therapeutic modalities and have not been marketed anywhere in the world
"intent-to-treat" or "ITT"	a principle used in clinical trials to ensure that the results reflect real-world effectiveness of a treatment
"intra-articular" or "IA"	injections or treatments delivered directly into a joint
"intravenous treatment" or "IV treatment"	a medical method of delivering fluids, medications, or nutrients directly into a vein, allowing for rapid absorption into the bloodstream
"irritable bowel syndrome with diarrhea" or "IBS-D"	a subtype of irritable bowel syndrome characterized by frequent, loose stools along with abdominal discomfort
"*K. pneumoniae*"	*Klebsiella pneumoniae*, a Gram-negative, rod-shaped bacterium that naturally lives in the human intestines and feces
"LVADs"	left ventricular assist devices, a mechanical pump that providers implant in people who have heart failure
"$MBBC_{90}$"	minimum biofilm bactericidal concentration for 90% of isolates

"methicillin-resistant *S. epidermidis*" or "MRSE"	a strain of *S. epidermidis* bacteria that has developed resistance to methicillin and other beta-lactam antibiotics
"methicillin-resistant *S. aureus*" or "MRSA"	a strain of *S. aureus* bacteria that has developed resistance to methicillin and other beta-lactam antibiotics
"microaerophilic"	organisms that require oxygen to survive, but at lower levels than are present in the atmosphere
"microbiome"	a vast community of microorganisms including bacteria, fungi, viruses, and their genetic material which live in a particular environment
"microbiota"	a community of microorganisms including bacteria, fungi, viruses, and archaea which live in a specific environment
"microbiological intent-to-treat" or "micro-ITT"	a subset of the intention-to-treat population, includes only patients who had a confirmed infection with the target pathogen at baseline
"minimum inhibitory concentration" or "MIC"	the lowest concentration of a chemical, usually an antimicrobial agent, that prevents visible growth of bacteria or fungi
"modified intention-to-treat" or "mITT"	analysis whereby participants who do not initiate treatment are excluded from the analysis
"MOFCOM"	Ministry of Commerce of the People's Republic of China (中華人民共和國商務部)
"MRCT"	multiregional clinical trial
"MTD"	maximum tolerated dose
"multiple ascending dose" or "MAD"	a type of clinical trial that is used to evaluate the safety and efficacy of a drug over an extended period of time, typically involving multiple doses
"mutant selection window"	a concept in antimicrobial pharmacology that describes the range of antibiotic concentrations where drug-resistant bacterial mutants are most likely to be selected and amplified
"NDA"	new drug application
"NME"	new molecular entity, an active pharmaceutical ingredient with a unique molecular structure not previously approved by regulatory agencies
"NMIP"	National Medical Insurance Program
"NMPA"	The National Medical Products Administration of China (國家藥品監督管理局) or, where the context so requires, its predecessor, the CFDA
"no-observed-adverse-effect level" or "NOAEL"	the highest dose or exposure level of a substance at which no statistically or biologically significant harmful effects are observed in test participants compared to a control group

"NRDL"	China's National Reimbursement Drug List, also known as Drugs Catalogue for the National Basic Medical Insurance, Work-related Injury Insurance and Maternity Insurance (《國家基本醫療保險、工傷保險和生育保險藥品目錄》), which was published by MOHRSS on November 27, 2009 and amended from time to time. The latest version of NRDL was jointly published by National Healthcare Security Administration (國家醫療保障局) and MOHRSS in 2019 and came into force on January 1, 2020
"NTM-PD"	nontuberculous mycobacterial pulmonary disease, a chronic lung infection caused by nontuberculous mycobacteria
"optimized BQT"	a first-line treatment regimen for *Helicobacter pylori* infections, especially recommended when antibiotic resistance is a concern or prior treatments have failed
"Orphan Drug designation"	a special status granted by regulatory agencies
"*P. aeruginosa*"	*Pseudomonas aeruginosa*, a Gram-negative, rod-shaped bacterium that's found widely in the environment
"pathogen"	a microorganism, such as a bacterium, virus, or fungus, that causes disease
"PCR-based susceptibility testing"	susceptibility testing techniques include universal 16S rRNA and rpoB quantitative PCR assays, microfluidics, microarrays, mass spectrometry, cell lysis based methods, and whole-genome sequencing
"PCT"	the Patent Cooperation Treaty
"pharmacology"	the science that deals with the origin, nature, chemistry, effects, and uses of drugs, including pharmacognosy, pharmocokinetics, pharmacodynamics, pharmacotherapeutics and toxicology
"pharmacophores"	a part of a molecule responsible for its biological activity, the features that allow it to interact with a specific target, such as a protein, enzyme, or receptor in the body
"Phase I clinical trial(s)"	Phase I clinical trials aim to test the safety of a new drug candidate
"Phase II clinical trial(s)"	Phase II clinical trials test the new drug candidate on a larger group of patients, to gather information about whether it works and how well it works in the short-term
"Phase III clinical trial(s)"	Phase III clinical trials are for a new drug candidate that has already passed Phases I and II which test the new drug candidate in larger groups of patients, and compare the new drug candidate against an existing treatment or a placebo to see if it works better in practice and if it has important side effects
"PK"	pharmacokinetics, the study of how the body interacts with administered substances, particularly medications, throughout the entire duration of exposure

"PMDA"	Pharmaceuticals and Medical Devices Agency, an Independent Administrative Institution responsible for ensuring the safety, efficacy and quality of pharmaceuticals and medical devices in Japan
"post-treatment evaluation" or "PTE"	a structured assessment conducted after a participant completes a course of therapy, whether it is for an infection, chronic illness, or even dental or psychological care
"potassium-competitive acid blocker" or "P-CAB"	a new class of drug that binds reversibly to K+ ions and block the H+/K+-ATPase enzyme, thus preventing acid production
"per-protocol" or "PP"	a type of analysis used in clinical trials to evaluate the effectiveness of a treatment under ideal conditions
"probiotic"	live microorganisms which provide health benefits to the host
"prosthetic joint infection" or "PJI"	an infection that occurs at the site of prosthetic joint implantation, affecting both the artificial prosthesis and the surrounding periarticular tissues
"proton pump inhibitor" or "PPI"	a group of medicines that decrease stomach acid production
"QA"	quality assurance
"QC"	quality control
"QD"	quaque die, means "every day" or "once per day," which is often used in prescriptions to indicate the frequency of medication intake
"QID"	quater in die, means "four times a day," which is often used in prescriptions to indicate the frequency of medication intake
"QIDP"	qualified Infectious disease product, a U.S. incentive scheme designed to promote the development of antibacterial and antifungal drugs to treat serious or life-threatening infections
"quinolone-resistant *S. aureus*" or "QRSA"	strains of *S. aureus* that have developed resistance to quinolone antibiotics, including fluoroquinolones like ciprofloxacin and levofloxacin
"R&D"	research and development
"REMS"	Risk Evaluation and Mitigation Strategy
"rifampin-susceptible *S. aureus*" or "RSSA"	*S. aureus* strains that remain susceptible to rifampin
"RSU"	restricted share unit, a form of equity compensation that companies grant to employees
"RTT"	rifasutenizol triple therapy
"*S. aureus*"	*Staphylococcus aureus*, a Gram-positive bacterium commonly found on the skin and in the noses of healthy people
"*S. epidermidis*"	*Staphylococcus epidermidis*, a Gram-positive, spherical bacterium that naturally lives on human skin and mucous membranes

"serious adverse events" or "SAEs"	any untoward medical occurrence in a patient during clinical trials that results in death, is life-threatening, requires inpatient hospitalization or prolongation of existing hospitalization, results in persistent or significant disability/incapacity, or is a congenital anomaly/birth defect
"single ascending dose" or "SAD"	a type of Phase I trial, which are usually conducted in a small number of healthy volunteers
"small molecule(s)"	low molecular weight ($\leq$ 1000 daltons) organic compounds that may regulate a biological process, with a size on the order of 1 nm
"sq.m."	square meter, a unit of area
"*Streptococcus spp.*" or "*Strep. spp.*"	species within the genus *Streptococcus*, a group of Gram-positive, spherical bacteria that typically form chains or pairs
"THA"	total hip arthroplasty, replacing the ball-and-socket joint of the hip with prosthetic parts
"TID"	ter in die, means "three times a day," which is often used in prescriptions to indicate the frequency of medication intake
"TKA"	total knee arthroplasty, replacing the worn-out surfaces of the knee joint with artificial components
"treatment-emergent adverse events" or "TEAEs"	a category of adverse events that can particularly occur with cancer or autoimmune condition treatments during a clinical trial
"USPTO"	United States Patent and Trademark Office
"WHO"	World Health Organization

This prospectus contains certain forward-looking statements relating to our plans, objectives, beliefs, expectations, predictions and intentions, which are not historical facts and may not represent our overall performance for the periods of time to which such statements relate. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this prospectus. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks, uncertainties and other factors facing our Company which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- our business strategies and plans to achieve these strategies;
- our ability to complete the development and obtain the relevant requisite regulatory approvals of our products and drug candidates;
- our drug candidates under development or planning;
- our ability to attract customers and further enhance our brand recognition;
- our future debt levels and capital needs;
- changes to the political and regulatory environment in the industry and markets in which we operate;
- changes in competitive conditions and our ability to compete under these conditions;
- future developments, trends and conditions in the industry and markets in which we operate;
- effects of the global financial markets and economic crisis;
- our financial conditions and performance;
- our dividend policy, if any; and
- changes or volatility in interest rates, foreign exchange rates, equity prices, volumes, operations, margins, risk management and overall market trends.

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

The forward-looking statements are based on our current plans and estimates and speak only as of the date they were made. We undertake no obligation to update or revise any forward-looking statements in light of new information, future events or otherwise. Forward-looking statements involve inherent risks and uncertainties and are subject to assumptions, some of which are beyond our control. We caution you that a number of important factors could cause actual outcomes to differ, or to differ materially, from those expressed in any forward-looking statements.

Our Directors confirm that the forward-looking statements are made after reasonable care and due consideration. Nonetheless, due to the risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect, or at all.

Accordingly, you should not place undue reliance on any forward-looking statements in this prospectus. All forward-looking statements contained in this prospectus are qualified by reference to this cautionary statement.

An investment in our H Shares involves significant risks. You should carefully consider all of the information in this document, including the risks and uncertainties described below, before making an investment in our H Shares. The following is a description of what we consider to be our material risks. Any of the following risks could have a material adverse effect on our business, financial condition and results of operations. In any such case, the market price of our H Shares could decline, and you may lose substantial or all 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 the section headed "Forward-looking Statements".

RISKS RELATING TO THE RESEARCH AND DEVELOPMENT OF OUR DRUG CANDIDATES

Our business and financial prospects depend substantially on the success of our clinical stage and preclinical stage drug candidates.

Our revenue and profitability are substantially dependent on our ability to complete the development of our drug candidates, obtain requisite regulatory approvals and successfully manufacture and commercialize our drug candidates. As of the Latest Practicable Date, none of our drug candidates have been approved for marketing. We have invested a significant portion of our efforts and capital resources in the development of our drug candidates, and we expect to incur substantial and increasing expenditures for the development and commercialization of our drug candidates in the future.

We cannot guarantee that we will be able to obtain regulatory approvals for our drug candidates in a timely manner, or at all. The success of our drug candidates will depend on several factors, including but not limited to: (i) completion of preclinical studies as well as completion of clinical trials; (ii) favorable safety and efficacy data from our clinical trials and other studies; (iii) obtaining sufficient supplies of any drug products that are used in combination with our drug candidates, competitor drugs or comparison drugs; (iv) successfully launching commercial sales of our drug candidates, if and when approved; (v) obtaining and maintaining favorable reimbursement from third-party payors for drugs, if and when approved; and (vi) continued acceptable safety profiles of our drug candidates following regulatory approvals. If we do not achieve one or more of these in a timely manner or at all, we could experience significant delays or difficulties in obtaining approvals for and commercializing our drug candidates, which would materially harm our business and may prevent us from generating sufficient revenues and cash flows to continue our operations.

We may face competition with other traditional antibiotics as well as existing first-line treatments of the targeted indications.

We expect to commercialize one or more of our drug candidates over the coming years as they move towards the final stages of development. We may face competition with respect to existing standards of care, including currently used traditional antibiotics and established first-line treatment regimens for the targeted indications, such as BQT. In addition, although drug resistance is an ongoing global concern, drug resistance rates to certain commonly used antibiotics, such as amoxicillin and vancomycin, remain relatively low in some indications and regions. According to Frost & Sullivan, the drug-resistance rate for amoxicillin is approximately 10% in China, less than 5% in the U.S., and less than 5% globally. The drug resistance rate to vancomycin is approximately 1.7% in China and approximately 1% to 2% in the U.S. As a result, physicians may continue to prescribe such established antibiotics as first-line therapies. Our competitors include major pharmaceutical companies, specialty pharmaceutical companies and biotechnology companies worldwide. Some of these competitive drugs and therapies may be based on scientific approaches that are the same as or similar to our approach, and others may be based on entirely different approaches. Potential competitors also include academic institutions, government agencies and other public and private research organizations that conduct research, seek patent protection, and establish collaborative arrangements for research, development, manufacturing, and commercialization.

Even if successfully developed and subsequently approved by the NMPA, the FDA or other comparable regulatory authorities, our drug candidates may still face competition in various aspects, including safety and efficacy, the timing and scope of the regulatory approvals, the availability and cost of supply, sales and marketing capabilities, price and patent status. Our competitors may succeed in developing competing drugs and obtaining regulatory approvals before us or achieve better acceptance in the markets in which we operate or have established a competitive position. Competition may increase further as a result of advances in the commercial applicability of technologies and greater availability of capital for investment in these industries. Additionally, technologies developed by our competitors may render our future drug products uneconomical or obsolete, and we may not be successful in marketing our future drug products against competitors.

We may not be able to identify, discover or develop new drug candidates, or to identify or develop new indications for our drug candidates, to expand or maintain our product pipeline.

The success of our business depends in part upon our ability to identify, discover, develop or commercialize additional drug candidates, or to identify and develop new indications for our drug candidates. We may also consider pursuing collaboration with third parties in the discovery and development of potential drug candidates, but we cannot assure you that such collaboration will be able to deliver the intended results.

Our research programs may initially show promising results in identifying potential indications and/or drug candidates, yet fail to yield results for clinical development for a number of reasons, including but not limited to the following factors, including, without limitation, the following: (i) our research or business development methodology or search criteria and process may be unsuccessful in identifying potential indications and/or new drug candidates; (ii) our potential drug candidates may, after further study, be shown to have harmful side effects or may have other characteristics that may make the drug candidates unlikely to achieve desired efficacy, unmarketable or unlikely to receive marketing approval; and (iii) it may take greater human and financial resources to identify additional therapeutic opportunities for our drug candidates or to develop suitable potential drug candidates through internal research programs, thereby limiting our ability to diversify and expand our product portfolio.

Accordingly, there can be no assurance that we will be able to identify new drug candidates or new indications for our drug candidates or to develop suitable potential drug candidates through internal research programs. Any of the foregoing events will have a material adverse effect on our business, results of operations and prospects.

We invest substantial resources in research and development in order to develop, enhance or adapt to new technologies and methodologies.

The global pharmaceutical industry is constantly evolving and in order to maintain our competitive position, we need to keep up with new technologies and methodologies. For the years ended December 31, 2023, 2024 and 2025, our research and development expenses were RMB108.4 million, RMB69.8 million and RMB71.9 million, respectively. We must continue to allocate significant amounts of human and capital resources to develop or acquire technologies that will enable us to improve the breadth and caliber of our clinical trials. We intend to continue to enhance our technical capabilities in drug discovery, development and manufacturing, which are capital-and-time-intensive. We cannot assure you that we will be able to develop, enhance or adapt to new technologies and methodologies, successfully identify new technological opportunities, develop and bring new or enhanced products to market, obtain sufficient or any patent or other intellectual property protection for such new or enhanced products. Any failure to do so may render our previous efforts obsolete, which could significantly reduce the competitiveness of our technology platforms and drug candidates, and harm our business and prospects.

We may encounter unexpected difficulties in executing our clinical trials and commercializing our drug candidates on a timely basis.

Commencement of a clinical trial is subject to finalizing trial design based on ongoing discussions with the NMPA, the FDA or other regulatory authorities. We cannot assure you as to when the clinical trials for our drug candidates in discovery and pre-clinical stages will begin, if at all. However, the successful completion of clinical trials is an essential requirement to obtain NDA or similar approvals from the NMPA, the FDA, or other comparable regulatory authorities for each of our drug candidates and,

ultimately, the commercialization of our drug candidates. Clinical trials, however, come with an expense, are challenging to plan and carry out, and can take years to finish with no guarantee of success. Failure can occur at any time or stage during the clinical development process, which would result in a material and adverse effect on our business, financial condition and results of operations.

If we are required to conduct additional clinical trials or other testing of our drug candidates beyond those that we currently contemplate, if we are unable to successfully complete clinical trials of our drug candidates or other testing, if the results of these trials or tests are not positive or are only modestly positive or if they raise safety concerns, we may: (i) be delayed in obtaining regulatory approval for our drug candidates or not obtain regulatory approval at all; (ii) obtain approval for proposed indications that are not as broad as intended; (iii) have the drug removed from the market after obtaining regulatory approval; (iv) be subject to additional post-marketing testing requirements; (v) be subject to restrictions on how the drug is distributed or used; or (vi) be unable to obtain reimbursement for use of the drug.

Delays in clinical trials or obtaining regulatory approvals may result in increases in our drug development costs. We cannot assure you whether any clinical trials will begin as planned, will need to be restructured or will be completed on schedule, or at all. Significant delays in clinical trials could also shorten any periods during which we have the right to commercialize our drug candidates or allow our competitors to bring drugs to market before we do, which could impair our ability to commercialize our drug candidates and may have an adverse effect on our business and results of operations.

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

We may fail or experience significant delays to initiate or continue clinical trials for our drug candidates if we are unable to locate and enroll a sufficient number of eligible patients to participate in these trials as required by the NMPA, the FDA, or similar regulatory authorities. Even if we are able to enroll a sufficient number of patients in our clinical trials, delays in patient enrollment may result in increased costs or may affect the timing or outcome of the planned clinical trials.

Patient enrollment for our clinical trials may be affected by many factors. For example, some of our competitors have ongoing clinical trials for drug candidates that treat the same indications as our drug candidates, and patients who would otherwise be eligible for our clinical trials may instead enroll in the clinical trials of our competitors' drug candidates. Other factors include: (i) severity of the disease under investigation; (ii) total size and nature of the relevant patient population; (iii) design and eligibility criteria for the clinical trial in question; (iv) perceived risks and benefits of the drug candidate under study; (v) the risk that enrolled patients will not complete a clinical trial; (vi) our investigators' or clinical trial sites' efforts to screen and recruit eligible patients; and (vii) proximity and availability of clinical trial sites for prospective patients. Failure to enroll a sufficient number of patients in our clinical trials on a timely manner could prevent completion of our trials and adversely affect our ability to advance the development of our drug candidates.

Adverse events or undesirable side effects caused by our drug candidates could result in significant negative consequences.

AEs and undesirable side effects caused by our product candidates could cause us or regulatory authorities to interrupt, delay or halt clinical trials and may result in a narrowed scope of indications or a more restrictive label of our product candidates, a delay or denial of regulatory approval by the NMPA or other comparable regulatory authorities, or a significant change in our clinical protocol or even our development plan. AEs related to our drug candidates may also affect patient enrollment or the ability of enrolled patients to complete the trial, and could result in potential liability claims. Any of these occurrences may significantly harm our reputation, business, financial condition and prospects.

Additionally, any AEs or undesirable side effects caused by our drug candidates after they receive regulatory approval may lead to potentially significant negative consequences which include, but are not limited to, the following: (i) regulatory authorities may withdraw approvals or revoke licenses of our approved drug candidates; (ii) we may have to suspend marketing of our approved drug candidates; (iii) regulatory authorities may require additional warnings on the label of an approved drug candidate or impose other limitations on an approved drug candidate; (iv) the NMPA, the FDA or a comparable regulatory authority may require the establishment of a REMS, or other similar plans, which may restrict

distribution of our approved drug candidates and impose burdensome implementation requirements on us, among other risk mitigation tools; (v) we may be required to change the way the drug candidate is administered, or conduct post-marketing studies; (vi) we could be subject to litigation proceedings and held liable for harm caused to patients exposed to or taking our drug candidates, who may suffer from adverse events related to the treatment; and (vii) our reputation may suffer. Further, combination therapy using our drug candidates together with third-party agents may involve AEs, which in some cases could be exacerbated compared with AEs from monotherapies. Any of these events could significantly harm our business, financial condition, results of operations and prospects.

Results of early clinical trials may not be predictive of future trial results.

The results of pre-clinical studies and early clinical trials and non-head-to-head analyses may not be predictive of the success of later phase clinical trials, and favorable initial or interim results of a clinical trial do not necessarily predict successful final results. Drug candidates in later stages of clinical trials may fail to show the desired safety and efficacy traits despite having progressed through pre-clinical studies and initial clinical trials. As drug candidates are developed through pre-clinical to early- to late-stage clinical trials towards approval and commercialization, it is customary that various aspects of the development programs, such as manufacturing and formulation, are altered along the way in an effort to optimize processes and results. Such changes carry the inherent risks that they may not necessarily achieve the intended objectives.

In some instances, there can be significant variability in safety and/or efficacy results among different trials of the same drug candidate due to numerous factors, including, but not limited to, changes in trial procedures set forth in protocols, differences in the size and type of the patient populations, and the rate of dropout among clinical trial participants. In the case of any trials we conduct, results may differ from earlier trials due to, among other things, the larger number of clinical trial sites, additional countries and languages involved in such trials, the different conductors of the trials, and different clinical trial standards required in different jurisdictions. Any of these changes could make the results of planned clinical trials or other future clinical trials we may initiate less predictable and could cause our drug candidates to perform differently, which could delay completion of clinical trials, delay approval of our drug candidates and/or jeopardize our ability to commence commercialization of our drug candidates. Further more, there can be no assurance that non-head-to-head analyses (e.g., comparisons with competing drugs based on their publicly available study and trial data) will be predictive of future clinical results.

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

As we have limited financial and managerial resources, we focus our product pipeline on research programs and drug candidates that we identify for specific indications. As a result, we may forgo or delay pursuit of opportunities with other drug candidates or for other indications that may later prove to have greater commercial potential or a greater likelihood of success. Our spending on current and future research and development programs and drug candidates for specific indications may not yield any commercially viable products. If we do not accurately evaluate the commercial potential or target market for a particular drug candidate, we may relinquish valuable rights to that drug candidate through collaboration, licensing or other royalty arrangements in cases in which it would have been more advantageous for us to retain development and commercialization rights to such drug candidate, or we may allocate internal resources to a drug candidate in a therapeutic area in which it would have been more advantageous to enter into a partnering arrangement.

We may be unable to successfully develop or market our drug candidates or may experience significant regulatory delays, if safety, efficacy or other issues arise from any pharmaceutical product or medical treatment used, or intended to be used, in combination with our drug candidates.

We may develop certain of our drug candidates for combination therapies. RTT, which, like other antibacterial therapies, is not pathogen-specific and may affect not only disease-causing bacteria but also beneficial commensal bacteria in the human microbiome. While the adverse reaction profile observed for RTT is generally comparable to that of other antibacterial therapies used in similar indications and has not demonstrated a higher incidence or severity of adverse effects, any unintended disruption of the normal

microbiota may nonetheless give rise to safety, tolerability, or efficacy concerns, particularly with broader patient populations or longer-term use, which could limit its clinical adoption or commercial potential in broader or longer-term use. If the NMPA, the FDA or other comparable regulatory authorities revokes its approvals of the pharmaceutical products or medical treatments we intend to use in combination with our drug candidates, we may not be able to develop or market our drug candidates as a combination therapy as planned. In addition, if safety or efficacy issues arise with these pharmaceutical products or medical treatments that we seek to combine with our drug candidates, we may also experience significant regulatory delays, and be required to re-design or terminate the relevant clinical trials. Moreover, if manufacturing or other issues result in a supply shortage of any component in the combination therapies we are developing, we may not be able to complete clinical development of our drug candidates under our target timetable or within our current budget, or at all.

The data and information that we gather in our research and development process could be inaccurate or incomplete.

We collect, aggregate, process, and analyze data and information from our pre-clinical studies and clinical trials. We also engage in substantial information gathering following the identification of a promising drug candidate. If we make mistakes in the capture, input, or analysis of these data, our ability to advance the development of our drug candidates may be materially harmed and our business, prospects and reputation may suffer.

We also engage in the procurement of regulatory approvals necessary for the development and commercialization of our drug candidates, for which we manage and submit data to governmental authorities. These processes and submissions are governed by complex data processing and validation policies and regulations. Notwithstanding such policies and regulations, interim, top-line or preliminary data from our clinical trials that we announce or publish from time to time may change as more patient data become available and are subject to audit and verification procedures that could result in material changes in the final data, in which case we may be exposed to liability to a patient, court or government agency that concludes that our storage, handling, submission, delivery, or display of health information or other data was wrongful or erroneous. The insurance coverage for clinical trials may prove to be inadequate or could cease to be available to us on acceptable terms, or at all. A claim brought against us that is uninsured or under-insured could harm our business, financial condition and results of operations.

In conducting drug discovery, development and commercialization, we face potential liabilities, in particular, product liability claims or lawsuits that could cause us to incur substantial liabilities.

We face an inherent risk of product liability as a result of the clinical trials and any future commercialization of our drug candidates inside and outside China. For example, we may be sued if our drug candidates cause or are perceived to cause injury or are found to be otherwise unsuitable during clinical testing, manufacturing, marketing or sale. Claims could also be asserted under applicable consumer protection laws. Liability claims may result in decreased demand for our drug candidates, injury to our reputation, withdrawal of clinical trial participants and inability to continue clinical trials, initiation of investigations by regulators, costs to defend the related litigation, a diversion of management's time and our resources, increasing monetary awards to trial participants or patients, product recalls, withdrawals, or labeling, marketing or promotional restrictions, loss of revenue, exhaustion of our capital resources, the inability to commercialize any approved drug candidate, and a decline in the market price of our H Shares.

To cover such liability claims arising from clinical studies, we purchase clinical trial insurance to cover adverse events in our clinical trials. It is possible that our liabilities could exceed our insurance coverage or that our insurance will not cover all situations in which a claim against us could be made. We may not be able to maintain insurance coverage at a reasonable cost or obtain insurance coverage that will be adequate to satisfy any liability that may arise. If a successful product liability claim or series of claims are brought against us for uninsured liabilities or in excess of insured liabilities, our assets may not be sufficient to cover such claims and our business operations could be impaired. Should any of these events occur, it could have a material adverse effect on our business, financial condition and results of operations.

We may not be able to obtain or maintain approval from the NMPA, the FDA and other comparable regulatory authorities for our drug candidates to be eligible for an expedited registration pathway as innovative or breakthrough therapy.

The NMPA, the FDA and the comparable regulatory authorities in other jurisdictions may have implemented expedited review programs for drug candidates, among others, which are innovative drug applications, or which treat a serious or life-threatening condition and provide meaningful therapeutic benefit over available therapies, such as the NMPA's Breakthrough Therapy Designation and the FDA's Fast Track Designation. In addition, our two Phase III clinical trials for Rifaquizinone for the treatment of ABSSSI and PJI constitute a "package" for submitting an NDA to the FDA for the approval of either indication in the U.S. based on the communication with FDA. Under such circumstances, the approval of the ABSSSI indication may be inter-conditional upon the adequacy of clinical data, safety outcomes or regulatory review for the PJI indication. As a result, delays, deficiencies or additional data requirements in respect of the PJI indication could delay the NDA filing, review or approval of the ABSSSI indication.

To date, two of our clinical-stage assets, rifasutenizol (TNP-2198) and rifaquizinone, have received Fast Track Designation from the FDA. For details, see "Business — Overview." There can be no assurance, however, that the regulatory authorities will consider granting Fast Track Designation, Breakthrough Therapy Designation or other expedited review programs for our other or future drug candidates, or that we will decide to pursue or submit any applications for accelerated approvals or any other form of expedited development, review or approvals. Similarly, there can be no assurance that, after receiving feedback from the regulatory authorities, we will continue to pursue or apply for accelerated approvals or any other form of expedited development, review or approvals, even if we initially decide to do so. Furthermore, there can be no assurance that such a submission or application will be accepted for filing, or that any expedited development, review or approvals will be granted on a timely basis, or at all. In addition, expedited registration pathways may contain certain conditions related to use restrictions for certain patient populations, warnings, precautions or contraindications, or may be subject to burdensome post-approval study or risk management requirements. Any failure to obtain accelerated approvals or any other form of expedited development, review or approvals for our drug candidates and/or any future changes to current polices and approvals with respect to the expedited registration pathways of our drug candidates could result in a longer period of time prior to the commercialization of such drug candidate, an increase in the development expenses for such drug candidate and an adverse impact on our competitive position in the market.

RISKS RELATING TO MANUFACTURING AND COMMERCIALIZATION OF OUR DRUG CANDIDATES

Our business could be materially and adversely affected if we encounter problems in manufacturing our future drug products.

We have no experience in manufacturing pharmaceutical products on a commercial scale, which is a complex process requiring significant expertise and capital investment, in part due to strict regulatory requirements. The problems that may arise from the manufacturing process include but are not limited to: (i) failure to follow specific protocols and procedures; (ii) changes in product specification; (iii) low quality or insufficient supply of raw materials; (iv) changes in manufacturing production sites and limits to manufacturing capacity due to regulatory requirements; (v) changes in the types of products produced; (vi) advances in manufacturing techniques; (vii) physical limitations that could inhibit continuous supply; and (viii) man-made or natural disasters and other environmental factors.

If problems arise during the production process of certain future products, a batch or several related batches of such product may have to be discarded and cause production delays, cost increases, lost revenue, damage to customer relationships, time and expense spent investigating the cause and, depending on the cause, similar losses with respect to other batches or products. If problems are not discovered before the products are released to the market, recall and product liability costs may also be incurred.

In addition, the quality of our drugs manufactured by us for commercial use in the future, depends significantly on the effectiveness of our quality control and quality assurance. Any significant failure or deterioration of our quality control and quality assurance procedures could render our products unsuitable

for use, or not in compliance with the relevant requirements of the cGMP and/or harm our market reputation and relationships with business partners. Any such developments may have a material adverse effect on our business, financial condition and results of operations.

Failure to obtain and maintain regulatory approvals for our manufacturing facility, and any disruption or suspension of manufacturing activities may affect our business and results of operations.

As of the Latest Practicable Date, we did not have any in-house manufacturing facility that is operational. Anticipating future commercialization, we are in the process of establishing our in-house manufacturing facility, which is expected to commence operations in 2028. For details, see "Business — Manufacturing and Control — Manufacturing Facility." If we fail to obtain and maintain regulatory approvals for our manufacturing facility, or encounter delays in the construction or obtaining approval of our manufacturing facility, we may not be able to manufacture sufficient quantities of our drug candidates, once approved, which would limit our development and commercialization activities and our opportunities for growth. Cost overruns associated with constructing or maintaining our manufacturing facility could require us to raise additional funds from other sources.

Our manufacturing facility is required to obtain and maintain regulatory approvals, including being subject to ongoing, periodic inspection by the NMPA, the FDA or other comparable regulatory authorities to ensure compliance with cGMP regulations. We cannot guarantee, however, that we will be able to adequately follow and document our adherence to such cGMP regulations or other regulatory requirements. Remediating deficiencies, if any, can be laborious, time consuming and costly. Failure to obtain and maintain such regulatory approvals may materially affect our R&D activities, and seriously delay the clinical trials and commercialization of our drug candidates, once approved. We may also encounter problems with achieving adequate or clinical-grade products that meet the NMPA, FDA, or other comparable regulatory agency standards or specifications, maintaining consistent and acceptable production costs. Such an event could delay our clinical trials and/or the availability of our products for commercial sale. Moreover, we may spend significant time and costs to remedy these deficiencies before we can continue production at our manufacturing facility. We may also be subject to sanctions for failure to comply with applicable regulations, which could materially and adversely affect our business.

To produce our drug candidates in the quantities that we believe will be required to meet anticipated market demand of our drug candidates, if approved, we will need to increase, or "scale up," the production process by a significant factor over the initial level of production. If we are unable or delayed to do so, the cost of this scale up is not economically feasible for us or we cannot find a third-party supplier, we may not be able to produce our approved drug candidates in a sufficient quantity to meet future demand.

If our manufacturing facility or the equipment in it is damaged or destroyed, we may not be able to quickly or inexpensively replace our manufacturing capacity or replace it at all. In the event of a temporary or protracted loss of the facility or equipment, we might not be able to transfer manufacturing to a third party. Even if we could transfer manufacturing to a third party, the shift would likely be expensive and time-consuming, particularly since the new facility would need to comply with the necessary regulatory requirements and we would need regulatory agency approval before selling any drugs manufactured at that facility. Such an event could delay our clinical trials or reduce our product sales if and when we are able to successfully commercialize one or more of our drug candidates. Any disruption that impedes our ability to manufacture our drug candidates or drugs in a timely manner could materially and adversely affect our business, financial condition and operating results.

The supplies of raw materials may not be available to us on acceptable terms or at all, and an increase in the market prices of such supplies may adversely affect our results of operations.

During the Track Record Period, we had not encountered material supply difficulties with respect to raw materials, reagents, equipment or other materials necessary for our manufacturing of drug candidates. However, there is no assurance that we will be able to, at all times, procure certain raw materials we need in adequate amount or on commercially reasonable terms, in a timely manner or at all. Moreover, we may not be able to continue to source product from any of our current suppliers due to other reasons, such as regulatory actions or requirements affecting the supplier, adverse financial or other strategic developments experienced by certain supplier(s), labor disputes or shortages, unexpected demands, or quality issues.

Failure to obtain sufficient supply of these raw materials could adversely affect our ability to satisfy demand for our drug candidates, which could adversely and materially affect our development process, future commercialization efforts and operating results.

Furthermore, as our manufacturing processes require substantial amounts of supplies, fluctuations in price of such supplies may directly and adversely impact on our gross margins. During the Track Record Period, we had not experienced significant fluctuations in prices of supplies, and they are generally available and in sufficient quantity to meet our demands. However, the prices of supplies we use in manufacturing our drug candidates may be affected by a number of factors. A significant increase in the costs of supplies may directly and negatively affect our profit margins and, ultimately, our business, financial conditions, results of operation and prospects.

We may not be able to build, manage, expand and optimize an effective sales and distribution network for our drug candidates, either by ourselves or through third parties.

Our ability to successfully commercialize our drug candidates may involve more inherent risk, take longer, and cost more than it would if we were a company with experience in launching and marketing drug candidates. We will have to compete with many companies that currently have commercialization teams and extensive sales and marketing operations. In the long term, if we intend to distribute our products worldwide, we would need to develop and expand our in-house marketing organization and sales force, which will require significant expenditures, management resources and time. We may also consider working with external partners to leverage their sales and marketing expertise and well-established networks and resources. However, there can be no assurance that we will be able to establish or maintain such collaborative arrangements, or if we are able to do so, that they will have effective sales forces. We would have little or no control over the marketing and sales efforts of such third parties, and our revenue from product sales may be lower than if we had commercialized our drug candidates ourselves. We will also face competition in our search for third parties to assist us with the sales and marketing efforts for our drug candidates. There can be no assurance that we will be able to successfully develop and maintain in-house sales and commercial distribution capabilities or establish or maintain relationships with third-party collaboration partners to successfully commercialize any product, and as a result, our ability to generate product sales revenue may be negatively affected.

The actual markets for our current or future drug candidates may be smaller than our estimates.

Our projections of the number of patients who have the potential to benefit from treatment with our drug candidates are based on our beliefs and estimates. These estimates have been derived from a variety of sources, including scientific literature, surveys of clinics, patient foundations, or market research and may prove to be incorrect. Further, new studies may change the estimated incidence or prevalence of these diseases. The number of patients may turn out to be fewer than expected. As a result, the potentially addressable patient population and market size for our drug candidates may be smaller than our estimates. Furthermore, there is no guarantee that any of our drug candidates, even if approved, would be approved for the line of therapy we are aiming for. While we may seek approval for our drug candidates as an early-line therapy for certain indications, there is no guarantee that they will be approved as such. As a result, even if we obtain market approval for our drug candidates, we may not achieve the anticipated market size and revenue unless such market approval is for the intended lines of therapy or for additional indications.

Our drug candidates, once approved, may fail to achieve the degree of market acceptance by physicians, patients, third-party payers and others in the medical community.

Our future approved drug candidates may fail to gain sufficient market acceptance by physicians, patients, third-party payors and others in the medical community. For example, current bacterial control-related treatments are well established in the medical community, and doctors may continue to rely on these treatments to the exclusion of our drug candidates that are in clinical trials for the same or similar indications. In addition, physicians, patients and third-party payors may prefer other novel products to ours. The degree of market acceptance of our drug candidates, if approved for commercial sale, will depend on a number of factors. If any approved drug candidates that we commercialize fail to achieve market acceptance in the medical community, we will not be able to generate significant revenue. Even if our future approved drug candidates achieve market acceptance, we may not be able to maintain that

market acceptance over time if new products or technologies introduced that are more favorably received or more cost-effective. Our failure to achieve or maintain market acceptance for our future approved drug candidates would materially adversely affect our business, financial condition, results of operations and prospects.

Illegal and/or counterfeit pharmaceutical products may reduce demand for our drug candidates.

The illegal import of similar or competing products from countries where government price controls or other market dynamics result in lower prices may adversely affect the demand for our future approved drug candidates and, in turn, may adversely affect our sales and profitability in China and other countries where we plan to commercialize our drug candidates. Unapproved foreign imports of prescription drugs are illegal under current laws of China. However, illegal imports may continue to occur or even increase as the ability of patients and other customers to obtain these lower priced imports continues to grow. Furthermore, cross-border imports from lower-priced markets (parallel imports) into higher-priced markets could harm sales of our drugs and exert commercial pressure on pricing within one or more markets. In addition, any future legislation or regulations that increase consumer access to lower priced medicines from outside China or other countries where we operate could have a material adverse effect on our business.

Certain pharmaceutical products distributed or sold in our target markets may be manufactured without proper licenses or approvals, or are fraudulently mislabeled with respect to their usage or manufacturers. These products are generally referred to as counterfeit pharmaceutical products. The regulatory control and law enforcement system in relation to the counterfeit pharmaceutical products, may be inadequate to discourage or eliminate the manufacturing and sale of counterfeit pharmaceutical products imitating our products in a timely manner, or at all. Since counterfeit pharmaceutical products in many cases have very similar appearances compared with the authentic pharmaceutical products but are generally sold at lower prices, counterfeits of our products can quickly erode the demand for our future approved drug candidates. A patient who receives a counterfeit pharmaceutical product may be at risk for a number of dangerous health consequences, which potentially exposes us to product liability claims, government investigations, and other disputes and negative consequences. Our reputation and business could suffer harm as a result of counterfeit pharmaceutical products sold under our or our collaboration partner' brand name(s).

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

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

Our drug candidates may not be covered by insurance or reimbursement programs or may become subject to unfavorable insurance policies or reimbursement practices, and we may be subject to unfavorable pricing regulations.

Our ability to commercialize any approved drug candidates successfully will depend in part on the extent to which reimbursement for these drugs and related treatments will be available from government health administration authorities, private health insurers and other organizations. In China, the NRDL determines a pharmaceutical product's reimbursable amounts for program participants under the NMIP. There is no assurance that any of our future approved drug candidates will be included in the NRDL. If we were to successfully launch commercial sales of our products but fail in our efforts to have our products included in the NRDL, our revenue from commercial sales would be highly dependent on patient self-payment, which can make our products less competitive. Additionally, even if our application for the

inclusion of products in the NRDL were accepted by the relevant authorities, our potential revenue from the sales of these products could still decrease as a result of the significantly lowered prices we may be required to charge for our products to be included in the NRDL.

In the U.S., no uniform policy of coverage and reimbursement for drugs exists among third-party payers. As a result, obtaining coverage and reimbursement approval of a drug from a government or other third-party payer is a time-consuming and costly process that could require us to provide to each payer supporting scientific, clinical and cost-effectiveness data for the use of our future approved drugs on a payer-by-payer basis, with no assurance that coverage and adequate reimbursement will be obtained. Even if we obtain coverage for a given drug, the resulting reimbursement rates might not be adequate for us to achieve or sustain profitability or may require co-payments that patients find unacceptably high. Additionally, third-party payers may not cover, or provide adequate reimbursement for, long-term follow-up evaluations required following the use of our future approved drug candidates. Patients are unlikely to use any of our future approved drug candidates unless coverage is provided and reimbursement is adequate to cover a significant portion of the cost of the drugs.

Increasingly, third-party payers are requiring that companies provide them with predetermined discounts from list prices and are challenging the prices charged for medical products. If reimbursement is not available or is available only to limited levels, we may not be able to successfully commercialize any drug candidates that we successfully develop.

There may be significant delays in obtaining reimbursement for approved drug candidates, and reimbursement coverage may be more limited than the approved indications of the drug candidates by the NMPA, the FDA or other comparable regulatory authorities. Moreover, eligibility for reimbursement does not imply that any drug will be paid for in all cases or at a rate that covers our costs, including research, development, manufacture, sale and distribution. Interim payments for new drugs, if applicable, may also not be sufficient to cover our costs and may not be made permanent. Payment rates may vary according to the use of the drug and the clinical setting in which it is used, may be based on payments allowed for lower cost drugs that are already reimbursed, and may be incorporated into existing payments for other services. Net prices for drugs may be reduced by mandatory discounts or rebates required by government healthcare programs or private payers. Our inability to promptly obtain reimbursement coverage at profitable payment rates from both government-funded and private payers for any future approved drug candidates and any new drugs that we develop could have a material adverse effect on our business, our operating results, and our overall financial condition.

The commercialization of our drug candidate may be adversely affected if safety, efficacy or other issues arise from any pharmaceutical product or medical treatment used, or intended to be used, in combination with our drug candidates.

The commercialization of our drug candidates may be adversely affected if safety, efficacy, or other issues arise with any pharmaceutical product or medical treatment that is used, or intended to be used, in combination with our drug candidates. Even if our drug candidates themselves demonstrate an acceptable safety and efficacy profile, the success of these candidates in the market could be negatively impacted by adverse events, regulatory restrictions, product recalls, or discontinuation of any complementary product or treatment. Any such issues may lead to changes in clinical practice guidelines, reduce healthcare service provider or patient acceptance of combination therapies, delay or limit regulatory approvals, and ultimately reduce the commercial potential of our drug candidates. If one or more of these circumstances occur, our business, financial condition, results of operations, and prospects could be materially and adversely affected.

RISKS RELATING TO OUR INTELLECTUAL PROPERTY RIGHTS

We may not be able to obtain and maintain adequate patent and other intellectual property protection for our drug candidates throughout the selected markets in the world, or the scope of such intellectual property rights obtained may be not sufficiently broad or a compulsory license may be issued.

We seek to protect the drug candidates and technologies that we consider commercially important by filing patent applications in China and other jurisdictions, relying on trade secrets or pharmaceutical regulatory protection or employing a combination of these methods. For further information on our patent

portfolio, see "Business — Intellectual Property." If we are unable to obtain and maintain patent and other intellectual property protection with respect to our drug candidates and technologies, our business, financial condition, results of operations and prospects could be materially harmed. The patent prosecution process is expensive, time-consuming and complex, and we may not be able to file, prosecute, maintain, defend, enforce or license all necessary or desirable patents and patent applications at a reasonable cost or in a timely manner in all desirable jurisdictions. As a result, we may not be able to prevent competitors or other third parties from developing and commercializing competitive drugs in all such fields and jurisdictions.

The requirements for patentability differ in certain jurisdictions. In addition, many jurisdictions limit the enforceability of patents against government agencies or government contractors. In these jurisdictions, the patent owner may have limited remedies, which could materially diminish the value of such patents. If we are forced to grant a license to third parties with respect to any patent or patent application relevant to our business, our competitive position may be materially impaired and our business, financial condition, results of operations and prospects may be adversely affected. To our best knowledge, as of the Latest Practicable Date, drug products belonging to the same class of our product candidates had not been subjects of compulsory licensing in China.

It is also possible that we will fail to identify patentable aspects of our research and development output in time to obtain patent protection. Any parties who have access to confidential or patentable aspects of our research and development output, such as our employees, consultants, corporate collaborators, outside scientific collaborators and contract manufacturers, may breach non-disclosure and confidentiality agreements and disclose such output before a patent application is filed, thereby jeopardizing our ability to obtain patent protection. In addition, publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the U.S. and other jurisdictions are typically not published until 18 months after filing, or in some cases, not at all. Therefore, we cannot be certain that we were the first to make the inventions claimed in our patents or pending patent applications, or that we were the first to file for patent protection of such inventions. Furthermore, China and the U.S., have adopted the "first-to-file" system, under which the first inventor to file a patent application will be awarded the patent if all other patentability requirements are met. Under the first-to-file system, third parties may be granted a patent relating to a technology which we invented. In addition, under the PRC Patent Law, any organization or individual that applies for a patent in a foreign country for an invention or utility model accomplished in China is required to file a confidentiality examination before CNIPA. Otherwise, if a counterpart application is later filed in China, the patent right will not be granted.

The coverage claimed in a patent application can be significantly reduced before the patent is issued, and its scope can be reinterpreted after issuance. Even if patent applications we own currently or in the future issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors or other third parties from competing with us, or otherwise provide us with any competitive advantage. In addition, the patent position of pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions, and has been the subject of much litigation in recent years. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. Our competitors or other third parties may be able to circumvent our patents by developing similar or alternative technologies or products in a non-infringing manner.

Our patent rights may be challenged and invalidated.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and our patent rights may be challenged in the courts or patent offices in China, the U.S. and other jurisdictions. We may be subject to claims that former employees, collaborators or other third parties have an interest in our patents or other intellectual property or become involved in opposition, derivation, revocation, reexamination, post-grant and *inter partes* review, or interference proceedings challenging our patent rights or the patent rights of others. If we are unsuccessful in any interference proceedings or other priority or validity disputes (including any patent oppositions) to which our intellectual properties are subject, we may lose valuable intellectual property rights through the loss of one or more patents or our patent claims may be narrowed, invalidated, or held unenforceable. In addition, if we are unsuccessful in any inventorship disputes to which we are subject, we may lose valuable intellectual property rights, such as exclusive ownership. If we are unsuccessful in any aforementioned events, we may be required to obtain

and maintain licenses from third parties. Such licenses may not be available on commercially reasonable terms or at all, or may be non-exclusive. If we are unable to obtain and maintain such licenses, we may need to cease the development, manufacture and commercialization of one or more of our drug candidates. The loss of exclusivity or the narrowing of our patent claims could limit our ability to stop others from using or commercializing similar or identical drug products. Any of the foregoing could result in a material adverse effect on our business, financial condition, results of operations or prospects. Even if we are successful in an interference proceeding or other similar priority or inventorship disputes, it could result in substantial costs and be a distraction to our management and other employees.

Specifically, despite measures we take to obtain patent protection with respect to our major drug candidates and technologies, any of such issued patents could be narrowed, challenged or invalidated due to any interference proceedings or other priority or validity disputes. The outcome following legal assertions of invalidity and unenforceability is unpredictable. Such proceedings could result in revocation of or amendment to our patents in such a way that they no longer adequately cover and protect our drug candidates. Even if a third party does not prevail on a legal assertion of invalidity or unenforceability, our patent claims may be construed in a manner that would limit our ability to enforce such claims against such third party and others.

We may be unable to maintain or receive the benefits associated with orphan drug status, including market exclusivity.

Regulatory authorities in some jurisdictions, including the U.S., may designate drugs for relatively small patient populations as orphan drugs. Under the Orphan Drug Act, the FDA may designate a product as an orphan drug if it is a drug intended to treat a rare disease or condition, which is generally defined as a disease with a patient population of fewer than 200,000 individuals in the U.S. Our product candidate, rifaquizinone (TNP-2092 injection), has been awarded Orphan Drug designation by the FDA for the IV treatment of PJI. Also, our product candidates, rifasutenizol (TNP-2198) and rifaquizinone (TNP-2092 injection), have been awarded QIDP status by the FDA.

Generally, if a product with an orphan drug designation subsequently receives the first marketing approval for the indication for which it has such designation, the product may be entitled to a period of marketing exclusivity, which precludes the FDA from approving another marketing application for the same drug for the same indication during the period of exclusivity. The applicable period is seven years in the U.S. If this product also has a QIDP designation, the exclusivity will extend for another five years. We can provide no assurance that another drug will not receive marketing approval prior to our product candidates. Orphan drug exclusivity and QIDP drug exclusivity may be lost if the FDA determines that the request for designation was materially defective, or if the manufacturer is unable to assure sufficient quantity of the drug to meet the needs of patients with the rare disease or condition.

In addition, even after an orphan drug is approved, the FDA can subsequently approve a different drug for the same condition if the FDA concludes that the later drug is clinically superior in that it is shown to be safer, more effective or makes a major contribution to patient care. Therefore, even if we obtain exclusivity for a product candidate or additional product candidates, that exclusivity may not effectively protect the product candidate from competition because different drugs can be approved for the same condition.

Even if we obtain patent protection for our drug candidates, the term of such protection, if any, is limited, and third parties could develop and commercialize products and technologies similar or identical to ours and compete directly against us after the expiration of our patent rights, if any.

Although various adjustments and extensions may be available, the term of a patent, and the protection it affords, is limited. Generic or biosimilar medications may obtain marketing approval following our patent expiration. The patents and pending patent applications, if issued, for our drug candidates are expected to expire on various dates. For the expiration dates of our issued patents for our drug candidates, please see "Business — Intellectual Property." Upon the expiration of our issued patents, we will not be able to assert such patent rights against potential competitors and our business and results of operations may be adversely affected. As of the Latest Practicable Date, 14 patents on composition of matter we had for our drug candidates had already expired in 2025, and one such were about to expire in 2028. We have implemented a number of measures such as relying on patents and patent applications on

usage, formulations and crystalline forms to continually protect our intellectual property rights. As advised by Jingtian & Gongcheng, our IP Legal Adviser, we believe that the expiration of these patents would not have material impact on our subsequent R&D and commercialization activities regarding our Core Products and other drug candidates. However, there can be no assurance that such alternative forms of intellectual property protection will provide the same level of exclusivity.

Given the amount of time required for the development, testing and regulatory review of new drug candidates, patents protecting such drug candidates might expire before or shortly after such drug candidates are commercialized. As a result, our patents and patent applications may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours, which could have a material adverse effect on our competitive position, business, financial conditions, results of operations and prospects.

We may become involved in lawsuits to protect or enforce our intellectual property.

Competitors or other third parties may infringe our patent rights or misappropriate or otherwise violate our intellectual property rights. To counter infringement, misappropriation or any other unauthorized use, litigation may be necessary in the future to enforce or defend our intellectual property rights, to protect our trade secrets or to determine the validity and scope of our own intellectual property rights. Litigation and other proceedings in connection with any of the foregoing claims can be expensive and time-consuming and, even if resolved in our favor, may cause us to incur significant expenses and could distract management and our scientific and technical personnel from their normal responsibilities. We may not prevail in any lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be commercially meaningful. Any claims that we assert against perceived infringers and other violators could also provoke these parties to assert counterclaims against us alleging that we infringe, misappropriate or otherwise violate their intellectual property rights. An adverse result in any litigation proceeding could put our patent, as well as any patents that may issue in the future from our pending patent applications, at risk of being invalidated, held unenforceable or interpreted narrowly. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. Therefore, even if we were to ultimately prevail, or to settle at an early stage, such litigation could burden us with substantial unanticipated costs.

Moreover, we may not be able to detect infringement against our patents. Even if we detect infringement by a third party of any of our patents, we may choose not to pursue litigation against or settlement with such third party. If we later sue such third party for patent infringement, the third party may have certain legal defenses available to it, such as the delay between when the infringement was first detected and when the suit was brought. Such legal defenses may make it impossible for us to enforce our patents against such third party. The outcome following legal assertions of invalidity and unenforceability is unpredictable. If a defendant were to prevail on a legal assertion of invalidity or unenforceability, we would lose at least part, and perhaps all, of the patent protection on our drug candidates. Even if a defendant does not prevail on a legal assertion of invalidity or unenforceability, our patent claims may be construed in a manner that would limit our ability to enforce such claims against the defendant and others.

We may be sued for infringing, misappropriating or otherwise violating intellectual property rights of third parties or engaging in unfair competition.

Our efforts to identify and avoid infringing on third parties' intellectual property rights may not always be successful. Besides, defending ourselves against third parties' intellectual property right infringement allegations, meritorious or not, would be expensive and time consuming, and would be a substantial diversion of our resources and our management team's attention. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, some of our confidential information could be compromised by disclosure during this type of litigation.

In the event that third parties assert infringement claims against us, there is no assurance that the outcome would be in our favor, as whether a drug candidate or technology infringes on third parties' intellectual property rights involves an analysis of complex legal and factual issues, the determination of which is often uncertain, and the burden of proof required to successfully challenge a third-party intellectual property right may be high. If we were found by courts or other competent authorities to have

infringed on the patent or other intellectual property rights of third parties, we may be subject to injunctive or other equitable relief, which could prevent us from developing and commercializing our drug candidates, or at least delay the development or commercialization process. Even if the litigations or other proceedings are resolved in our favor, our involvement in such proceedings may attract publicity, thereby having a substantial adverse effect on our reputation and brand name.

We may not be able to enjoy additional protection over drug-related patents in the U.S.

In the U.S., the Federal Food Drug and Cosmetic Act, as amended by the law generally referred to as "Hatch-Waxman", provides the opportunity for limited patent term extension, which can compensate for patent term lost due to FDA's regulatory review. However, a patent term extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of drug approval; only one patent may be extended and only those claims covering the approved drug, a method for using it, or a method for manufacturing it may be extended. The application for the extension must be submitted prior to the expiration of the patent for which extension is sought. A patent that covers multiple products for which approval is sought can only be extended in connection with one of the approvals. Even then, we may not be granted an extension because of, for example, failing to exercise due diligence during the testing phase or regulatory review process, failing to apply within applicable deadlines, failing to apply prior to expiration of relevant patents, or otherwise failing to satisfy applicable requirements. Moreover, the applicable period or the scope of patent protection afforded could be less than we request.

Hatch-Waxman also has a process for patent linkage, pursuant to which the FDA will stay approval of certain follow-on applications during the pendency of litigation between the follow-on applicant and the patent holder or licensee, generally for a period of 30 months. Moreover, Hatch-Waxman provides for statutory exclusivities that can prevent submission or approval of certain follow-on marketing applications. For example, federal law provides a five-year period of exclusivity within the U.S. to the first applicant to obtain approval of a new chemical entity and three years of exclusivity protecting certain innovations to previously approved active ingredients where the applicant was required to conduct new clinical investigations to obtain approval for the modification. However, if we fail to apply for them in accordance with the applicable FDA requirements, we may not be able to benefit from those benefits.

Failure to obtain the patent term adjustment or extension for NMPA-approved pharmaceutical products could increase the risk of early generic competition for our products in China.

In China, the fourth Amendments to the PRC Patent Law (《中華人民共和國專利法》), which was adopted on October 17, 2020 and was put into effect on June 1, 2021, provides a drug-patent linkage system, as well as patent term extension for drug patents. Also, according to the newly amended Patent Law, a patent's term may be lengthened in some cases by a patent term adjustment, which extends the term of a patent to account for administrative delays by the CNIPA, in excess of a patent applicant's own delays during the prosecution process. However, if we fail to apply for them in accordance with the applicable NMPA requirements, we may not be able to benefit from those benefits.

Our trademarks and trade names may not be adequately protected.

We cannot assure you that any currently pending trademark applications or any trademark applications we may file in the future will be approved. During trademark registration proceedings, we may receive rejections and although we are given an opportunity to respond to those rejections, we may be unable to overcome such rejections. In addition, in proceedings before the CNIPA and in proceedings before comparable agencies in many foreign jurisdictions, third parties are given an opportunity to oppose pending trademark applications and to seek to cancel registered trademarks. If we are unsuccessful in obtaining trademark protection for our primary brands, we may be required to change our brand names, which could materially adversely affect our business. Moreover, as our products mature in the future, upon regulatory approval, our reliance on our trademarks to differentiate us from our competitors will increase, and as a result, if we are unable to prevent third parties from adopting, registering or using trademarks and trade dress that infringe, dilute or otherwise violate our trademark rights, or engaging in conduct that constitutes unfair competition, defamation or other violation of our rights, our business could be materially adversely affected.

Our trademarks or trade names may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks. We may be unsuccessful to protect our rights to these trademarks and trade names. At times, competitors or other third parties may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively and our business may be adversely affected. Any of the foregoing could have a material adverse effect on our competitive position, business, financial condition, results of operations and prospects.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed.

In addition to our issued patents and pending patent applications, we rely on trade secrets and confidential information, including unpatented know-how, technology and other proprietary information, to maintain our competitive position and to protect our drug candidates. We seek to protect our trade secrets and confidential information, in part, by entering into non-disclosure and confidentiality agreements with parties that have access to trade secrets or confidential information. However, we may not be able to prevent the unauthorized disclosure or use of our trade secrets and confidential information by the parties to these agreements. Monitoring unauthorized uses and disclosures is difficult and we do not know whether the steps we have taken to protect our proprietary technologies will be effective. Any of the parties with whom we enter into confidentiality agreements may breach or violate the terms of any such agreements and may disclose our proprietary information, and we may not be able to obtain adequate remedies for any such breach or violation. As a result, we could lose our trade secrets and third parties could use our trade secrets to compete with our drug candidates and technology. Additionally, we cannot guarantee that we have entered into such agreements with each party that may have or has had access to our trade secrets or proprietary technology and processes. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret can be difficult, expensive and time-consuming, and the outcome is unpredictable. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that technology or information to compete with us and our competitive position would be harmed.

We may be subject to claims that our employees, consultants or advisors have wrongfully used or disclosed alleged trade secrets of their former employers, or claims asserting ownership of what we regard as our own intellectual property.

Many of our employees, consultants, and advisors, including our senior management, may currently be, or were previously employed at other pharmaceutical companies, including our competitors or potential competitors. Some of these employees, consultants, and advisors, may execute proprietary rights, non-disclosure and non-competition agreements in connection with such previous employment. We may be subject to claims that we or these employees have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such individual's current or former employer. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or be required to obtain licenses to such intellectual property rights, which may not be available on commercially reasonable terms or at all. An inability to incorporate such intellectual property rights would harm our business and may prevent us from successfully commercializing our drug candidates. In addition, we may lose personnel as a result of such claims and any such litigation or the threat thereof may adversely affect our ability to hire employees or contract with independent contractors.

In addition, while we typically require our employees, consultants and contractors who may be involved in the conception or development of intellectual property to execute agreements ensuring that any intellectual property developed in the course of their employment or services belongs to us, we may be unsuccessful in executing such an agreement with each party who in fact develops intellectual property that we regard as our own. Furthermore, even when we obtain such agreements, the agreements may be breached, which may result in claims by or against us related to the ownership of such intellectual property to determine the ownership of what we regard as our intellectual property. Furthermore, individuals executing agreements with us may have pre-existing or competing obligations to a third party, such as an

academic institution, and thus an agreement with us may be ineffective in perfecting ownership of inventions developed by that individual. If we fail in prosecuting or defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights.

Intellectual property and other laws and regulations are subject to development, which could diminish the value of our intellectual property and impair the intellectual property protection of our drug candidates.

Our success is heavily dependent on obtaining, maintaining, enforcing and defending intellectual property, particularly patents. Obtaining and enforcing patents in the pharmaceutical and biopharmaceutical industry involves technological and legal complexity and is costly, time-consuming and inherently uncertain. Changes in either the patent laws or their interpretation in different jurisdictions may increase the uncertainties and costs surrounding the prosecution of our patents, diminish our ability to protect our inventions, and, more generally, affect the value of our intellectual property or narrow the scope of our patent rights. The changes in laws either of China or foreign jurisdictions may impact the value of our patent rights or our other intellectual property rights, all of which could have a material adverse effect on our patent rights and our ability to protect, defend and enforce our patent rights in the future, as well as on our competitive position, business, financial conditions, results of operations and prospects.

Patent protection depends on compliance with various procedural, regulatory and other requirements, and our patent protection could be reduced or eliminated due to non-compliance with those requirements.

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and patent applications are due to be paid to the CNIPA, USPTO and other patent agencies in several stages over the lifetime of a patent. The CNIPA, USPTO and other similar governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application and maintenance process. Although an inadvertent lapse can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Non-compliance events that could result in abandonment or lapse of a patent or patent application include failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. In any such event, our competitors might be able to enter the market, which would have a material adverse effect on our business.

We may not be successful in obtaining or maintaining necessary rights for our development pipeline through in-licenses and acquisitions.

We may be unable to acquire or in-license any compositions, methods of use, or other intellectual property rights from third parties that we identify. The licensing and acquisition of third-party intellectual property rights is a competitive area, and a number of more established companies are also pursuing strategies to license or acquire third-party intellectual property rights that we may consider attractive or necessary. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. We also may be unable to license or acquire third-party intellectual property 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 intellectual property rights or maintain the existing intellectual property rights we have, we may have to abandon development of the relevant program or drug candidate, which could have a material adverse effect on our business, financial condition, results of operations and prospects for growth.

In addition, we may obtain patents from third parties through patent transfer. Although we believe that we are able to perform strictly in accordance with the relevant patent transfer agreements, there can be no assurance that the parties to these agreements will not claim against or even sue us for breaches of such agreements. Such disputes or litigations could be costly and time-consuming, which could have a negative impact on our business.

Intellectual property rights do not necessarily protect us from all potential threats.

The degree of protection afforded by our intellectual property rights is essentially uncertain because intellectual property rights have limitations and may not adequately protect our business or permit us to maintain our competitive advantage. The limitations of currently available intellectual property protection regimes include that: (i) others may be able to make products that are similar to any of our drug candidates or utilize similar or alternative technology that are not covered by the claims of the patents that we own or have exclusively licensed now or in the future; (ii) others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing, misappropriating or otherwise violating our intellectual property rights; (iii) our competitors might conduct research and development activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets; (iv) we may obtain patents for certain compounds many years before we obtain marketing approval for products containing such compounds, and because patents have a limited life, which may begin to run prior to the commercial sales of the related product, the commercial value of our patents may be limited; (v) the proprietary technologies on which we rely may not be patentable; (vi) the patents of others may materially and adversely affect our business; and (vii) we may choose not to file a patent for certain trade secrets or know-how, yet a third party may subsequently file a patent covering such intellectual property. Should any of these events occur, they could have a material adverse effect on our business, financial condition, results of operations and prospects.

RISKS RELATING TO GOVERNMENT REGULATIONS

Any failure to comply with existing or future laws, regulations and industry standards or any adverse actions by regulatory authorities against us could negatively impact our reputation and our business, financial condition, results of operations and prospects.

We adopt a global development strategy and intend to focus our activities in the major markets including China, the U.S. and Europe. These jurisdictions all strictly regulate the pharmaceutical industry, and in doing so they employ broadly similar regulatory strategies. However, there are differences in the regulatory regimes that make for a more complex and costly regulatory compliance burden for a company like us that plans to operate in these regions. Failure to comply with the applicable regulatory requirements in the jurisdictions we operate or target to operate in the future at any time may subject an applicant to administrative or judicial sanctions. These sanctions could include but are not limited to a regulator's refusal to approve pending applications, withdrawal of an approval, license revocation, a clinical hold, voluntary or mandatory product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement or civil or criminal penalties. Any occurrence of the foregoing could therefore materially and adversely affect our business, financial condition, results of operations and prospects.

Any failure to comply with existing laws, regulations and industry standards could result in fines or other punitive actions against us, the termination of ongoing research and the disqualification of data for submission to regulatory authorities, or a ban on the future sales of our drugs, each of which could have a material adverse impact on our reputation, business, financial condition, results of operations and prospects. In addition, any action against us for violation of the relevant laws, regulations or industry standards, even if we successfully defend against it, could cause us to incur significant legal expenses, divert our management's attention from the operation of our business, and adversely affect our reputation and financial results.

The regulatory approval processes of the NMPA, the FDA and other comparable regulatory authorities are lengthy, time-consuming and inherently unpredictable.

We are subject to risks associated with obtaining regulatory approvals. Difficulties and failures in doing so may expose us to various harms. The time required to obtain approvals from the relevant regulatory authorities in different jurisdictions is unpredictable but typically takes 10 to 15 years following the commencement of pre-clinical studies and clinical trials and depends on numerous factors, including the substantial discretion of the regulatory authorities. We cannot assure you that we will be able to meet

regulatory requirements of different jurisdictions or that our drug candidates will be approved for sale in those jurisdictions. Additional time, effort and expense may be required to bring our drug candidates, upon regulatory approval, to different markets in compliance with different regulatory processes.

We may fail to receive the regulatory approvals from the NMPA, the FDA or other comparable regulatory authorities for our drug candidates due to a number of reasons, including: (i) disagreement in the design or implementation of our clinical trials; (ii) failure to demonstrate that a drug candidate is safe and effective for its proposed indication; (iii) insufficient or suboptimal data collected from the clinical trials, or failure of our clinical trial results to meet the level of statistical and medical significance required for approvals; (iv) failure of our clinical trial process to pass GCP inspections; (v) unexpected changes in regulations, testing requirements, or approval policies that render our preclinical and clinical data insufficient for approval; (vi) failure of our clinical sites to pass audits carried out by the NMPA, the FDA or other comparable regulatory authorities, resulting in a potential invalidation of our research data; and (vii) findings of deficiencies related to our manufacturing processes or the manufacturing facilities of third-party manufacturers from whom we procure clinical and commercial supplies, such as failure to pass cGMP inspections.

The NMPA, the FDA or other comparable regulatory authorities may require more information to support approval, which may result in delay in regulatory approval and commercialization plans or denial of regulatory approval. In the case where an approval is issued, regulatory authorities may approve fewer indications, including undesired indications, of our drug candidates than the indications we applied for. Pursuant to the PRC Drug Administration Law, the Administration Measures for Drug Registration, and the Working Procedures for the Review and Approval of Conditionally Approved Drugs (Trial), if (i) we fail to prove the benefits of a conditionally approved drug outweigh its risks through the post-approval research, or (ii) we fail to complete the required post-approval research within the prescribed time limit and submit the supplementary applications in order to obtain a full marketing approval, the NMPA will take actions in accordance with the relevant laws and regulations, including, in the worst case, the revocation of the drug registration certificate.

Failure to obtain regulatory approvals in a timely manner, or at all, or failure to obtain regulatory approvals with an intended scope of indications could have a negative impact on the commercial prospects of our drug candidates, and may cause reputational damage. If any of our drug candidates fails to demonstrate safety and efficacy to the satisfaction of regulatory authorities or does not otherwise produce positive results in future clinical trials, we would not be able to realize any revenue on such drug candidate despite the significant amount of resources we would have spent on its development, which could materially adversely affect our business, financial condition, results of operations and prospects.

We are subject to registration, review and other requirements of the PRC and the overseas regulatory authorities for cross-border licensing of technology, and we may be restricted from transferring data abroad or using human genetic resources collected within the PRC.

China oversights and regulates the import and export of technology and software products. Under the Regulations on Administration of Imports and Exports of Technologies (《技術進出口管理條例》) promulgated by the State Council, which were amended in November 2020, technology import and export is defined to include, among others, the transfer or licensing of patents and know-how, and the provision of services related to technology. Depending on the nature of the relevant technology, the import and export of technology require either approvals by or registration with the relevant PRC governmental authorities. The Measures for the Administration of Registration of Technology Import and Export Contracts (《技術進出口合同登記管理辦法》), issued by the MOFCOM in February 2009, specify registration requirements related to the import and export of technology. We may in the future enter into agreements with collaborators and CROs in the U.S. for their technical support to assist us with the development of individual drug candidates, which may be deemed to constitute the import of technology under the regulations. As a result, such transfers may be required to be registered with applicable governmental authorities. We are also subject to regulatory supervision over genetics and data-related operations. To carry out clinical trials, as a foreign-invested enterprise, we are required to obtain approval

from the Office of Human Genetic Resources Management under the Ministry of Science and Technology who will conduct genetics and data safety review. There is no assurance that we will be able to obtain such approval in a timely manner, or at all. In addition, we may also be subject to similar requirements of overseas regulatory authorities.

On March 17, 2018, the General Office of the State Council promulgated the Measures for the Management of Scientific Data (《科學數據管理辦法》), or the Scientific Data Measures, which 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 before any scientific data involving a state secret or individual privacy may be transferred abroad or to foreign parties. Further, any researcher conducting research funded at least in part by the Chinese 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. If and to the extent our research and development of drug candidates will be subject to the Scientific Data Measures and any relevant laws as required by the relevant government authorities, we cannot assure you that we can always obtain relevant approvals for sending scientific data (such as the results of our pre-clinical studies or clinical trials conducted within China) abroad. If we are unable to obtain necessary approvals in a timely manner, or at all, our research and development of drug candidates may be hindered, which may materially and adversely affect our business, results of operations, financial condition and prospects. If the 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 fines and other administrative penalties imposed by those government authorities.

If we conduct clinical trials for our drug candidates in one jurisdiction, the regulatory authorities in other jurisdictions may not accept data from such trials.

We have conducted clinical trials for our drug candidates in China and the U.S., and may in the future conduct clinical trials for our drug candidates in other jurisdictions. The acceptance of trial data from clinical trials conducted outside the U.S. by the FDA may be subject to certain conditions. In cases where data from clinical trials conducted outside the U.S. are intended to serve as the sole basis for marketing approval in the U.S., the FDA will generally not approve the application on the basis of foreign data alone unless (i) the data are applicable to the U.S. population and U.S. medical practice; (ii) the trials were performed by clinical investigators of recognized competence; and (iii) the data may be considered valid without the need for an on-site inspection by the FDA or, if the FDA considers such an inspection to be necessary, the FDA is able to validate the data through an on-site inspection or other appropriate means. Otherwise, for studies that are conducted at sites outside of the U.S. and not subject to an IND and which are intended to support a marketing application (but which are not intended to serve as the sole basis for marketing approval), the FDA requires the clinical trial to have been conducted in accordance with GCP requirements and the FDA must be able to validate the data from the clinical trial through an onsite inspection if it deems such inspection necessary. Additionally, the FDA's clinical trial requirements, including sufficient size of patient populations and statistical powering, must be met. Many regulatory bodies, such as the NMPA, have similar approval requirements. In addition, such foreign trials would be subject to the applicable local laws of the foreign jurisdictions where the trials are conducted. There can be no assurance that the FDA, or any similar foreign regulatory authority will accept data from trials conducted outside of the U.S. or the applicable jurisdiction. If the FDA or any similar foreign regulatory authority does not accept such data, it would result in the need for additional trials, which would be costly and time-consuming and delay aspects of our business plan, and which may result in our drug candidates not receiving approval or clearance for commercialization in the applicable jurisdiction.

We are subject to stringent privacy laws, information security policies and contractual obligations related to data privacy and security.

We routinely receive, collect, generate, store, process, transmit and maintain medical data, treatment records and other personal details of the participants enrolled in our clinical trials, along with other personal or 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 data 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.

Data protection and privacy laws and regulations generally require clinical trial sponsors and operators and their personnel to protect the privacy of their enrolled participants and prohibit unauthorized disclosure of personal information. If such institutions or personnel divulge the participants' private or medical records without their consent, they will be held liable for damage caused thereby. Whilst we have adopted security policies and measures to protect our proprietary data and patients' privacy, they may not be always effective. In addition, our clinical trials also frequently involve professionals from third-party institutions working on-site with our staff and enrolled participants. We cannot ensure that such persons will always comply with the applicable laws and regulations or our data privacy measures. We also cooperate with third parties including principal investigators, hospitals, CROs, CDMOs and other third-party 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 our fault, negligence or a result of our failure.

Furthermore, any change in such laws and regulations could affect our ability to use medical data and subject us to liability for the use of such data for previously permitted purposes. Complying with all applicable laws, regulations, standards and obligations relating to privacy and data security may cause us to incur substantial operational costs or require us to modify our data processing practices and processes. Non-compliance could result in proceedings against us by data protection authorities, governmental entities or others, including class action privacy litigation in certain jurisdictions, which would subject us to significant fines, penalties, judgments and negative publicity. Any failure or perceived failure by us to prevent information security breaches or to comply with privacy policies or privacy-related legal obligations, or any compromise of information security that results in the unauthorized release or transfer of personally identifiable information or other patient data, could have a material adverse effect on our business, financial condition and results of operations.

Even if we receive regulatory approval for our drug candidates, we will be subject to ongoing or additional regulatory obligations and continued regulatory review.

If the NMPA, the FDA or a comparable regulatory authority approves any of our drug candidates, the manufacturing processes, labeling, packaging, storage, distribution, adverse event reporting, advertising, promotion, sampling, record-keeping and post-marketing studies for the drug will be subject to extensive and ongoing or additional regulatory requirements on pharmacovigilance.

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

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

The NMPA, the FDA and comparable regulatory authorities strictly regulate the marketing, labeling, advertising and promotion of drugs that are placed on the market. Drugs may be promoted only for their approved indications and for use in accordance with the provisions of the approved label.

The NMPA, the FDA and other comparable regulatory authorities actively enforce the laws and regulations prohibiting the promotion of off-label uses, and a company that is found to have improperly promoted off-label uses may be subject to significant liability. Any government investigation of alleged violations of law could require us to expend significant time and resources and could generate negative publicity. Moreover, regulatory policies may change or additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our drug candidates. If we are not able to maintain regulatory compliance, we may lose the regulatory approvals that we have already obtained and may not achieve or sustain profitability, which in turn could have a material adverse effect on our business, financial condition, results of operations and prospects.

Changes in laws and regulations relating to the pharmaceutical industry may result in additional compliance risks and costs.

In China, the U.S. and other jurisdictions, there have been, and we expect there will continue to be, a number of legislative and regulatory changes relating to the pharmaceutical industry and the healthcare system. In particular, the PRC government has enacted a series of new laws and regulations in recent years in relation to the antibacterial drug market. For instance, under *the Notice for the National Action Plan for Curbing Bacterial Resistance (2022-2025)* (《關於印發遏制細菌耐藥國家行動計畫(2022-2025年)的通知》) issued by the National Health Commission, the Ministry of Science and Technology and other relevant PRC authorities, targets have been set to further control and reduce antimicrobial resistance, including requirements to: (i) decrease the incidence of both healthcare-associated and community-acquired drug-resistant infections; (ii) slow the growth of drug resistance rates in major human and animal pathogens; (iii) improve public awareness and understanding of antimicrobial resistance, infection prevention, and appropriate drug use behavior; (iv) achieve appropriate prescription rates of antimicrobial drugs exceeding 75% in secondary and above healthcare institutions; and (v) ensure 100% of retail sales of antimicrobial drugs are prescription-based. Compliance with these evolving standards and targets may require us and our customers to implement stricter sales, prescription, and usage protocols, improve education and monitoring systems, and incur additional compliance, administrative, and training costs. Failure to meet these requirements after the commercialization of our drug candidates may lead to administrative actions or reputational damage, which could affect the demand from the medical institutions and patients, which may adversely affect the commercialization and marketing of such drug candidates. These new laws, regulations and healthcare reform measures and others which may be adopted in the future may result in more rigorous prescription and coverage criteria, new reimbursement methods and additional downward pressure on drug prices.

Although none of our drug candidates had been commercialized as of the Latest Practicable Date, these legislative trends and regulatory measures can potentially affect the sales, profitability and prospects of our drug candidates in the future. Moreover, because these laws and regulations are subject to varying interpretations, their application in practice may evolve over time as new guidance becomes available. This evolution may result in continuing uncertainty regarding compliance matters and additional costs necessitated by ongoing revisions to our disclosure and governance practices. If we fail to address and comply with these laws and regulations and any subsequent changes, we may be subject to penalty and our business may be harmed.

We or our CROs, CDMOs and other business partners are subject to environmental protection, health and safety laws and regulations.

We, our CROs, CDMOs and other business partners are subject to numerous environmental, health and safety laws and regulations, including but not limited to the treatment and discharge of pollutants into the environment and the use of toxic and hazardous chemicals in the process of our business operations. As requirements imposed by such laws and regulations may change and more stringent laws or regulations may be adopted, we may not be able to comply with, or accurately predict any potential substantial cost of complying with, these laws and regulations. If we, or our CROs, CDMOs and other business partners fail to comply with environmental protection, and health and safety laws and regulations, we or our CROs, CDMOs and other business partners may be subject to rectification orders, substantial fines, potentially significant monetary damages, or production suspensions in business operations.

In addition, we cannot fully eliminate the risk of accidental contamination, biological or chemical hazards or personal injury at our facility during the process of discovery, testing, development and manufacturing of our drug candidates. In the event of such accident, we could be held liable for damages and clean-up costs which, to the extent not covered by existing insurance or indemnification, could harm our business. Other adverse effects could result from such liability, including reputational damage. We may also be forced to close or suspend operations at certain of our affected facility temporarily, or permanently. As a result, any accidental contamination, biological or chemical hazards or personal injury could have a material and adverse impact on our business, financial condition, results of operations and prospects.

We do not maintain insurance for environmental liability or toxic tort claims that may be asserted against us. In addition, we may be required to incur substantial costs to comply with current or future environmental, health and safety laws and regulations. These current or future laws and regulations may impair our research, development or production efforts. Failure to comply with these laws and regulations also may result in substantial fines, penalties or other sanctions. Any of the foregoing could materially adversely affect our business, financial condition, results of operations and prospects.

Gains on the sales of H Shares and dividends on the H Shares may be subject to PRC income taxes.

Holders of H Shares, being non-PRC resident individuals or non-PRC resident enterprises, whose names appear on the register of members of H Shares of our Company, are subject to PRC income tax in accordance with the applicable tax laws and regulations, on dividends received from us and gains realized through the sale or transfer by other means of shares by such shareholders.

According to the Individual Income Tax Law of the PRC and the Implementation Regulations for the Individual Income Tax Law of the PRC, both came into effect on January 1, 2019, the tax applicable to non-PRC resident individuals is proportionate at a rate of 20% for any dividends obtained from within China or gains on transfer of shares and shall be withheld and paid by the withholding agent. Pursuant to the Arrangement between the Mainland 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 "Arrangements") executed on August 21, 2006, the PRC Government may levy taxes on the dividends paid by PRC companies to Hong Kong residents in accordance with the PRC laws, but the levied tax (in the case the beneficial owner of the dividends are not companies directly holding at least 25% of the equity interest in the company paying the dividends) shall not exceed 10% of the total dividends.

According to the Enterprise Income Tax Law of the PRC, which was newly revised and implemented on December 29, 2018, and the Implementation Regulations for the Enterprise Income Tax Law of the PRC, which was newly revised and implemented on April 23, 2019, if a non-resident enterprise has no presence or establishment within China, or if it has established a presence or establishment but the income obtained has no actual connection with such presence or establishment, it shall pay an enterprise income tax on its income derived from within China with a reduced rate of 10%. Pursuant to the Arrangements, dividends paid by PRC resident enterprises to Hong Kong residents can be taxed either in Hong Kong or in accordance with the PRC laws. However, if the beneficial owner of the dividends is a Hong Kong resident, the tax charged shall not exceed: (i) 5% of the total amount of dividends if the Hong Kong resident is a company that directly owns at least 25% of the capital of the PRC resident enterprise paying dividends; (ii) otherwise, 10% of the total amount of dividends.

The interpretation and enforcement of applicable tax laws and regulations in the PRC by the PRC tax authorities, including whether and how income tax will be levied on non-PRC resident shareholders, will be determined according to the laws and regulations then in effect. Non-PRC resident holders of our H Shares should be aware that they may be obligated to pay PRC income tax on the dividends and gains realized through sales or transfers by other means of the H Shares.

There exist uncertainties in effecting service of legal process, enforcing foreign judgments or bringing original actions in China against us or our management based on Hong Kong or other foreign laws.

Majority of our operational subsidiaries are incorporated under the laws of China, and substantially all of our assets are located in China. Some of our Directors and senior management personnel also reside in China, and many of their assets are located in China. As a result, it may not be possible for investors to effect service of process upon us or our Directors and senior management personnel in China.

On July 14, 2006, the Supreme People's Court of PRC and the government of Hong Kong Special Administrative Region entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned (《關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》) (the "**Arrangement**"). Under the Arrangement, where any designated PRC court or any designated Hong Kong court has made an enforceable final judgment requiring payment of money in a civil or commercial case under a choice of court agreement in writing, any party concerned may apply to the relevant PRC court or Hong Kong court for recognition and enforcement of the judgment. A choice of court agreement in writing 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. Therefore, it is not possible to enforce a judgment rendered by a Hong Kong court in PRC if the parties in dispute have not agreed to enter into a choice of court agreement in writing. Although the Arrangement became effective on August 1, 2008, the outcome and effectiveness of any action brought under the Arrangement remain uncertain.

On January 18, 2019, the Supreme People's Court of PRC and the government of Hong Kong Special Administrative Region entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (《關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) (the "New Arrangement"), which seeks to establish a mechanism with further clarification on and certainty for recognition and enforcement of judgments in a wider range of civil and commercial matters between Hong Kong Special Administrative Region and PRC. The New Arrangement discontinued the requirements for a choice of court agreement for bilateral recognition and enforcement. The New Arrangement will only take effect after the promulgation of a judicial interpretation by the Supreme People's Court of PRC and the completion of the relevant legislative procedures in Hong Kong Special Administrative Region. The New Arrangement will, upon its effectiveness, supersede the Arrangement. Therefore, before the New Arrangement becomes effective it may be difficult or impossible to enforce a judgment rendered by a Hong Kong court in PRC if the parties in the dispute do not agree to enter into a choice of court agreement in writing. As a result, it may be difficult or impossible for investors to effect service of process against our assets or management in China in order to seek recognition and enforcement of foreign judgments in China.

Furthermore, China has not entered into treaties or arrangements providing for the reciprocal recognition and enforcement of judgments awarded by courts of the U.S., the United Kingdom, or most other western countries, and Hong Kong has no arrangement for the reciprocal enforcement of judgments with the U.S. As a result, recognition and enforcement in PRC or Hong Kong of judgment of a court in the U.S. or any other jurisdictions mentioned above in relation to any matter that is not subject to a binding arbitration provision may be difficult or impossible.

We, our suppliers or our collaboration partners may become subject to the BIOSECURE Act.

We, our suppliers or our collaboration partners may become subject to the BIOSECURE Act. On December 18, 2025, the BIOSECURE Act was included in the National Defense Authorization Act For Fiscal Year 2026 and became law. The Act prohibits U.S. federal procurement and bar federal contracts (including extensions and renewals), loans and grants to entities that use biotechnology equipment or services from designated "biotechnology companies of concern." The designation of covered biotechnology companies under the framework proceeds through two primary channels: (1) automatic designation pursuant to the U.S. Department of Defense (DoD) Section 1260H list of "Chinese military companies," leveraging its latest update in January 2025; and (2) a discretionary, criteria-based pathway

managed through an interagency review led by the Office of Management and Budget (OMB). This structure stands in contrast from earlier iterations of the BIOSECURE Act, which targeted a limited set of specifically named Chinese biotechnology firms. If we, our suppliers or our collaboration partners were to be listed as or designated as "biotechnology companies of concern," our ability to engage in business with the U.S. government or with companies that engage in business with the U.S. government may be limited, which could disrupt or diminish our business activities.

RISKS RELATING TO OUR FINANCIAL POSITION AND NEED FOR ADDITIONAL CAPITAL

We have incurred net losses since inception. We expect to continue to incur net losses for the foreseeable future and may not be able to generate sufficient revenue to achieve or maintain profitability.

Investment in the development of pharmaceutical products is highly speculative as it entails substantial upfront expenditures and significant risks that a drug candidate may fail to demonstrate efficacy and safety to gain regulatory or marketing approvals or become commercially viable. During the Track Record Period, we financed our operations primarily through equity financing and debt financing. We had not generated any revenue from the sales of commercialized products as of the Latest Practicable Date, and we continue to incur significant research and development expenses and other expenses related to our ongoing operations. As a result, we are not profitable and have incurred significant net losses since our inception. For the years ended December 31, 2023, 2024 and 2025, our net losses were RMB191.8 million, RMB145.9 million and RMB153.2 million, respectively. Substantially all of our net losses during the Track Record Period resulted from our research and development expenses, administrative expenses and finance costs. See "Financial Information — Description of Major Components of Our Consolidated Statements of Comprehensive Loss." Our ability to generate revenue and achieve profitability depends significantly on our success in advancing drug candidates into later stages of clinical development, and obtaining regulatory approvals for each drug candidate, which we may not be able to do in a timely manner or at all.

We expect to continue to incur net losses in the foreseeable future. Even if we manage to achieve profitability in the future, we may not be able to sustain or increase profitability on an ongoing basis. Our net losses have had, and will continue to have, an adverse effect on our working capital and shareholders' equity. Our failure to become and remain profitable may also impact investors' perception of the potential value of our Company and could impair our ability to raise additional capital, expand our business or continue our operations. Failure to become and remain profitable may also adversely affect the market price of our H Shares. A decline in the market price of our H Shares could cause potential investors to lose all or part of their investment in our business.

We had net operating cash outflows, net current liabilities and net liabilities during the Track Record Period, which may continue into the foreseeable future and expose us to liquidity risk.

We had net current liabilities of RMB767.4 million as of December 31, 2023. In addition, we had net liabilities of RMB758.9 million and RMB898.0 million as of December 31, 2023 and 2024, respectively. See "Financial Information — Discussion of Certain Selected Items from the Consolidated Balance Sheets." Net current liabilities and net liabilities positions can expose us to liquidity and financial risks. This in turn could require us to seek financing from external sources such as debt issuance and bank borrowings, which may not be available on terms favorably or commercially reasonable to us, or at all.

We had net cash used in operating activities of RMB98.1 million, RMB48.6 million and RMB87.2 million for the years ended December 31, 2023, 2024 and 2025, respectively. We may experience net cash outflows from our operating activities from time to time. See also "Financial Information — Liquidity and Capital Resources." Our forecast of the period of time through which our capital resources will be adequate to support our operations is a forward-looking statement and involves risks and uncertainties. We have based this estimate on assumptions that may prove to be wrong, and we could exhaust our available capital resources sooner than we currently expect.

If we are unable to maintain adequate working capital or obtain sufficient financings to meet our capital needs, we may be unable to continue our operations according to our plan, default on our payment obligations and fail to meet our capital expenditure requirements, which may have a material adverse effect on our business, financial condition, results of operations and prospects.

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

We are a clinical-stage pharmaceutical company with a relatively short operating history since our establishment in 2013. See "History, Development and Corporate Structure." Our operations to date have focused on establishing our product portfolio, conducting drug discovery, preclinical studies and clinical trials of our drug candidates, and organizing and staffing our operations. As of the Latest Practicable Date, we had not yet obtained marketing approval for or commercialized any drug candidates, nor had we generated any revenue from product sales.

We also have limited experience in commercial-scale manufacturing and the sales and marketing of approved drugs. For these reasons, particularly in a rapidly evolving biopharmaceutical industry, it may be difficult to predict our future performance. We may encounter unforeseen expenses, challenges, delays and other known and unknown factors. If we do not address these risks and difficulties successfully, our business may suffer.

If we fail to obtain substantial additional financing to fund our operations and expansion, we may be unable to complete the development and commercialization of our drug candidates.

Changes in our ability to fund our operations may affect our cash flow and results of operations. We may require substantial additional capital to meet our continued operating cash requirements, especially to fund our research and development activities, commercialization of our drug candidates and development or expansion of manufacturing capabilities. Our future funding requirements will depend on many factors, including but not limited to: (i) the progress, timing, scope and costs of our clinical trials; (ii) the outcome, timing and cost of regulatory approvals of our drug candidates; (iii) the progress, timing, scope and costs related to discovery and early development of additional drug candidates; and (iv) the preparation required for anticipated commercialization of our drug candidates, and if regulatory approvals are obtained, to fund the product launch.

As our business continues to expand, we may seek additional funding through equity offerings, debt financings, license and collaboration arrangements and other sources, which may not be available on terms favorable or commercially reasonable to us or at all. Our ability to raise funds will also depend on the prevailing financial, economic and market conditions and factors from other aspects, such as our relationship with commercial banks, many of which are beyond our control. If adequate funds are not available to us on a timely basis, we may be required to delay, limit, reduce or terminate preclinical studies, clinical trials or other research and development activities, or the commercialization of one or more of our drug candidates, which may adversely affect our business prospects.

We are entitled to certain preferential tax treatments and government grants, and the expiration of or changes to which or our failure to satisfy any condition for which would have an adverse effect on our results of operations.

During the Track Record Period, we enjoyed certain preferential tax treatments. According to a policy promulgated by the State Tax Bureau of the PRC and effective from 2018 onwards, enterprises engaged in research and development activities are entitled to claim an additional tax deduction amounting to 75% of the qualified research and development expenses incurred in determining its tax assessable profits for that year. Starting from March 2021, the additional deduction ratio increased to 100% for manufacturing industry. Starting from October 1, 2022, the additional deduction ratio was increased to 100% for other industries. We cannot assure you that these preferential tax treatments will continue to be available to us in the future or that these preferential tax treatments will not be changed as a result of changes in government policy, administrative decisions or otherwise, in which case our financial condition and results of operations may be adversely affected.

In addition, we recognized government grants of RMB4.4 million, RMB4.9 million and RMB1.7 million in 2023, 2024 and 2025, respectively. The timing, amount and criteria of government financial incentives are determined at the sole discretion of the PRC local government authorities and cannot be predicted with certainty before we actually receive any financial incentive. Local government authorities may decide to reduce or eliminate incentives at any time. In addition, some of the government financial incentives are granted on a project-by-project basis and subject to the satisfaction of certain conditions, including compliance with the applicable financial incentive agreements and completion of the specific

projects therein. We cannot guarantee that we will satisfy all relevant conditions, otherwise we may be deprived of all or part of the incentives. We cannot assure you of the continued availability of the government incentives currently enjoyed by us. Any reduction or elimination of incentives may have an adverse effect on our results of operations. In addition, we may not be able to receive government grants in the future, which may have an adverse effect on our financial condition and results of operations.

We may incur impairment losses for intangible assets which could materially impact our financial position.

We had intangible assets of RMB25.4 million, RMB25.3 million and RMB25.4 million as of December 31, 2023, 2024 and 2025, respectively. Our intangible assets primarily consisted of (i) software, and (ii) in-progress patent projects. See "Financial Information — Discussion of Certain Selected Items from the Consolidated Balance Sheets — Intangible Assets" for details.

If the carrying value of our intangible assets is considered to exceed its recoverable amount and is therefore determined to be impaired in the future, we would be required to write down the carrying value or record a provision of impairment loss for these intangible assets in our financial statements during the period in which our intangible assets are determined to be impaired. The intangible assets related to in-progress patent projects are not ready for use and we are continuing research and development work. The impairment tests were performed for the intangible assets related to in progress patent project on a pipeline product level by engaging an independent appraiser to estimate fair value less cost to sell as the recoverable amount of each pipeline product. The fair values were based on the multi-period excess earning method plus decision tree model and we estimated the forecast of profit for each pipeline product based on the timing of clinical development and regulatory approval, commercial ramp up to reach expected peak revenue potential, and the length of exclusivity. The discount rates used are post-tax and reflected specific risks relating to each pipeline product. For more details, please refer to note 14 to the Accountant's Report set out in Appendix I to this prospectus. Impairment losses for intangible assets would adversely affect our results of operations and our financial condition.

RISKS RELATING TO OUR OPERATIONS

The loss of any key members of our senior management team or our inability to attract and retain highly skilled and qualified employees could adversely affect our business.

We are highly dependent the expertise and insights of our senior management. In addition, recruiting and retaining qualified scientific, clinical, manufacturing and sales personnel in the future will also be critical to our success. The loss of services of any of these individuals could delay or prevent the successful development of our drug candidates and achievement of our commercialization objectives.

Although we have not historically experienced unique difficulties in attracting and retaining qualified employees, we could experience such problems in the future. Competition for qualified employees in the pharmaceutical industry is intense and the pool of qualified candidates is limited. The departure of one or more of our senior management or key personnel, regardless of whether or not they join a competitor or form a competing company, may subject us to risks relating to replacing them in a timely manner or at all, which may disrupt our operations and have a material and adverse effect on our business and results of operations. In addition, we will need to hire additional employees as we build and expand our commercialization team. We may not be able to attract and retain qualified employees on acceptable terms.

As we have significantly increased the size and capabilities of our organization since our inception, we may experience difficulties in managing our growth.

As our development and commercialization plans and strategies evolve, we must add a significant number of additional managerial, operational, manufacturing, sales, marketing, financial and other personnel. Our recent and any future growth will impose significant added responsibilities on members of management, including: (i) identifying, recruiting, integrating, maintaining and motivating additional employees; (ii) managing our relationships with third parties, including suppliers and partners; (iii)

managing our internal development efforts effectively, including the clinical and regulatory authority review process for our drug candidates, while complying with our contractual obligations to contractors and other third parties; and (iv) improving our operational, financial and management controls, reporting systems and procedures.

Our future financial performance and our ability to commercialize our drug candidates will depend, in part, on our ability to effectively manage our growth, and our management may also have to divert a disproportionate amount of its attention away from day-to-day activities in order to implement our long-term development strategies. If we are not able to effectively manage our growth and further expand our organization, we may not be able to successfully develop and commercialize our drug candidates and, accordingly, may not achieve our research, development and commercialization goals. Our failure to do so could materially adversely affect our business, financial condition, results of operations and prospects.

We are subject to the risks of doing business globally.

We are mainly operating in China at present, and we may in the future operate in other jurisdictions, and therefore our business could be subject to risks associated with doing business globally. Accordingly, our business and financial results in the future could be adversely affected due to a variety of factors, including: (i) changes in a specific country's or region's political and cultural climate or economic condition; (ii) efforts to develop an international sales, marketing and distribution organization may increase our expenses, divert our management's attention from the acquisition or development of drug candidates or cause us to forgo profitable licensing opportunities in these geographies; (iii) the occurrence of economic weakness, including inflation or political instability; (iv) the burden of complying with a variety of foreign laws including difficulties in effective enforcement of contractual provisions in local jurisdictions; (v) trade-protection measures, import or export licensing requirements and fines, penalties or suspension or revocation of export privileges; (vi) delays resulting from difficulty in obtaining export licenses, tariffs and other barriers and restrictions, potentially longer payment cycles, greater difficulty in accounts receivable collection and potentially adverse tax treatment; (vii) the effects of applicable local tax regimes and potentially adverse tax consequences; and (viii) significant adverse changes in local currency exchange rates.

In addition, we are subject to general geopolitical risks in foreign countries where we operate, such as political and economic instability and changes in diplomatic and trade relationships, which could cause our results to fluctuate and our revenue to decline. The occurrence of any one or more of these risks of doing business internationally, individually or in the aggregate, could materially adversely affect our business and results of operations.

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

From time to time, we may be involved in claims, disputes and legal proceedings in our ordinary course of business. In addition to the intellectual properties related litigations we may face as mentioned in "—We may become involved in lawsuits to protect or enforce our intellectual property, which could be expensive, time-consuming and unsuccessful" and "—If we are sued for infringing, misappropriating or otherwise violating intellectual property rights of third parties or engaging in unfair competition, such litigation could be costly and time-consuming and could prevent or delay us from developing or commercializing our drug candidates", we may also be involved in disputes or litigations relating to other issues, among others, breach of contract, environmental matters, and employment. Any claims, disputes or legal proceedings initiated by us or brought against us, with or without merit, may result in substantial costs and diversion of resources, and if we are unsuccessful, could materially harm our reputation. Furthermore, claims, disputes or legal proceedings against us may be due to actions taken by our counterparties, such as our suppliers, CDMOs, CROs and other service providers. Even if we are able to seek indemnity from them, they may not be able to indemnify us in a timely manner, or at all, for any costs that we incur as a result of such claims, disputes and legal proceedings.

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

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

Increased labor costs may slow our growth and affect our operations.

Since our operations, to a certain extent, require the use of technical skills and know-how of our employees, our success depends in part on our ability to attract, retain and motivate a sufficient number of qualified employees. We have implemented a number of initiatives in an effort to attract, retain and motivate our qualified and competent staff. There is no assurance that these measures will be effective or that supply of skilled labor in local markets will be sufficient to fulfil our needs. Competition for competent and skilled labor is intensive in the industry. Our failure to hire and retain enough skilled employees could delay the anticipated pre-clinical studies or clinical trials timeframe or receipt of regulatory approvals to commercialize our drug candidates, or result in our expenses exceeding our initial budget. Any of the foregoing changes could have a material adverse effect on our business, profitability and prospects.

Further, substantially our entire workforce is employed in China. The average labor cost in China has been steadily increasing over the past years as a result of government-mandated wage increases and other changes in the PRC labor laws. Further changes in the labor laws, rules and regulations may be promulgated by the Chinese government in the future and our operations may be materially adversely affected if such laws, rules or regulations impose additional burden on the employers. The labor cost will continue to increase in the future which is in line with the economic growth in China. Competition for employees would require us to pay higher wages, which would result in higher labor costs.

We may be subject to natural disasters, acts of war or terrorism or other factors beyond our control.

Our operations may be under the threat of floods, earthquakes, sandstorms, snowstorms, fire or drought, power, water or fuel shortages, failures, malfunction and breakdown of information management systems, unexpected maintenance or technical problems, or may be susceptible to potential wars or terrorist attacks. Serious natural disasters may result in loss of lives, injury, destruction of assets and disruption of our business and operations. Acts of war or terrorism may also injure our employees, cause loss of lives, disrupt our business network and destroy our markets. Any of these factors and other factors beyond our control could have an adverse effect on the overall business sentiment and environment, cause uncertainties in the regions where we conduct business, cause our business to suffer in ways that we cannot predict and materially and adversely impact our business, financial conditions and results of operations.

Our business could be adversely affected by the effects of epidemics, including COVID-19, avian influenza, severe acute respiratory syndrome (SARS), influenza A (H1N1), Ebola or another epidemic. Any such occurrences could cause severe disruption to our daily operations and may even require a temporary closure of our offices and laboratories.

Our internal information technology systems, or those used by our CROs, CDMOs or other contractors or consultants, may fail or suffer security breaches.

Despite the implementation of security measures, our information technology systems and those of our current or future CROs, CDMOs, consultants and other service providers are vulnerable to damage from cyber-attacks, computer viruses, malicious codes, unauthorized access, employee theft or misuse, natural disasters, fire, power loss, terrorism, war, and telecommunication and electrical failures, among other things. If such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our research and development programs. For example, our data may not be backed up in a timely manner and the loss of clinical trial data from ongoing or future clinical trials for any of our drug candidates could result in delays in regulatory approval efforts and significantly increase costs to recover or reproduce the data. To the extent that any disruption or security breach may result in a loss

of or damage to data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability, and the further development of our drug candidates could be delayed. In addition, a security breach may result in the loss of, damage to, or public disclosure of personally identifiable information, and such an event could have serious negative consequences, including disputes, regulatory action, investigation, litigation, fines, penalties and damages, and time-consuming and expensive litigation, any of which could have a material adverse effect on our business, financial conditions, results of operations, and prospects.

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

We, our Shareholders, Directors, officers, employees, commercial partners, suppliers, or other third parties we cooperate with or rely on may be subject to negative media coverage and publicity from time to time. Such negative coverage in the media and publicity could threaten the perception of our reputation. In addition, to the extent our Shareholders, Directors, officers, employees, commercial partners, suppliers or other third parties we work with or rely on were non-compliant with any laws or regulations, we may also suffer negative publicity or harm to our reputation. Any negative publicity regarding our industry could also affect our reputation and commercialization. As a result, we may be required to spend significant time and incur substantial costs to respond and protect our reputation, and we cannot assure you that we will be able to do so within a reasonable period of time, or at all, in which case our business, results of operations, financial condition and prospects may be materially and adversely affected.

We are subject to risks associated with leased properties.

As of the Latest Practicable Date, we leased six properties in China with an aggregate GFA of approximately 2,207.6 sq.m. Upon expiration of the leases, we will need to negotiate for renewal of the leases and may have to pay increased rent. We cannot assure you that we will be able to renew our leases on terms which are favorable or otherwise acceptable to us, or at all. If we fail to renew any of our leases or if any of our leases are terminated or if we cannot continue to use any of our leased property, we may need to seek an alternative location and incur expenses related to such relocation, and our operation and businesses may also be disrupted or even suspended if we are not able to complete the relocation, including the reconstruction of relevant facilities in the new location, in a timely manner.

Moreover, under PRC laws, all lease agreements must be registered with the local housing authorities. As of the Latest Practicable Date, one of our leased agreements with an aggregate GFA of less than 5.0 sq.m. had not been registered with the relevant PRC authorities primarily due to the difficulty of procuring our lessors' cooperation to register such lease. The registration of such lease will require the cooperation of our lessors. We will take all practicable and reasonable steps to ensure that the unregistered lease is registered. As advised by our PRC Legal Adviser, the failure to register the lease agreement would not affect the validity of the lease agreement. However, we may be subject to a fine of no less than RMB1,000 and not exceeding RMB10,000 for each unregistered lease agreement if the relevant PRC government authorities require us to rectify and we fail to do so within the prescribed time period. We estimate that the maximum penalty we may be subject to for the unregistered lease agreement will be RMB10,000, which we believe immaterial. As of the Latest Practicable Date, we had not received any notice from any regulatory authority with respect to potential administrative penalties or enforcement actions because of our failure to register the lease agreement. However, we may still be subject to fines for the failure to register the lease agreements, which could disrupt our financial conditions and results of operations.

Changes in international trade policies may affect our business operations.

Governments around the world may make significant changes in their trade policies and/or take certain actions that may materially impact international trade, such as imposing several rounds of tariffs. For example, the U.S. government has implemented a series of tariff policies since February 2025, including increased tariffs on Chinese imports across multiple sectors. In response, China has implemented retaliatory measures, including imposing tariffs on certain U.S. imports. We cannot predict how tariff policies in various countries may further evolve or anticipate any potential impacts of subsequent developments in such policies on our business. While we have not started commercialization of any of our drug candidates in the U.S. or any countries, any unfavorable government policies on

international trade, such as capital controls or tariffs, may affect the demand for our future drug products, the competitive position of our future drug products, the hiring of scientists and other research and development personnel, and import or export of raw materials in relation to drug development, or may prevent us from selling our future drug products in certain countries. If any new tariffs, legislation and regulations are implemented, or if existing trade agreements are renegotiated, such changes could have an adverse effect on our business, financial condition and results of operations.

The evolving trade disputes may escalate going forward and may result in certain types of goods, such as advanced research and development equipment and materials, becoming significantly more expensive to procure from overseas suppliers or even becoming illegal to export. Furthermore, there can be no assurance that our existing or potential service providers or future collaboration partners will not alter their perception of us or their preferences as a result of adverse changes to the state of political relationships among the relevant countries or regions. Trade disputes, tensions and political concerns among the relevant countries or regions may therefore adversely affect our business, financial condition, results of operations, cash flows and prospects.

RISKS RELATING TO OUR RELIANCE ON THIRD PARTIES

We work with various third parties to develop our drug candidates, such as those who help us conduct our preclinical studies and clinical trials. These third parties may not successfully carry out their contractual duties or meet expected timelines.

We have worked with and plan to continue to work with third-party collaborators, such as CROs, to monitor and manage data for our ongoing preclinical and clinical programs. We work with these parties to execute our preclinical studies and clinical trials, and control only certain aspects of their activities. Nevertheless, we are responsible for ensuring that each of our studies is conducted in accordance with the applicable protocol, legal and regulatory requirements and scientific standards, and our collaboration with the CROs and other third parties does not relieve us of our regulatory responsibilities.

We, our CROs for our clinical programs and our clinical investigators are required to comply with GCP, which are regulations and guidelines enforced by the NMPA, FDA, PMDA and other comparable regulatory authorities for all of our drug candidates in clinical development. If we or any of our CROs or clinical investigators fail to comply with applicable GCP, the clinical data generated in our clinical trials may be deemed unreliable and the NMPA, FDA, PMDA or comparable regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. Our failure to comply with these regulations may require us to repeat clinical trials, which would delay the regulatory approval process.

In addition, our CROs are not our employees, and except for remedies available to us under our agreements with such CROs, we cannot control whether or not they devote sufficient time and resources to our ongoing preclinical studies, and clinical and non-clinical programs. If CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the clinical data they obtain is compromised due to failure to adhere to our clinical protocols, regulatory requirements or for other reasons, our clinical trials may be extended, delayed or terminated and we may not be able to obtain regulatory approval for or successfully commercialize our drug candidates. As a result, our results of operations and the commercial prospects for our drug candidates would be harmed, our costs could increase and our ability to generate revenues could be delayed. Switching or adding additional CROs involves additional cost and delays, which can materially influence our ability to meet our desired clinical development timelines. There can be no assurance that we will not encounter similar challenges or delays in the future or that these delays or challenges will not have a material adverse effect on our business, financial condition and prospects.

We rely on third-party collaborators in various respects, including but not limited to undertaking research and development programs, conducting clinical trials, managing or assisting with the regulatory filings and approval process, and assisting with our commercialization efforts. We do not control our collaborators; therefore, we cannot ensure that these third parties will adequately and timely perform all of their obligations to us. If they fail to complete the remaining studies successfully, or at all, it could delay, adversely affect or prevent regulatory approval. We cannot guarantee the satisfactory performance

of any of our collaborators and if any of our collaborators breach or terminate their agreements with us, we may not be able to successfully commercialize the licensed product, which could materially and adversely affect our business, financial condition, cash flows and results of operations.

We rely on third parties to manufacture our clinical drug candidates and expect to rely on third parties to manufacture our drugs when approved.

We currently worked with third-party manufacturers, such as CDMOs, to manufacture and test drug candidates for preclinical and clinical supply. We expect to continue to rely on third parties to manufacture drug candidates or manufacture a portion of the approved drugs in the future, especially for the production of our rifasutenizol after its commercialization. Reliance on third-party manufacturers would expose us to the following risks: (i) we may be unable to identify manufacturers on acceptable terms or at all because the number of potential manufacturers is limited and the NMPA, FDA, or other comparable regulatory authorities must evaluate and/or approve any manufacturers as part of their regulatory oversight of our drug candidates. This evaluation would require new testing and cGMP-compliance inspections by the NMPA, FDA, or other comparable regulatory authorities; (ii) our third-party manufacturers might be unable to timely manufacture our drug candidates or produce the quantity and quality required to meet our clinical and commercial needs, if any; (iii) manufacturers are subject to ongoing periodic unannounced inspection by the regulatory authorities to ensure strict compliance with cGMP and other government regulations. We do not have control over third-party manufacturers' compliance with these regulations and requirements; (iv) we may not own, or may have to share, the intellectual property rights to any improvements made by our third-party manufacturers in the manufacturing process for our drug candidates; (v) manufacturers may not properly obtain, protect, maintain, defend or enforce our intellectual property rights or may use our intellectual property or proprietary information in a way that gives rise to actual or threatened litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential liability; (vi) manufacturers may infringe, misappropriate or otherwise violate the patent, trade secret or other intellectual property rights of third parties; and (vii) our contract manufacturers and critical reagent suppliers may be subject to inclement weather, as well as natural or human-made disasters.

Each of these risks could delay or prevent R&D activities, result in higher costs, or adversely impact commercialization of our future approved drug candidates. In addition, we will rely on third parties to perform certain specification tests on our drug candidates prior to delivery to patients. If these tests are not appropriately done and test data are not reliable, patients could be put at risk of serious harm, and regulatory authorities could place significant restrictions on our Company until deficiencies are remedied.

We cannot assure you that any stability failures or other issues relating to the manufacture of our drug candidates will not occur in the future, either relating to our third-party CDMOs or on our manufacturing facilities we plan to build in the future. Additionally, our manufacturers may experience manufacturing difficulties due to resource constraints or as a result of labor disputes or unstable political environments. If our manufacturers were to encounter any of these difficulties, or otherwise fail to comply with their contractual obligations, our ability to provide any future approved drug candidates for commercial sale and our drug candidates to patients in clinical trials would be jeopardized. Any delay or interruption in the provision of clinical trial supplies could delay the completion of clinical trials, increase the costs associated with maintaining clinical trial programs, and, depending upon the period of delay, require us to begin new clinical trials at additional expense or terminate clinical trials completely.

We have entered into collaboration arrangement with Grand Life Science and may seek additional collaboration opportunities and strategic alliances or enter into licensing arrangements in the future, but we may not realize the benefits of such collaboration, alliances or licensing arrangements as expected.

We have in the past formed, and may in the future seek and form additional collaborations or strategic alliances, or enter into additional co-development and licensing arrangements with third parties that we believe will complement or augment our development and commercialization efforts with respect to our drug candidates and any future drug candidates that we may develop. In November 2024, we entered into an exclusive commercialization collaboration agreement with Grand Life Science in respect of the commercialization of rifasutenizol. As of the Latest Practicable Date, we had received the first installment

of RMB25.0 million from Grand Life Science, the remaining milestone payments of RMB40.0 million to be made (i) upon receiving marketing approval for the first indication of rifasutenizol in China, and (ii) upon the inclusion of rifasutenizol in the NRDL. If the first condition is fulfilled after the 2026 NRDL application date (typically by the end of June 2026) but on or before December 31, 2026, the amount of milestone payment will be adjusted from RMB20.0 million to RMB15.0 million. If the second condition is fulfilled after the official publication date of the 2026 NRDL application (typically in the end of 2026 or the beginning of 2027), the amount of milestone payment will be adjusted from RMB20.0 million to RMB15.0 million. If we are unable to receive the marketing approval for the first indication of rifasutenizol in China before December 31, 2026, Grand Life Science may unilaterally terminate this Collaboration Agreement by written notice. In such case, we shall refund the first milestone payment already received from Grand Life Science unless both parties agree to continue the collaboration through friendly negotiation and reach a consensus in writing on the follow-up arrangements. In addition, if rifasutenizol is not included in the 2027 version of NRDL, Grand Life Science shall also have the right to request a renegotiation of the key commercial terms, mainly including commercial milestone payments, promotion service fee rates, price and sales volume forecasts, minimum annual promotion requirements and the shortfall compensation mechanism, and both parties shall reach a consensus in writing through friendly negotiation. For more details of our collaboration agreements, see "Business — Commercialization — Collaboration with Grand Life Science for rifasutenizol (TNP-2198)." If we are unable to adjust the key commercial terms through friendly negotiations and reach a written agreement, the Collaboration Agreement may be terminated, and we may be required to return the amounts received from Grand Life Science or make corresponding payments in accordance with the agreement. In addition, we may not be able to promptly identify an alternative commercialization partner with comparable capabilities, which could delay the commercialization of our products and adversely affect our business operations and financial performance. For these and other reasons, we may not achieve the outcomes and synergies expected from the collaboration arrangement. The collaboration arrangement is inherently uncertain, and is subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and are beyond our control. Even if we achieve the expected benefits, we may not be able to do so within the anticipated time frame.

We face significant competition in seeking appropriate strategic partners and the negotiation process can be time-consuming and complex. We may not be successful in our efforts to establish a strategic partnership or other alternative arrangements for our drug candidates because they may be deemed to be at too early of a stage of development for collaborative effort, and third parties may not view our drug candidates as having the requisite potential to demonstrate safety and efficacy or commercial viability. If and when we collaborate with a third party for development and commercialization of a drug candidate, we may be required to relinquish some or all of the control over the future success of that drug candidate to the third party. The collaborators may also consider alternative drug candidates or technologies that may be available. For any drug candidates that we may seek to in-license from third parties, we may face significant competition from other biopharmaceutical companies with greater resources or capabilities than us, and any agreement that we do enter into may not result in the anticipated benefits.

If we are unable to reach agreements with suitable collaborators on a timely basis, on acceptable terms, or at all, we may have to curtail the development of a drug candidate, reduce or delay its development program or one or more of our other development programs, delay its potential commercialization or reduce the scope of any sales or marketing activities, or increase our expenditures and undertake development or commercialization activities at our own expense. If we fail to enter into license and collaboration arrangements or do not have sufficient funds or expertise to undertake the necessary development and commercialization activities, we may not be able to further develop our drug candidates or bring them to market and generate product sales revenue, which would harm our business, financial condition, results of operations and prospects.

As a result, we cannot be certain that, following a license and collaboration arrangement, we will achieve the revenue or net income that justifies such transaction or such other benefits that caused us to enter into the arrangement. Any of the foregoing could materially adversely affect our business, financial condition, results of operations and prospects.

RISKS RELATING TO THE GLOBAL OFFERING

There has been no prior public market for our H Shares and there can be no assurance that an active market would develop, and the price and trading volume of our H Shares may be volatile.

No public market currently exists for our H Shares. The Offer Price may differ significantly from the market price of the H Shares following the Global Offering. We have applied to the Stock Exchange for the listing of, and permission to deal in, the H Shares. A listing on the Stock Exchange, however, does not guarantee that an active and liquid trading market for our H Shares will develop, especially during the period when a certain portion of our H Shares may be subject to lock-up, or if it does develop, that it will be sustained following the Global Offering, or that the market price or trading volume of the H Shares will not decline following the Global Offering.

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

You will incur immediate and substantial dilution and may experience further dilution in the future.

The Offer Price of our H Shares is higher than the net tangible asset value per H Share immediately prior to the Global Offering. Therefore, purchasers of the our H Shares in the Global Offering will experience an immediate dilution in pro forma net tangible asset value.

In order to expand our business, we may consider offering and issuing additional Shares in the future. Purchasers of the our H Shares may experience dilution in the net tangible asset value per share of their H Shares if we issue additional Shares in the future at a price which is lower than the net tangible asset value per H Share at that time. Furthermore, we may issue Shares pursuant to the Share Schemes, which would further dilute Shareholders' interests in our Company.

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

Future sales or perceived sales by our existing Shareholders of our H Shares after the Global Offering could result in a significant decrease in the prevailing market price of our H Shares. Only a limited number of the H Shares currently outstanding will be available for sale or issuance immediately after the Global Offering due to contractual and regulatory restrictions on disposal and new issuance. Nevertheless, after these restrictions lapse or if they are waived, future sales of significant amounts of our H Shares in the public market or the perception that these sales may occur could significantly decrease the prevailing market price of our H Shares and our ability to raise equity capital in the future.

The interests of our Single Largest Group of Shareholders may not be aligned with the interests of the other Shareholders.

Immediately upon completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), the Single Largest Group of Shareholders are expected to exercise an aggregate of approximately 15.82% voting rights in our Company. As a result, the Single Largest Group of Shareholders, will have significant influence over our business, including decisions regarding mergers, consolidations, liquidations and the sale of all or substantially all of our assets, election of directors and other significant corporate actions.

It may take actions that are not in the best interest of us or our other Shareholders. This concentration of ownership may discourage, delay or prevent a change in control of our Company, which could have the effect of depriving our other Shareholders of the opportunity to receive a premium for their shares as part of a sale of our Company and may reduce the price of the H Shares. This concentrated control will limit your ability to influence corporate matters and could discourage others from pursuing any potential merger, takeover or other change of control transactions that other holders of our shares may view as beneficial.

We cannot assure you that we will make dividend payments in the future.

We currently intend to retain most, if not all, of our available funds and any future earnings after the Global Offering to fund the research and development, regulatory filings and commercialization of our drug candidates. As a result, we might not pay any cash dividends in the foreseeable future. Therefore, you should not rely on an investment in our H Shares as a source for any future dividend income. For more details on our dividend policy, see "Financial Information — Dividends."

Facts, forecasts and statistics in this prospectus that were obtained from official government sources have not been independently verified.

Facts, forecasts and statistics in this prospectus relating to the pharmaceutical industry in and outside China are obtained from information provided or published by government agencies, and we can guarantee neither the quality nor reliability of such source materials. We believe that the information originated from appropriate sources and was extracted and reproduced after taking reasonable care. 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. However, the information from official government sources has not been independently verified by us, the Joint Sponsors, the Overall Coordinators, the underwriters, any of their respective directors, employees, agents or advisers or any other person or party involved in the Global Offering, and no representation is given as to its accuracy. Collection methods of such information may be flawed or ineffective, or there may be discrepancies between published information and market practice, which may result in the statistics being inaccurate or not comparable to statistics produced for other economies. Accordingly, the information from official government sources contained herein should not be unduly relied upon. In addition, we cannot assure you that such information is stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In any event, you should consider carefully the importance placed on such information or statistics.

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

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

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

Subsequent to the date of this prospectus but prior to the completion of the Global Offering, there may be press and media coverage regarding us and the Global Offering, which may contain, among other things, certain financial information, projections, valuations and other forward-looking information about us and the Global Offering. We do not have sufficient control over the press and media coverage, and analysts might issue negative views or recommendations on us, which could have an adverse effect on the market price of H Shares. We have not authorized the disclosure of any such information in the press or media and do not accept responsibility for the accuracy or completeness of such press articles or other media coverage. We make no representation as to the appropriateness, accuracy, completeness or reliability of any of the projections, valuations or other forward-looking information about us. To the

extent such statements are inconsistent with, or conflict with, the information contained in this prospectus, we disclaim responsibility for them. 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.

You should rely solely upon the information contained in this prospectus, the Global Offering and any formal announcements made by us in making your investment decision regarding our H Shares. We do not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding our H Shares, the Global Offering or us. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such data or publication. Accordingly, prospective investors should not rely on any such information, reports or publications in making their decisions as to whether to invest in the Global Offering. By applying to purchase our H Shares in the Global Offering, you will be deemed to have agreed that you will not rely on any information other than that contained in this prospectus and the Global Offering.

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

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

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

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

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

(a) we have appointed Dr. Ma and Ms. Ye Jiahong (葉嘉紅) ("**Ms. Ye**") as our authorized representatives (the "**Authorized Representatives**") pursuant to Rule 3.05 of the Listing Rules. The Authorized Representatives will act as our Company's principal channel of communication with the Stock Exchange. The Authorized Representatives will be readily contactable by phone, facsimile (if applicable) and email to promptly deal with enquiries from the Stock Exchange, and will also be available to meet with the Stock Exchange to discuss any matter within a reasonable period of time upon request of the Stock Exchange;

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

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

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

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

WAIVER IN RESPECT OF APPOINTMENT OF JOINT COMPANY SECRETARIES

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 Stock Exchange, capable of discharging the functions of the company secretary. Note 1 to Rule 3.28 of the Listing Rules provides that the 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 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.

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

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

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

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

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

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

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

Our Company has appointed Ms. Chen Rongping (陳榮平) ("**Ms. Chen**"), our Board secretary, as one of our joint company secretaries. She has considerable experience in matters relating to investor relations, administrative management and financial management but presently does not possess 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. Ye, an associate member of 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 Ms. Chen for an initial period of three years from the Listing Date to enable Ms. Chen 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.

Given Ms. Ye's professional qualification and experience, she will be able to explain to both Ms. Chen and us the relevant requirements under the Listing Rules and other applicable Hong Kong laws and regulations. Ms. Ye will also assist Ms. Chen 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. Ye is expected to work closely with Ms. Chen and will maintain regular contact with Ms. Chen, our Directors and the senior management of our Company. In addition, Ms. Chen will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules to enhance her knowledge of the Listing Rules during the three-year period from the Listing Date. She will also be assisted by our compliance adviser and our legal advisers as to the Hong Kong laws on matters in relation to our ongoing compliance with the Listing Rules and the applicable laws and regulations.

Since Ms. Chen does not possess the formal qualifications required of a company secretary under Rule 3.28 of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules such that Ms. Chen may be appointed as a joint company secretary of our Company. The waiver is valid for an initial period of three years from the Listing Date on the conditions that (a) Ms. Chen must be assisted by Ms. Ye, who possesses the qualifications and experience required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period; and (b) the waiver shall be valid for a period of three years from the Listing Date and will be revoked immediately if and when Ms. Ye ceases to provide such assistance to Ms. Chen as a joint company secretary or if there are material breaches of the Listing Rules by our Company.

Before the expiration of the initial three-year period, the qualifications of Ms. Chen 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 demonstrate and seek the Stock Exchange's confirmation that Ms. Chen, having benefited from the assistance of Ms. Ye for the preceding three years, has acquired the skills necessary to carry out the duties of a 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.

CORNERSTONE SUBSCRIPTION BY EXISTING SHAREHOLDERS OR CLOSE ASSOCIATE OF AN EXISTING SHAREHOLDER

Rule 10.04 of the Listing Rules provides that a person who is an existing shareholder of the applicant may only subscribe for or purchase securities for which listing is sought if no securities will be offered to them on a preferential basis and no preferential treatment will be given to them in the allocation of securities.

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

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

Our Company has applied for (i) a waiver from strict compliance with Rule 10.04 of the Listing Rules and a written consent under paragraph 1C(2) of the Placing Guidelines to permit each of AMR Action Fund, L.P. ("**AMR US**") and AMR Action Fund, SCSp ("**AMR Luxembourg**", together with AMR US, the "**AMR Action Fund Entities**"), each as an existing Shareholder; and (ii) a written consent under paragraph 1C(2) of the Placing Guidelines to permit Hua Yuan International Limited ("**Hua Yuan**"), a close associate of one of our existing Shareholders, to subscribe for the Offer Shares to be issued by the Company under the International Offering (the "**Proposed Cornerstone Investment**"):

(a) each of the AMR Action Fund Entities is our existing Shareholder; and

(b) Hua Yuan is a close associate of Suzhou Industrial Park Origin Ventures Co., Ltd. (蘇州工業園區原點創業投資有限公司) ("**Suzhou Origin**"), one of our existing Shareholders. As of the Latest Practicable Date, Suzhou Origin held approximately 5.07% of the total issued share capital of our Company.

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

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

(a) our Company will comply with the public float requirements of Rules 8.08(1) and 19A.13A and the free float requirement under Rule 19A.13C of the Listing Rules;

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

(c) our Company, the Overall Coordinators and the Joint Sponsors confirm that no preferential treatment has been, nor will be, directly or indirectly, given to each of AMR Action Fund Entities and Hua Yuan by virtue of its relationship with the Company in any allocation in the Global Offering, other than the preferential treatment of assured entitlement under the Proposed Cornerstone Investment which follows the principles set out in the Chapters 2.3 and 4.15 of the Guide for New Listing Applicants. The terms of the cornerstone investment agreements of the AMR Action Fund Entities and Hua Yuan are substantially the same as other cornerstone investors and do not contain any material terms which are more favorable to them than those in the other cornerstone investment agreement. In addition, each of the AMR Action Fund Entities and Hua Yuan have no influence over the allocation process of the Global Offering; and

(d) details of the allocation of the Offer Shares to each of the AMR Action Fund Entities and Hua Yuan in the Global Offering as a cornerstone investor are disclosed in this prospectus, and details of the allocation will be disclosed in the allotment results announcement of our Company.

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

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

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

CSRC FILING

According to the Overseas Listing Trial Measures, we are required to complete the filing procedures with the CSRC in connection with the proposed Listing. We submitted a filing to the CSRC for application for the Listing on August 1, 2025. The CSRC confirmed completion of such filing on January 30, 2026. No other approvals from the CSRC are required to be obtained for the Listing.

INFORMATION ON THE GLOBAL OFFERING

This prospectus is published solely in connection with the Hong Kong Public Offering, which forms part of the Global Offering. For applicants under the Hong Kong Public Offering, this prospectus sets out the terms and conditions of the Hong Kong Public Offering. The Global Offering comprises the Hong Kong Public Offering of initially 828,100 Offer Shares and the International Offering of initially 7,452,450 Offer Shares (subject to, in each case, reallocation on the basis referred to under the section headed "Structure of the Global Offering" in this prospectus and, in case of the International Offering, any exercise of the Offer Size Adjustment Option and the Over-allotment Option).

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

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

See "Structure of the Global Offering" in this prospectus for details of the structure of the Global Offering, including its conditions and the arrangements relating to the Offer Size Adjustment Option, the Over-allotment Option and stabilization.

UNDERWRITING

The Listing is sponsored by the Joint Sponsors and the Global Offering is managed by the Overall Coordinators. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement. We expect that our Company will, on or about Wednesday, May 20, 2026, enter into the International Underwriting Agreement relating to the International Offering. For full information about the Underwriters and the underwriting arrangements, see "Underwriting" in this prospectus.

STRUCTURE OF THE GLOBAL OFFERING

Details of the structure of the Global Offering (including its conditions) and the arrangements relating to the Offer Size Adjustment Option, the Over-allotment Option and stabilization are set out in the sections headed "Structure of the Global Offering" and "Underwriting" in this prospectus.

RESTRICTIONS ON OFFER AND SALE OF THE OFFER SHARES

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

No action has been taken to permit a public offering of the Offer Shares or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, without limitation to the following, this prospectus may not be used for the purpose 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 for subscription. The distribution of this prospectus and the offering and sale of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom. In particular, the Offer Shares have not been offered and sold, and will not be offered and sold, directly or indirectly, in the PRC or the United States.

APPLICATION FOR LISTING OF THE H SHARES ON THE HONG KONG STOCK EXCHANGE

We have applied to the Hong Kong Stock Exchange for the granting of listing of, and permission to deal in, our H Shares to be issued pursuant to the Global Offering (including any H Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option) and the H Shares to be converted from Unlisted Shares.

No part of our Shares or loan capital is listed on or dealt in on any other stock exchange, and no such listing or permission to list is being or proposed to be sought as of the Latest Practicable Date.

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

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 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 date of commencement of dealings in the H Shares on the Hong Kong Stock Exchange 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 HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made enabling the H Shares to be admitted into CCASS. Investors should seek the advice of their stockbrokers or other professional advisers for details of the settlement arrangements as such arrangements may affect their rights and interests.

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" in this prospectus.

H SHARE REGISTER OF MEMBERS AND STAMP DUTY

All of the H Shares will be registered on our register of members of H Share to be maintained by our H Share Registrar, Tricor Investor Services Limited, in Hong Kong. Our principal register of members will be maintained by us at our headquarters in the PRC.

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

PROFESSIONAL TAX ADVICE RECOMMENDED

Potential investors in the Global Offering are recommended to consult their professional advisers as to the taxation implications of subscribing for, purchasing, holding or disposal of, and/or dealing in the H Shares or exercising rights attached to them. None of us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, the Underwriters, any of their respective directors, officers, employees, partners, agents, advisers or representatives or any other person or party involved in the Global Offering accepts responsibility for any tax effects on, or liabilities of, any person resulting from the subscription, purchasing, holding, disposition of, or dealing in, the H Shares or exercising any rights attached to them.

EXCHANGE RATE CONVERSION

Solely for your convenience, this prospectus contains translations among certain amounts denominated in Renminbi, Hong Kong dollars and U.S. dollars.

Unless indicated otherwise, (i) the translations between Renminbi and U.S. dollars were made at the rate of RMB6.8628 to US$1.00, (ii) the translations between Hong Kong dollars and Renminbi were made at the rate of RMB0.8758 to HK$1.00; and (iii) the translations between U.S. dollars and Hong Kong dollars were made at the rate of HK$7.8359 to US$1.00.

No representation is made that the amounts denominated in one currency could actually be converted into the amounts denominated in another currency at the rates indicated or at all.

LANGUAGE

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

ROUNDING

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments. Any discrepancies between totals and sums of amounts listed in any table, chart or elsewhere in this prospectus are due to rounding.

DIRECTORS

Name	Address	Nationality
Executive Director		
Dr. Ma Zhenkun (馬振坤)	Room 1201 Building 8, Meisong Garden Suzhou Industrial Park Jiangsu, PRC	American
Non-executive Directors		
Dr. Song Gaoguang (宋高廣)	Room 401 Building No. 4 Yujing Garden Yinghai Town, Daxing District Beijing PRC	Chinese
Mr. Michael James Bakes	3321 Armstrong Avenue Dallas Texas United States	American
Independent non-executive Directors		
Mr. Lee Wai Kong, Albert (李維剛)	Flat 108, 1/F Kent Mansion 97 Tin Hau Temple Road North Point Hong Kong	Chinese
Dr. Ni Lin (倪琳)	Room 1701 No. 8, Lane 390 Shiguang Road Yangpu District Shanghai PRC	Chinese
Dr. Li Leping (李樂平)	Room 402 No. 22, Lane 828 Chenhui Road Pudong New District Shanghai PRC	American

For details with respect to our Directors, see "Directors and Senior Management" in this prospectus.

PARTIES INVOLVED IN THE GLOBAL OFFERING

Joint Sponsors	**CITIC Securities (Hong Kong) Limited** 18/F, One Pacific Place 88 Queensway Hong Kong **ABCI Capital Limited** 11/F, Agricultural Bank of China Tower 50 Connaught Road Central Hong Kong
Sponsor-Overall Coordinators, Overall Coordinators and Joint Global Coordinators	**CLSA Limited** 18/F, One Pacific Place 88 Queensway Hong Kong **ABCI Capital Limited** 11/F, Agricultural Bank of China Tower 50 Connaught Road Central Hong Kong
Joint Bookrunners	**CLSA Limited** 18/F, One Pacific Place 88 Queensway Hong Kong **ABCI Capital Limited** 11/F, Agricultural Bank of China Tower 50 Connaught Road Central Hong Kong **China Renaissance Securities (Hong Kong) Limited** Units 8107-08, Level 81 International Commerce Centre 1 Austin Road West Kowloon Hong Kong
Joint Lead Managers	**CLSA Limited** 18/F, One Pacific Place 88 Queensway Hong Kong **ABCI Securities Company Limited** 10/F, Agricultural Bank of China Tower 50 Connaught Road Central Hong Kong

China Renaissance Securities (Hong Kong) Limited
Units 8107-08, Level 81
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

Futu Securities International (Hong Kong) Limited
34/F, United Centre
No. 95 Queensway
Admiralty
Hong Kong

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

Capital Market Intermediaries

CLSA Limited
18/F, One Pacific Place
88 Queensway
Hong Kong

ABCI Capital Limited
11/F, Agricultural Bank of China Tower
50 Connaught Road Central
Hong Kong

ABCI Securities Company Limited
10/F, Agricultural Bank of China Tower
50 Connaught Road Central
Hong Kong

China Renaissance Securities (Hong Kong) Limited
Units 8107-08, Level 81
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

Futu Securities International (Hong Kong) Limited
34/F, United Centre
No. 95 Queensway
Admiralty
Hong Kong

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

Legal Advisers to our Company

As to Hong Kong and U.S. laws:

O'Melveny & Myers
31/F, AIA Central
1 Connaught Road Central
Hong Kong

As to PRC laws:

AllBright Law Offices
11, 12/F, Shanghai Tower
No. 501 Yincheng Middle Road
Pudong New Area
Shanghai
PRC

As to intellectual property laws of the PRC:

Jingtian & Gongcheng
34/F, Tower 3, China Central Place
77 Jianguo Road, Chaoyang District
Beijing
PRC

Legal Advisers to the Joint Sponsors and Underwriters

As to Hong Kong and U.S. laws:

Clifford Chance
27th Floor, Jardine House
1 Connaught Place, Central
Hong Kong

As to PRC laws:

Jingtian & Gongcheng
34/F, Tower 3, China Central Place
77 Jianguo Road, Chaoyang District
Beijing
PRC

Auditor and Reporting Accountant

PricewaterhouseCoopers
Certified Public Accountants and Registered Public Interest Entity Auditor
22/F Prince's Building
Central
Hong Kong

Industry Consultant

Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.
2504 Wheelock Square
1717 Nanjing West Road
Shanghai 200040
PRC

Compliance Adviser	**Maxa Capital Limited** 2602 Golden Centre 188 Des Voeux Road Central Sheung Wan, Hong Kong
Receiving Bank	**CMB Wing Lung Bank Limited** 45 Des Voeux Road Central Hong Kong
	China CITIC Bank International Limited 80 Floor, International Commerce Centre 1 Austin Road West Kowloon, Hong Kong

Registered Office, Headquarters and Principal Place of Business in the PRC	Unit 701, Block B7 BioBay 218 Xinghu Street Suzhou Industrial Park Suzhou Area of China (Jiangsu) Pilot Free Trade Zone Suzhou Jiangsu, PRC
Principal Place of Business in Hong Kong	31/F, Tower Two, Times Square 1 Matheson Street Causeway Bay Hong Kong
Company's Website	**www.tennortherapeutics.com** *(Information contained on this website does not form part of this prospectus)*
Joint Company Secretaries	**Ms. Chen Rongping (陳榮平)** Room 905, Building 4 No. 19 Jiuhua Road Suzhou Industrial Park Jiangsu, PRC **Ms. Ye Jiahong (葉嘉紅)** *(Associate of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom)* 31/F, Tower Two, Times Square 1 Matheson Street Causeway Bay Hong Kong
Authorized Representatives	**Dr. Ma Zhenkun (馬振坤)** Room 1201 Building 8, Meisong Garden Suzhou Industrial Park Jiangsu, PRC **Ms. Ye Jiahong (葉嘉紅)** 31/F, Tower Two, Times Square 1 Matheson Street Causeway Bay Hong Kong
Audit Committee	Mr. Lee Wai Kong, Albert (李維剛) *(Chairperson)* Mr. Li Leping (李樂平) Mr. Song Gaoguang (宋高廣)
Remuneration Committee	Mr. Li Leping (李樂平) *(Chairperson)* Dr. Ni Lin (倪琳) Mr. Michael James Baker

Nomination Committee	Dr. Ma Zhenkun (馬振坤) *(Chairperson)* Dr. Ni Lin (倪琳) Dr. Li Leping (李樂平)
H Share Registrar	**Tricor Investor Services Limited** 17/F, Far East Finance Centre 16 Harcourt Road, Hong Kong
Principal Banks	**Bank of China, Suzhou Dushu Lake branch** No. 288, Qiyue Road Suzhou Industrial Park Wuzhong District, Suzhou Jiangsu Province, PRC **China Merchants Bank, Suzhou Industrial Park branch** No. 308, Suya Road Suzhou Industrial Park Wuzhong District, Suzhou Jiangsu Province, PRC **Suzhou Bank, Jiangsu Pilot Free Trade Zone Suzhou Area branch** No. 728, Zhongyuan Road Suzhou Industrial Park Wuzhong District, Suzhou Jiangsu Province, PRC

The information and statistics set out in this section and other sections of this prospectus were extracted from the report prepared by Frost & Sullivan, which was commissioned by us, and from various official government publications and other publicly available publications. We engaged Frost & Sullivan to prepare the Frost & Sullivan Report, an independent industry report, in connection with the Global Offering. The information from official government sources has not been independently verified by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries, any of their respective directors, employees, agents or advisers, or any other persons or parties involved in the Global Offering, and no representation is given as to its accuracy, fairness and completeness. For a discussion of the risks relating to our industry, see "Risk Factors" in this prospectus.

ANTIBACTERIAL AGENTS

Antibacterial agents are antimicrobial substances used to treat and prevent bacterial infections caused by single-celled organisms. Over time, various antimicrobial agents have been developed to eliminate or inhibit these pathogens. However, under selective pressure from antibiotic use, bacteria continuously evolve and develop drug resistance—a process further accelerated by the misuse and overuse of antibiotics in humans, animals, and agriculture. Resistance mechanisms include both genetic adaptations and non-genetic strategies, such as biofilm formation and transition into protective physiological states. These challenges highlight the substantial unmet medical need for innovative therapies to address the growing global threat of antimicrobial resistance.

The growing problem of antibacterial resistance poses a significant public health challenge both in China and globally. As shown in the table below, China's resistance rates often exceed the average global levels, underscoring the urgent need for enhanced antibiotic stewardship, diagnostics, and novel drug development. Due to the rising misuse of anti-infectives and the escalating severity of antibiotic resistance, the Chinese government has continuously implemented laws, regulations, and policies since 2004 to promote the rational clinical use of anti-infectives and curb their inappropriate use.

Drug Resistance Rate for Commonly Used Antibiotics in China and Globally

Related to H. pylori Eradication Therapy				
Antibiotic Class / Name	**Main Indications (relevant to rifasutenizol)**	**Resistance Rate - China**	**Resistance Rate - US**	**Resistance Rate - Global**
Clarithromycin	*H. pylori Eradication (First-line)*	*20-50%*	*~10-15%*	*15-30%*
Metronidazole	*H. pylori Eradication (First-line)*	*60-90%*	*~30-40%*	*30-70%*
Amoxicillin	*H. pylori Eradication (First-line)*	*~10%*	*<5%*	*<5%*
Levofloxacin	*H. pylori Eradication (Second-line)*	*20-50%*	*~15-25%*	*15-30%*
Rifabutin	*H. pylori Eradication (Third-line)*	*<5%*	*<3%*	*<5%*
Tetracycline	*H. pylori Eradication (Second-line)*	*5-15%*	*<3%*	*<10%*
Related to MRSA & Severe Gram-Positive Infections (For PJI, ABSSSI)				
Antibiotic Class / Name	**Bacteria (relevant to rifaquizinone)**	**Resistance Rate - China**	**Resistance Rate - US**	**Resistance Rate - Global**
Vancomycin	*MRSA, Severe G^+ Infections*	*~1.7%*	*MRSA: ~1-2% VISA/VRSA: Rare*	*<5%*
Linezolid	*MRSA, VRE*	*1-3%*	*MRSA: <1% VRE: ~2-3%*	*<2%*
Daptomycin	*MRSA Bacteremia, etc.*	*<1%*	*<1%*	*<1%*
Dalbavancin	*MRSA*	*Not available*	*0-2%*	*0-2%*
Oritavancin	*MRSA*	*Not available*	*0-2%*	*0-2%*
Related to Innovative Antibiotics				
Antibiotic Class / Name	**Main Indication (relevant to rifaquizinone)**	**Resistance Rate - China**	**Resistance Rate - US**	**Resistance Rate - Global**
Contezolid	*Complicated Skin Infections*	*Currently very low (<1%)*	*Currently very low (Limited data)*	*Currently very low*
NUZYRA® (Omadacycline)	*Pneumonia, Skin Infections*	*Not available*	*Not available*	*Not available*
MRX-4	*Complicated Skin Infections (Targeting MRSA, etc.)*	*Not available*	*Not available*	*Not available*

Abbreviations: ENT = infections in the ear, nose, and throat; UTI = urinary tract infection; MRSA = methicillin-resistant Staphylococcus aureus; VRE = vancomycin-resistant Enterococci; STI = sexually transmitted infections.

Note: Spectrum of activity refers to the range of bacteria a certain drug can fight. Broad-spectrum means the drug works against a wide range of bacteria, both Gram-positive and Gram-negative. Narrow-spectrum means the drug is active against a few species, usually within one bacterial group (e.g., only Gram-positive cocci). Limited-spectrum refers to a drug works against very few species, often just one pathogen or a small subset.

Source: Frost & Sullivan Analysis

Multi-targeting Conjugated Antibacterial Agents

Multi-targeting conjugated antibacterial agents offer antibacterial activity by simultaneously targeting multiple bacterial pathways, resulting in high efficacy against bacteria especially resistant strains and a reduced risk of resistance development. They also tend to have favorable safety profiles due to increased target specificity. In contrast, a traditional (non-multi-targeting) antibacterial agents typically have a higher risk of resistance emergence. Overall, multi-targeting antibacterial agents address significant medical needs and difficult-to-treat infections, while conventional antibacterial agents remain convenient and affordable but are increasingly limited by resistance.

Comparisons Between Multi-targeting Conjugated Antibacterial Agents with Non-multi-targeting Conjugated Antibacterial Agents

Feature/Indicator	Multi-targeting Conjugated Antibacterial Agents	Non-multi-targeting Conjugated Antibacterial Agents	Advantages/Limitations (Qualitative)
Mechanism of Action	Targets multiple bacterial pathways simultaneously	Often single-target	Multi-targeting allows coverage of diverse pathogens; non-multi-targeting may miss resistant strains
Efficacy	High, effective against resistant and multi-drug resistant strains	Moderate; efficacy may decline with resistance	Multi-targeting improves efficacy in difficult-to-treat infections; conventional antibacterial agents can be limited by existing resistance
Drug Resistance	Reduced risk due to simultaneous targeting of multiple pathway	Higher risk; bacteria may develop resistance more rapidly	Multi-targeting may slow resistance emergence; non-multi-targeting requires combination therapy for similar effect
Route of Application	Primarily intravenous or targeted delivery, and can be oral depending on molecule	Oral or intravenous depending on molecule	Multi-targeting molecules may require controlled delivery; non-multi-targeting often easier for outpatient use
Safety	Favorable; lower off-target effects due to targeted design	Established safety profile, but systemic side effects may be higher	Multi-targeting reduces collateral toxicity; conventional antibacterial agents may affect normal flora
Cost	Higher due to innovative technology and development	Generally lower; generics widely available	Multi-targeting is more expensive but addresses significant medical needs; non-multi-targeting is cost-effective but limited by resistance
Patient Adherence	High for oral antibacterialagents; Moderate for intravenous or hospital-based administration may affect adherence	Higher for oral antibacterial agents; convenient dosing	Multi-targeting may require supervised administration; oral formulation easier for self-administration

Source: Frost & Sullivan Analysis

Growth Drivers and Future Trends of Antibiotic Market

- **Rising threat of antibiotic resistance.** The growing prevalence of drug-resistant pathogens is fundamentally reshaping the antibacterial drug market. This escalating challenge places immense pressure on healthcare systems to adopt new therapeutic strategies. Consequently, there is heightened interest in developing innovative antibiotics that target resistant bacterial strains through novel mechanisms of action.
- **Emergence of novel therapeutic approaches.** New modalities are expected to emerge, including multi-targeting conjugated antibiotics, antimicrobial peptides, and microbiome-based interventions. These alternatives aim to overcome traditional resistance mechanisms and offer more sustainable treatment options, representing a broader paradigm shift in infection management in the post-conventional antibiotic era.
- **Advancements in antibacterial innovation.** Progress in the development of new technologies in molecular biology, especially in the design of multi-targeting molecules, as well as computational drug design and microbial genomics enables more precise and efficient approaches, reducing early-stage failures and opening new possibilities for tackling previously untreatable infections.

- **Policy incentives supporting research.** Policymakers are establishing dedicated funding, outcome-based procurement systems, and reward programs linked to successful market entries. For example, in 2022, the National Health Commission issued the Notice for the National Action Plan for Curbing Microbial Resistance (2022-2025) (關於印發遏制微生物耐藥國家行動計劃(2022-2025年)的通知), aiming to reduce drug-resistant infections, improve public awareness and appropriate antibiotic use, and ensure that 100% of retail antimicrobial sales are prescription-based. In the U.S., QIDP provides regulatory and commercial incentives—such as priority review, fast track designation, and extended market exclusivity—that reduce development risks and attract investment. Meanwhile, WHO's efforts, including the Priority Pathogens List and the Global AMR R&D Hub, help prioritize research, guide funding, and foster global collaboration. Together, these initiatives accelerate innovation, strengthen the antibacterial pipeline, and address the growing threat of antimicrobial resistance.

Major Indications

H. pylori Infection

H. pylori, a Gram-negative microaerophilic pathogen, is strongly associated with various gastric diseases, including gastric ulcers, chronic progressive gastritis, and gastric cancer. Approximately 80% of gastric cancers are associated with *H. pylori*. As a result, it has been classified as a Group I carcinogen by the WHO. Beyond its established role in gastrointestinal pathology, growing evidence suggests that *H. pylori* may also contribute to multiple extragastric conditions by disrupting diverse biological processes outside the stomach. Among all pathogens in China, it ranks first in terms of disease burden—surpassing both tuberculosis and hepatitis B.

Globally, the prevalence of *H. pylori* infection stably increased from 3.91 billion in 2019 to 4.08 billion in 2024 and is projected to reach 4.28 billion in 2030 and 4.44 billion in 2035. In China, the *H. pylori* infection rate is approximately 44%, largely attributed to lifestyle and environmental factors. *H. pylori* is also considered particularly harmful within the Chinese population. The high prevalence of *H. pylori* in China results in an estimated 340,000 new gastric cancer cases each year—accounting for 42% of all *H. pylori*-related gastric cancer cases worldwide. Due to the impact of improved awareness and control efforts, the prevalence of *H. pylori* infection is expected to slightly decline, from 623.3 million in 2019 to 621.1 million in 2024, and further to 607.2 million in 2030 and 594.0 million in 2035.

Despite the decline in prevalence of *H. pylori* infection in China, both the detection and treatment rates of *H. pylori* infection have increased from 2019 to 2024 and are expected to continue rising. In China, the detection rate of *H. pylori* infection was 3.0% in 2019, increased to 3.6% by 2024, and is expected to reach 5.8% in 2035. Likewise, in 2019, the global detection rate of *H. pylori* infection was 4.5% in 2019, rising to 4.7% by 2024, and is expected to reach 6.3% in 2035. Approximately 44.2% of the patient population is treatment-naïve, multidrug-resistant population.

The in-hospital treatment rate for *H. pylori* infection has remained consistently above 90%. Meanwhile, the out-of-hospital treatment rate among individuals diagnosed through routine health examinations has been steadily increasing. In 2019, the global and China out-of-hospital treatment rates were 14.0% and 10.0%, respectively. In 2024, these rates had risen to 19.9% globally and 15.0% in China. They are projected to reach 31.7% globally and 26.6% in China in 2035. As out-of-hospital treatment becomes more prevalent, it is expected to be a key driver of market growth.

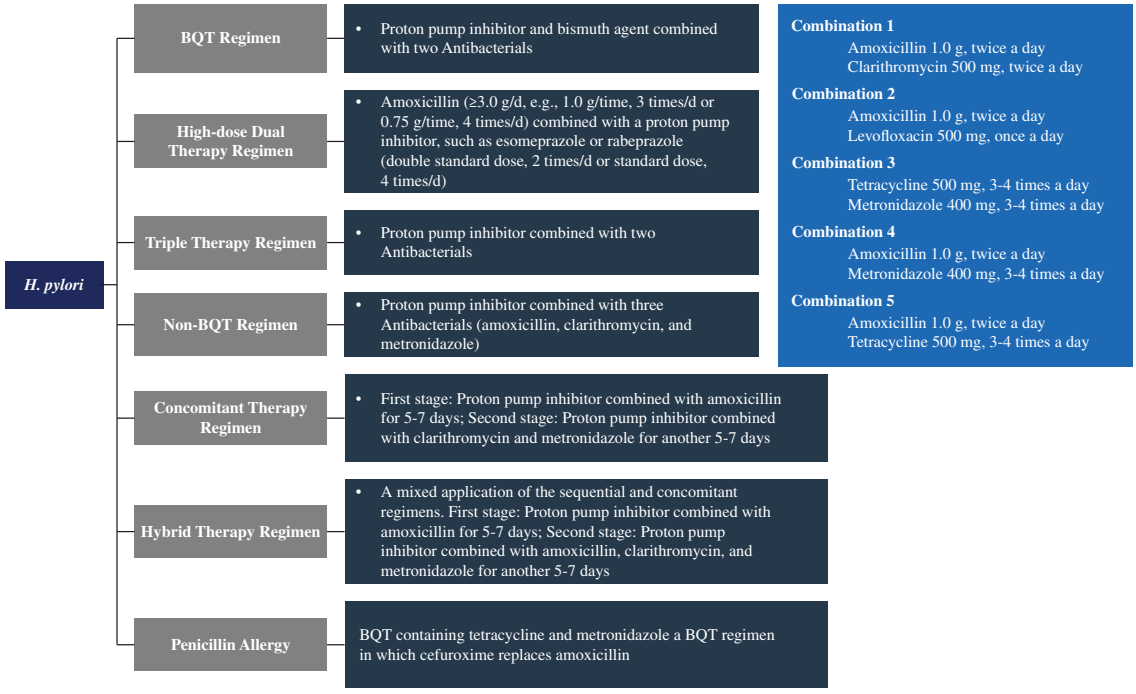
Treatment Paradigm

It is now increasingly recognized that early eradication of *H. pylori* is critical to halting the progression from chronic gastritis to more severe stages, including atrophic gastritis, intestinal metaplasia, dysplasia, and ultimately gastric cancer. Early treatment also prevents peptic ulcers and their complications, enhances eradication success, reduces antibiotic resistance, and may mitigate risks of extragastric manifestations such as iron-deficiency anemia and vitamin B12 deficiency. Moreover, timely intervention reduces household transmission, making early eradication a cornerstone of both individual and public health strategies.

In China, the treatment of *H. pylori* infection typically includes several regimen options based on clinical factors such as antibiotic resistance and patient tolerance. Common regimens include BQT (proton pump inhibitor, bismuth, and two antibiotics), high-dose dual therapy (proton pump inhibitor and high-dose amoxicillin), triple therapy (proton pump inhibitor plus two antibiotics), non-BQT (proton pump inhibitor with amoxicillin, clarithromycin, and metronidazole), and sequential or hybrid therapies that combine different treatment stages. For patients with penicillin allergy, regimens using tetracycline and metronidazole or replacing amoxicillin with cefuroxime are recommended. Various antibiotic combinations are tailored based on local resistance patterns to maximize eradication success.

As antibiotic resistance becomes increasingly widespread, standard triple therapy is now considered inadequate. In 2012, due to unacceptably low eradication rates, the expert consensus in China formally recommended against the use of standard triple therapy and began promoting more complex BQT instead. Since 2022, the latest clinical guidelines in China has endorsed various BQT as the preferred first-line treatments. These regimens aim to partially overcome rising antibiotic resistance by incorporating bismuth, which exhibits direct antibacterial effects against *H. pylori*.

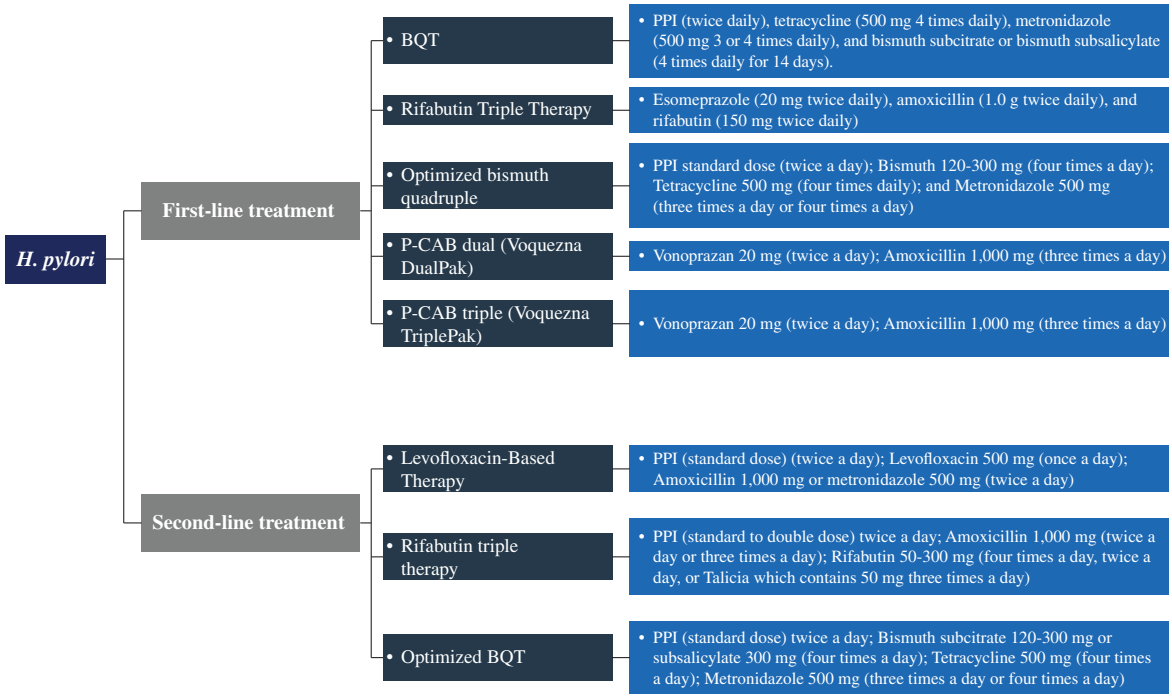
Treatment Paradigm of *H. pylori* Infection in China



Source: 2022 Chinese Guideline for the Treatment of Helicobacter pylori Infection (《2022中國幽門螺桿菌感染治療指南》), Frost & Sullivan Analysis

The treatment paradigm for *H. pylori* infection in the U.S. includes both first-line and second-line regimens based on antibiotic resistance patterns and treatment history. First-line treatments include BQT, rifabutin triple therapy, optimized BQT, P-CAB dual and P-CAB triple, primarily centered on amoxicillin. However, in penicillin-allergic patients, metronidazole is used in place of amoxicillin. If first-line therapy fails, second-line treatment options include levofloxacin-based therapy, rifabutin triple therapy and optimized BQT. Treatment strategies can be tailored based on regional resistance patterns and patients' allergies.

Treatment Paradigm *of H. pylori* Infection in the U.S.



Abbreviations: PPI = proton pump inhibitor; PBLA = penicillin-binding protein A; PBLT = penicillin-binding protein T; PBLM = penicillin-binding protein M.

Source: American College of Gastroenterology 2024, Frost & Sullivan Analysis

In summary, the treatment of *H. pylori* infection involves multiple regimens tailored to patient characteristics and antibiotic resistance patterns. BQT is the first-line recommendation with high eradication rates (83.3%) and is especially effective in areas with low resistance, though antibiotic combinations should be adjusted in high-resistance regions. The cost of a BQT treatment course is approximately RMB 750 to 1,000 (pre-reimbursement) in China and US$700 to 1,000 in the U.S. Below is a summary of information on the commonly adopted treatment regimen for *H. pylori* infection.

Protocol Type	Eradication Rate	Duration	Suitable Population/Advantages	Precautions
BQT	83.3%	10-14 days	First-line recommended protocol; preferred in low-resistance areas (especially clarithromycin resistance <20%)	Antibiotic combination needs adjustment in regions with high clarithromycin/ metronidazole resistance
Rifabutin Triple Therapy	89%	14 days	Initial treatment, amoxicillin-sensitive (resistance <10%), young patients	Rifabutin triple therapy requires caution due to potential hematologic toxicity, drug – drug interactions, and is generally reserved for rescue treatment after standard regimens fail
P-CAB-containing Regimens	82.1%	14 days	Fast PPI metabolizers, PPI-intolerant patients, high-resistance areas	P-CAB-containing regimens, such as those with vonoprazan, offer potent acid suppression but require monitoring for CYP3A4-related interactions, limited long-term safety data, and use in special populations like those with liver impairment or during pregnancy
Penicillin Allergy Alternative Protocol	81%-92%	14 days	For penicillin-allergic patients	Some patients are allergic to penicillin. Metronidazole dosage must be sufficient (1,600mg/d)
Refractory Infection Salvage Protocol	85%-90%	14 days	For patients with two consecutive treatment failures; requires drug sensitivity testing	Avoid reuse of levofloxacin/clarithromycin; furazolidone may cause neurotoxicity

Source: Frost & Sullivan Analysis

The antimicrobials commonly used for *H. pylori* infection—including clarithromycin, metronidazole, levofloxacin, and amoxicillin—are not specific to *H. pylori* but are also extensively prescribed for other infections, such as pharyngitis, pneumonia, and urinary tract infections. The widespread use of these antimicrobials has contributed to the rapid development of antibiotic resistance. According to Frost & Sullivan, the resistance rates of *H. pylori* to commonly used antimicrobials are alarmingly high on a global scale, with particularly severe trends in China: Clarithromycin resistance rate: 20% to 50%; Metronidazole resistance rate: 50% to 90%; Levofloxacin resistance rate: 20% to 55%; and Amoxicillin resistance rate: remains generally low but exceeds 15%—the clinical warning threshold—in certain regions.

Consequently, current *H. pylori* management necessitates personalized therapy based on gastroscopic biopsy and antimicrobial susceptibility testing. This approach not only complicates the treatment process but also elevates bleeding risks and imposes significant financial burdens on patients.

Amoxicillin is currently the only widely available antibiotic with relatively low resistance and is considered a cornerstone of combination therapy for *H. pylori* treatment, but its widespread use in recent years has led to an emerging trend of resistance, posing a serious threat to *H. pylori* treatment in China. If amoxicillin resistance continues to rise, there may soon be no effective antibiotics remaining for *H. pylori* eradication in the country.

The solution to antibiotic resistance lies in developing new drugs with novel mechanisms of action. RTT, combining rifasutenizol, amoxicillin, and a PPI, is designed to address the rising concern of *H. pylori* antibiotic resistance through dual-target mechanism of rifasutenizol, with rifasutenizol's rifamycin moiety inhibiting bacterial RNA polymerase and its nitroimidazole moiety generating DNA-damaging free radicals. This single-molecule approach provides synchronized pharmacokinetics, enhanced bactericidal activity, a high barrier to resistance, and a simplified regimen that may improve patient adherence. In contrast, the standard BQT relies on multiple drugs with different pharmacokinetics, faces high resistance rates to clarithromycin, metronidazole and levofloxacin and involves complex dosing with more frequent side effects. RTT addresses significant clinical needs by simplifying the prerequisites for treatment, eliminating the need for gastroscopic biopsy and antimicrobial susceptibility testing, and offering the potential to preserve key antibiotics such as amoxicillin. Clinically, RTT has demonstrated favorable eradication rates, including against resistant strains. From a commercial perspective, it provides the potential to replace BQT as the first-line therapy.

	RTT	Standard Regimen (BQT)
Mechanism of Action	Rifasutenizol is a NCE with conjugation of two pharmacophores: ① Rifamycin moiety – inhibits bacterial RNA polymerase ② Nitroimidazole moiety – generates free radicals to damage DNA RTT is the combination of rifasutenizol + amoxicillin + PPI.	Multi-drug combination: PPI + bismuth + two antibiotics (e.g., clarithromycin + metronidazole, or amoxicillin + tetracycline)
Bactericidal Characteristics	Rifasutenizol is characterized by dual-target activity within a single molecule, synchronized pharmacokinetics, and a synergistic effect. With its enhanced bactericidal activity, rifasutenizol can eliminate *H. pylori* directly, potentially reducing the need for bismuth and simplifies the treatment regimen.	Different pharmacokinetics across drugs; requires multiple agents to cover different targets
Resistance Barrier	Rifasutenizol requires simultaneous resistance to both of its mechanisms, making the development of bacterial resistance less likely. It also more efficiently kills *H. pylori*, which helps protect amoxicillin by reducing the likelihood of resistant strains emerging.	High resistance rates to clarithromycin and metronidazole (often >50% in some regions); eradication rate decreases significantly with resistance
Treatment Complexity	Simplified regimen; potentially higher patient adherence	Multiple drugs and dosing schedules; lower adherence
Efficacy	High, multi-targeting improves efficacy in difficult-to-treat infections; Effective against resistant and multi-drug resistant strains	Conventional antibiotics can be limited by existing resistance
Safety Profile	Clinical data show good safety and tolerability	Gastrointestinal side effects common;
Clinical Evidence	Pivotal clinical trial demonstrated favorable eradication rates and activity against resistant strains. RTT consistently achieved higher eradication rates than BQT across various antibiotic-resistant and susceptible subgroup analyses, particularly in the multidrug-resistant population.	Widely used and guideline-recommended as first-line therapy
Market Pain Points	Addresses significant medical needs in treatment without requiring gastroscopic biopsy and antimicrobial susceptibility testing, and has the potential to preserve important antibiotics, including amoxicillin.	Low cost and well established in guidelines; broadly adopted in primary care
Market Penetration/Commercial Viability	Potential to replace BTQ as the first-line treatment.	Current baseline therapy long-term effectiveness challenged by rising resistance

Source: Frost & Sullivan Analysis

Rifasutenizol is intended for use in combination with amoxicillin and a proton pump inhibitor. Both amoxicillin and PPIs are widely available in China at low cost. The table below summarizes key information for these drugs:

Drug/Class	Use	Patent Status	Price Range (RMB/tablet)	Availability
Amoxicillin	Oral antibiotic	Fully off-patent in China	1.0-6.0 (0.25-0.5g); Originator brands may exceed 6.0	Widely available
Proton Pump Inhibitors (PPIs)	Acid-related disorders (omeprazole, lansoprazole, esomeprazole, rabeprazole)	Both originator brands and generics are available	0.5-4.0/tablet, depending on VBP status and brand positioning	Widely available in hospitals & pharmacies

Source: Frost & Sullivan Analysis

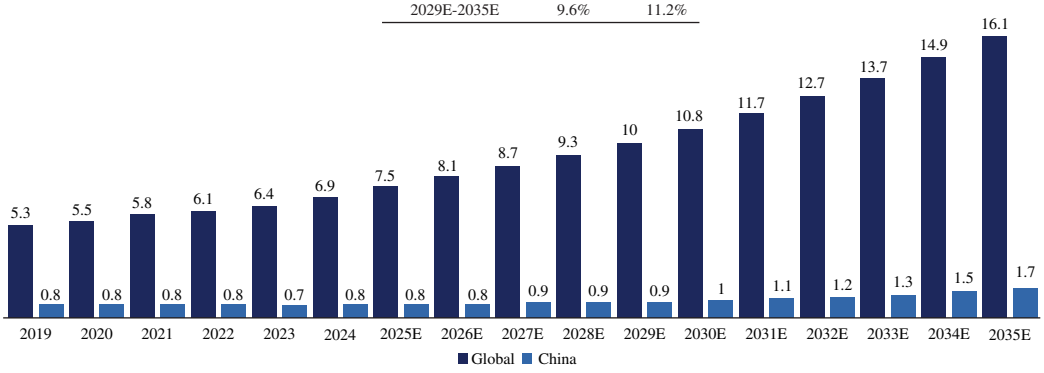
Market Size

In 2019, the global market size for drugs for *H. pylori* infection was US$5.3 billion and reached US$6.9 billion in 2024. With increasing public awareness of the health risks associated with *H. pylori* infection, it is projected to expand further to US$10.0 billion in 2029. In 2035, the market is expected to continue growing and reach US$16.1 billion. In China, the market size remained stable at US$0.8 billion from 2019 to 2024. It is expected to reach US$0.9 billion in 2029 and further increase to US$1.7 billion by 2035.

Historical and Forecasted Market Size of *H. pylori* Infection Drugs Globally and in China, 2019-2035E

Unit: Billion USD
At wholesales price level

Period	CAGR	
	Global	China
2019-2024	6.0%	0.0%
2024-2029E	7.6%	4.3%
2029E-2035E	9.6%	11.2%



Note: Although the total number of global infections has slightly decreased, the proportion of patients receiving treatment, as well as the quantity, sophistication, and cost of drugs used per treatment, have all increased significantly. The combined effect of these factors has driven the overall market size to remain on a growth trajectory. The decline in market size from 2019 to 2024 in China was primarily driven by the inclusion of antibacterial agents in the volume-based procurement program. The future growth is primarily driven by the upgrading of treatment regimens (e.g., more complex multi-drug combination therapies) prompted by rising antibiotic resistance, as well as increasing treatment demand resulting from the promotion of gastric cancer prevention strategies. Together, these factors have raised the cost per treatment, thereby driving the expansion of the market value.

Source: Frost & Sullivan Analysis

Competitive Landscape

As of the Latest Practicable Date, no innovative antibacterial agents had been approved for *H. pylori* infection globally. Rifasutenizol stands out as the only innovative antibacterial drug for the treatment of *H. pylori* infection under development on a global scale.

Global Competitive Landscape of Innovative Antibacterial Agents for the Treatment of *H. pylori* Infection Under Clinical Development

Generic Name (Identifier)	Target	Company	Indication	Study Location	Clinical Stage	Status Update Date
Rifasutenizol (TNP-2198)	RNA Polymerase/Nitroreductase	The Company	*H. pylori* Infection	China	NDA[1]	August 2025

Note:

1. The Company completed the Phase III clinical trial in February 2025, submitted the NDA, which was accepted by the NMPA in August 2025.

Source: Clinical Trials, CDE, Frost & Sullivan Analysis

Implant-Associated Infections

Healthcare-associated infections are a major complication in healthcare and constitute a significant global public health issue. Approximately 60% to 70% of nosocomial infections are associated with medical device implantations. A major contributor to implant-associated bacterial infections is the formation of biofilms on implant surfaces. These biofilms protect bacteria from antimicrobial agents and immune responses through various mechanisms, significantly enhancing drug tolerance. Surface properties, such as wettability, influence initial bacterial adhesion and biofilm formation. Early detection of pathogen attachment is crucial to prevent progression to chronic infections; however, traditional diagnostic methods are slow and costly. Biofilms, often detectable within 48 to 72 hours, demonstrate over 1,000-fold reduced sensitivity to antibacterial agents and immune defenses, making infections difficult to eradicate.

Biofilm infections present significant clinical challenges, including chronic tissue infection, persistent inflammation, immune evasion, and high antibiotic tolerance. The resulting complications often necessitate prolonged hospitalization, surgical interventions, and long-term antimicrobial therapies, which collectively contribute to very high medical costs. In cases involving non-removable devices, patients may require lifelong antibiotic treatment, and device removal might be contraindicated due to underlying health conditions such as thrombocytopenia, immunosuppression, or previous surgeries. Moreover, infections involving critical locations, such as great vessels or endocardial surfaces, carry risks of fatal outcomes.

Prosthetic Joint Infections

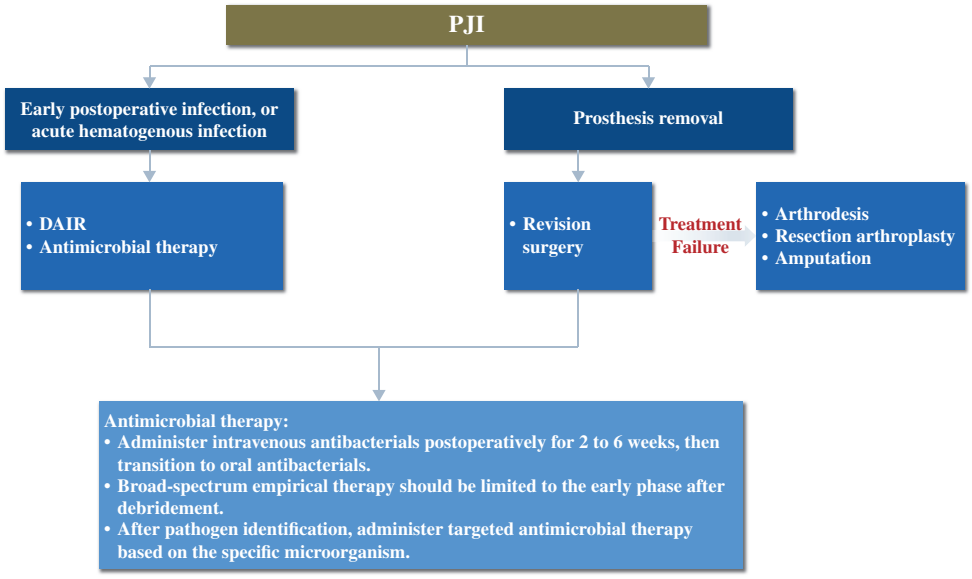
Joint replacement surgery is an orthopedic procedure that involves the surgical replacement of a damaged joint with a prosthetic implant to treat conditions such as arthritis, joint pathologies, osteoarthritis, and rheumatoid arthritis. PJI refers to an infection that occurs at the site of prosthetic joint implantation, affecting both the artificial prosthesis and the surrounding periarticular tissues. PJI results from microbial invasion of the joint space and manifests as a spectrum of pathophysiological changes and clinical symptoms through complex interactions among pathogenic microorganisms, implanted biomaterials, and host tissue responses. If a PJI occurs, surgical intervention is typically required, which may involve debridement or even complete replacement of the prosthesis. In severe or treatment-refractory cases, amputation may become necessary. Therefore, prompt and comprehensive treatment of PJI is vital to prevent severe complications. Prolonged antibiotic therapy is an effective strategy for treating PJI.

Treatment Paradigm

Identification of pathogenic microorganisms cultured from periprosthetic tissue or synovial fluid is a critical diagnostic criterion for PJI. Culture and antimicrobial susceptibility testing results guide the selection of both antibacterial therapy and surgical intervention strategies. Therefore, every suspected PJI case should undergo thorough microbiological evaluation to definitively identify the causative pathogen(s). According to statistics in China, Gram-positive bacteria account for approximately 75 to 85% of PJI cases, primarily comprising *Staphylococcus epidermidis* (35 to 65%), *Staphylococcus aureus* (20 to 40%), and other coagulase-negative *staphylococci* (15 to 25%). Gram-negative bacteria represent approximately 10 to 15% of PJI cases, while fungi account for around 5%.

In China, the treatment of PJI is primarily guided by the clinical decision on whether prosthesis removal is necessary. If removal is required, revision surgery is performed. In cases of early postoperative infection, or acute hematogenous infection, DAIR is recommended. This approach involves surgical removal of infected tissue, modular device components and debris, administration of antibiotics, and retention of the existing prosthetic implant. In both treatment pathways, empiric antibiotic therapy is initiated, typically consisting of 2 to 6 weeks of postoperative intravenous antibiotics followed by oral therapy. Initial broad-spectrum empiric antibiotics are subsequently adjusted to targeted antimicrobial therapy based on pathogen identification.

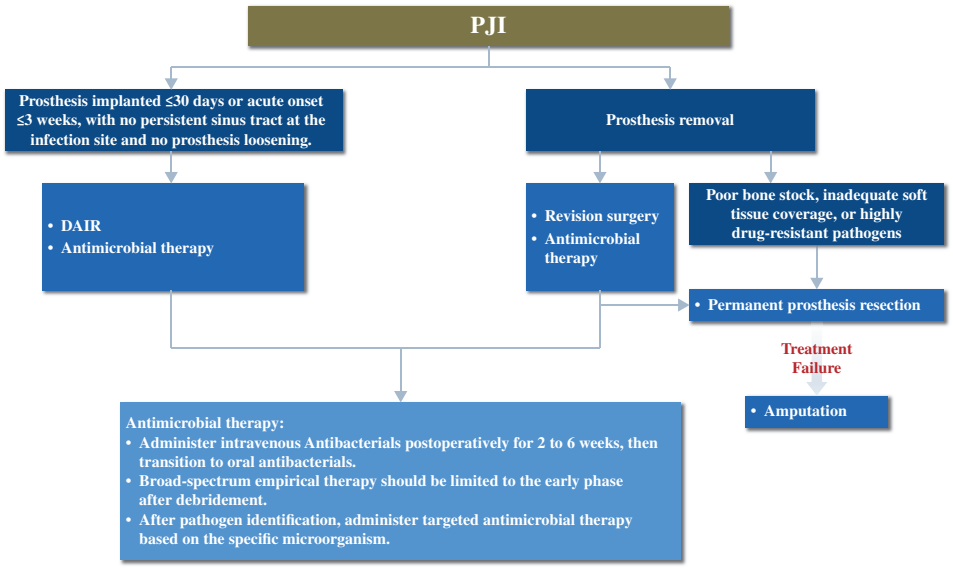
Treatment Paradigm of PJI in China



Source: Chinese Guidelines for Diagnosis and Treatment of Prosthetic Joint Infection, Frost & Sullivan Analysis

In the U.S., a similar treatment approach is adopted. For patients with a prosthesis implanted within the past 30 days or with acute symptom onset of less than 3 weeks—provided there is no persistent sinus tract at the infection site and no prosthesis loosening—DAIR is recommended. For cases requiring prosthesis removal, revision surgery along with antimicrobial therapy is implemented. In patients with poor bone stock, inadequate soft tissue coverage, or infections caused by highly drug-resistant pathogens, permanent resection arthroplasty may be considered. Both treatment pathways begin with empiric antibiotic therapy, typically involving 2 to 6 weeks of a pathogen-specific intravenous antimicrobial therapy followed by oral therapy. Broad-spectrum empiric antibiotics are subsequently adjusted to targeted antimicrobial therapy based on pathogen identification.

Treatment Paradigm of PJI in the U.S.



Source: Diagnosis and management of prosthetic joint infection: clinical practice guidelines by the infectious diseases society of America, Frost & Sullivan Analysis

Below is a summary of information on the commonly adopted antibiotics for the treatment of PJI.

Indication	Drug Name	Developer	Target/ Mechanism of Action	Treatment Duration	Clinical Status/Notes
PJI	Vancomycin	Eli Lilly	Glycopeptide; inhibits cell wall synthesis	IV: 4-6 weeks (part of combination therapy)	Targets MRSA and Gram-positive bacteria
	Linezolid	Pfizer/Various	Oxazolidinone; inhibits protein synthesis	IV/PO: 4-6 weeks (acute); may be used for prolonged oral suppression (≥3 months)	Effective against resistant Gram-positive bacteria including MRSA and VRE
	Daptomycin	Cubist/Various	Lipopeptide; disrupts cell membrane	IV: 4-6 weeks	Reserved for resistant Gram-positive infections (e.g., MRSA, VRE) when vancomycin is not suitable.

Source: Frost & Sullivan Analysis

PJI, especially those caused by biofilm-forming bacteria, represent a serious clinical challenge with significant medical needs. Once a biofilm forms on the implant surface, conventional antibiotic therapy alone is often ineffective, necessitating surgical intervention. The standard approach typically involves a two-stage revision procedure: first, removal of the infected prosthesis, followed by a course of systemic antibiotic therapy, and then reimplantation of a new prosthesis after infection control. Despite this aggressive and resource-intensive strategy, the risk of reinfection remains high—reaching up to 20% in some cases. This highlights the urgent need for more effective antibacterial treatments that can eradicate biofilms, reduce the need for surgery, and lower recurrence rates.

Incidence, Treatment Costs, and Treatment Duration of PJI

The significant increase in the incidence of PJI globally and in China is primarily driven by the growing number of joint replacement surgeries. The global incidence of PJI increased from 69.2 thousand in 2019 to 86.4 thousand in 2024. This number is projected to reach 165.0 thousand in 2029, representing a CAGR of 13.8% from 2024 to 2029. In 2035, the global incidence is expected to rise further to 425.8 thousand, with a CAGR of 17.1% from 2029 to 2035. In China, the incidence of PJI rose from 16.1 thousand in 2019 to 22.5 thousand in 2024. It is anticipated to reach 44.5 thousand in 2029, reflecting a CAGR of 14.6% from 2024 to 2029. In 2035, the incidence is expected to grow to 86.5 thousand, with a CAGR of 11.7% from 2029 to 2035.

Prophylactic use of antibacterial agents in prosthetic joint replacement typically lasts 1 to 2 weeks, with drug-related expenses estimated at approximately US$1,000 to US$2,000 in the U.S. and RMB6,000 to RMB10,000 in China. In contrast, the treatment of established PJI requires 3 to 6 months of antimicrobial therapy to supplement the primary surgical intervention, with drug-related expenses estimated at US$60,000 to US$105,000 in the U.S. and RMB60,000 to RMB90,000 in China. Current treatment options are primarily conventional therapies or generic drugs. As more innovative drugs with improved safety and efficacy enter both the global and Chinese markets, the overall market size is expected to expand significantly.

Accordingly, in 2019, the global market size for PJI treatment, including both pharmaceutical and surgical interventions, was US$2.6 billion. By 2024, it had grown to US$3.3 billion, representing a CAGR of 8.6% from 2019 to 2024. The global market is expected to further expand to US$5.6 billion in 2029, at a CAGR of 11.6% from 2024 to 2029, and to US$13.1 billion by 2035, reflecting a CAGR of 14.6% from 2029 to 2035. In China, the market size for PJI treatment, including both pharmaceutical and surgical interventions, was RMB0.8 billion in 2019 and increased to RMB1.1 billion in 2024, representing a CAGR of 6.9% over the period from 2019 to 2024. The China market is expected to reach RMB2.3 billion in 2029, at a CAGR of 14.6% from 2024 to 2029, and further grow to RMB4.4 billion by 2035, with a CAGR of 12.0% from 2029 to 2035.

Competitive Landscape

As of the Latest Practicable Date, there were nine types of conventional products used for the treatment of PJI on a global scale, including glycopeptides, β-lactams, carbapenems, rifamycins, tetracyclines/glycylcyclines, oxazolidinones, lipopeptides, fluoroquinolones, and aminoglycosides. All of these are currently used off-label for the treatment of PJI.

Global Competitive Landscape of Conventional Drugs Used as Supplement to the Primary Surgical Intervention for PJI

Drug Class	Representative Drug	First Marketed Year	Major Manufacturers	Resistance/Susceptibility	Typical Treatment Cost (CN) & Insurance Coverage	Treatment Course Cost (US) & Insurance Coverage
Glycopeptides	Vancomycin	1980s	Multiple generics (Pfizer origin)	MRSA/MRSE susceptibility: 90-99% globally; vancomycin-intermediate rare (<2%)	RMB11,000-17,000/course; reimbursement varies by indication	US$1,000-4,000/course
β-lactams (Anti staphylococcal)	Cefazolin	1970s	Multiple generics	MSSA susceptibility: >95%	RMB50-200/course; widely reimbursed	US$50-300/course; generally reimbursed
Carbapenems	Meropenem	1990s	Multiple manufacturers	ESBL-producing Gram negative susceptibility: 85-95%	RMB1,500-4,000/course; usually reimbursed inpatient	US$200-1,500/course; reimbursement common in inpatient use
Rifamycins	Rifampin	1960s	Multiple generics	*Staphylococcal* susceptibility >90% initially	RMB20-100/course; generally reimbursed, usually in combination	US$20-120/course; generally reimbursed
Tetracyclines/ Glycylcyclines	Doxycycline/ Minocycline/ Tigecycline	1960s/2000s	Multiple/Pfizer (tigecycline)	*Staphylococci* susceptibility: 70-90%; tigecycline retains activity in >90% MDR strains	RMB50-8,000/course; highly agent-dependent, reimbursement varies	US$20-2,800/course; highly agent-dependent
Oxazolidinones	Linezolid	2000	Pfizer + generics	linezolid resistance rare (<1-2%)	RMB625-875/course; generally reimbursed	US$70-5,300/course; reimbursement varies
Lipopeptides	Daptomycin	2003	Cubist/MSD + generics	MRSA/MRSE susceptibility >95%	RMB1,000-2,000/course; reimbursement varies by indication	US$3,000-6,000/course; reimbursed by indication
Fluoroquinolones	Ciprofloxacin/ Levofloxacin	1980s/1990s	Multiple generics	*Staphylococci* susceptibility 50-70%; Gram-negative 60-80%	RMB15-100/course; generally reimbursed	US$50-500/course; usually covered for labeled infections
Aminoglycosides	Gentamicin/ Amikacin	1960s	Multiple generics	Gram-negative susceptibility 70-90%	RMB20-200/course; generally reimbursed inpatient	US$30-300/course; generally reimbursed

Note: Treatment course costs may vary due to several factors: (1) treatment duration—total costs differ significantly depending on whether the drug is used for a shorter or longer course; (2) administration setting—oral versus injectable use, as well as outpatient versus inpatient treatment, can materially affect total costs; (3) patient-specific dosing—actual dosing may vary based on body weight, renal function, infection severity, and resistance profile.

Source: FDA, NMPA, Frost & Sullivan Analysis

As of the Latest Practicable Date, no innovative antibacterial agents had been approved globally for the treatment of PJI. Rifaquizinone stands out as the only small molecule drug candidate in clinical development for PJI on a global scale.

Global Competitive Landscape of Innovative Small Molecule Antibacterial Agents for the Treatment of PJI Under Clinical Development

Identifier	Target	Company	Indication	Study Location	Clinical Stage	First Posted Date
Rifaquizinone TNP-2092(IA)	**RNAP; DNA gyrase; DNA topoisomerase IV**	**The Company**	**PJI**	**China**	**Phase Ib/IIa**	**2025.03.05**
Rifaquizinone TNP-2092(IV)				**U.S.**	**Phase I[1]**	**2025.03.21**

Note:

1. The Company has submitted the Phase III PJI trial protocol to the FDA and NMPA and received clearance for initiation of a registrational MRCT Phase III clinical trial in the U.S and China.

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

Left Ventricular Assist Devices Infections

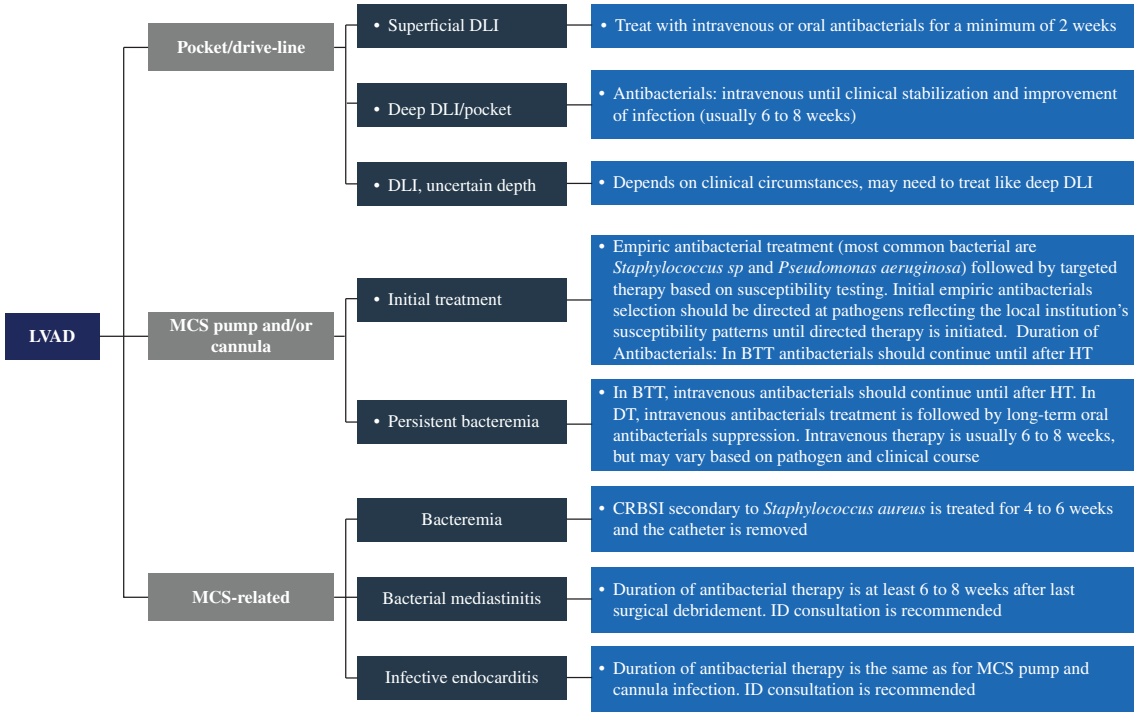
LVADs are mechanical circulatory support devices implanted in patients with advanced heart failure. LVAD infections can arise from several sources. Surgery-related infections may occur intraoperatively due to microbial contamination or bloodstream seeding, not only affecting the normal operation of the device, but also causing serious infectious diseases that threaten human health, such as endocarditis, bloodstream infections and mediastinitis. Another major concern is biofilm-related infections. Biofilms often form at the driveline exit site and within the tissue tunnel, where they can either cause localized driveline infections or disseminate, resulting in bloodstream infections or ascending tunnel infections. These infections are typically caused by skin flora such as *Staphylococcus aureus* and *Staphylococcus epidermidis*, and are difficult to eradicate due to the protective nature of biofilms. Regardless of origin, infections in LVAD patients are challenging to manage and can significantly worsen prognosis.

With the increasing use of LVADs, infection has emerged as a major clinical complication. Device removal, considering the definitive treatment for severe infection, is often not an option due to the patient's dependence on the device. As a result, LVAD infections can be devastating. The three year accumulative infection rate of LVAD infections is approximately 60%. During the first year following implantation, severe infections occurred in 40% of patients with axial flow pumps, 43% with continuous-flow hybrid levitation devices, and 33% with fully magnetically levitated devices—highlighting the scale and seriousness of this complication. Studies report that patients who develop infections have a one-year mortality rate 5.6 times higher than those without infections.

Treatment Paradigm

The management of LVAD infections—including driveline infections and infections involving the mechanical circulatory support pump or cannula—depends on the site, depth, and clinical severity of the infection. Superficial driveline infections are treated with oral or intravenous antibiotics for at least 2 weeks, while deep driveline infection or pocket infections require intravenous antibiotics for 6 to 8 weeks or until clinical stabilization. For infections of uncertain depth, clinical judgment is needed, often treating as deep driveline infection. In pump/cannula infections, initial empiric therapy targets *Staphylococcus* and *Pseudomonas*, with adjustments based on local susceptibility patterns. In BTT patients, intravenous antibiotics continue until transplantation; in DT patients, long-term oral suppression may follow. Persistent bacteremia typically requires 6 to 8 weeks of IV therapy, adjusted to pathogen and clinical course. For mechanical circulatory support-related bacteremia due to *S. aureus*, treatment lasts 4 to 6 weeks. Bacterial mediastinitis and infective endocarditis each require at least 6 to 8 weeks of antibiotics post-surgery, and infectious disease consultation is advised.

Treatment Paradigm of LVAD Infection in China and U.S.



Abbreviations: MCS = mechanical circulatory support; BTT = bridge to transplant; DLI = drive-line infection; HT = heart transplant; ID = infectious disease.

Source: ISHLT, Frost & Sullivan Analysis

Below is a summary of information on the commonly adopted antibiotics for the treatment of LVADI.

Indication	Drug Name	Developer	Target/ Mechanism of Action	Treatment Duration	Clinical Status/ Notes
Complicated Skin Infections, Community-acquired Pneumonia	Ceftaroline fosamil	Takeda/AstraZeneca	Fifth-generation Cephalosporin; inhibits cell wall synthesis	2-8 weeks	The only β-lactam antibiotic active against MRSA
Complicated Skin Infections	Tedizolid	Merck & Co.	Oxazolidinone; inhibits protein synthesis	2-8 weeks	Once-daily dosing; may have a better safety profile than linezolid
Complicated Urinary Tract Infections, Hospital-acquired Pneumonia	Cefiderocol	Shionogi	Siderophore Cephalosporin; inhibits cell wall synthesis by exploiting iron transport systems	2-8 weeks	"Trojan horse" antibiotic; active against carbapenem-resistant Gram-negative bacteria
Uncomplicated Urinary Tract Infections	Gepotidacin	GSK	Novel Topoisomerase Inhibitor; inhibits bacterial DNA replication	2-8 weeks	First-in-class oral antibiotic for uUTI caused by E. coli

Source: Frost & Sullivan Analysis

A key driver of treatment failure of LVAD infection is the formation of bacterial biofilms on device surfaces, which protect pathogens from both antibiotics and host immune responses. These infections often require prolonged suppressive antibiotic therapy, as current treatments rarely achieve full eradication, especially in the setting of deep or device-associated infections. Moreover, there are no approved therapies specifically indicated for LVAD infections, and treatment is largely based on clinical guidelines and clinical experience. The emergence of highly drug-resistant bacteria and their ability to evade immune surveillance further complicate management, necessitating pathogen-guided therapy and often multiple surgical interventions. As a result, patients face high rates of morbidity, recurrence, and mortality, underscoring the urgent need for novel therapeutic strategies capable of disrupting biofilms, overcoming resistance, and achieving definitive infection control.

Incidence, Treatment Costs, and Treatment Duration of LVAD Infection

Globally, the number of LVAD implantation surgeries was 4.4 thousand in 2024 and is projected to increase to 11.0 thousand in 2029 and 26.8 thousand in 2035, representing CAGRs of 20.3% from 2024 to 2029 and 16.1% from 2029 to 2035, respectively. In China, the number of LVAD implantation surgeries was 0.5 thousand in 2024 and is expected to rise to 2.4 thousand in 2029 and 6.4 thousand in 2035, corresponding to CAGRs of 39.0% from 2024 to 2029 and 17.7% from 2029 to 2035, respectively.

For LVAD-associated infection prophylaxis, perioperative antibiotic regimens typically last 2 to 3 weeks and involve both intravenous and oral administration. For established LVAD infections, antibiotic treatment—including prolonged intravenous and oral antibiotic suppression, depending on the severity of the infection and the patient's response. Drug-related expenses in such cases are estimated at approximately US$60,000 to US$70,000 in the U.S. and RMB60,000 to RMB90,000 in China.

Competitive Landscape

As of the Latest Practicable Date, eight types of conventional products were used off-label for the treatment of LVADI on a global scale.

Global Marketed LVADI Drug Competitive Landscape (off-label)

Drug Class	Representative Drug	Major Manufacturer	Clinical Use (LVADI)	Remarks (Off-label Use)	Treatment Course Cost (CN) & Insurance Coverage	Treatment Course Cost (US) & Insurance Coverage
Glycopeptide	Vancomycin (IV)	Multiple generics	First-line MRSA/Gram+ LVADI (acute phase)	Standard IV backbone; device-infection practice	RMB11,000-17,000 per course; reimbursement varies by indication	1,000-4,000 USD per course
Lipopeptide	Daptomycin (IV)	Merck/generics	MRSA bacteremia/deep infection	Alternative to vancomycin; salvage therapy	RMB7,000-20,000 per course; reimbursement varies by indication	1,000-4,000 USD per course
Broad β-lactam	Piperacillin-tazobactam (IV)	Multiple generics	Empiric polymicrobial/ Gram-coverage	Initial broad-spectrum bridge	RMB300-1,500 per 1-2 weeks; usually reimbursed inpatient	200-1,500 USD per course
	Cefiderocol	Shionogi	Complicated UTI, hospital-acquired pneumonia	Siderophore cephalosporin; "Trojan horse" antibiotic	~RMB 10,000-20,000 per course; reimbursement varies	~8,000-16,000USD per course
	Ceftaroline fosamil	Takeda/AstraZeneca	Complicated skin infections	Fifth-generation cephalosporin	~RMB5,000-10,000 per course	~2,500-8,000 per course
Rifamycin (Adjunct)	Rifampin (PO/IV)	Multiple generics	Biofilm-active combination therapy	Generally in combination	RMB20-100 per month; generally reimbursed	20-120 USD per course
Oxazolidinone	Linezolid (PO)	Pfizer/generics	Oral step-down/ suppressive therapy (SAT)	Common long-term suppression option	RMB1,800-2,600 per month; reimbursement varies	300-1,500 USD per course
	Tedizolid	Merck & Co	Complicated skin infections	May have better safety profile than linezolid	~RMB1,500-2,500 per course; reimbursement varies	~300-1,200 USD per course
Tetracycline	Doxycycline (PO)	Multiple generics	Chronic oral suppressive therapy	Frequently used SAT agent	RMB20-80 per month; generally reimbursed	10-60 USD per course
Fluoroquinolone	Levofloxacin (PO)	Multiple generics	Gram-suppressive therapy	Used when susceptible	RMB30-120 per month; generally reimbursed	20-120 USD per course
Novel Topoisomerase Inhibitor	Gepotidacin	GSK	Uncomplicated UTI caused by E. coli	First-in-class oral antibiotic; inhibits bacterial DNA replication	Not available	~400-1500 USD per course

Note: Treatment course costs may vary due to several factors: (1) treatment duration—total costs differ significantly depending on whether the drug is used for a shorter or longer course; (2) administration setting—oral versus injectable use, as well as outpatient versus inpatient treatment, can materially affect total costs; (3) patient-specific dosing—actual dosing may vary based on body weight, renal function, infection severity, and resistance profile.

Source: Frost & Sullivan Analysis

As of the Latest Practicable Date, no innovative antibacterial drugs had been approved for marketing or were under Phase II or later stage clinical development for the treatment of LVAD infection worldwide.

Acute Bacterial Skin and Skin Structure Infections

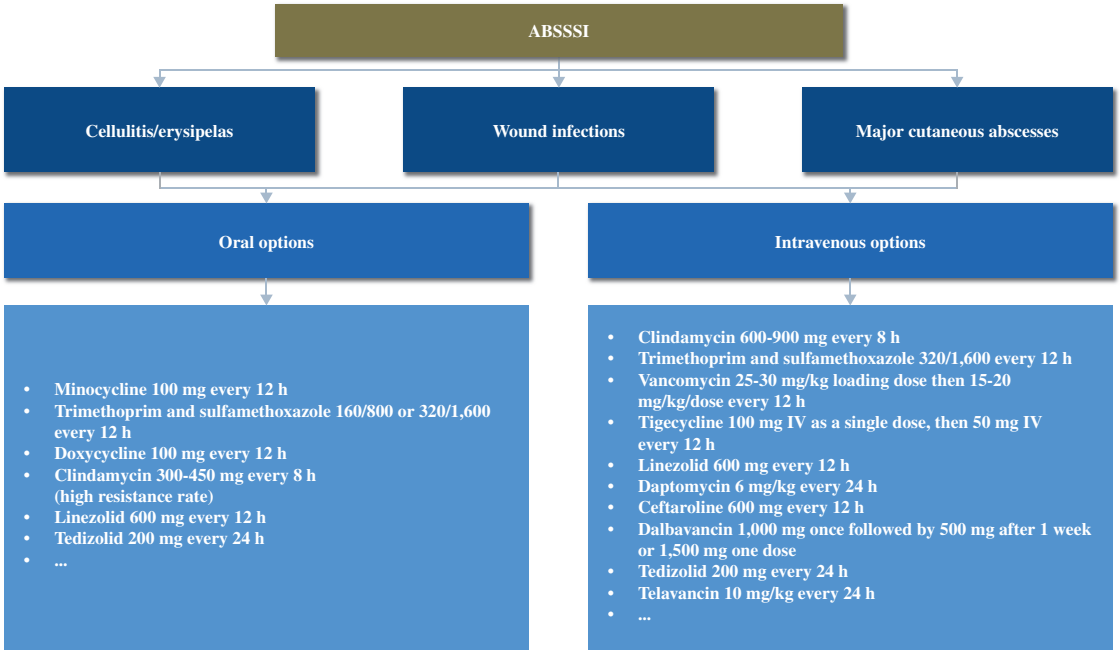
ABSSSIs encompass a spectrum of bacterial infections affecting the skin and underlying soft tissues. These infections typically arise from a breach in the skin barrier, although in rare cases, bacteria may spread through the bloodstream (hematogenous spread) to the affected tissues. ABSSSIs range in severity and are commonly marked by local signs of inflammation, including redness, warmth, swelling, tenderness, and sometimes purulent discharge. The most frequent causative organisms include *Staphylococcus aureus* (notably MRSA), *Streptococcus pyogenes*, and various Gram-positive and Gram-negative bacteria. Patients underlying conditions such as vascular disease, organ dysfunction, or malignancy face a significantly elevated risk of complications due to impaired immune responses, delayed

wound healing, and reduced antibiotic efficacy. These comorbidities increase the likelihood of severe outcomes such as sepsis, treatment failure, hospitalization, and even death. As such, the management of ABSSSI in these high-risk populations requires careful clinical attention and individualized treatment strategies.

Between 2019 and 2024, the global incidence of ABSSSI increased modestly from 43.1 million to 44.8 million. This gradual upward trend is expected to continue, with cases projected to reach 46.3 million in 2029 and 47.9 million in 2035. In contrast, the incidence of ABSSSI in China remained relatively stable at approximately 2.8 million during the same period. However, a slight decline is anticipated due to a shrinking overall population, with the number of cases expected to decrease from 2.8 million in 2029 to 2.7 million in 2035. Among *S. aureus* isolates, one of the most common causative pathogens in ABSSSI, approximately 28.4% are MRSA, and 26.9% of these MRSA strains are resistant to levofloxacin.

Treatment Paradigm

Treatment of ABSSSI typically begins with empiric antibiotics targeting common pathogens such as *S. aureus* and *Strep. spp*. Mild cases are generally managed with oral antibiotics, including minocycline, trimethoprim-sulfamethoxazole, doxycycline, clindamycin, linezolid, and tedizolid. For more severe infections, intravenous therapy is often required, with options including vancomycin, tigecycline, daptomycin, ceftaroline, dalbavancin, and telavancin, usually administered at higher doses to ensure effective treatment. Hospitalization may be necessary depending on severity and patient condition.



Source: WSES/GAIS/WSIS/SIS-E/AAST global clinical pathways for patients with skin and soft tissue infections, Frost & Sullivan analysis

The treatment of ABSSSI faces considerable challenges, largely driven by increasing antibiotic resistance—particularly from MRSA, which accounts for over 40% of cases and is resistant to traditional β-lactam antibiotics. Conventional oral antibiotics also have a delayed onset, taking 2 to 4 hours to reach peak blood concentration, which can slow the control of severe infections. Potent drugs like vancomycin require intravenous administration, resulting in poor compliance among outpatients, while agents such as linezolid carry serious side effects, including bone marrow suppression and the risk of serotonin syndrome with prolonged use. Additionally, complex wounds are prone to infection by resistant bacteria such as *Escherichia coli* and *Pseudomonas aeruginosa* due to the complicated environment and prolonged exposure. Broad-spectrum antibiotics are often used to control these infections, but they disrupt the normal microbial flora, increasing the chances for resistant bacteria to survive. Frequent use of broad-spectrum antibiotics intensifies resistance pressure, leading to a continuous rise in resistant strains. Additionally, poor blood supply to the wound reduces the effective penetration of antibiotics, diminishing treatment efficacy and further promoting the development of resistance. In addition, ABSSSI management must also

address co-infections, particularly in cases involving catheter-related or implanted-associated infections, where biofilm formation and immune evasion further complicate treatment and increase recurrence rates. Bacterial biofilms reduce antibiotic penetration by more than 50%, forcing extended intravenous therapy (14 to 28 days) that worsens patient adherence. These factors together contribute to the increasingly serious problem of antibiotic resistance in complex wound infections. Combined with a high rate of recurrent infections, these factors make effective management of ABSSSI particularly difficult.

Market Size

In 2019, the global market size for ABSSSI drugs was US$2.4 billion. It grew modestly at a CAGR of 1.2% from 2019 to 2024, reaching US$2.6 billion in 2024. The market is projected to increase to US$2.8 billion in 2029, maintaining a CAGR of 1.8% from 2024 to 2029, and further expand to US$3.5 billion in 2035, with a CAGR of 3.8% from 2029 to 2035. In China, the market size was RMB3.1 billion in 2019 and decreased to RMB2.5 billion in 2024. It is expected to slightly increase to RMB2.7 billion in 2029, with a CAGR of 1.7% from 2024 to 2029. In 2035, the market size is projected to increase to RMB3.3 billion, at a CAGR of 3.5% from 2029 to 2035.

The global ABSSSI market has experienced slow growth, primarily due to intense generic competition and the impact of antibiotic stewardship policies. In China, the market initially contracted as a result of generic tendering and price cuts but later rebounded with the rising demand for new antibiotics (such as omadacycline) to address increasing resistant strains. However, overall growth remains constrained by tendering policies and regulations promoting rational drug use.

Competitive Landscape

As of the Latest Practicable Date, there were typically three types of conventional products used for the treatment of ABSSSI on a global scale, including glycopeptide, lipopeptide, and oxazolidinones. All of these are currently used off-label for the treatment of ABSSSI.

Global Competitive Landscape of Conventional Drugs for the Treatment of ABSSSI

Drug Class	Representative Drug	Market Launch Year	Major Manufacturer	Typical Susceptibility/ Resistance Pattern	Treatment Course Cost (CN) & Insurance Coverage	Treatment Course Cost (US) & Insurance Coverage
Glycopeptide (lipoglycopeptide subclass)	Vancomycin	1958	Multiple generics	MRSA susceptibility >95%; MIC creep 5-15%	RMB4,000-4,500; generally covered	US$300-800; widely reimbursed
	Oritavancin	2014	Novartis	Potent activity against Gram-positive pathogens including MRSA	Not available in China/ not reimbursed	~US$3,500-4,000/course; reimbursement varies
	Dalbavancin	2014	AbbVie	Potent activity against Gram-positive pathogens including MRSA	Not available	US$2,500-3,500/course
Lipopeptide	Colistin (Polymyxin E)	1960s	Multiple generics	Mainly Gram-negative; sometimes used off-label for polymicrobial ABSSSI in resistant infections	RMB400-4,000/course; usually not covered for ABSSSI	US$200-1,000/course; usually not covered for ABSSSI
	Daptomycin	2003	Cubist/Astellas	MRSA susceptibility >99%; resistance <1%	RMB1,000-2,000; reimbursement varies by indication	US$3,000-6,000; reimbursed by indication
Oxazolidinones*	Linezolid	2000	Pfizer	Strong activity against Gram-positive pathogens including MRSA; resistance remains relatively low	RMB625-875/course; generally reimbursed	US$5,300-7,500/course; reimbursement varies

Note: Treatment course costs may vary due to several factors: (1) treatment duration—total costs differ significantly depending on whether the drug is used for a shorter or longer course; (2) administration setting—oral versus injectable use, as well as outpatient versus inpatient treatment, can materially affect total costs; (3) patient-specific dosing—actual dosing may vary based on body weight, renal function, infection severity, and resistance profile.

* Oxazolidinones are approved for the treatment of ABSSSI but have not been incorporated into clinical guidelines.

Source: FDA, NMPA, Frost & Sullivan Analysis

As of the Latest Practicable Date, only two innovative small molecule antibacterial agents for ABSSSI, i.e., NUZYRA from ZaiLab and Contezolid from MicuRx Pharmaceuticals, had been approved for marketing on a global scale. In 2024, Contezolid recorded sales of RMB130.3 million in China, representing approximately 5.0% of the ABSSSI drug market. Both products received marketing approval in China, but only NUZYRA was approved in the U.S.

Competitive Landscape of Innovative Drugs Approved for ABSSSI Treatment

Drug Class	Representative Drug	Market Launch Year	Major Manufacturers	Typical Susceptibility/ Resistance Pattern	Treatment course cost (CN, post-NRDL/reimbursed basis)	Typical Treatment Cost per Course & Insurance Coverage
Aminomethylcycline (tetracycline class)	NUZYRA (omadacycline)	2018 (US)	Zai Lab (Greater China); Paratek (originator)	Broad Gram-positive activity incl. MRSA; coverage of atypicals; retains activity against many tetracycline-resistant strains	~RMB4,800-7,200/course	~US$3,000-5,000 per course (US); limited reimbursement
Oxazolidinone	Contezolid	2021 (China)	MicuRx Pharmaceuticals	Potent Gram-positive coverage incl. MRSA; comparable efficacy to linezolid with improved hematologic safety; lower myelosuppression risk	~RMB2,700-5,400/course[1]	Not available, since the drug has not been approved in the U.S.

Note:

(1) In 2024, Contezolid recorded sales of RMB130.3 million in China, representing approximately 5.0% of the ABSSSI drug market. As reported product sales are not disclosed by indication and may include off-label use outside ABSSSI, the implied market share should be regarded as a proxy.

Source: FDA, NMPA, Frost & Sullivan Analysis

In addition, only two small molecule drug candidates, including rifaquizinone from the Company, were under clinical development.

Global Competitive Landscape of Innovative Small Molecule Antibacterial Agents for ABSSSI Treatment Under Clinical Development

Generic Name (Identifier)	Target	Company	Indication	Study Location	Clinical Stage	First Posted Date
MRX-4	50S Ribosomal Subunit	MicuRx Pharmaceuticals	ABSSSI	MRCT[2]	NDA[3]	2025.05.20
Rifaquizinone (TNP-2092 injection)[1]	**RNAP; DNA gyrase; DNA topoisomerase IV**	**The Company**	**ABSSSI**	**China**	**Phase II**	**2024.06.02**
				U.S.	**Phase II**	**2019.05.28**

Notes:

(1) The Company has submitted a Phase III trial protocol for ABSSSI to the FDA and NMPA and received regulatory clearance for initiation of a registrational MRCT Phase III clinical trial in the U.S and China.

(2) MRX-4 is being studied under a multi-regional clinical trial (MRCT) in China, the United States, major European countries, and selected sites in Latin America.

(3) MicuRx Pharmaceuticals submitted an NDA for MRX-4 for the treatment of ABSSSI to the NMPA in May 2025.

Source: CDE, ClinicalTrials.gov, Frost & Sullivan analysis

Other Infectious Diseases

Bacterial Vaginitis

BV is a dysbiosis of the vaginal microbiota characterized by a decline in *Lactobacilli* dominance and an overgrowth of anaerobic bacteria, such as *G. vaginalis*. Approximately 11% of healthy women undergoing routine physical exams have BV, while it is found in 36% to 60% of patients presenting with vaginal inflammation in gynecological clinics. Due to the variety of pathogens involved, clinical misdiagnosis is common. Notably, 10% to 40% of BV patients remain asymptomatic. As the most prevalent vaginal disorder in women of reproductive age globally, BV is linked to pelvic inflammatory disease serious health risks, including heightened susceptibility to sexually transmitted infections, urogenital infections, pelvic inflammatory disease, and pregnancy-related complications.

The treatment paradigm for BV in China includes initial treatment options such as oral metronidazole (400 mg twice daily for 7 days), metronidazole gel or suppositories, and clindamycin cream for uncomplicated BV, with alternatives including oral tinidazole or oral/vaginal clindamycin. For recurrent BV, extended regimens are recommended, such as prolonged oral metronidazole for 14 days, metronidazole gel followed by maintenance therapy (twice weekly for 16 weeks), or oral nitroimidazole followed by boric acid suppositories and long-term gel maintenance. Monthly metronidazole with fluconazole and probiotic therapy may also help prevent recurrence. In the U.S., the treatment of BV typically includes initial treatment options such as oral metronidazole 500 mg twice daily for 7 days, intravaginal metronidazole gel 0.75% once daily for 5 days, or clindamycin cream 2% at bedtime for 7 days. Alternatives include tinidazole, oral or intravaginal clindamycin, and single-dose oral secnidazole.

The treatment of BV is complicated by high antibiotic resistance—63.8% for metronidazole and 24.1% for clindamycin—and a high recurrence rate: 23% at 1 month, 43% at 3 months, and up to 58% at 12 months. Notably, the short-term recurrence rate for clindamycin cream is also substantial, ranging from 30% to 40% within 1 to 2 months. While prolonged suppressive therapy lasting 4 to 6 months may reduce recurrence in patients with recurrent BV, its effectiveness significantly diminishes once treatment is discontinued. Furthermore, in 90% of BV cases, biofilms dominated by *G. vaginalis* are present. Compared to other vaginal anaerobes, *G. vaginalis* exhibits higher virulence through stronger adhesion, cytotoxicity, and biofilm formation. The high recurrence rate of BV makes it a persistent challenge for both clinicians and patients, further threatening female reproductive health worldwide.

In 2019, the global market size for BV treatment drugs was US$1.9 billion. From 2019 to 2024, it grew at a CAGR of 1.6%, reaching US$2.1 billion in 2024. The market is projected to expand to US$2.4 billion in 2029, with a CAGR of 2.2% from 2024 to 2029, and further grow to US$3.5 billion in 2035, represented by a CAGR of 6.2% from 2029 to 2035. In China, the BV treatment drug market was valued at RMB1.9 billion in 2019. It grew at a CAGR of 1.6% to reach RMB2.1 billion in 2024. The market is expected to increase to RMB2.3 billion in 2029, with a CAGR of 2.3% from 2024 to 2029, and further rise to RMB3.5 billion in 2035, at a CAGR of 6.9% from 2029 to 2035.

Both the global and Chinese BV markets show steady growth in the early stages, followed by acceleration in later years. This expansion is driven primarily by greater patient awareness, rising demand for treatment of recurrent cases, and the introduction of novel therapies. Nonetheless, overall growth is moderated by the already high penetration of existing treatment options.

As of the Latest Practicable Date, three types of conventional products were used off-label for the treatment of BV on a global scale, including nitroimidazole, lincosamide, and boric acid. Three antibiotics were innovative antibiotics; however, none had received marketing approval in China. There were three innovative small molecule drug candidates currently in clinical development for BV treatment on a global scale. There were no innovative small molecule drug candidates in Phase II or later stages of clinical development for BV in China.

C. difficile Infection

C. difficile is a Gram-positive, spore-forming, anaerobic bacillus that is widely present in the intestinal tracts of humans and animals, as well as in the environment. Over the past decade, both the frequency and severity of *C. difficile* infections have increased globally, making it one of the most common healthcare-associated infections. Given its high virulence, the severity of disease it causes, rising incidence, and wide range of associated risk factors—each contributing to elevated morbidity and mortality—the CDC has classified *C. difficile* infection as an "urgent threat."

Globally, the number of *C. difficile* infection cases rose from 3.9 million in 2019 to 4.0 million in 2024, and is projected to increase to 4.2 million in 2030 and is expected to reach 4.4 million in 2035. *C. difficile* infection in China declined from 1.0 million in 2019 to 0.9 million in 2024, and is expected to rebound to 1.0 million in 2030, and is expected to remain stable at that level through 2035.

In China, the treatment of *C. difficile* infection remains variable and is largely influenced by disease severity. Metronidazole remains to be widely used for mild to moderate cases due to its low cost and broad availability, while vancomycin is typically reserved for more severe cases or for patients who do not respond to initial treatment. Access to newer therapies remains limited, and clinical practice may vary across institutions.

In the U.S., fidaxomicin, vancomycin, and metronidazole are all considered for initial episodes, with fidaxomicin increasingly preferred due to its lower recurrence rate. For recurrent infections, clinicians may use standard or extended/pulsed fidaxomicin regimens, standard or tapered/pulsed vancomycin regimens, or adjunctive bezlotoxumab. In severe cases, fidaxomicin and vancomycin remain the primary options, often requiring longer treatment durations. FMT is typically reserved for patients who experience at least two recurrences (i.e., after three *C. difficile* infection episodes) despite appropriate antibiotic treatment. Bezlotoxumab may also be considered in select high-risk patients to reduce the risk of recurrence.

Despite the availability of antibiotics for initial treatment of *C. difficile* infection, high recurrence rates remain a major medical need. Many patients experience a relapse after completing standard therapy, with recurrence rates reaching up to 20-30% after the first episode, and even higher with subsequent episodes. Recurrent *C. difficile* infection not only leads to increased morbidity and healthcare costs but also significantly impacts patients' quality of life.

In 2019, the global market size for drugs treating *C. difficile* infection was US$2.6 billion. From 2019 to 2024, it grew at a CAGR of 5.4%, reaching US$3.3 billion in 2024. The market is expected to expand to US$4.2 billion in 2029, with a CAGR of 4.6% from 2024 to 2029, and further grow to US$6.5 billion in 2035, represented by a CAGR of 7.6% from 2029 to 2035. In China, the market size for *C. difficile* infection drugs was RMB2.6 billion in 2019. It grew at a CAGR of 1.6% to reach RMB3.5 billion in 2024. The market is projected to increase to RMB5.3 billion in 2029, with a CAGR of 8.7% from 2024 to 2029, and further rise to RMB11.9 billion in 2035, at a CAGR of 14.4% from 2029 to 2035.

The global *C. difficile* infection drug market is experiencing steady growth, driven by an aging population, high recurrence rates associated with antibiotic overuse, and the emergence of novel therapies such as fecal microbiota transplantation and next-generation antibiotics. In China, market growth was initially slower due to underdiagnosis and the limited effectiveness of conventional treatments, but has since accelerated rapidly with the introduction of innovative therapies and increasing clinical awareness.

As of the Latest Practicable Date, there were five types of conventional antimicrobial agents used for the treatment of *C. difficile* infection on a global scale. As of the Latest Practicable Date, no innovative small molecule antibiotics for *C. difficile* infection were marketed globally. There were four small molecule drug candidates in clinical development for *C. difficile* infection globally, and no drug candidates in Phase II or later stages of clinical development for *C. difficile* infection in China.

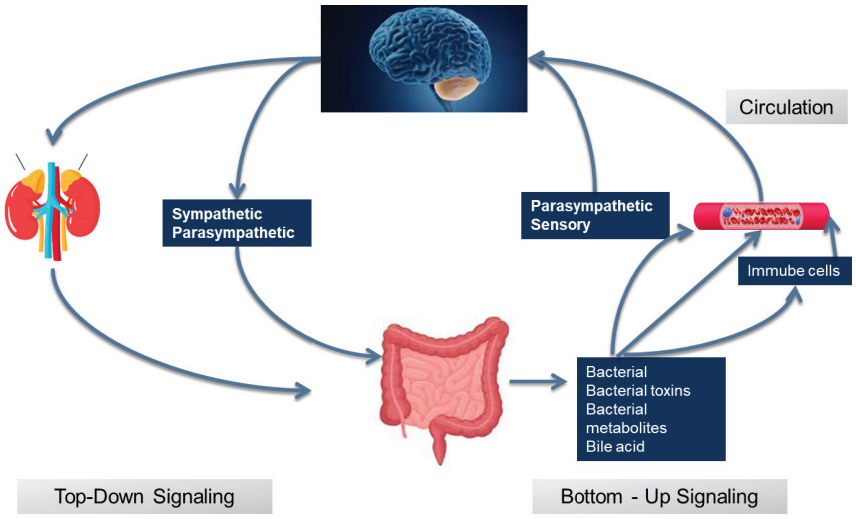
Diabetic Foot Infection

Diabetic foot infection refers to infections, ulcers, or tissue destruction of the foot caused by diabetes, often in conjunction with lower limb neuropathy and/or peripheral arterial disease. These conditions may also involve musculoskeletal complications that lead to foot deformities. The prevalence of diabetic foot among individuals with diabetes is estimated at 4% to 10%. As one of the most serious chronic complications of diabetes, diabetic foot infection is a major cause of disability and mortality. More than 85% of diabetic patients with foot ulcers are at risk of eventual amputation. Due to its high treatment costs, risk of recurrence, and poor long-term prognosis, diabetic foot requires significant clinical attention and proactive management.

As of the Latest Practicable Date, there were six types of conventional antimicrobial agents used for the treatment of diabetic foot infection on a global scale. As of the Latest Practicable Date, no innovative antibacterial agents had been approved globally for the treatment of diabetic foot infections. Only two small molecule drug candidates—MRX-4 by MicuRx Pharmaceuticals and TNP-2092 (topical) by the Company—were under development. TNP-2092 (topical) stands out as the only multi-targeting antibacterial agent currently in development for the treatment of diabetic foot infection worldwide.

BACTERIAL METABOLISM-ASSOCIATED DISEASE

Recent advances in understanding the gut-brain axis have revealed a complex communication network linking gastrointestinal homeostasis with affect, motivation, and cognitive function, highlighting the role of gut microbiota in human health. Dysbiosis, or imbalance in gut microbial composition, has been increasingly associated with serious diseases related to gut microecology and bacterial metabolism, including HE, IBS-D, metabolic dysfunction-associated steatohepatitis, atherosclerosis, type 2 diabetes, and obesity. Patients with cardiometabolic diseases often exhibit elevated levels of pro-inflammatory bacteria and reduced levels of beneficial microbes, further supporting the link between microbial imbalance and disease progression. Current clinical development in this field has focused primarily on cellular-level approaches, such as fecal microbiota transplantation, although challenges remain in demonstrating consistent clinical efficacy. As understanding of disease pathogenesis deepens, an increasing number of conditions—including HE, IBS-D, and fatty liver disease—are believed to be associated with bacterial metabolism, driving continued research, product development, and market growth in this emerging therapeutic area.



Source: Frost & Sullivan Analysis

Growth Drivers and Future Trends

- **Increasing global burden of gut bacterial metabolism-related diseases**. With growing scientific insight, gut microbiota is now recognized as a key regulator of host immunity, inflammation, metabolism, and disease progression. Dysbiosis—an imbalance in the composition and function of gut bacteria—has been closely associated with a range of conditions, including HE, IBS-D, obesity, type 2 diabetes, and cardiovascular diseases.

- **Increasing capital investment.** Breakthroughs in basic and clinical research have drawn significant capital investment into the microbiota modulation sector. Since 2019, global financing in the field has increased sharply—from US$100 to US$200 million to over US$600 million in 2020—signaling growing investor confidence and accelerating industrial development.

- **Scientific progress driving industry transformation.** With growing insight into the complex regulatory relationship between gut microbiota, host immunity, metabolism, and overall health, the field is poised to transform modern healthcare.

- **Cross-disciplinary innovation accelerates precision medicine.** Advances in microbiology, genomics, bioinformatics, and clinical research have propelled precision medicine applications of gut microbiota. High-throughput sequencing and biocomputational tools have enabled cost-effective, large-scale gut microbiota profiling, helping define microbial signatures with greater accuracy.

- **Intervention in molecular level targeting disease-causing metabolism**. Current clinical development in this area focuses primarily on cellular-level modalities, particularly live bacterial therapies. Live bacterial therapies, such as FMT and probiotic consortia, hold promise for treating dysbiosis, but they face several key challenges, including efficacy and consistency in clinical trials, safety and regulatory concerns, and manufacturing and delivery challenges.

Major Indications

Hepatic Encephalopathy

HE is a serious neuropsychiatric complication that affects up to 28% of patients with cirrhosis, potentially emerging even a decade after diagnosis. It results from impaired liver detoxification, allowing toxins—particularly ammonia—from the gut to accumulate and affect brain function. HE presents a spectrum of symptoms, ranging from subtle cognitive disturbances to profound confusion, neuromuscular abnormalities, and even coma.

The global prevalence of HE rose from 8.8 million in 2019 to 9.3 million in 2024. This figure is projected to increase further to 9.8 million in 2030 and reach 10.2 million in 2035. In China, the prevalence has remained relatively stable at around 1.7 million from 2019 to 2024 and is expected to stay

at this level through 2030. However, it is projected to decline slightly to 1.6 million in 2035, due to the widespread adoption of hepatitis B vaccination, which has significantly reduced hepatitis B virus infections—a major underlying cause of HE.

Treatment Paradigm

In China, lactulose continues to be the primary recommended therapy for lowering ammonia levels and improving mental status in patients with overt HE. Ornithine aspartate is also widely used, particularly in tertiary hospitals, as an ammonia-lowering agent. Additionally, microecological preparations, sedative medications, and supportive care are commonly employed as part of the comprehensive management of HE in China.

In the U.S., lactulose remains the cornerstone of treatment for overt HE. Alternative antibiotics such as neomycin or metronidazole may be used, but their long-term use is discouraged due to potential side effects including ototoxicity, nephrotoxicity, and neurotoxicity. Rifaximin, a non-absorbable antibiotic, is approved as an adjunct to lactulose to reduce recurrence risk and is widely prescribed, especially for patients with a history of recurrent HE episodes. For those with more severe or recurrent HE, long-term secondary prophylaxis combining lactulose and rifaximin is commonly implemented.

Below is a summary of information on the commonly adopted selected drugs for the treatment of HE.

Indication	Drug Name	Developer	Target/Mechanism of Action	Treatment Duration	Clinical Status/ Notes
HE	Rifaximin	Salix Pharmaceuticals	Rifamycin derivative; inhibits bacterial RNA synthesis	Long-term maintenance	Standard care for recurrent HE
	Lactulose	Duphar/Hospira	Non-absorbable disaccharide; reduces ammonia	Long-term	Widely used

Source: Frost & Sullivan Analysis

There are significant medical needs in the treatment of HE, particularly for patients with refractory or recurrent HE. Current therapies like lactulose and rifaximin show limited effectiveness in some patients, especially those with advanced cirrhosis or multi-organ dysfunction. The lack of innovative treatments with faster onset and stronger targeting limits the ability to reverse neurocognitive impairment. Long-term prevention strategies also face challenges, including poor patient adherence, cumulative side effects, and the absence of personalized regimens based on individual risk factors such as gut microbiota or ammonia metabolism.

Market Size

In 2019, the global market for HE drugs was valued at US$1.9 billion, rising to US$2.1 billion in 2024. The market is projected to grow further, reaching US$2.4 billion in 2029 and US$3.0 billion in 2035. In China, the HE drug market was valued at RMB3.1 billion in 2019 but witness a slight decline, reaching RMB3.0 billion in 2024. Nonetheless, the market is expected to rebound, reaching RMB3.2 billion in 2029 and continuing its upward trend to RMB3.6 billion in 2035. In China, the market initially declined slightly, likely due to government procurement policies that reduced the prices of traditional ammonia-lowering drugs. Future growth is expected to be driven by the adoption of innovative therapies, wider use of combination regimens, and improved awareness and management of liver disease.

Competitive Landscape

As of the Latest Practicable Date, there were four types of conventional products used off-label globally for the treatment of HE.

Global Marketed Conventional HE Drug Competitive Landscape

Drug Class	Representative Drug	Launch Year	Major Manufacturer	Clinical Use	Resistance/Sensitivity	Remarks (Off-label Use)	Treatment Course Cost (CN) & Insurance Coverage	Treatment Course Cost (US) & Insurance Coverage
Non-absorbable disaccharide (laxative)	Lactulose	1960s (early clinical use)	Multiple generics worldwide	First-line ammonia reduction; used in overt and minimal HE	No resistance; mainly tolerance issues (bloating, diarrhea)	Also used for mild HE and constipation management	RMB 30-150/month; generally reimbursed	~US$20-100/course
Amino acid/ammonia metabolism modulator	L-Ornithine-L-Aspartate (LOLA)	1980-1990s	Merz Pharmaceuticals (some markets)	Adjunct ammonia-lowering therapy; mild-moderate HE or combined with lactulose	Not applicable	Used for ammonia reduction and supporting nitrogen metabolism	RMB 200-2,000/ course/month; formulation-dependent	Not commercially standardized in the U.S
Nutritional modulator (supportive)	Branched-Chain Amino Acids (BCAA)	1970-1980s	Multiple nutrition supplement companies	Amino acid/nitrogen support, especially in malnourished patients	Not applicable	Primarily adjunct therapy, not first-line	RMB100-500/month	~US$50-150/month
Probiotics (microbiome support)	Various probiotic preparations	OTC	Multiple brands	Mild HE or constipation; gut microbiome modulation	Non-antibiotic, no resistance	Mainly for long-term supportive care	RMB50-200/month	~US$15-40/month

Note: Treatment course costs may vary due to several factors: (1) treatment duration—total costs differ significantly depending on whether the drug is used for a shorter or longer course; (2) administration setting—oral versus injectable use, as well as outpatient versus inpatient treatment, can materially affect total costs; (3) patient-specific dosing—actual dosing may vary based on body weight, renal function, infection severity, and resistance profile.

Source: Frost & Sullivan Analysis

As of the Latest Practicable Date, rifaximin was the only innovative product approved for the treatment of HE on a global scale, having received marketing approval in both the U.S. and China. There were no innovative product candidates under development in either the United States or China.

Irritable Bowel Syndrome with Diarrhea

IBS is a common functional gastrointestinal disorder characterized by chronic abdominal discomfort and altered bowel habits. It is the most prevalent disorder of gut-brain interaction, affecting 5% to 10% of the general population worldwide. Key triggers include infection, food intolerance, emotional stress, gut-brain axis dysregulation, and certain medications like antibiotics, antacids, and painkillers.

IBS-D is one of the primary subtypes of IBS. Globally, the incidence of IBS-D increased from 468.7 million cases in 2019 to 489.7 million in 2024, reflecting a CAGR of 0.9%. This upward trend is projected to continue, albeit at a gradually slowing pace, reaching 514.1 million cases in 2030 and 533.1 million in 2035, with a CAGR of 0.8% from 2024 to 2030 and 0.7% from 2030 to 2035. In China, the incidence of IBS-D remained relatively stable, with a slight decline from 120.2 million cases in 2019 to 119.9 million in 2024. The number is projected to decrease further to 117.9 million in 2030 and 115.9 million in 2035.

Currently, both China and the U.S. follow a symptom-based, stepwise treatment approach tailored to individual patient needs. Different medications are recommended for symptoms such as psychological and cognitive issues, diarrhea, and abdominal pain. Antibiotics, especially rifaximin, are recommended if an infection is present.

Current therapies often provide only partial and inconsistent symptom relief, particularly for abdominal pain, bloating, and bowel urgency. In the U.S., approved treatments such as rifaximin, eluxadoline, and alosetron have limitations related to efficacy, safety, or restricted indications, while in China, access to innovative drugs is limited, and many patients rely on traditional therapies or medications with limited clinical evidence. Additionally, chronic or relapsing symptoms, frequent psychological comorbidities, and the absence of reliable biomarkers make personalized treatment difficult, highlighting the need for safer, more effective, and targeted therapeutic options.

In 2019, the global market for IBS-D drugs was valued at US$2.4 billion, increasing slightly to US$2.5 billion in 2024. It is projected to grow to US$2.6 billion in 2029 and further expand to US$3.0 billion in 2035. In China, the IBS-D drug market was valued at RMB2.1 billion in 2019 and rose to RMB2.2 billion in 2024. The market is expected to reach RMB2.3 billion in 2029 and continue growing to RMB2.6 billion in 2035.

The global IBS-D drug market is relatively small but steadily expanding, driven by a stable patient population with significant medical needs. In China, growth has been modest, reflecting ongoing improvements in disease awareness and diagnostic rates. Future market expansion is expected to be supported by the introduction of targeted therapies and continued educational efforts.

REPORT COMMISSIONED BY FROST AND SULLIVAN

In connection with the Global Offering, we have engaged Frost & Sullivan to conduct a detailed analysis and prepare an industry report on the small molecule drug market in China and the United States. Frost & Sullivan is an independent global market research and consulting company which was 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. The contract sum to Frost & Sullivan is RMB880,000 for the preparation of the Frost & Sullivan Report. The payment of such amount was not contingent upon our successful Listing or on the results 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 have included certain information from the Frost & Sullivan Report in this prospectus because we believe such information facilitates an understanding of the small molecule drug market 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.

OVERVIEW OF LAWS AND REGULATIONS IN CHINA

We are subject to a variety of the PRC laws, rules and regulations affecting many aspects of our business. This section summarizes the principal PRC laws, regulations, rules and policies that may have a material impact on our business and operations.

REGULATORY AUTHORITIES

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

The NMPA, under and supervised by the State Administration for Market Regulation (國家市場監督管理總局) (the "**SAMR**"), is the primary regulatory agency in the PRC for the supervision and management of the pharmaceutical products and related businesses, and regulates almost all the key stages of the life-cycle of pharmaceutical products, including non-clinical research, clinical trial, marketing approval, production, circulation, etc.

The Center for Drug Evaluation (藥品審評中心) (the "**CDE**"), which is a subsidiary under the NMPA, conducts the technical evaluation on each drug and biologic application to assess the safety, efficacy and quality controllability of each candidate.

PRC LAWS AND REGULATIONS

Laws and Regulations in Relation to New Drugs

Drug Registration Administration

According to the Drug Administration Law, launch of drugs in China market shall be subject to approval by the drug administrative department of the State Council, and obtain a drug registration certificate. Applicants for drug registration shall provide true, adequate and reliable data, materials and samples to prove the drug safety, effectiveness and quality controllability. The drug administrative department of the State Council shall organize pharmacy, medical and other technical staff to review Drugs proposed to be registered, and to examine the drug safety, effectiveness and quality controllability as well as the applicant's competence in quality management, risk control and liability compensation etc; where the application satisfies the criteria, a drug registration certificate shall be issued. At the time of examination of drugs, the drug administrative department of the State Council shall also examine the active drug ingredients and the relevant drug excipients (the excipients and additives used in drug manufacturing and filling prescription), packaging materials and containers which come into direct contact with the drugs, and approve the drug quality standards, manufacturing process, labeling and literature.

Pursuant to the provisions of the Measures for the Administration of Drug Registration (《藥品註冊管理辦法》) promulgated by the SAMR on January 22, 2020 and taking effect from July 1, 2020, the Measures for the Administration of Drug Registration shall apply to the development, registration, supervision and management activities carried out in the territory of the PRC for marketing of drugs. In accordance with the Measures for the Administration of Drug Registration, drug registration refers to activities that a drug registration applicant files an application and other supplementary applications for clinical drug trial, approval for drug marketing, and re-registration, among others, under the legal procedures and according to the relevant requirements, and that the medical products administrative department examines the safety, effectiveness, and quality controllability based on the laws and regulations, and the existing scientific cognitions, to decide whether to agree with the activities applied for. Drug registration is categorized and managed according to Traditional Chinese Medicine, Chemical Drugs, and Biological Products. The registration of chemical drugs is classified into Innovative Chemical Drugs, Improved New Chemical Drugs, and Generic Chemical Drugs. The registration of biological products is categorized into Innovative Biological Drugs, Improved New Biological Drugs, and Marketed Biological Products (including Biosimilars). Prior to applying for registration of drug marketing, the applicant shall complete study work relating to pharmacy, pharmacology and toxicology, clinical trial of drugs etc. Non-clinical safety evaluation and study for drugs shall be carried out by institutions with Certification of the Good Laboratory Practice for Non-clinical Laboratory Studies and comply with the Good Laboratory Practice for Non-clinical Laboratory Studies. The clinical trial of a drug shall be subject to approval, among which the bioequivalence trial shall be subject to record-filing; the clinical trial of a

drug shall be carried out in the clinical trial institutions meeting the relevant provisions and comply with the Good Clinical Practice of Drug Trials (the "GCP"). The administration of drug registration shall follow the principles of openness, fairness and justice, take clinical value as orientation, encourage the research and development of new drugs, and actively promote the development of generic drugs.

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

Non-clinical Research and Animal Testing

The institutions for non-clinical safety evaluation and study shall implement the Good Laboratory Practice for Non-Clinical Laboratory Studies (《藥物非臨床研究質量管理規範》) (the "**GLP**"), which was promulgated by the China Food and Drug Administration (the "**CFDA**") on August 6, 2003, last amended on July 27, 2017 and came into effect from September 1, 2017. (Note: The CFDA was abolished in March 2018, and its functions were succeeded by the newly established SAMR.) Other preclinical related research activities for the purpose of drug registration shall be carried out with reference to the GLP. The Measures for Administration of Certification of the Good Laboratory Practice for Non-clinical Laboratory Studies (《藥物非臨床研究質量管理規範認證管理辦法》), which was last amended by the NMPA on January 19, 2023 and came into effect from July 1, 2023, set out the requirements for organizations to apply for GLP certification to conduct non-clinical drug studies.

According to 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 PRC State Council on November 12, 2004, most recently revised on 6 December 2024, and effective from 20 January 2025. The pathogenic microorganism laboratory is classified into four levels, namely Level 1, 2, 3 and 4 in terms of the national standard on bio-safety of the laboratory. A laboratory of Level 1 or 2 shall not conduct laboratory activities related to highly pathogenic microorganisms. The construction, alteration or expansion of a laboratory of Bio-safety Level 1 or 2 shall be reported to the municipal-level health authority under the people's government of the district concerned for record-filing. The establisher of a 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. The laboratories of Bio-safety Level 3 and Level 4 shall be subject to the state accreditation for laboratories. Laboratories passing accreditation will be granted with certificates for Bio-safety Laboratories at corresponding level. The certificate will be effective for five years.

According to the Regulations for the Administration of Affairs Concerning Experimental Animals (《實驗動物管理條例》) promulgated by the State Science and Technology Commission on November 14, 1988 and last amended on March 1, 2017 by the State Council, the Administration Measures on Good Practice of Experimental Animals (《實驗動物質量管理辦法》) jointly promulgated by the State Science and Technology Commission and the State Bureau of Quality and Technical Supervision on December 11, 1997, and the Administrative Measures on the Certificate for Experimental Animals (For Trial Implementation) (《實驗動物許可證管理辦法(試行)》) promulgated by the Ministry of Science and Technology and other regulatory authorities on December 5, 2001 and taking effect from January 1, 2002, using experimental animals and related products requires a Certificate for Use of Laboratory Animals. A Certificate for Use of Laboratory Animals shall be valid for five years, and the holder shall apply for renewal six months prior to the expiry of the validity period.

Clinical Trial Application and Approval

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

According to the Announcement of Several Policies on the Evaluation and Examination for Drug Registration (《關於藥品註冊審評審批若干政策的公告》) promulgated by the CFDA on November 11, 2015, the INDs of new drugs are subject to one-off umbrella approval instead of declaration, evaluation and approval by stages. Provided by the Announcement of the Adjustment of Procedures of the Evaluation and Examination for Drug Clinical Trial (《關於調整藥物臨床試驗審評審批程序的公告》) issued by the NMPA on July 24, 2018, applicants could proceed with their clinical trials if they have not received any denial or query from the CDE within 60 business days after the application has been accepted and the relevant application fees have been paid. The Drug Administration Law of the PRC (《中華人民共和國藥品管理法》) (the "Drug Administration Law"), which was promulgated by the Standing Committee of the National People's Congress (全國人民代表大會常務委員會) (the "SCNPC") in September 1984, last amended on August 26, 2019, and came into effect on December 1, 2019, further confirms that the drug regulatory department under the State Council shall, within 60 working days from the date on which the application for a clinical trial is accepted, decide on whether to approve it and then notify the clinical trial applicant. In the case of failure to notify the applicant within the prescribed time limit, it shall be deemed as approved.

Clinical Trial Registration

Pursuant to the Measures for the Administration of Drug Registration, upon obtaining the clinical trial approval and before commencing a clinical trial, the sponsor shall register the scheme of the clinical trial and other information on the Drug Clinical Trial Registration and Information Platform for clinical trials of drugs. During the clinical trial of drugs, the sponsor shall update registration information continuously, and register information on the outcome of the clinical trial of drugs upon completion of the clinical trial of drugs. The registration information shall be published on the platform and the sponsor shall be responsible for the veracity of such information. More details are provided in the Announcement on Drug Clinical Trial Information Platform (《關於藥物臨床試驗信息平台的公告》) released by the CFDA on September 6, 2013, providing that for all clinical trials approved by the CFDA and conducted in China shall be published through the Drug Clinical Trial Registration and Information Platform. The applicant shall complete trial pre-registration within one month after obtaining the clinical trial approval to obtain the trial's unique registration number and shall complete certain follow-up information and first submission for publication before the first participant's enrollment in the trial. If the foregoing first time of publication has not been submitted within one year after obtaining the clinical trial approval, the applicant shall submit an explanation, and if the procedure is not completed within three years, the clinical trial approval shall automatically be annulled.

Phases of Clinical Trials

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

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

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

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

Regulations on International Multi-Center Clinical Trials and Acceptance of Overseas Clinical Trial Data

According to the Notice on Issuing the International Multi-Center Clinical Trial Guidelines (For Trial Implementation) (《關於發佈國際多中心藥物臨床試驗指南(試行)的通告》), (the "**Multi-Center Clinical Trial Guidelines**"), promulgated by the CFDA on January 30, 2015 and effective from March 1, 2015, international multi-center clinical trial applicants may simultaneously perform clinical trials in different centers using the same clinical trial protocol. When the applicants plan to implement the international multi-center clinical trials in the PRC, the applicants shall comply with relevant laws and regulations, such as the Drug Administration Law, the Implementing Regulations of the Drug Administration Law and the Measures for the Administration of Drug Registration, execute the GCP, make reference to universal international principles such as the International Council for Harmonization of Technical Requirements for Pharmaceuticals for Human Use (ICH), and comply with the laws and regulations of the countries involved in the international multi-center clinical trials. If the applicants plan to use the data derived from the international multi-center clinical trials for approval of a drug registration in the PRC, it shall involve at least two countries, including China, and shall satisfy the requirements for clinical trials set forth in the Multi-Center Clinical Trial Guidelines and other related laws and regulations.

According to the Opinion on Deepening the Reform of the Evaluation and Approval Systems and Encouraging Innovation on Drugs and Medical Devices (《關於深化審評審批制度改革鼓勵藥品醫療器械創新的意見》) promulgated and implemented by the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council on October 8, 2017, clinical trial data obtained in international multi-center that meets the requirements for registration of drugs and medical devices in China can be used to apply for registration in China.

According to the Technical Guiding Principles for the Acceptance of Overseas Clinical Trial Data of Drugs (《接受藥品境外臨床試驗數據的技術指導原則》) promulgated and implemented by the NMPA on July 6, 2018, the basic principles for accepting overseas clinical trial data include: (1) applicants shall ensure the authenticity, integrity, accuracy and trace-ability of overseas clinical trial data; (2) the process of generating overseas clinical trial data shall comply with the relevant requirements of the ICH-GCP; (3) applicants shall ensure the scientific design of overseas clinical trials, the compliance of clinical trial quality management system with the requirements, and the accuracy and integrity of statistical analysis of data; and (4) to ensure that the clinical trial design and statistical analysis of the data are scientific and reasonable, for the drugs with simultaneous R&D at home and abroad and forthcoming clinical trials in China, the applicants may, prior to implementing registrational clinical trials, contact the CDE to ensure the compliance of registrational clinical trial's design with the essential technical requirements for drug registration in China. According to the Technical Guiding Principles for the Acceptance of Overseas Clinical Trial Data of Drugs, the integrity of clinical trial data is the basic requirement for accepting registration applications. For overseas clinical trials used for drug registration applications in China, all overseas clinical trial data shall be fully provided but not selectively. Applicants shall evaluate the data from early clinical trials. Those with complete data from clinical trials can be used to support follow-up clinical trials after communication with the CDE.

Protection of Trial Data of Drugs

On March 19, 2025, in order to promote innovation in drugs and the development of generic drugs and improve the system for the protection of trial data of drugs, the NMPA publicly solicited opinions on the Implementing Measures for the Protection of Trial Data of Drugs (For Trial Implementation, Exposure Draft) (《藥品試驗數據保護實施辦法(試行,徵求意見稿)》) and the Procedures for the Protection of Trial Data of Drugs (Exposure Draft)(《藥品試驗數據保護工作程式(徵求意見稿)》). For medicines containing new chemical components and other medicines that meet the conditions when approved for marketing, the

NMPA will protect the test data and other data obtained by the applicants themselves and not disclosed, with a data protection period of up to 6 years at most. During the data protection period, other applicants who apply for marketing authorization or supplementary application relying on the data mentioned in the preceding paragraph without the consent of the holder of the marketing authorization for the medicine will not be granted permission by the NMPA; except for other applicants who obtain the data by themselves. During the data protection period, if other applicants submit applications for drug registration based on the data they obtained by themselves, and the applications meet the conditions, they shall be approved. No data protection period will be given again, but the data shall not be relied on by subsequent other applicants.

New Drug Application, Registration and Marketing Authorization

According to the Measures for the Administration of Drug Registration, an applicant may file an application for drug marketing authorization, after the completion of pharmaceutical, pharmacological and toxicological studies, clinical trials of drugs and other studies, determination of quality standards, the verification of commercial scale production process, and preparations to receive the check and inspection for drug registration. According to the Measures for the Administration of Drug Registration, drug marketing registration applications shall be subject to three categories, namely traditional Chinese drugs, chemical drugs and biological products. The CDE shall organize pharmacist, medical and other technical personnel to comprehensively review the application regarding the safety, effectiveness and quality control of the drug. Where the application is cleared by the comprehensive review, the drug shall be approved for marketing and a drug registration certificate shall be issued.

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

Accelerated Approval for Clinical Trial and Registration

The Opinions on the Reform of Evaluation and Approval System for Drugs and Medical Devices and Equipment (《關於改革藥品醫療器械審評審批制度的意見》) promulgated and implemented by the State Council on August 9, 2015 established a framework for reforming the evaluation and approval system for drugs, and indicated enhancing the standard of approval for drugs and accelerating the evaluation and approval process for innovative drugs.

According to the Announcement of Several Policies on the Evaluation and Examination for Drug Registration promulgated by the CFDA on November 11, 2015, the INDs of new drugs are subject to one-off umbrella approval instead of declaration, evaluation and approval by stages.

According to the Decision on Adjusting the Approval Procedures of Certain Administrative Approval Items for Drugs promulgated by the CFDA on March 17, 2017 and taking effect from May 1, 2017, the decision on the approval of clinical trials of drugs enacted by the CFDA can be made by the CDE from May 1, 2017.

The Opinion on Strengthening the Reform of the Drug and Medical Device Review and Approval Process to Encourage Drug and Medical Device Innovation, which was promulgated and implemented by the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council on October 8, 2017, further states that the evaluation and approval of drug marketing shall be accelerated and the approval procedure of drug clinical trials shall be optimized.

The CFDA promulgated the Opinions on Implementing Priority Review and Approval to Encourage Drug Innovation (《關於鼓勵藥品創新實行優先審評審批的意見》) on December 21, 2017, which further clarify that a fast track clinical trial approval or drug marketing registration pathway will be available to innovative drugs. The Opinions on Implementing Priority Review and Approval to Encourage Drug Innovation was replaced by the Announcement of the NMPA on Promulgating Three Documents including the Working Procedures for Evaluation of Breakthrough Therapy Designation Drugs (For Trial Implementation) (《國家藥監局關於發佈<突破性治療藥物審評工作程序(試行)>等三個文件的公告》),

which was promulgated and implemented by the NMPA on July 7, 2020, refines the requirements and scope of the accelerated approval, and the Opinions on Implementing Priority Review and Approval to Encourage Drug Innovation was repealed simultaneously.

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

The Announcement of the Adjustment of Procedures of the Evaluation and Examination for Drug Clinical Trial promulgated by the NMPA on July 24, 2018, stipulates that applicants could proceed with their clinical trials if they have not received any denial or query from the CDE within 60 business days after the application has been accepted and the relevant application fees have been paid.

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

Approval or Filing relating to Chinese Human Genetic Resources

According to 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》) promulgated by the Ministry of Science and Technology (the "**MOST**") on July 2, 2015, 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. On October 26, 2017, the MOST promulgated the Circular on Optimizing the Administrative Examination and Approval of Human Genetic Resources (《關於優化人類遺傳資源行政審批流程的通知》), simplifying the approval of sampling and collecting human genetic resources for the purpose of listing a drug in the PRC. According to the Notice on Updating the Services Guidelines, Filing, and Prior Reporting Scope and Procedures for Administrative Licensing of Human Genetic Resource Services Guidelines (《關於更新人類遺傳資源行政許可事項服務指南、備案以及事先報告範圍和程序的通知》) promulgated by the MOST on July 14, 2023, in order to obtain marketing authorization for relevant drugs in China, no approval is required in international clinical trial cooperation using China's human genetic resources at clinical institutions without export of human genetic resource materials, but certain conditions shall be satisfied and a record shall be filed with the MOST. For the exploratory research part involved in the clinical trials, an administrative license for international scientific research cooperation involving human genetic resources must be applied for.

According to the Administrative Regulations on Human Genetic Resources (《人類遺傳資源管理條例》) promulgated by the State Council on May 28, 2019, last amended on March 10, 2024, and taking effect from May 1, 2024, human genetic resource includes human genetic resource materials and information. Human genetic resource materials refer to organs, tissues, cells and other genetic materials containing human genome, genes and other genetic materials. Human genetic resource information refers to information, such as data, generated by human genetic resource materials. The Administrative Regulations on Human Genetic Resources further clarify that, in order to obtain marketing authorization for relevant drugs in China, no approval is required in international clinical trial cooperation using China's human genetic resources at clinical institutions without export of human genetic resource materials. However, the type, quantity and usage of the human genetic resource to be used shall be filed with the administrative department of health under the State Council before clinical trials. 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 China 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 external provision of China's human genetic resources, as well as detailing matters relating to the supervisory review and administrative penalties.

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

Regulations on the manufacture and distribution of pharmaceutical products

Pharmaceutical Manufacturing License

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

According to Article 77 of the Measures for the Supervision and Administration of Pharmaceutical Manufacturing (《藥品生產監督管理辦法》), Class code is the English alphabet for statistical categorisation of scope of manufacturing in the Permit. Capital letter alphabets are used for categorising pharmaceutical marketing authorisation licensee and product type, including: A (A證) for pharmaceutical marketing authorisation licensees which carry out manufacturing, B (B證) for pharmaceutical marketing authorisation licensees which outsource manufacturing, C (C證) for pharmaceutical manufacturing enterprises to which manufacturing is outsourced, D (D證) for manufacturing enterprises of APIs; small letter alphabets are used to differentiate preparation attribute, h represents chemical medicine, z represents Chinese patent medicine, s represents bioproducts, d represents In vitro diagnostic reagents, y represents Chinese herbal medicine, q represents medical gases, t represents special pharmaceuticals, and x represents others.

Good Manufacturing Practice

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

On May 24, 2021, the NMPA promulgated the Administrative Measures for Drug Inspection (For Trial Implementation) (《藥品檢查管理辦法(試行)》) which was amended on July 19, 2023, and the Administrative Measures for the Certification of Good Manufacturing Practice for Drugs (《藥品生產質

量管理規範認證管理辦法》) was repealed concurrently. The Administrative Measures for Drug Inspection (For Trial Implementation) provide that if a drug manufacturer applies for a pharmaceutical manufacturing license for the first time, onsite inspections to be conducted in accordance with the GMP requirements is required, while for a drug manufacturer applying for the reissue of a pharmaceutical manufacturing license, the review will be conducted based on the risk management principles, taking into account certain factors, including the drug manufacturer's compliance with the laws and regulations of drug administration, the drug manufacturer's operation of the GMP system and quality management system, and inspections on the drug manufacturer's conformity to the GMP requirements may be conducted where necessary. If a workshop or production line is newly constructed, reconstructed, or expanded on the original site or at a different location, a GMP compliance inspection shall be conducted.

Contract Manufacturing of Drug

The Drug Administration Law specifies that a holder of drug sales approval may produce drugs by itself or may entrust other drug manufacturers. A holder of drug sales approval that intends to manufacture drugs on its own shall obtain a drug manufacturing permit, or if the holder intends to entrust a third-party to manufacture, it shall entrust a qualified drug manufacturer. The holder of drug sales approval and the commissioned manufacturer shall enter into an entrustment agreement and a quality agreement, and strictly perform the obligations pursuant to such agreements. Blood products, anesthetics, psychotropic pharmaceuticals, toxic pharmaceuticals for medical treatment, and pharmaceutical precursor chemicals may not be produced through entrustment, except as otherwise prescribed by the drug administrative department of the State Council.

According to the Provisions on the Supervision and Administration of Commissioned Production of Drugs (《藥品委託生產監督管理規定》) promulgated by the CFDA on August 14, 2014, and effective from October 1, 2014, a drug manufacturer may commission its drugs to other domestic drug manufacturers to produce the drugs only when the production conditions are temporarily unavailable as a result of technical upgrading or the temporary inadequate capacity cannot guarantee the market supply. Such commissioning production arrangement shall be approved by the provincial branches of the CFDA.

According to the Administrative Measures on Supervision of Pharmaceutical Manufacturing (《藥品生產監督管理辦法》), Pharmaceutical marketing authorisation licensees entrusting others to manufacture preparations shall enter into an outsourcing agreement and quality agreement with a pharmaceutical manufacturing enterprise which satisfies the criteria, submit the relevant agreements together with the actual manufacturing site application materials to the pharmaceuticals administrative authorities of the province, autonomous region or centrally-administered municipality where the pharmaceutical marketing authorisation licensee is located, to apply for a Pharmaceutical Manufacturing Permit pursuant to the provisions of these Measures.

Monitoring Periods for New Drugs

According to 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 drug administrative department of the State Council may, for the purpose of protecting public health, provide for a monitoring period of not more than five years for new drugs manufactured by a drug manufacturer. During the monitoring period of a new drug, no approval shall be granted to any other manufacturer to produce or import the said drug.

Drug Distribution and Two-Invoice System

According to the Implementing Opinions on Promoting the "Two-Invoice System" for Drug Procurement By Public Medical Institutions (For Trial Implementation) (《關於在公立醫療機構藥品採購中推行"兩票制"的實施意見(試行)》) (the "Implementing Opinions on the Two-Invoice System") which was issued on December 26, 2016, the "Two-Invoice System" is a system under which invoices are issued by drug manufacturers to drug distributors on a once-off basis while invoices are issued by drug distributors to medical institutions on a once-off basis. Wholly-owned or holding commerce companies (there shall be only one commerce company throughout the country) and domestic general agents of overseas drugs (there shall be only one domestic general agent throughout the country) that are established by drug manufacturers or group enterprises integrating scientific research, manufacture, and trade to sell the drugs of these enterprise (groups) can be regarded as manufacturers. Within an enterprise that is a drug circulation group, the allocation of drugs between the group and wholly-owned (holding) subsidiaries or

between wholly-owned (holding) subsidiaries should not be regarded as invoicing, but invoicing is allowed once at most. Efforts shall be made to gradually promote the "Two-Invoice System" for the drug procurement among public medical institutions, and to encourage other medical institutions to promote the system for drug procurement. Pilot provinces (including autonomous regions and municipalities directly under the Central Government) for comprehensive medical reform and pilot cities for public hospital reform are required to take the lead in implementing the "Two-Invoice System", while other regions are encouraged to implement the system, with the goal of having it implemented nationwide by 2018.

According to the Implementing Opinions on the "Two-Invoice System", in areas where the "Two-Invoice System" is implemented for drug procurement in public medical institutions, the "Two-Invoice System" should be implemented as a prerequisite when centralized procurement agencies compile procurement documents. Pharmaceutical companies participating in centralized drug procurement must make a commitment to implement the "Two-Invoice System" in their bids; otherwise, the bids will be invalid. For drugs procured through other methods, the requirements of the "Two-Invoice System" must also be clearly stipulated in the procurement contracts.

According to the Several Opinions of the General Office of the State Council on Further Reform and Improvement in Policies of Drug Production, Circulation and Use (《國務院辦公廳關於進一步改革完善藥品生產流通使用政策的若干意見》), which was issued on January 24, 2017, pilot provinces (including autonomous regions and municipalities directly under the Central Government) for comprehensive medical reform and pilot cities for public hospital reform are required to take the lead in implementing the "Two-Invoice System", while other regions are encouraged to implement the system, with the goal of having it implemented nationwide by 2018.

Pharmaceutical companies must comply with the "Two-Invoice System" in order to engage in procurement processes with public medical institutions.

Other Laws and Regulations in Relation to Medical Industry

Medical Insurance Catalogue

According to the Tentative Measures for the Administration of the Scope of Basic Medical Insurance Coverage for Pharmaceutical Products for Urban Employees, the scope of basic medical insurance coverage for pharmaceutical products needs to be managed through the formulation of the Drug Catalogue for Basic Medical Insurance (《基本醫療保險藥品目錄》) (the "**Medical Insurance Catalogue**"). A pharmaceutical product listed in the Medical Insurance Catalogue must be clinically needed, safe, effective, reasonably priced, easy to use, available in sufficient quantity, and must meet the following requirements: it is set forth in the Pharmacopoeia of the PRC (current edition) (《中華人民共和國藥典》(現行版)); it meets the standards promulgated by the NMPA; and if imported, it is approved by the NMPA for import. The Medical Insurance Catalogue is divided into two parts of Part A and Part B. Patients purchasing medicines included in Part A of the Medical Insurance Catalogue are entitled to reimbursement in accordance with the regulations in respect of basic medical insurance. Patients purchasing medicines included in Part B of the Medical Insurance Catalogue are required to pay a certain percentage of the purchase price and the remainder shall be reimbursed in accordance with the regulations in respect of basic medical insurance. According to the Opinions of the NHSA and the Ministry of Finance on Establishing a List-Based System for Healthcare Security Benefits (《國家醫保局、財政部關於建立醫療保障待遇清單制度的意見》), which came into effect in January 2021, all provinces shall implement the Medical Insurance Catalogue in a strict manner, and shall not have the discretion to formulate the catalogue or increase the drugs in any form unless explicitly stipulated. After several adjustments, the currently effective Medical Insurance Catalogue is the National Reimbursement Drug List for Basic Medical Insurance, Work-related Injury Insurance and Maternity Insurance (2024) (《國家基本醫療保險、工傷保險和生育保險藥品目錄(2024年)》) which came into effect since January 6, 2025.

Regulations on Company Establishment and Foreign Investment

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

Investment activities in the PRC by foreign investors are governed by the Provisions on Guiding Foreign Investment Direction (《指導外商投資方向規定》), which was promulgated by the PRC State Council on February 11, 2002 and came into effect on April 1, 2002, the Special Administrative Measures for the Access of Foreign Investment (Negative List) (2024 Version) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "**Negative List**"), which was promulgated by the PRC MOFCOM and the NDRC on September 6, 2024 and came into effect on November 1, 2024, and the Catalogue of Encouraged Industries for Foreign Investment (2022 Version) (《鼓勵外商投資產業目錄(2022年版)》) (the "**Encouraged Catalogue**"), which was promulgated by the MOFCOM and the NDRC on October 26, 2022 and came into effect on January 1, 2023. The Provisions on Guiding Foreign Investment Direction divides foreign investment projects into four categories, namely "encouraged", "permitted", "restricted" and "prohibited" categories. The Encouraged Catalogue lists the foreign investment projects of the encouraged category, while the Negative List sets out the foreign investment projects of the restricted and prohibited categories, and foreign investment projects which fall outside the encouraged, restricted and prohibited categories belong to the permitted category. The Negative List sets out the restrictive measures in a unified manner, such as the requirements on shareholding percentages and corporate governance, for the access of foreign investments, and the industries that are prohibited from receiving foreign investment. The Negative List covers 11 industries, and any field not falling under the Negative List shall be administered under the principle of equal treatment to domestic and foreign investment.

The Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "**Foreign Investment Law**") was promulgated by the National People's Congress (the "**NPC**") on March 15, 2019 and came into effect in January 1, 2020. The Law on Wholly Foreign-owned Enterprises of the PRC (《中華人民共和國外資企業法》), the Law on Sino-foreign Equity Joint Ventures of the PRC (《中華人民共和國中外合資經營企業法》) and the Law on Sino-foreign Cooperative Joint Ventures of the PRC (《中華人民共和國中外合作經營企業法》) were repealed upon the Foreign Investment Law coming into effect. The investment activities of foreign natural persons, enterprises or other organizations (collectively, the "**Foreign Investors**") directly or indirectly within the territory of China shall comply with and be governed by the Foreign Investment Law. Such activities include establishments by Foreign Investors of foreign invested enterprises in China alone or jointly with other investors; acquisitions by Foreign Investors of shares, equity, property shares, or other similar interests of Chinese domestic enterprises; investments by Foreign Investors in new projects in China alone or jointly with other investors; and other forms of investment prescribed by laws, administrative regulations or the State Council.

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

The Measures on the Security Review of Foreign Investment (《外商投資安全審查辦法》) promulgated by the NDRC and MOFCOM on December 19, 2020 and taking effect on January 18, 2021 set forth provisions concerning the security review mechanism on foreign investment, including the types of investments subject to review, the scopes of review and procedures to review, among others.

Regulations on Lease of Real Property

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

According to the Administrative Measures for Leasing of Commodity Housing (《商品房屋租賃管理辦法》) promulgated by the Ministry of Housing and Urban-Rural Development of the PRC (the "**MOHURD**") on December 1, 2010 and became effective on February 1, 2011, a commodity housing lease contract should be registered and filed with the competent construction (real estate) departments of

the municipalities directly under the central government, cities and counties where the house is located within 30 days after the execution of the lease contract. Those who fail to comply with the aforementioned filing regulations may be ordered by the competent authority to correct within a time limit. If the entity does not correct within the specified period, it may be subject to a fine ranging from 1,000 yuan to 10,000 yuan.

Regulations on Enterprise Investment Projects

According to the Regulations on the Administration of Approval and Record-Filing of Enterprise Investment Projects (《企業投資項目核准和備案管理條例》) which was promulgated by the PRC State Council on November 30, 2016 and became effective from February 1, 2017, pre-approval is required for projects that have national security concern or relate to major productivity distribution nationwide, strategic resource development and major public interests, and projects other than the aforesaid ones are subject to administration by way of filing. The Notice of the State Council on Issuing the Catalogue of Investment Projects Approved by the Government (2016 Version) (《國務院關於發佈政府核准的投資項目目錄(2016年本)的通知》) issued by the PRC State Council and taking effect from December 12, 2016 sets out projects required for pre-approval.

Regulations on Environmental Protection, Health and Safety

According to the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), promulgated by the SCNPC on December 26, 1989 and latest amended on April 24, 2014 and came into effect on January 1, 2015, the Environmental Impact Assessment Law of the PRC (《中華人民共和國環境影響評價法》), promulgated by the SCNPC on October 28, 2002 and latest amended on December 29, 2018, and the Administrative Regulations on the Environmental Protection of Construction Project (《建設項目環境保護管理條例》), promulgated by the State Council on November 29, 1998 and latest amended on July 16, 2017 and came into effect on October 1, 2017, enterprises which plan to construct projects shall engage qualified professionals to provide the assessment reports, assessment form, or registration form on the environmental impact of such projects. The assessment reports, assessment form, or registration form shall be filed with or approved by the relevant environmental protection bureau prior to the commencement of any construction work.

Enterprises that engage in the activities of industry, construction, catering, and medical treatment, etc. that discharge sewage into urban drainage facilities shall apply to the relevant competent urban drainage department for the permit for discharging sewage into drainage pipelines under relevant laws and regulations, including the Regulations on Urban Drainage and Sewage Disposal (《城鎮排水與污水處理條例》), which was promulgated on October 2, 2013 and came into force on January 1, 2014, and the Measures for the Administration of Permits for the Discharge of Urban Sewage into the Drainage Network (《城鎮污水排入排水管網許可管理辦法》), which was promulgated on January 22, 2015 and last amended on December 1, 2022 and took effect on February 1, 2023. Drainage entities covered by urban drainage facilities shall discharge sewage into urban drainage facilities in accordance with the relevant provisions of the State. Where a drainage entity needs to discharge sewage into urban drainage facilities, it shall apply for a drainage license in accordance with the provisions of these Measures. The drainage entity that has not obtained the drainage license shall not discharge sewage into urban drainage facilities.

According to the Administrative Measures on Pollutant Discharge Permit issued by the Ministry of Ecology and Environment on April 1, 2024 and came into effect on July 1, 2024, enterprises, public institutions and other producers and operators that are subject to the administration of pollutant discharge permits shall apply for a pollutant discharge permit and discharge pollutants in accordance with the requirements of the pollutant discharge permit; and those who have not obtained the pollutant discharge permits shall not discharge pollutants. According to the Classification Management List for Fixed Source Pollution Permits (2019 Edition) (《固定污染源排污許可分類管理名錄(2019年版)》), the manufacturing of biological drugs and products falls into the classification management scope for fixed source pollution permits.

Production Safety

According to the Production Safety Law of the PRC (《中華人民共和國安全生產法》) promulgated by the SCNPC on June 29, 2002 and last amended on June 10, 2021 and taking effect from September 1, 2021, any entity whose production safety conditions do not meet the requirements may not engage in

production and business operation activities. The production and business operation entities shall educate and train employees regarding production safety so as to ensure that the employees have the necessary knowledge of production safety, are familiar with the relevant regulations and rules for safe production and the rules for safe operation, master the skills of safe operation in their own positions, understand the emergency measures, and know their own rights and duties in terms of production safety. Employees who fail the education and training programmes on production safety may not commence working in their positions. Safety facilities of new building, rebuilding or expanding project (the "**Construction Project**") shall be designed, constructed and put into operation simultaneously with the main body of the project. Investment in safety facilities shall be included in the budget of the Construction Project.

According to the Regulation on the Administration of Precursor Chemicals (《易製毒化學品管理條例》) promulgated by the PRC State Council on August 26, 2005 and last amended and with effect from September 18, 2018, a classified administration and licensing system is applied to the production, distribution, purchase, transportation, and import and export of precursor chemicals. An enterprise shall report the variety and quantity in demand to the competent public security bureau for filing before purchasing any precursor chemicals in Category II and III.

According to the Measures for the Public Security Management of Explosives Precursors (《易製爆危險化學品治安管理辦法》) issued by the Ministry of Public Security on July 6, 2019 and effective on August 10, 2019, enterprises which have obtained permits for safe production of hazardous chemicals, permits for the safe use of hazardous chemicals and permits for business operation of hazardous chemicals in accordance with the law shall purchase explosive precursor hazardous chemicals with the corresponding licenses. Other entities that purchase explosive precursors shall submit the following materials to the selling unit: (I) photocopies of legal certificates of the entity such as business license (《營業執照》), and legal person certificate for a public institution (《事業單位法人證書》), as well as a photocopy of the identity certificate of the responsible person; and (II) instructions on how to legally use explosives precursors, including such contents as specific usage, types, and quantity of explosives precursors. A buyer of explosives precursors shall, within five days after purchasing, shall report the information about the types, quantity and flowing direction of explosives precursors purchased to the local county-level public security organ for filing.

On January 26, 2002, the State Council promulgated the Regulations on the Safety Management of Hazardous Chemicals (《危險化學品安全管理條例》) (the "**Hazardous Chemicals Regulations**"), which was last amended and effective on December 7, 2013. The Hazardous Chemicals Regulations set out supervision and administration provisions on the safe production, storage, use, operation and transport of hazardous chemicals. An enterprise that has obtained, in accordance with law, a license for safe production of hazardous chemicals, a license for safe use of hazardous chemicals or a license for operation of hazardous chemicals shall purchase highly toxic chemicals and hazardous chemicals liable to produce explosives based on the relevant licenses. The enterprises manufacturing explosives for civil use shall purchase hazardous chemicals liable to produce explosives with the licenses for manufacturing explosives for civil use. The units other than those stipulated in the preceding clause, for the purpose of purchasing highly toxic chemicals, shall apply to the public security authorities of the county-level government where they are located for the licenses for purchasing highly toxic chemicals. If any unit purchases hazardous chemicals liable to produce explosives, the statement on the legal use of hazardous chemicals liable to produce explosives issued by the relevant unit shall be submitted.

Fire Prevention

According to the Fire Prevention Law of the PRC (《中華人民共和國消防法》) (the "**Fire Prevention Law**") promulgated by the SCNPC on April 29, 1998 and last amended with effect from April 29, 2021, design and construction of the fire control facilities for a construction work shall comply with the national fire control technical standards. The developer, designer, constructors and project supervisor of a construction project shall be responsible for the quality of the design and construction of the fire control facilities for the construction work according to the relevant laws.

According to the Fire Prevention Law and the Interim Provisions on the Administration of Design Inspection and Acceptance of Fire Protection of Construction Works (《建設工程消防設計審查驗收管理暫行規定》) (the "**Interim Provisions on Fire Protection**") promulgated by the MOHURD on April 1, 2020, last amended on August 21, 2023 and taking effect from October 30, 2023, a special construction

work as stipulated in the Interim Provisions on Fire Protection shall be subject to fire protection design review before the construction of such work is commenced and shall be subject to fire protection inspection before such work is put into use. Construction works other than a special construction work shall be subject to fire protection inspection filing, and the competent administrative authority in charge of the examination and acceptance of fire protection design shall conduct spot inspections. If a construction work fails to pass the spot inspection, the use of such construction work shall cease, and rectification actions must be taken with a view to applying for a re-inspection.

Regulations in Relation to Product Liability

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

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

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

Regulations on Information Security and Data Protection

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

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

On June 10, 2021, the SCNPC promulgated the Data Security Law of the PRC (《中華人民共和國數據安全法》) (the "**Data Security Law**"), which came into effect on September 1, 2021. The Data Security Law sets forth the regulatory framework and the responsibilities of the relevant administrative authorities in regulating data security. It provides that the central government shall establish a central data security work liaison system, which shall coordinate the relevant authorities covering different industries to formulate the catalogues of key data, and the special measures that shall be taken to protect the security of the key data.

On July 7, 2022, the Cyberspace Administration of China (the "**CAC**") promulgated the Cross-border Data Transfer Security Assessment Measures (《數據出境安全評估辦法》), which became effective on September 1, 2022. It provides that, among others, data processors shall apply to competent authorities for security assessment when (1) the data processors transferring important data abroad; (2) a critical information infrastructure operator or a personal information processor that has processed personal information of more than one million people, transferring personal information abroad; (3) a data processor who has provided personal information of 100,000 individuals or sensitive personal information of 10,000 individuals abroad, in each case as calculated cumulatively, since January 1 of the last year, transferring personal information abroad, and (4) other circumstances where the security assessment of data cross-border transfer is required as prescribed by the CAC. In addition, on February 22, 2023, the Provisions on the Prescribed Agreement on Cross-border Data Transfer of Personal Information (《個人信息出境標準合同辦法》) (the "**Provisions on Prescribed Agreement**") was promulgated by the CAC, which took effect on June 1, 2023. The Provisions on Prescribed Agreement attaches the prescribed template for cross-border data transfer agreement that could be used as an available option to satisfy the condition for cross-border transfer of personal information under Article 38 of the Personal Information Protection Law.

According to the Provisions on Facilitating and Regulating Cross-border Data Flows (《促進和規範數據跨境流動規定》) promulgated by the CAC and came into effect on March 22, 2024, a data handler that is not a critical information infrastructure operator, will be exempted from declaring for security assessment for outbound data transfer, signing a standard contract with overseas recipient or passing the personal protection certification, if such data handler accumulatively transfers overseas ordinary personal information of less than 100,000 individuals since January 1 of the current year.

In September 24, 2024, the State Council released the Regulation on Network Data Security Management (《網絡數據安全管理條例》), which shall come into force on January 1, 2025. The Regulation on Network Data Security Management is not only the first at the administrative regulation level specifically for network data security, but it also serves as a comprehensive implementing regulation for the compliance requirements set out by the Cybersecurity Law, the Data Security Law, and the Personal Information Protection Law. The Regulation on Network Data Security Management introduces several key obligations, including requiring network data handlers to specify the purpose and method of personal information processing, as well as the types of personal information involved, before any personal information is handled. It also clarifies definitions for important data, outlines the obligations of those handling important data, establishes broader contractual requirements for data sharing between data handlers, and introduces a new exemption for regulatory obligations regarding cross-border data transfers.

Regulations on Intellectual Property Rights

China is a party to several international conventions on intellectual property rights, including without limitation, Agreement on Trade-Related Aspects of Intellectual Property Rights (《與貿易有關的知識產權協定》), Paris Convention for the Protection of Industrial Property (《保護工業產權巴黎公約》), Patent Cooperation Treaty (《專利合作條約》), Berne Convention for the Protection of Literary and Artistic Works (《保護文學和藝術作品伯爾尼公約》), World Intellectual Property Organization Copyright Treaty (《世界知識產權組織版權條約》) and Madrid Agreement Concerning the International Registration of Marks (《商標國際註冊馬德里協定》).

Trademark

Trademarks are protected by the Trademark Law of the PRC (《中華人民共和國商標法》), which was promulgated by the SCNPC on August 23, 1982 and last amended on April 23, 2019 with effect from November 1, 2019, and the Implementation Regulation of the PRC Trademark Law (《中華人民共和國商標法實施條例》), which was promulgated by the State Council on August 3, 2002 and last amended on April 29, 2014 with effect from May 1, 2014. A trademark registrant intending to continue to use the registered trademark upon expiry of the period of validity shall undergo the renewal formalities within 12 months before expiry according to the relevant provisions. If failing to do so, the trademark registrant may be granted a six-month grace period. The period of validity of each renewal is ten years, commencing from the day after the expiry date of the last period of validity.

Patent

Patents are protected by the Patent Law of the PRC (《中華人民共和國專利法》) (the "**Patent Law**"), which was promulgated by the SCNPC on March 12, 1984 and last amended on October 17, 2020 with effect from June 1, 2021, and the Implementing Regulations of the Patent Law of the PRC (《中華人民共和國專利法實施細則》), which was promulgated by the State Council on December 21, 1992 and last amended on December 11, 2023 with effect from January 20, 2024. The Patent Office of the China National Intellectual Property Administration is responsible for the patent work nationwide, and its counterparts at provincial level are responsible for the administration of patents within their respective administrative regions. An invention or utility model for which a patent is granted shall be novel, inventive and practically applicable. The protection period is 20 years for an invention patent, 10 years for a utility model patent, and 15 years for design patent, commencing from their respective application dates. Any entity or individual that intends to use a patent of another party must enter into a licensing agreement with the patent owner and pay patent royalties to the patent owner. Any use of a patent without the permission of the patent owner constitutes an infringement of the patent right. According to the Patent Law, for the purpose of public health, the patent administration department under the State Council may grant mandatory licensing for patented drugs manufactured and exported to countries or regions which comply with the provisions of the relevant international treaty participated by the PRC.

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

The Patent Law also stipulates a mechanism to solve patent disputes regarding a drug which is in the process of evaluation and approval of marketing.

Domain Names

Domain names are protected by the Administrative Measures on the Internet Domain Names (《互聯網域名管理辦法》) issued on November 5, 2004, by the MIIT which was consolidated as the Ministry of Industry and Information Technology of the People's Republic of China ("**MIIT**"). These regulations were superseded by the Measures for the Administration of Internet Domain Names, which were promulgated by MIIT on August 24, 2017, and became effective on November 1, 2017. The MIIT is the main regulatory authority responsible for the administration of PRC internet domain names. Domain name registrations are handled through domain name registration service agencies established under the relevant regulations, and the applicants become domain name holders upon successful registration.

Trade Secrets

According to the Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》) which was promulgated by the SCNPC on September 2, 1993, most recently amended on June 27, 2025, and effective from October 15, 2025, "trade secret" means technical, operational or other commercial information unknown to the public and is of commercial value for which the right holder has taken corresponding confidentiality measures. A business shall not commit the following acts of infringing upon trade secrets: (i) acquiring a trade secret from the right holder by theft, bribery, fraud, coercion, electronic intrusion, or any other illicit means, (ii) disclosing, using, or allowing another person to use a trade secret acquired from the right holder by any means as specified in the preceding subparagraph, (iii) disclosing, using, or allowing another person to use a trade secret in its possession, in violation of its confidentiality obligation or the requirements of the right holder for keeping the trade secret confidential, (iv) abetting a person, or tempting, or aiding a person into or in acquiring, disclosing, using, or allowing another person to use the trade secret of the right holder in violation of his or her non-disclosure obligation or the requirements of the right holder for keeping the trade secret confidential. An illegal act as set forth in the preceding sentences committed by a natural person, legal person or non-legal persons shall be treated as infringement of the trade secret. Where a third party knows or should have known that an employee or a former employee of the right holder of a trade secret or any other entity or individual has committed an illegal act as specified in the preceding sentences but still acquires, discloses, uses, or allows another

person to use the trade secret, the third party shall be deemed to have infringed upon the trade secret. The parties whose trade secrets are being misappropriated may petition for administrative remedies, and the supervision and inspection authorities shall order to cease the illegal acts and fine infringing parties.

Laws and Regulations Related to Tax

Please refer to the chapter titled "Appendix III" of this document.

Regulations on Foreign Exchange and Dividend Distribution

Foreign Exchange Control

Please refer to the chapter titled "Appendix III" of this document.

Dividend Distribution

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

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

Regulations on labor protection and social insurance

General Labor Contracts Rules

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

Social Security

The Social Insurance Law of the PRC (《中華人民共和國社會保險法》) (the "**Social Insurance Law**") issued by the SCNPC on October 28, 2010 and latest amended with effect from 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. 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. If the employer still fails to rectify the failure to make the relevant contributions within the prescribed

time, it may be subject to a fine ranging from one to three times the amount overdue. 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.

In accordance with the Interpretation (II) of the Supreme People's Court on Issues Concerning the Application of Law in the Trial of Labor Dispute Cases(《最高人民法院關於審理勞動爭議案件適用法律問題的解釋（二）》) promulgated by the Supreme People's Court on July 31, 2025 and effective on September 1, 2025, where the employer and the laborer agree, or the laborer promises the employer, that there is no need to pay social insurance premiums, the people's court shall determine that such agreement or promise is invalid. Where the employer fails to pay social insurance premiums in accordance with the law, and the laborer requests to terminate the labor contract and for the employer to pay economic compensation in accordance with item (3), Article 38 of the Labor Contract Law, the people's court shall support such claim in accordance with the law. Where the circumstances in the preceding paragraph exist, and the employer, after making up the social insurance premiums in accordance with the law, requests the laborer to return the social insurance compensation already paid, the people's court shall support such claim in accordance with the law.

Housing Provident Fund

In accordance with the Regulations on the Administration of Housing Provident Funds (《住房公積金管理條例》) promulgated by the State Council on April 3, 1999, amended with effect on March 24, 2002 and March 24, 2019 respectively, enterprises must register at the designated administrative centers and open bank accounts for depositing employees' housing provident funds. Employers and employees are also required to pay and deposit housing provident funds, with an amount no less than 5% of the monthly average salary of the employee in the preceding year in full and on time. In case of overdue payment or underpayment by employers, orders for payment within a specified period will be made by the housing fund management center. Where employers fail to make payment within such period, enforcement by the people's court will be applied.

Laws and Regulations on Overseas Investment

Overseas Investment

The Administrative Measures on Overseas Investment (《境外投資管理辦法》) was promulgated by the MOFCOM on September 6, 2014 and came into effect on October 6, 2014. According to these measures, overseas investment shall refer to the obtaining of ownership of an overseas non-financial enterprise by means of incorporation, merger, acquisition or any other method by an enterprise incorporated in the PRC. Any overseas investments involving sensitive countries and regions or sensitive industries shall be subject to the approval of the MOFCOM or its provincial counterpart; overseas investments that do not fall into the aforementioned category shall be subject to a filing to the relevant provincial counterpart of the MOFCOM. Enterprises that obtained approval or completed the filing process will receive an Overseas Investment Certificate for Enterprise (《企業境外投資證書》) issued by MOFCOM or its provincial counterpart.

The Administrative Measures for Overseas Investment by Enterprises (《企業境外投資管理辦法》) was promulgated by the NDRC on December 26, 2017 and came into effect on March 1, 2018. As defined therein, overseas investment refers to investment activities to obtain proprietary right, right of control, right of business management, and other related rights and interests outside of the PRC, by an enterprise incorporated in the PRC, either directly or via an overseas enterprise under its control, by way of contributing asset and/or interest or providing financing and/or guarantee. Prior to investing overseas, the investment project shall be approved by the NDRC, if it involves sensitive countries and regions or sensitive industries; if the investment project is considered not sensitive as it does not involve sensitive countries and regions or sensitive industries, the entity intending to complement the project shall file

relevant information with the NDRC or its provincial counterparts. The Catalogue of Sensitive Industries for Overseas Investment (2018 Edition) (《境外投資敏感行業目錄(2018版)》), which was promulgated by the NDRC on January 31, 2018 and came into effect on March 1, 2018, sets out a detailed list for the aforementioned sensitive industries.

Laws and Regulations on Stock Incentive Plans

On February 15, 2012, SAFE issued the Circular on Issues concerning the Foreign Exchange Administration for Domestic Individuals Participating in Share Incentive Plans of Overseas Publicly Listed Companies (《關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知》) (the "**Share Incentive Rules**"). Under the Share Incentive Rules and relevant rules and regulations, PRC citizens or non-PRC citizens residing in China for a continuous period of not less than one year, who participate in any stock incentive plan of an overseas publicly listed company, subject to a few exceptions, are required to register with SAFE through a domestic qualified agent, which could be a PRC domestic company participating in such stock incentive plan, and complete certain procedures. In addition, the State Taxation Administration of the PRC has issued circulars concerning employee share options or restricted shares. Under these circulars, employees working in the PRC who exercise share options, or whose restricted shares vest, will be subject to PRC individual income tax. The domestic qualified agent have obligations to file documents related to employee share options or restricted shares with relevant tax authorities and to withhold individual income tax of those employees related to their share options or restricted shares. If the employees fail to pay, or the PRC domestic companies fail to withhold, their individual income tax according to relevant laws, rules and regulations, the PRC domestic companies may face sanctions imposed by the tax authorities or other relevant PRC government authorities.

Regulations on Overseas Listing

CSRC Filing Requirements for Overseas Offering and Listing

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

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

Regulations in Relation to the "Full Circulation" of H-Share

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

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

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

On February 24, 2023, the CSRC, the MOF, the National Administration of State Secrets Protection and the National Archives Administration jointly released the revised Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the "**Archives Administration Provisions**"), which came into effect on March 31, 2023. According to the Archives Administration Provisions, the domestic companies shall establish and implement a solid confidentiality and archives administration system. Domestic enterprises, as well as securities companies and securities service institutions providing the relevant services, shall take necessary measures to fulfill their confidentiality and archive management responsibilities. They shall not disclose any state secrets or work secrets of state organs, nor shall they prejudice national and public interests.

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.

U.S. Government Regulation of Drugs and Biological Products

In the United States, the FDA regulates drugs under the Federal Food Drug and Cosmetic Act (the "**FDCA**"), its implementing regulations, and biologics implemented under the FDCA and the Public Health Service Act (the "**PHSA**") and their implementing regulations. Both drugs and biologics also are subject to other federal, state and local statutes and regulations, such as those related to competition. The process of obtaining regulatory approvals and the subsequent compliance with appropriate federal, state, and local statutes and regulations requires the expenditure of substantial time and financial resources. Failure to comply with the applicable U.S. requirements at any time during the product development process, approval process or following approval may subject an applicant to administrative actions or judicial sanctions. These actions and sanctions could include, among other actions, the FDA's refusal to approve pending applications, withdrawal of an approval, license revocation, a clinical hold, untitled or warning letters, voluntary or mandatory product recalls or market withdrawals, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement and civil or criminal fines or penalties.

Once a product candidate is identified for development, it enters preclinical testing, which includes laboratory evaluations of product chemistry, toxicity, formulation and stability, as well as animal studies. Preclinical testing is conducted in accordance with FDA's Good Laboratory Practice regulations. A sponsor of an IND must submit the results of the preclinical tests, manufacturing information, analytical data, the clinical trial protocol, and any available clinical data or literature to the FDA. The IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA raises concerns or questions and places the trial on a clinical hold within that 30-day period. FDA may also impose clinical holds or partial clinical holds at any time during clinical trials due to safety concerns or non-compliance.

All clinical trials, which involve the administration of the investigational product to humans, must be conducted under the supervision of one or more qualified investigators in accordance with Good Clinical Practice regulations, including the requirement that all research subjects provide informed consent in writing before their participation in any clinical trial. Further, an Institutional Review Board (the "**IRB**"), must review and approve the plan for any clinical trial before it commences at any institution, and the IRB must conduct continuing review and re-approve the study at least annually. Each new clinical protocol and any amendments to the protocol must be submitted for FDA review, and to the IRBs for

approval. An IRB can suspend or terminate approval of a clinical trial at its institution if the trial is not being conducted in accordance with the IRB's requirements or if the product has been associated with unexpected serious harm to subjects.

Clinical trials generally are conducted in three sequential phases, known as Phase I, Phase II and Phase III, and may overlap.

- Phase I clinical trials generally involve a small number of healthy volunteers or disease-affected patients who are initially exposed to a single dose and then multiple doses of the product candidate. The primary purpose of these clinical trials is to assess the metabolism, pharmacologic action, side effect tolerability and safety of the product candidate.

- Phase II clinical trials involve studies in disease-affected patients to evaluate proof of concept and/or determine the dose required to produce the desired benefits. At the same time, safety and further pharmacokinetics and pharmacodynamics information is collected, possible adverse effects and safety risks are identified, and a preliminary evaluation of efficacy is conducted.

- Phase III clinical trials generally involve a large number of patients at multiple sites and are designed to provide the data necessary to demonstrate the effectiveness of the product for its intended use, its safety in use and to establish the overall benefit/risk relationship of the product and provide an adequate basis for product labeling. In the U.S., an NDA is typically supported by two pivotal clinical studies (generally Phase III clinical trials) with the exception for indications with significant unmet medical needs and where conducting large, traditional trials is not feasible.

Progress reports detailing the results of the clinical trials must be submitted at least annually to the FDA. Safety reports must be submitted to the FDA and the investigators 15 calendar days after the trial sponsor determines that the information qualifies for reporting. The sponsor also must notify FDA of any unexpected fatal or life-threatening suspected adverse reaction as soon as possible but in no case later than 7 calendar days after the sponsor's initial receipt of the information. Sponsors of clinical trials of FDA-regulated products, including drugs, are required to register and disclose certain clinical trial information, which is publicly available at **www.clinicaltrials.gov**.

Concurrent with clinical trials, companies usually complete additional animal studies and must also finalize a process for manufacturing the product in commercial quantities in accordance with current Good Manufacturing Practice ("**cGMP**") requirements. The process of obtaining regulatory approvals and compliance with appropriate federal, state, local and foreign statutes and regulations require the expenditure of substantial time and financial resources. Failure to comply with the applicable U.S. requirements may subject an applicant to administrative or judicial sanctions.

U.S. Review and Approval Processes

The results of product development, preclinical studies and clinical trials, along with descriptions of the manufacturing process, analytical tests conducted on the product, proposed labeling and other relevant information, are submitted to the FDA as part of an NDA or BLA. Unless deferred or waived, NDAs or BLAs, or supplements must contain data adequate to assess the safety and effectiveness of the product for the claimed indications in all relevant pediatric subpopulations and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The submission of an NDA or a BLA is subject to the payment of a substantial user fee and an annual prescription drug product program fee.

Within 60 days of its receipt, the FDA reviews the NDA/BLA to ensure that it is sufficiently complete for substantive review before it accepts the NDA/BLA for filing. After accepting the NDA/BLA filing, the FDA begins an in-depth substantive review to determine, among other things, whether a product is safe and effective for its intended use. The FDA also evaluates whether the product's manufacturing is GMP-compliant to assure the product's identity, strength, quality and purity. Before approving the NDA/BLA, the FDA typically will inspect whether the manufacturing processes and facilities are in compliance with GMP requirements and adequate to assure consistent production of the product within

required specifications. The FDA may refer the NDA/BLA to an advisory committee, a panel of experts, for review whether the application should be approved and under what conditions and considers such recommendations when making decisions.

The FDA may refuse to approve the NDA/BLA if the applicable regulatory criteria are not satisfied or may require additional clinical data or other data and information. The FDA will issue a complete response letter describing all of the specific deficiencies that the FDA identified in the NDA/BLA that must be satisfactorily addressed before it can be approved. The deficiencies identified may be minor, for example, requiring labeling changes, or major, for example, requiring additional clinical trials. Additionally, the complete response letter may include recommended actions that the applicant might take to place the application in a condition for approval. The applicant may either resubmit the NDA/BLA, addressing all of the deficiencies identified in the letter, or withdraw the application or request an opportunity for a hearing.

The regulatory approval may be limited to specific diseases and dosages or the indications for use may otherwise be limited, which could restrict the commercial value of the product. Further, the FDA may require that certain contraindications, warnings or precautions be included in the product labeling. In addition, the FDA may require post-approval studies, including Phase IV clinical trials, to further assess a product's safety and effectiveness after NDA/BLA approval and may require testing and surveillance programs to monitor the safety of approved products that have been commercialized.

In the U.S., products composed of components that would normally be regulated by different centers at the FDA are known as combination products. Typically, the FDA's Office of Combination Products assigns a combination product to a specific Agency Center as the lead reviewer. The FDA determines which Center will lead a product's review based upon the product's primary mode of action. Depending on the type of combination product, its approval, clearance or licensure may usually be obtained through the submission of a single marketing application. However, the FDA sometimes will require separate marketing applications for individual constituent parts of the combination product, which may require additional time, effort, and information. Even when a single marketing application is required for a combination product, the relevant Centers may participate in the review. An applicant will also need to discuss with the Agency how to apply certain premarket requirements and post-marketing regulatory requirements, including conduct of clinical trials, adverse event reporting and good manufacturing practices, to their combination product.

Expedited Development and Review Programs

The FDA has various programs that are intended to expedite or streamline the process for the development and FDA review of drugs that are intended for the treatment of serious or life-threatening diseases or conditions. The purpose of these programs is to provide important new drugs to patients earlier than under standard FDA review procedures.

Fast-track Designation

To be eligible for a fast-track designation, the FDA must determine, based on the request of a sponsor, that a drug is intended to treat a serious or life-threatening disease or condition for which there is no effective treatment and demonstrates the potential to address treatment gaps for the disease or condition. Under the fast-track program, the sponsor of a drug candidate may request FDA to designate the product for a specific indication as a fast-track product concurrent with or after the filing of the IND for the drug candidate. The FDA must make a fast-track designation determination within 60 days after receipt of the sponsor's request.

In addition to other benefits, such as the ability to use surrogate endpoints and have greater interactions with FDA, FDA may initiate review of sections of a fast-track product's NDA before the application is complete. This rolling review is available if the applicant provides, and FDA approves, a schedule for the submission of the remaining information and the applicant pays applicable user fees. However, FDA's time period goal for reviewing a fast-track application does not begin until the last section of the NDA is submitted. In addition, the fast-track designation may be withdrawn by FDA if FDA believes that the designation is no longer supported by data emerging in the clinical trial process.

QIDP Designation

Under the Generating Antibiotic Incentives Now Act, or GAIN Act, which was enacted as part of the Food and Drug Administration Safety and Innovation Act, or FDASIA, which was signed into law in July 2012, the FDA may designate a product as a Qualified Infectious Disease Product, or QIDP. In order to receive this designation, a drug must qualify as an antibiotic or antifungal drug for human use intended to treat serious or life-threatening infections, including those caused by either (1) an antibiotic or antifungal resistant pathogen, including novel or emerging infectious pathogens, or (2) a so-called "qualifying pathogen" found on a list of potentially dangerous, drug-resistant organisms to established and maintained by the FDA. A sponsor must request such designation before submitting a marketing application. Upon approving a marketing application for a QIDP-designated product, the FDA will extend by an additional five years any non-patent marketing exclusivity period awarded, such as a three-year exclusivity period awarded for new clinical investigations of previously approved products. This extension will be awarded only to a drug first approved on or after the date of enactment of the GAIN Act. The GAIN Act prohibits the grant of an exclusivity extension where the application is a supplement to an application for which an extension is in effect or has expired, is a subsequent application for a specified change to an approved product, or is an application for a product that does not meet the definition of QIDP based on the uses for which it is ultimately approved.

Accelerated Approval

Under FDA's accelerated approval regulations, the FDA may approve a drug or biologic candidate for a serious or life-threatening illness that provides meaningful therapeutic benefit to patients over existing treatments and demonstrates an effect on either a surrogate endpoint that is reasonably likely to predict clinical benefit or on a clinical endpoint that can be measured earlier than irreversible morbidity or mortality ("**IMM**"), that is reasonably likely to predict an effect on IMM or other clinical benefit, taking into account the severity, rarity, or prevalence of the disease or condition and the availability or lack of alternative treatments. A product candidate approved on this basis is subject to rigorous post-marketing compliance requirements, including the completion of post-approval clinical trial to confirm the effect on the clinical endpoint. Failure to conduct required post-approval studies, or to confirm a clinical benefit during post-marketing studies, will allow the FDA to withdraw the product from the market on an expedited basis. All promotional materials for product candidates approved under accelerated regulations are subject to prior review by the FDA.

Breakthrough Therapy Designation

Another program available for sponsors is the Breakthrough Therapy Designation. A drug or biologic may be eligible for designation as a breakthrough therapy if the product is intended, alone or in combination with one or more other drugs or biologics, to treat a serious or life-threatening condition and preliminary clinical evidence indicates that the product may demonstrate substantial improvement over currently approved therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. A sponsor may request that a product be designated as a breakthrough therapy concurrently with, or at any time after, the submission of an IND, and the FDA must determine if the candidate qualifies for such designation within 60 days of receipt of the request. If so designated, the FDA shall act to expedite the development and review of the product's marketing application, including by meeting with the sponsor throughout the product's development, providing timely advice to the sponsor to ensure that the development program to gather preclinical and clinical data is as efficient as practicable.

Orphan Drugs

Under The Orphan Drug Act of 1983, the FDA may grant Orphan Drug Designation to drugs or biologic candidates intended to treat a rare disease or condition generally affecting fewer than 200,000 individuals in the U.S. or for which a manufacturer has no reasonable expectation of recovering drug treatment research and development costs. The first applicant to receive FDA approval for the disease or indication for which it has Orphan Drug Designation is entitled to a seven-year exclusive marketing period. During the exclusivity period, the FDA may not approve any other applications to market the same product for the same disease or condition except in limited circumstance.

Post-Marketing Requirements

Following the approval of a new product, the manufacturer and the approved product are subject to continuing regulation by the FDA, including, among other things, monitoring and record-keeping activities, reporting of adverse experiences, complying with promotion and advertising requirements, which include restrictions on promoting products for unapproved uses or patient populations, known as "off-label use," and limitations on industry-sponsored scientific and educational activities. Although physicians may prescribe legally available products for off-label uses, manufacturers may not market or promote such uses. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses, and a company that is found to have improperly promoted off-label uses may be subject to significant liability, including investigation by federal and state authorities. Prescription drug promotional materials must be submitted to the FDA in conjunction with their first use or first publication.

The FDA may also place other conditions on approvals including the requirement for a risk evaluation and mitigation strategy (the "**REMS**"), to assure the safe use of the product.

FDA regulations require that products be manufactured in specific approved facilities and in accordance with cGMP regulations. These manufacturers must comply with cGMP regulations that require, among other things, quality control and quality assurance, the maintenance of records and documentation and the obligation to investigate and correct any deviations from cGMP.

Manufacturers and other entities involved in the manufacture and distribution of approved drugs or biologics are required to register their establishments with the FDA and certain state agencies, and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMP requirements and other laws. Accordingly, manufacturers must continue to expend time, money and effort in the area of production and quality control to maintain cGMP compliance. The discovery of violative conditions, including failure to conform to cGMP regulations, could result in enforcement actions, and the discovery of problems with a product after approval may result in restrictions on a product, or manufacturer, including recall.

Once an approval is granted, the FDA may issue enforcement letters or withdraw the approval of the product if compliance with regulatory requirements and standards is not maintained or if problems occur after the drug or biologic reaches the market. Corrective action could delay drug or biologic distribution and require significant time and financial expenditures. Later discovery of previously unknown problems with a drug or biologic, including adverse events of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling to add new safety information; imposition of post-market studies or clinical trials to assess new safety risks; or imposition of distribution or other restrictions under a REMS program. Other potential consequences include, among other things: (i) restrictions on the marketing or manufacturing of the drug or biologic, suspension of the approval, complete withdrawal of the drug from the market or product recalls; (ii) fines, warning letters or holds on post-approval clinical trials; (iii) refusal of the FDA to approve applications or supplements to approved applications, or suspension or revocation of drug or biologic approvals; drug or biologic seizure or detention, or refusal to permit the import or export of drugs; or (iv) injunctions or the imposition of civil or criminal penalties.

BIOSECURE Act

On December 18, 2025 the BIOSECURE Act was enacted into law as part of the National Defense Authorization Act For Fiscal Year 2026. The Act (i) prohibits U.S. federal procurement of biotechnology equipment or services from designated "biotechnology companies of concern"; and (ii) prohibits U.S. federal loans and grants to, and federal contracts (including extensions and renewals) with, any entity that uses such equipment or services. The designation of covered biotechnology companies under the framework proceeds through two primary channels: (1) automatic designation pursuant to the U.S. Department of Defense (DoD) Section 1260H list of "Chinese military companies," leveraging its latest update in January 2025; and (2) a discretionary, criteria-based pathway managed through an interagency review led by the Office of Management and Budget (OMB). This structure stands in contrast from earlier iterations of the BIOSECURE Act, which targeted a limited set of specifically named Chinese biotechnology firms.

The BIOSECURE Act includes limited transitional arrangements: the Act provides a five-year transition period for existing contracts, grants, and loans, with named biotechnology companies of concern entered before the BIOSECURE Act's enactment. However, for agreements involving entities already listed under Section 1260H of the NDAA, restrictions will take effect 60 days after the relevant Federal Acquisition Regulation (FAR) is updated.

OVERVIEW

Our history can be traced back to October 25, 2012, when TenNor Cayman, the holding company of our Group prior to December 2021, was incorporated in the Cayman Islands. Our Company was incorporated in the PRC with limited liability in February 2013 under the name "丹諾醫藥(蘇州)有限公司" and an indirect wholly-owned subsidiary of TenNor Cayman. We have been managed by Dr. Ma, our founder, chairman of the Board, executive Director, chief executive officer and general manager, who has extensive research and managerial experience in the pharmaceutical industry across the PRC and the United States, since our inception. Our achievements have been enabled under the leadership of Dr. Ma, who is responsible for the overall strategic planning, management and operation of our Group. For details of Dr. Ma's biographical background, relevant industry experience and contributions to the research and development of our product pipelines, see the sections headed "Directors and Senior Management" and "Business—Overview" in this prospectus.

Since establishment, our Group has conducted several rounds of equity financing and attracted various financial investors, including domestic and foreign investors, with their interest held in our Group at the level of TenNor Cayman and/or our Company. In 2021, our Group underwent the restructuring, upon completion of which our Company became the holding company of our Group, with Dr. Ma and all investors of our Group holding interest directly in our Company. On June 27, 2025, our Company was converted into a joint stock company with limited liability, and was renamed as 丹諾醫藥(蘇州)股份有限公司 (TenNor Therapeutics (Suzhou) Limited).

Our Company is a near-commercial stage biotechnology company specialized in the discovery and development of differentiated new drug products in diseases associated with bacterial infection and metabolism. We possess a unique multi-targeting conjugate molecule technology platform and a new drug R&D pipeline with global IP protection, with several products currently in Phase II/III clinical trials or marketing application stage.

BUSINESS DEVELOPMENT MILESTONES

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

Year	Milestone
2016	• TNP-2092 Capsules received IND from NMPA
2018	• Rifasutenizol received IND from NMPA
2019	• Rifaquizinone IV received IND from FDA and initiated Phase II clinical trial for ABSSSI in the United States
	• Rifaquizinone IV was granted QIDP designation by FDA
	• Completed Rifaquizinone IV Phase II clinical trial for ABSSSI in the United States with positive results
2020	• Rifaquizinone IV was granted Orphan Drug designation by FDA for PJI
	• TNP-2092 oral received IND from NMPA and initiated Phase II clinical trial for hyperammonemia in liver cirrhosis patients
	• Shortlisted as a Suzhou Unicorn Cultivation Enterprise

Year	Milestone
2021	• TNP-2092 oral received IND for Phase II clinical trial for IBS-D from NMPA
	• Completed TNP-2092 oral Phase II clinical trial for hyperammonemia in liver cirrhosis patients with positive results
	• Initiated Rifasutenizol Phase IIa clinical trial for *H. pylori* infection
2022	• Completed Rifasutenizol Phase II clinical trial for the treatment of *H. pylori* infection with positive results
	• TNP-2092 IV for medical device infection won the Outstanding Award at the National Disruptive Technology Innovation Competition (全國顛覆性技術創新大賽)
	• Initiated Rifasutenizol Phase IIb clinical trial for *H. pylori* infection
2023	• Rifasutenizol for *H. pylori* infection received IND from FDA
	• Rifasutenizol was granted QIDP and Fast Track designations by FDA
	• Initiated Rifasutenizol Phase III clinical trial
	• TNP-2092 IA received IND from NMPA for PJI
	• TNP-2092 Ointment received IND from NMPA for the DFI
2024	• Completed Phase III clinical trial of rifasutenizol for *H. pylori* infection, meeting the primary endpoint
	• Signed partnership agreement with Grand Life Science for commercialization of rifasutenizol
2025	• Initiated Rifaquizinone IA Phase Ib/IIa clinical trial for PJI
	• Obtained Class B Pharmaceutical Manufacturing License (藥品生產許可B證) for rifasutenizol

CORPORATE DEVELOPMENT AND MAJOR SHAREHOLDING CHANGES

Establishment and Shareholding Changes of TenNor Cayman and our Company

On October 25, 2012, TenNor Cayman, the holding company of our Group prior to December 2021, was incorporated in the Cayman Islands with limited liability. Upon incorporation, TenNor Cayman had an issued share capital of US$10,000.00 divided into 10,000 share of a par value of US$1.00 each, and was wholly owned by Dr. Ma.

On February 25, 2013, our Company was established as a limited liability company in the PRC with an initial registered capital of US$20,000.00 and wholly owned by TenNor Hong Kong, an intermediate holding vehicle wholly owned by TenNor Cayman which in turn held majority interests in our Company before the Flip-down (as defined below).

On June 13, 2013, TenNor Cayman underwent a series of initial shareholding changes, upon the completion of which TenNor Cayman was held as to (i) approximately 69.23% by Dr. Ma as our founder; (ii) as to approximately 10.26% by the prospective advisers in consideration of their potential services for

TenNor Cayman, of which approximately 5.13% was held by Mr. Wang Xiaodong and 5.13% was held by Mr. Steven Lanier McKnight; and (iii) approximately 20.51% was held by Mr. Li Leping, our current independent non-executive Director, as an inducement for him to join our Group. The shares held by Mr. Li Leping were subsequently repurchased by TenNor Cayman on April 15, 2014 since Mr. Li Leping did not join our Group. For biographical details of Mr. Li Leping, see the section headed "Directors and Senior Management—Our Board of Directors—Independent Non-executive Directors" in this prospectus.

Subsequent to the initial shareholding changes as mentioned above, during the period from June 2013 to July 2025, we went through a series of financings through Pre-IPO Investments in our Group, with the interest of the Pre-IPO Investors held in our Group at the level of TenNor Cayman and/or our Company, as detailed in the paragraph headed "—Pre-IPO Investments" in this section.

In preparation of our Company's plan to apply for a listing in the PRC, the shareholding in TenNor Cayman was flipped down to the level of our Company in December 2021 (the "**Flip-down**") whereby TenNor Hong Kong entered into a series of equity transfer agreements on December 3, 2021 (the "**Flip-down Equity Transfer Agreements**") with the relevant Pre-IPO Investors, including those at the level of TenNor Cayman in order to reflect their respective corresponding interests in our Company held through TenNor Cayman as well as Danyuan Kangnuo and Danyuan Nuokang, both being our ESOP Platforms, whose equity interests were issued after taking into consideration the agreement among the Shareholders. See the paragraph headed "—Pre-IPO Investments—(5) The Flip-down" in this section for the shareholding structure of our Company after the Flip-down. As confirmed by the Company, no previous listing attempt nor application has been made by the Company.

Further, (i) pursuant to an equity transfer agreement between our Company and TenNor Cayman dated August 30, 2021, our Company acquired TenNor USA from TenNor Cayman for a consideration of US$100,000, upon completion of which, TenNor USA became a wholly-owned subsidiary of our Company; and (ii) pursuant an intellectual property assignment agreement between our Company and TenNor Cayman dated September 2, 2021, our Company acquired 42 patents from TenNor Cayman for a consideration of US$3.925 million.

ESOP PLATFORMS

In recognition of the contributions of our employees and to incentivize them to further promote our development, we established Danyuan Kangnuo, Danyuan Aonuo and Danyuan Nuokang as our ESOP Platforms in the PRC on August 18, 2021, September 8, 2021 and September 3, 2021, respectively, and adopted the Equity Incentive Plans in August 2021 and December 2021, as amended from time to time.

Shanghai Kangyuan Dannuo Consulting Management Co., Ltd. (上海康源丹諾諮詢管理有限公司) ("**Shanghai Kangyuan Dannuo**"), the general partner of each of the ESOP Platforms, is responsible for the management of the ESOP Platforms and exercising the voting rights attaching to the Shares held by the ESOP Platforms, in accordance with the partnership agreements entered into among the general and limited partners of the ESOP Platforms. As of the Latest Practicable Date, Shanghai Kangyuan Dannuo was wholly-owned by Dr. Ma.

As of the Latest Practicable Date, Shanghai Kangyuan Dannuo held approximately 35.25% partnership interests in Danyuan Kangnuo, with the remaining interests being held by 12 limited partners of Danyuan Kangnuo, namely (i) Ms. Mu Wenying (穆文瑩) (a supervisor of each of TenNor Zhongshan and TenNor Shanghai, being our subsidiaries, holding approximately 10.33% partnership interests of Danyuan Kangnuo), (ii) Ms. Chen Jing, Dr. Geng Guozhu and Ms. Chen Rongping (who are members of our senior management, holding 7.36%, 11.04% and 10.67% partnership interests of Danyuan Kangnuo, respectively); and (iii) the other 8 current employees who are not members of our senior management nor connected persons of our Company (holding approximately 25.35% partnership interests of Danyuan Kangnuo in aggregate). None of the limited partners held more than 30% partnership interests of Danyuan Kangnuo.

As of the Latest Practicable Date, Shanghai Kangyuan Dannuo held approximately 57.07% partnership interests in Danyuan Aonuo, with the remaining interests being held by 15 limited partners of Danyuan Aonuo. Among these limited partners, (i) none of them is a connected person; and (ii) Dr. Bi Jie, Ms. Chen Jing and Ms. Yu Yinjiao, who are members of our senior management, held 13.02%, 4.34% and 5.78% partnership interests of Danyuan Aonuo, respectively. None of the limited partners held more than 30% partnership interests of Danyuan Aonuo.

As of the Latest Practicable Date, Shanghai Kangyuan Dannuo held approximately 97.46% partnership interests in Danyuan Nuokang, with the remaining interests being held by two limited partners who are not members of our senior management nor connected persons of our Company (each holding approximately 1.27% partnership interests of Danyuan Nuokang).

As of the Latest Practicable Date, the ESOP Platforms owned approximately 10.45% of our issued Shares. All awards under the Equity Incentive Plans were granted to and vested in the specified participants by virtue of being registered holders of the relevant partnership interests in the ESOP Platforms as of the Latest Practicable Date, and the Equity Incentive Plans do not involve the grant of new Shares or awards by our Company after the Listing.

Please refer to the paragraph headed "Further Information about our Directors and Substantive Shareholders — 5. Employee Incentive Plans" in Appendix VI to this prospectus for a summary of the principal terms of the Employee Incentive Plans.

OUR MAJOR SUBSIDIARIES

Our business and operations have been primarily conducted by the Company during the Track Record Period. The following subsidiary is expected to be material to our results of operation after Listing:

Name	Place of Establishment	Date of Establishment	Registered share capital	Shareholding	Principal business activities
TenNor Zhongshan	PRC	August 25, 2023	RMB100,000,000	100%	Research and development and manufacturing and commercialization of our Core Products

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period, we have not made any acquisitions, disposals or mergers that we consider to be material to us.

PRE-IPO INVESTMENTS

Overview

We underwent the following rounds of Pre-IPO investments, details of which are set forth below.

(1) Series A Financing

On June 21, 2013, TenNor Cayman, Dr. Ma and Cumbre entered into the series A preferred share purchase agreement (the "**Series A Preferred Share Purchase Agreement**"), pursuant to which Cumbre, which was wholly owned by Mr. Morton H Meyerson, agreed to purchase and TenNor Cayman agreed to issue 3,925,000 series A preferred shares of TenNor Cayman with the consideration of which paid by way of transfer of certain properties owned by Cumbre, including certain patents, such as those associated with TNP-2092, and business agreements relating to the engagement of third-party external service providers (the "**Series A Financing**"). The consideration was determined based on arm's length negotiation amongst the parties after taking into consideration the fair market value of the properties being transferred as the consideration. Cumbre invested in TenNor Cayman primarily because (i) Dr. Ma worked at Cumbre Inc. from December 2001 to August 2004 where he got acquainted with Mr. Morton H Meyerson through Mr. Steven Lanier McKnight (one of the funders of Cumbre Inc.) and Dr. Ma made significant contributions to the discovery and early development of TNP-2092 during his tenure at Cumbre Inc. after having conducted independent preclinical studies and five clinical trials and developed manufacturing process; and (ii) at that time, the PRC government introduced various beneficial policies for pharmaceutical industries and there were emerging opportunities for innovative medicine in the PRC. Dr. Ma left Cumbre Inc. to join TB Alliance as a chief scientific officer to pursue further career development in August 2004. Immediately before Series A Financing, our Company did not have any substantive operations. Therefore, our Company considers that our Group has benefited from these properties, in particular, the patents, which were crucial to the subsequent development of our Group. Cumbre Inc. was dissolved in 2009 as it failed to secure additional investments to continue its operations. The dissolvement of Cumbre Inc. had led to the transfer of its properties, including patents it owned, to Cumbre IP Ventures, L.P.. Save as aforesaid, the Company is not aware of any other impact that is relevant to the Company.

Upon the completion of Series A Financing on July 9, 2013, the shareholding structure of TenNor Cayman was as follows:

Shareholder(s)	Number of shares held	Percentage of shareholding upon completion
		(%)
Cumbre	3,925,000	80.10
Dr. Ma	675,000	13.78
Mr. Li Leping[(1)]	200,000	4.08
Mr. Wang Xiaodong	50,000	1.02
Mr. Steven Lanier McKnight	50,000	1.02
Total	**4,900,000**	**100.00**

Note:

(1) These shares were issued to Mr. Li Leping, our current independent non-executive Director, as an inducement for him to join our Group at that time, which were subsequently repurchased by TenNor Cayman on April 15, 2014 since Mr. Li Leping did not join our Group.

(2) Series B Financing

(i) On October 15, 2013, TenNor Cayman, TenNor Hong Kong, our Company and Dr. Ma entered into the series B preferred share purchase agreement with MAL Investment Company ("**MAL Investment**"), Allen Chao Interests, Ltd. ("**Chao Interests**"), Big Bend TenNor Investment, LLC (an affiliate of Cumbre) ("**Big Bend TenNor**"), China Life Sciences Access Fund, L.P. ("**China Life**") and WuXi PharmaTech Healthcare Fund I L.P. ("**WuXi Fund**"), pursuant to which MAL Investment, Chao Interests, Big Bend TenNor, China Life and WuXi Fund agreed to invest in TenNor Cayman, for a total cash consideration of US$4.5 million; and (ii) on October 15, 2013, October 10, 2014 and July 31, 2015, TenNor Hong Kong, Suzhou Frontline Bioventure Capital Investment Partnership (LP) (蘇州通和創業投

資合夥企業(有限合夥)) ("**Frontline I**"), Suzhou Industrial Park Origin Ventures Co., Ltd. (蘇州工業園區原點創業投資有限公司) ("**Suzhou Origin**") and Suzhou Industrial Park Venture Investment Fund Management Centre (蘇州工業園區創業投資引導基金管理中心) ("**Park Venture Investment Fund**") entered into a series of capital increase agreements, pursuant to which Frontline I, Suzhou Origin and Park Venture Investment Fund agreed to invest in our Company, each with an option right to purchase such number of shares of TenNor Cayman representing their respective equity interest in our Company, for a total cash consideration of US$2.5 million (collectively, the "**Series B Financing**").

Upon the completion of Series B Financing on July 31, 2015, the shareholding structure of TenNor Cayman was as follows:

Shareholder(s)	Number of shares held	Percentage of shareholding upon completion
		(%)
The Cumbre Entities	4,925,000	53.54
– Cumbre	*3,925,000*	*42.67*
– Big Bend TenNor	*1,000,000*	*10.87*
The Chao's family	1,000,000	10.87
– MAL Investment	*500,000*	*5.435*
– Chao Interests	*500,000*	*5.435*
WuXi Fund	1,500,000	16.30
China Life	1,000,000	10.87
Dr. Ma	675,000	7.34
Mr. Wang Xiaodong	50,000	0.54
Mr. Steven Lanier McKnight	50,000	0.54
Total	**9,200,000**	**100.00**

Upon the completion of Series B Financing on August 31, 2015, the shareholding structure of our Company was as follows:

Shareholder(s)	Total registered capital subscribed	Percentage of shareholding upon completion
	(US$)	*(%)*
TenNor Hong Kong[(1)]	2,250,000	79.17
Frontline I	369,473.70	13.00
Suzhou Origin[(2)]	111,315.85	3.92
Park Venture Investment Fund[(2)]	111,315.85	3.92
Total	**2,842,105.40**	**100.00**

Notes:

(1) TenNor Hong Kong was a subsidiary of our Company at that time.

(2) Pursuant to an equity transfer agreement dated January 24, 2016, Park Venture Investment Fund transferred its approximately 3.92% equity interests in our Company to Suzhou Origin for a cash consideration of RMB3.31 million. Upon the completion of such equity transfer, Suzhou Origin held 7.83% equity interests in our Company and Park Venture Investment Fund ceased to be a Shareholder.

(3) The percentages may not add up to 100% due to rounding.

(3) Series C Financing

On September 9, 2016, (i) our Company, TenNor Hong Kong, Frontline I, Suzhou Frontline Bioventures Venture Capital Investment Partnership (LP) Fund II (蘇州通和二期創業投資合夥企業(有限合夥)) ("**Frontline II**", together with Frontline I, the "**Frontline Entities**"), Suzhou Origin and Suzhou Industrial Park Oriza Zhengze Venture Capital I (LP) (蘇州工業園區原點正則壹號創業投資企業(有限合夥)) ("**Suzhou Oriza**") entered into the capital increase agreement, pursuant to which Frontline I, Frontline II, Suzhou Origin and Suzhou Oriza agreed to invest in our Company, each with an option right to purchase shares of TenNor Cayman representing their respective shareholding percentage in our Group; and (ii) TenNor Cayman, TenNor Hong Kong, our Company, TenNor Shanghai, Dr. Ma, Northern Light Venture Capital IV, Ltd. ("**Northern Light Venture**"), Relativity Healthcare Fund, LLC ("**Relativity Healthcare**"), China Life and WuXi Fund entered into the series C preferred share purchase agreement, pursuant to which Northern Light Venture, China Life, WuXi Fund and Relativity Healthcare agreed to invest in TenNor Cayman, for a total consideration of approximately US$15.00 million (the "**Series C Financing**").

Upon the completion of Series C Financing on September 14, 2016, the shareholding structure of TenNor Cayman was as follows:

Shareholder(s)	Number of shares held	Percentage of shareholding upon completion[(1)]
		(%)
The Cumbre Entities	4,925,000	45.50
– Cumbre[(1)]	*3,925,000*	*36.26*
– Big Bend TenNor[(1)]	*1,000,000*	*9.24*
WuXi Fund	1,711,765	15.82
The Chao's family	1,141,176	10.54
– MAL Investment	*500,000*	*4.62*
– Chao Interests	*500,000*	*4.62*
– Relativity Healthcare	*141,176*	*1.30*
China Life	1,141,176	10.54
Northern Light Venture	1,129,412	10.44
Dr. Ma	675,000	6.24
Mr. Wang Xiaodong	50,000	0.46
Mr. Steven Lanier McKnight	50,000	0.46
Total	**10,823,529**	**100.00**

Notes:

(1) In February 2017, Cumbre and Big Bend TenNor distributed part of the series A preferred shares and series B preferred shares of TenNor Cayman held by them to certain of their limited partners, pursuant to which (i) Big Bend TenNor transferred 87,911 shares of TenNor Cayman to Garcia-Bugge' Enterprises, Inc., 22,415 shares of TenNor Cayman to Frances McKnight 1992 Irrevocable Trust, 22,415 shares of TenNor Cayman to Grace McKnight 1992 Irrevocable Trust, 22,415 shares of TenNor Cayman to John Stevens McKnight 1992 Irrevocable Trust and 22,415 shares of TenNor Cayman to Nell Lanier McKnight 1992 Irrevocable Trust, for nil consideration; and (ii) Cumbre transferred 351,912 shares of TenNor Cayman to Rieflin Family Trust U/D/T, 345,051 shares of TenNor Cayman to Garcia-Bugge' Enterprises Inc., 87,979 shares of TenNor Cayman to Frances McKnight 1992 Irrevocable Trust, 87,979 shares of TenNor Cayman to Grace McKnight 1992 Irrevocable Trust, 87,979 shares of TenNor Cayman to John Stevens McKnight 1992 Irrevocable Trust and 87,979 shares of TenNor Cayman to Nell Lanier McKnight 1992 Irrevocable Trust, for nil consideration. Further, pursuant to the instrument of transfer dated August 29, 2017, Big Bend TenNor transferred 822,429 shares of TenNor Cayman to Cumbre for nil consideration.

Upon the completion of Series C Financing on September 22, 2016, the shareholding structure of our Company was as follows:

Shareholder(s)	Total registered capital subscribed	Percentage of shareholding upon completion
	(US$)	*(%)*
TenNor Hong Kong[(1)]	2,911,362.00	73.62
The Frontline Entities	770,712.54	19.50
– Frontline I	*419,628.74*	*10.61*
– Frontline II	*351,083.80*	*8.89*
Suzhou Origin	222,631.70	5.63
Suzhou Oriza	50,154.83	1.27
Total	**3,954,861.07**	**100.00**

Notes:

(1) TenNor Hong Kong was a subsidiary of our Company at that time.

(2) The percentages may not add up to 100% due to rounding.

(4) Series C+ Financing

On June 1, 2020, (i) our Company, TenNor Hong Kong, Dr. Ma, Frontline I, Frontline II, Suzhou Origin, Suzhou Oriza, Suzhou Qianrong Yingrun Equity Investment Partnership (Limited Partnership) (蘇州乾融贏潤股權投資合夥企業(有限合夥)) ("**Qianrong Yingrun**") and Suzhou Yuankang Dingxiang Investment Management Partnership (Limited Partnership) (蘇州遠康鼎祥投資管理合夥企業(有限合夥)) ("**Yuankang Dingxiang**") entered into the capital increase agreement, pursuant to which TenNor Hong Kong, Frontline I, Frontline II, Suzhou Origin, Suzhou Oriza, Qianrong Yingrun and Yuankang Dingxiang agreed to invest in our Company, each with an option right to purchase shares of TenNor Cayman representing their respective shareholding percentage in our Group; and (ii) TenNor Cayman, TenNor Hong Kong, our Company, TenNor Shanghai, Dr. Ma, Northern Light Venture, China Life, WuXi Fund, Relativity Healthcare and Dr. Ma entered into the series C+ preferred share purchase agreement, pursuant to which Northern Light Venture, Relativity Healthcare, China Life, WuXi Fund and Dr. Ma agreed to invest in TenNor Cayman, for a total consideration of approximately US$6.53 million which was satisfied partly by cash in the sum of US$2.53 million and the remaining by offsetting the loans due from our Company to Frontline I, Frontline II and Suzhou Origin in the aggregate sum of US$1.27 million and the loans due from TenNor Cayman to each of Northern Light Venture, Relatively Heathcare, Wuxi Fund, China Life and Dr. Ma in the aggregate sum of approximately US$2.73 million.

On August 24, 2020, our Company, Dr. Ma, TenNor Hong Kong, Frontline I, Frontline II, Suzhou Origin, Suzhou Oriza, Qianrong Yingrun, Yuankang Dingxiang and Nongyin No. 2 Wuxi Equity Investment Center (農銀二號無錫股權投資中心) ("**Nongyin No. 2**") entered into the capital increase agreement, pursuant to which Nongyin No. 2 agreed to invest in our Company for a total cash consideration of US$4.21 million, with an option right to purchase shares of TenNor Cayman representing its respective shareholding percentage in our Group (collectively, the "**Series C+ Financing**").

Upon the completion of Series C+ Financing on June 5, 2020, the shareholding structure of TenNor Cayman was as follows:

Shareholder(s)	Number of shares held	Percentage of shareholding upon completion[1]
		(%)
Cumbre	3,698,550	31.35
WuXi Fund	1,841,925	15.62
Northern Light Venture	1,584,782	13.43
The Chao's family	1,227,950	10.41
– MAL Investment	*500,000*	*4.24*
– Chao Interests	*500,000*	*4.24*
– Relativity Healthcare	*227,950*	*1.93*
China Life	1,227,950	10.41
Dr. Ma	887,732	7.53
The McKnight's family	491,576	4.18
– Frances McKnight 1992 Irrevocable Trust	*110,394*	*0.94*
– Grace McKnight 1992 Irrevocable Trust	*110,394*	*0.94*
– John Stevens McKnight 1992 Irrevocable Trust	*110,394*	*0.94*
– Nell McKnight 1992 Irrevocable Trust	*110,394*	*0.94*
– Mr. Steven Lanier McKnight	*50,000*	*0.42*
Garcia-Bugge' Enterprise, Inc.	432,962	3.67
Rieflin Family Trust U/D/T	351,912	2.98
Mr. Wang Xiaodong	50,000	0.42
Total	**11,795,339**	**100.00**

Upon the completion of Series C+ Financing on September 28, 2020, the shareholding structure of our Company was as follows:

Shareholder(s)	Total registered capital subscribed	Percentage of shareholding upon completion
	(US$)	*(%)*
TenNor Hong Kong[1]	3,216,255.82	68.62
The Frontline Entities	829,316.75	17.69
– Frontline I	*451,536.97*	*9.63*
– Frontline II	*377,779.78*	*8.06*
Suzhou Origin	254,733.10	5.43
Nongyin No. 2	210,400.97	4.49
Qianrong Yingrun	70,133.75	1.50
Yuankang Dingxiang	56,107.01	1.20
Suzhou Oriza	50,154.83	1.07
Total	**4,687,102.23**	**100.00**

Note:

(1) TenNor Hong Kong was a subsidiary of our Company at that time.

(5) The Flip-down

In preparation of our Company's plan to apply for a listing in the PRC, the shareholding in TenNor Cayman was flipped down to the level of our Company in December 2021. After the completion of the Flip-down on December 22, 2021, the shareholding structure of our Company was as follows:

Name of Shareholder	Registered capital transferred from TenNor Hong Kong pursuant to the relevant Flip-down Equity Transfer Agreement	Total registered capital subscribed	Shareholding interest in our Company upon completion of the transfers under the relevant Flip-down Equity Transfer Agreement (where relevant)
	(US$)	*(US$)*	*(%)*
The Frontline entities	N/A[1]	829,316.75	17.69
– Frontline I	*N/A[1]*	*451,536.97*	*9.63*
– Frontline II	*N/A[1]*	*377,779.78*	*8.06*
The Cumbre Entities	875,972.91	875,972.91	18.68
– Cumbre	*564,681.43*	*564,681.43*	*12.05*
– Big Bend 73	*17,975.62*	*17,975.62*	*0.38*
– Big Bend 72	*68,636.88*	*68,636.88*	*1.46*
– Big Bend 77	*224,678.98*	*224,678.98*	*4.79*
WuXi Fund	436,245.66	436,245.66	9.31
ESOP Platforms[2]	422,621.31	422,621.31	9.02
Immense Vantage[3]	375,343.34	375,343.34	8.01
The Chao's family	290,830.45	290,830.45	6.21
– MAL Investment	*118,421.13*	*118,421.13*	*2.53*
– Chao Interests	*118,421.13*	*118,421.13*	*2.53*
– Relativity Healthcare	*53,988.19*	*53,988.19*	*1.15*
China Life	290,830.44	290,830.44	6.20
Suzhou Origin	N/A[1]	254,733.10	5.43
Nongyin No. 2	N/A[1]	210,400.97	4.49
Dr. Ma	210,252.33	210,252.33	4.49
The McKnight's family	116,425.95	116,425.95	2.48
– Ms. Frances McGary McKnight[4]	*26,145.96*	*26,145.96*	*0.56*
– Ms. Grace Gillespie McKnight[4]	*26,145.96*	*26,145.96*	*0.56*
– Mr. John Stevens McKnight[4]	*26,145.96*	*26,145.96*	*0.56*
– Ms. Nell Lanier McKnight[4]	*26,145.96*	*26,145.96*	*0.56*
– Mr. Steven Lanier McKnight	*11,842.11*	*11,842.11*	*0.25*
Garcia-Bugge' Enterprises, Inc.	102,543.69	102,543.69	2.19
Mr. William J. Rieflin[5]	83,347.63	83,347.63	1.78
Qianrong Yingrun	N/A[1]	70,133.75	1.50
Yuankang Dingxiang	N/A[1]	56,107.01	1.20
Suzhou Oriza	N/A[1]	50,154.83	1.07
Mr. Wang Xiaodong	11,842.11	11,842.11	0.25
Total	**3,216,255.82**	**4,687,102.23**	**100**

Notes:

(1) No Flip-down Equity Transfer Agreement was entered into by these entities since these entities invested directly at the level of our Company.

(2) These included Danyuan Kangnuo and Danyuan Nuokang.

(3) Northern Light Venture's equity interests were held by Immense Vantage Limited (焯俊有限公司) ("**Immense Vantage**"), an affiliate of Northern Light Venture, after the Flip-down.

(4) Each of Ms. Frances McGary McKnight, Ms. Grace Gillespie McKnight, Mr. John Stevens McKnight and Ms. Nell Lanier McKnight held their respective equity interests in our Company in their own individual capacity after the Flip-down.

(5) Mr. William J. Rieflin held his equity interests in our Company in his individual capacity after the Flip-down.

(6) The percentages may not add up to 100% due to rounding.

(6) Series D Financing

On December 30, 2021, our Company, Suzhou Origin, Dr. Ma, Danyuan Aonuo, Zhongtong Financing Fund Management (Beijing) Company Limited (中通融金基金管理(北京)有限責任公司) ("**Zhongtong Rongjin**"), Yantai Gaotejia Huike Venture Capital Partnership Enterprise (Limited Partnership) (煙台高特佳匯科創業投資合夥企業(有限合夥)) (previously known as "Beijing GTJ Huike Venture Capital Partnership (Limited Partnership) (北京高特佳匯科創業投資合夥企業(有限合夥)) ("**Yantai GTJA**"), Suzhou Gaotejia Huixin Equity Investment Partnership (Limited Partnership) (蘇州高特佳匯鑫股權投資合夥企業(有限合夥)) (now known as Suzhou Gaotejia Xinyin Huixin Equity Investment Partnership (Limited Partnership) (蘇州高特佳信銀匯鑫股權投資合夥企業(有限合夥)) ("**Suzhou GTJA**", together with Yantai GTJA, the "**GTJA Entities**"), Hainan Century Star River Investment Co., Ltd. (海南世紀星河投資有限公司) ("**Hainan Century Star River**"), Huzhou Zhongnuo Venture Capital Investment Partnership (Limited Partnership) (湖州中諾創業投資合夥企業(有限合夥)) ("**Huzhou Zhongnuo**"), WuXi Guolian Guokang Health Industry Investment Center (Limited Partnership) (無錫國聯國康健康產業投資中心(有限合夥)) ("**WuXi Guolian**"), Ningbo Yanchuang Xiangshang Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (寧波燕創象商創業投資合夥企業(有限合夥)) ("**Ningbo Xiangshang**"), Ningbo Yanchuang Yaoshang Yangming Venture Capital Investment Partnership (Limited Partnership) (寧波燕創姚商陽明創業投資合夥企業(有限合夥)) ("**Ningbo Yaoshang**"), Ningbo Yanchuang Borong Venture Capital Partnership Enterprise (Limited Partnership) (寧波燕創勃榮創業投資合夥企業(有限合夥)) ("**Ningbo Borong**") and Ningbo Yanyuan Innovation Venture Capital Investment Partnership (Limited Partnership) (寧波燕園創新創業投資合夥企業(有限合夥) ("**Ningbo Yanyuan**") entered into the capital increase agreement, pursuant to which Danyuan Aonuo, Zhongtong Rongjin, Yantai GTJA, Suzhou GTJA, Hainan Century Star River, Huzhou Zhongnuo, WuXi Guolian, Ningbo Xiangshang, Ningbo Yaoshang, Ningbo Borong and Ningbo Yanyuan, agreed to invest in our Company for a total consideration of approximately RMB150.01 million (the "**Series D Financing**").

Upon the completion of the Series D Financing and the December 2021 Equity Transfers (as defined below) on February 25, 2022[1], the shareholding structure of the our Company was as follows:

Shareholder(s)	**Total registered capital subscribed**	**Percentage of shareholding upon completion**
	(US$)	*(%)*
The Cumbre Entities	875,972.91	16.07
– *Cumbre*	*564,681.43*	*10.36*
– *Big Bend 77*	*224,678.98*	*4.12*
– *Big Bend 72*	*68,636.88*	*1.26*
– *Big Bend 73*	*17,975.62*	*0.33*
ESOP Platforms[2]	695,415.62	12.77
WuXi Fund	436,245.66	8.00
Suzhou Origin and WuXi Guolian	406,504.84	7.46
– *Suzhou Origin*	*337,517.69*	*6.19*
– *WuXi Guolian*	*68,987.15*	*1.27*
Frontline II	377,779.78	6.93
Immense Vantage	375,343.34	6.89
The Chao's family	290,830.45	5.33
– *MAL Investment*	*118,421.13*	*2.17*
– *Chao Interests*	*118,421.13*	*2.17*
– *Relativity Healthcare*	*53,988.19*	*0.99*

Shareholder(s)	Total registered capital subscribed	Percentage of shareholding upon completion
	(US$)	*(%)*
Ningbo Entities	275,948.63	5.06
– Ningbo Xiangshang	*91,982.89*	*1.68*
– Ningbo Yaoshang	*68,987.15*	*1.27*
– Ningbo Yanyuan	*68,987.15*	*1.27*
– Ningbo Borong	*45,991.44*	*0.84*
GTJA Entities	275,948.62	5.06
– Suzhou GTJA	*183,965.75*	*3.38*
– Yantai GTJA	*91,982.87*	*1.68*
Beisen Dankang(3)(4)	229,957.17	4.22
Nongyin No. 2	210,400.97	3.86
Dr. Ma	210,252.33	3.86
Hainan Century Star River	206,961.47	3.80
The McKnight's family	116,425.95	2.14
– Ms. Frances McGary McKnight	*26,145.96*	*0.48*
– Ms. Grace Gillespie McKnight	*26,145.96*	*0.48*
– Mr. John Stevens McKnight	*26,145.96*	*0.48*
– Ms. Nell Lanier McKnight	*26,145.96*	*0.48*
– Mr. Steven McKnight	*11,842.11*	*0.22*
Garcia—Bugge' Enterprises, Inc.	102,543.69	1.88
Huzhou Zhongnuo	91,982.87	1.68
Mr. William J. Rieflin	83,347.63	1.53
Qianrong Yingrun	70,133.75	1.29
Yuankang Dingxiang	56,107.01	1.03
Suzhou Oriza(5)	50,154.83	0.92
Mr. Wang Xiaodong	11,842.11	0.22
Total	**5,450,099.63**	**100.00**

Notes:

(1) On December 30, 2021, each of China Life and Frontline I entered into a series of equity transfer agreements, pursuant to which China Life transferred approximately 6.20% interests in our Company to each of Suzhou GTJA, Suzhou Origin, Ningbo Borong and Beisen Dankang for a total cash consideration of RMB46.91 million; and Frontline I transferred approximately 9.63% equity interests in our Company to each of Ningbo Xiangshang, Ningbo Yaoshang, Ningbo Yanyuan, Suzhou Origin, Yantai GTJA, Hainan Century Star River, Huzhou Zhongnuo and WuXi Guolian for a total consideration of RMB72.84 million (the "**December 2021 Equity Transfers**"). Upon completion of the December 2021 Equity Transfers on February 25, 2022, each of China Life and Frontline I ceased to be a Shareholder. The shareholding structure of our Company has taken into account the completion of the December 2021 Equity Transfers.

(2) These include Danyuan Kangnuo, Danyuan Nuokang and Danyuan Aonuo.

(3) Pursuant to the terms of the relevant capital increase agreement and equity transfer agreement, Zhongtong Rongjin transferred approximately 1.68% equity interests of our Company to Beisen Dankang for nil consideration where Beisen Dankang shall assume the obligations of paying up the relevant registered capital.

(4) Pursuant to an equity transfer agreement dated December 15, 2022, Beisen Dankang transferred approximately 0.18% equity interests of our Company to Ningbo Rongshun for nil consideration where Ningbo Rongshun shall assume the obligations of paying up the relevant registered capital.

(5) Pursuant to an equity transfer agreement dated September 30, 2022, Suzhou Oriza transferred its approximately 0.89% equity interests in our Company to Yangzhou Jinye Nuohang Venture Capital Partnership (Limited Partnership) (揚州錦業諾行創業投資合夥企業(有限合夥)) ("**Yangzhou Jinye**") for a total cash consideration of RMB8.08 million.

(6) The percentages may not add up to 100% due to rounding.

(7) Series D+ Financing

(i) On November 4, 2022, our Company, Dr. Ma and Changzhou Borun Mingdu Emerging Industry Private Equity Investment Fund Partnership (Limited Partnership) (常州博潤明都新興產業創業投資中心) ("**Borun Mingdu**") entered a capital increase agreement, pursuant to which Borun Mingdu agreed to invest in the Company; and (ii) on November 15, 2022, our Company, Dr. Ma, Beijing Yuanjing Investment Fund Center (北京遠京投資基金中心) ("**Yuanjing Investment**"), Beijing Jingguo Chuang Chuanghui Equity Investment Center (北京京國創創輝股權投資中心) ("**Beijing Jingguo Chuang**") and Ningbo Rongshun Yanyuan Venture Capital Investment Partnership (Limited Partnership) (寧波榮舜燕園創業投資合夥企業(有限合夥)) ("**Ningbo Rongshun**") (together with Ningbo Yanyuan, Ningbo Xiangshang, Ningbo Yaoshang and Ningbo Borong, the "**Ningbo Entities**") entered a series of capital increase agreements, pursuant to which Yuanjing Investment, Beijing Jingguo Chuang and Ningbo Rongshun agreed to invest in the Company, for a total consideration of approximately RMB63.60 million (the "**Series D+ Financing**").

Upon the completion of Series D+ Financing on January 5, 2023, the shareholding structure of our Company was as follows:

Shareholder(s)	Total registered capital subscribed	Percentage of shareholding upon completion
	(US$)	*(%)*
The Cumbre Entities	875,972.91	15.48
– Cumbre	*564,681.43*	*9.98*
– Big Bend 77	*224,678.98*	*3.97*
– Big Bend 72	*68,636.88*	*1.21*
– Big Bend 73	*17,975.62*	*0.32*
ESOP Platforms[(1)]	695,415.62	12.29
WuXi Fund	436,245.66	7.71
Suzhou Origin and WuXi Guolian	406,504.84	7.18
– Suzhou Origin	*337,517.69*	*5.96*
– WuXi Guolian	*68,987.15*	*1.22*
Frontline II	377,779.78	6.67
Immense Vantage	375,343.34	6.63
The Ningbo Entities	297,441.42	5.25
– Ningbo Xiangshang	*91,982.89*	*1.63*
– Ningbo Yaoshang	*68,987.15*	*1.22*
– Ningbo Yanyuan	*68,987.15*	*1.22*
– Ningbo Rongshun	*21,492.79*	*0.38*
– Ningbo Borong	*45,991.44*	*0.81*
The Chao's family	290,830.45	5.14
– MAL Investment	*118,421.13*	*2.09*
– Chao Interests	*118,421.13*	*2.09*
– Relativity Healthcare	*53,988.19*	*0.95*
The GTJA Entities	275,948.62	4.88
– Suzhou GTJA	*183,965.75*	*3.25*
– Yantai GTJA	*91,982.87*	*1.63*
Beisen Dankang	220,037.47	3.89
Nongyin No. 2	210,400.97	3.72
Dr. Ma	210,252.33	3.71
Hainan Century Star River	206,961.47	3.66
Yuanjing Investment	165,329.88	2.92

Shareholder(s)	Total registered capital subscribed	Percentage of shareholding upon completion
	(US$)	*(%)*
The McKnight's family	116,425.95	2.06
– Ms. Frances McGary McKnight	*26,145.96*	*0.46*
– Ms. Grace Gillespie McKnight	*26,145.96*	*0.46*
– Mr. John Stevens McKnight	*26,145.96*	*0.46*
– Mr. Nell Lanier McKnight	*26,145.96*	*0.46*
– Mr. Steven Lanier McKnight	*11,842.11*	*0.21*
Garcia—Bugge' Enterprises, Inc.	102,543.69	1.81
Huzhou Zhongnuo	91,982.87	1.62
Mr. William J. Rieflin	83,347.63	1.47
Qianrong Yingrun	70,133.75	1.24
Yuankang Dingxiang	56,107.01	0.99
Yangzhou Jinye	50,154.83	0.88
Borun Mingdu	33,065.98	0.58
Mr. Wang Xiaodong	11,842.11	0.21
Beijing Jingguo Chuang	330.66	0.01
Total	**5,660,399.24**	**100.00**

Notes:

(1) These include Danyuan Kangnuo, Danyuan Nuokang and Danyuan Aonuo.

(2) The percentages may not add up to 100% due to rounding.

(8) Series E Financing

(i) On September 12, 2024, our Company, Dr. Ma, TenNor Zhongshan, TenNor Shanghai, TenNor USA, AMR Action Fund, L.P. ("**AMR US**") and AMR Action Fund, SCSp ("**AMR Luxembourg**", together with AMR US, the "**AMR Action Fund Entities**"), Zhongshan Cuiheng Venture Capital Fund Partnership (Limited Partnership) (中山翠亨創投基金合夥企業(有限合夥)) ("**Zhongshan Cuiheng**"), Zhongshan Xiwan Industrial Development Investment Fund Co., Ltd. (中山西灣產業發展投資基金有限公司) ("**Zhongshan Xiwan Industrial Development**"), Zhongshan Investment Promotion and Development Fund Partnership (Limited Partnership) (中山市招商引資發展母基金(有限合夥) (now known as Zhongshan Venture Development Fund of Funds Partnership (中山市創業發展母基金(有限合夥)) ("**Zhongshan Venture Fund**"), Zhongshan Xiwan Investment Co., Ltd. (中山西灣招商投資有限公司) ("**Zhongshan Xiwan Investment**", together with Zhongshan Cuiheng, Zhongshan Xiwan Industrial Development, Zhongshan Venture Fund, the "**Zhongshan Entities**"), and Zhongshan Xiangshang Private Equity Investment Fund Management Co., Ltd. (中山香商私募股權投資基金管理有限公司) (which had nominated Zhongshan Kangnuo Venture Capital Partnership Enterprise (Limited Partnership) (中山康諾創業投資合夥企業(有限合夥)) ("**Kangnuo**") to assume its rights and obligations thereunder) entered a series of capital increase agreements, pursuant to which the AMR Action Fund Entities, Kangnuo and the Zhongshan Entities agreed to invest in our Company for a total consideration of approximately RMB294.93 million in three tranches, i.e. the Series E1 Financing, the Series E2 Financing and the Series E3 Financing (the "**Series E Financing**"); and (ii) on March 27, 2025, our Company, Dr. Ma, TenNor Zhongshan, TenNor Shanghai, TenNor USA, TenNor Hong Kong and Suzhou Industrial Park Susui Equity Investment Investment Partnership (Limited Partnership) (蘇州工業園區蘇穗股權投資合夥企業(有限合夥) ("**Susui Investment**") entered into the capital increase agreement, pursuant to which Susui Investment agreed to invest in our Company for a total consideration of approximately RMB7.00 million which shall form part of the Series E3 Financing.

Upon the completion of Series E1 Financing on September 24, 2024, the shareholding structure of the our Company was as follows:

Shareholder(s)	Total registered capital subscribed	Percentage of shareholding upon completion
	(US$)	*(%)*
The Cumbre Entities	1,253,752.69	20.95
– Cumbre[(1)]	*942,461.21*	*15.75*
– Big Bend 77	*224,678.98*	*3.75*
– Big Bend 72	*68,636.88*	*1.15*
– Big Bend 73	*17,975.62*	*0.30*
ESOP Platforms[(2)]	698,415.62	11.62
WuXi Fund	436,245.66	7.29
Suzhou Origin and WuXi Guolian	406,504.84	6.79
– Suzhou Origin	*337,517.69*	*5.64*
– WuXi Guolian	*68,987.15*	*1.15*
Immense Vantage	375,343.34	6.27
The Ningbo Entities	297,441.42	4.97
– Ningbo Xiangshang	*91,982.89*	*1.54*
– Ningbo Yaoshang	*68,987.15*	*1.15*
– Ningbo Yanyuan	*68,987.15*	*1.15*
– Ningbo Borong	*45,991.44*	*0.77*
– Ningbo Rongshun	*21,492.79*	*0.36*
The Chao's family	290,830.45	4.86
– MAL Investment	*118,421.13*	*1.98*
– Chao Interests	*118,421.13*	*1.98*
– Relativity Healthcare	*53,988.19*	*0.90*
The GTJA Entities	275,948.62	4.61
– Suzhou GTJA	*183,965.75*	*3.07*
– Yantai GTJA	*91,982.87*	*1.54*
Beisen Dankang	220,037.47	3.68
Nongyin No. 2	210,400.97	3.51
Dr. Ma	210,252.33	3.51
Hainan Century Star River	206,961.47	3.46
Yuanjing Investment	165,329.88	2.76
The Zhongshan Entities	165,329.88	2.76
– Zhongshan Cuiheng	*82,664.94*	*1.38*
– Zhongshan Xiwan Industrial Development	*82,664.94*	*1.38*
The AMR Action Fund Entities	159,741.73	2.67
– AMR US	*118,592.26*	*1.98*
– AMR Luxembourg	*41,149.47*	*0.69*
The McKnight's family	116,425.95	1.96
– Ms. Frances McGary McKnight	*26,145.96*	*0.44*
– Ms. Grace Gillespie McKnight	*26,145.96*	*0.44*
– Mr. John Stevens McKnight	*26,145.96*	*0.44*
– Mr. Nell Lanier McKnight	*26,145.96*	*0.44*
– Mr. Steven Lanier McKnight	*11,842.11*	*0.20*
Garcia—Bugge' Enterprises, Inc.	102,543.69	1.71
Huzhou Zhongnuo	91,982.87	1.54
Mr. William J. Rieflin	83,347.63	1.39
Qianrong Yingrun	70,133.75	1.17
Yuankang Dingxiang	56,107.01	0.94
Yangzhou Jinye	50,154.83	0.84
Borun Mingdu	33,065.98	0.55
Mr. Wang Xiaodong	11,842.11	0.19
Beijing Jingguo Chuang	330.66	0.01
Total	**5,985,470.85**	**100.00**

Notes:

(1) Pursuant to an equity transfer agreement dated September 12, 2024, Frontline II transferred its approximately 6.67% equity interest in our Company to Cumbre for a total consideration of US$7 million.

(2) These include Danyuan Kangnuo, Danyuan Nuokang and Danyuan Aonuo.

(3) The percentages may not add up to 100% due to rounding.

Upon the completion of Series E2 Financing on February 10, 2025, the shareholding structure of our Company was as follows:

Shareholder(s)	**Total registered capital held by the Shareholder in our Company**	**Percentage of shareholding upon completion**
	(US$)	*(%)*
The Cumbre Entities	1,253,752.69	19.86
– *Cumbre*	*942,461.21*	*14.93*
– *Big Bend 77*	*224,678.98*	*3.56*
– *Big Bend 72*	*68,636.88*	*1.09*
– *Big Bend 73*	*17,975.62*	*0.28*
ESOP Platforms[(1)]	695,415.62	11.02
Suzhou Origin and WuXi Guolian	406,504.84	6.45
– *Suzhou Origin*	*337,517.69*	*5.36*
– *WuXi Guolian*	*68,987.15*	*1.09*
WuXi Fund	436,245.66	6.92
Immense Vantage	375,343.34	5.96
The AMR Action Fund Entities	319,483.47	5.06
– *AMR US*	*237,184.53*	*3.76*
– *AMR Luxembourg*	*82,298.94*	*1.30*
The Chao's family	290,830.45	4.62
– *MAL Investment*	*118,421.13*	*1.88*
– *Chao Interests*	*118,421.13*	*1.88*
– *Relativity Healthcare*	*53,988.19*	*0.86*
The Ningbo Entities	297,441.42	4.71
– *Ningbo Xiangshang*	*91,982.89*	*1.46*
– *Ningbo Yaoshang*	*68,987.15*	*1.09*
– *Ningbo Yanyuan*	*68,987.15*	*1.09*
– *Ningbo Borong*	*45,991.44*	*0.73*
– *Ningbo Rongshun*	*21,492.79*	*0.34*
The GTJA Entities	275,948.62	4.38
– *Suzhou GTJA*	*110,801.11*	*1.76*
– *Yantai GTJA*	*91,982.87*	*1.46*
– *Suzhou Chenghe*	*73,164.64*	*1.16*
Beisen Dankang	220,037.47	3.49
Nongyin No. 2	210,400.97	3.33
Dr. Ma	210,252.33	3.33
Hainan Century Star River	206,961.47	3.28
The Zhongshan Entities	198,395.86	3.14
– *Zhongshan Cuiheng*	*82,664.94*	*1.31*
– *Zhongshan Xiwan Industrial Development*	*82,664.94*	*1.31*
– *Zhongshan Xiwan Investment*	*33,065.98*	*0.52*
Yuanjing Investment	165,329.88	2.62
Kangnuo	132,263.91	2.10

Shareholder(s)	Total registered capital held by the Shareholder in our Company	Percentage of shareholding upon completion
	(US$)	*(%)*
The McKnight's family	116,425.95	1.83
– Ms. Frances McGary McKnight	*26,145.96*	*0.41*
– Ms. Grace Gillespie McKnight	*26,145.96*	*0.41*
– Mr. John Stevens McKnight	*26,145.96*	*0.41*
– Mr. Nell Lanier McKnight	*26,145.96*	*0.41*
– Mr. Steven Lanier McKnight	*11,842.11*	*0.19*
Garcia—Bugge' Enterprises, Inc.	102,543.69	1.62
Huzhou Zhongnuo	91,982.87	1.46
Mr. William J. Rieflin	83,347.63	1.32
Qianrong Yingrun	70,133.75	1.11
Yuankang Dingxiang	56,107.01	0.89
Yangzhou Jinye	50,154.83	0.79
Borun Mingdu	33,065.98	0.52
Mr. Wang Xiaodong	11,842.11	0.19
Beijing Jingguo Chuang	330.66	0.1
Total	**6,310,542.48**	**100.00**

Notes:

(1) These include Danyuan Kangnuo, Danyuan Nuokang and Danyuan Aonuo.

(2) Pursuant to an equity transfer agreement dated December 31, 2024, Suzhou Chenghe acquired approximately 1.22% equity interest from Suzhou GTJA for a total cash consideration of approximately RMB22.13 million.

(3) The percentages may not add up to 100% due to rounding.

On June 27, 2025, our Company was converted into a joint stock company with limited liability, upon the completion of which the shareholding structure of our Company was as follows:

Shareholder(s)	Number of Shares held	Percentage of shareholding
		(%)
Cumbre Entities	8,185,350	19.86
– Cumbre	*6,153,028*	*14.93*
– Big Bend 77	*1,466,857*	*3.56*
– Big Bend 72	*448,108*	*1.09*
– Big Bend 73	*117,357*	*0.28*
ESOP Platforms[(1)]	4,540,146	11.02
WuXi Fund	2,848,109	6.92
The AMR Action Fund Entities	2,085,806	5.06
– AMR US	*1,548,502*	*3.76*
– AMR Luxembourg	*537,304*	*1.30*
Suzhou Origin and WuXi Guolian	2,653,940	6.45
– Suzhou Origin	*2,203,545*	*5.36*
– WuXi Guolian	*450,395*	*1.09*
Immense Vantage	2,450,497	5.96

Shareholder(s)	Number of Shares held	Percentage of shareholding
		(%)
The Ningbo Entities	1,941,899	4.71
– Ningbo Xiangshang	*600,527*	*1.46*
– Ningbo Yaoshang	*450,395*	*1.09*
– Ningbo Yanyuan	*450,395*	*1.09*
– Ningbo Borong	*300,263*	*0.73*
– Ningbo Rongshun	*140,319*	*0.34*
The Chao's Family	1,898,740	4.62
– MAL Investment	*773,134*	*1.88*
– Chao Interests	*773,134*	*1.88*
– Relativity Healthcare	*352,472*	*0.86*
The GTJA Entities	1,801,580	4.38
– Suzhou GTJA	*723,385*	*1.76*
– Yantai GTJA	*600,527*	*1.46*
– Suzhou Chenghe	*477,668*	*1.16*
Beisen Dankang	1,436,554	3.49
Nongyin No. 2	1,373,641	3.33
Dr. Ma	1,372,670	3.33
Hainan Century Star River	1,351,186	3.28
Yuanjing Investment	1,079,386	2.62
The Zhongshan Entities	1,295,263	3.14
– Zhongshan Cuiheng	*539,693*	*1.31*
– Zhongshan Xiwan Industrial Development	*539,693*	*1.31*
– Zhongshan Xiwan Investment	*215,877*	*0.52*
Kangnuo	863,509	2.10
The McKnight's family	760,109	1.83
– Ms. Frances McGary McKnight	*170,699*	*0.41*
– Ms. Grace Gillespie McKnight	*170,699*	*0.41*
– Mr. John Stevens McKnight	*170,699*	*0.41*
– Mr. Nell Lanier McKnight	*170,699*	*0.41*
– Mr. Steven Lanier McKnight	*77,313*	*0.19*
Garcia—Bugge' Enterprises, Inc	669,475	1.62
Huzhou Zhongnuo	600,527	1.46
Mr. William J. Rieflin	544,150	1.32
Qianrong Yingrun	457,881	1.11
Yuankang Dingxiang	366,305	0.89
Yangzhou Jinye	327,445	0.79
Borun Mingdu	215,877	0.52
Mr. Wang Xiaodong	77,313	0.19
Beijing Jingguo Chuang	2,159	0.01
Total	**41,199,517**	**100.00**

Notes:

(1) These include Danyuan Kangnuo, Danyuan Nuokang and Danyuan Aonuo.

(2) The percentages may not add up to 100% due to rounding.

Upon the completion of Series E3 Financing on July 25, 2025, the shareholding structure of our Company was as follows:

Shareholder(s)	Number of Shares Held	Percentage of shareholding upon completion
		(%)
Cumbre Entities	8,185,350	18.82
– Cumbre	*6,153,028*	*14.15*
– Big Bend 77	*1,466,857*	*3.37*
– Big Bend 72	*448,108*	*1.03*
– Big Bend 73	*117,357*	*0.27*
ESOP Platforms[(1)]	4,540,146	10.44
The AMR Action Fund Entities	3,128,711	7.19
– AMR US	*2,322,755*	*5.34*
– AMR Luxembourg	*805,956*	*1.85*
WuXi Fund	2,848,109	6.55
Suzhou Origin and WuXi Guolian	2,653,940	6.11
– Suzhou Origin	*2,203,545*	*5.07*
– WuXi Guolian	*450,395*	*1.04*
Immense Vantage	2,450,497	5.64
The Zhongshan Entities	2,374,653	5.47
– Zhongshan Xiwan Industrial Development	*863,510*	*1.99*
– Zhongshan Venture Fund	*647,634*	*1.49*
– Zhongshan Cuiheng	*647,632*	*1.49*
– Zhongshan Xiwan Investment	*215,877*	*0.50*
The Ningbo Entities	1,941,899	4.46
– Ningbo Xiangshang	*600,527*	*1.38*
– Ningbo Yaoshang	*450,395*	*1.04*
– Ningbo Yanyuan	*450,395*	*1.04*
– Ningbo Borong	*300,263*	*0.69*
– Ningbo Rongshun	*140,319*	*0.32*
The Chao's family	1,898,740	4.37
– MAL Investment	*773,134*	*1.78*
– Chao Interests	*773,134*	*1.78*
– Relativity Healthcare	*352,472*	*0.81*
The GTJA Entities	1,801,580	4.15
– Suzhou GTJA	*723,385*	*1.66*
– Yantai GTJA	*600,527*	*1.38*
– Suzhou Chenghe	*477,668*	*1.10*
The Nongyin Entities[(2)]	1,524,755	3.51
– Nongyin No. 2	*1,373,641*	*3.16*
– Susui Investment	*151,114*	*0.35*
Beisen Dankang	1,436,554	3.30
Dr. Ma	1,372,670	3.16
Hainan Century Star River	1,351,186	3.11
Yuanjing Investment	1,079,386	2.48
Kangnuo	863,509	1.99
The McKnight's family	760,109	1.74
– Ms. Frances McGary McKnight	*170,699*	*0.39*
– Ms. Grace Gillespie McKnight	*170,699*	*0.39*
– Mr. John Stevens McKnight	*170,699*	*0.39*
– Mr. Nell Lanier McKnight	*170,699*	*0.39*
– Mr. Steven Lanier McKnight	*77,313*	*0.18*
Garcia—Bugge' Enterprises, Inc.	669,475	1.54
Huzhou Zhongnuo	600,527	1.38

Shareholder(s)	Number of Shares Held	Percentage of shareholding upon completion
		(%)
Mr. William J. Rieflin	544,150	1.25
Qianrong Yingrun	457,881	1.05
Yuankang Dingxiang	366,305	0.84
Yangzhou Jinye	327,445	0.75
Borun Mingdu	215,877	0.50
Mr. Wang Xiaodong	77,313	0.19
Beijing Jingguo Chuang	2,159	0.01
Total	**43,472,926**	**100.00**

Notes:

(1) These include Danyuan Nuokang, Danyuan Kangnuo and Danyuan Aonuo.

(2) Nongyin No. 2 and Susui Investments are collectively referred to the "**Nongyin Entities**".

(3) The percentages may not add up to 100% due to rounding.

The following table summarizes the key terms of our Pre-IPO Investments:

No.	Pre-IPO Investment	Date of investment agreement(s)	Payment date of consideration	Total amount of consideration (approximate)	Post-money valuation (approximate)	Cost per Share (approximate)[1]	Discount to Offer Price (approximate)[2]
				(RMB)	*(RMB)*	*(RMB)*	
1	Series A	June 21, 2013	N/A[3]	N/A[3]	N/A[3]	N/A[3]	N/A[3]
2	Series B	October 15, 2013, October 10, 2014 and July 31, 2015	October 2013 to September 2015	43.09 million	78.34 million	4.22	93.63%
3	Series C	September 9, 2016	September 2016	100.33 million	470.07 million	18.21	72.53%
4	Series C+	June 1, 2020 and August 24, 2020	June 2020 – August 2020	76.22 million	592.41 million	19.36	70.80%
5	Series D	December 30, 2021	January 2022 – January 2023	148.25 million	1,648.25 million	46.32	30.31%
6	Series D+	November 4, 2022 and November 15, 2022	December 2022 – January 2023	63.60 million	1,711.85 million	46.32	30.31%
7	Series E[4]	September 12, 2024 and March 27, 2025	September 2024 – July 2025	301.93 million	2,013.18 million	46.32	30.31%

Notes:

(1) As the registered capital held by the Shareholders was in U.S. dollars, the exchange rate of US$1.00 to RMB6.8628 was adopted for the purpose of the calculations in this table.

(2) The exchange rate of RMB0.8758 to HK$1.00 was adopted for the purpose of the calculations in this table.

(3) The consideration was settled by way of transfer of certain properties owned by Cumbre, including certain patents and business agreements. For details, see "—Pre-IPO Investments—Overview—Series A Financing".

(4) Series E Financing was completed in three tranches. For further details, see paragraph headed "—Pre-IPO Investments—(8) Series E Financing" in this section.

(5) The valuation for Series E financing was formally finalized in the second half of 2024, and all three subsequent tranche closings (including the one completed in July 2025) were conducted at this pre-determined valuation. After the determination of the valuation for Series E Financing, our Company has achieved substantial progress in the clinical development of its core product. This progress is a key reason for the significant premium of the valuation of our Company upon the Global Offering (the "**Proposed IPO Valuation**") over the the valuation for the Series E valuation Financing.

Specifically, the Phase 3 clinical trial for rifasutenizol was successfully completed with positive data readout. RTT shows excellent efficacy in treatment-naïve patients, including those with antibiotic-resistant *H. pylori* infections, and outperforms BQT in multidrug-resistant populations, while also demonstrating good safety. This highlights rifasutenizol's potential to address antimicrobial resistance and become a standardized first-line treatment option. Based on these clinical results, our Company submitted an NDA to the NMPA, which was accepted by the NMPA in August 2025. Upon NDA approval (anticipated in late 2026), rifasutenizol is expected to be the first NME drug targeting *H. pylori* approved for sale. In China, the population with *H. pylori* infection is large (infection rate is approximately 44% in China) and the detection rate is rising year by year. However, the eradication rate remains low, representing significant growth potential in China's *H. pylori* eradication therapy market. As a new treatment option for *H. pylori* infection, rifasutenizol has considerable market demand potential. With the growing probability of its market launch, the product's commercial value has increased notably, which drives up our Company's Proposed IPO Valuation.

In addition, our Company initiated Phase Ib/IIa clinical trial of rifaquizinone for PJI (IA administration) in the first half of 2025. Different from traditional treatments that often require surgery, IA administration of rifaquizinone may provide a non-surgical cure option. If the trials prove successful, the product may change the existing treatment model for early or acute PJI.

The clinical advancement of rifasutenizol has effectively reduced the technical and regulatory risks associated with the product, and this factor has been factored into our Company's Proposed IPO Valuation. Meanwhile, the ongoing clinical development of TNP-2092 has further improved our Company's overall value, which explains the valuation difference between the valuation for the Series E Financing and our Company's Proposed IPO Valuation.

Principal terms of the Pre-IPO Investments

Use of proceeds from the Investments: .	We utilized the proceeds from the Pre-IPO Investments for the principal business of our Group, including but not limited to research and development of our drug candidates, the growth and expansion of our business and general working capital purposes. As of the Latest Practicable Date, we have utilized 82.0% of the proceeds from the Pre-IPO Investments.
Lock-up period:	Pursuant to the applicable PRC laws, all current Shareholders (including the Pre-IPO Investors) are subject to the relevant PRC statutory transfer restriction for a period of one year from the Listing Date.
Strategic benefits the Pre-IPO Investors brought to our Company:.	At the time of the Pre-IPO Investments, our Directors were of the view that (i) the Pre-IPO Investments have broadened our shareholder base and demonstrated the Pre-IPO Investors' confidence in the operation and development of our Group; and (ii) our Group could benefit from the additional funds provided by the Pre-IPO Investors for our research and development and daily operations and the knowledge and experience of the Pre-IPO Investors.
Basis of determining the consideration paid:	The valuation and consideration for each round of the Pre-IPO Investments were determined based on arm's length negotiations between our Company and the Pre-IPO Investors after taking into consideration the timing of the investments and the business, operations and status of our business and operating entities.

Special rights of the Pre-IPO Investors: . The Pre-IPO Investors had been granted certain special rights, including, among others, our Company's obligations in respect of the redemption rights and liquidation preferences under deemed liquidation events, which had ceased to be effective from May 22, 2025 and shall not be reinstated in any event. All other special rights ceased to be effective upon the submission of the Listing application.

If our Company voluntarily applies to withdraw its Listing application or our Company's Listing application is rejected by the competent regulatory authority(ies), all special rights will automatically revert and be deemed never to have been invalid or waived, with retroactive effect, save and except for our Company's obligations in respect of the redemption rights and liquidation preferences under deemed liquidation events.

Voting arrangement: . . . . . During the Track Record Period and immediately before the Shareholders' meeting on May 26, 2025, the Board consisted of a maximum of nine Directors, of which Dr. Ma shall have the right to appoint two Directors and each of the other seven investors shall have the right to appoint one Director. Dr. Ma himself shall have two votes with another Director to be appointed by Dr. Ma being reserved until a suitable candidate identified; and each of the other seven Directors appointed by the investors of our Company shall be entitled to only one vote.

During the period from the Shareholders' meeting on May 23, 2025 to the Shareholders' meeting on July 11, 2025, the Board consisted of a maximum of eight Directors, of which Dr. Ma shall have the right to appoint two Directors and upon the resignation of one of the Directors on May 23, 2025, the remaining six Directors were appointed by the other six investors. Dr. Ma himself shall have two votes with another Director to be appointed by Dr. Ma being reserved until a suitable candidate is identified; and each of the other six Directors appointed by the investors of the Company shall be entitled to only one vote (the "**Voting Arrangement**").

The Voting Arrangement has been terminated after the Shareholders' meeting on July 11, 2025 because our Company considered that an odd number of Board members might be more efficient from a corporate governance perspective and our Company was required to restructure its Board composition in accordance with the Listing Rules in preparation for the Listing application. We are of the opinion that the structure of our Board is reasonable, and can enable our Company to maintain efficient and effective operation.

Joint Sponsors' Confirmation

On the basis that (i) the considerations for the Pre-IPO Investments were settled no less than 120 clear days before the Listing Date; and (ii) the special rights granted to the Pre-IPO Investors had been terminated upon the submission of the Listing application to the Stock Exchange, the Joint Sponsors confirm that the Pre-IPO Investments are in compliance with chapter 4.2 of the Guide for New Listing Applicants issued by the Stock Exchange.

Information about Our Principal Pre-IPO Investors

Our Pre-IPO Investors include sophisticated investor, namely WuXi AppTec Co., Ltd. (無錫藥明康德新藥開發股份有限公司) ("**WuXi AppTec**") which is listed on the Stock Exchange (stock code: 2359) and the Shanghai Stock exchange (stock code: 603259), through WuXi Fund, has made meaningful investment in our Company at least six months before the Listing Date. Below sets out information of our principal Pre-IPO Investors. See the paragraph headed "—Capitalization of Our Company" in this section for other Pre-IPO Investors. To the best knowledge of our Directors, each of our Pre-IPO Investors and where applicable, their respective general partner(s), limited partner(s) and ultimate beneficial owner(s) is an Independent Third Party.

1. The Cumbre Entities

Cumbre is a limited partnership organized and existing under the laws of the State of Texas (United States) and is managed by its general partner, 2M InvestCo LLC. Before Mr. Morton Meyerson ("**Mr. Meyerson**") passed away in August 2025, Cumbre was wholly owned by Mr. Meyerson. As at the Latest Practicable Date, Cumbre is held as to: (i) approximately 1.08% partnership interests by 2M InvestCo LLC (as the general partner) which is wholly owned by P56 Revocable Trust ("**P56 Trust**") which is in turn wholly owned by Marlene Nathan Meyerson Family Foundation with Ms. Marti Meyerson acting as its president; (ii) approximately 86.19% partnership interests by P56 Trust (as a limited partner); and (iii) approximately 12.73% partnership interests held by each of the other family members of Mr. Meyerson as limited partners, namely, (a) Ms. Hannah Hooper, Mr. David Hooper, Ms. Sanford Hooper, Ms. Julia Gordon, Mr. Miles Gordon and Ms. Natalie Bader (all being grandchildren of Mr. Meyerson), (b) Mrs. Leslie Gordon (daughter of Mr. Meyerson) and Mr. Robert Gordon (son-in-law of Mr. Meyerson), (c) Ms. Audrey Prystowsky, Mr. Benjamin Prystowsky, Mr. Lee Gordon, Ms. Shai Gordon and Mr. Barry Bader (all being great-grandchildren of Mr. Meyerson).

Big Bend 72 is a limited liability company organized and existing under the laws of the State of Texas (United States). As of the Latest Practicable Date, Big Bend 72 was wholly owned by Meyerson 1997 Descendants Trust with Mr. Robert Gordon being the trustee and three grandchildren of Mr. Meyerson (namely, Ms. Julia Gordon, Mr. Miles Gordon and Ms. Natalie Bader) and five great-grandchildren of Mr. Meyerson (namely, Mr. Benjamin Prystowsky, Ms. Audrey Prystowsky, Ms. Shai Gordon, Mr. Lee Gordon and Mr. Barry Bader) being the beneficiaries.

Big Bend 73 is a limited liability company organized and existing under the laws of the State of Texas (United States). Big Bend 73 is managed by 2M Management Services LLC (formerly known as 2M Companies LLC). As of the Latest Practicable Date, Big Bend 73 was held by three grandchildren of Mr. Meyerson (namely, Ms. Hannah Hooper, Mr. David Hooper and Ms. Sanford Hooper).

Big Bend 77 is a limited liability company organized and existing under the laws of the State of Texas (United States). Big Bend 77 is managed by 2M Management Services LLC. As at the Latest Practicable Date, Big Bend 77 was wholly owned by Ms. Marti Meyerson (daughter of Mr. Meyerson).

2. The AMR Action Fund Entities

AMR US is a limited partnership formed and existing under the laws of the State of Delaware, United States and AMR Luxembourg is a special limited partnership formed and existing under the laws of the Grand Duchy of Luxembourg. Each of them is a venture capital fund. The general partner and investment

adviser of AMR US is AMR Action Fund GP, LLC which is a limited liability company formed under the laws of the State of Delaware, U.S. and has significant experience investing in clinical stage biotechnology companies developing novel antibiotics. AMR Action Fund GP, LLC is also the investment adviser with respect to AMR Luxembourg. The managing general partner of AMR Luxembourg is AMR Action Fund GP, S.à r.l. which is a private limited liability company formed under the laws of Luxembourg. None of the limited partners of AMR US or AMR Luxembourg individually holds more than 20% of the interests in the respective fund they are invested in.

3. WuXi Fund

WuXi PharmaTech Healthcare Fund I L.P. ("**WuXi Fund**") is a limited partnership established under the laws of the Cayman Islands and an investment entity set up and managed by WuXi AppTec. WuXi Fund's general partner is WuXi PharmaTech Fund I General Partner L.P. ("**WuXi Fund GP**"), and its sole limited partner is WuXi AppTec (Hong Kong) Holding Limited ("**WuXi AppTec HK**"). WuXi AppTec, through its wholly-owned subsidiaries, wholly owns the general partner and limited partner of WuXi Fund GP and WuXi AppTec HK and controls all decision-making (including investment decisions) and overall management of the general partner of WuXi Fund GP as well as contributes to all capital contribution of the general partner and limited partner of WuXi Fund.

WuXi AppTec is considered a Sophisticated Investor of our Company as it is a major CRDMO company and as demonstrated above, the general partner and limited partner of WuXi Fund GP and the limited partner of WuXi Fund (i.e. WuXi AppTec HK) are wholly-owned subsidiaries of WuXi AppTec. As of September 30, 2025, the financial assets at fair value through profit or loss and loss from change in fair value of WuXi AppTec amounted to RMB8.35 billion.

4. Immense Vantage

Immense Vantage is a limited company incorporated in Hong Kong and its shareholders are Northern Light Venture Fund IV, L.P. ("**NLVF**"), Northern Light Strategic Fund IV, L.P. ("**NLSF**") and Northern Light Partners Fund IV, L.P. ("**NLPF**", together with NLVF and NLSF, the "**NLVC Entities**"), respectively. Immense Vantage is owned as to over 90% by NLVF. Each of the NLVC Entities is an exempted limited partnership established in the Cayman Islands, and its limited partners mainly include institutional and individual investors such as pension funds and endowment funds and is managed by Northern Light Partners IV, L.P. ("**NLPI**") as general partner. NLVF is owned as to 1% by the general partner, NLPI and none of the limited partners of NLVF holds more than 30% of the partnership interests therein. NLPI is managed by the general partner, Northern Light Venture Capital IV, Ltd. ("**NLVC**") and its largest limited partner, the D&H Family Trust ("**D&H Family Trust**"), holds 53.38% of the partnership interests therein. D&H Family Trust is a family trust of set up by Mr. Deng Feng (鄧鋒), who also serves as the trustee. NLVC is owned as to 90% by Mr. Deng Feng and as to 10% by two individuals, who are both Independent Third Parties.

NLVC is a venture capital firm that manages multiple USD and RMB funds, focusing on early-stage investment opportunities in the enterprise, healthcare and consumer sectors.

NLVC's past and current investment projects include iRay Technology Company Limited, a biotech company listed on the Shanghai Stock Exchange (stock code: 688301), Anji Microelectronics Tech (Shanghai) Co., Ltd., an advanced technology company listed on the Shanghai Stock Exchange (stock code: 688019), Thunder Software Technology Co., Ltd., an advanced technology company listed on the Shenzhen Stock Exchange (stock code: 300496), Meituan Dianping, a retail technology company listed on the Stock Exchange (stock code: 03690), Zhejiang He Chuan Technology Corporation Limited (浙江禾川科技股份有限公司), an advanced technology company listed on the Shanghai Stock Exchange (stock code: 688320) and BrainAurora Medical Technology Limited (腦動極光醫療科技有限公司), a biotechnology company listed on the Stock Exchange (stock code: 06681).

5. Suzhou Origin and WuXi Guolian

Suzhou Origin is a limited liability company established under the laws of the PRC. Suzhou Origin is wholly owned by Zhongxin Suzhou Industrial Park Venture Capital Co., Ltd. (中新蘇州工業園區創業投資有限公司) which is wholly owned by Suzhou Oriza Holdings Corporation (蘇州元禾控股股份有限公司) ("**Oriza Holdings**"). Oriza Holdings is owned as to approximately 59.98% by Suzhou Industrial Park Economic Development Co., Ltd. (蘇州工業園區經濟發展有限公司), 20.02% by Jiangsu Guoxin Investment Group Limited (江蘇省國信集團有限公司) and 20% by Suzhou Industrial Park State-owned Capital Investment and Operation Holding Co., Ltd. (蘇州工業園區國有資本投資運營控股有限公司). Suzhou Industrial Park Economic Development Co., Ltd. (蘇州工業園區經濟發展有限公司) is owned as to 90% by Suzhou Industrial Park Management Committee (蘇州工業園區管理委員會) controlled by Suzhou Municipal People's Government (蘇州市人民政府) and as to 10% by Department of Finance of Jiangsu Province (江蘇省財政廳), both being PRC Governmental Bodies.

Oriza Holdings' primary investment focus is early-stage and growth-stage enterprises, Oriza Holdings has previously invested in healthcare companies such as Innovent Biologics, Inc. (stock code: 1801), JW (Cayman) Therapeutics Co. Ltd (stock code: 2126), Ascentage Pharma Group International (stock code: 6855) and Duality Biotherapeutics, Inc. (stock code: 9606), which are listed on the main board of the Stock Exchange.

WuXi Guolian is a limited partnership established under the laws of the PRC with a focus on equity investments and is owned (i) as to 0.50% by its general partner, Wuxi Guolian Industry Investment Co., Ltd. (無錫國聯產業投資私募基金管理有限公司); and (ii) as to 99.50% by three limited partners with Wuxi Guolian Financial Investment Group Co., Ltd. (無錫國聯金融投資集團有限公司) holding 49.50% interest therein and each of the remaining two limited partners holding 25% partnership interests therein. Wuxi Guolian Financial Investment Group Co., Ltd. (無錫國聯金融投資集團有限公司) is wholly owned by Wuxi Guolian Development (Group) Co., Ltd. (無錫市國聯發展(集團)有限公司) ("**Guolian Development**") which is in turn owned as to approximately 59.13% by State-owned Assets Supervision and Administration Commission of Wuxi Municipal People's Government (無錫市人民政府國有資產監督管理委員會) and approximately 34.42% by Wuxi Guofa Capital Operation Co., Ltd. (無錫市國發資本運營有限公司), a wholly-owned subsidiary of State-owned Assets Supervision and Administration Commission of Wuxi Municipal People's Government (無錫市人民政府國有資產監督管理委員會).

Wuxi Guolian Industry Investment Co., Ltd. (無錫國聯產業投資私募基金管理有限公司) is owned as to 55% by Wuxi Innovation Investment Group Co., Ltd. (無錫市創新投資集團有限公司), 30% by Wuxi Guolian Industrial Investment Group Co., Ltd. (無錫國聯實業投資集團有限公司), 10% by Wuxi Yimian Textile Group Co., Ltd. (無錫一棉紡織集團有限公司) and 5% by Wuxi Guolian Material Investment Co., Ltd. (無錫市國聯物資投資有限公司). Wuxi Innovation Investment Group Co., Ltd. (無錫市創新投資集團有限公司) is owned as to approximately 73.50% by Wuxi Guofa Capital Operation Co., Ltd. (無錫市國發資本運營有限公司) which is wholly owned by State-owned Assets Supervision and Administration Commission of Wuxi Municipal People's Government (無錫市人民政府國有資產監督管理委員會). Wuxi Guolian Industrial Investment Group Co., Ltd. (無錫國聯實業投資集團有限公司) is a wholly-owned subsidiary of Guolian Development.

State-owned Assets Supervision and Administration Commission of Wuxi Municipal People's Government (無錫市人民政府國有資產監督管理委員會) is a PRC Governmental Body.

6. The Zhongshan Entities

Zhongshan Xiwan Industrial Development is a limited liability company established under the laws of the PRC and is owned as to 50% by Zhongshan Xiwan Investment Development Holding Co., Ltd. (中山西灣投資控股發展有限公司) ("**Zhongshan Xiwan**"), which is wholly owned by Zhongshan Cuiheng New Area Public Assets Affairs Center (中山翠亨新區公有資產事務中心), a PRC Governmental Body, and 50% by Zhongshan Industrial Investment Master Fund (Limited Partnership) (中山市產業投資母基金(有限合夥)), which is owned as to approximately 66.67% by Zhongshan Investment Holding Group Co., Ltd. (中山投資控股集團有限公司) and 33.30% by Zhongshan High Quality Development Master Fund

Co., Ltd. (中山市高品質發展母基金有限公司). Zhongshan Investment Holding Group Co., Ltd. (中山投資控股集團有限公司) ("**Zhongshan Investment Holding**") is owned as to approximately 92.84% by State owned Assets Supervision and Administration Commission of Zhongshan Municipal People's Government (中山市人民政府國有資產監督管理委員會) and as to approximately 7.16% by Department of Finance of Guangdong Province (廣東省財政廳), both being PRC Governmental Bodies. Zhongshan High Quality Development Master Fund Co., Ltd. (中山市高品質發展母基金有限公司) is wholly owned by Zhongshan Financial Investment Holdings Co., Ltd. (中山金融投資控股有限公司) which is in turn wholly owned by Zhongshan Investment Holding.

Zhongshan Cuiheng is a limited partnership established under the laws of the PRC and is managed by its general partner, Zhongshan Venture Capital Co., Ltd. (中山創業投資有限公司) ("**Zhongshan VC**") which is owned by State owned Assets Supervision and Administration Commission of Zhongshan Municipal People's Government (中山市人民政府國有資產監督管理委員會) and Department of Finance of Guangdong Province (廣東省財政廳), both being PRC Governmental Bodies. It has five limited partners and is owned as to approximately 79.76% by Zhongshan Cuiheng Group Co., Ltd. (中山翠亨集團有限公司) as its largest limited partner, which is owned as to approximately 63.60% by Zhongshan Municipal People's Government (中山市人民政府國有資產監督管理委員會) and approximately 35.17% by Zhongshan Cuiheng New Area Public Assets Affairs Center (中山翠亨新區公有資產事務中心), both being PRC Governmental Bodies.

Zhongshan Venture Fund is a limited partnership established under the laws of the PRC and is managed by Zhongshan VC as its general partner. Zhongshan Venture Fund has two limited partners and is owned as to 50% by Zhongshan Xiwan and 49.9% by Zhongshan High Quality Development Master Fund Co., Ltd. (中山市高質量發展母基金有限公司). Zhongshan High Quality Development Master Fund Co., Ltd. (中山市高品質發展母基金有限公司) is wholly owned by Zhongshan Financial Investment Holdings Co., Ltd. (中山金融投資控股有限公司) which is in turn wholly owned by Zhongshan Investment Holding.

Zhongshan Xiwan Investment is a company established under the laws of the PRC and is a wholly-owned subsidiary of Zhongshan Xiwan, which is wholly-owned by Zhongshan Cuiheng New Area State-owned Assets Affairs Center (中山翠亨新區公有資產事務中心), a PRC Governmental Body.

7. The Ningbo Entities

Ningbo Xiangshang is a limited partnership established in the PRC and is managed by its general partner, Shanghai Yanchuang Deheng Private Equity Fund Management Co., Ltd. (上海燕創德恒私募基金管理有限公司) of which is owned as to 55% by Ms. Liu Zeng (劉增), 40% by Ningbo Yanchuang Houde Investment Group Co., Ltd. (寧波燕創厚德投資集團有限公司) ("**Ningbo Yanchuang Houde**") and 5% by Ningbo Yanchuangchenyao Management Consulting Partnership (Limited Partnership) (寧波燕創宸曜管理諮詢合夥企業(有限合夥)). Ningbo Xiangshang has 22 limited partners and is owned as to approximately 19.35% by Xiangshan Industrial Investment Group Co., Ltd. (象山縣工業投資集團有限公司) (an investment holding platform wholly-owned by Xiangshan State-owned Asset Management Center (象山縣國有資產管理中心)) as its largest limited partner. None of the other limited partners of Ningbo Xiangshang holds more than 10% partnership interests therein. Ningbo Yanchuang Houde is owned as to 90% by Ms. Liu Zeng and as to 10% by Mr. Qiu Hongjun (邱宏君).

Ningbo Yaoshang is a limited partnership established in the PRC, and is managed by its general partner, Ningbo Yaoshang Yanchuang Private Equity Fund Management Co., Ltd. (寧波姚商燕創私募基金管理有限公司) ("**Yaoshang Yanchuang**"), which is wholly owned by Ningbo Yaoshang Yanchuang Shouren Equity Investment Co., Ltd. (寧波姚商燕創守仁股權投資有限公司) ("**Yanchuang Shouren**"). Yanchuang Shouren is owned as to approximately 58.78% by Ningbo Yanchuang Houde and none of the other shareholders holds more than 10% shareholding interests therein. Ningbo Yaoshang has eight limited partners and is owned as to approximately 34.62% by its largest limited partner, Ningbo Yanchuang Chenqian Venture Capital Investment Partnership (LP) (寧波燕創晨乾創業投資合夥企業(有限合夥)), which is an private equity fund collectively held by 26 limited partners and Yaoshang Yanchuang as the general partner with none of them holding more than 10% partnership interest therein.

Ningbo Yanyuan is a limited partnership established in the PRC, and is managed by its general partner, Yaoshang Yanchuang. Ningbo Yanyuan has 9 limited partners and is owned as to 28.57% by each of its two largest limited partners, Mr. Tao Jinxiang (陶金祥) and Mr. Rong Weijun (戎偉軍). None of the other limited partners of Ningbo Yanyuan holds more than 10% partnership interests therein.

Ningbo Borong is a limited partnership established in the PRC, and is managed by its general partners, Yaoshang Yanchuang and Yanchuang Shouren. Ningbo Borong has 9 limited partners and is owned as approximately 29.61% by its largest limited partner, Mr. Wang Huajun (王華軍). None of the other limited partners of Ningbo Borong holds more than 30% partnership interests therein.

Ningbo Rongshun is a limited partnership established in the PRC, and is managed by its general partner, Yaoshang Yanchuang. Ningbo Rongshun has 17 limited partners and is owned as to approximately 12.72% by Mr. Fang Yesheng (方葉盛) as its largest limited partner. None of the other limited partners of Ningbo Rongshun holds more than 10% partnership interests therein.

8. The Chao's family

Chao Interests is a limited partnership formed in the United States and is principally engaged in investment activities. It is owned as to approximately 80.35% by Allen and Lee-Hwa Chao Issue and GST Trust, approximately 17.77% by Mr. Michael Chao and approximately 1.88% by Allen Chao and Lee-Hwa Chao Family Trust (the "**Chao's Family Trust**"). As of June 30, 2025, its investment portfolio includes our Company and other healthcare companies including AbbVie Inc. (a company listed on New York Stock Exchange) (NYSE: ABBV) ("**ABBV**") and AIVITA Biomedical, Inc..

MAL Investment is a company incorporated in the United States and is principally engaged in investment activities. It is owned as to 69% and 31% by the Chao's Family Trust and Mr. Michael Chao, respectively. As of June 30, 2025, its investment portfolio includes our Company, ABBV and Ansun Biopharma, Inc..

Relativity Healthcare is a limited liability company incorporated in the United States and is principally engaged in investment activities. It is held as to approximately 41.67% by each of Chao Interests and MAL Investment, 16.25% by the Chao's Family Trust and 0.42% by Mr. Michael Chao. As of June 30, 2025, its investment portfolio includes our Company and private biotechnology companies including Renata Medical and Anodyne Inc..

9. The Nongyin Entities

Nongyin No. 2 is a limited partnership established in the PRC, which is mainly focused on equity investment. The general partner of Nongyin No. 2 is ABC Qihang (Suzhou) Private Equity Fund Management Co., Ltd. (農銀企航(蘇州)私募基金管理有限公司), which is controlled by ABC Wuxi Investment Consulting Co., Ltd. (農銀無錫投資諮詢有限公司), a wholly-owned subsidiary of ABC International (China) Investment Co., Ltd. (農銀國際(中國)投資有限公司) ("**ABCI China**"). ABCI China is wholly owned by ABC International Holdings Limited (農銀國際控股有限公司), and is in turn wholly owned by Agricultural Bank of China Limited (中國農業銀行股份有限公司), a company listed on the Hong Kong Stock Exchange (stock code: 1288) and the Shanghai Stock Exchange (stock code: 601288 and a PRC Governmental Body). Nongyin No. 2 has 12 limited partners, among which the largest limited partner, Nongyin International Investment (Suzhou) Co., Ltd. (農銀國際投資(蘇州)有限公司), holds approximately 26.14% partnership interests therein and each of the remaining limited partner holds less than 20% partnership interests therein.

Susui Investment is a limited partnership established in the PRC with a main focus on equity investment. The general partner of Susui Investment is Nongyin Jinsui (Suzhou Industrial Park) Investment Management Co., Ltd. (農銀金穗(蘇州工業園區)投資管理有限公司), which is indirectly wholly owned by ABCI China. Susui Investment has six limited partners, among which the largest limited partner, Mr. Lu Yuhao (陸予豪), holds approximately 26.62% partnership interests therein and each of the remaining limited partner holds less than 20% partnership interest therein.

Susui Investment is a private equity fund with a focus on medical health, new materials and artificial intelligence industries. As of June 2025, the asset under management of Susui Investment was more than RMB131.50 million and its investment portfolio includes Suzhou Smart Nuclear Biological Pharmaceutical Technology Co., Ltd. (上海全景醫學影像科技股份有限公司), Coherent Biopharma (同宜醫藥), SiCentury Semiconductor Technology (Suzhou) Co., Ltd. (芯三代半導體科技(蘇州)股份有限公司) and Suzhou Doneka New Materials Corp. Ltd. (蘇州東南佳新材料股份有限公司).

10. The GTJA Entities

Suzhou GTJA is a limited partnership established under the laws of the PRC and is managed by its general partner, Shanghai Gaotejia Venture Capital Management Co., Ltd. (上海高特佳創業投資管理有限公司), which is wholly owned by Shenzhen GTJA Venture Capital Group Co., Ltd. (深圳市高特佳創業投資集團有限公司) (formerly known as Shenzhen GTJA Investment Group Co., Ltd. (深圳市高特佳投資集團有限公司)) ("**Shenzhen GTJA**"). Suzhou GTJA has eight limited partners and is owned as to 42.80% by Suzhou Chenghe as its largest limited partner and 30.00% by Yingtan Xinyin Junchi Investment Co., Ltd. Partnership Enterprise (鷹潭市信銀駿馳投資有限合夥企業) ("**Xinyin Junchi**") Xinyin Junchi is owned as to approximately 99.34% by Shanghai Xinsheng Equity Investment Partnership Enterprise (Limited Partnership) (上海信旌股權投資合夥企業(有限合夥)) ("**Shanghai Xinsheng**") and as to approximately 0.66% by Yingtan Xinyin The Belt and Road Investment Management Co., Ltd. (鷹潭市信銀一帶一路投資管理有限公司) ("**Yingtan Xinyin**") as general partner, a wholly-owned company of CNCB (Hong Kong) Investment Limited (信銀(香港)投資有限公司) ("**CNCB HK**"). CNCB HK is a wholly-owned company of China CITIC Bank Corporation Limited (中信銀行股份有限公司) (stock code: 0998.HK and 601998.SH),

Shanghai Xinsheng is owned as to approximately 99.85% by CNCB HK and by as to approximately 0.15% by Xinkan (Shanghai) Equity Investment Management Partnership (Limited Partnership) (信瞰(上海)股權投資管理合夥企業(有限合夥)) ("**Xinkan Shanghai**") as general partner. Xinkan Shanghai is owned as to approximately 90.83% by Cncb (Beijing) Equity Investment Fund Management Co., Limited (信銀振華(北京)股權投資基金管理有限公司), a wholly-owned company of CNCB HK and as to approximately 9.17% by Yingtan Xinyin as general partner. None of the other limited partners of Suzhou GTJA holds more than 10% partnership interests therein.

Yantai GTJA is a limited partnership established under the laws of the PRC and is managed by its general partner, Beijing GTJA Asset Management Ltd. (北京高特佳資產管理有限公司), which is wholly owned by Shenzhen GTJA. Yantai GTJA has 21 limited partners and is owned as to approximately 15.18% by Hangzhou Qianfeng Hongwei Investment Partnership Enterprise (Limited Partnership) (杭州前景鴻蔚投資合夥企業(有限合夥)) as its largest limited partner and approximately 14.70% by Shenzhen GTJA Hongrui Entrepreneurship Investment Co., Ltd. (深圳市高特佳弘瑞創業投資有限公司). None of the other limited partners of Yantai GTJA holds more than 10% partnership interests therein.

Shenzhen GTJA is owned as to 83.46% by Suzhou Deluxe Electric Co., Ltd. (蘇州德萊電器有限公司) ("**Suzhou Deluxe**") with none of the other three shareholders holding more than 10% shareholding interests therein. Suzhou Deluxe is wholly-owned by Ching Ngai Industries (China) Company Limited (精藝實業(中國)有限公司), which is a company incorporated in Hong Kong and is wholly-owned by Mr. Bian Zhuang (卞莊). Therefore, the ultimate beneficial owner of Shenzhen GTJA is Mr. Bian Zhuang. Founded in 2001, Shenzhen GTJA Investment Group focuses on investments in the medical and health industry and has established operation centers in places such as Shenzhen, Shanghai, Beijing, Nanjing and Hong Kong. It has invested in medical and health enterprises including, among others, Vivia Biotech Holdings (stock code: 1873), Akeso, Inc. (stock code: 9926), Shanghai Henlius Biotech, Inc. (stock code: 2696), HBM Holdings Limited (stock code: 2142), Shandong Boan Biotechnology Co., Ltd. (stock code: 6955), which are all listed on the main board of the Stock Exchange.

Suzhou Chenghe is a limited liability company established under the laws of the PRC and is owned as to 55% by New Yick Shun Electrical Equipment Company Limited (新益信電業電器有限公司) ("**Sun Yick Shun**") and 45% by Suzhou Deluxe. Sun Yick Shun is a limited liability company incorporated in Hong Kong and is owned as to 70% by Mr. Bian Zhuang and 30% by Ms. Zhou Qiang (周薔)

11. Beisen Dankang

Beisen Dankang is a limited partnership established under the laws of the PRC and is an investment holding platform established by its partners for the purpose of holding equity interest in our Company. Beisen Dankang has 10 limited partners, and is owned as to approximately 25.74% by its largest limited partner, Zhongshan Xiwan Investment Holding. None of the other limited partners of Beisen Dankang holds more than 10% partnership interests therein. Its general partner is Zhongtong Financing Fund Management Limited Company (中通融金私募基金管理(北京)有限公司), which is owned as to 55% by Mr. Jin Peng (金鵬) as its largest shareholder and none of the two other shareholders owned more than 30% equity interests therein.

12. Hainan Century Star River

Hainan Century Star River is a limited liability company established under the laws of the PRC, which is wholly owned by Shenzhen Century Star River Capital Investment Co., Ltd. (深圳市世紀星河資本投資有限公司). Shenzhen Century Star River Capital Investment Co., Ltd. (深圳市世紀星河資本投資有限公司) is wholly owned by Shenzhen Anlinshan Asset Management Co., Ltd. (深圳市安林珊資產管理有限公司), which is in turn wholly owned by Shenzhen Xinghe Financial Holding Co., Ltd. (深圳市星河金控有限公司). Shenzhen Xinghe Financial Holding Co., Ltd. (深圳市星河金控有限公司) is wholly owned by Xinghe Holding Group Co., Ltd. (星河控股集團有限公司) which is in turn owned as to approximately 98.95% by Shenzhen Galaxy Investment Co., Ltd. (深圳市星河投資有限公司) and approximately 1.05% by Mr. Huang Chulong (黃楚龍). Shenzhen Galaxy Investment Co., Ltd. (深圳市星河投資有限公司) is wholly owned by Mr. Huang Chulong.

Hainan Century Star River mainly focused on investment in new materials, industrial robot manufacturing and pharmaceuticals industries. As of the end of 2024, it had assets under management of more than RMB275 million and its investment portfolio includes Nahua Biotechnology (Changzhou) Co., Ltd. (納華生物科技(常州)有限公司), Henan Guangyuan New Materials Co., Ltd. (河南光遠新材料股份有限公司), JiangSu CRRC Digital Technology Co., Ltd. (江蘇中車數字科技有限公司) and Emergen Technology Group Co., Ltd. (智昌科技集團股份有限公司).

13. Yuanjing Investment

Yuanjing Investment is a limited partnership established under the laws of the PRC and is managed by its general partner, Beijing Rongyi Investment Management Co., Ltd. (北京融溢投資管理有限公司), which is owned as to 70% by Beijing Jingguo Chuang Fund Management Co., Ltd. (北京京國創基金管理有限公司) and as to 30% by Beijing Jingguo Chuang Fund Management Co., Ltd. (北京溢熠創新企業管理中心(有限合夥)). Beijing Jingguo Chuang Fund Management Co., Ltd. (北京京國創基金管理有限公司) is wholly owned by Beijing Innovation Industry Investment Co., Ltd. (北京創新產業投資有限公司) ("**Beijing Innovation**"). Beijing Jingguo Chuang Fund Management Co., Ltd. (北京溢熠創新企業管理中心(有限合夥)) is owned by by five individuals with Mr. Ren Wenjin (任文錦) as its largest limited partner holding approximately 53.33% partnership interests and none of the other partners holds more 20% partnership interests. Yuanjing Investment has five limited partners and is owned as to 40% by Beijing Innovation as its largest limited partner and 30% by New Quality Productive Force Promotion Center of Ministry of Science and Technology (科學技術部新質生產力促進中心). None of the other limited partners of Yuanjing Investment holds more than 30% partnership interests therein.

Beijing Innovation is owned as to approximately 47.17% by Beijing State Owned Capital Operation And Management Co., Ltd. (北京國有資本營運管理有限公司), which is in turn wholly owned by Beijing Municipal People's Government State-owned Assets Supervision Management Committee (北京市人民政府國有資產監督管理委員會), a PRC Governmental Body. None of the other shareholders of Beijing Innovation owns more than 30% shareholding interests therein.

New Quality Productive Force Promotion Center of Ministry of Science and Technology (科學技術部新質生產力促進中心) is a directly affiliated unit of the Ministry of Science and Technology of the PRC (中國科學技術部), a PRC Governmental Body.

Yuanjing Investment is a private equity fund with an investment focus on new generation information technology, high-end equipment manufacturing, new energy, new materials and biomedical industries.

14. Kangnuo

Kangnuo is a limited partnership established under the laws of the PRC and is managed by its general partner, Zhongshan Xiangshang Private Equity Investment Fund Management Co., Ltd. (中山香商私募股權投資基金管理有限公司), which is owned as to 55% by Mr. Zhang Xiaoqi (張曉岐), 30% by Mr. Liang Ting (梁挺) and 15% by Ms. Ouyang Jie (歐陽潔). Zhongshan Kangnuo has 19 limited partners with Mr. Liang Ting holding 18.60% partnership interests therein as the largest limited partner. Kangnuo is a venture capital fund with an investment focus on medical and health industries. None of the other limited partners of Kangnuo holds more than 20% partnership interests therein.

15. The McKnight's family

Mr. Steven Lanier McKnight is a professor and former chair of the department of biochemistry at the University of Texas Southwestern Medical Center. His research is in the area of transcriptional regulation and drug discovery. Ms. Frances McGary McKnight, Ms. Grace Gillespie McKnight, Mr. John Stevens McKnight and Ms. Nell Lanier McKnight are family members of Mr. Steven McKnight.

16. Garcia—Bugge' Enterprises, Inc.

Garcia—Bugge' Enterprises, Inc. is a company incorporated in the United States and is held by as to approximately 70.6% by Mr. David Garcia and 29.4% by Mr. Christoper Bugge. Mr. David Garcia and Mr. Christopher Bugge had more than 26 years of running a biotechnology company.

17. Huzhou Zhongnuo

Huzhou Zhongnuo is a limited partnership established under the laws of the PRC and is managed by its general partner, Shanghai Yuyuan Enterprise Management Center (Limited Partnership) (上海昱元企業管理中心(有限合夥)) ("**Shanghai Yuyuan**"). Shanghai Yuyuan is owned as to 30% by its general partner, Shanghai Zhongnuo Venture Capital Co., Ltd. (上海中諾創業投資有限公司), a company wholly owned by Mr. Ding Feng (丁峰) and Ms. Qin Xiaoyan (秦小燕) as the largest limited partner holding 55% partnership interest therein. Huzhou Zhongnuo has 10 limited partners and is owned as to approximately 27.27% by Huzhou Jingchen Equity Investment Partnership Enterprise (Limited Partnership) (湖州鯨宸股權投資合夥企業(有限合夥)) as its largest limited partner. None of the other limited partners of Huzhou Zhongnuo holds more than 20% partnership interests therein.

Huzhou Zhongnuo is a private equity fund with an investment focus on healthcare industry. Its investment portfolio includes Raymemo Vacuum Technology Wuxi Co., Ltd. (麥默真空技術無錫有限公司), Suzhou Mujin Chemical Technology Co., Ltd. (蘇州木槿化學科技有限公司), Leo Medical Co., Ltd. (常州樂奧醫療科技股份有限公司) and Zhejiang Xina Pharmaceutical Co., Ltd. (浙江悉娜醫藥有限責任公司).

18. Mr. William J. Rieflin

Mr. William J. Rieflin is an individual and has been engaged in operation and management of life sciences companies for over thirty years. He was a former director of Cumbre Inc.

19. Qianrong Yingrun

Qianrong Yingrun is a limited partnership established under the laws of the PRC and is managed by its general partner, Qianrong Cresc Innovation Capital Management Co., Ltd. (蘇州乾融創禾創新資本管理有限公司). Qianrong Cresc Innovation Capital Management Co., Ltd. (蘇州乾融創禾創新資本管理有限公司) is controlled by Jiangsu Qianrong Capital Management Co., Ltd (江蘇乾融資本管理有限公司) as to 90%, which is in turn owned as to 99% by Jiangsu Qianrong Investment Holding Group Co., Ltd. (江蘇

乾融投資控股集團有限公司), a wholly-owned subsidiary of Suzhou Dingrong Investment Co., Ltd. (蘇州鼎融投資管理有限公司), which is controlled by (a) Mr. Ye Xiaoming (葉曉明) as to 51%, an Independent Third Party; and (b) Mr. Ye Xuanxi (葉玄羲) as to 49%, an Independent Third Party. Qianrong Yingrun has 15 limited partners. None of the limited partners of Qianrong Yingrun holds more than 10% partnership interests therein.

Qianrong Yingrun is a private equity fund with an investment focus on medical health and high-end manufacturing industries. As of July 2025, Qianrong Yingrun had a total asset of more than RMB300 million. Its investment portfolio includes CareRay Digital Medical Technology Co., Ltd. (江蘇康眾數字醫療科技股份有限公司) (stock code: 688607), a company listed on the Shanghai Stock Exchange, Thousand Oaks Biologics INC (澳斯康生物(南通)股份有限公司) and Shanghai Universal MEDICAL Imaging Technology Co., Ltd. (上海全景醫學影像科技股份有限公司).

20. Yuankang Dingxiang

Yuankang Dingxiang is a limited partnership established under the laws of the PRC and is managed by its general partner, Shengding (Beijing) Private Equity Fund Management Co., Ltd. (盛鼎(北京)私募基金管理有限責任公司). Shengding (Beijing) Private Equity Fund Management Co., Ltd. (盛鼎(北京)私募基金管理有限責任 公司) is a wholly-owned subsidiary of Dajia Investment Holdings Limited Liability Company (大家投資控股有限責任公司). Yuankang Dingxiang is also owned by Dajia Investment Holdings Limited Liability Company (大家投資控股有限責任公司), as a limited partner holding 69.05% partnership interest, which was wholly-owned by Dajia Life Insurance Co., Ltd. (大家人壽保險股份有限公司) ("**Dajia Life**"). Dajia Life is owned as to approximately 99.98% of Dajia Insurance Group Co., Ltd. (大家保險集團有限責任公司) ("**Dajia Insurance**"). Dajia Insurance is controlled by China Insurance Security Fund Co., Ltd. （中國保險保障基金有限責任公司), a company wholly owned by Ministry of Finance. None of the remaining four limited partners of Yuankang Dingxiang, each being an Independent Third Party, hold 30% or more of the partnership interest therein.

21. Yangzhou Jinye

Yangzhou Jinye is a limited partnership established under the laws of the PRC and is managed by its general partner, Jiaxing Fenfa Investment Management Co., Ltd. (嘉興奮發投資管理有限公司), which is controlled by (a) Mr. Ye gen (葉根) as to 58%, an Independent Third Party, (b) Mr. Wu Yiping (吳一平) as to 20% and (c) 2 individual shareholders , none of each hold 20% or more of the equity interest therein. It also has 5 individual limited partners, each an Independent Third Party. None of the limited partners of Yangzhou Jinye hold 30% or more of the partnership interest therein.

22. Borun Mingdu

Borun Mingdu is a limited partnership established under the laws of the PRC and is managed by its general partner, Shanghai Broad Resources Investment Management Co., Ltd. (上海博潤投資管理有限公司), which is ultimately controlled by Mr. Hu Zhibing as to 57.60%, an Independent Third Party and none of the other 13 shareholders hold 30% or more of the partnership interest therein. Borun Mingdu also has 8 limited partners, none of which hold 30% or more of the partnership interest therein.

23. Mr. Wang Xiaodong

Mr. Wang Xiaodong is an individual investor. He is the founder of BeOne Medicines Ltd., a company listed on Stock Exchange (6160.HK), the Nasdaq (ONC.US) and the Shanghai Stock Exchange (688235.SH).

24. Beijing Jingguo Chuang

Beijing Jingguo Chuang is a limited partnership established under the laws of the PRC. It was owned by (a) Mr. He Jingwei (何京偉), an Independent Third Party, as a general partner holding 33.33% partnership interest, and (b) Mr. Fu Xingran (付星然), an Independent Third Party, as a limited partner holding 33.33% partnership interest. None of the reminding five individual limited partners hold 30% or more of the partnership interest therein.

PUBLIC FLOAT AND FREE FLOAT

Immediately upon completion of the Global Offering (assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised), our Company will have 51,753,476 H Shares, among which:

(a) 17,226,877 H Shares to be converted from Domestic Unlisted Shares pursuant to the Full Circulation Application of our Company and listed on the Stock Exchange (representing approximately 33.29% of our total issued Shares upon Listing assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised) and 2,049,550 Offer Shares to be subscribed for by the AMR Action Fund Entities as cornerstone investors will not be counted towards the public float for the purpose of Rule 8.08 of the Listing Rules after the Listing as such Shares are being held by our Single Largest Group of Shareholders, Dr. Ma, the ESOP Platforms and the AMR Action Fund Entities, which are or will become core connected persons of our Company;

(b) 26,246,049 H Shares to be converted from Domestic Unlisted Shares pursuant to the Full Circulation Application of our Company and listed on the Stock Exchange (representing approximately 50.71% of our total issued Shares upon Listing assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised), will be counted towards the public float for the purpose of Rule 8.08 of the Listing Rules after the Listing as these Shares are not held by persons who are core connected persons of our Company upon Listing nor are they accustomed to take instructions from our Company's core connected persons in relation to the acquisition, disposal, voting or other disposition of their Shares and their acquisition of Shares were not financed directly or indirectly by our Company's core connected persons; and

(c) 6,231,000 H Shares to be issued under the Global Offering (representing approximately 12.04% of our total issued Shares upon Listing) will be counted towards the public float for the purpose of Rule 8.08 of the Listing Rules after the Listing, assuming that (i) the Offer Size Adjustment Option and the Over-allotment Option are not exercised and (ii) none of the following persons will take part in the Global Offering: our Company's core connected persons, any persons who are accustomed to take instructions from our Company's core connected persons in relation to the acquisition, disposal, voting or other disposition of their Shares, and any person whose acquisition of Shares were financed directly or indirectly by our Company's core connected persons.

Details of the Conversion of Domestic Unlisted Shares into H Shares are set out below:

	Shareholders	Number of Unlisted Shares as of the date of this prospectus	Number of Shares upon Listing (Assuming that the Full Circulation Application of our Company is completed)	
			Unlisted Shares	H Shares converted from Unlisted Shares
1. . . .	Cumbre	6,153,028	–	6,153,028
2. . . .	WuXi Fund	2,848,109	–	2,848,109
3. . . .	Immense Vantage	2,450,497	–	2,450,497
4. . . .	AMR US	2,322,755	–	2,322,755
5. . . .	Suzhou Origin	2,203,545	–	2,203,545
6. . . .	Danyuan Kangnuo	2,180,237	–	2,180,237
7. . . .	Danyuan Aonuo	1,780,987	–	1,780,987
8. . . .	Big Bend 77	1,466,857	–	1,466,857
9. . . .	Beisen Dankang	1,436,554	–	1,436,554
10. . .	Nongyin No. 2	1,373,641	–	1,373,641
11. . .	Dr. Ma	1,372,670	–	1,372,670
12. . .	Hainan Century Star River	1,351,186	–	1,351,186
13. . .	Yuanjing Investment	1,079,386	–	1,079,386
14. . .	Zhongshan Xiwan Industrial Development	863,510	–	863,510
15. . .	Kangnuo	863,509	–	863,509
16. . .	AMR Luxembourg	805,956	–	805,956
17. . .	Chao Interests	773,134	–	773,134
18. . .	MAL Investment	773,134	–	773,134
19. . .	Suzhou GTJA	723,385	–	723,385
20. . .	Garcia – Bugge' Enterprises, Inc.	669,475	–	669,475
21. . .	Zhongshan Venture Fund	647,634	–	647,634
22. . .	Zhongshan Cuiheng	647,632	–	647,632
23. . .	Ningbo Xiangshang	600,527	–	600,527
24. . .	Yantai GTJA	600,527	–	600,527
25. . .	Huzhou Zhongnuo	600,527	–	600,527
26. . .	Danyuan Nuokang	578,922	–	578,922
27. . .	Mr. William J. Rieflin	544,150	–	544,150
28. . .	Suzhou Chenghe	477,668	–	477,668
29. . .	Qianrong Yingrun	457,881	–	457,881
30. . .	WuXi Guolian	450,395	–	450,395
31. . .	Ningbo Yaoshang	450,395	–	450,395
32. . .	Ningbo Yanyuan	450,395	–	450,395
33. . .	Big Bend 72	448,108	–	448,108
34. . .	Yuankang Dingxiang	366,305	–	366,305
35. . .	Relativity Healthcare	352,472	–	352,472
36. . .	Yangzhou Jinye	327,445	–	327,445
37. . .	Ningbo Borong	300,263	–	300,263
38. . .	Borun Mingdu	215,877	–	215,877
39. . .	Zhongshan Xiwan Investment	215,877	–	215,877
40. . .	Ms. Frances McGary McKnight	170,699	–	170,699
41. . .	Ms. Grace Gillespie McKnight	170,699	–	170,699
42. . .	Mr. John Stevens McKnight	170,699	–	170,699
43. . .	Ms. Nell Lanier McKnight	170,699	–	170,699
44. . .	Susui Investment	151,114	–	151,114
45. . .	Ningbo Rongshun	140,319	–	140,319
46. . .	Big Bend 73	117,357	–	117,357

	Shareholders	Number of Unlisted Shares as of the date of this prospectus	Number of Shares upon Listing (Assuming that the Full Circulation Application of our Company is completed)	
			Unlisted Shares	H Shares converted from Unlisted Shares
47. . .	Mr. Steven Lanier McKnight	77,313	–	77,313
48. . .	Mr. Wang Xiaodong	77,313	–	77,313
49. . .	Beijing Jingguo Chuang	2,159	–	2,159

Pursuant to Rule 19A.13A(1) of the Listing Rules, assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised, based on an Offer Price of HK$75.70 per Offer Share, our expected market capitalization upon the Listing is approximately HK$3.92 billion, and the minimum prescribed public float percentage applicable to our Shares is 25.00%. Taking into account the above and the H Shares to be issued pursuant to the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), 32,477,049 H Shares, representing approximately 62.75% of the total issued share capital, will be counted towards the public float for the purpose of Rule 19A.13A(1) of the Listing Rules, which is higher than the prescribed percentage of Shares required to be held in public hands of 25.00% under Rule 19A.13A(1) of the Listing Rules.

Pursuant to the applicable PRC law, within the 12 months following the Listing Date, all existing Shareholders (including the Pre-IPO Investors) cannot dispose of any of the Shares held by them. In addition, each of the cornerstone investors has agreed that it will not, directly or indirectly, at any time during the six months from the Listing Date, dispose of any of the Offer Shares they have purchased pursuant to the relevant cornerstone investment agreements. As such, H Shares held by the existing Shareholders as of the date of this prospectus and the H Shares purchased by the cornerstone investors pursuant to the relevant cornerstone investment agreements shall not be counted towards the free float of the H Shares of the Company at the time of Listing. The free float of the Company is expected to be no less than 10% of the total issued share capital of the Company, thereby satisfying the free float requirement under Rule 19A.13C(1)(a) of the Listing Rules.

CAPITALIZATION OF OUR COMPANY

The table below is a summary of the capitalization of our Company as of the date of this prospectus and the Listing Date (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised):

Shareholders	Total number of Shares as of the prospectus date	Number of Unlisted Shares immediately after completion of the Global Offering	Number of H Shares immediately after completion of the Global Offering	Total number of Shares immediately after completion of the Global Offering	Ownership Percentage as of the prospectus date	Ownership percentage immediately after completion of the Global Offering based on the total number of issued H Shares and total number of Shares[1]
					(%)	*(%)*
The Cumbre Entities[3]	8,185,350		8,185,350	8,185,350	18.82	15.82
– Cumbre	*6,153,028*	*–*	*6,153,028*	*6,153,028*	*14.15*	*11.89*
– Big Bend 77	*1,466,857*	*–*	*1,466,857*	*1,466,857*	*3.37*	*2.83*
– Big Bend 72	*448,108*	*–*	*448,108*	*448,108*	*1.03*	*0.87*
– Big Bend 73	*117,357*	*–*	*117,357*	*117,357*	*0.27*	*0.23*
ESOP Platforms[4]	4,540,146		4,540,146	4,540,146	10.45	8.77
– Danyuan Kangnuo	*2,180,237*	*–*	*2,180,237*	*2,180,237*	*5.02*	*4.21*
– Danyuan Aonuo	*1,780,987*	*–*	*1,780,987*	*1,780,987*	*4.10*	*3.44*

Shareholders	Total number of Shares as of the prospectus date	Number of Unlisted Shares immediately after completion of the Global Offering	Number of H Shares immediately after completion of the Global Offering	Total number of Shares immediately after completion of the Global Offering	Ownership Percentage as of the prospectus date	Ownership percentage immediately after completion of the Global Offering based on the total number of issued H Shares and total number of Shares[1]
					(%)	*(%)*
– Danyuan Nuokang	*578,922*	–	*578,922*	*578,922*	*1.33*	*1.12*
The AMR Action Fund[5]	3,128,711	–	3,128,711	3,128,711	7.19	6.05
Entities						
– AMR US	*2,322,755*	–	*2,322,755*	*2,322,755*	*5.34*	*4.49*
– AMR Luxembourg	*805,956*	–	*805,956*	*805,956*	*1.85*	*1.56*
WuXi Fund	2,848,109	–	2,848,109	2,848,109	6.55	5.50
Suzhou Origin and WuXi Guolian[6]	2,653,940	–	2,653,940	2,653,940	6.11	5.13
– Suzhou Origin	*2,203,545*	–	*2,203,545*	*2,203,545*	*5.07*	*4.26*
– WuXi Guolian	*450,395*	–	*450,395*	*450,395*	*1.04*	*0.87*
Immense Vantage	2,450,497	–	2,450,497	2,450,497	5.64	4.73
The Zhongshan Entities[7]	2,374,653	–	2,374,653	2,374,653	5.47	4.59
– Zhongshan Xiwan Industrial Development	*863,510*	–	*863,510*	*863,510*	*1.99*	*1.67*
– Zhongshan Venture Fund	*647,634*	–	*647,634*	*647,634*	*1.49*	*1.25*
– Zhongshan Cuiheng	*647,632*	–	*647,632*	*647,632*	*1.49*	*1.25*
– Zhongshan Xiwan Investment	*215,877*	–	*215,877*	*215,877*	*0.50*	*0.42*
The Ningbo Entities[8]	1,941,899		1,941,899	1,941,899	4.47	3.75
– Ningbo Xiangshang	*600,527*	–	*600,527*	*600,527*	*1.38*	*1.16*
– Ningbo Yaoshang	*450,395*	–	*450,395*	*450,395*	*1.04*	*0.87*
– Ningbo Yanyuan	*450,395*	–	*450,395*	*450,395*	*1.04*	*0.87*
– Ningbo Borong	*300,263*	–	*300,263*	*300,263*	*0.69*	*0.58*
– Ningbo Rongshun	*140,319*	–	*140,319*	*140,319*	*0.32*	*0.27*
The Chao's family[9]	1,898,740		1,898,740	1,898,740	4.37	3.67
– MAL Investment	*773,134*	–	*773,134*	*773,134*	*1.78*	*1.49*
– Chao Interests	*773,134*	–	*773,134*	*773,134*	*1.78*	*1.49*
– Relativity Healthcare	*352,472*	–	*352,472*	*352,472*	*0.81*	*0.68*
The GTJA Entities[10]	1,801,580	–	1,801,580	1,801,580	4.14	2.56
– Suzhou GTJA	*723,385*	–	*723,385*	*723,385*	*1.66*	*1.40*
– Yantai GTJA	*600,527*	–	*600,527*	*600,527*	*1.38*	*1.16*
– Suzhou Chenghe	477,668	–	477,668	477,668	1.10	0.92
The Nongyin Entities[11]	1,524,755		1,524,755	1,524,755	3.51	2.95
– Nongyin No. 2	*1,373,641*	–	*1,373,641*	*1,373,641*	*3.16*	*2.65*
– Susui Investment	*151,114*	–	*151,114*	*151,114*	*0.35*	*0.29*
Beisen Dankang	1,436,554	–	1,436,554	1,436,554	3.30	2.78
Dr. Ma	1,372,670	–	1,372,670	1,372,670	3.16	2.65
Hainan Century Star River	1,351,186	–	1,351,186	1,351,186	3.11	2.61
Yuanjing Investment	1,079,386	–	1,079,386	1,079,386	2.48	2.09
Kangnuo	863,509	–	863,509	863,509	1.99	1.67
The McKnight's family[12]	760,109		760,109	760,109	1.74	1.48
– Ms. Frances McGary McKnight	*170,699*	–	*170,699*	*170,699*	*0.39*	*0.33*
– Ms. Grace Gillespie McKnight	*170,699*	–	*170,699*	*170,699*	*0.39*	*0.33*
– Mr. John Stevens McKnight	*170,699*	–	*170,699*	*170,699*	*0.39*	*0.33*
– Ms. Nell Lanier McKnight	*170,699*	–	*170,699*	*170,699*	*0.39*	*0.33*
– Mr. Steven Lanier McKnight	*77,313*	–	*77,313*	*77,313*	*0.18*	*0.15*
Garcia – Bugge'	669,475	–	669,475	669,475	1.54	1.29

Shareholders	Total number of Shares as of the prospectus date	Number of Unlisted Shares immediately after completion of the Global Offering	Number of H Shares immediately after completion of the Global Offering	Total number of Shares immediately after completion of the Global Offering	Ownership Percentage as of the prospectus date	Ownership percentage immediately after completion of the Global Offering based on the total number of issued H Shares and total number of Shares[1]
					(%)	*(%)*
Enterprises, Inc.						
Huzhou Zhongnuo	600,527	–	600,527	600,527	1.38	1.16
Mr. William J. Rieflin	544,150	–	544,150	544,150	1.25	1.05
Qianrong Yingrun	457,881	–	457,881	457,881	1.05	0.88
Yuankang Dingxiang	366,305	–	366,305	366,305	0.84	0.71
Yangzhou Jinye	327,445	–	327,445	327,445	0.75	0.63
Borun Mingdu	215,877	–	215,877	215,877	0.50	0.40
Mr. Wang Xiaodong	77,313	–	77,313	77,313	0.18	0.15
Beijing Jingguo Chuang	2,159	–	2,159	2,159	0.01	0.00
Total	**43,472,926**	**–**	**43,472,926**	**43,472,926**	**100.00**	**100.00**

Notes:

(1) The calculation is based on the assumption that immediately following the completion of the Global Offering, there will be a total number of 51,753,476 H Shares (including 43,472,926 H Shares converted from Unlisted Shares without taking into consideration the exercise of the Offer Size Adjustment Option and Over-allotment Option) in issue and the total number of 51,753,476 Shares in issue.

(2) The percentages may not add up to 100% due to rounding.

(3) The Cumbre Entities are controlled by family members of Mr. Meyerson.

(4) These include Danyuan Kangnuo, Danyuan Nuokang and Danyuan Aonuo.

(5) The interest of the AMR Action Fund Entities are shown in aggregation as each of AMR US and AMR Luxembourg has (a) shared power to vote or to direct the vote of, and (b) shared power to dispose of or to direct the disposition of, the shares held by the other fund.

(6) Each of Suzhou Origin and WuXi Guolian is ultimately controlled by the Jiangsu Provincial Government.

(7) Each of Zhongshan Xiwan Industrial Development, Zhongshan Venture Fund, Zhongshan Cuiheng and Zhongshan Xiwan Investment is ultimately controlled by Zhongshan Municipal People's Government.

(8) The general partner of each of Ningbo Xiangshang, Ningbo Yaoshang, Ningbo Yanyuan, Ningbo Borong and Ningbo Rongshun is ultimately controlled by Ms. Liu Zeng.

(9) Each of MAL Investment, Chao Interests, Relativity Healthcare is ultimately owned by Chao's family members or Chao's Family Trusts.

(10) Each of Suzhou GTJA, Yantai GTJA, Suzhou Chenghe is ultimately controlled by Mr. Bian Zhuang.

(11) Each of Nongyin No. 2 and Susui Investment is ultimately owned by ABCI China.

(12) Ms. Frances McGary McKnight, Ms. Grace Gillespie McKnight, Mr. John Stevens McKnight and Ms. Nell Lanier McKnight are all family members of Mr. Steven Lanier McKnight.

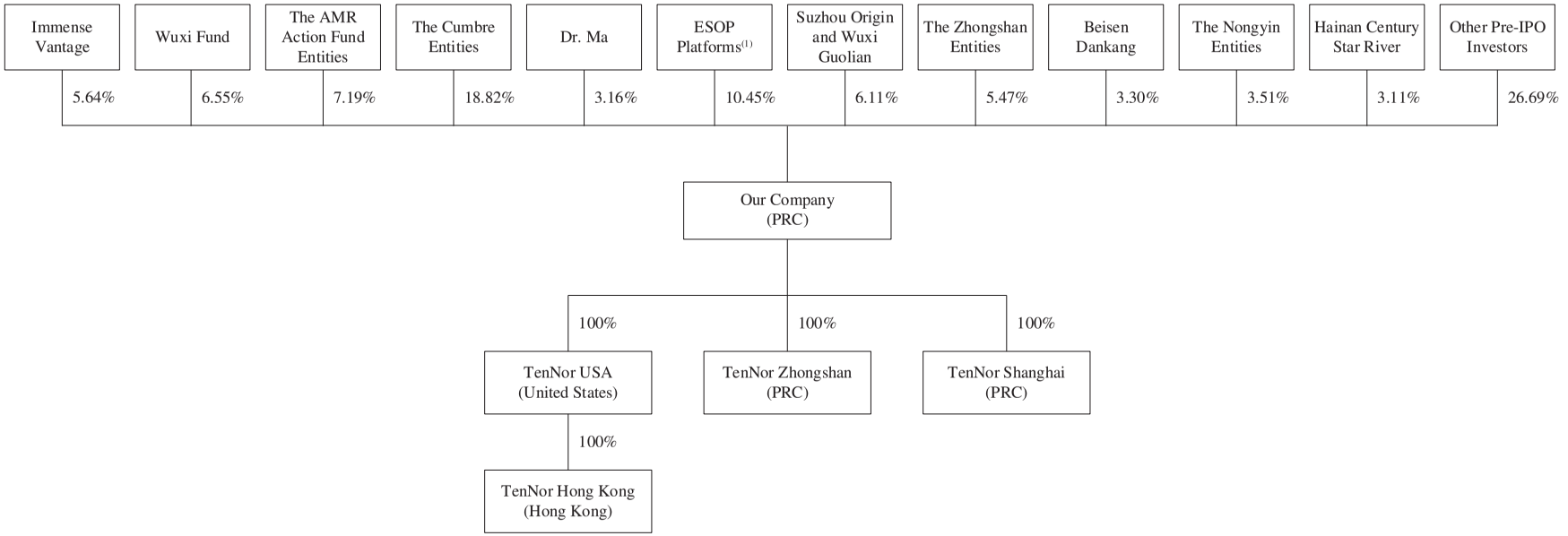
PRC REGULATORY REQUIREMENTS

Our PRC Legal Adviser has confirmed that we have legally and properly completed, settled, and obtained the requisite legal approvals and completed requisite governmental registrations with relevant governmental authorities in the PRC with respect to all the aforesaid capital increases and equity transfers.

CORPORATE STRUCTURE

(1) Corporate Structure Immediately Before Completion of the Global Offering

The chart below sets out the shareholding structure of our Company immediately before the completion of the Global Offering[(1)(2)]:



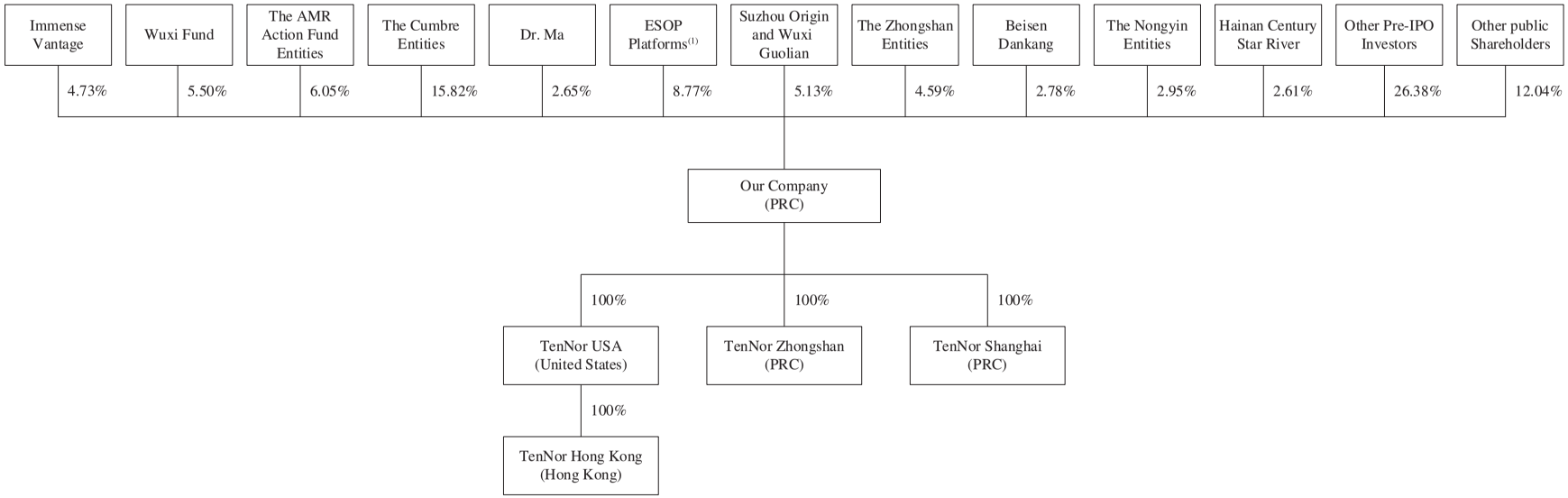
Notes:

(1) These include Danyuan Kangnuo, Danyuan Nuokang and Danyuan Aonuo.

(2) The percentages may not add up to 100% due to rounding.

(2) Corporate Structure Immediately Following Completion of the Global Offering

The chart below sets out the shareholding structure of our Company immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised):



Notes:

(1) These include Danyuan Kangnuo, Danyuan Nuokang and Danyuan Aonuo.

(2) The percentages may not add up to 100% due to rounding.

OVERVIEW

We are a near-commercial stage biotechnology company dedicated to the discovery, development and commercialization of differentiated therapies to address medical needs in disease areas associated with bacterial infections and bacterial metabolism. Empowered by our multi-targeting conjugate molecule technology, we aim to deliver the best therapeutic solutions to overcome the limitations of conventional treatments and improve patient outcomes.

Bacterial infections and diseases associated with bacterial metabolism represent critical and growing global health challenges. Since our inception, we have been committed to addressing one of the most significant and urgent health challenge—antimicrobial resistance. Although antibiotics have achieved remarkable victories against bacterial infections, antimicrobial resistance has evolved over the past century into a global health threat. According to Frost & Sullivan, approximately 1.27 million deaths worldwide were attributed to drug-resistant infections in 2019, and this number is projected to increase to 10 million annually by 2050. In addition to bacterial infections, we have devoted substantial resources to addressing prevalent and serious conditions associated with gut bacterial metabolism. The gut microbiome, often referred to as the "second genome" of human body, plays a crucial role in human health, with its metabolic byproducts closely associated with disease development. Therefore, targeting bacterial metabolism has emerged as an important approach for the treatment and prevention of a wide range of diseases. Innovation in the discovery of antibacterial drugs has been limited for many years, while the effectiveness of existing antibiotics continues to deteriorate. Thus, there is an urgent and significant medical need for novel antibacterial drugs with unique mechanisms of action.

Leveraging our multi-targeting conjugate molecule technology, we are independently developing a number of multi-targeting drug candidates with great promise as blockbuster drugs. As of the Latest Practicable Date, we had built a pipeline of seven innovative programs for the treatment of bacterial infections and diseases associated with bacterial metabolism, including one in near-commercial stage, two in late-stage clinical development, one in IND-approved stage and three in preclinical stage. The following chart illustrates our pipeline and summarizes the development status of our drug candidates as of the Latest Practicable Date:

	Candidate (Dosage form)	Target (Modality)	Source of IP[1]	Indication[4] (Dosage/Administration)	Development Status[7]	Commercial Rights	Upcoming Milestone
Bacterial Infections***	Rifasutenizol* (Oral)	RNA polymerase and nitroreductase (Broad spectrum dual-target small molecule drug)	Acquired from Cumbre	*H. pylori* infection (capsule, RTT)	NMPA	Global[8]	To receive NDA approval in late 2026
				H. pylori infection (tablet, RTT)[5]	FDA		To initiate BA followed by Ph IIb in 2H 2026
				Bacterial vaginosis	NMPA		To enter Ph II in 2027
				C. difficile infection	NMPA		To enter Ph II in 2027
	TNBi-1	Confidential (Narrow spectrum novel small molecule drug)	Internally Developed	*H. pylori* infection		Global	To submit IND application in 2H 2026
	Rifaquizinone* (Injectable)[2]	RNA polymerase, DNA gyrase, and topoisomerase IV (Broad spectrum triple-target small molecule drug)	Acquired from Cumbre	ABSSSI (IV)	NMPA FDA	Global	To enter Ph III MRCT in 2H 2026
				PJI (IV)[6]	NMPA FDA		Leveraging data collected from two Ph I, a Ph II for ABSSSI and the joint tissue distribution study in THA and TKA patients in the U.S., to enter Ph III MRCT in 2029
				PJI (IA)	NMPA		To complete Ph Ib/IIa in 2H 2026
				LVADI (IV)	NMPA FDA		To submit IND application for Ph II in China in 1H 2026
	TNP-2092 (Topical)[3]	RNA polymerase, DNA gyrase, and topoisomerase IV (Broad spectrum triple-target small molecule drug)	Acquired from Cumbre	DFI	NMPA	Global	To enter Ph I/II in 2027
	TNBi-2	Confidential (Broad spectrum multi-targeting small molecule drug)	Internally Developed	NTM-PD		Global	To submit IND application in 2027
Bacterial Metabolism***	TNP-2092** (Oral)[3]	RNA polymerase, DNA gyrase and topoisomerase IV (Broad spectrum triple-target small molecule drug)	Acquired from Cumbre	HE	NMPA FDA	Global	To enter Ph IIb in 2027
				IBS-D	NMPA		Submit IND application and enter Ph II in 2028
	TNBm-1	Confidential (Broad spectrum bifunctional small molecule drug)	Internally Developed	Metabolic diseases		Global	To submit IND application in 2028

Development Status[7]: Discovery | Preclinical | Phase I | Phase II | Phase III | NDA

NMPA FDA Pre-IND Studies conducted by Cumbre Inc. in China Studies conducted by Cumbre Inc. in the U.S. Leverage data from a different indication to proceed to the next clinical phase for the current indication

Abbreviations: RTT = rifasutenizol triple therapy, rifasutenizol in combination with amoxicillin and a proton pump inhibitor for *H.pylori* eradication; RNA = ribonucleic acid; DNA = deoxyribonucleic acid; IV = intravenous administration (when referring to dosage form/administration method); IA = intra-articular administration; *H. pylori* = *Helicobacter pylori*; PJI = prosthetic joint infection; ABSSSI = acute bacterial skin and skin structure infection; LVADI = left ventricular assist device infection; CRBSI = catheter-related bloodstream infection; DFI = diabetic foot infection; NTM-PD = nontuberculous mycobacterial pulmonary disease; HE = hepatic encephalopathy; IBS-D = irritable bowel syndrome with diarrhea; NMPA= National Medical Products Administration; FDA = Food and Drug Administration; IND = investigational new drug; NDA = new drug application; Ph = Phase; BA = bioavailability study; MRCT = multiregional clinical trial; 1H = first half; 2H = second half.

Notes:

* Core Product

** Key Product

*** Bacterial infections refer to indications directly caused by pathogenic bacteria, which can lead to cellular injury, disruption of normal physiological functions, and immune responses. Diseases associated with bacterial metabolism are indications caused by metabolites produced by either harmful or beneficial bacteria. The chemical compound of TNP-2092 is of a mechanism of action that has the potential to address both categories. TNP-2092 injection is categorized as a therapy for bacterial infections, as it is being developed to eradicate pathogenic bacteria and relieve symptoms directly caused by such infections. TNP-2092 oral is categorized as a therapy targeting bacterial metabolism, as it is being developed for the treatment of HE by inhibiting the production of gut bacterial metabolites, including ammonia and other neurotoxins.

1. The rights to patents related to composition matters of our Core Products were transferred to us by Cumbre as part of the Series A investment, and based on these patents, we further independently identified rifasutenizol as a preclinical candidate and developed TNP-2092 (oral) and TNP-2092 (topical) as new products and have conducted all subsequent R&D activities to advance these product candidates in clinical development, and we have the global rights to develop, manufacture and commercialize rifasutenizol, rifaquizinone, TNP-2092 (oral), and TNP-2092 (topical). Dr. Ma Zhenkun ("**Dr. Ma**"), our founder, executive Director, and chief executive officer, was the former director of medical chemistry of Cumbre Inc. During his tenure at Cumbre Inc., he made significant contributions to the discovery of the compound series that eventually led to identification of rifasutenizol and of TNP-2092. For details, see "Summary — License, Rights, and Obligations Related to Core Products and Key Product."

2. Phase I SAD and MAD clinical trials of rifaquizinone were conducted by Cumbre Inc., while we independently conducted all other clinical trials for our pipeline products.

3. Rifaquizinone, TNP-2092 (oral) and TNP-2092 (topical) share the same active ingredient, consisting of a rifamycin pharmacophore and a quinolizinone pharmacophore. Nevertheless, these products have different product formulations, different routes of administration and different indications. They will be regulated as separate products.

4. All of our pipeline products are Class I innovative drug candidates intended to be first-line or initial treatments. Except for RTT for *H. pylori*, all other pipelines are being developed as monotherapies.

5. In March 2023, based on the Phase I and Phase II clinical trial results of rifasutenizol capsule obtained in China, we received IND approval from the FDA to conduct a bioavailability study to compare the absorption of rifasutenizol tablets with rifasutenizol capsules.

6. Leveraging data collected from previously completed clinical trials including the Phase II clinical trial of rifaquizinone for ABSSSI in the U.S., we obtained regulatory clearance from both the FDA and the NMPA to conduct a Phase III MRCT of rifaquizinone for PJI.

7. Based on the data collected from previous clinical trials, including completed two Phase I clinical trials, a Phase II clinical trial for ABSSSI and the joint tissue distribution study in THA and TKA patients in the U.S., we received the regulatory clearance from the FDA for conducting a Phase III clinical trial of rifaquizinone through IV administration for PJI in the U.S. and China. Phase Ia and Phase Ib clinical trials were required by regulatory authorities to conduct separately and sequentially for rifasutenizol, rifaquizinone and TNP-2092 (oral), and we voluntarily chose to conduct Phase IIa and Phase IIb as separate Phase II trials for rifasutenizol.

8. In November 2024, we entered into an exclusive commercialization agreement with Grand Life Science for the commercialization of rifasutenizol in Greater China (excluding Taiwan). For further details on the key terms of the agreement, see "— Commercialization — Collaboration with Grand Life Science for rifasutenizol (TNP-2198)."

Below is an introduction of our Core Products and Key Product:

- **Rifasutenizol (TNP-2198)**, a Core Product, is the world's first and as of the Latest Practicable Date, the only NME drug candidate developed for the treatment of *H. pylori* infection since the discovery of this bacteria in 1982. When used as part of a triple regimen, rifasutenizol offers major advantages compared to BQT (the currently guideline-recommended first-line treatment) in terms of efficacy, safety, clinical application and potential patient compliance.

  We have completed a head-to-head Phase III clinical trial of RTT against BQT in China and submitted an NDA to the NMPA, which was accepted by the NMPA in August 2025. Results of our clinical trials demonstrated that RTT is better than BQT in terms of eradication rate as well as safety and tolerability profile. In addition, RTT does not require prior susceptibility testing, which underscores its potential to become a standardized first-line treatment, allowing seamless integration with the UBT. Moreover, RTT offers more convenient administration, which, together with better safety and tolerability profile, are expected to enhance patient adherence.

  We are implementing a clearly defined clinical development and commercialization strategy for rifasutenizol, with an exclusive commercial collaboration agreement signed with Grand Life Science, and Fast Track and QIDP designations granted by the FDA.

  Beyond *H. pylori* infection, rifasutenizol holds promise for broader antibacterial applications. With IND approvals received from the NMPA, we plan to advance the clinical development of rifasutenizol for the treatment of bacterial vaginosis and *C. difficile* infection.

- **Rifaquizinone (TNP-2092) injection**, a Core Product, is a triple-targeting antibacterial drug candidate for the treatment of implant-associated bacterial infections. Implant-associated bacterial infections, which are primarily driven by biofilm formation, pose a significant clinical challenge due to difficulty in diagnosis and treatment. This is because biofilms are highly tolerant to conventional antibiotics, rendering them largely ineffective against biofilm infections. Rifaquizinone is the world's first NME drug candidate with the potential to be effective against biofilm infections at clinically achievable doses.

  As of the Latest Practicable Date, rifaquizinone injection had received IND approvals from the NMPA and FDA for the treatment of PJI and ABSSSI and had completed six clinical trials, including two Phase I clinical trials, three clinical pharmacology trials and one Phase II clinical trial, in China and the United States. In a Phase II clinical trial for the treatment of ABSSSI, rifaquizinone showed improved efficacy over vancomycin (one of the most commonly used antibiotics), with the advantage being more pronounced in drug-resistant populations. To fully leverage its therapeutic potential, we are developing both IV and IA administration of rifaquizinone for PJI. While IV administration is essential for managing systemic infections, IA administration could potentially provide a higher local concentration and a better opportunity for cure without the need for surgery.

  Rifaquizinone injection was granted Fast Track and QIDP designations for the treatment of PJI, ABSSSI and CRBSI by the FDA. We also plan to explore rifaquizinone injection for the treatment of infections in patients with LVAD, another type of implanted medical device with significant risk of infections.

- **TNP-2092 oral**, a Key Product, is the world's first multi-targeting antibacterial drug candidate for the treatment of diseases associated with gut bacterial metabolism. Research has demonstrated strong links between the gut bacterial metabolism and the pathophysiology of many prevalent and serious diseases, including HE and IBS-D. Leveraging its multi-targeting mechanism of action, compared to rifaximin (a widely prescribed treatment), TNP-2092 has demonstrated an exceptionally lower spontaneous resistance frequency in *S. aureus*.

As of the Latest Practicable Date, we had completed four Phase I and Phase II clinical trials of TNP-2092 capsule in China, with proof-of-concept clinical data validating its efficacy and safety profile for the treatment of HE.

Our core competitiveness lies in our differentiated development strategy focused on carefully selected indications, mainly targeting conditions with limited or no effective treatment options. We aim to discover and develop drug candidates that have the potential to become the best therapeutic solutions to address medical needs. In addition, we intend to maximize the global value of our pipeline and adopt a global development strategy. Before initiating any clinical trials, we thoroughly assess the distinct medical needs of China and the United States and strategically design our development plans to align with the therapeutic priorities of each market. Our robust and fully-integrated R&D capabilities—empowered by our multi-targeting conjugate molecule technology, a dedicated team of high-caliber R&D professionals and a distinguished team of clinical development consultants and advisors—enable efficient execution of new drug development both in China and the United States.

We are led by a seasoned and visionary management team with extensive experience in R&D and corporate management. In particular, we are led by Dr. Ma, our founder, chairman of the Board and chief executive officer, who brings over 30 years of R&D and management experience. We believe that the experience and expertise of our management team will continue to drive our future growth.

OUR COMPETITIVE STRENGTHS

Rifasutenizol (TNP-2198), a near-commercial, first and only NME drug candidate globally for *H. pylori* infection

Rifasutenizol (TNP-2198), a Core Product, is the world's first and as of the Latest Practicable Date, the only NME drug candidate under clinical development for *H. pylori* infection since the discovery of this pathogen in 1982. The therapeutic value and potential of rifasutenizol is evidenced by the strategic partnership we have forged with a leading industry player. Rifasutenizol has received IND approvals from both the NMPA and FDA and is being developed in China and the U.S. We have completed a head-to-head Phase III clinical trial of RTT against BQT in China and submitted an NDA to the NMPA, which was accepted by the NMPA in August 2025.

Highlights of rifasutenizol include:

- ***Unique synergistic multi-targeting mechanism of action with potential to overcome antimicrobial resistance:*** Antimicrobial resistance has become a significant and urgent global health threat, presenting critical challenges for the treatment of *H. pylori* infection. *H. pylori* is a Gram-negative microaerophilic pathogen that is closely associated with a variety of upper gastrointestinal diseases and is a major cause of gastric cancer. Notably, approximately 80% of gastric cancers are associated with *H. pylori*, which has been classified as a Group I carcinogen by the WHO. According to the "Global burden associated with 85 pathogens in 2019" published by *The Lancet Infectious Diseases*, *H. pylori* ranked as the leading pathogen associated with disease burden in seven countries, including China. The prevalence of *H. pylori* infection in China and globally in 2024 amounted to 621.1 million and 4,081.0 million, respectively, according to Frost & Sullivan.

  Following the discovery of *H. pylori*, considerable efforts have been made to identify effective treatment regimens. BQT is currently the recommended first-line treatment for *H. pylori* infection, which is a combination of a PPI, a bismuth agent and two antibiotics. The commonly used antibiotics for *H. pylori* infection—such as clarithromycin, metronidazole, levofloxacin, and amoxicillin—are not exclusive to *H. pylori* treatment but are also widely used to treat other bacterial infections. The broad and frequent use has contributed significantly to the development of antimicrobial resistance. Consequently, their widespread application in treating unrelated infections has inadvertently led to rising *H. pylori* resistance. According to the "Report on *Helicobacter pylori* Screening of 120,000 People in China," the resistance rates in

the general population of China are 53.77% for clarithromycin and 51.57% for fluoroquinolones (such as levofloxacin). Results from our Phase III clinical trial showed that the resistance rates to clarithromycin, metronidazole, levofloxacin and amoxicillin among *H. pylori* clinical isolates in treatment-naïve patients were 40.8%, 68.2%, 35.1% and 8.1%, respectively, which are generally comparable to data reported recently by other studies. Notably, resistance to at least one guideline-recommended antibiotic was as high as 85.1%, and multi-drug resistance to two or more guideline-recommended antibiotics reached 46.3%. While amoxicillin is among one of the few antibiotics with relatively low resistance rates and is considered a last defense for *H. pylori* treatment, its widespread use in recent years has led to an emerging trend of resistance. If amoxicillin resistance continues to rise, there may soon be no effective antibiotics available for *H. pylori* eradication.

Rifasutenizol is a stable drug conjugate consisting of a rifamycin pharmacophore and a nitroimidazole pharmacophore. It possesses a synergistic dual mechanism of action against microaerophilic and anaerobic bacteria by inhibiting RNA polymerase and producing highly reactive species through nitroreductase activation. Through its multi-targeting mechanism of action, rifasutenizol possesses the potential to overcome existing resistance while significantly minimizing the risk of emerging resistance. As of the Latest Practicable Date, based on data collected from around 1,000 *H. pylori* clinical isolates, no resistant *H. pylori* strains against rifasutenizol have been identified.

- ***Potentially better efficacy for H. pylori eradication compared to BQT:*** The large patient population, combined with growing awareness of the health risks associated with *H. pylori* infection, continues to drive strong demand for effective eradication therapies. Rifasutenizol is intended to be used as part of a triple regimen in combination with amoxicillin and a PPI for *H. pylori* eradication.

  In our Phase III clinical trial, RTT achieved an *H. pylori* eradication rate of over 90% in the primary analysis (mITT) population, which was more favorable to that of BQT (92.0% vs. 87.9%; difference: 4.1%; non-inferiority test $p<0.0001$; superiority test $p=0.034$). In addition, RTT outperformed BQT in eradicating *H. pylori* across all antibiotic-resistant subgroups. Notably, in the multidrug-resistant population, the RTT demonstrated superiority over BQT (89.9% vs. 81.2%; difference: 8.7%; non-inferiority test $p<0.0001$; superiority test $p=0.023$), highlighting its potential to address the antimicrobial resistance issue and to become a standardized first-line treatment option.

- ***Favorable safety profile and potentially better patient compliance:*** Results from our Phase III clinical trial showed that the incidence of clinically relevant TEAEs in the RTT group was 37.3%, compared to 53.2% in the BQT group. The majority of TEAEs were mild to moderate in severity, and no SAEs related to rifasutenizol were reported. These findings indicate that RTT may potentially have a better safety and tolerability profile compared to BQT.

  In addition, RTT could potentially offer better patient compliance due to its convenient administration. Due to significant variations in antibiotic half-lives, patients undergoing BQT must adhere to complex daily dosing schedules involving multiple medications. For example, in one of the most commonly recommended BQT regimens consisting of a bismuth agent, a PPI, metronidazole and tetracycline, patients typically follow a 14-day course, during which metronidazole and tetracycline are taken three or four times daily, and each of the bismuth agent and the PPI taken twice daily. In contrast, in our RTT regimen, each of the three drugs is taken twice daily. This improved convenience, together with the potentially better safety and tolerability profile, are expected to enhance patient compliance and reduce the likelihood of treatment discontinuation. Improved adherence, in turn, helps maintain its efficacy over time and supports its long-term clinical value in the treatment of *H. pylori* infection.

- ***Strong potential to become a standardized first-line treatment, enabling seamless integration with UBT:*** As antimicrobial resistance becomes increasingly prevalent, the proper use of BQT typically requires individualized treatment regimens guided by gastroscopic biopsy or PCR-based susceptibility testing. Such individualized testing not only complicates the treatment process, but also increases the burden on patients. Therefore, its adoption remains limited, making it difficult to implement individualized treatment regimens in clinical practice. Consequently, the empirical use of BQT remains the predominant approach for treating *H. pylori*-positive patients, while selecting two effective antibiotics continues to pose a major challenge. There are significant regional variations in *H. pylori* resistance patterns across China. However, most available antibiotic resistance data originates from large cities and economically developed regions, resulting in a clear bias that undermines the rational development, recommendation and application of treatment regimens. As a result, physicians' understanding of a patient's medication history, clinical symptoms and the local prevalence of resistant strains plays a critical role in the effectiveness of empirical use of BQT for *H. pylori* eradication. Due to these challenges, the eradication rate of empirical use of BQT in China has been decreasing and in some regions, it falls below to 70%. There is thus an urgent need to overcome current treatment limitations and contributing to more effective eradication strategies for *H. pylori* infection.

  RTT does not require prior susceptibility testing, nor does it require physicians to consider variations in *H. pylori* resistance patterns. This underscores its potential to become a standardized first-line treatment and address eradication failures caused by inadequate empirical treatment and limited medical resources, while also aligning with antibiotic stewardship principles in China and around the world.

  Meanwhile, supported by favorable government policies, such as the national "Healthy China 2030" initiative and the "White Paper on *Helicobacter pylori* Infection Prevention and Control in China (《中國幽門螺桿菌感染防控白皮書》)" published by the Chinese Center for Disease Control and Prevention (中國疾病預防控制中心), along with recommendations from national clinical guideline, UBT has been increasingly incorporated into routine physical examinations. Among populations at high risk for gastric cancer, a screen-and-treat strategy targeting *H. pylori* is considered the most cost-effective approach to prevent gastric cancer. However, the out-of-hospital treatment rate among individuals diagnosed through routine health examinations was only 19.9% globally and 15.0% in China in 2024, according to Frost & Sullivan. The complexity of existing treatment regimens and inappropriate antibiotic use may lead to poor patient compliance and eradication success. Rifasutenizol is expected to be seamlessly integrated with the UBT to advance the screen-and-treat strategy for *H. pylori* eradication and gastric cancer prevention, thereby unlocking significant market opportunities.

- ***Limited competition in the near future:*** We have completed a head-to-head Phase III clinical trial of RTT against BQT in China and submitted an NDA to the NMPA, which was accepted by the NMPA in August 2025. Upon NDA approval (anticipated in late 2026), rifasutenizol is expected to be the first NME drug targeting *H. pylori* approved for sale globally, well-positioning it to capitalize on its competitive advantage and rapidly capture significant market opportunities.

- ***Clearly defined clinical development and commercialization strategy:*** We have entered into an exclusive commercial collaboration agreement with Grand Life Science for the commercialization of rifasutenizol in the Greater China (excluding Taiwan). For details regarding the terms of the agreement, see "— Commercialization — Collaboration with Grand Life Science for rifasutenizol (TNP-2198)." We aim to leverage its strong marketing capabilities and extensive commercialization resources in gastrointestinal disease management to facilitate a quick uptake and broad patient access, driving the successful market launch of rifasutenizol.

In addition to the upcoming market launch of rifasutenizol in China, rifasutenizol has received an IND approval for the treatment of *H. pylori* infection from the FDA as part of our global development strategy. With Fast Track and QIDP designations granted by the FDA, rifasutenizol may benefit from an expedited review process by the FDA, potentially resulting in accelerated market access in the United States and other overseas markets.

- ***Broad indication expansion potential for other bacterial infections:*** Rifasutenizol holds promise for broader antibacterial applications beyond *H. pylori* infection. This potential has been preliminarily validated through our preclinical and Phase I clinical studies, demonstrating potent antibacterial activity against certain other important pathogens, including but not limited to *G. vaginalis* and *C. difficile*. With IND approvals received from the NMPA, we plan to advance the clinical development of rifasutenizol for the treatment of bacterial vaginosis and *C. difficile* infection. As of the Latest Practicable Date, there was no innovative antibacterial drug for BV or *C. difficile* infection approved for sale in China, and there was no innovative small molecule drug candidate in Phase II or later stages of clinical development in China.

Rifaquizinone (TNP-2092 injection), a NME antibacterial drug candidate for implant-associated bacterial infections

Rifaquizinone, a Core Product, is a triple-targeting antibacterial drug candidate for the treatment of implant-associated bacterial infections. It is the world's first NME drug candidate with the potential to be effective against biofilm infections at clinically achievable doses. As of the Latest Practicable Date, rifaquizinone injection had received IND approvals from the NMPA and FDA for the treatment of PJI and ABSSSI and had completed six clinical trials, including two Phase I clinical trials, three clinical pharmacology trials and one Phase II clinical trial, in China and the United States. We also plan to explore rifaquizinone for the treatment of infections in patients with LVAD.

Highlights of rifaquizinone injection include:

- ***The world's only drug candidate in late-stage clinical development to address the growing medical need of implant-associated bacterial infections:*** Driven by the advances in medical technology and the aging population, the use of implanted medical devices has become increasingly prevalent. However, infections associated with implanted medical devices pose a significant clinical challenge. Implant-associated bacterial infections are primarily driven by biofilm formation, where bacteria adhere to the surface of the implanted medical device and enter a dormant, low-metabolic state. In this state, they become highly tolerant to conventional antibiotics, which typically act by targeting actively dividing cells and disrupting cell wall synthesis. As a result, conventional antibiotics are largely ineffective against biofilm infections. Therefore, the current standard of care relies primarily on revision surgery—removal of the device, thorough debridement, and implantation of a new device. This entire treatment process is lengthy, complex, costly and highly burdensome to patients. In some cases, device removal may not be feasible due to the patient's reliance on the implanted device. As of the Latest Practicable Date, rifaquizinone was the world's only drug candidate in late-stage clinical development for implant-associated bacterial infections.

  For example, prosthetic joint implant is used in a joint replacement surgery to replace a damaged joint and treat conditions such as arthritis, joint pathologies, osteoarthritis and rheumatoid arthritis. According to Frost & Sullivan, the global incidence of PJI is projected to increase from 86.4 thousand in 2024 to reach 165.0 thousand in 2029 and further increase to 425.8 thousand in 2035. The incidence of PJI in China is estimated to increase from 22.5 thousand in 2024 to reach 44.5 thousand in 2029 and 86.5 thousand in 2035. As of the Latest Practicable Date, on a global scale, there was no innovative antibacterial drug for the treatment of PJI approved for sale, and rifaquizinone was the only small molecule drug candidate under clinical development for PJI.

LVAD, a mechanical circulatory support device implanted in patients with advanced heart failure, is another type of implanted medical device with significant risk of infections in addition to prosthetic joints. According to Frost & Sullivan, the three-year accumulative infection rate of LVAD infections is approximately 60%, and patients who develop infections have a one-year mortality rate 5.6 times higher than those without infections. As of the Latest Practicable Date, on a global scale, no innovative antibacterial drug had been approved for marketing for the treatment of LVAD infection or was under Phase II or later stages of clinical development.

- ***Unique synergistic triple-targeting mechanism of action with potent antibacterial activity against biofilm infections:*** Rifaquizinone is a stable drug conjugate consisting of two pharmacophores—rifamycin and quinolizinone (a bioisostere of the fluoroquinolone antibacterial class). Rifaquizinone exerts its antibacterial activity through a synergistic mechanism that simultaneously inhibits RNA polymerase, DNA gyrase, and topoisomerase IV, all associated with bacterial gene replication and expression. This multi-targeting approach is expected to enhance bactericidal efficacy against biofilms while also reducing the frequency of spontaneous resistance development. Our preclinical studies have demonstrated that rifaquizinone exhibits broad-spectrum bactericidal activity against a wide range of clinically important Gram-positive bacteria and selected Gram-negative bacteria. In particular, *Staphylococcus aureus (S. aureus)* and *Staphylococcus epidermidis (S. epidermidis)* are the primary pathogens responsible for ABSSSI, PJI and LVAD infections. Our preclinical and clinical studies further demonstrated that rifaquizinone maintained potent activity against drug-resistant strains, including MRSA and QRSA, while exhibiting an exceptionally low spontaneous mutation frequency ($<10^{-12}$). Compared with conventional rifampin and fluoroquinolone combination therapies, rifaquizinone demonstrates superior synergistic and bactericidal activity against biofilm infections. In multiple animal models of implant-associated infections, such as prosthetic joint infections, central venous catheter infections, and artificial heart valve infections, rifaquizinone has consistently shown more favorable therapeutic outcomes than currently available antibiotics.

- ***Clinically-validated efficacy and safety profile:*** Our clinical trials have also confirmed that rifaquizinone is safe and effective. In a vancomycin-controlled Phase II clinical trial conducted in the U.S. for the treatment of ABSSSI, rifaquizinone showed improved efficacy over vancomycin (one of the most commonly used antibiotics), with an early clinical response rate in the mITT population higher than that of the vancomycin group (76.9% vs. 67.5%). Notably, the advantage of rifaquizinone was more pronounced in drug-resistant populations (MRSA: 78.1% vs. 57.9%; QRSA: 75.9% vs. 55.6%). In addition, in this trial, rifaquizinone demonstrated encouraging safety and tolerability profile, with the incidence of TEAEs of rifaquizinone comparable to that of vancomycin. In a joint tissue distribution study of rifaquizinone in total hip/knee arthroplasty patients conducted in the U.S., the results showed that rifaquizinone was well tolerated in these patients and achieved high concentrations in synovial fluids and bone tissues. The concentrations of rifaquizinone achieved in joint tissues are expected to exceed the minimum biofilm bactericidal concentration for 90% ($MBBC_{90}$) of PJI clinical isolates, supporting its potential in the treatment of PJI.

- ***Novel intra-articular delivery with potential to redefine early PJI treatment paradigm:*** To fully leverage its therapeutic potential, we are developing both IV and IA administration of rifaquizinone. The goal is to establish a synergistic IV/IA treatment approach that enhances efficacy across different stages of infection. While IV administration is essential for managing systemic infections, IA administration enables targeted, local delivery directly to the infection site, particularly where biofilms persist on implanted devices. IA administration could potentially provide a better opportunity for cure without the need for surgery. If successful, it has the potential to revolutionize the current treatment paradigm for early or acute PJI.

- ***Broad indication expansion potential:*** In the U.S., approximately 25.6% of healthcare-associated infections are related to implanted medical devices, resulting in 1.7 million infections annually. We believe rifaquizinone has broad applicability and holds strong potential for bacterial infections associated with other implanted medical devices, such as central venous catheter and artificial heart valve. Specifically, we plan to explore rifaquizinone injection for CRBSI through post-launch trials. In addition, the prevention of implant-associated bacterial infections represents a substantial market opportunity largely untapped, as effective prophylactic therapies are currently limited and the consequences of infections are often devastating. We are well-positioned to further expand the application of rifaquizinone to prophylactic use in high-risk procedures, allowing us to maximize its clinical and commercial potential.

TNP-2092 oral, the world's first multi-targeting antibacterial drug candidate for the treatment of diseases associated with gut bacterial metabolism

In addition to its injectable formulation, we are developing TNP-2092 oral formulation (a Key Product) for the treatment of HE and IBS-D. Research has demonstrated strong links between the gut bacterial metabolism and the pathophysiology of many prevalent and serious diseases, including HE and IBS-D. HE is a serious neuropsychiatric complication that affects up to 28% of patients with cirrhosis. According to Frost & Sullivan, the prevalence of HE in China and globally in 2024 was 1.7 million and 9.3 million, respectively. IBS is the most prevalent disorder of gut-brain interaction, affecting 5% to 10% of the general population worldwide, and IBS-D is one of the primary subtypes of IBS. According to Frost & Sullivan, the incidence of IBS-D in China and globally in 2024 was 119.9 million and 489.7 million, respectively.

Despite their high prevalence, the treatment options for HE and IBS-D remain limited globally. Rifaximin, a gut-specific antibacterial drug, has become a widely prescribed treatment of HE and IBS-D due to its localized action in the gastrointestinal tract and minimal systemic absorption, which contributed to its favorable safety profile. Its global sales reached US$2.0 billion in 2024, reflecting its commercial success and clinical importance. However, rifaximin has relatively high frequency for spontaneous resistance development and has not yet been approved for sale in China for HE or IBS-D. Currently, drug development for HE is still focused on ammonia control with limited direct inhibition of pathogen-derived toxic metabolites, a key barrier to achieving rapid symptom relief. Therefore, there exist significant medical needs for safe and effective locally-acting treatments that directly target gut bacterial metabolism.

As of the Latest Practicable Date, we had completed four Phase I and Phase II clinical trials of TNP-2092 capsule in China.

Highlights of TNP-2092 oral include:

- ***Potentially superior efficacy, lower frequency of resistance development and better probiotic selectivity:*** Leveraging its unique multi-targeting mechanism of action, TNP-2092 targets three essential bacterial enzymes, namely, RNA polymerase, DNA gyrase and DNA topoisomerase IV. It is able to simultaneously disrupt bacterial gene replication and transcription processes, making it significantly more difficult to develop resistance through single-point mutations. As a result, TNP-2092 has demonstrated an exceptionally lower spontaneous resistance frequency in *S. aureus* compared to rifaximin ($<10^{-12}$ vs. approximately 10^{-8}). With a similar pharmacokinetic profile to rifaximin (i.e., gut-localized action and minimal systemic exposure), TNP-2092 exhibits a similar antibacterial spectrum to rifaximin but possesses superior activities against ammonia-producing gut bacteria and greater selectivity for probiotic strains.

- ***Excellent safety profile:*** TNP-2092 capsule has been evaluated in four Phase I and Phase II clinical trials, including studies in both healthy volunteers and liver cirrhosis patients with hyperammonemia. Across all studies, TNP-2092 oral was shown to be well tolerated, with no

significant safety concerns reported. These results are particularly important given the vulnerable nature of the target population, who often have impaired liver function and are at higher risk of adverse drug reactions.

As a gut-localized agent, TNP-2092 oral has achieved low systemic exposure. Clinical pharmacokinetic data show that the area under the concentration-time curve in cirrhotic patients ranges from only 0.61% to 3.22% of that observed with an equivalent intravenous dose. Given that the safety of the injectable formulation has already been clinically validated, the lower systemic exposure from the oral formulation translates into a significantly wider safety margin, making it an ideal candidate for long-term treatment of HE and other conditions associated with gut bacterial metabolism.

- ***Encouraging efficacy profile:*** Results from our Phase II clinical trial evaluating the safety, efficacy and pharmacokinetic profile of TNP-2092 capsule in patients with liver cirrhosis and hyperammonemia have demonstrated a dose-dependent efficacy in both the proportion of patients whose blood ammonia levels normalized (i.e., dropped below 47 μmol/L) and the absolute reduction in ammonia levels from baseline. Notably, the 600 mg dose group showed a statistically significant improvement compared to placebo in both normalization rates and ammonia reduction ($p < 0.05$). Furthermore, the effect of TNP-2092 capsule at this dose on lowering blood ammonia levels surpassed that observed for rifaximin based on a non-head-to-head comparison. These findings provide strong clinical evidence supporting the strong efficacy of TNP-2092 capsule in improving hyperammonemia, which is a key driver of the development of HE.

Robust and fully-integrated R&D capabilities empowered by our multi-targeting conjugate molecule technology, a dedicated team of high-caliber R&D professionals and a distinguished team of clinical development consultants and advisors

Our multi-targeting conjugate molecule technology platform is a fully-integrated R&D engine that spans the full spectrum of drug design, synthesis and evaluation, with a strategic focus on disease areas associated with bacterial infections and bacterial metabolism. The primary goal in developing this platform is to address the critical challenges in antibacterial drug development, namely, antimicrobial resistance and antimicrobial tolerance. With this platform, we carefully select potential targets, design and synthesize conjugate molecules, and iteratively fine-tune the molecular structure based on evaluation results. We have leveraged our multi-targeting conjugate molecule technology to develop a number of multi-targeting drug conjugates, including rifasutenizol and rifaquizinone which have been successfully advanced to late-stage clinical development. Highlights of our multi-targeting conjugate molecule technology include:

- ***Conjugate Molecule Design.*** Leveraging our deep understanding of essential bacterial drug targets and extensive knowledge in structure-activity relationships, with the support of computer-aided drug design, we identify appropriate targets and use clinically validated pharmacophores as building blocks to design conjugate molecules capable of acting through two or more distinct mechanisms simultaneously. This approach significantly reduces development risks related to safety and efficacy. Meanwhile, conjugation enhances target specificity, reducing off-target effects while preserving the intended multi-targeting mechanism of action.

- ***Evaluation of Conjugate Molecules.*** Our evaluation of conjugate molecules is centered on an assay system based on bacterial isogenic resistant mutant strains. Our evaluation of conjugate molecules plays a critical role in directing conjugate molecule design during the discovery stage, optimizing potency, target balance and synergy to select conjugate molecules with optimal multi-targeting engagement and strong therapeutic potential.

Our robust and fully-integrated R&D capabilities—combining our dedicated in-house team of R&D professionals in China with a distinguished team of clinical development consultants in the United States—enable efficient execution of new drug development both in China and the United States. As of the Latest Practicable Date, we had a dedicated in-house R&D team of 39 employees with an average of more than 10 years of industry experience and around 50% of our R&D team members held master's or above degrees. Many of our R&D team members have years of experience in driving drug discovery and development programs at leading MNCs and domestic biopharmaceutical companies. Our high-caliber team of R&D professionals come from a diverse range of backgrounds including but not limited to biology, chemistry, pharmacology and clinical medicine, with expertise and skillsets spanning early drug discovery, preclinical development and clinical development, CMC, quality control and regulatory affairs. We place a strong emphasis on academic qualifications, industry experience and complementary expertise when building our R&D team.

We are supported by a distinguished team of more than 20 clinical development consultants, comprising prominent scientists, clinicians and industry leaders, including Dr. Mark Goldberger, a former FDA official and clinical development expert; Dr. Mark Chang, a leading expert in biostatistics; and Dr. Saima Aslam, a leading infectious disease specialist with expertise in ventricular assist device infections. These experts provide valuable insights and guidance and have played key roles in formulating and executing our global clinical development strategy. In addition, we have established a scientific advisory board consisting of four world-leading scientists and clinicians, including Dr. Xiaodong WANG, who is a highly respected scientist, a member of the U.S. National Academy of Sciences and the Chinese Academy of Sciences, and head of China's National Institute of Biological Sciences; Dr. Steven McKnight, a member of the U.S. National Academy of Sciences, the U.S. Institute of Medicine and the American Academy of Arts and Sciences; Dr. Richard Losick, a member of the U.S. National Academy of Sciences, the American Association for the Advancement of Science and the American Academy of Arts and Sciences; and Dr. Kenneth Chang, an internationally recognized leader in gastroenterology. We regularly engage with our scientific advisory board, which advise us on scientific and strategic matters.

Our multi-targeting conjugate molecule technology and pipeline assets are protected by a well-structured global patent portfolio, which consisted of 14 issued patents and nine patent applications in China, five issued patents and eight patent applications in the United States, 23 issued patents and 63 patent applications in other jurisdictions, and five pending patent applications under PCT as of the Latest Practicable Date. In particular, we had 15 issued patents and 41 patent applications in connection with rifasutenizol (or TNP-2198), and four issued patents and 26 patent applications in connection with rifaquizinone (or TNP-2092).

Our global development strategy backed by rich clinical development experience both in China and the United States

We employ a medical need-driven approach to clinical development with the goal to develop drug candidates that have the potential to become the best therapeutic solutions for disease areas associated with bacterial infections and bacterial metabolism. As of the Latest Practicable Date, a total of 16 clinical trials had been conducted or were being conducted by us for our pipeline assets in China and the United States. Before initiating any clinical trials, we thoroughly assess the distinct medical needs of China and the United States and strategically design our development plans to align with the therapeutic priorities of each market. For example, we prioritized the clinical development of rifasutenizol for the treatment of *H. pylori* infection in China, aiming to address the more urgent challenge of antimicrobial resistance in China. For implant-associated bacterial infections, given the higher prevalence of medical device implants in the U.S., we determined to initiate early-stage clinical trials in the United States, followed by Phase III MRCTs in both the United States and China.

We have established trusted relationships and actively engage in in-depth communications with renowned experts in gastroenterology, hepatology, cardiology, orthopedics and infectious diseases across China and the United States. For most of our clinical trials, we have collaborated with reputable PIs in China and the United States, which we believe could facilitate the efficient conduct of our clinical trials to realize the clinical and commercial value of our drug candidates. We have also authored or co-authored

a number of research papers with our PIs, including 18 which were published in SCI-indexed journals with a total impact factor of 159 as of the Latest Practicable Date. For example, early-phase clinical data on rifasutenizol were published in The Lancet Infectious Diseases in 2024 as one of the Featured Articles, attracting global attention. In addition, results of our drug candidates have been presented, either as posters or oral reports, at leading international conferences. For example, we presented our multi-targeting drug conjugation technology as a solution to antimicrobial resistance at the 9th AMR Conference in February 2025. We also presented the results of our Phase III clinical trial of rifasutenizol at the largest international conference in the field of gastrointestinal diseases, Digestive Disease Week (DDW) conference, in the U.S. in May 2025, where the report has been selected as a Distinguished Plenary Presentation. In addition, we presented a series of research results of rifaquizinone at IDWeek 2024 (the joint annual meeting of the Infectious Diseases Society of America, the Society for Healthcare Epidemiology of America, the HIV Medicine Association, the Pediatric Infectious Diseases Society and the Society of Infectious Diseases Pharmacists held in October 2024).

We have built an effective communication channel with the regulators and established a proven track record in closely engaging with regulatory authorities in major markets, including the FDA and the NMPA. Rifasutenizol and rifaquizinone have received a number of designations from the FDA, including QIDP designation, Orphan Drug designation and Fast Track designation, which may enable them to benefit from expedited regulatory review and extended period of marketing exclusivity (seven years for Orphan Drug designation and five additional years for QIDP designation). We proactively communicate with regulatory authorities on clinical trial design and regulatory pathway and strive to advance the clinical development of our drug candidates in the most efficient manner. The development of rifasutenizol and rifaquizinone has received funding support under the Major Science and Technology Special Project for "Significant New Drugs Development" ("重大新藥創製"科技重大專項) and rifaquizinone injection won the "outstanding award" at the National Disruptive Technology Innovation Competition ("全國顛覆性技術創新大賽優勝獎") organized by the Ministry of Science and Technology of PRC.

Seasoned management team with international experience and vision, with strong support from prominent investors

We are led by a seasoned and visionary management team with extensive experience in R&D and corporate management. In particular, we are led by Dr. Ma, our founder, chairman of the Board and chief executive officer, who brings over 30 years of R&D and management experience. Before founding our Company, he served as an associated research fellow in the Volwiler Society of Abbot Laboratories and he also worked as the chief scientific officer of TB Alliance. Dr. Ma played a major role or took the lead in the discovery and development of a number of new drugs, such as cethromycin, pretomanid, rifasutenizol and rifaquizinone. Dr. Ma published more than 100 research articles in new drug development with over 6,000 citations and 44 h-index. He was the inventor or co-inventor of more than 80 patent applications. Our senior management team possesses an average of approximately 20 years of industry-related or professional management experience. We believe that the experience and expertise of our management team will continue to drive our future growth.

We have garnered support from a number of prominent investors who recognize our achievements and are confident in our growth potential, including Cumbre, AMR Action Fund, WuXi Fund, Northern Light Venture Capital, Oriza Holdings, Yanchuang Capital, Xiangshang Investment and GTJA. In particular, the AMR Action Fund was jointly initiated by the International Federation of Pharmaceutical Manufacturers & Associations (IFPMA) in collaboration with the WHO. Key investors include multi-national pharmaceutical companies such as Amgen, Bayer, Boehringer Ingelheim, Eisai, Eli Lilly, GlaxoSmithKline, Johnson & Johnson, and Pfizer. The fund is dedicated to investing in companies focused on addressing antimicrobial resistance and we are the only biotechnology company outside of Europe and the U.S. to receive investment from the AMR Action Fund. Together, our Shareholders provide us with professional insights and crucial connections to the biopharmaceutical industry in China and worldwide.

OUR STRATEGIES

Accelerate the clinical development, regulatory approval process and commercialization of our Core Products and Key Product

We plan to rapidly advance the clinical development, regulatory approval process and commercialization of our Core Products and Key Product. In particular:

Rifasutenizol (TNP-2198)

- ***Regulatory approval for H. pylori infection.*** We have completed a head-to-head Phase III clinical trial of RTT against BQT for *H. pylori* infection in China. We submitted an NDA to the NMPA in August 2025, with NDA approval expected in late 2026.

- ***Promotion and commercialization.*** We have entered into an exclusive commercial collaboration agreement with Grand Life Science for the commercialization of rifasutenizol in the Greater China (excluding Taiwan). After its market launch in China, we will conduct pharmacoeconomic and post-marketing studies to evaluate the real-world cost-effectiveness, safety and clinical outcomes of rifasutenizol and to explore its clinical potential in a broader patient population. In addition, we plan to engage in active negotiations with relevant authorities to facilitate the inclusion of rifasutenizol into the NRDL, which we believe will significantly enhance its market penetration. Leveraging its distinct advantages, we will also actively promote the inclusion of RTT as a first-line treatment in expert consensus and clinical guidelines.

- ***Regional expansion.*** We plan to rapidly advance the development of rifasutenizol in the United States and other overseas markets. In particular, we intend to initiate a bioavailability study to compare the absorption of rifasutenizol tablets with rifasutenizol capsules, followed by a Phase IIb clinical trial for *H. pylori* infection in the United States in the second half of 2026.

- ***Regimen optimization.*** We intend to pursue regimen optimization of rifasutenizol, aiming to achieve a shorter treatment duration and lower pill burden, which is expected to further improve patient compliance and treatment outcomes.

- ***Indication expansion.*** We plan to advance the clinical development of rifasutenizol for the treatment of bacterial vaginosis and *C. difficile* infection in China. In particular, we intend to initiate a Phase II clinical trial of rifasutenizol for bacterial vaginosis in China in 2027.

Rifaquizinone (TNP-2092 injection)

- ***Acute bacterial skin and skin structure infections (ABSSSI).*** We plan to initiate a Phase III MRCT for the treatment of ABSSSI first under a fast-to-market and differentiated clinical development strategy. Specifically, according to Frost & Sullivan, approximately 38% of ABSSSI cases are hospital acquired, while approximately 60% to 70% of nosocomial infections are associated with implanted medical devices. Considering the improved efficacy of rifaquizinone demonstrated in a vancomycin-controlled Phase II clinical trial conducted in the U.S. for the treatment of ABSSSI, along with its effectiveness against biofilm infections, we believe rifaquizinone is uniquely positioned to capture vast and untapped market opportunities. We have received approvals from both FDA and NMPA to proceed with a Phase III clinical trial for ABSSSI and we expect to commence a Phase III MRCT in the second half of 2026.

- ***Prosthetic joint infections (PJI).*** We are currently conducting a Phase Ib/IIa clinical trial evaluating the IA administration of rifaquizinone for PJI in China. We have received approvals from both FDA and NMPA to proceed with a Phase III clinical trial for the IV administration of rifaquizinone for PJI. We expect to complete the ongoing Phase II clinical trial in China in the second half of 2026 and commence a Phase III MRCT after completion of the Phase III MRCT for ABSSSI, which is anticipated in 2029.

- ***Left ventricular assist device (LVAD) infection.*** We plan to submit an IND application to NMPA and the Phase II study protocols to the FDA for indication expansion, both in the first half of 2026. We plan to initiate a Phase II clinical trial of rifaquizinone injection for the treatment of LVAD infection in the U.S. in the second half of 2026.

- ***Implant-associated indication expansion.*** We will seek appropriate opportunities to initiate clinical trials for additional indications, including the treatment of CRBSI and the prevention of implant-associated infections.

TNP-2092 oral

- ***Hepatic encephalopathy (HE).*** We have completed a Phase Ib/IIa clinical trial of TNP-2092 capsule in liver cirrhosis patients with hyperammonemia. We plan to submit an IND application to the FDA and initiate a Phase IIb MRCT in 2027.

- ***Irritable bowel syndrome with diarrhea (IBS-D).*** We will seek regional or global partnerships to explore collaborative development opportunities for this indication.

Leverage our multi-targeting conjugate molecule technology to rapidly advance the development of other novel drug candidates

We plan to continue to advance the preclinical and clinical development of our other drug candidates:

Bacterial Infections

- ***TNP-2092 topical.*** Drug-resistant bacterial strains (including MRSA and QRSA) and biofilm infections are major clinical challenges in the treatment of diabetic foot infections. The topical formulation of TNP-2092 has demonstrated strong *in vitro* and *in vivo* bactericidal activity against these resistant strains and biofilm-related infections. We have obtained an IND approval in China and expect to commence a Phase I/II clinical trial in 2027.

- ***TNBi-1.*** TNBi-1 is an internally-discovered novel chemical series of small molecules with a novel mechanism of action. TNBi-1 has a narrow spectrum specifically for *H. pylori* infection. The mechanism of action of the series has been elucidated. TNBi-1 is currently in the lead optimization stage, for which we expect to submit an IND application in the second half of 2026.

- ***TNBi-2.*** TNBi-2 is a multi-targeting drug conjugate series discovered utilizing our multi-targeting conjugate molecule technology. Designed to address the medical needs in NTM-PD, TNBi-2 has the potential to combat antimicrobial resistance and simplify the dosing regimen by reducing pill burden. TNBi-2 is currently in the lead optimization stage, for which we expect to submit an IND application in 2027.

Bacterial Metabolism

- ***TNBm-1.*** TNBm-1 is a novel series of dual-functional molecules that simultaneously target a key gut bacterial metabolic pathway and modulate a host nuclear receptor, offering promising therapeutic potential for the treatment of metabolic diseases. TNBm-1 is currently in the lead identification stage, for which we expect to submit an IND application in 2028.

We will continue to leverage our multi-targeting conjugate molecule technology to identify and develop new drug candidates that have the potential to become the best therapeutic solutions to address significant medical needs.

Actively pursue opportunities to bring in complementary or synergistic assets to expand our product pipeline

We will closely monitor and keep abreast of the evolving medical needs and actively engage in communications with leading global pharmaceutical companies and emerging biotechnology companies with a therapeutic focus on disease areas associated with bacterial infections and bacterial metabolism. We will explore opportunities to access promising drug candidates and evaluate assets with potential for in-licensing or co-development arrangements for commercialization in China. We aim to further expand our pipeline by introducing innovative drug candidates that are complementary or synergistic to our drug portfolio.

Further strengthen our manufacturing and quality control capabilities

We operate a comprehensive quality control system and have obtained the Class B Pharmaceutical Manufacturing License (《藥品生產許可證》(B證)) for our rifasutenizol. This system is established and refined in accordance with the GMP requirements in China. We strive to continue upgrading our quality control practices and invest in process optimizations to ensure product quality, regulatory compliance and cost efficiency.

We plan to establish our in-house manufacturing capability by building a manufacturing facility in accordance with GMP standards. Such manufacturing facility is designed for various oral dosage forms, such as tablets and capsules. Upon commencement of its operations in 2028, we plan to leverage a combination of outsourced manufacturing by qualified CDMO/CMOs and in-house manufacturing to optimize production flexibility and efficiency while effectively controlling costs.

Explore business collaboration opportunities to maximize the global value of our pipeline assets

We intend to actively explore business collaboration opportunities and continue to expand our global footprint. We will pursue a flexible strategy and pursue license-out, co-development and co-commercialization opportunities with leading global and regional pharmaceutical companies. We believe that these types of collaborations will bring substantial synergy to the advancement and commercialization of our pipeline assets and maximize the commercial value of our pipeline on a global scale.

CORE PRODUCT: RIFASUTENIZOL—WORLD'S FIRST NME DRUG CANDIDATE FOR *H. PYLORI* INFECTION SINCE THE DISCOVERY OF THIS PATHOGEN

Overview

Rifasutenizol is a novel drug candidate with a synergistic multi-targeting mechanism of action against anaerobic and microaerophilic bacteria, including *H. pylori, G. vaginalis* and *C. difficile*. It is expected to be the first NME drug targeting *H. pylori* infection approved for marketing globally in over 40 years since the discovery of this important pathogen, and the first multi-targeting antibiotic to achieve marketing approval on a global scale. Recognizing its potential to treat *H. pylori* infection—which can lead to serious and life-threatening conditions—the FDA has designated rifasutenizol as a QIDP.

Rifasutenizol is a stable drug conjugate consisting of a rifamycin pharmacophore and a nitroimidazole pharmacophore. It possesses a synergistic dual mechanism of action against microaerophilic and anaerobic bacteria by inhibiting RNA polymerase through the rifamycin pharmacophore and producing highly reactive species through nitroreductase activation through the nitroimidazole pharmacophore. Additionally, the nitroimidazole moiety contributes to the inhibition of RNA polymerase by forming a hydrogen bond with the DNA template. Leveraging this synergistic multi-targeting mechanism of action, rifasutenizol has the potential to overcome antimicrobial resistance, a critical and growing clinical challenge, and become a first-line treatment for *H. pylori* infection. Among populations at high risk for gastric cancer, a screen-and-treat strategy targeting *H. pylori* is considered the most cost-effective approach to prevent gastric cancer. Rifasutenizol is intended for use in combination with amoxicillin and a proton pump inhibitor for the eradication of *H. pylori*. Rifasutenizol and amoxicillin are antibiotics that act to eliminate the bacteria, while a proton pump inhibitor reduces gastric

acid secretion, creating a favorable environment for antibiotics to exert their effects, thereby improving the eradication success rate. For details regarding amoxicillin and proton pump inhibitor, see "Industry Overview — Antibacterial Agents — Major Indications — *H. pylori* Infection — Treatment Paradigm." Rifasutenizol triple therapy, or RTT, does not require antibiotic susceptibility testing and can be seamlessly integrated with UBT to advance the screen-and-treat strategy for *H. pylori* eradication and gastric cancer prevention, thereby unlocking significant market opportunities.

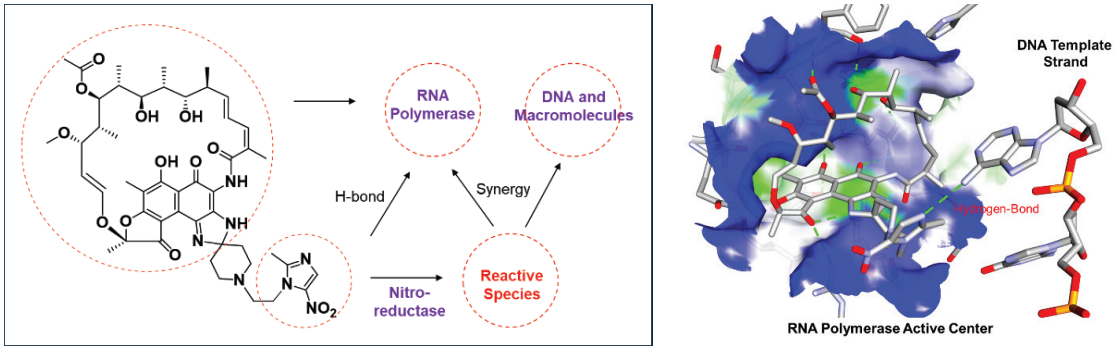
As of the Latest Practicable Date, we had completed seven clinical trials for rifasutenizol in China, including two Phase I clinical trials, two clinical pharmacology trials, two Phase II clinical trials and one Phase III clinical trial. Early-phase clinical data on rifasutenizol were published in The Lancet Infectious Diseases in 2024 as one of the Featured Articles, attracting global attention. The Phase III trial results have been also accepted for publication by The Lancet Infectious Diseases recently. In addition, we presented our latest findings at the 2025 Digestive Disease Week ("DDW") conference, which is the largest international conference in the field of gastrointestinal diseases in the U.S. The report has been selected as a Distinguished Plenary Presentation.

Mechanism of Action

H. pylori is a Gram-negative, microaerophilic, spiral-shaped bacterium commonly found in the stomach. Its helical shape allows it to penetrate the protective mucus lining of the gastric wall, enabling colonization and infection and making it hard-to-eradicate. *H. pylori* infection can lead to mild chronic gastritis and, in more severe cases, cause gastric or duodenal ulcers. It has also been linked to several types of lymphomas, including Mucosa-Associated Lymphoid Tissue ("**MALT**") lymphoma of the stomach. Notably, approximately 80% of gastric cancers are associated with *H. pylori*, which has been classified as a Group I carcinogen by the World Health Organization.

Rifasutenizol is a novel, non-cleavable drug conjugate by permanently linking the core structures of the rifamycin and the nitroimidazole antibiotic classes together into a single molecule, enabling simultaneous targeting of bacterial RNA polymerase and nitroreductase-mediated DNA damage. Rifasutenizol inhibits bacterial RNA polymerase by binding to a site near the action center where the RNA is synthesized and forming a hydrogen bond with the DNA template. In *H. pylori* and anaerobic bacteria, rifasutenizol also undergoes reductive activation by a nitroreductase and engages in covalent crosslinking with DNA and other macromolecules. Rifasutenizol remains active against *H. pylori* strains harboring resistance to rifamycin, nitroimidazole, or even concurrent resistance to both classes of antibiotics. It is more potent than the combination of rifampin and metronidazole, demonstrating strong synergy against microaerophilic and anaerobic bacterial infections. Rifasutenizol is highly active against *H. pylori* clinical isolates, including those resistant to current guideline recommended antibiotics, and exhibits an extremely low frequency of resistance development. It is expected to have a low propensity for resistance development during clinical use.

Synergistic Dual Mechanism of Action of Rifasutenizol and Its Interaction with RNA Polymerase



Source: Company data

Market Opportunities and Competition

Rifasutenizol, which exerts its antibacterial effects through a novel, synergistic dual mechanism of action, holds promise for the treatment of various anaerobic and microaerophilic bacterial infections, such as *H. pylori* infection, bacterial vaginosis, and *C. difficile* infection.

As an innovative drug with a synergistic dual mechanism of action targeting RNA polymerase and nitro-reductase, rifasutenizol demonstrates advantages over the five single-target antibiotics commonly recommended in BQT regimens under various clinical guidelines, namely clarithromycin (ribosome), metronidazole (nitro-reductase activation), levofloxacin (DNA gyrase), amoxicillin (penicillin-binding protein), and tetracycline (ribosome). Data from clinical isolates have verified that rifasutenizol is able to overcome resistance to these antibiotics and exhibits a low propensity for the development of resistance. As a result, the RTT may be used in patients irrespective of their resistance profiles to currently available antibiotics. This represents a significant advantage over BQT regimens, which often result in lower eradication rates, inappropriate antibiotic use, and further development of antibiotic resistance when antibiotic susceptibility testing, which is costly, time-consuming, and often impractical, is not performed. Accordingly, RTT has the potential to serve as an alternative to, and potentially replace, existing BQT regimens.

***H. pylori* Infection**

H. pylori poses a significant threat to human health and is a major cause of gastritis, peptic ulcers, and gastric cancer. According to Frost & Sullivan, globally, the prevalence of *H. pylori* infection stably increased from 3.91 billion in 2019 to 4.08 billion in 2024 and is projected to reach 4.28 billion in 2030 and 4.44 billion in 2035. The infection rate of *H. pylori* in China is approximately 44%, due largely to lifestyle and environmental factors. However, the prevalence of *H. pylori* infection is expected to decline from 623.3 million in 2019 to 621.1 million in 2024, and further to 607.2 million in 2030 and 594.0 million in 2035. This overall high infection rate leads to an estimated 340,000 new gastric cancer cases annually, accounting for 42% of all *H. pylori*-attributable gastric cancer cases globally.

The antimicrobials commonly used for *H. pylori* infection are not specific to *H. pylori* but are also extensively prescribed for other infections, such as pharyngitis, pneumonia, and urinary tract infections. Consequently, current *H. pylori* management necessitates personalized therapy based on gastroscopic biopsy and antimicrobial susceptibility testing. This approach not only complicates the treatment process but also elevates bleeding risks and imposes significant financial burdens on patients.

Amoxicillin is currently the only widely available antibiotic with relatively low resistance and is thus considered a cornerstone of combination therapy for *H. pylori* treatment, but its widespread use in recent years has led to an emerging trend of resistance, posing a serious threat to *H. pylori* treatment in China. If amoxicillin resistance continues to rise, there may soon be no effective antibiotics remaining for *H. pylori* eradication in the country.

The solution to antimicrobial resistance lies in developing new drugs with novel mechanisms of action. Rifasutenizol is the world's first NME drug candidate under development for *H. pylori* infection since the discovery of this pathogen. It offers the potential to overcome the challenge of cross-resistance commonly observed with existing antibiotics—a phenomenon that arises when two drugs share the same mechanism of action, resulting in resistance to both once bacteria become resistant to one. By employing a distinct and targeted mechanism, rifasutenizol is designed to circumvent this issue effectively.

As of the Latest Practicable Date, no innovative antibacterial drug had been approved for *H. pylori* infection. Rifasutenizol stands out as the only NME drug candidate under development for *H. pylori* infection on a global scale.

For the market opportunities and competitions of BV and *C. difficile* Infection, see "Industry Overview—Antibacterial Agents—Major Indications—Other Infectious Diseases."

Competitive Advantages

First NME with a Novel Mechanism of Action for H. pylori Infection

Rifasutenizol was the world's first and only NME developed specifically to target *H. pylori* infection since the discovery of this important pathogen, as of the Latest Practicable Date. By leveraging a novel synergistic dual mechanism of action, rifasutenizol holds the potential to overcome existing resistance while significantly minimizing the risk of emerging resistance, thereby extending its therapeutic lifespan. Upon approval, it could provide a novel treatment option to address the growing challenge of antimicrobial resistance in *H. pylori* and other anaerobic bacterial infections, benefiting patients worldwide. Rifasutenizol is projected to be the only new NME drug introduced to this expanding market for many years to come.

As of the Latest Practicable Date, based on data from approximately 1,000 *H. pylori* clinical isolates collected from infected patients in China and the U.S., no rifasutenizol-resistant *H. pylori* strains have been identified in our *in vitro* studies. The spontaneous mutation frequencies were $<5\times10^{-9}$, $<8\times10^{-10}$, and $<2\times10^{-9}$, and the mutation prevention concentrations were $\leq$0.5 μg/mL, 1 μg/mL, and $\leq$0.5 μg/mL for *H. pylori*, *C. difficile*, and *G. vaginalis*, respectively. Further studies indicated a spontaneous resistance frequency of $<10^{-11}$ for *H. pylori*, which is at least three orders of magnitude lower than the documented frequencies for current guideline-recommended antibiotics such as clarithromycin, levofloxacin, and metronidazole (approximately 10^{-8}).

The ability of rifasutenizol to address antimicrobial resistance in *H. pylori* was validated in Phase III clinical trials. RTT demonstrated excellent efficacy in treatment-naïve patients, including those infected with antibiotic-resistant *H. pylori*. In populations with multidrug resistance, RTT showed superiority over BQT. RTT offers a promising first-line option that can be seamlessly integrated with UBT, helping to avoid the empirical use of antibiotics to which resistance has already developed.

Excellent Efficacy with Potential as a First-Line Therapy

In our Phase III clinical trial conducted at 40 sites in China, the eradication rates of RTT in treatment-naïve patients reached 92.0% and 93.7% in the mITT and PP analyses, respectively, and were non-inferior to those of BQT. The eradication rate of RTT exceeded the internationally recommended 90% threshold for empirical treatment. All *H. pylori* clinical isolates from this study were susceptible to rifasutenizol. RTT consistently achieved higher eradication rates than BQT across various antibiotic-resistant and susceptible subgroup analyses, particularly in the multidrug-resistant population.

The widespread use of empirical therapies for *H. pylori* infection, despite increasing antimicrobial resistance, has led to declining cure rates. Susceptibility-directed therapy has been recommended to ensure that antibiotic selection is limited to those for which the infection is susceptible. However, traditional culture-based susceptibility testing requires endoscopically acquired gastric biopsies, stringent sample handling, and results that often take several weeks to obtain. While molecular techniques such as PCR or next-generation sequencing can be performed on fecal samples, they are applicable to only a limited range of antibiotics and require further clinical validation. Antimicrobial stewardship can be better supported by RTT—a novel regimen composed of two complementary antimicrobial agents—which does not require susceptibility testing and can be seamlessly integrated with UBT.

Amoxicillin is considered an "antibiotic of last resort" for *H. pylori* infection. However, its widespread use has contributed to the emergence of resistance against this critical antibiotic. Rifasutenizol exhibits potent activity against *H. pylori* with an extremely low frequency of spontaneous resistance development ($<10^{-11}$). RTT, which combines rifasutenizol and amoxicillin, is expected to have a low propensity for resistance development and a long clinical lifespan. In this regimen, rifasutenizol may help prevent the further development of resistance to amoxicillin, thereby preserving the effectiveness of this important antibiotic. RTT possesses the key characteristics of a potential standard first-line therapy for *H. pylori* infection.

Encouraging Safety and Tolerability Profile

According to our preclinical studies in rats, dogs, and rabbits, rifasutenizol exhibits the same target organ toxicity profile as rifabutin—a proven drug with mechanistic and structural similarities—but offers approximately a three-fold wider safety margin. Specifically, a single dose of 225 mg/kg or 300 mg/kg rifasutenizol showed no signs of toxicity in the central nervous, cardiovascular, or respiratory systems. The MTD for a single administration exceeded 1,000 mg/kg. In 28-day repeated-dose toxicology studies, the NOAEL was 75 mg/kg/day in rats and 225 mg/kg/day in dogs. Rifasutenizol demonstrated no potential for genotoxicity, reproductive toxicity, or fetal developmental toxicity.

Between May 2019 and September 2022, four Phase I and Phase II clinical trials were conducted in China, enrolling a total of 78 healthy volunteers and 168 *H. pylori*-infected patients. Rifasutenizol was administered either as monotherapy or in combination with rabeprazole and/or amoxicillin, at single doses ranging from 50 to 1,000 mg and multiple doses from 200 to 600 mg (administered twice daily). Across these studies, rifasutenizol demonstrated a favorable safety and tolerability profile. Most AEs were mild, and no SAEs were reported.

According to results from a drug-drug interaction clinical trial, co-administration of rifasutenizol with the CYP3A-sensitive substrate midazolam led to increased systemic exposure to midazolam. However, this combination did not pose any additional safety risks to participants. Similarly, when rifasutenizol was administered with clarithromycin, a strong CYP3A inhibitor, systemic exposure to rifasutenizol increased, yet no heightened safety concerns were observed. These findings suggest that rifasutenizol has a wide therapeutic window, supporting its safe use in clinical settings even when co-administered with drugs that affect CYP3A enzyme activity.

Furthermore, results from our Phase III clinical trial showed that the incidence of clinically relevant TEAEs in the RTT group was 37.3%, compared to 53.2% in the BQT group. The majority of TEAEs were mild to moderate in severity. No SAEs related to the study drug were reported, and the incidences of TEAEs of Grade 3 or higher were lower in the RTT group. These findings indicate that RTT has a favorable safety and tolerability profile compared to the BQT.

Convenient Dosing Regimen with Potential to Improve Adherence

Treatment adherence remains a significant challenge with the BQT, primarily due to its complex dosing regimen and poor tolerability. The current Chinese clinical guideline recommends five different BQT regimens as first-line treatments for *H. pylori* infections. The complex dosing schedules—some antibiotics requiring three or four doses per day while others are taken twice daily—pose considerable adherence challenges for patients. Combined with a higher incidence of TEAEs and unpredictable antibiotic resistance in empirical use, the current first-line regimens are difficult to implement effectively.

RTT offers potentially better patient compliance due to its favorable safety profile and convenient administration, in contrast to the more complex and less standardized BQT. BQT often requires individualized combinations of multiple antibiotics, resulting in a higher pill burden, increased risk of adverse events, and reduced patient adherence. By simplifying the treatment regimen and minimizing side effects, rifasutenizol is expected to not only enhance compliance but also play a critical role in reducing the risk of incomplete or inconsistent antibiotic use—a major contributor to the development of drug resistance. Improved adherence, in turn, helps preserve the drug's efficacy over time and supports its long-term clinical value in the treatment of *H. pylori* infection.

Significant Market Potential

According to a study on the global prevalence of *H. pylori* infection, the global prevalence rates over the past three decades were 48.9% in adults and 30.0% in children and adolescents. From 2010 to 2022, the adult prevalence of *H. pylori* infection was 42.5% in the Americas, 52.7% in Africa, 52.6% in the Eastern Mediterranean, 39.6% in Europe, 46.7% in Southeast Asia, and 43.2% in the Western Pacific.

In China, *H. pylori* infection remains a significant public health issue, with an estimated infection rate of approximately 44% across the population. This high prevalence translates into a substantial market opportunity, with the total market size for *H. pylori*-related diagnostics and treatments exceeding RMB10 billion in 2024. The large patient population, combined with growing awareness of the health risks associated with chronic *H. pylori* infection—such as gastritis, peptic ulcers, and gastric cancer—continues to drive demand for effective eradication therapies.

Compared to regulated markets such as the U.S., EU, and Japan, where *H. pylori* infection rates are relatively low due to long-standing public health initiatives, China represents a significantly under-addressed and high-burden market. Moreover, in contrast to other unregulated or semi-regulated markets—such as the Middle East, Central and Eastern Europe, Latin America, South Korea, and Southeast Asia—China's healthcare system is undergoing rapid reform and standardization, further supporting the adoption of new, more effective treatment regimens. This combination of high disease burden, large market potential, and improving healthcare infrastructure positions China as a strategically important market for *H. pylori*-targeted therapies.

Potential to Become a First-line Treatment

Rifasutenizol has the potential to become a first-line treatment for *H. pylori* infection, enabling seamless integration with diagnostic procedures. Its use does not require prior drug susceptibility testing, thereby supporting a streamlined, fully integrated diagnosis-and-treatment approach. This pathway could significantly enhance clinical efficiency and improve patient outcomes by facilitating timely and effective therapy.

Limited Competition in the Near Future

Rifasutenizol is the world's first NME developed specifically to target *H. pylori* since the discovery of this important pathogen. Following the completion of a Phase III clinical trial comparing it to the current first-line BQT, we are preparing to submit a NDA, positioning rifasutenizol to become the first novel antibiotic approved for *H. pylori* infection.

According to Frost & Sullivan, the majority of advanced drug candidates in development for *H. pylori* infection are acid suppressants. Since rifasutenizol is intended to be used as part of a triple therapy alongside these agents, they are expected to complement rather than compete with rifasutenizol, creating opportunities for novel combination regimens.

As of the Latest Practicable Date, no innovative antibiotics had been approved for *H. pylori* infection globally. Rifasutenizol remains the only innovative antibacterial drug for the treatment of *H. pylori* infection under development on a global scale.

Catalyst for Market Transformation

With the advancement of integrated diagnosis and treatment, the market is expected to expand significantly. Diagnosis and treatment rates for *H. pylori* infection are steadily increasing, and many routine physical examination programs now include *H. pylori* screening. However, despite widespread screening, the vast majority of infected individuals remain untreated. This is largely due to the complexity and poor tolerability of current treatment regimens, which often lead to poor patient compliance. The emergence of new drugs with novel mechanisms of action, such as rifasutenizol, is expected to address these challenges and enable seamless integration of diagnosis and treatment. This transition to an integrated test-and-treat paradigm for *H. pylori* infection has the potential to unlock substantial market opportunities.

Furthermore, the *H. pylori* treatment market has seen limited innovation for many years. However, the successful development of a pharmaceutical market is typically driven by the introduction of new products. While several new acid-suppressing drugs—such as P-CABs—have been launched in recent

years, offering a modest boost to the market, there remains a significant gap in effective new antibacterial agents. In this context, rifasutenizol, as potentially the first approved innovative antibacterial drug targeting *H. pylori* in decades, is well-positioned to become a major new growth driver in the antibacterial drug market.

We have entered into an exclusive commercial collaboration agreement with Grand Life Science for the commercialization of rifasutenizol in the Greater China (excluding Taiwan). For details regarding the terms of the agreement, see "— Commercialization — Collaboration with Grand Life Science for rifasutenizol (TNP-2198)." With its strong marketing capabilities and extensive commercialization experience in gastrointestinal health management, Grand Life Science is expected to accelerate the market launch of rifasutenizol, expanding patient access and benefiting a broader population affected by *H. pylori* infection.

Potential for Indication Expansion

Rifasutenizol holds promise for broader antibacterial applications beyond *H. pylori* due to its novel synergistic dual mechanism of action. This potential has been validated preclinically through our in vitro studies. Specifically, rifasutenizol maintained potent activity against several important bacterial species, including but not limited to *G. vaginalis* and *C. difficile*. Rifasutenizol also demonstrated strong activity against mutated strains resistant to one or both of its parent drugs, further validating its dual mechanism of action. This capability underscores rifasutenizol's potential as a novel treatment option for infections caused by difficult-to-treat or drug-resistant anaerobic and microaerophilic pathogens. We have received an IND from the NMPA for the treatment of bacterial vaginosis and *C. difficile* infections.

Summary of Clinical Trials

As of the Latest Practicable Date, we have completed seven clinical trials of rifasutenizol. Information about these trials is summarized in the table below:

Study	Primary and secondary endpoints	Patient criteria	Number of enrolled patients	Competent Authority	Trial Status	Significance[(1)]
Phase III clinical trial of rifasutenizol in patients with *H. pylori* infection	The primary endpoint of this study was to compare the eradication rate of *H.pylori* infection between RTT and the BQT. Secondary objectives included to evaluate the safety and the efficacy of RTT, and to assess the pharmacokinetic profile of RTT. Primary and secondary endpoints were met.	Treatment-naïve patients with *H. pylori* infection confirmed by a positive ^{13}C-UBT and histological examination	700	**NMPA**	**Initiated: 2023- 05** **LPLV: 2024-03** **Completed: 2025-02**	**To submit NDA based on data from this trial as well as data collected from other previously completed clinical trials**
Phase I SAD clinical trial of rifasutenizol in healthy participants	The primary endpoint of the study was safety and tolerability. Secondary endpoints included PK parameters and preliminary metabolic profiling of the drug. Primary and secondary endpoints were met.	Healthy Chinese participants	78	NMPA	Initiated: 2019-05 LPLV: 2019-09 Completed: 2021-01	Supported progression to Phase I MAD and later clinical stage
Phase I MAD clinical trial of rifasutenizol in *H. pylori*-infected participants	The primary endpoint of the study was safety and tolerability. Secondary endpoints included PK parameters and preliminary metabolic profiling of the drug. Primary and secondary endpoints were met.	Chinese participants with *H. pylori* infection	48	NMPA	Initiated: 2020-10 LPLV: 2021-07 Completed: 2022-01	Supported progression to Phase IIa dose-finding and later clinical stage
Phase IIa clinical trial of rifasutenizol in *H. pylori*-infected patients	The primary efficacy endpoint of this study was to evaluate the eradication rate of *H. pylori* infection, defined as a negative ^{14}C-UBT result assessed 4 weeks after treatment. There were no secondary endpoints. Primary endpoint was met.	Chinese participants with *H. pylori* infection	40	NMPA	Initiated: 2021-09 LPLV: 2022-01 Completed: 2022-06	Supported progression to Phase IIb combination regimen optimization study and later clinical stage
Phase IIb clinical trial of rifasutenizol in *H. pylori*-infected patients	The primary efficacy endpoint of this study was to evaluate the eradication rate of *H. pylori* infection, defined as a negative UBT result assessed 4 weeks after treatment. There were no secondary endpoints. Primary endpoint was met.	Chinese adults with *H. pylori* infection	80	NMPA	Initiated: 2022-06 LPLV: 2022-09 Completed: 2023-06	Supported advancement to the registrational Phase III trial
hAME clinical trial of rifasutenizol in healthy male participants	The primary objectives of this trial were to characterize the absorption, distribution, metabolism, and excretion of a single oral dose of ^{14}C-labeled rifasutenizol. There were no secondary endpoints. Primary endpoint was met.	Healthy Chinese adult male participants	6	NMPA	Initiated: 2022-07 LPLV: 2022-09 Completed: 2023-02	A clinical pharmacology study required by the NMPA to be conducted prior to NDA submission that supports the NDA filing
Drug-drug interaction trial in healthy participants	The primary endpoint of this study were PK parameters of rifasutenizol and midazolam. There were no secondary endpoints. Primary endpoint was met.	Healthy Chinese adult participants	32	NMPA	Initiated: 2024-08 LPLV: 2024-10 Completed: 2025-02	A clinical pharmacology study required by the NMPA to be conducted prior to NDA submission that supports the NDA filing

Abbreviations: NMPA = National Medical Products Administration of PRC; LPLV = last patient's last visit ; NDA = new drug application; SAD = single ascending dose; MAD = multiple ascending dose.

Note:

(1) Clinical pharmacology studies are conventional clinical trials designed to evaluate and characterize a drug's absorption, distribution, metabolism, and excretion ("**ADME**") properties, its pharmacodynamics, including both therapeutic and adverse effects, and the influence of intrinsic factors (such as age, sex, weight, race/ethnicity, genetics, and organ dysfunction) and extrinsic factors (such as food effects and drug-drug interactions). These studies are an essential component of new drug development and are typically ultimately needed to be completed before NDA approval.

Clinical pharmacology studies generally include pharmacokinetic studies (including bioavailability studies and PK bridging studies), food effect studies, C-14 labeled human ADME studies, special population studies, pharmacokinetic bridging studies across race or ethnicity, QT prolongation and cardiovascular safety studies, drug–drug interaction studies, and hepatic or renal impairment studies.

The specific pharmacology studies required for a new drug approval depend on multiple factors, including the indication, preclinical data, target patient population, and regions of development.

Clinical pharmacology studies may be conducted in parallel with Phase I, II, or III trials, though many are performed later in clinical development, prior to NDA submission.

Source: Company data

Below is the detailed information of clinical trials of rifasutenizol:

Registrational Phase III Clinical Trial of Rifasutenizol in Patients with H. pylori Infection

Trial Design. This was a randomized, double-blind, controlled Phase III clinical trial to evaluate the efficacy and safety of rifasutenizol in combination with amoxicillin and rabeprazole for the treatment of *H. pylori* infection in treatment-naïve patients. The study was independently conducted by us in China. A total of 700 treatment-naïve patients with *H. pylori* infection confirmed by a positive ^{13}C-UBT and histological examination were randomly assigned in a 1:1 ratio to receive RTT (rifasutenizol 400 mg, amoxicillin 1g and rabeprazole 20 mg) or BQT (bismuth potassium citrate 240 mg, clarithromycin 500 mg, amoxicillin 1 g and rabeprazole 20 mg) treatment, twice a day for 14 days.

In this clinical trial, *H. pylori* was successfully cultured in 87% patients. Resistance rates to clarithromycin, metronidazole, levofloxacin and amoxicillin among *H. pylori* clinical isolates from this study were 40.8%, 68.2%, 35.1% and 8.1% respectively, which are generally comparable to data reported recently by other studies.

Results of this clinical trial was analyzed according to the following population groups:

- ITT Population: Refers to all randomized participants.
- mITT Population: Refers to participants in the ITT population who received at least one dose of any study drug.
- Micro-ITT Population: Refers to participants in the mITT population who had a positive *H. pylori* culture and available antimicrobial susceptibility test results prior to receiving investigational drug.
- Micro-ITTc Population: Refers to participants in the mITT population who had a positive *H. pylori* culture prior to receiving investigational drug.
- PP Population: Refers to participants without major protocol deviations that could affect efficacy analysis, who were randomized, received at least 75% (inclusive) of the planned total dose of each investigational drug, and completed a ^{13}C-UBT test 4 to 6 weeks after the last dose of investigational drug.

The primary endpoint of this study was to evaluate whether the eradication rate of *H. pylori* infection with the initial treatment of rifasutenizol in combination with rabeprazole and amoxicillin is non-inferior to that of the BQT. Secondary objectives included: (1) to evaluate the efficacy of rifasutenizol in combination with rabeprazole and amoxicillin for the initial treatment of *H. pylori* infection based on *H. pylori* culture and antimicrobial susceptibility testing results; (2) to evaluate the safety of rifasutenizol in combination with rabeprazole and amoxicillin for the initial treatment of *H. pylori* infection; and (3) to assess the pharmacokinetic profile of rifasutenizol when administered in combination with rabeprazole and amoxicillin.

Trial Status. The trial was initiated in May 2023 based on the regulatory clearance from the NMPA in April 2022 for conducting a Phase III clinical trial of rifasutenizol capsule in combination with amoxicillin and a proton pump inhibitor or other acid suppressant for the treatment of *H. pylori* infection. The last patient's last visit was completed in March 2024, and the trial was completed in February 2025.

Efficacy Profile. RTT achieved an eradication rate of over 90% in the mITT population, which was higher than that of the BQT control (92.0% vs. 87.9%; difference: 4.1%; non-inferiority test p<0.0001; superiority test p=0.034). In the PP population, the rifasutenizol regimen also demonstrated a higher eradication rate compared to BQT (93.7% vs. 90.3%; difference: 3.4%; non-inferiority test p<0.0001; superiority test p=0.056).

In subgroup analyses based on resistance to clarithromycin, amoxicillin, metronidazole, or levofloxacin, as well as sensitivity to clarithromycin, amoxicillin, or metronidazole, the RTT consistently showed higher eradication rates than the BQT and achieved non-inferiority, except in subgroups with insufficient sample sizes. In the subgroup analysis of patients with antibiotic resistance (resistant to at least one guideline-recommended antibiotic), the RTT demonstrated a higher eradication rate than the BQT and achieved non-inferiority. In the subgroup analysis of the multidrug-resistant population (resistant to at least two guideline-recommended antibiotics), the RTT showed a higher eradication rate and achieved superiority over the BQT group.

Summary of Baseline Antimicrobial Susceptibility Testing Results in Micro-ITT Population

Antibiotic (Breakpoint)	RTT (N=286) n (%)	BQT (N=293) n (%)	Total (N=579) n (%)
Amoxicillin (> 0.125 μg/mL)	20 (7.0%)	27 (9.2%)	47 (8.1%)
Clarithromycin (≥ 1 μg/mL)	107 (37.4%)	129 (44.0%)	236 (40.8%)
Metronidazole (> 8 μg/mL)	186 (65.0%)	209 (71.3%)	395 (68.2%)
Levofloxacin (> 1 μg/mL)	101 (35.3%)	102 (34.8%)	203 (35.1%)
Drug resistance	**243 (85.0%)**	**250 (85.3%)**	**493 (85.1%)**
Multidrug resistance	**119 (41.6%)**	**149 (50.9%)**	**268 (46.3%)**

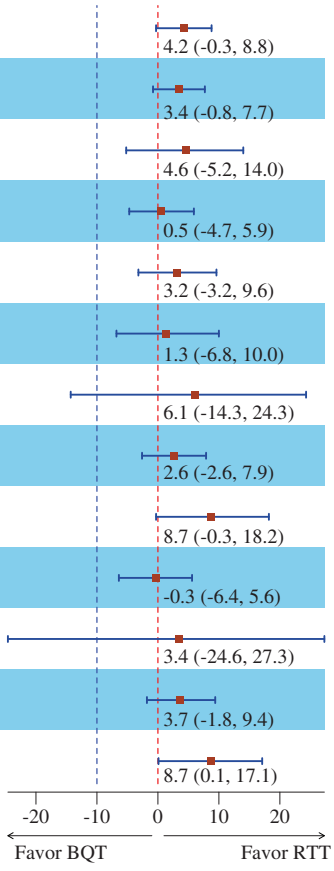
Notes:

- Breakpoints are based on the Clinical and Laboratory Standards Institute and European Committee on Antimicrobial Susceptibility Testing.
- "Drug resistance" includes resistance to at least one of the following antibiotics: clarithromycin, levofloxacin, metronidazole, or amoxicillin.
- Multidrug-resistance is defined as resistant to at least two classes of guideline-recommended antibiotics for *H. pylori* infection.

Source: Company data

Forest Plot of *H. pylori* Eradication Rate in mITT, PP, and Subgroups

Analysis Population	RTT N, % (95% CI)	BQT N, % (95% CI)	Treatment Difference % (95% CI)
mITT	323/351, 92.0 (88.7, 94.6)	304/346, 87.9 (83.9, 91.1)	4.2 (-0.3, 8.8)
PP	310/331, 93.7 (90.5, 96.0)	298/330, 90.3 (86.6, 93.3)	3.4 (-0.8, 7.7)
Clarithromycin Resistant	92/107, 86.0 (77.9, 91.9)	105/129, 81.4 (73.6, 87.7)	4.6 (-5.2, 14.0)
Clarithromycin Susceptible	169/179, 94.4 (90.0, 97.3)	154/164, 93.9 (89.1, 97.0)	0.5 (-4.7, 5.9)
Metronidazole Resistant	168/186, 90.3 (85.1, 94.2)	182/209, 87.1 (81.8, 91.3)	3.2 (-3.2, 9.6)
Metronidazole Susceptible	92/99, 92.9 (86.0, 97.1)	77/84, 91.7 (83.6, 96.6)	1.3 (-6.8, 10.0)
Amoxicillin Resistant	19/20, 95.0 (75.1, 99.9)	24/27, 88.9 (70.8, 97.6)	6.1 (-14.3, 24.3)
Amoxicillin Susceptible	242/266, 91.0 (86.9, 94.1)	235/266, 88.3 (83.9, 91.9)	2.6 (-2.6, 7.9)
Levofloxacin Resistant	93/101, 92.1 (85.0, 96.5)	85/102, 83.3 (74.7, 90.0)	8.7 (-0.3, 18.2)
Levofloxacin Susceptible	167/184, 90.8 (85.6, 94.5)	174/191, 91.1 (86.1, 94.7)	-0.3 (-6.4, 5.6)
Clarithromycin & Amoxicillin Resistant	12/13, 92.3(64.0,99.8)	16/18,88.9(65.3,98.6)	3.4 (-24.6, 27.3)
DR	221/243, 90.9 (86.6, 94.2)	218/250, 87.2 (82.4, 91.1)	3.7 (-1.8, 9.4)
MDR	107/119, 89.9 (83.0, 94.7)	121/149, 81.2 (74.0, 87.1)	8.7 (0.1, 17.1)



mITT = modified intention-to-treat
PP= Per Protocol
DR= drug resistant, defined as resistant to at least one class of guideline-recommended antibiotics for *H. pylori* infection
MDR = multidrug-resistant, defined as resistant to at least two classes of guideline-recommended antibiotics for *H. pylori* infection

Source: Company data

Based on the ITT, Micro-ITT, as well as supplemental analyses using composite strategies based on the mITT population and different definitions of the target variable, the results were consistent with the primary analysis. The RTT was non-inferior to the BQT and demonstrated a higher eradication rate.

Safety Profile. The rifasutenizol regimen demonstrated a more favorable safety and tolerability profile compared to the BQT. The overall incidence of clinically relevant TEAEs was lower in the RTT arm (37.7%) than in the BQT arm (53.2%). In addition, the incidences of investigational drug-related TEAEs, and TEAEs of Grade 3 or higher were all lower in the rifasutenizol group. Most TEAEs were mild (Grade 1), and no SAEs related to the investigational drug were reported.

Summary of AEs

	RTT (N=351) n (%)	BQT (N=346) n (%)	Difference % (95% CI)[1]
At least one TEAE[2]	131 (37.3)	184 (53.2)	-15.9 (-23.0, -8.5)
Related to investigational drug	94 (26.8)	160 (46.2)	-19.5 (-26.3, -12.4)
CTCAE Grade			
Grade 1	102 (29.1)	150 (43.4)	-14.3 (-21.2, -7.2)
Grade 2	27 (7.7)	30 (8.7)	-1.0 (-5.1, 3.2)
Grade 3	2 (0.6)	4 (1.2)	-0.6 (-2.4, 1.1)
Grade 4	0	0	–
Grade 5	0	0	–
CTCAE Grade ≥3 TEAE	2 (0.6)	4 (1.2)	-0.6 (-2.4, 1.1)
Related to investigational drug	1 (0.3)	2 (0.6)	-0.3 (-1.8, 1.1)
SAE	2 (0.6)	2 (0.6)	0.0 (-1.6, 1.5)
Related to investigational drug	0	0	–
TEAE leading to treatment interruption	2 (0.6)	4 (1.2)	-0.6 (-2.4, 1.1)
TEAE leading to permanent discontinuation	7 (2.0)	4 (1.2)	0.8 (-1.2, 3.0)
TEAE leading to early withdrawal from study	5 (1.4)	2 (0.6)	0.8 (-0.9, 2.8)

Notes:

1. The 95% confidence interval for the rate difference was calculated using the Newcombe method.

2. The incidence of at least one TEAE was lower in the RTT compared to the BQT, with a statistically significant difference ($P < 0.001$).

Source: Company data

Conclusion. Compared to the BQT, the RTT demonstrated a favorable safety profile, achieved an *H. pylori* eradication rate of over 90% in treatment-naïve patients, and showed superior efficacy in the multidrug-resistant population.

Phase I SAD Clinical Trial of Rifasutenizol in Healthy Participants

Trial Design. This was a single-center, randomized, double-blind, placebo-controlled, single ascending dose Phase I study to evaluate the safety, tolerability and PK of rifasutenizol in healthy participants and the effect of food on the PK of rifasutenizol in healthy participants. This trial was independently conducted by us in China. A total of 78 healthy participants were enrolled and randomized into seven dose cohorts, receiving 50 mg, 100mg, 200mg, 400mg, 600mg 800mg and 1,000 mg rifasutenizol, respectively, each included 10 participants. For each cohort, rifasutenizol and placebo were randomly assigned in a 4:1 ratio, administered single dose. An additional eight participants were enrolled in the 200 mg dose group for a two-period crossover study conducted under both fasting and fed conditions.

The primary endpoint of the study was safety and tolerability. Secondary endpoints included PK parameters and preliminary metabolic profiling of the drug.

Trial Status. Based on the umbrella IND approval obtained in November 2018, this study was initiated in May 2019, completed the last patient's last visit in September 2019, and completed in January 2021.

Safety Profile. Headache was the only clinically relevant TEAE and occurred in placebo group. No Grade 3 or above TEAEs, no SAEs or fatalities were reported.

Conclusion. Rifasutenizol demonstrated favorable safety and dose-proportional pharmacokinetics. Food effects were observed, with increased systemic exposure under fed conditions.

Phase I MAD Clinical Trial of Rifasutenizol in Patients with H. pylori Infection

Trial Design. This was a single-center, randomized, double-blind, placebo-controlled, multiple ascending dose Phase I study to evaluate the safety, tolerability, PK, and preliminarily explore *H. pylori* eradication efficacy of rifasutenizol. This study was independently conducted by us in China. A total of 48 patients were enrolled and randomized into three dose cohorts, receiving 200mg, 400mg, and 600 mg rifasutenizol, respectively, each included 16 *H. pylori*-positive patients. For each cohort, rifasutenizol and placebo were randomly assigned in a 3:1 ratio, administered twice daily for 14 consecutive days.

The primary endpoint of the study was safety and tolerability. Secondary endpoints included PK parameters and preliminary metabolic profiling of the drug.

The NMPA required us to conduct the Phase I SAD and Phase I MAD clinical trials as separate trials and conducted them sequentially.

Trial Status. Based on the umbrella IND approval obtained in November 2018, this trial was initiated in October 2020, completed the last patient's last visit in July 2021, and completed in January 2022.

Safety Profile. The clinically relevant TEAEs included fatigue (0,1,0,0 cases in 200-600mg group and placebo group) and epigastric pain (1, 0, 0, 0 cases in 200-600mg group and placebo group). In addition, a total of 3 participants reported 4 drug-related Grade 3 laboratory abnormality, including elevated aspartate aminotransferase (400 mg group), decreased neutrophil count (400 mg group), and hypertriglyceridemia (600 mg group). No SAEs or fatalities were reported.

Efficacy Profile. The exploratory results showed that rifasutenizol monotherapy (200-600 mg) demonstrated dose-dependent treatment effects on days 8 and 16 (based on ^{14}C-UBT), but no *H. pylori* eradication was observed at 4 weeks post-treatment.

Conclusion. The results showed that rifasutenizol was well tolerated and exhibited a favorable safety profile. Pharmacokinetic analyses supported 400 mg as the recommended Phase II dose. Prior clinical practice or researches showed that no antibiotic monotherapy has been proven effective for *H. pylori* infection. According to the results of our trial, rifasutenizol monotherapy also did not show *H. pylori* eradication efficacy as expected. Consequently, we have focused on developing rifasutenizol in combination with another antibiotic as part of a triple therapy regimen for the treatment of *H. pylori* infection moving forward.

Phase IIa Clinical Trial of Rifasutenizol in Patients with H. pylori Infection

Trial Design. This was a single-center, randomized, open-label Phase IIa clinical study to evaluate the safety, tolerability, pharmacokinetics, and preliminary *H. pylori* eradication efficacy of rifasutenizol oral formulation in adults with *H. pylori* infection. This trial was independently conducted by us in China. A total of 40 patients were enrolled in this trial. Eligible participants were randomized in a 1:1:1:1 ratio into four cohorts:

- Cohort A: rifasutenizol capsules 200 mg, rabeprazole sodium enteric-coated tablets 20 mg, BID for 14 days;

- Cohort B: rifasutenizol capsules 400 mg, rabeprazole sodium enteric-coated tablets 20 mg, BID for 14 days;

- Cohort C: rifasutenizol capsules 600 mg, rabeprazole sodium enteric-coated tablets 20 mg, BID for 14 days;

- Cohort D: rifasutenizol capsules 400 mg, rabeprazole sodium enteric-coated tablets 20 mg, amoxicillin capsules 1 g, BID for 14 days.

The primary efficacy endpoint of this study was to evaluate the eradication rate of *H. pylori* infection, defined as a negative ^{14}C-UBT result assessed 4 weeks after treatment.

We voluntarily designed the Phase IIa and Phase IIb trials as separate trials and conducted them sequentially, rather than at the request of the regulatory authorities.

Trial Status. This trial was initiated in September 2021 based on the umbrella IND approval from the NMPA in November 2018 for conducting Phase I and Phase II clinical trials, as well as pharmacology studies of rifasutenizol capsule monotherapy or rifasutenizol capsule in combination with amoxicillin and a proton pump inhibitor or other acid suppressant for the treatment of *H. pylori* infection, bacterial vaginosis and C. *difficile* infection. The last patient's last visit was completed in January 2022, and the trial was completed in June 2022.

Safety Profile. The clinically relevant TEAEs included rash (1, 1, 0, 2 cases in Cohort A-D), itching (1, 0, 0, 1 cases in Cohort A-D), eyelid itching (0, 0, 1, 0 cases in Cohort A-D), nausea (0, 0, 1, 0 cases in Cohort A-D) and papules (0, 0, 0, 2 cases in Cohort A-D). In addition, one participant reported a drug-related Grade 3 hypertriglyceridemia (Cohort B). No SAEs or fatalities were reported.

Efficacy Profile. Rifasutenizol exhibited dose-dependent efficacy in *H. pylori* eradication when administered as dual therapy (0% at 200 mg, 30% at 400 mg, and 40% at 600 mg). The 400 mg triple regimen (Cohort D) demonstrated superior efficacy with an 80% eradication rate (or 90% if borderline case consider eradication), with one participant showed a positive result near the urea breath test's critical threshold value.

Conclusion. The results demonstrated that rifasutenizol was well tolerated, exhibiting a favorable safety profile. Eradication of *H. pylori* showed a clear dose-dependent response, with 400 mg identified as the optimal effective dose. Additionally, the triple therapy regimen combining rifasutenizol with a proton pump inhibitor and amoxicillin achieved an eradication rate of 80% (or 90% if borderline case consider eradication) or higher.

Phase IIb Clinical Trial of Rifasutenizol in Patients with H. pylori Infection

Trial Design. This was a single-center, randomized, open-label Phase IIb clinical study to evaluate the efficacy and safety of rifasutenizol and rabeprazole with or without amoxicillin, compared with multiple doses of rabeprazole and amoxicillin capsules in adults with *H. pylori* infection. This trial was independently conducted by us in China. A total of 80 patients were enrolled in the study. Eligible participants were randomized in a 2:2:1:1:2 ratio into five cohorts:

- Cohort A: rifasutenizol capsules 400 mg, rabeprazole sodium enteric-coated tablets 20 mg, amoxicillin capsules 1 g twice daily for 14 days;

- Cohort B: rifasutenizol capsules 600 mg, rabeprazole sodium enteric-coated tablets 20 mg, amoxicillin capsules 1 g twice daily for 14 days;

- Cohort C: rifasutenizol capsules 600 mg, rabeprazole sodium enteric-coated tablets 20 mg, three times daily for 14 days;

- Cohort D: rifasutenizol capsules 600 mg, rabeprazole sodium enteric-coated tablets 20 mg, amoxicillin capsules 1 g three times daily for 7 days;

- Cohort E: rabeprazole sodium enteric-coated tablets 20 mg, amoxicillin capsules 1 g, twice daily for 14 days.

The primary efficacy endpoint of this study was to evaluate the eradication rate of *H. pylori* infection, defined as a negative UBT result assessed 4 weeks after treatment.

Trial Status. This trial was initiated in June 2022 based on the umbrella IND approval from the NMPA in November 2018 for conducting Phase I and Phase II clinical trials, as well as pharmacology studies of rifasutenizol capsule monotherapy or rifasutenizol capsule in combination with amoxicillin and a proton pump inhibitor or other acid suppressant for the treatment of *H. pylori* infection, bacterial vaginosis and C. *difficile* infection. The last patient's last visit was completed in September 2022, and the trial was completed in June 2023.

Efficacy Profile. The eradication rate of cohort A and cohort B were 95% and 89%, respectively, indicating that a RTT was effective in eradicating *H. pylori*. The *H. pylori* eradication rate in Cohort D, the 7-day triple regimen, was 100%. The eradication rate of Cohort C and Cohort E was 50% and 80%.

Safety Profile. Diarrhea was the only clinically relevant TEAE (1, 1, 0, 1, 0 cases in Cohorts A-E). A total of 5 participants reported drug-related Grade 3 laboratory abnormality, including 2 cases of decreased neutrophil count and 1 case of hypertriglyceridemia in Group B, 1 case of elevated alanine aminotransferase in Group C, and 1 case of hypokalemia in Group D. No SAEs or fatalities were reported.

Conclusion. The results demonstrated that rifasutenizol exhibited excellent tolerability with a favorable safety profile. The RTT achieved a >90% *H. pylori* eradication rate, supporting its selection as the experimental regimen for Phase III clinical trials. Notably, in the high-dose triple therapy group with a shortened 7-day treatment duration, a 100% eradication rate was observed, suggesting this regimen may represent a promising future development direction.

hAME Clinical Trial of Rifasutenizol in Healthy Participants

Trial Design. This was an single-center, open-label clinical study of absorption, metabolism and excretion of ^{14}C-labeled rifasutenizol in healthy adult male participants. This trial was independently conducted by us in China. A total of six participants enrolled in this trial. All the enrolled participants received a single dose of 600mg suspension containing 150μCi of ^{14}C-labeled rifasutenizol.

The primary objectives of this trial was (1) to quantitatively analyze total radioactivity in excreta following a single oral dose of ^{14}C-labeled rifasutenizol in healthy male participants; (2) to investigate the distribution of total radioactivity in whole blood and plasma, as well as the pharmacokinetics of total radioactivity in plasma after a single oral dose of ^{14}C-labeled rifasutenizol in healthy male participants; (3) to identify the major metabolites of ^{14}C-labeled rifasutenizol in humans and determine the primary biotransformation pathways and key metabolites; and (4) to quantitatively analyze the plasma concentrations of rifasutenizol and major metabolites (if applicable), and to obtain the pharmacokinetic parameters of rifasutenizol and major metabolites (if applicable) in plasma.

Trial Status. This trial was initiated in July 2022 based on the umbrella IND approval from the NMPA in November 2018 for conducting Phase I and Phase II clinical trials, as well as pharmacology studies of rifasutenizol capsule monotherapy or rifasutenizol capsule in combination with amoxicillin and a proton pump inhibitor or other acid suppressant for the treatment of *H. pylori* infection, bacterial vaginosis and C. *difficile* infection. The last patient's last visit was completed in September 2022, and the trial was completed in February 2023.

Results. Following a single oral dose of ^{14}C-labeled rifasutenizol suspension in healthy participants, plasma concentrations of rifasutenizol reached peak levels approximately 3 hours post-dose. Total radioactivity in whole blood and plasma peaked between 3.25 and 4 hours post-dose. The mean total radioactivity ratio (AUC-based) of whole blood to plasma was less than 1, indicating that the drug preferentially distributes into plasma.

By 192 hours post-dose, the cumulative excretion of radioactivity-related material in urine and feces accounted for 97.00±1.63% of the administered dose, with urinary excretion accounting for 21.54±2.09% and fecal excretion for 75.46±2.75%. At 72 hours post-dose, the cumulative excretion had reached 94.69±2.36% of the administered dose.

Furthermore, no AEs occurred during the study.

Conclusion. Rifasutenizol exhibited excellent tolerability with a promising safety profile. Mass balance studies showed preferential plasma distribution and fecal excretion as the major elimination pathway.

Drug-Drug Interaction Clinical Trial of Rifasutenizol in Healthy Participants

Trial Design. This was a single-center, open-label drug-drug interaction clinical trial to evaluate the potential drug-drug interactions between rifasutenizol and either midazolam or clarithromycin in healthy adult participants. This trial was independently conducted by us in China. A total of 32 participants were enrolled to receive one of the following regimens: (1) rifasutenizol 400 mg in combination with either midazolam (twice daily from Day 3 to Day 11) or clarithromycin (twice daily from Day 1 to Day 7 and from Day 16 to Day 22, and once daily on Day 8 and Day 23); (2) midazolam 2 mg daily on Days 1 and 10; or (3) clarithromycin 0.5 g daily from Day 16 to Day 25. The primary endpoint of this study were PK parameters of rifasutenizol and midazolam.

Trial Status. This trial was initiated in August 2024 based on the umbrella IND approval from the NMPA in November 2018 for conducting Phase I and Phase II clinical trials, as well as pharmacology studies of rifasutenizol capsule monotherapy or rifasutenizol capsule in combination with amoxicillin and a proton pump inhibitor or other acid suppressant for the treatment of *H. pylori* infection, bacterial vaginosis and C. *difficile* infection. The last patient's last visit was completed in October 2024, and the trial was completed in February 2025.

Results. Rifasutenizol increased midazolam exposure when co-administered with this CYP3A-sensitive substrate, while clarithromycin increased rifasutenizol exposure. In addition, one participant reported a drug-related Grade 3 decreased neutrophil count in the clarithromycin group (occurring during COVID-19 infection, with no medical intervention). No SAEs or fatalities reported.

Conclusion. These findings suggested that rifasutenizol has a wide therapeutic window, supporting their safe use in clinical settings even when co-administered with drugs that affect CYP3A enzyme activity.

Clinical Development Plan

We have completed a head-to-head Phase III clinical trial of RTT against BQT for *H. pylori* infection in China. We submitted an NDA to the NMPA and the NDA was accepted in August 2025. In January 2026, we have completed the registration inspection. As of the Latest Practicable Date, the Company has not received any objections or raised concerns during the review process, and the NDA review has been progressing smoothly. We expect to receive the NDA approval in late 2026. According to Frost & Sullivan, the average approval time for an NDA in recent years has ranged from approximately 12 to 18 months for a standard review of an innovative drug, and our NDA approval timeline falls within this timeframe. In addition to the clinical development of rifasutenizol for the treatment of *H. pylori*, we intend to initiate a Phase II clinical trial of rifasutenizol for bacterial vaginosis and a Phase II clinical trial of rifasutenizol for *C. difficile* infection in 2027.

Since all previous studies, including the Phase III trial of RTT versus BQT for *H. pylori* infection in China will be part of the submission to the U.S. FDA to support the NDA in the U.S., we are advancing RTT's clinical development in the U.S. through conducting the clinical trials in China. With an IND approval received from, and Fast Track and QIDP designations granted by the FDA, we plan to rapidly advance the development of rifasutenizol in the U.S. Fast Track designation can accelerate clinical

development by enabling more frequent interactions with the FDA on trial design, endpoints, and development plans. In addition, QIDP designation provides an additional five years of market exclusivity under the GAIN (Generating Antibiotic Incentives Now) Act upon FDA approval. These designations do not confer a specific or measurable acceleration, nor do they exempt any clinical stage, and they do not guarantee NDA approval.

Furthermore, we have received IND approval from the FDA to conduct a bioavailability study comparing the absorption of rifasutenizol tablets with rifasutenizol capsules. The bioavailability study was voluntarily initiated by the Company to compare the pharmacokinetic data of the tablet and capsule formulations, with the objective of determining whether the clinical studies completed for the capsule formulation can be relied upon to support the registration of the tablet formulation, thereby streamlining the clinical development pathway for rifasutenizol tablets. As of the Latest Practicable Date, we were in the process of preparing for the initiation of this trial. Upon completion of the bioavailability study, we will consult with the FDA regarding the design of a Phase IIb clinical trial for *H. pylori* infection in the U.S. and obtain their regulatory clearance to proceed with such trial. As of the Latest Practicable Date, the protocol of the Phase IIb clinical trial was still under design, and we had not commenced any clinical trials in the U.S. We anticipate to commence the Phase IIb clinical trial in the second half of 2026. However, we cannot guarantee that the FDA will accept clinical data generated in China to support any trials in the U.S., and doing so may involve challenges and additional costs. For further details, see "Risk Factors — Risks Relating to Government Regulations — If we conduct clinical trials for our drug candidates in one jurisdiction, the regulatory authorities in other jurisdictions may not accept data from such trials" in this prospectus.

Currently, the IND approvals granted by both the NMPA and the FDA remain active. According to U.S. federal regulation 21 CFR §312.45 and as confirmed by Frost & Sullivan, if no participants have been enrolled in a clinical trial for a period of two years or longer, the FDA may place an IND on inactive status. Nevertheless, as confirmed by Frost & Sullivan, clinical trials conducted globally can be used to demonstrate ongoing clinical development of the drug and to maintain the IND in active status. Frost & Sullivan further confirms that in general the FDA will not voluntarily impose inactive status on an IND if the clinical development of the product is ongoing, whether within or outside the U.S. According to the Administrative Measures for Drug Registration (《藥品註冊管理辦法》) (2020 Revision) of the NMPA, clinical trials of a drug must be initiated within three years after IND approval. If no participant has signed an informed consent form within three years from the date of approval, the IND will automatically expire. According to the same regulation and as confirmed by the PRC Legal Adviser, the enrollment of participants in a clinical trial under an approved IND serves to maintain the IND in active status. We expect to implement a continuous clinical development plan for the Core Product, rifasutenizol, over the next six years. Under this development plan, the Company does not expect to need to reactivate the FDA IND, because there will be no gap of two years or more without enrolling participants. Similarly, the NMPA IND approval is not expected to expire, as the current IND approval has been activated by a clinical trial, and a new clinical trial will be initiated within three-year period. Particularly, based on our current development plans for each of our Core Products and Key Product, IND reactivation will not be required by the FDA, nor will the inactivation of NMPA-approved INDs be triggered. In particular, as TNP-2198 for the treatment of *H. pylori* infection, bacterial vaginosis, and *C. difficile* infection are approved under the same IND from the NMPA, the conduct of clinical trials for *H. pylori* will maintain the IND approval in active status. Furthermore, as the Company plans to submit data generated from clinical trials conducted in China to the FDA, the FDA-approved IND is also not expected to be subject to reactivation risk, given the continuous clinical development of TNP-2198 in China. Accordingly, no reactivation approval from the NMPA or the FDA is required for the Company to implement the clinical development plan for rifasutenizol, whether as monotherapy or in combination therapy, in China and the U.S., at least within the next six years. To date, no IND inactivation notices have been received in connection with the development of rifasutenizol. All IND approvals necessary to implement our clinical development plan for rifasutenizol are currently active.

Furthermore, our Directors are of the view that all IND approvals required to implement our clinical development plan remain active as of the Latest Practicable Date, and no historical IND inactivation notices have been received in connection with the development of our pipeline products from the NMPA

or the FDA that could impede the smooth implementation of our clinical development plans. Based on independent due diligence work performed by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would cause them to disagree with the Directors' view.

Licenses, Rights and Obligations

On June 21, 2013, TenNor Cayman, Dr. Ma, and Cumbre entered into a Series A Preferred Share Purchase Agreement, pursuant to which Cumbre agreed to purchase, and TenNor Cayman agreed to issue, 3,925,000 Series A preferred shares of TenNor Cayman, as part of the Series A investment by Cumbre. The consideration was paid through the transfer of certain assets, including patents related to the compound structures of rifamycin-nitroimidazole coupling molecules (comprising rifasutenizol), as well as research reports, compound and intermediate samples, and bacterial strains, owned by Cumbre. Dr. Ma, our founder, executive Director, and chief executive officer, was the former director of medical chemistry of Cumbre Inc. During his tenure at Cumbre Inc., he made significant contributions to the discovery of the compound series that eventually led to identification of rifasutenizol. He was named as an inventor on each of the transferred patents for the compound structures of rifamycin-nitroimidazole coupling molecules, while he was working at Cumbre Inc. At the time of the patent transfer, rifasutenizol was still in the discovery stage. Since then, we have independently identified the drug candidate rifasutenizol, independently conducted preclinical studies, submitted IND applications, and conducted seven clinical trials, and managed related CMC and regulatory affairs.

Currently, we maintain the exclusive global rights to develop, manufacture and commercialize rifasutenizol. In November 2024, we entered into an exclusive commercialization agreement with Grand Life Science for the commercialization of rifasutenizol in Greater China (excluding Taiwan). For detailed information regarding the salient terms of the agreement, see "— Commercialization — Collaboration with Grand Life Science for rifasutenizol (TNP-2198)."

Material Communications with Competent Authorities

Our Material Communications with the NMPA:

- In November 2018, we received the umbrella IND approval from the NMPA for conducting Phase I and Phase II clinical trials as well as pharmacology studies of rifasutenizol capsule monotherapy or rifasutenizol capsule in combination with amoxicillin and a proton pump inhibitor for the treatment of *H. pylori* infection, bacterial vaginosis and *C. difficile* infection.

- In April 2022, based on the results of Phase I and Phase II clinical trials, we obtained regulatory clearance from the NMPA for conducting a Phase III clinical trial of rifasutenizol capsule in combination with amoxicillin and a proton pump inhibitor for the treatment of *H. pylori* infection.

- In April 2025, based on the data from our completed Phase III clinical trial, we had a pre-NDA meeting with the NMPA. During the pre-NDA meeting, we discussed clinical-related questions prior to NDA submission with the CDE and did not receive any requests from the CDE for additional clinical data.

- In August 2025, we submitted an NDA for rifasutenizol capsules in combination with amoxicillin and a proton pump inhibitor for the treatment of *H. pylori* infection to the NMPA, which was accepted in the same month.

Our Material Communications with the FDA:

- In March 2023, we received the IND approval from the FDA for conducting a bioavailability study to compare the absorption of rifasutenizol tablets with rifasutenizol capsules.

- In April 2023, rifasutenizol was granted QIDP designation for the treatment of *H. pylori* infection by the FDA.

- In October 2023, rifasutenizol was granted Fast Track designation for the treatment of *H. pylori* infection by the FDA.

We had not received any relevant regulatory agencies' objections to our clinical development plans as of the Latest Practicable Date.

WE MAY NOT BE ABLE TO ULTIMATELY MARKET RIFASUTENIZOL FOR *H. PYLORI* INFECTION, AND DEVELOP AND MARKET RIFASUTENIZOL FOR BACTERIAL VAGINOSIS AND *C. DIFFICILE* INFECTION SUCCESSFULLY.

CORE PRODUCT: RIFAQUIZINONE—WORLD'S ONLY DRUG CANDIDATE IN LATE-STAGE CLINICAL DEVELOPMENT FOR IMPLANT-ASSOCIATED BACTERIAL INFECTIONS

Overview

Rifaquizinone is a triple-targeting antibacterial drug candidate for the treatment of implant-associated bacterial infections. It is a stable drug conjugate consisting of two pharmacophores—rifamycin and quinolizinone (a bioisostere of the fluoroquinolone antibacterial class). Although the use of implantable medical devices is becoming increasingly common, it introduces a major medical challenge: implant-associated bacterial infections. As of the Latest Practicable Date, rifaquizinone was the world's only drug candidate in late-stage clinical development for implant-associated bacterial biofilm infections. Bacteria living in biofilm can evade immune attacks and develop extreme antibiotic tolerance (up to 1,000× more resistant than free-floating bacteria). Rifaquizinone exerts its antibacterial activity primarily by targeting RNA polymerase, similar to rifampin, while simultaneously inhibiting DNA gyrase and DNA topoisomerase IV. This triple mechanisms of action not only reduces the likelihood of resistance development but also provides potent biofilm bactericidal activity, offering broad therapeutic potential for implant-associated infections.

Rifaquizinone is the first NME globally to demonstrate efficacy against biofilm infections at clinically achievable doses. Preclinical studies have shown that rifaquizinone exhibits significantly greater biofilm bactericidal activity than rifampin, various fluoroquinolone, and the combination of rifampin and fluoroquinolone and against clinical isolates of with implant-associated infections. As of the Latest Practicable Date, rifaquizinone has completed six clinical trials, including two Phase I clinical trials, three clinical pharmacology trials, and one Phase II clinical trial in the U.S. and China, demonstrating favorable safety profile in patients with implant-associated infections. As of the Latest Practicable Date, we were advancing a Phase Ib/IIa clinical trial of rifaquizinone (IA) in patients with PJI. It is now being prepared for Phase III clinical trials in China and the U.S. for the treatment of PJI and ABSSSI.

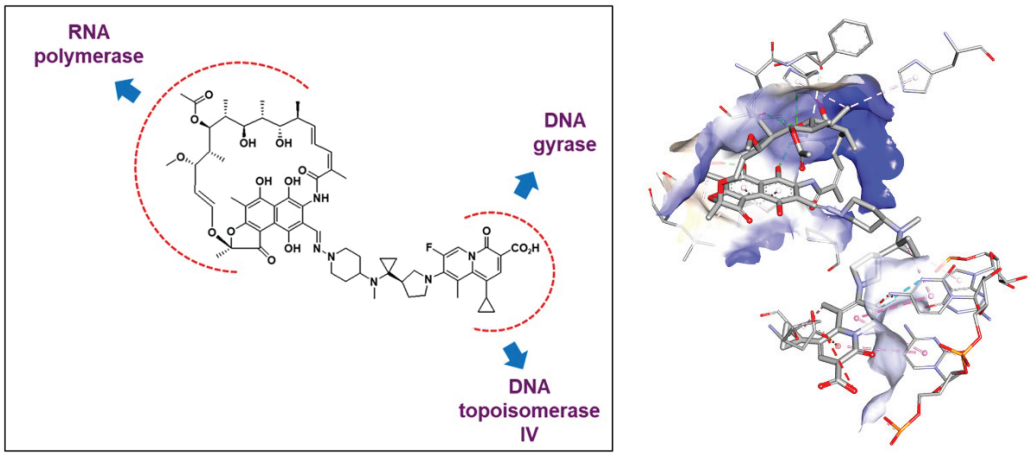
Rifaquizinone injection project has received multiple honors, including the "outstanding award" at the National Disruptive Technology Innovation Competition in China ("全國顛覆性技術創新大賽優勝獎") organized by the Ministry of Science and Technology of PRC. It has also been granted QIDP, Fast Track, and Orphan Drug designations by the FDA.

Mechanism of Action

Rifaquizinone is a novel drug-conjugate that integrates two potent antibacterial pharmacophores—those of rifamycin and quinolizinone—into a single molecule, specifically designed to treat implanted medical device infections. Rifaquizinone is a triple targeting molecule, exerting its antibacterial activity by targeting RNA polymerase, DNA gyrase and DNA topoisomerase IV.

To overcome the limitation of rifamycin, a quinolizinone (fluoroquinolone-like) pharmacophore, which serves as an inhibitor of both bacterial DNA gyrase and topoisomerase IV, was incorporated to form rifaquizinone. DNA gyrase and topoisomerase IV are essential enzymes for DNA replication, supercoiling, and chromosome segregation. The resulting triple acting drug not only prevented resistance development by simultaneously targeting three essential enzymes, but also further enhanced bactericidal activity against bacterial biofilms.

Rifaquizinone Triple Targeting Mechanism of Action and Interaction with RNA Polymerase



Source: Company data

The rifamycin moiety targets bacterial DNA-dependent RNA polymerase by binding to the β-subunit near the active center, effectively blocking RNA chain elongation during transcription. This mechanism is particularly effective against pathogens residing in biofilms, where rifampin is known as one of the most potent antibiotic classes against bacterial biofilm infections. However, the clinical utility of rifampin is limited by the rapid emergence of resistance, typically driven by point mutations in the RNA polymerase β-subunit. Even a single point of mutation in the rifamycin binding pocket can confer high-level resistance, undermining treatment efficacy.

Market Opportunities and Competition

Rifaquizinone is an innovative drug with a triple mechanism of action and demonstrates potent activity against bacteria residing in biofilms on the surfaces of implants. In contrast, other antibiotics, whether innovative or non-innovative, such as omadacycline (NUZYRA; ribosomal target), contezolid (ribosomal target), daptomycin (cell membrane), and vancomycin (cell wall), among others, act through single mechanisms of action. As a result of its multi-target profile, rifaquizinone potentially offers advantages over these antibiotics, including the ability to overcome existing resistance, a low propensity for the development of resistance, and activity against bacteria adhered to implant surfaces. Furthermore, rifaquizinone has the potential to treat implant-associated infections without the need for surgical debridement or implant replacement, further reducing patient suffering and associated costs.

Acute Bacterial Skin and Skin Structure Infections

ABSSSIs encompass a spectrum of bacterial infections affecting the skin and underlying soft tissues. These infections typically arise from a breach in the skin barrier, although in rare cases, bacteria may spread through the bloodstream (hematogenous spread) to the affected tissues. Between 2019 and 2024, the global incidence of ABSSSI increased modestly from 43.1 million to 44.8 million. This gradual upward trend is expected to continue, with cases projected to reach 46.3 million in 2029 and 47.9 million in 2035.

In contrast, the incidence of ABSSSI in China remained relatively stable at approximately 2.8 million during the same period. However, a slight decline is anticipated due to a shrinking overall population, with the number of cases expected to decrease from 2.8 million in 2029 to 2.7 million in 2035.

Prosthetic Joint Infection

Prosthetic joint implant ("**PJI**") is used in a joint replacement surgery to replace a damaged joint and treat conditions such as arthritis, joint pathologies, osteoarthritis and rheumatoid arthritis. According to Frost & Sullivan, the global incidence of PJI is projected to increase from 86.4 thousand in 2024 to reach 165.0 thousand in 2029 and further increase to 425.8 thousand in 2035, representing a CAGR of 13.8% from 2024 to 2029 and a CAGR of 17.1% from 2029 to 2035. The incidence of PJI in China is estimated to increase from 22.5 thousand in 2024 to reach 44.5 thousand in 2029 and 86.5 thousand in 2035, representing a CAGR of 14.6% from 2024 to 2029 and a CAGR of 11.7% from 2029 to 2035. As of the Latest Practicable Date, on a global scale, there was no innovative antibacterial drug for the treatment of PJI approved for sale, and rifaquizinone was the only small molecule drug candidate under clinical development of PJI.

For the market opportunities and competitions regarding the Implant-Associated Infections, see "Industry Overview—Antibacterial Agents—Major Indications—Implant-Associated Infections."

Competitive Advantages

Rifaquizinone potentially offers several important advantages over its potential competitors, including: (1) a novel mechanism of action, which may reduce the likelihood of cross-resistance with other antimicrobial agents; (2) a multi-target mechanism, as opposed to single-target approaches, which may lower the likelihood of resistance development; and (3) potent bactericidal activity against biofilms, enabling the eradication of biofilm-associated infections.

The First and Only NME in Late-stage Clinical Development for Biofilm Infections

Rifaquizinone, as a novel molecule, is currently the only NME in with potential to eradicate biofilm infections at clinically achievable doses. It exerts the bactericidal activity through a synergistic mechanism that simultaneously inhibits RNA polymerase, DNA gyrase, and topoisomerase IV. This multi-targeting approach is expected to not only enhance bactericidal efficacy against biofilms but also reduce the frequency of spontaneous resistance development.

Synergistic Antibacterial Therapeutic Effect

Our *in vitro* studies have demonstrated that rifaquizinone exhibits broad-spectrum bactericidal activity against a range of clinically significant Gram-positive pathogens and selected Gram-negative bacteria. *S. aureus* and *S. epidermidis* are the primary pathogens responsible for ABSSSI, PJI, and LVAD infections. Our preclinical and clinical studies further showed that rifaquizinone maintained potent activity against drug-resistant strains, including MRSA and QRSA, while exhibiting an exceptionally low spontaneous mutation frequency ($<10^{-12}$). In addition, compared to rifampin and ciprofloxacin, rifaquizinone demonstrated a lower mutant prevention concentration, a narrower mutant selection window, and a lower spontaneous resistance frequency in *S. aureus*, indicating a superior ability to suppress the emergence of resistance relative to conventional antibiotics.

Compared with conventional rifampin-fluoroquinolone combination therapies, rifaquizinone demonstrates superior synergistic and bactericidal activity against biofilm infections. In multiple animal models of implant-associated infections—such as prosthetic joint infections, central venous catheter infections and artificial heart valve infections—rifaquizinone has consistently shown more favorable therapeutic outcomes than currently available antibiotics. According to our preclinical studies, rifaquizinone maintains strong antibacterial activity against bacterial strains bearing drug resistance gene mutations, including those resistant to rifampin, fluoroquinolones, or both. This suggested that rifaquizinone had a balanced multi-targeting mechanism of action that exerts synergistic effects by simultaneously inhibiting RNA polymerase, DNA gyrase, and DNA topoisomerase IV.

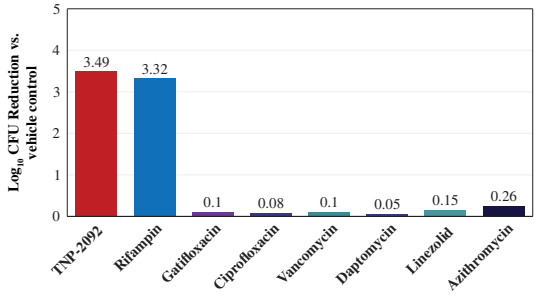
Potential to Eradicate Biofilm at Clinical Achievable Concentration

Rifaquizinone exhibits potent biofilm bactericidal activity against clinical isolates of *S. aureus* and *S. epidermidis* from prosthetic joint infections. Compared to rifampin, ciprofloxacin, their combination, daptomycin, and vancomycin, rifaquizinone achieved the lowest $MBBC_{90}$, with values of 2 μg/mL for *S. aureus* and 0.25 μg/mL for *S. epidermidis*. In contrast, ciprofloxacin alone or in combination with rifampin had $MBBC_{90}$ values exceeding 128 μg/mL, indicating poor efficacy. The cumulative susceptibility curve further confirmed that rifaquizinone effectively eradicated biofilm-embedded bacteria at significantly lower concentrations, supporting its potential as an effective novel therapy for implant-associated infections.

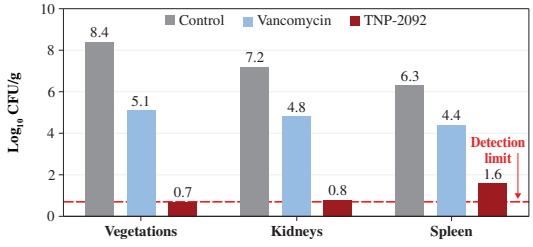
The *in vivo* efficacy of rifaquizinone in two different infection models—rats and rabbits—demonstrated that rifaquizinone is effective against implant-associated infections. In the rat central venous catheter *S. aureus* infection model (top panel), rifaquizinone achieved a 3.49-log CFU reduction in bacterial burden, comparable to rifampin (3.32-log CFU reduction), and significantly more effective than other antibiotics tested, including gatifloxacin, ciprofloxacin, vancomycin, daptomycin, linezolid, and azithromycin, all of which showed minimal activity. In the rabbit endocardial vegetation MRSA infection model (bottom panel), rifaquizinone dramatically reduced bacterial loads in vegetations, kidneys, and spleen to near or below the limit of detection (0.7 log_{10} CFU/g), outperforming vancomycin, which achieved only partial bacterial reductions. These results highlighted rifaquizinone's potent *in vivo* bactericidal activity and its potential as a highly effective therapy for device-associated and deep-seated MRSA infections.

Rifaquizinone's Antibacterial Activities in *in Vivo* Biofilm Models

Rat Central Venous Catheter Infection Model with *S. aureus*



Rabbit Endocarditis Infection Model With MRSA



Source: Company data

The improved efficacy of rifaquizinone has also been demonstrated in a multicenter, randomized, double-blind, vancomycin-controlled Phase II trial conducted in the U.S. for the treatment of ABSSSI. This study enrolled a total of 120 ABSSSI patients. This trial demonstrated that rifaquizinone showed higher early clinical response rate than vancomycin in the mITT population (76.9% vs. 67.5%), including in patients infected MRSA (78.1% vs. 57.9%) and QRSA (75.9% vs. 55.6%).

Favorable Safety Profile

As of the Latest Practicable Date, rifaquizinone had completed six clinical trials, including two Phase I clinical trials, three clinical pharmacology trials, and one Phase II clinical trial in the U.S. and China. Across these six completed clinical studies, a total of 207 participants were administered the drug. Rifaquizinone consistently demonstrated a favorable safety and tolerability profile in all completed clinical trials. The most commonly reported AEs were injection site reactions and elevated bilirubin levels. Injection site reactions were generally mild and manageable and were mitigated by optimizing the infusion

duration and volume in the Phase I multiple ascending dose study. Bilirubin elevations were isolated events attributed to the benign and reversible inhibition of bilirubin transporters by rifaquizinone and occurred without concurrent elevations in liver transaminases or clinical signs of liver injury.

In a Phase II clinical trial conducted in the U.S. for the treatment of ABSSSI, rifaquizinone demonstrated encouraging safety and tolerability. The incidence of TEAEs was comparable to that of vancomycin, with all events being mild to moderate in severity and no SAEs or deaths reported.

Novel Intra-articular Delivery with Potential to Redefine Early PJI Treatment Paradigm

The current standard treatment for early PJI and acute hematogenous PJI is DAIR. This treatment paradigm involves radical debridement of infected soft tissues and exchange of modular components (e.g., polyethylene liner), plus prolonged intravenous and oral antibiotic therapy up to 6 months.

We are currently investigating a new treatment paradigm involving intra-articular administration of rifaquizinone to the joints without the need for radical debridement. This approach enables the delivery of high concentrations of rifaquizinone directly to the infection site while minimizing systemic exposure, thereby enhancing safety. If successful, it has the potential to revolutionize the current treatment paradigm for early or acute PJI.

Broad Market Potential with Limited Competition

Rifaquizinone is poised to become a preferred treatment for implant-associated bacterial infections. With a global clinical development strategy targeting both the U.S. and China—two of the world's largest healthcare markets—rifaquizinone has the potential to become the first drug specifically developed for implant-associated bacterial infections and is expected to fill the market gap in these two significant markets following its projected launch in 2030.

In the U.S., approximately 25.6% of healthcare-associated infections are related to medical device implantations, resulting in 1.7 million infections annually and imposing an estimated $11 billion economic burden. Each year, the U.S. performs approximately 2 million joint replacement surgeries, a figure projected to reach 4 million by 2030. In China, approximately 1 million joint replacements are performed annually, with a 25% year-over-year growth rate.

With an aging population and advances in medical technology, the use of implantable medical devices is expected to increase. We believe rifaquizinone has broad applicability and holds strong potential for bacterial infections associated with other implanted medical devices, such as central venous catheter and artificial heart valve. In addition, the prevention of implant-associated bacterial infections represents a substantial market opportunity largely untapped, as effective prophylactic therapies are currently limited and the consequences of infections are often devastating. We are well-positioned to further expand the application of rifaquizinone to prophylactic use in high-risk procedures, allowing us to maximize its clinical and commercial potential.

Summary of Clinical Trials

As of the Latest Practicable Date, seven clinical trials of rifaquizinone had been completed or were being conducted. Information about these trials is summarized in the table below:

Study	Primary and secondary endpoints	Patient criteria	Number of enrolled patients	Competent Authority	Trial Status	Significance[1]
Phase I SAD clinical trial of rifaquizinone in healthy participants	The objectives of the clinical trial were to evaluate the safety, tolerability, and pharmacokinetics of a single intravenous dose of rifaquizinone, with no primary or secondary objectives specified. The objectives of the clinical trial were met.	Healthy participants in the U.S.	64	FDA	Initiated: 2006-06 LPLV: 2006-12 Completed: 2007-06	Supported entry into MAD Phase I trial and Phase II trials
Phase I MAD clinical trial of rifaquizinone in healthy participants	The objectives of the clinical trial included to evaluate the safety, tolerability, and PK following multiple intravenous doses of rifaquizinone, with no primary or secondary objectives specified. Objectives of the clinical trial were met.	Healthy participants in the U.S.	49	FDA	Initiated: 2007-02 LPLV: 2007-06 Completed: 2007-11	Supported entry into Phase II trials
Phase II clinical trial of rifaquizinone in patients with ABSSSI	The primary objective of the clinical study was to assess the safety and tolerability of rifaquizinone in compared with vancomycin. The secondary endpoints included determining the PK of rifaquizinone. Primary and secondary endpoints were met.	Patients with ABSSSI in the U.S.	120	FDA	Initiated: 2019-04 LPLV: 2019-09 Completed: 2020-04	Confirmed safety and efficacy of rifaquizinone in ABSSSI population. Supported receipt of regulatory clearance from both the FDA and NMPA to conduct a Phase III MRCT for PJI
Joint Tissue distribution study of rifaquizinone in THA or TKA patients	Primary endpoint was to evaluate the tissue distribution of rifaquizinone. The secondary endpoints were to assess plasma pharmacokinetics, safety, and tolerability. Primary and secondary endpoints were met.	Adult patients undergoing THA or TKA in the U.S.	13	FDA	Initiated: 2021-03 LPLV: 2021-12 Completed: 2022-06	Clinical pharmacology study that supported the receipt of regulatory clearance from both the FDA and NMPA to conduct a Phase III MRCT for PJI
hAME clinical trial of rifaquizinone in healthy participants	The objectives of this study were to determine total ^{14}C concentrations in whole blood, plasma, urine and feces, and to determine the percentage of dose excreted in urine and feces, with no primary or secondary objectives specified. Objectives of the clinical trial were met.	Healthy participants in the U.S.	7	FDA	Initiated: 2021-06 LPLV: 2021-11 Completed: 2022-07	A clinical pharmacology study required by the NMPA to be conducted prior to NDA submission that supports the NDA filing
Bridging trial of rifaquizinone in healthy participants	The objectives of this study included to evaluate the safety and tolerability of single and multiple consecutive intravenous infusions of rifaquizinone for injection, and to evaluate the PK profile of single and multiple consecutive intravenous infusions of rifaquizinone for injection, with no primary or secondary objectives specified. Objectives of the clinical trial were met.	Healthy Chinese participants	32	NMPA	Initiated: 2022-07 LPLV: 2023-02 Completed: 2023-08	Confirmed safety, tolerability, and PK in Chinese participants. Completion of the bridging trial in China will allow the use of data from the Phase I and Phase II clinical trials conducted in the U.S. in China, and initiation of the Phase III clinical trials in China will be contingent upon the completion of the PK bridging trial.
Phase Ib/IIa clinical trial of rifaquizinone (IA) in patients with PJI	The primary objective of the study was to assess the safety and tolerability of rifaquizinone (IA), when added to background therapy (vancomycin IV plus oral antibiotics).	Chinese patients with PJI	N/A	NMPA	Initiated: 2025-04 Ongoing	To evaluate the potential of replacing surgery (DAIR)

Abbreviations: FDA = U.S. Food and Drug Administration; NMPA = National Medical Products Administration of PRC; LPLV = last patient's last visit ; NDA = new drug application; SAD = single ascending dose; MAD = multiple ascending dose; THA = total hip arthroplasty; TKA = total knee arthroplasty; ABSSSI = acute bacterial skin and skin structure infection; PJI = prosthetic joint infection; MRCT = multiregional clinical trial; DAIR = debridement, antibiotics, and implant retention; IA = intra-articular; PK = pharmacokinetics.

Source: Company data

Below is the detailed information of clinical trials of rifaquizinone:

Phase I SAD Trial of Rifaquizinone in Healthy Participants

Trial Design. This is a single-center, randomized, investigator-blinded, placebo-controlled Phase I SAD study designed to evaluate the safety, tolerability, and pharmacokinetics of rifaquizinone administered via intravenous injection. This trial was independently conducted by Cumbre Inc. in the U.S. and enrolled 64 healthy participants. Seven dose cohorts ranging from 10 mg to 400 mg were tested, with eight participants per cohort randomized in a 3:1 ratio to receive either rifaquizinone or placebo.

The objectives of the clinical trial included to evaluate the safety, tolerability, and pharmacokinetics following a single intravenous dose of rifaquizinone in healthy participants.

The FDA required Cumbre Inc. to conduct the Phase I SAD and MAD trials as separate trials and conducted them sequentially.

Trial Status. Based on the IND approval received by Cumbre Inc., the clinical trial was initiated in June 2006, completed the last patient's last visit in December 2006, and the trial was completed in June 2007.

PK Results. Administration of rifaquizinone resulted in measurable drug levels, which increased with increasing dose. Mean and median values for AUC_t, AUC_∞, and C_{max} all increased with increasing dosage.

Safety Profile. Frequently reported clinically relevant TEAEs included headache (1 participant in each of the 65 mg, 200 mg and 300 mg cohorts). Two participants reported severe TEAEs. One participant in the 100 mg cohort reported severe dizziness and severe syncope, and one participant in the 400 mg cohort reported a severe increase in ALT and AST levels. No SAEs were reported.

Conclusion. The results showed a dose-proportional increase in plasma exposure, and the 300 mg rifaquizinone achieved the predicted efficacious exposure level.

Phase I MAD Trial of Rifaquizinone in Healthy Participants

Trial Design. This is a randomized, investigator-blinded, placebo-controlled Phase I MAD study to evaluate the safety, tolerability, and pharmacokinetics of rifaquizinone in healthy participants. This trial was independently conducted by Cumbre Inc. in the U.S. and enrolled 49 healthy participants. In this trial, the participants were randomized into three dosing regimens: 50 mg (Cohort 1), 100 mg (Cohort 2), and 300 mg (Cohort 3), administered intravenously twice daily for 14 consecutive days. Each cohort included 16 participants randomized in a 3:1 ratio to receive rifaquizinone or placebo.

The objectives of the clinical trial included to evaluate the safety, tolerability, and PK following multiple intravenous doses of rifaquizinone in healthy participants.

Trial Status. Based on the IND approval received by Cumbre Inc., the clinical trial was initiated in February 2007, completed the last patient's last visit in June 2007, and was completed in November the same year.

Safety Profile. Frequently reported clinically relevant TEAEs included injection site reactions, observed in 9, 11, 9, and 4 participants in cohorts 1, 2, 3, and the placebo group, respectively. The infusion length and volume were modified between cohorts to mitigate this issue. No severe TEAEs or SAEs were reported in the rifaquizinone groups. One drug-related SAE (severe dehydration) was reported in the placebo group.

PK Results. Administration of rifaquizinone resulted in measurable drug concentrations, which increased with increasing dose following single and multiple dose administration. However, the increase in exposure (AUC_t or AUC_∞) was not strictly dose-proportional. Mean and median values for AUC_t, AUC_∞, and half-life increased with increasing dosage.

Conclusion. Results demonstrated dose-dependent pharmacokinetics, and the 300 mg dose reached the predicted efficacious exposure level.

Phase II Trial of Rifaquizinone in ABSSSI Patients

Trial Design. This is a multicenter, randomized, double-blind, vancomycin-controlled Phase II clinical trial designed to assess the efficacy and safety of rifaquizinone in the treatment of ABSSSI. The trial was independently conducted by us in the U.S., enrolling a total of 120 patients who were randomized

in a 2:1 ratio to receive either rifaquizinone (300 mg IV every 12 hours) or vancomycin for a treatment duration of 3 to 14 days. The results were analyzed across four population groups: (1) the ITT population, which included all randomized participants, regardless of whether the study intervention was administered; (2) the mITT population, comprising all ITT participants excluding those with only Gram-negative pathogens; (3) the micro-ITT population, consisting of all mITT participants with culture-confirmed baseline Gram-positive ABSSSI pathogens (excluding participants with only Gram-negative pathogens or negative cultures); and (4) CE population, comprising all participants in the ITT population who met the minimum clinical disease criteria for ABSSSI; had no major protocol deviations; received at least 80% of the expected study treatment doses; and did not receive any potentially effective systemic antibacterial treatment other than the study treatment (except in cases of treatment failure).

The primary objective of the clinical study was to assess the safety and tolerability of rifaquizinone (300 mg IV q12h) in compared with vancomycin (1g IV q12h), through monitoring AEs, infusion site reactions, vital signs, labs, and ECGs. The secondary objectives included determining the PK of rifaquizinone using noncompartmental methods and evaluating its efficacy across clinical and microbiological endpoints.

Trial Status. The clinical trial was initiated in April 2019 under the regulatory clearance obtained from the FDA in January 2019, completed the last patient's last visit in September 2019, and the clinical trial was completed in April 2020.

Efficacy Profile. In the ITT population, the percentage of participants with an early clinical response at the EA time point was higher in the rifaquizinone group (76.3%) than in the vancomycin group (67.5%). Similar trends in early clinical response at EA were observed in both the mITT and micro-ITT populations. In the micro-ITT population, the response rates at EA for ABSSSI caused by methicillin-resistant *S. aureus* (MRSA, 78.1% vs. 57.9%), methicillin-sensitive *S. aureus* (MSSA, 88.9% vs. 50.0%), ciprofloxacin-resistant *S. aureus* (CRSA, 75.9% vs. 55.6%), and ciprofloxacin-sensitive *S. aureus* (CSSA, 83.3% vs. 60.0%) were higher in the rifaquizinone treatment group compared to the vancomycin group.

Analysis of EA Response Rate in Different Patient Populations

Analysis Population	Rifaquizinone Group	Vancomycin Group	Difference (95% CI)
	n (%)	*n (%)*	
ITT	(N=80) 61 (76.3%)	(N=40) 27 (67.5%)	8.7 (-7.7, 26.5)
mITT	(N=78) 60 (76.9%)	(N=40) 27 (67.5%)	9.4 (-7.0, 27.2)
micro-ITT	(N=51) 41 (80.4%)	(N=29) 19 (65.5%)	14.9 (-4.9, 35.7)

Source: Company data

Analysis of EA Response Rates in Drug-resistance Pathogens

Category	Pathogen	TNP-2092 Group		Vancomycin Group	
		N	Responders n (%)	N	Responders n (%)
Gram-positive		47	39 (83.0%)	29	19 (65.5%)
	S. aureus	41	33 (80.5%)	23	13 (56.5%)
	MRSA	32	25 (78.1%)	19	11 (57.9%)
	CRSA	29	22 (75.9%)	18	10 (55.6%)
Gram-negative		6	5 (83.3%)	2	1 (50.0%)

Abbreviations: CRSA = ciprofloxacin-resistant *S. aureus*; MRSA = methicillin-resistant *S. aureus*.

Source: Company data

In the mITT, micro-ITT, and CE populations, the clinical success rates at end of intravenous treatment, end of treatment, and post-therapy evaluation visits were similar to or higher in the rifaquizinone group compared to the vancomycin group. In the CE-PTE population, at the PTE visit, the clinical success rate was 96.4% in the rifaquizinone group and 92.6% in the vancomycin group. In the micro-ITT population, at the PTE visit, the overall clinical success rate for *S. aureus*-related pathogens was higher in the rifaquizinone group (80.5%) than in the vancomycin group (73.9%). In the micro-ITT population at PTE, the overall clinical success rates for MRSA, CRSA, and RSSA-related pathogens were slightly higher in the rifaquizinone group (81.3%, 79.3%, and 80.0%, respectively) compared to the vancomycin group (78.9%, 77.8%, and 73.9%, respectively).

The microbiological response rates at PTE were similar between the rifaquizinone and vancomycin treatment groups: 78.4% vs. 79.3% in the micro-ITT population and 94.4% vs. 100.0% in the ME-PTE population, respectively. Among participants with ABSSSI caused by *S. aureus*, the microbiological response rates at PTE were 80.5% for the rifaquizinone group and 73.9% for the vancomycin group (micro-ITT population). For participants with ABSSSI caused by MRSA and MSSA, the microbiological response rates in the rifaquizinone group were 81.3% and 77.8%, respectively, compared to 78.9% and 50.0% in the vancomycin group. Among participants with ABSSSI caused by CRSA and CSSA, the microbiological response rates at PTE were 79.3% and 75.0% in the rifaquizinone group, and 77.8% and 60.0% in the vancomycin group, respectively.

Safety Profile. The incidence of TEAEs was slightly higher in the rifaquizinone group compared with the vancomycin group (46.2% vs. 41.0%). The most common rifaquizinone-related TEAEs (reported in >5% of participants in either group) were nausea and various intravenous injection site reaction.

Summary of AEs

	Rifaquizinone Group (N = 78) n(%)	**Vancomycin Group (N = 39) n(%)**
At least one TEAEs	36 (46.2)	16 (41.0)
TEAEs related to study drug	19 (24.4)	4 (10.3)
Severe TEAEs	1 (1.3)	1 (2.6)
SAEs	1 (1.3)	2 (5.1)
SAEs related to study drug	0	0
TEAEs leading to study withdrawal	2 (2.6)	2 (5.1)
SAEs leading to study withdrawal	1 (1.3)	1 (2.6)

Source: Company data

TEAEs in both groups were generally mild or moderate in severity. Two participants in each group experienced a severe TEAE during the study. In the rifaquizinone group, one participant experienced a severe TEAE of staphylococcal infection (MRSA bacteremia), while in the vancomycin group, one participant had a severe TEAE of limb abscess. However, both events were considered unrelated to the study intervention by the investigator.

TEAEs leading to discontinuation of the study intervention were reported in two participants in the rifaquizinone group: one participant experienced two moderate infusion site reactions considered related to the study drug, and another had a severe SAE of staphylococcal infection considered unrelated. Similarly, two participants in the vancomycin group discontinued the study due to TEAEs: one due to moderate fatigue considered possibly related to the study intervention, and another due to a severe SAE of limb abscess considered unrelated.

Conclusion. The results showed that rifaquizinone demonstrated potentially improved efficacy compare to vancomycin, including in patients infected with MRSA and quinolone-resistant strains. Rifaquizinone was well tolerated, with no drug-related ALT/AST elevations or SAEs reported.

Joint Tissue Distribution Study of Rifaquizinone in THA or TKA Patients

Trial Design. This is an open-label clinical trial to evaluate the pharmacokinetics and tissue distribution of a single 300 mg IV dose of rifaquizinone in PJI patients. This trial was independently conducted by us in the U.S. and included 13 patients undergoing hip or knee replacement surgery. Patents received a single IV infusion of rifaquizinone (300 mg, duration of 60±10 minutes) 2 hours (±20 minutes) before the induction of anesthesia. All patients also received a second single infusion, cefazolin IV per the standard of care for antimicrobial prophylaxis, 30±10 minutes before the induction of anesthesia. These infusions were performed sequentially, not simultaneously.

The primary objective of this trial was to evaluate the tissue distribution of a single IV dose of 300 mg rifaquizinone administered in adult patients undergoing primary total hip arthroplasty ("THA") or total knee arthroplasty ("TKA"). The secondary objectives of this trial were to evaluate the plasma PK and the safety and tolerability of a single IV dose of 300mg rifaquizinone in the same group of patients.

Trial Status. This trial was initiated in March 2021 under the regulatory clearance obtained from the FDA in January 2019, completed the last patient's last visit in December 2021, and was completed in June 2022.

Results. The results supported distribution of rifaquizinone in bone following a single IV infusion with a mean bone concentration ranging between 362 to 2,650 ng/g depending on bone sample type with the tibia and distal femur generally having concentrations in lower end of this range. Mean synovial concentrations of rifaquizinone in hip join samples (6,840 ng/mL) appeared to be higher than those in knee joint samples (1,090 ng/mL).

Summary of Rifaquizinone Concentrations in Bone Tissue and Synovial Fluid

Population	Bone Tissue/ Synovial Fluid	Rifaquizinone Concentration		
		n	Mean (Standard Deviation)	Range
THA (N = 8)	Acetabulum (ng/g)	8	2650 (2210)	585-7650
	Femoral Head (ng/g)	8	1180 (1040)	40.4-3030
	Synovial Fluid (ng/mL)	5	6840 (10200)	815-24900
TKA (N = 4)	Distal Femur (ng/g)	4	362 (129)	239-515
	Tibia (ng/g)	4	410 (153)	252-555
	Synovial Fluid (ng/mL)	3	1090 (553)	584-1680

Source: Company data

The plasma concentrations of rifaquizinone were highest around the time of end of infusion corresponding to the sample taken 15 minutes following the end of infusion that had a mean of 46,200 ng/mL (ranging from 28,200 to 68,000 ng/mL). The plasma concentrations reduced to 1,130 ng/mL at 6 hours after the end of infusion.

The PK parameters calculated for rifaquizinone plasma concentrations showed a mean C_{max} 40,100 ng/mL and median T_{max} 1.19 h. Mean of $AUC_{0\text{-}last}$ was 165,000 ng·h/mL. Half-life was evaluable in four patients with mean of 1.08 h. Mean of clearance was 1,500 mL/h.

In terms of safety, four participants (30.8%, 4/13) reported at least one TEAE related to rifaquizinone, including easy bruising, nausea, infusion site irritation, elevated aspartate aminotransferase, decreased total protein, headache, dry mouth, and urticaria. Except for nausea, which was of moderate severity, all other TEAEs were mild.

One SAE—nausea—was reported during the study, which was of moderate severity. The investigator assessed the event as possibly related to rifaquizinone, and the participant recovered after treatment. No severe TEAEs or TEAEs leading to discontinuation of rifaquizinone treatment or early termination of the study occurred. No deaths were reported.

Conclusion. The study showed that rifaquizinone was well tolerated in surgical patients and achieved concentrations in synovial tissue and joint fluid that were at or above the $MBBC_{90}$, supporting its potential utility in treating joint-related biofilm infections.

hAME Study of Rifaquizinone with ^{14}C-Labeling in Healthy Participants

Trial Design. This is a hAME study to assess metabolic and elimination pathways of rifaquizinone in healthy participants. This trial was independently conducted by us in the U.S. with a total of seven participants. A single dose of ^{14}C-labeled rifaquizinone was administered intravenously to the enrolled participants. The objectives of this study were to determine total ^{14}C concentrations in whole blood, plasma, urine and feces, and to determine the percentage of dose excreted in urine and feces.

Trial Status. The clinical trial was initiated in June 2021 under the regulatory clearance obtained from the FDA in January 2019, completed the last patient's last visit in November 2021, and completed in July 2022.

Safety Profile. No drug-related adverse events were reported during the study.

PK Results. The mean cumulative recovery over the initial collection period (0-168 h) was 98.5%, with 2.64% being excreted in urine and 95.9% in feces. This recovery increased to 102% (2.74% excreted in urine and 98.7% in feces) at the end of the collection period (336 h).

Conclusion. Results indicated that rifaquizinone was primarily excreted via the hepatobiliary route and that no major metabolites (defined as >10% of total drug-related material) were detected.

Bridging Trial of Rifaquizinone in Healthy Chinese Population

Trial Design. This is a bridging trial to evaluate the pharmacokinetics, safety, and tolerability of single and multiple intravenous doses of rifaquizinone in China. Independently conducted by us in China, the trial enrolled 32 healthy Chinese participants. Enrolled patients were randomized into three groups: (1) a low-dose group receiving a single 200 mg dose, (2) a high-dose group receiving a single 400 mg dose, and (3) a medium-dose group receiving a single 300 mg dose on Day 1, followed by 300 mg every 12 hours (q12h, ±10 minutes) from Day 4 to Day 10, with the final dose administered on the morning of Day 11. Each intravenous infusion lasted 60 minutes (±10 minutes).

The objectives of this study included to evaluate the safety and tolerability of single and multiple consecutive intravenous infusions of rifaquizinone for injection in healthy Chinese participants; and to evaluate the pharmacokinetic profile of single and multiple consecutive intravenous infusions of rifaquizinone for injection in healthy Chinese participants.

Trial Status. This clinical trial was initiated in July 2022 under the umbrella IND approval obtained from the NMPA in February 2022, completed the last patient's last visit in February 2023, and was completed in August 2023.

Safety Profile. No clinically relevant TEAEs were reported in the single-dose groups. Clinically relevant TEAEs reported in the 300 mg multiple-dose group included injection site reaction (10 participants) and mouth ulcerations (2 participants). Two participants in the 300 mg multiple-dose group reported Grade 3 drug-related TEAEs (blood bilirubin increased). No SAEs were reported.

PK Results. Following single-dose intravenous administration, the median time to maximum plasma concentration (T_{max}) ranged from 0.97 to 1.02 hours, and the mean elimination half-life ($t_{1/2}$) ranged between 0.68 and 1.54 hours. Across the 200 mg to 400 mg dose range, the PK parameters—including AUC_{0-last}, $AUC_{0-\infty}$, AUC_{0-12h}, C_{max}, and volume of distribution—increased with dose. C_{max} demonstrated dose-proportional increases, consistent with linear PK. In contrast, the AUC parameters increased slightly more than proportionally with dose, suggesting a trend toward nonlinear exposure. Additionally, clearance decreased as the dose increased. Plasma concentration-time profiles were consistent across all dose groups.

For the multiple-dose regimen, healthy Chinese participants received 300 mg of rifaquizinone every 12 hours for seven consecutive days. Under this dosing schedule, minimal accumulation of both AUC and C_{max} was observed, indicating limited drug buildup over time. Steady-state concentrations were achieved after four doses, supporting the PK predictability of repeated dosing.

Conclusion. The study results showed that rifaquizinone was well tolerated, with no unexpected AEs, and the pharmacokinetic profiles were comparable between Chinese and U.S. populations, supporting global bridging of clinical data.

Phase Ib/IIa Clinical Trial of Rifaquizinone (IA) in Patients with PJI

Trial Design. This is a randomized, controlled, open-label Phase Ib/IIa trial designed to evaluate the safety, tolerability, local and systemic pharmacokinetic profile, and proof-of concept efficacy of rifaquizinone administered via intra-articular ("IA") injection in participants with PJI. This trial is a combined trial consisting of Phase Ib and IIa stages, which will be conducted independently by us in China. The evaluation will be conducted against background therapy in the following patient groups: (1) patients with early PJI (within 1 month post-TKA) or acute hematogenous PJI (within 3 weeks of symptom onset), who may or may not require DAIR; (2) patients requiring long-term antibiotic suppression therapy for PJI (including PJI occurring after various joint replacements or revision surgeries). The trial will first enroll at least 3 patients as a sentinel cohort to explore the dose, frequency and duration of rifaquizinone for treating PJI via IA administration. After all participants in the sentinel cohort demonstrate acceptable safety tolerability in the early assessment and complete the PK study, 20 participants will be enrolled and randomized 1:1 into two groups: (1) Experimental Group: rifaquizinone IA + vancomycin IV + oral antibiotics; and (2) Control Group: vancomycin IA + vancomycin IV + oral antibiotics. An additional 10 patients with PJI requiring long-term antibiotic suppression therapy will also be enrolled in parallel with the randomized treatment groups. Safety and efficacy will be evaluated across all treatment groups.

The primary objective of the study was to assess the safety and tolerability of rifaquizinone (IA) in adult participants with PJI, when added to background therapy (vancomycin IV plus oral antibiotics).

Trial Status. This clinical trial was initiated in April 2025 under IND approval from the NMPA in September 2023 for conducting the Phase Ib/IIa clinical trial of rifaquizinone (IA administration) for the treatment of PJI. As of the Latest Practicable Date, the trial was still ongoing. Previously completed Phase I clinical trials of rifaquizinone in healthy participants served as Phase Ia clinical trial for PJI (IA).

Clinical Development Plan

We plan to adopt a fast-to-market strategy and initiate a Phase III MRCT for the treatment of ABSSSI. We have received approvals from both FDA and NMPA to proceed with a Phase III clinical trial for ABSSSI and we expect to commence a Phase III MRCT in the second half of 2026, based on our R&D priorities of first obtaining NDA approval for rifasutenizol and then advancing the clinical development of rifaquizinone, determined with consideration of our internal resources and risk management.

Leveraging data collected from Phase I clinical trials, we are currently conducting a Phase Ib/IIa clinical trial evaluating the IA administration of rifaquizinone for PJI in China. This trial is a proof-of-concept clinical trial, evaluating both safety and efficacy profiles. We expect to complete the trial in the second half of 2026. Following the completion of the Phase Ib/IIa clinical trial of rifaquizinone for

PJI (IA administration), we plan to initiate a Phase IIb trial of rifaquizinone for PJI (IA administration) in the first half of 2027 to determine the recommended dose and administration regimen for the registrational clinical trial. We will refine and finalize the Phase III clinical trial protocol of rifaquizinone for PJI (IA administration) based on the Phase II results and engage in discussions with both the NMPA and the FDA. The specific protocol will be determined in consultation with the NMPA and the FDA at the End-of-Phase II meetings. We plan to obtain regulatory clearance from both the NMPA and the FDA (under the current IND for rifaquizinone or a new IND if necessary subject to the FDA's guidance) to proceed with the Phase III clinical trial.

In addition, we have received approvals from both FDA and NMPA to proceed with a Phase III clinical trial for the IV administration of rifaquizinone for PJI. Separate from the clinical development plan for the treatment of PJI though IA administration, we expect to commence a Phase III MRCT of rifaquizinone for PJI through IV administration after completion of the Phase III clinical trial for ABSSSI in China, which is anticipated in 2029, based on our R&D priorities of first advancing rifaquizinone for ABSSSI and then PJI, determined with consideration of our internal resources and risk management.

We plan to submit an IND application to the NMPA and the Phase II study protocols to the FDA for the treatment of LVAD infection, both in first half of 2026. We plan to initiate a Phase II clinical trial of rifaquizinone for the treatment of LVAD infection in the U.S. in the second half of 2026.

Currently, the IND approvals granted by both the NMPA and the FDA remain active. The Company plans to implement a continuous clinical development program for the Core Product, rifaquizinone, over the next six years. Under this development plan, the Company does not expect to need to reactivate the FDA IND, because there will be no gap of two years or more without enrolling participants. Similarly, the NMPA IND approval is not expected to expire, as the current IND approval has been activated by a clinical trial. Accordingly, no reactivation approval from the NMPA or the FDA is required for the Company to implement the clinical development plan for rifaquizinone in China and the U.S., at least within the next six years.

In February 2019, rifaquizinone (IV administration) was granted QIDP designation for the treatment of ABSSSI, PJI and CRBSI by the FDA. In May 2019, rifaquizinone (IV administration) received Fast Track designation for the treatment of ABSSSI, PJI and CRBSI by the FDA. Fast Track designation can accelerate clinical development by enabling more frequent interactions with the FDA on trial design, endpoints, and development plans. In addition, QIDP designation provides an additional five years of market exclusivity under the GAIN (Generating Antibiotic Incentives Now) Act upon FDA approval. These designations do not confer a specific or measurable acceleration, nor do they exempt any clinical stage, and they do not guarantee NDA approval.

Regulatory Differences Between the NMPA and the FDA and the Corresponding R&D Strategies

There are notable differences between China and the U.S. regarding the clinical trial requirements to support an NDA. In China, a single pivotal (generally a Phase III) clinical trial can be sufficient for NDA submission. In the U.S., an NDA is typically supported by two pivotal clinical studies (generally Phase III clinical trials) with the exception for indications with significant unmet medical needs where conducting large, traditional trials is not feasible. Depending on the disease incidence and whether it is serious or life-threatening, the FDA allows some flexibility in the clinical data required to support an NDA, such as in the case of some rare diseases. For ABSSSI, the U.S. FDA's clinical guidelines explicitly require two pivotal clinical studies (generally Phase III clinical trials) to support an NDA. Therefore, the Company will obtain FDA NDA approval for rifaquizinone for the treatment of ABSSSI after the completion of both Phase III clinical trials for ABSSSI and PJI.

Based on these regulatory differences, our strategy is to first secure marketing approval for rifaquizinone for ABSSSI in China, followed by ABSSSI approval in the U.S. and PJI approval in both the U.S. and China (order does not imply priority). In China, the timing and sequence of the clinical trials are based solely on the Company's R&D priorities, and there is no regulatory linkage between the trials mentioned. The two Phase III clinical trials do not together constitute a "package" for submitting an NDA

to the NMPA for the approval of either indication in China. However, the two Phase III clinical trials constitute a "package" for submitting an NDA to the FDA for the approval of the ABSSSI indication in the U.S, based on the communication with the FDA in October 2017. Nevertheless, ABSSSI, PJI (IV), and LVADI will be regulated as a single product by both the NMPA and the FDA, as they share the same active pharmaceutical ingredient, formulation, and route of administration.

Previous Clinical Development Strategy

We were incorporated in 2013 and in the same year, we acquired patent rights from Cumbre. In our early stage of operations, we focused on building our team and capabilities while developing products for commercialization in the Chinese market, prioritizing the development of TNP-2092 oral.

Within 18 months after the patent transfer, we completed the technology transfer of TNP-2092 API, developed the capsule formulation, and conducted preclinical studies. In early 2015, we submitted an IND application for TNP-2092 oral formulation to the NMPA, which was approved in April 2016. Given the regulatory environment, we adopted a conservative strategy, initially focusing on developing TNP-2092 capsule in China.

By 2017, our R&D capabilities had matured, and China's accession to the ICH accelerated regulatory alignment. We initiated rifaquizinone injection development in the U.S. and engaged with the FDA to reactivate the IND approval in 2017. We submitted the materials for the IND reactivation application along with the Phase II clinical trial protocol for ABSSSI in 2018, received regulatory clearance (reactivation) from the FDA and commenced a Phase II clinical trial of rifaquizinone injection for ABSSSI in 2019.

Licenses, Rights and Obligations

All intellectual properties associated with rifaquizinone controlled by Cumbre were transferred to us as part of the Series A investment by Cumbre, and we obtained the exclusive global rights to develop, manufacture, and commercialize rifaquizinone. Dr. Ma, our founder, Executive Director, and Chief Executive Officer, made significant contributions to the discovery and early development of TNP-2092 (IV) (formerly known as CBR-2092) during his tenure at Cumbre Inc. He was named as an inventor on each of the transferred patents for TNP-2092, while he was working at Cumbre Inc. At the time of the patent transfer, rifaquizinone (IV) was still in the Phase I clinical stage for the treatment of ABSSSI. Since then, we have independently conducted preclinical studies and five clinical trials, developed manufacturing process, and expanded the indications under development to cover PJI, LVAD indication, and CRBSI.

Rifaquizinone, TNP-2092 Oral, and TNP-2092 Topical Will be Regulated as Separate Products

According to the relevant rules and regulations, rifaquizinone, TNP-2092 oral and TNP-2092 topical will be regulated as separate products in both the U.S. and China. In the U.S., the FDA regulates different dosage forms of the same active moiety under the framework of the Federal Food, Drug, and Cosmetic Act and implementing regulations in 21 CFR Part 314. Under the FDA's definition, a "new drug" is based on the active ingredient, dosage form, strength, route of administration, and conditions of use. While the same active ingredient across different dosage forms (e.g., oral, injectable, topical) may be recognized as the same active moiety, each formulation is generally treated as a separate drug product for regulatory approval purpose because differences in route of administration and dosage form affect what diseases or indications to be treated.

In China, the NMPA regulates drug approval under the Drug Administration Law of the PRC (2020 revision) (《中華人民共和國藥品管理法》) and the Measures for the Administration of Drug Registration (2020) (《藥品註冊管理辦法》). The NMPA defines a "drug" broadly, with classification focusing on the active ingredient and dosage form. While different formulations containing the same active ingredient may be considered the "same variety" for purposes of pharmacological classification, each dosage form (e.g., oral, injectable, topical) is treated as an independent application for review and approval because variations in formulation and administration route affect clinical use, quality standards, and risk profiles.

In addition, Rifaquizinone, TNP-2092 oral and TNP-2092 topical are intended for different indications, further supporting they should be treated as different products. Therefore, oral, injectable, and topical formulations of the same active ingredient are generally regulated as three separate drug products, each requiring its own dossier and to be allocated a separate drug approval number (藥品批件文號).

In light of the above relevant laws and regulations, we have submitted separate IND applications for rifaquizinone, TNP-2092 oral and TNP-2092 topical, and received separate IND approvals from the NMPA.

In December 25, 2025, we consulted with the Yangtze River Delta Center for Drug Evaluation and Inspection of NMPA through its official consultation phone number, with professional representatives in attendance. During the interview, we received the confirmation that rifaquizinone, TNP-2092 oral and TNP-2092 topical will be regulated as separate products in China.

Material Communications with Competent Authorities

According to 21 CFR § 312.45 and as confirmed by Frost & Sullivan, if no participants have been enrolled in a clinical trial for two years or longer, the FDA may place an IND on inactive status. This is a regulatory mechanism unique to the FDA and not adopted by the NMPA. This action may be taken by the FDA either at the sponsor's request or on its own initiative. If the FDA intends to take such action on its own initiative under this provision, it must first notify the sponsor in writing of its preliminary decision to place the IND on inactive status. Upon receipt of such notice, the sponsor shall, within 30 days, provide an explanation as to why the IND application should remain active. If the sponsor intends to resume clinical studies under an inactive IND, it must submit a protocol amendment in accordance with the relevant regulations, which should include the overall investigational plan for the following year and the corresponding study protocol(s). According to the relevant laws and regulations and as confirmed by Frost & Sullivan, upon submission of the reactivation application, if the FDA does not issue any comments within 30 days, the IND will be deemed reactivated and the sponsor may proceed to conduct clinical trials under the reactivated IND. Frost & Sullivan further confirms that in general the FDA will not voluntarily impose inactive status on an IND if the clinical development of the product is ongoing, whether within or outside the U.S.

Due to financial difficulties, Cumbre Inc. has not conducted any R&D activities since 2009 and requested that the INDs for TNP-2092 (IV) be inactivated. Among all of our pipeline product candidates, TNP-2092 (IV) is the only one for which IND has ever been placed in an inactive status.

According to the Administrative Measures for Drug Registration (《藥品註冊管理辦法》) (2020 Revision) of the NMPA, clinical trials of a drug must be initiated within three years after IND approval. If no participant has signed an informed consent form within three years from the date of approval, the IND will automatically expire. According to the same regulation and as confirmed by the PRC Legal Adviser, the enrollment of participants in a clinical trial under an approved IND serves to maintain the IND in active status. As both IND approvals granted by the NMPA in February 2022 and December 2022 require the conduct of a bridging trial of rifaquizinone in a healthy Chinese population, initiation of this trial activates both IND approvals.

Except for Cumbre's voluntary inactivation of the IND for TNP-2092 injection with the FDA, no historical IND inactivation notice has been received in connection with the development of rifaquizinone. All IND approvals necessary to implement our clinical development plan for rifaquizinone are currently active.

Our Material Communications with the FDA:

- In October 2017, we held a meeting with the FDA to discuss the IND reactivation application of conducting Phase II clinical trials of rifaquizinone (IV administration) for ABSSSI. In December 2018, based on our communications with the FDA, we submitted the materials for the IND reactivation application along with the Phase II clinical trial protocol for ABSSSI. In January 2019,

based on the data collected from the completed Phase I clinical trials in healthy participants, we received regulatory clearance (reactivation) from the FDA for conducting Phase II clinical trials as well as pharmacology studies of rifaquizinone (IV administration) for the treatment of ABSSSI and PJI. During our communications with the FDA, we did not submit additional clinical data, and the FDA recommended adjustments to the previously submitted trial design, which we accepted.

- In February 2019, rifaquizinone (IV administration) was granted QIDP designation for the treatment of ABSSSI, PJI and CRBSI by the FDA.

- In May 2019, rifaquizinone (IV administration) received Fast Track designation for the treatment of ABSSSI, PJI and CRBSI by the FDA.

- In January 2020, rifaquizinone (IV administration) was granted Orphan Drug designation for the treatment of PJI by the FDA.

- In June 2022, we submitted to the FDA the data collected from completed Phase I clinical trials in healthy participants, a Phase II clinical trial in patients with ABSSSI, and the protocol for a Phase III clinical trial of rifaquizinone (intravenous administration) for the treatment of ABSSSI. In December 2022, based on the data collected from completed Phase I clinical trials in healthy participants and a Phase II clinical trial in ABSSSI patients, we engaged with the FDA and obtained regulatory clearance for the initiation of a Phase III clinical trial of rifaquizinone (IV administration) for the treatment of ABSSSI.

- In January 2023, we submitted to the FDA the data collected from completed Phase I clinical trials in healthy participants, a Phase II clinical trial in patients with ABSSSI, joint tissue distribution data from patients who underwent THA and TKA, and the protocol for a Phase III clinical trial of rifaquizinone (intravenous administration) for the treatment of PJI. In March 2023, based on the data collected from completed Phase I clinical trials in healthy participants, a Phase II clinical trial in ABSSSI patients and the joint tissue distribution study in THA and TKA patients, we obtained regulatory clearance from the FDA for conducting a Phase III clinical trial of rifaquizinone (IV administration) in PJI.

- From 2020 to 2025, we submitted Development Safety Update Reports (DSURs) to the FDA each August. Each report covered the period from June of the previous year to June of the current year and included information on clinical trials that were ongoing or completed in China and U.S. during the reporting period.

Our Material Communications with the NMPA:

- In September 2021, we initiated pre-IND communications with the CDE regarding the investigation of rifaquizinone for the treatment of ABSSSI in China. In February 2022, based on the data collected from completed Phase I and Phase II clinical trials in the U.S., we received an umbrella IND approval from the NMPA for conducting a PK bridging trial in healthy Chinese participants and a Phase III clinical trial of rifaquizinone (IV administration) for the treatment of ABSSSI. The bridging trial is required to be conducted by the NMPA to determine whether the PK profile of rifaquizinone (IV administration) in the U.S. is comparable to that in the Chinese population. The initiation of the Phase III clinical trial in China was conditioned upon the completion of the PK bridging trial.

- In April 2022, we initiated pre-IND discussions with the CDE regarding the investigation of rifaquizinone for the treatment of PJI in China. In December 2022, based on the data collected from completed Phase I clinical trials, a Phase II clinical trial in patients with ABSSSI and the joint tissue distribution study in THA and TKA patients in the U.S., we received IND approval from the NMPA for conducting a Phase III clinical trial of rifaquizinone (IV administration) for the treatment of PJI.

According to the December 2022 IND approval, the initiation of the Phase III clinical trial in China was conditioned upon the completion of the PK bridging trial under the umbrella IND approval obtained in February 2022, making the PK bridging trial also part of the December 2022 IND approval.

- In September 2023, based on the completed Phase I and Phase II clinical trials in the U.S. and the PK bridging trial in China, we received IND approval from the NMPA for conducting a Phase Ib/IIa clinical trial of rifaquizinone (IA administration) for the treatment of PJI.

Based on our communications with the FDA and the NMPA, the completed Phase I clinical trials in healthy participants and a Phase II clinical trials in ABSSSI patients conducted in the U.S. demonstrated that rifaquizinone was well tolerated, exhibited strong efficacy against pathogens causing PJI, particularly drug-resistant strains, and achieved effective biofilm-killing concentrations at the site of infection. These results in all material aspects supported the NMPA in granting IND approvals and the FDA is reaching alignment on the trial design for us to initiate a Phase III clinical trial of rifaquizinone (IV administration) in patients with PJI and ABSSSI in the U.S. and China.

We had not received any relevant regulatory agencies' objections to our clinical development plans as of the Latest Practicable Date.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET RIFAQUIZINONE SUCCESSFULLY.

KEY PRODUCT: TNP-2092 ORAL—THE WORLD'S FIRST MULTI-TARGETING ANTIBACTERIAL DRUG CANDIDATE FOR THE TREATMENT OF DISEASES ASSOCIATED WITH GUT BACTERIAL METABOLISM

Overview

An oral formulation of TNP-2092 was developed for the treatment of HE and IBS-D. It shares the same active ingredient as rifaquizinone, consisting of a rifamycin pharmacophore and a quinolizinone pharmacophore. It is the world's first multi-targeting antibacterial drug candidate for the treatment of diseases associated with gut bacterial metabolism. A growing body of research has established strong links between the gut bacterial metabolism and the pathophysiology of many prevalent and serious diseases, including HE and IBS-D. These conditions often require long-term preventive or therapeutic treatment, demanding high standards of safety and tolerability for any medication. Rifaximin, a gut-selective antibacterial agent, has become a mainstream treatment of these diseases due to its local action in the gastrointestinal tract and minimal systemic absorption, which contributed to its favorable safety profile. However, rifaximin is associated with a relatively high frequency of resistance development during treatment and it was not approved for marketing in China. In contrast, TNP-2092 oral formulation shares similar pharmacokinetic properties with rifaximin but act through a multi-targeting mechanism, which can reduce the likelihood of resistance and enhances antibacterial potency, making it a promising therapeutic candidate for HE and IBS-D. As of the Latest Practicable Date, we have completed three Phase I clinical trials and one Phase II clinical trial of TNP-2092 oral in China.

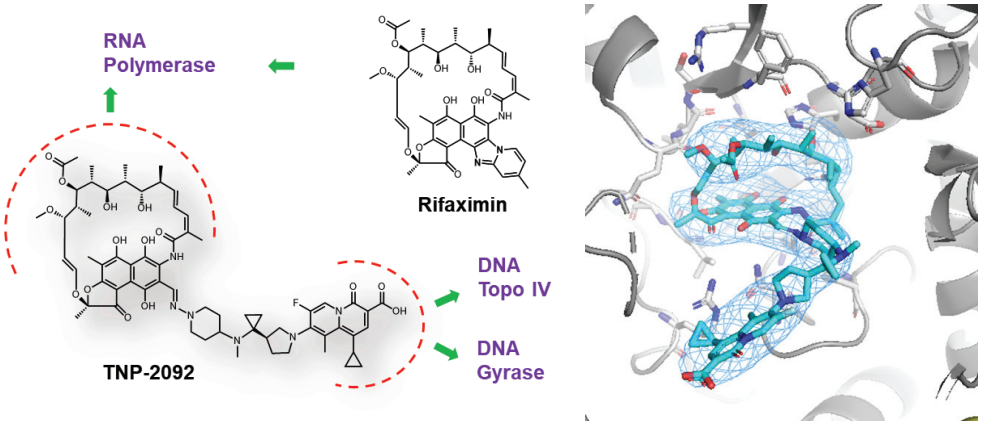
Mechanism of Action

TNP-2092 is a novel, multi-targeting drug candidate with low propensity for the development of resistance through inhibition of bacterial RNA polymerase, DNA gyrase and topoisomerase IV. Compared to rifaximin, a locally acting drug approved for the treatment of HE and IBS-D, TNP-2092 has a similar PK profile and antibacterial spectrum but a lower frequency of spontaneous resistance due to its multi-targeting mechanism of action. While both TNP-2092 and rifaximin target RNA polymerase, TNP-2092 also inhibits DNA gyrase and topoisomerase IV, enhancing its antibacterial activity and reducing the likelihood of resistance development.

For HE, TNP-2092 reduces systemic ammonia levels by suppressing intestinal bacteria responsible for producing ammonia and other neurotoxins. Its minimal systemic absorption allows for localized action in the gut, where it effectively reduces ammonia production, helping alleviate HE symptoms.

In IBS-D, TNP-2092 targets gut dysbiosis and small intestinal bacterial overgrowth, both of which are implicated in the pathogenesis of diarrhea, bloating, and abdominal pain. By rebalancing the gut microbiota and reducing pro-inflammatory or gas-producing bacteria, TNP-2092 may improve gastrointestinal symptoms associated with IBS-D.

Mechanism of Action of TNP-2092 and Its Comparison with That of Rifaximin



Source: Company data

Market Opportunities and Competition

Hepatic Encephalopathy

Hepatic encephalopathy ("**HE**") is a serious neuropsychiatric complication that affects up to 28% of patients with cirrhosis, potentially emerging even a decade after diagnosis. It results from impaired liver detoxification, allowing toxins—particularly ammonia—from the gut to accumulate and affect brain function. The global prevalence of HE rose from 8.8 million in 2019 to 9.3 million in 2024. This figure is projected to increase further to 9.8 million by 2030 and reach 10.2 million in 2035. In China, the prevalence has remained relatively stable at around 1.7 million from 2019 to 2024 and is expected to stay at this level through 2030. However, it is projected to decline slightly to 1.6 million in 2035, due to the widespread adoption of hepatitis B vaccination, which has significantly reduced hepatitis B virus infections—a major underlying cause of HE.

There are significant medical needs in the treatment of HE, particularly for patients with refractory or recurrent HE. Current therapies like lactulose and rifaximin show limited effectiveness in some patients, especially those with advanced cirrhosis or multi-organ dysfunction. The lack of innovative treatments with faster onset and stronger targeting limits the ability to reverse neurocognitive impairment. Long-term prevention strategies also face challenges, including poor patient adherence, cumulative side effects, and the absence of personalized regimens based on individual risk factors such as gut microbiota or ammonia metabolism.

Irritable Bowel Syndrome with Diarrhea

Irritable bowel syndrome ("**IBS**") is a common functional gastrointestinal disorder characterized by chronic abdominal discomfort and altered bowel habits. It is the most prevalent disorder of gut-brain interaction, affecting 5% to 10% of the general population worldwide. Current therapies often provide only partial and inconsistent symptom relief, particularly for abdominal pain, bloating, and bowel urgency. In the U.S., approved treatments such as rifaximin, eluxadoline, and alosetron have limitations related to efficacy, safety, or restricted indications, while in China, access to innovative drugs is limited, and many patients rely on traditional therapies or medications with limited clinical evidence. Additionally, chronic or relapsing symptoms, frequent psychological comorbidities, and the absence of reliable biomarkers make personalized treatment difficult, highlighting the need for safer, more effective, and targeted therapeutic options.

Competitive Advantages

Significant Market Potential with Limited Competition

HE and IBS-D are both common and serious conditions closely associated with gut bacterial metabolism. Despite their high prevalence and clinical burden, the treatment options for HE remains limited, particularly in terms of innovation and therapeutic diversity. In the U.S., the FDA has approved only three drugs for the treatment and prevention of HE, all of which aim to reduce blood ammonia levels by inhibiting bacterial growth and metabolism in the gut. Neomycin, approved in 1965, is now rarely used due to its significant ototoxicity and nephrotoxicity, which prevent long-term administration. Lactulose, approved in 1974, is limited by severe diarrhea that restricts dose escalation. Rifaximin, approved in 2010, has become the mainstay of HE treatment in the U.S. due to its gut-selective action, minimal systemic absorption, and favorable long-term safety profile. As a rifamycin derivative, rifaximin inhibits gut bacterial growth and metabolism, effectively reducing ammonia and other toxic metabolites. Its global sales reached US$2.0 billion in 2024, reflecting its commercial success and clinical importance.

In China, HE is also recognized as a condition linked to hyperammonemia, and the 2018 clinical guidelines recommend treatments aimed at lowering ammonia levels. These include α-crystalline rifaximin, other antimicrobials, probiotics, and L-ornithine L-aspartate. However, rifaximin has not yet received regulatory approval in China for the treatment of HE.

Despite its wide clinical application, as a single-target antibacterial agent, rifaximin has a relatively high spontaneous resistance frequency (approximately 10^{-8}), primarily due to point mutations in the single gene encoding RNA polymerase, its sole target. This limits its long-term effectiveness and highlights a critical gap in the current treatment paradigm. Moreover, the global HE drug development pipeline is notably weak, with most investigational therapies still focused solely on ammonia control rather than broader antimicrobial strategies or innovative mechanisms.

Potential Best Initial Treatment for HE

Against this backdrop, TNP-2092 oral formulation offers a compelling competitive advantage. It features a multi-targeting mechanism of action that not only suppresses key bacterial enzymes—RNA polymerase, DNA gyrase, and topoisomerase IV—but also significantly reduces the likelihood of resistance development (spontaneous resistance frequency $<10^{-12}$ in *S. aureus*). With pharmacokinetic properties similar to rifaximin (i.e., gut-localized action and minimal systemic exposure), but with more potent antimicrobial activity, TNP-2092 oral formulation is well-positioned to address the medical needs in HE. It represents a promising next-generation treatment with strong potential for both clinical and commercial success.

TNP-2092 targets three critical bacterial enzymes—RNA polymerase, DNA gyrase, and DNA topoisomerase IV—through a balanced and synergistic multi-targeting mechanism. This allows TNP-2092 oral formulation to effectively overcome bacterial resistance mechanisms that commonly arise with single-target antibiotics, such as rifaximin. In particular, its ability to simultaneously disrupt bacterial DNA transcription and replication processes makes it significantly more difficult for bacteria to develop resistance through single-point mutations. As a result, TNP-2092 demonstrates an exceptionally low spontaneous resistance frequency, with *S. aureus* showing a rate of less than 10^{-12}, far lower than that observed with rifaximin (approximately 10^{-8}). This positions TNP-2092 oral formulation as a strong candidate for long-term or preventive treatment in chronic diseases associated with gut microbiota, such as HE and IBS-D, where maintaining long-term antimicrobial effectiveness is essential.

Comparison Between TNP-2092 Oral Formulation and Rifaximin

Item	Rifaximin	TNP-2092 Oral Formulation
Mechanism of Action	Single target: RNA polymerase + PXR agonist	Multi-targeting: RNA polymerase, DNA gyrase, topoisomerase IV + PXR agonist
Antibacterial Activity	Broad-spectrum	Similar spectrum to rifaximin, but with more potent antibacterial activity and better selectivity against probiotics
Gut Microbiota	No significant impact on the total amount of bacteria; microbial composition during treatment, gradually returns to baseline afterward	Similar effect as rifaximin
Resistance Frequency	Spontaneous resistance mutation frequency in *S. aureus* ~10^{-8}; 44-64% of patients developed resistance during treatment	Spontaneous resistance frequency in *S. aureus* <10^{-12}, significantly lower than rifaximin
Pharmacokinetics	Non-systemic (<1%) and GI site-specific antibiotic	Non-systemic (<1%) and GI site-specific antibiotic; similar but better than rifaximin
Safety	Excellent safety and tolerability	Excellent safety and tolerability in clinical trials of IV and PO formulations

Source: Company data

According to our *in vitro* preclinical studies, TNP-2092 exhibits a similar antibacterial spectrum to rifaximin against ammonia-producing gut bacteria but demonstrates improved antibacterial potency and greater selectivity for probiotic strains. In MIC assays, TNP-2092 showed lower or comparable minimum inhibitory concentrations against key pathogenic strains, while exhibits less inhibitory activity against beneficial bacteria such as *Bifidobacterium infantis* and *Bifidobacterium bifidum*, indicating a more favorable microbiota profile.

In animal studies, both TNP-2092 oral formulation and rifaximin had no significant impact on total bacterial load in the rat gastrointestinal tract after 7 days of treatment. Additionally, microbial composition analyses revealed similar genus-level changes in fecal microbiota for both agents during and after treatment. By day 4 of treatment and 24 hours post-treatment, both groups showed comparable shifts in gut microbiota. Notably, by day 7 after treatment completion, the relative abundance of major gut bacteria in both groups had largely returned to baseline, supporting the microbiota-sparing characteristics of TNP-2092 oral formulation.

Encouraging Safety Profile

TNP-2092 oral formulation demonstrates a very wide safety window due to its low systemic exposure. Preclinical and clinical data consistently supported the compound's excellent safety and tolerability profile. Toxicology studies in rats and dogs showed no observable adverse effects at doses far exceeding expected human exposure levels. Specifically, the NOAEL reached up to 1,000 mg/kg in rat long-term oral dosing studies, with associated systemic exposure values remaining very low. This indicated that TNP-2092 oral formulation can be administered orally at therapeutically effective doses with minimal risk of safety concern.

Clinically, TNP-2092 capsule has been evaluated in four Phase I and Phase II clinical trials, including studies in both healthy volunteers and patients with liver cirrhosis and hyperammonemia. Across all studies, the oral formulation was shown to be well tolerated, with no significant safety concerns reported. These results are particularly important given the vulnerable nature of the target population, who often have impaired liver function and are at higher risk of adverse drug reactions.

As a gut-localized agent, TNP-2092 oral formulation achieves low systemic exposure even in patients with cirrhosis. Clinical pharmacokinetic data show that the AUC in cirrhotic patients ranges from only 0.61% to 3.22% of that observed with an equivalent intravenous dose. Given that the safety of the injectable formulation has already been clinically validated, this lower systemic exposure from the oral formulation translates into a significantly wider safety margin. This pharmacokinetic advantage ensures that TNP-2092 can deliver its therapeutic effect locally in the gut while minimizing systemic risks, making it an ideal candidate for long-term treatment of hepatic encephalopathy and other conditions associated with gut bacterial metabolisms.

Encouraging Efficacy Profile

Clinical data have shown that TNP-2092 oral formulation has a greater impact on blood ammonia reduction than rifaximin, based on a historical comparison. This was demonstrated in a randomized, double-blind, placebo-controlled Phase II proof-of-concept clinical trial evaluating the safety, efficacy, and pharmacokinetic profile of TNP-2092 oral formulation in patients with liver cirrhosis and hyperammonemia. The study results demonstrated a dose-dependent trend in both the proportion of patients whose blood ammonia levels normalized (i.e., dropped below 47 μmol/L) and the absolute reduction in ammonia levels from baseline. Notably, the 600 mg dose group showed a statistically significant improvement compared to placebo in both normalization rates and ammonia reduction ($p < 0.05$). Furthermore, the effect of TNP-2092 oral formulation at this dose on lowering blood ammonia levels surpassed the efficacy observed for rifaximin in similar clinical studies.

Compared with the results of completed Phase III studies (L-105/2-A study in Japan and RFHE-3001 study in the U.S.) of a similar drug, rifaximin, the reduction in blood ammonia levels after 2 weeks of continuous dosing with TNP-2092 capsules at 600 mg BID was comparable to rifaximin 400 mg TID given continuously for 10 weeks (24.03 μg/dL vs. 22.53 μg/dL), and higher than rifaximin 400 mg TID given continuously for 2 weeks (24.03 μg/dL vs. 15.43 μg/dL).

These findings provide strong clinical evidence supporting that TNP-2092 oral formulation may have improved efficacy in reducing hyperammonemia, a key driver of hepatic encephalopathy. Coupled with its favorable safety profile and low systemic exposure, TNP-2092 oral formulation stands out as a promising treatment for managing HE in patients with liver cirrhosis.

Summary of Clinical Trials

As of the Latest Practicable Date, we have completed four clinical trials of TNP-2092 capsule. Information about these trials is summarized in the table below:

Study	Primary and secondary endpoints	Patient criteria	Number of enrolled patients	Competent Authority	Trial Status	Significance
Phase I SAD clinical trial of TNP-2092 capsule in healthy participants	Objectives of this trial included evaluating the safety and tolerability of single ascending oral doses of TNP-2092 oral formulation, assessing the PK characteristics of TNP-2092 oral formulation, and evaluating the effect of food on the pharmacokinetics of a single oral dose of TNP-2092 oral formulation, with no primary or secondary objectives specified. Objectives of the clinical trial were met.	Healthy Chinese participants	58	NMPA	Initiated: 2016-06 LPLV: 2016-08 Completed: 2018-03	Supported advancement to Phase I MAD study and later clinical stage
Phase I MAD clinical trial of TNP-2092 capsule in healthy participants	Objectives of this trial were to evaluate the safety, tolerability, and pharmacokinetics of TNP-2092 oral formulation. Additionally, the study explores the preliminary efficacy of TNP-2092 oral formulation in eradicating *H. pylori* using the ^{14}C-UBT as a diagnostic tool. No primary or secondary endpoints were specified. Objectives of this trial were met. No significant efficacy of TNP-2092 monotherapy has been observed for the treatment of *H. pylori*.	Asymptomatic healthy Chinese participants infected with *H. pylori*	40	NMPA	Initiated: 2016-11 LPLV: 2017-09 Completed: 2019-04	Supported advancement to Phase Ib/IIa clinical trial. Preliminary evaluation of efficacy of repeated TNP-2092 capsule dosing for *H. pylori* eradication
Phase I clinical trial of TNP-2092 capsule in combination with rabeprazole in healthy participants tested positive for *H. pylori*	Objectives of this trial include evaluating the safety and tolerability of TNP-2092 oral formulation in combination with rabeprazole sodium enteric-coated tablets, assessing the PK characteristics of the combination of TNP-2092 oral formulation and rabeprazole sodium enteric-coated tablets, and evaluating the preliminary efficacy of the combination in eradicating *H. pylori* using the^{14}C-UBT. No primary or secondary endpoints were specified. Objectives of this trial were met. No significant efficacy of TNP-2092 combination therapy has been observed for the treatment of *H. pylori*.	Asymptomatic healthy Chinese participants infected with *H. pylori*	20	NMPA	Initiated: 2017-09 LPLV: 2017-11 Completed: 2019-03	Explored the preliminary efficacy of TNP-2092 capsule in combination with rabeprazole for *H. pylori* eradication
Phase Ib/IIa clinical trial of TNP-2092 capsule in participants with liver cirrhosis and hyperammonemia	The primary objectives of this study were to evaluate the safety, tolerability, and PK characteristics of TNP-2092 oral formulation. The secondary objectives included assessing the preliminary efficacy of TNP-2092 oral formulation in reducing elevated blood ammonia levels and observing its effects on hepatic encephalopathy-related clinical symptoms, neuropsychological indicators, and quality of life. Primary and secondary endpoints were met.	Chinese patients with liver cirrhosis and hyperammonemia	36	NMPA	Initiated: 2020-08 LPLV: 2021-06 Completed: 2022-01	Proof-of-concept study of TNP-2092 capsule in treating hyperammonemia and HE in cirrhosis

Abbreviations: Abbreviations: NMPA = National Medical Products Administration of PRC; LPLV = last patient's last visit ; NDA = new drug application; SAD = single ascending dose; MAD = multiple ascending dose; HE = hepatic encephalopathy.

Source: Company data

Below is the detailed information of clinical trials of TNP-2092 capsule:

Phase I SAD Clinical Trial of TNP-2092 Oral formulation in Healthy Participants

Trial Design. This is a randomized, double-blind, placebo-controlled, Phase I SAD and food-effect study of TNP-2092 oral formulation in healthy volunteers. This trial was independently conducted by us in China, with a total of 58 healthy volunteers enrolled. Participants were assigned to five dose groups ranging from 100 mg to 1,200 mg, with each group including 10 participants randomized in a 4:1 ratio to receive TNP-2092 oral formulation or placebo. Additionally, 8 participants were included in the 400 mg group for a two-period, crossover food-effect study.

Objectives of this trial includes evaluating the safety and tolerability of single ascending oral doses of TNP-2092 oral formulation in healthy participants, assessing the pharmacokinetic characteristics of TNP-2092 oral formulation, and evaluating the effect of food on the pharmacokinetics of a single oral dose of TNP-2092 oral formulation in healthy individuals.

The NMPA required us to conduct the Phase I SAD and MAD trials as separate trials and conducted them sequentially.

Trial Status. Based on the IND approval received in April 2016, the clinical trial was initiated in June 2016, and the last patient's last visit was completed in August 2016, and the clinical trial was completed in March 2018.

Safety Profile. No drug-related clinically relevant TEAE were reported. No drug-related Grade 3 or above TEAEs were reported; no SAEs were reported.

Conclusion. Results showed that TNP-2092 oral formulation was well tolerated at all dose levels, with systemic drug exposure in plasma less than 1% of that from intravenous administration. Over 90% of the administered drug was recovered in feces within 72 hours, confirming its local action in the gastrointestinal tract. Food intake increased systemic absorption by approximately 2 to 3 times, which remains within a safe range given its low baseline absorption.

Phase I MAD Clinical Trial of TNP-2092 Oral formulation in Healthy Participants

Trial Design. This is a randomized, double-blind, parallel, Phase I multiple ascending dose clinical trial of TNP-2092 oral formulation in healthy participants with asymptomatic *H. pylori* infection. This trial was independently conducted by us in China. A total of 40 healthy volunteers randomized across three dose groups (100 mg, 300 mg, and 600 mg), administered twice daily for 14 days. The study used a similar 4:1 randomization ratio for TNP-2092 versus placebo.

This study aims to evaluate the safety, tolerability, and pharmacokinetics of TNP-2092 oral formulation following multiple ascending oral doses in asymptomatic healthy individuals infected with *H. pylori*. Additionally, the study explores the preliminary efficacy of TNP-2092 oral formulation in eradicating *H. pylori* using the ^{14}C-UBT as a diagnostic tool.

Trial Status. Based on the IND approval received in April 2016, the trial was initiated in November 2016, completed last patient's last visit in September 2017, and was completed in April 2019.

Safety Profile. Frequently reported clinically relevant drug-related TEAEs included rash (2 participants) in the 300 mg group. No drug-related Grade 3 or above TEAEs were reported; no SAEs were reported.

Conclusion. As in the SAD study, TNP-2092 oral formulation was well tolerated, with systemic exposure remaining below 1% of that seen with intravenous formulations. These findings further confirmed its potential for long-term oral administration with minimal systemic risk.

Phase I Clinical Trial of TNP-2092 Oral Formulation in Healthy Participants

Trial Design. This is a randomized, double-blind, parallel, placebo controlled Phase I clinical trial of TNP-2092 oral formulation and the PPI, rabeprazole sodium enteric-coated tablets, in asymptomatic healthy participants infected with *H. pylori*. This trial was independently conducted by us in China. A total of 20 participants were randomized to receive either rabeprazole plus TNP-2092 oral formulation or rabeprazole plus placebo at 300 mg twice daily for 14 days.

Objectives of this trial include evaluating the safety and tolerability of TNP-2092 oral formulation in combination with rabeprazole sodium enteric-coated tablets in asymptomatic healthy participants infected with *H. pylori*, assessing the pharmacokinetic characteristics of the combination of TNP-2092 oral formulation and rabeprazole sodium enteric-coated tablets, and evaluating the preliminary efficacy of the combination in eradicating *H. pylori* using the ^{14}C-UBT.

Trial Status. Based on the IND approval received in April 2016, the clinical trial was initiated in September 2017, completed the last patient's last visit in November 2017, and was completed in March 2019.

Safety Profile. No frequent (≥2 participants) drug-related clinically relevant TEAEs were reported. No drug-related Grade 3 or above TEAEs were reported; no SAEs were reported.

PK Results. Following co-administration of TNP-2092 oral formulation (300 mg) with rabeprazole sodium enteric-coated tablets (20 mg), the PK parameters of TNP-2092 oral formulation after a single dose showed a median time to maximum concentration (T_{max}) of approximately 5 hours and an elimination half-life ($T_{1/2}$) of about 1.61 ± 0.6568 hours. Based on steady-state PK analysis, after 14 days twice daily dosing of TNP-2092 oral formulation in combination with rabeprazole sodium tablets, rifaquizinone exhibited minimal accumulation in the body. These results indicated that co-administration with rabeprazole had no significant impact on TNP-2092 oral formulation systemic exposure as measured by $AUC_{0\text{-}12h}$, though a slight increase in C_{max} was observed.

Conclusion. The study demonstrated no safety concerns or adverse interactions between the PPI and TNP-2092 oral formulation. Systemic exposure of TNP-2092 oral formulation remained below 1%, confirming the oral formulation's consistent pharmacokinetic behavior even in combination with acid-reducing agents. The results also showed that multiple oral doses of TNP-2092 had no eradication effect on *H. pylori* as expected.

Phase Ib/IIa Clinical Trial of TNP-2092 Capsule in Patients with Liver Cirrhosis and Hyperammonemia

Trial Design. This is a randomized, double-blind, parallel, Phase II clinical trial of TNP-2092 oral formulation in patients with liver cirrhosis and hyperammonemia to evaluate its safety, tolerability, pharmacokinetic characteristics, and preliminary efficacy. This trial was a combined trial consisting of Phase Ib and IIa stages, which was independently conducted by us in China. A total of 36 patients with liver cirrhosis and hyperammonemia were randomized into three dose groups (100 mg, 300 mg, and 600 mg), receiving the drug or placebo in a 2:1 ratio, twice daily for 14 days.

The primary objectives of this study were to evaluate the safety, tolerability, and PK characteristics of TNP-2092 oral formulation in patients with liver cirrhosis and hyperammonemia. The secondary objectives included assessing the preliminary efficacy of TNP-2092 oral formulation in reducing elevated blood ammonia levels and observing its effects on hepatic encephalopathy-related clinical symptoms, neuropsychological indicators, and quality of life in this patient population.

Trial Status. This clinical trial was initiated in August 2020 under the IND approval from the NMPA in November 2019 for conducting Phase II clinical trials of TNP-2092 oral formulation for HE, completed the last patient's last visit in June 2021, and was completed in January 2022.

Efficacy Profile. On Day 15, the group receiving 600 mg twice daily showed a greater reduction in fasting venous blood ammonia levels compared to the placebo group (–14.1 μmol/L vs. 0.5 μmol/L, P=0.035).

After starting treatment, the percentage of visits where participants' fasting venous blood ammonia returned to normal was 13.2% for the 100 mg group, 22.2% for the 300 mg group, and 31.9% for the 600 mg group. These rates were much higher than the 7.4% seen in the placebo group.

Also, the percentage of visits where fasting venous blood ammonia levels reduction from baseline was about 47.1% for the 100 mg group and 50.0% for the 300 mg group, similar to the placebo's 52.8%. But the 600 mg group showed a higher rate of decrease—69.4%—which was statistically significant compared to placebo (P=0.034). Below is a summary of the efficacy of TNP-2092 capsule in reducing the fasting venous blood ammonia levels.

Efficacy Summary	100 mg BID Group (N=8)	300 mg BID Group (N=8)	600 mg BID Group (N=8)	Placebo Group (N=12)
Change in mean venous blood ammonia from baseline at Day 15 (μmol/L)	5.7	-2.1	-14.1	0.5
P value vs. placebo	0.713	0.139	0.035	–
Proportion of visits with fasting blood ammonia normalized after baseline (%)	13.24	22.22	31.94	7.41
P value vs. placebo	0.217	0.0099	0.0004	–
Proportion of visits with fasting blood ammonia decreased from baseline (%)	47.06	50.00	69.44	52.78
P value vs. placebo	0.466	0.717	0.034	–

Source: Company data

Safety Profile. In the TNP-2092 capsule group, 16 participants (66.7%, 16/24) reported TEAEs related to the study drug, compared to 7 participants (58.3%, 7/12) in the placebo group. Most TEAEs resolved without treatment. The incidence of TNP-2092 capsule-related TEAEs was comparable across all dose groups and showed no significant difference compared to placebo. Drug-related TEAEs occurring in ≥10% of participants in the treatment group included decreased neutrophil count (29.2%, 7/24), hypoalbuminemia (20.8%, 5/24), decreased white blood cell count (16.7%, 4/24), decreased lymphocyte count (16.7%, 4/24), decreased platelet count (12.5%, 3/24), and increased lipase (12.5%, 3/24).

Because the study population consisted of cirrhotic patients with elevated blood ammonia and based on the inclusion/exclusion criteria, many participants had laboratory test values already within CTCAE Grade 2 to 4 prior to dosing. Therefore, there was a certain proportion of drug-related Grade 3 or higher TEAEs in this study, with an incidence of 37.5% (9/24) in the TNP-2092 capsule group and 41.7% (5/12) in the placebo group. There was no significant difference in the incidence of Grade 3 or higher TEAEs between the treatment and placebo groups.

One participant in the TNP-2092 capsule 100 mg BID group discontinued treatment and withdrew early due to abdominal distension and abdominal pain. These adverse events were Grade 2 in severity, possibly related to the study drug, and resolved spontaneously without treatment.

No SAEs occurred in the TNP-2092 capsule group. One SAE was reported in the placebo group.

Conclusion. TNP-2092 oral formulation was demonstrated to be well tolerated, and systemic exposure in cirrhotic patients was 2 to 4 times higher than in healthy volunteers, but still significantly below levels associated with systemic toxicity. Importantly, there was a dose-dependent reduction in blood ammonia levels, with a significantly higher proportion of patients achieving normalization of ammonia at the 600 mg dose compared to placebo. These results demonstrated both the clinical efficacy and dose-response relationship of TNP-2092 oral formulation in its target indication.

Clinical Development Plan

We have completed a Phase Ib/IIa clinical trial of TNP-2092 capsule in liver cirrhosis patients with hyperammonemia. We are currently developing a solid dispersion formulation of TNP-2092. Upon completion of a PK bridging trial comparing the capsule and SD formulations, we plan to submit an IND

application to the FDA in the second quarter of 2027 and initiate a Phase IIb MRCT in 2027 after secured the IND approval. This plan was made based on the overall prioritization of our pipeline products and potential adjustments to the pharmaceutical development of the TNP-2092 oral formulation to further enhance its therapeutic efficacy.

The planned Phase IIb clinical trial in the U.S. is supported by the Phase I and Phase IIa clinical trials previously completed in China. No PK bridging study is required, as TNP-2092 oral is a locally acting drug in the gastrointestinal tract and is not expected to exhibit clinically meaningful systemic exposure. Accordingly, no material differences in metabolism between the Chinese and U.S. populations are anticipated.

All IND approvals necessary to implement our clinical development plan for TNP-2092 oral are currently active.

Licenses, Rights and Obligations

All intellectual properties associated with TNP-2092 controlled by Cumbre were transferred to us as part of the Series A investment by Cumbre, and we obtained the exclusive global rights to develop, manufacture, and commercialize TNP-2092. Dr. Ma, our Founder, Executive Director, and Chief Executive Officer, made significant contributions to the discovery and early development of TNP-2092 (IV) during his tenure at Cumbre Inc. He was named as an inventor on each of the transferred patents for TNP-2092, while he was working at Cumbre Inc. Since the patent transfer, we have independently developed its oral formulation and route of administration, explored indications of the oral formulation, independently conducted preclinical studies, submitted IND application, conducted four clinical trials, and managed the related CMC and regulatory affairs.

Material Communications with Competent Authorities

Our material communications with the NMPA:

- In April 2016, we received IND approval for conducting Phase I clinical trials of TNP-2092 oral formulation from NMPA.

- In January 2019, we initiated pre-IND discussions with the CDE regarding the investigation of TNP-2092 for the treatment of HE in China. In November 2019, based on the data collected from completed three separate and standalone Phase I clinical trials in healthy participants, we received IND approval for conducting Phase II clinical trials of TNP-2092 oral formulation for HE from the NMPA. According to the Administrative Measures for Drug Registration (《藥品註冊管理辦法》) (2020 Revision) of the NMPA, clinical trials of a drug must be initiated within three years after IND approval. If no participant has signed an informed consent form within three years from the date of approval, the IND will automatically expire. According to the same regulation and as confirmed by the PRC Legal Adviser, the enrollment of participants in a clinical trial under an approved IND serves to maintain the IND in active status. As the Phase Ib/IIa trial initiated under this IND has activated the IND, it will not be inactivated.

Our material communications with the FDA:

- In January 2023, we initiated communications with the FDA and submitted the trial protocol for a proposed Phase IIb clinical trial of the oral formulation of TNP-2092 for HE. In February 2023, the FDA did not object to our proposal to proceed directly to a Phase IIb clinical trial.

- In October 2023, we initiated a pre-IND communication with the FDA for a Phase IIb clinical trial of the oral formulation of TNP-2092 for HE to seek advice on the trial protocol.

We had not received any relevant regulatory agencies' objections to our clinical development plans as of the Latest Practicable Date.

WE MAY NOT BE ABLE TO ULTIMATELY DEVELOP AND MARKET TNP-2092 ORAL FORMULATION SUCCESSFULLY.

OTHER PRODUCT CANDIDATES

- **TNP-2092 (topical)** is a specially formulated treatment designed for diabetic foot infections. It shares the same active ingredient as rifaquizinone and TNP-2092 (oral), consisting of a rifamycin pharmacophore and a quinolizinone pharmacophore. Nevertheless, these products will be regulated as separate products. Drug-resistant bacterial strains (including MRSA and QRSA) and biofilm-associated infections represent major clinical challenges in the treatment of diabetic foot infections. The topical formulation of TNP-2092 has demonstrated strong *in vitro* and *in vivo* bactericidal activity against these resistant strains and biofilm-related infections. TNP-2092 is the only agent that may be effective in eradicating bacterial biofilms formed by *Staphylococcus spp.* at therapeutically achievable doses. The topical formulation of TNP-2092 also demonstrates a wide safety margin due to its low systemic exposure. We have obtained IND approval in China and expect to initiate a Phase I/II clinical trial in 2027.

- **TNBi-1** is a novel chemical series of small molecules with a unique mechanism of action discovered by us. The mechanism of action has been elucidated: the small molecule targets the *H. pylori* electron transport chain by replacing its natural ligand, thereby impairing bacterial ATP synthesis. TNBi-1 demonstrated excellent potency and specificity for *H. pylori*, with no activity against gut microbiota, thus reducing the risk of gastrointestinal dysfunction. It also showed no cross-resistance with current broad-spectrum antibiotics and had a low frequency of spontaneous resistance. As of the Latest Practicable Date, TNBi-1 was currently in the lead optimization stage, and we anticipate to submit an IND application to the NMPA in 2026.

- **TNBi-2** is a multi-targeting drug conjugate series developed using our multi-targeting conjugate molecule technology. This series is designed to address the medical needs in NTM-PD, a condition with a rising incidence worldwide. Treatment of NTM-PD remains challenging, primarily because current therapies require a combination of up to 5 to 6 drugs administered over more than two years. This leads to several issues, including poor patient tolerance, drug toxicity, suboptimal outcomes, high resistance rates, and a high treatment failure rate (50 to 70% in *M. abscessus* and 30 to 50% in *M. avium* complex). TNBi-2 has the potential to address antibiotic resistance and simplify treatment by reducing the pill burden. As of the Latest Practicable Date, TNBi-2 was in the lead optimization stage, and we anticipate to submit an IND application to the NMPA in 2027.

- **TNBm-1** is a novel chemical series of dual-functional small molecules with a unique mechanism of action discovered by us. The series is designed to address the medical needs in metabolic disease. It simultaneously targets a key gut bacterial metabolic pathway and modulates a host nuclear receptor, offering promising therapeutic potential for the treatment of metabolic diseases. TNBm-1 is gastrointestinal site-specific with minimal risk of systemic toxicity. As of the Latest Practicable Date, TNBm-1 was in the lead identification stage, and we anticipate to submit an IND application to the NMPA in 2028.

RESEARCH AND DEVELOPMENT

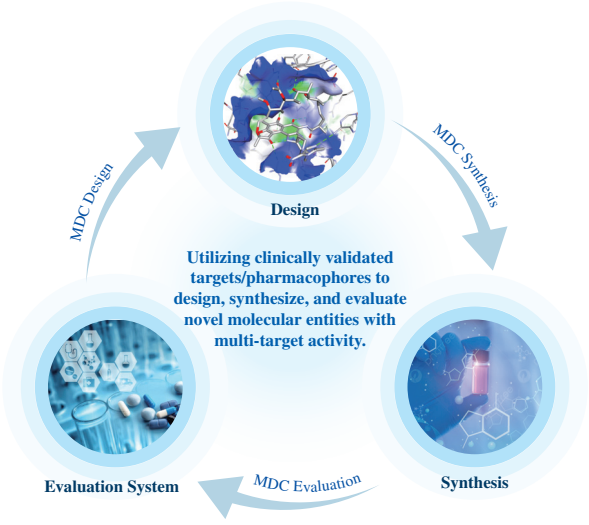
We consistently devote resources to research and development to pave for long-term growth. We believe the diversification and expansion of our product pipeline through both in-house research and development and external collaborations are critical to our long-term competitiveness and success. In 2023, 2024 and 2025, our research and development expenses was RMB108.4 million, RMB69.8 million and RMB71.9 million, respectively, accounting for 84.8%, 84.2% and 59.5% of our total operating expenses (i.e. research and development expenses and administrative expenses) in the respective year. In 2023, 2024 and 2025, the amount of research and development expenses attributed to our Core Products

was RMB99.7 million, RMB64.2 million and RMB60.5 million, respectively, accounting for 91.9%, 91.9% and 84.1% of our total research and development expenses, and 78.0%, 77.4% and 50.1% of our total operating expenses (i.e. research and development expenses and administrative expenses) in the respective year.

Our research and development expenses attributable to Rifasutenizol were RMB87.6 million, RMB59.4 million, and RMB35.4 million in 2023, 2024 and 2025, respectively, accounting for 80.8%, 85.1%, and 49.2% of our total research and development expenses, and 68.5%, 71.6%, and 29.3% of our total operating expenses in the respective period. Our research and development expenses attributable to Rifaquizinone injection were RMB12.1 million, RMB4.8 million, and RMB25.1 million in 2023, 2024 and 2025, respectively, accounting for 11.1%, 6.8%, and 34.9% of our total research and development expenses, and 9.5%, 5.7%, and 20.8% of our total operating expenses in the respective year.

Our Technology Platform

We believe that fully integrated in-house R&D capabilities are essential to our success in the global market. These capabilities are exemplified by our multi-targeting conjugate molecule technology platform—a fully integrated R&D engine that drives our innovation. All of our drug candidates are conjugated molecules with multi-targeting mechanism of action, developed through this platform. It spans the full spectrum of drug design, synthesis, and evaluation, specifically focused on candidates targeting bacterial infections and bacterial metabolism.



Source: Company data

Multi-targeting Conjugate Molecule Technology Platform

There are two major challenges—antimicrobial resistance and antimicrobial tolerance—in infectious disease area:

- ***Antimicrobial resistance*** arises when bacteria acquire genetic mutations that render antibiotics ineffective. Once resistance develops, the antibiotic either loses its efficacy or becomes less effective. This form of resistance is inheritable, which can transfer from generation to generation.

- ***Antimicrobial tolerance***, on the other hand, is not driven by genetic mutations but by the bacteria adopting a unique physiological state. For instance, while free-floating (planktonic) bacteria can often be eliminated by antibiotics, once they form biofilms—especially on device surfaces—they become extremely difficult to eradicate.

The most formidable challenge in anti-infective drug development today is treating infections that involve both resistance and tolerance. Our multi-targeting conjugate molecule technology platform is designed specifically to address this challenge—targeting both resistance and tolerance simultaneously.

Our conjugation technology offers a compelling solution as compared to combination therapy that has been proved to be impractical. One of the primary goals in developing this platform was to overcome the limitations of conventional combination therapy and offer a more effective and comprehensive solution to address antibiotic resistance and tolerance. By chemically linking two active pharmacophores ("building blocks") into a single conjugated molecule, we can ensure that they remain tightly bound and cannot separate within the body. This allows both mechanisms of action to be effective at the site of infection at the same time, enhancing efficacy and minimizing the development of resistance.

Conjugated Molecule Design

The core design principal of the platform is to overcome antibiotic resistance and reduce the likelihood of future resistance by simultaneously targeting two or more critical bacterial targets. Resistance typically arises due to the selective pressure imposed by antibiotics—during a bacterial infection, random genetic mutations may occur, conferring resistance to a specific antibiotic. These resistant strains survive antibiotic treatment and proliferate, leading to resistant infections. By employing conjugated molecules that simultaneously act through two distinct mechanisms, bacterial survival becomes significantly more difficult. For bacteria to survive, they would need to develop resistance to both mechanisms—if even one target remains susceptible, the bacteria can still be killed.

When selecting targets for conjugation, we prioritize those that are essential even when bacteria are in a dormant state or embedded within biofilms. Around these critical targets, we design conjugated molecules to address both resistance and tolerance.

We identify suitable targets and use clinically validated pharmacophores as building blocks to design conjugated molecules capable of acting through two or more distinct mechanisms simultaneously. This approach significantly reduces development risks associated with safety and efficacy. Additionally, conjugation enhances target specificity, minimizes off-target effects, and preserves the intended multi-targeting mechanism of action.

Synthesis of Conjugated Molecules

Conjugated molecules consist of two pharmacophores (or "building blocks"). Depending on the properties of each pharmacophore and the structural characteristics of the conjugated molecule, we adopt a rational synthesis strategy to enable efficient and cost-effective construction while maintaining chemical stability.

Evaluation of Conjugated Molecules

After identifying appropriate targets, designing the molecular structure, and synthesizing the candidate molecule, it is crucial to confirm that both functional moieties of the conjugated compound retain their biological activity. Unlike single-target drugs, conjugated molecules must achieve a balanced activity profile across all targets—significant discrepancies in target activity can compromise overall efficacy. Additionally, one of the key objectives in conjugate molecule is to achieve synergy, where the combined effect of the conjugated molecule exceeds the sum of the effects produced by the combination of the parent drugs.

We have established a unique evaluation system tailored for novel multi-targeting conjugated molecules, enabling screening and assessment at the enzymatic, cellular, and animal levels to ensure robust multi-targeting activity and overall therapeutic advantage. The evaluation workflow for multi-targeting molecules includes the following key steps:

- ***Biochemical Target Validation***: The conjugated compounds are assessed for activity against target proteins/enzymes using validated biochemical assays.

- ***Mechanism of Action in Cells***: A panel of isogenic resistant bacterial strains is used to evaluate both the mechanism of action and antibacterial potency of the conjugates at the cellular level.

- ***In Vivo Efficacy Testing***: The therapeutic efficacy of the conjugated molecules is further examined across a range of relevant animal infection models.

To simultaneously evaluate target activity, balance, and synergy, we employ an assay system we developed: the isogenic resistant strain panel. This panel is a bacterial-level tool that helps us evaluate conjugated molecules systematically. We induce resistance-conferring mutations at each target site individually and in combination. This allows us to construct a panel of bacterial strains that are genetically identical except for specific resistance mutations—some strains are resistant to only one target, while others are resistant to both. We refer to this tool as the isogenic resistant strain panel. Because the genetic background of these strains is consistent apart from the engineered resistance mutations, they enable rapid and precise evaluation of conjugated molecules. Based on the screening results, we can fine-tune the molecular structure, optimizing for potency, target balance, and synergistic effect. Ultimately, this allows us to identify conjugated molecules with optimal multi-target engagement and therapeutic potential.

The isogenic resistant strain panel is designed to evaluate whether a conjugate molecule kills bacteria by inhibiting both targets, to determine the relative contribution of each target to its antibacterial activity, and to assess whether the two targets act synergistically. To construct such a panel for evaluating conjugate molecule A-B, a wild-type strain S is first selected as the starting point. A point mutation is then introduced into target A to generate strain R_A, conferring resistance to pharmacophore A. Similarly, a point mutation is introduced into target B to generate strain R_B, conferring resistance to pharmacophore B. Introducing point mutations into both targets A and B yields the double mutant strain R_{AB}, which is resistant to both pharmacophores. Together, strains S, R_A, R_B, and R_{AB} comprise the isogenic panel. Inhibitory testing against this panel helps determine whether conjugate molecule A-B exerts a dual-target mechanism of action, whether its activity against A and B is balanced, and whether inhibition of the two targets is synergistic. The use of an isogenic resistant panel minimizes background variability arising from factors such as drug permeability.

R&D Team

As of the Latest Practicable Date, we had 39 members in our R&D team, over 50% of whom held master's or doctoral degrees in relevant fields. Our high-caliber team of R&D professionals come from a diverse range of backgrounds including but not limited to biology, chemistry, pharmacology and clinical medicine, with expertise and skillsets spanning early drug discovery, preclinical development and clinical development, CMC, quality control and regulatory affairs. All of our 39 R&D team members participated in the development of our Core Products and Key Product. During the Track Record Period and up to the Latest Practicable Date, there were no material movement of our R&D team members.

Core members of our R&D team include Dr. Ma Zhenkun, Dr. Geng Guozhu, Ms. Chen Jing and Ms. Yu Yinjiao. Our R&D team is led by Dr. Ma, our founder, executive Director, chief executive officer and general manager, has more than 30 years of experience in new drug development in infectious disease area with successful track record in the discovery and development of cethromycin, pretomanid, rifasutenizol, rifaquizinone and many drug candidates in clinical development. Before founding our Company, he worked in prominent pharmaceutical companies such as TB Alliance and Cumbre Inc. Dr. Ma obtained doctor's degree of philosophy in chemistry from University of Connecticut. Dr. Geng, our vice president of medical affair, has extensive experiences in the medical affair of innovative drugs. Dr. Geng worked

in prominent pharmaceutical companies such as Shanghai Hengrui Pharmaceuticals Co., Ltd. (上海恒瑞醫藥有限公司) and Zhejiang Tianyuan Bio-pharmaceutical Co., Ltd. (浙江天元生物藥業有限公司). Dr. Geng obtained his doctor's degree in epidemiology and health statistics from Soochow University. Ms. Chen, our vice president of clinical operation, has extensive experiences in clinical operation. Ms. Chen worked in prominent pharmaceutical companies such as Jiangsu Wuzhong Pharmaceutical Group Co., Ltd. (江蘇吳中醫藥集團有限公司). Ms. Chen obtained her master's degree in applied psychology from Renmin University of China. Ms. Yu, senior vice president of regulatory affairs, has approximately 30 years of profound experience in the pharmaceutical industry. Ms. Yu worked in prominent pharmaceutical companies such as Sino-American Tianjin SmithKline and French Lab., Ltd. (中美天津史克製藥有限公司) and Shanghai Johnson & Johnson Pharmaceuticals Co., Ltd. (上海強生製藥有限公司). Ms. Yu obtained her master's degree in medical science (pharmacology) from Shanghai Medical University (上海醫科大學) (now known as "Fudan University (復旦大學)"). All our core R&D team members have been with the Group throughout the Track Record Period and up to the Latest Practicable Date, except for Ms. Yu who joined our Group in September 2023.

Collaboration with Third Parties

In addition to conducting our core R&D activities in-house, we also engage reputable CROs to manage, conduct, and support our preclinical research and clinical trials. We select CROs based on various factors, such as professional qualifications, research experience in the related fields, service quality and efficiency, industry reputation, and pricing. Depending on the type of services needed, we enter into service agreements with our CROs on a project-by-project basis, which set out detailed work scope, procedures, timeline, payment schedule and so forth. We closely supervise our CROs to ensure they perform in a manner that complies with our protocols and applicable laws, which in turn protects the integrity and authenticity of the data from our trials and studies. We engaged 39, 30 and 30 CROs in 2023, 2024 and 2025, respectively. All of such CROs engaged possess the relevant qualifications and experience necessary to perform their roles. We adopt various methods to oversee the CROs we engage, including supplier audits and annual performance evaluations.

Below is a summary of the key terms of an agreement we typically enter into with our CROs:

- *Services*. The CROs provide us with services in the course of our preclinical studies and clinical trials, such as clinical project management, clinical supervision and report preparation.

- *Term*. The CROs are required to perform their services within the prescribed time limit set out in the agreement, usually on a project basis.

- *Payments*. We are required to make payments to the CROs in accordance with a payment schedule agreed by the parties.

- *Intellectual property rights*. We own all intellectual property rights arising from the projects conducted by the CROs within the stipulated work scope.

- *Confidentiality*. Our CROs are not allowed to disclose confidential information, including but not limited to, any technical materials, research reports or trial data related to the project specified in the agreement.

MANUFACTURING AND CONTROL

Collaboration with Third Parties

During the Track Record Period and up to the Latest Practicable Date, we had worked with qualified CDMOs to manufacture drug candidates for pre-clinical and clinical supply. We select CDMOs by taking into account a number of factors, such as their manufacturing capacity and qualifications, relevant expertise, reputation, geographic proximity, product quality, production cost and applicable regulations and guidelines. We have adopted, and will continue to implement, robust procedures to ensure that the

production qualifications, facilities and processes of our CDMOs comply with the applicable regulatory requirements and our internal guidelines and quality standards. For more information, please see "— Quality Management." We engaged 3, 4, and 6 CDMOs in 2023, 2024 and 2025, respectively. All of such CDMOs engaged possess the relevant qualifications and experience necessary to perform their roles. We adopt various methods to oversee the CDMOs we engage, including supplier audits and annual performance evaluations.

Key terms of the agreements that we typically enter into with our CDMOs are set forth below.

- *Services*. The CDMOs provide us with services such as formulation development and production of drug candidates according to cGMP requirements, quality standards and prescribed time frame as set out in the agreement.

- *Term*. The CDMOs are required to perform their services within the prescribed time limit set out in the agreement, usually on a project basis.

- *Payments*. We are required to make payments to the CDMOs in accordance with the payment schedule set forth in the agreement.

- *Intellectual property rights*. We own all intellectual property rights arising from the projects conducted by the CDMOs within the stipulated work scope.

- *Confidentiality*. Our CDMOs are not allowed to disclose confidential information, including but not limited to, any technical materials, research reports or trial data related to the project specified in the agreement.

Manufacturing Facility

As of the Latest Practicable Date, we did not have any in-house manufacturing facility that are operational. In anticipation of the commercialization of our rifasutenizol, we plan to establish our in-house cGMP-compliant manufacturing facility in Zhongshan, Guangdong Province. Such facility is expected to commence operations in 2028 with an annual production capacity of approximately 300 million capsules.

Quality Management

We believe that an effective quality management system is critical to ensure the quality of our product candidates and future products to be launched and maintaining our reputation and success. As of the Latest Practicable Date, our quality management department is led by a quality director with extensive industry experience. Our quality management department is responsible for Standard Operating Procedures development, supplier audit and management, supervision of contract manufacturing processes, product candidates release, and acquisition of pharmaceutical manufacturing license. All of our QA and QC personnels have a college degree or above in pharmacy, biology and other related majors. We hold internal training sessions for our quality management personnel during the course of our operations.

COMMERCIALIZATION

We will pursue the commercialization strategy to maximize the value of our drug candidates. We prioritise the market launch of our Core Products and Key Product in the order of rifasutenizol (TNP-2198), rifaquizinone (TNP-2092 IV/IA), and TNP-2092 oral. For the upcoming commercialization of rifasutenizol capsules in China, we plan to adopt a promotion strategy that combines our collaboration partner with our own commercialization team. We have entered into an exclusive commercial collaboration agreement with Grand Life Science for the commercialization of rifasutenizol in the Greater China (excluding Taiwan) to leverage their sales and marketing expertise and well-established networks and resources. See "— Collaboration with Grand Life Science for rifasutenizol (TNP-2198)." In parallel, we will build a small but highly capable marketing team with medical and scientific background to facilitate and enhance the collaboration with Grand Life Science. By leveraging Grand Life Science's

established sales and marketing network, execution capabilities and market access experience, we are able to avoid the substantial upfront investment, time and operational risks associated with building a large in-house commercial infrastructure at an early commercialization stage. We have recently initiated pharmacoeconomic study together with Grand Life Science to determine the pricing strategy for rifasutenizol, and in addition, we plan to engage in active negotiations with relevant authorities to facilitate the inclusion of rifasutenizol into the NRDL in 2027, which we believe will significantly enhance its market penetration. We will further conduct postmarketing studies to evaluate the real-world cost-effectiveness, safety and clinical outcomes of rifasutenizol after its market launch in China. We have also commenced work to support the inclusion of rifasutenizol in the 2027 edition of expert consensus and guidelines. In terms of manufacturing of rifasutenizol, initial commercial supply will rely on CDMOs, and we expect to enter into commercial manufacturing agreements with CDMOs. Pursuant to the collaboration agreement, Grand Life Science will be responsible for the production, provided that it meets the required purchase volumes and quality requirements while offering the lowest production cost amongst all CDMOs available in the market. Such arrangements are expected to meet market demand for the first two years post-launch. In parallel, we are establishing our own manufacturing facility in Zhongshan, Guangdong Province which is expected to commence operations in 2028 with an annual production capacity of approximately 300 million capsules. While conducting in-house manufacturing since 2028, for any production exceeding our annual production capacity, we will continue to collaborate with external CDMOs. We believe that a combination of outsourced and in-house manufacturing will enhance supply chain resilience, optimize production flexibility and efficiency, while effectively controlling costs. For the commercialization of our other products in the future, we will formulate suitable commercialization strategies tailored to specific market conditions and business needs.

Commercial Viability

Our Core Products demonstrate strong commercial potential. From a competitive standpoint, our Core Products possess distinct differentiating advantages over peers, underpinned by outstanding core clinical value, including without limitation multi-targeting mechanisms of action that efficiently addressing drug-resistance facing by the conventional antibiotics. This competitive moat supports premium pricing, providing greater pricing autonomy than homogeneous products. The products stand out clearly from traditional antibiotics and existing competitors, forming a solid foundation for the implementation of a differentiated pricing strategy.

From a clinical market perspective, although clinicians may favor traditional antibiotics due to established efficacy and prescribing habits, the distinctive clinical value of our Core Products addresses unmet medical needs and facilitates gradual adoption and prescription conversion. The pricing strategy has been carefully designed to reflect these market realities, aligning clinical value with price and ensuring that conventional prescribing habits do not present a significant barrier to commercialization.

Collaboration with Grand Life Science for rifasutenizol (TNP-2198)

We entered into an exclusive commercialization collaboration agreement with Grand Life Science in respect of the Collaboration Agreement in November 2024, as amended in January 2026. Grand Life Science is a company focused on therapeutic areas, such as immunology and infectious diseases, perioperative care and critical illness, hematology, gastroenterology and metabolism, and wound management. It possesses full-value-chain operational capabilities encompassing R&D, manufacturing, marketing, and management. We became acquainted with Grand Life Science to explore and discuss potential business collaboration for rifasutenizol. Salient terms of the Collaboration Agreement are summarized below:

Allocation of Responsibility

Pursuant to the Collaboration Agreement, Grand Life Science has the exclusive right to carry out commercialization activities throughout the marketing, promotion and distribution of rifasutenizol within the Authorized Territory and Authorized Scope (as defined below). The Authorized Territory refers to China, the Hong Kong Special Administrative Region, and the Macao Special Administrative Region. The

Authorized Scope covers all dosages, specifications, and packaging of the capsule formulation of the first approved indication of rifasutenizol. We shall use commercially reasonable efforts to cooperate with Grand Life Science in respect of the foregoing commercialization activities as necessary.

We will be the sole marketing authorization holder (the "**MAH**") for rifasutenizol and the function of Grand Life Science is similar to a CSO. To facilitate sales and marketing and in line with general practice in the industry, Grand Life Science is entitled to decide on general matters with respect to the routine and day-to-day marketing of rifasutenizol in the Authorized Territory, including but not limited to: (i) preparing annual promotion plans, including sales targets and promotional activities and plans; (ii) formulating nationwide and regional marketing strategies and activities for rifasutenizol and bearing all related costs, while taking into consideration our reasonable advices; and (iii) handling the listing, procurement, and administration of rifasutenizol on national and provincial procurement platforms as well as in hospitals in the Authorized Territory. While all major issues with regard to the commercialization of rifasutenizol, including but not limited to the market access strategies (e.g. pricing, inclusion in the NRDL, provincial tendering/ listing, hospital listing, inclusion in the commercial medical insurance, volume-based procurement if applicable) and the sales performance, should be discussed at the JSC as defined below. Moreover, we remain the rights to make final decisions on specific matters that affect the commercial success of rifasutenizol such as its initial pricing upon the inclusion in the NRDL, and participation in volume-based procurement, if applicable.

Specifically, pursuant to the Collaboration Agreement, we and Grand Life Science established a Joint Steering Committee ("**JSC**") comprising six members, with equal representation from each party, to oversee and coordinate each party's activities under the Collaboration Agreement. All decisions of the JSC shall be made by unanimous vote with each of members having one vote. In the event that the JSC cannot reach consensus, the dispute matter shall be referred to the top management of each party for resolution. Under the Collaboration Agreement, we shall have the final-decision making authority with respect to matters concerning R&D and registration for rifasutenizol as well as specific matters that affect the commercial success, such as the initial pricing for inclusion in the NRDL, while Grand Life Science has the final-decision making authority with respect to matters concerning day-to-day operations, promotion, sales, and management of commercialization for rifasutenizol.

For the sole purpose of exercising its rights and/or fulfilling its obligations under this Collaboration Agreement, Grand Life Science shall be entitled, upon prior notice to us, to source qualified distributors and third-party commercial logistics providers and upon Grand Life Science's reasonable request, we will enter into relevant agreements with such distributors and logistics providers in connection with the sales and distribution of rifasutenizol.

Pursuant to the Collaboration Agreement, subject to inclusion in the NRDL, Grand Life Science has agreed to undertake minimum annual promotion requirements starting from the first year of commercialization of rifasutenizol in the Authorized Territory. If Grand Life Science fails to achieve 80% of the minimum annual promotion requirement for two consecutive years, it shall, at the end of the second year, make up the shortfall for both years. In addition, in such case, starting from the third year, the parties shall negotiate and agree in writing on new minimum annual promotion requirements.

Payments

Grand Life Science shall make milestone payments with the aggregate amount of RMB65.0 million to us in installments, subject to fulfillment of certain payment condition precedents mentioned below. As of the Latest Practicable Date, we had received the first installment of RMB25.0 million from Grand Life Science, while the remaining milestone payments of RMB40.0 million to be made (i) upon receiving marketing approval for the first indication of rifasutenizol in China (if such condition is fulfilled after the 2026 NRDL application date (typically by the end of June 2026) but on or before December 31, 2026, both parties have agreed to adjust the amount of milestone payment from RMB20.0 million to RMB15.0 million), and (ii) upon the inclusion of rifasutenizol in the NRDL (if such condition is fulfilled after the official publication date of the 2026 NRDL application (typically in the end of 2026 or the beginning of 2027), both parties have agreed to adjust the amount of milestone payment from RMB20.0 million to

RMB15.0 million). However, if we are unable to receive the marketing approval for the first indication of rifasutenizol in China before December 31, 2026, Grand Life Science may unilaterally terminate this Collaboration Agreement by written notice. In such case, we shall refund the first milestone payment already received from Grand Life Science, unless both parties agree to continue the collaboration through friendly negotiation and reach a consensus in writing on the follow-up arrangements. In addition, if rifasutenizol is not included in the 2026 version of NRDL, Grand Life Science shall also have the right to request a renegotiation of the key commercial terms, mainly including commercial milestone payments, promotion service fee rates, price and sales volume forecasts, minimum annual promotion requirements and a shortfall compensation mechanism, and both parties shall reach a consensus in writing through friendly negotiation. In January 2026, we entered into an amendment to the Collaboration Agreement to revise the condition triggering such renegotiation right to "failure to include rifasutenizol in the 2027 version of the NRDL."

In addition, under the following circumstances, any amounts received by us are non-refundable: (i) if the Collaboration Agreement is unilaterally terminated by Grand Life Science upon 180 days' prior written notice; or (ii) Grand Life Science materially breaches the relevant contractual provisions and, after being notified, fails to remedy such breach or fails to fully remedy it, we shall have the right to require Grand Life Science to pay liquidated damages, or to unilaterally terminate the agreement and require Grand Life Science to compensate us for any direct losses incurred as a result.

Grand Life Science is entitled to promotion service fees calculated with reference to our net sales, based on tiered rates stipulated in the Collaboration Agreement, with higher rates during the initial years following the first commercial sale and progressively decreasing over time from 75% to 65%.

In addition, Grand Life Science is entitled to commercial incentive payments of up to RMB20.0 million, which will be due in two installments upon the first achievement of specified annual net sales thresholds.

Meanwhile, Grand Life Science shall pay us commercial milestone payments of up to RMB710.0 million, payable in six installments upon the first achievement of specified cumulative annual net sales thresholds.

Right of First Negotiation and Refusal

Under the Collaboration Agreements, Grand Life Science was granted the rights of first negotiation for transfers of intellectual property rights and any other rights arising from rifasutenizol in Authorized Territory.

Grand Life Science was granted the rights of first refusal for the commercialization rights of any new indication, improvement, any new formulation and the manufacturing of rifasutenizol in the Authorized Territory.

Upon commercialization of rifasutenizol (expected in late 2026), Grand Life Science will be responsible for the production on a non-exclusive basis, provided that it meets the required purchase volumes and quality requirements while offering the lowest production cost amongst all CDMOs available in the market. The detailed production plan will be subject to the further negotiation between the parties.

Non-competition

According to the Collaboration Agreement, during the term of the agreement, Grand Life Science shall not, directly or indirectly, whether alone or in collaboration with any third party, or through acquiring, obtaining, licensing from, or licensing to any third party, nor shall it in any manner assist or fund any third party, commercialize any product that directly competes with rifasutenizol.

Term and Termination

The initial term of this Collaboration Agreement shall remain in effect until the tenth (10th) anniversary of the first commercial sale of rifasutenizol within the Authorized Territory (the "**Initial Term**").

We may unilaterally terminate the Collaboration Agreement in the event of Grand Life Science's breach of its representations and warranties and/or any material breach.

If neither party provides written notice of termination at least six (6) months prior to the expiration of the Initial Term, this Collaboration Agreement shall automatically be extended for an additional two (2) years.

Pricing

The typical cost structure for antibiotic commercialization comprises primarily promotion service fees and manufacturing expenses. The current market price for commonly used first-line therapy for *H. pylori* infection, such as clarithromycin-based BQT, is approximately RMB1,000 per treatment course, calculated based on the retail prices of branded components of each BQT regimen. When rifasutenizol and our other drug candidates progress to commercialization, we will determine their prices with reference to the existing standard-of-care treatment cost range and will determine the final pricing after taking into account a number of factors, including health economics, prices of competing drugs (if applicable), our technology advantages, differences in features between our drugs and competing drugs, market trends, changes in the levels of supply and demand and our costs of production, as well as relevant regulations (if any). We have initiated, together with Grand Life Science, a pharmacoeconomic study for rifasutenizol in China. This study is expected to be completed in the fourth quarter of 2026 and will form an important basis for the quantitative pricing strategy, including pricing considerations in connection with potential inclusion in the NRDL in 2027. The proposed pricing strategy is intended not only to cover core costs but also to achieve profitability, align with industry-average margins, and demonstrate sustainable commercial viability.

INTELLECTUAL PROPERTY

Our continued success depends on our ability to obtain and maintain proprietary or intellectual property protection for our drug candidates, our core technologies and other know-how. We also have internal protocols in place to ensure that we operate without infringing, misappropriating or otherwise violating the proprietary rights of others, and to prevent others from infringing, misappropriating or otherwise violating our proprietary or intellectual property rights. We protect our proprietary and intellectual property by, among other methods, filing patent applications related to our proprietary technology, inventions and improvements.

As of the Latest Practicable Date, we had 41 registered trademarks, and 25 domain names, which we consider to be material to our business. As of the Latest Practicable Date, we held 42 issued patents including 14 issued patents in China, five issued patent in the U.S., and 23 issued patents in other jurisdictions, and 85 patent applications including nine patent applications in China, eight patent applications in the U.S., 63 patent applications in other jurisdictions, and five patent applications under PCT. As of the Latest Practicable Date, for our Core Products, we held 19 issued patents including seven issued patents in China, three issued patents in the U.S., and nine issued patents in other jurisdictions, and 67 patent applications including six patent applications in China, five patent applications in the U.S., 54 patent applications in in other jurisdictions, and two patent applications under PCT. As of the Latest Practicable Date, we had four and 15 issued patents for rifaquizinone and rifasutenizol, respectively. As of the Latest Practicable Date, we had 26 and 41 patent applications for rifaquizinone and rifasutenizol, respectively. On June 21, 2013, TenNor Cayman, Dr. Ma Zhenkun ("Dr. Ma"), and Cumbre entered into a Series A Preferred Share Purchase Agreement, pursuant to which Cumbre agreed to purchase, and TenNor Cayman agreed to issue 3,925,000 Series A preferred shares of TenNor Cayman, as part of the Series A investment by Cumbre. The consideration was paid through the transfer of certain assets,

including patents related to the compound structures of rifamycin-nitroimidazole coupling molecules (comprising rifasutenizol), and TNP-2092, owned by Cumbre. Among the patents currently owned by us, two patents related to our Core Products were transferred from Cumbre. All these transferred patents were issued in the U.S., with one relating to rifaquizinone and one relating to rifasutenizol. None of our patent applications were transferred from Cumbre. The following table summarizes the details of our issued material patents in connection with our Core Products:

Product	Patent Name	Patent Type	Patentee	Jurisdiction	Grant Date	Patent Expiration[1]	Inventors[3]
Rifasutenizol	Nitroheteroaryl-containing rifamycin derivatives[2]	Invention	Our Company	U.S.	2010.03.16	2028-01-21	Ding Charles Z.; Kim In Ho; Wang Jiancheng; Ma Zhenkun; Jin Yafei; Combrikn Keith D.; Lu Genliang; Lynch A. Simon
Rifasutenizol	Use of rifamycin-nitroimidazole coupling molecule	Invention	Our Company	China	2017.11.07	2035-06-09	Ma, Zhenkun; Gregory T. Robertson
Rifasutenizol	Use of rifamycin-nitroimidazole coupling molecule	Invention	Our Company	Hong Kong	2018.08.17	2035-06-09	Ma, Zhenkun; Gregory T. Robertson
Rifasutenizol	Methods for preventing or treating *H. pylori* infection	Invention	Our Company	U.S.	2024.06.11	2043-08-01	Ma Zhenkun; Geng Guozhu; Chen Jing; Liu Yu; Xu Xiangyi; Ai Changlin; Zhang Junlei; Song Ting; Zhao Shuangshuang
Rifasutenizol	New applications of rifamycin-nitroimidazole coupling molecules	Invention	Our Company	Hong Kong	2021.11.12	2038-02-22	Ma Zhenkun; Yuan Ying; Liu Yu; Wang Xiaomei
Rifasutenizol	New applications of rifamycin-nitroimidazole coupling molecules	Invention	Our Company	Germany	2021.04.07	2038-02-22	Ma Zhenkun; Yuan Ying; Liu Yu; Wang Xiaomei
Rifasutenizol	New applications of rifamycin-nitroimidazole coupling molecules	Invention	Our Company	France	2021.04.07	2038-02-22	Ma Zhenkun; Yuan Ying; Liu Yu; Wang Xiaomei
Rifasutenizol	New applications of rifamycin-nitroimidazole coupling molecules	Invention	Our Company	Great Britain	2021.04.07	2038-02-22	Ma Zhenkun; Yuan Ying; Liu Yu; Wang Xiaomei
Rifasutenizol	Preparation method of rifamycin-nitroimidazole coupling molecule	Invention	Our Company	China	2017.09.05	2035-06-09	Ma Zhenkun; Zhang Tianyuan; Ding Jun
Rifaquizinone	Use of rifamycin-quinolizinone coupling molecule and pharmaceutically acceptable salt thereof	Invention	Our Company	China	2021.05.18	2039-01-08	Ma Zhenkun; Yuan Ying; Liu Yu

Note:

(1) Patent expiration does not include any applicable patent term extensions.

(2) Patent was transferred from Cumbre.

(3) All inventors of the material patents are our current or former R&D personnel, except that all the inventors were employed by Cumbre Inc. at the time they were named as inventors of the patent titled nitroheteroaryl containing rifamycin derivatives, Dr. Ma and Gregory T. Robertson were employed by the Company and Colorado State University, respectively, at the time they were named as inventors of the patents titled use of rifamycin-nitroimidazole coupling molecule. Dr. Ma and Gregory T. Robertson were named as inventors of the patents titled use of rifamycin-nitroimidazole coupling molecule based on the contributions they made during their work at Cumbre Inc.

The following table summarizes the details of our material patent applications in connection with our Core Products:

Product	Patent Name	Patent Type	Applicant	Jurisdiction	Application Date	Inventors[1]
Rifasutenizol	Crystal form of compound and use thereof	Invention	Our Company	China	2024-06-27	Liu Yu; Yao Wenhui; Wu Zeqin; Ma Zhenkun
Rifasutenizol	Crystal form of compound and use thereof	Invention	Our Company	Taiwan	2024-07-09	Liu Yu; Yao Wenhui; Wu Zeqin; Ma Zhenkun
Rifasutenizol	Crystal form of compound and use thereof	Invention	Our Company	Hong Kong	2024-06-27	Liu Yu; Yao Wenhui; Wu Zeqin; Ma Zhenkun
Rifasutenizol	Salts of compounds, crystal forms thereof, preparation method therefor and use thereof	Invention	Our Company	PCT (China, the U.S., Canada, Japan, Korea, Europe, Hong Kong)	2024-02-23	Liu Yu; Yao Wenhui; Zhang Ling; Wu Zeqin; Ma Zhenkun
Rifasutenizol	Salts of compounds, crystal forms thereof, preparation method therefor and use thereof	Invention	Our Company	Taiwan	2024-02-23	Liu Yu; Yao Wenhui; Zhang Ling; Wu Zeqin; Ma Zhenkun
Rifasutenizol	Methods for preventing or treating *H. pylori* infection	Invention	TenNor Zhongshan	Japan	2022-08-18	Ma Zhenkun; Geng Guozhu; Chen Jing; Liu Yu; Xu Xiangyi; Ai Changlin; Zhang Junlei; Song Ting; Zhao Shuangshuang
Rifasutenizol	Methods for preventing or treating *H. pylori* infection	Invention	TenNor Zhongshan	Canada	2022-08-18	Ma Zhenkun; Geng Guozhu; Chen Jing; Liu Yu; Xu Xiangyi; Ai Changlin; Zhang Junlei; Song Ting; Zhao Shuangshuang
Rifasutenizol	Compound and use thereof	Invention	Our Company	PCT	2025-11-14	Chen Jing, He Shijie, Geng Guozhu, Zhang Ling, Ma Zhenkun
Rifasutenizol	Compound and use thereof	Invention	Our Company	Taiwan	2025-11-14	Chen Jing, He Shijie, Geng Guozhu, Zhang Ling, Ma Zhenkun

Product	Patent Name	Patent Type	Applicant	Jurisdiction	Application Date	Inventors[1]
Rifaquizinone	Use of rifamycin-quinolizinone coupling molecule and pharmaceutically acceptable salt thereof	Invention	Our Company	Hong Kong	2020-01-03	Ma Zhenkun; Yuan Ying; Liu Yu
Rifaquizinone	Use of rifamycin-quinolizinone coupling molecule and pharmaceutically acceptable salt thereof	Invention	Our Company	Europe	2020-01-03	Ma Zhenkun; Yuan Ying; Liu Yu
Rifaquizinone	Application of rifamycin-quinolizinone conjugate molecule and pharmaceutically acceptable salt thereof	Invention	Our Company	Japan	2020-01-03	Ma Zhenkun; Yuan Ying; Liu Yu
Rifaquizinone	Joint cavity drug administration method, and use thereof	Invention	Our Company	Taiwan	2023-05-29	Ma Zhenkun; Wang Huan; Geng Guozhu
Rifaquizinone	Joint cavity drug administration method, and use thereof	Invention	Our Company	PCT (U.S., China, Canada, Japan, Korea, Europe, Australia, Russian, Singapore, Malaysia, Thailand, Philippines, Indonesia, Brazil, Saudi Arabia, United Arab Emirates, Qatar, Egypt, Algeria)	2023-05-29	Ma Zhenkun; Wang Huan; Geng Guozhu
Rifaquizinone	Method for treating prosthetic joint infection by using compound	Invention	Our Company	U.S.	2023-04-24	Ma Zhenkun; Wang Huan; Chen Jing; Geng Guozhu
Rifaquizinone	Method and use of compound for treating infections related to left ventricular assist devices	Invention	Our Company	PCT	2025-07-28	Ma Zhenkun; Zhang Ling

Note:

(1) All inventors of our material patent applications are our current or previous R&D personnels.

The information of patents on composition of matter we had for our drug candidates that already expired in 2025 is as follows:

Product	Patent Name	Patent Type	Patentee	Jurisdiction	Expiration Date
Rifaquizinone, TNP-2092 (Oral) and TNP-2092 (Topical)	(R/S) Rifamycin derivatives, their preparation and pharmaceutical compositions	Invention	The Company	China	2025-07-21
Rifaquizinone, TNP-2092 (Oral) and TNP-2092 (Topical)	(R/S) Rifamycin derivatives, their preparation and pharmaceutical compositions	Invention	The Company	Canada	2025-07-21
Rifaquizinone, TNP-2092 (Oral) and TNP-2092 (Topical)	(R/S) Rifamycin derivatives, their preparation and pharmaceutical compositions	Invention	The Company	Germany	2025-07-21
Rifaquizinone, TNP-2092 (Oral) and TNP-2092 (Topical)	(R/S) Rifamycin derivatives, their preparation and pharmaceutical compositions	Invention	The Company	New Zealand	2025-07-21
Rifaquizinone, TNP-2092 (Oral) and TNP-2092 (Topical)	(R/S) Rifamycin derivatives, their preparation and pharmaceutical compositions	Invention	The Company	France	2025-07-21
Rifaquizinone, TNP-2092 (Oral) and TNP-2092 (Topical)	(R/S) Rifamycin derivatives, their preparation and pharmaceutical compositions	Invention	The Company	Great Britain	2025-07-21
Rifaquizinone, TNP-2092 (Oral) and TNP-2092 (Topical)	(R/S) Rifamycin derivatives, their preparation and pharmaceutical compositions	Invention	The Company	Australia	2025-07-21
Rifaquizinone, TNP-2092 (Oral) and TNP-2092 (Topical)	(R/S) Rifamycin derivatives, their preparation and pharmaceutical compositions	Invention	The Company	U.S.	2025-09-25
Rifaquizinone, TNP-2092 (Oral) and TNP-2092 (Topical)	(R/S) Rifamycin derivatives, their preparation and pharmaceutical compositions	Invention	The Company	Japan	2025-07-21
Rifaquizinone, TNP-2092 (Oral) and TNP-2092 (Topical)	(R/S) Rifamycin derivatives, their preparation and pharmaceutical compositions	Invention	The Company	Hong Kong	2025-07-21
Rifaquizinone, TNP-2092 (Oral) and TNP-2092 (Topical)	Rifamycin derivatives	Invention	The Company	U.S.	2025-09-25
Rifaquizinone, TNP-2092 (Oral) and TNP-2092 (Topical)	Rifamycin derivatives effective against drug-resistant microbes	Invention	The Company	U.S.	2025-08-28
Rifaquizinone, TNP-2092 (Oral) and TNP-2092 (Topical)	Rifamycin imino derivatives effective against drug-resistant microbes	Invention	The Company	U.S.	2025-08-23
Rifaquizinone, TNP-2092 (Oral) and TNP-2092 (Topical)	C-25 carbamate rifamycin derivatives with activity against drug-resistant microbes	Invention	The Company	U.S.	2025-10-18

Jingtian & Gongcheng, our IP Legal Adviser, is of the view that the expiration of the patents mentioned above would not adversely affect our current principal business in view of our existing patent portfolio related to TNP-2092 including patents on usage and method, formulations and crystalline forms. Even after the expiration of patents on composition of matter, any competitors seeking to develop products based on the TNP-2092 molecule for the same indications and formulations as those of our Group would still be subject to the restrictions of our existing valid patents. Also, crystalline form patents protect specific solid-state arrangements of active pharmaceutical ingredients, which serve to extend patent exclusivity beyond the original compound patent.

Furthermore, the U.S. patent titled nitroheteroaryl-containing rifamycin derivatives (US11/827467), which relates to a rifamycin-nitroimidazole conjugated compound and primarily covers the indication of *H. pylori*, will expire on January 21, 2028. The U.S. patent titled methods for preventing or treating *H. pylori* infection (US18/363006), which relates to a method for the treatment of *H. pylori* infection, protects the use of the rifamycin-nitroimidazole conjugated compound in treating *H. pylori* and primarily covers the indication of *H. pylori* infection. This patent will expire on August 1, 2043. Accordingly, although US11/827467 will expire in 2028, US18/363006 will continue to protect our TNP-2198.

In addition, as of the Latest Practicable Date, the patent application titled Salts of compounds, crystal forms thereof, preparation method therefor and use thereof (PCT/CN2024/078360) has entered the U.S. with application number US19/158292. This application relates to salts and crystalline forms of a rifamycin-nitroimidazole conjugated compound and also covers the indication of *H. pylori*. The patent application titled Crystal form of compound and use thereof (PCT/CN2024/102004) has also entered 22 countries, including the U.S., with application number US19/434116 as of the Latest Practicable Date and it relates to Crystal form of a rifamycin-nitroimidazole conjugated compound.

In view of our patent portfolio covering technologies related to the TNP-2198 product, including protection for the indication of *H. pylori*, even after the expiration of the U.S. patent titled nitroheteroaryl-containing rifamycin derivatives (US11/827467), any competitors seeking to develop products based on the TNP-2198 molecule for the same indications would remain subject to the restrictions of the Group's existing valid patents. Therefore, based on the legal opinion of U.S. IP counsel Taylor Duma LLP, as advised by Jingtian & Gongcheng, the IP Legal Adviser, we believe that the expiration of nitroheteroaryl-containing rifamycin derivatives (US11/827467) will not have any adverse effect on our existing principal business, nor will it have any material impact on the continued development and commercialization of TNP-2198 in the U.S.

Our IP Legal Adviser has conducted freedom to operate ("**FTO**") analysis of our Core Products and Key Product, the result of which indicates that there is no material infringement risk for our Core Products and Key Product against valid and enforceable patents of any third party issued in China. Based on the FTO analysis carried out by U.S. IP counsel Taylor Duma LLP, there is no material infringement risk for our Core Products and Key Product with respect to any valid and enforceable third-party patents issued in the U.S. FTO analysis is a patent investigation, based on a search of patent databases, which is commonly used to determine whether any existing patents cover a company's product, and whether that product would infringe any existing patents. However, we cannot provide any assurance that all relevant third party patents were identified or that conflicting patents will not be issued in the future. For more information, see "Risk Factors — Risks Relating to Our Intellectual Property Rights."

The term of an individual patent may vary based on the countries/regions in which it is granted. The actual protection afforded by a patent varies on a claim-by-claim and country-by-country basis and depends upon many factors, including the type of patent, the scope of its coverage, the availability of any patent term extension or adjustment, the availability of legal remedies in a particular country/region and the validity and enforceability of the patent.

We rely, in some circumstances, on trade secrets and/or confidential information to protect aspects of our drug candidates and related technologies. We seek to protect our proprietary technologies and processes, in part, by entering into confidentiality arrangements with third-party contractors. We have entered into confidentiality and non-compete agreements with our senior management and key employees, pursuant to which intellectual property conceived and developed during their employment belongs to us and they waive all relevant rights or claims to such intellectual property. We also have established an internal policy governing the confidentiality of our information.

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material proceedings in respect of, and we had not received written notice of any material claims of infringement of any intellectual property rights, in which we may be a claimant or a respondent. However, there are risks if we fail to protect our intellectual property rights in the future. For risks relating to our intellectual property, see "Risk Factors — Risks Relating to Our Intellectual Property Rights."

SUPPLIERS

During the Track Record Period, our major suppliers primarily consisted of (i) suppliers of materials (such as consumables and reagents); and (ii) third party contractors including CROs and CDMOs. Currently, we procure raw materials mainly from suppliers in China. We have established stable collaboration relationships with qualified suppliers for raw materials, which we believe have sufficient capacity to meet our demands. Nevertheless, we believe that adequate alternative sources for such supplies

exist. We select our suppliers by considering their qualifications, compliance with relevant regulations and industry standards, manufacturing facilities, production quality, prices, business scale, market share, reputation, and after-service quality. During the Track Record Period, we did not experience any material disputes with suppliers, difficulties in procurement, or interruptions in our operations due to a delay in delivery of raw materials. See "— Research and Development — Collaboration with Third Parties" for details on our relationships with the CROs and "— Manufacturing and Control — Collaboration with Third Parties" for details on our relationships with the CDMOs.

In 2023, 2024 and 2025, our purchases from our five largest suppliers in each year during the Track Record Period in aggregate accounted for 49.5%, 80.8% and 68.6% of our total purchases in the respective year, respectively, and purchases from our largest supplier alone in each year during the Track Record Period accounted for 20.6%, 43.8% and 38.2% of our total purchases in each respective year, respectively. The following table sets forth details of our five largest suppliers in each year during the Track Record Period:

Five Largest Suppliers for the Year Ended December 31, 2023	Suppliers' Background	Services Supplied	Commencement of Business Relationship	Credit Term	Purchase Amount	Percentage of Total Purchase
					(RMB'000)	*(%)*
Supplier A	Based in Shanghai, China, a company providing CRO services	CRO services	2021	60 days	17,321	20.6
WuXi AppTec Co., Ltd. (無錫藥明康德新藥開發股份有限公司)	A global CRDMO (Contract Research, Development and Manufacturing Organization) listed on Shanghai Stock Exchange and Hong Kong Stock Exchange	CDMO services	2013	30 days	13,456	16.0
Supplier B	Based in Chongqing, China, a company listed on Shenzhen Stock Exchange which provides CDMO services	CDMO services	2017	30 days	4,572	5.4
Supplier C	A comprehensive university based in Jilin Province, China	Trial site services mainly including subject recruitment and management, study protocol design and trial data collection	2016	20-30 days	3,635	4.3
Shanghai Taikun Pharmaceutical Technology Co., Ltd. (上海泰錕醫藥技術有限公司)	Based in Shanghai, China, a company providing CRO services	CRO services	2023	30 days	2,670	3.2
Total					41,655	49.5

Five Largest Suppliers for the Year Ended December 31, 2024	Suppliers' Background	Services Supplied	Commencement of Business Relationship	Credit Term	Purchase Amount	Percentage of Total Purchase
					(RMB'000)	*(%)*
Supplier B	Based in Chongqing, China, a company listed on Shenzhen Stock Exchange which provides CDMO services	CDMO services	2017	30 days	17,900	43.8
WuXi AppTec Co., Ltd. (無錫藥明康德新藥開發股份有限公司)	A global CRDMO (Contract Research, Development and Manufacturing Organization) listed on Shanghai Stock Exchange and Hong Kong Stock Exchange	CDMO services	2013	30 days	7,993	19.6
Supplier C	A comprehensive university based in Jilin Province, China	Trial site services mainly including subject recruitment and management, study protocol design and trial data collection	2016	20-30 days	2,649	6.5
Supplier A	Based in Shanghai, China, a company providing CRO services	CRO services	2021	60 days	2,527	6.2
Supplier D	Based in Guangdong Province, China, a company providing CRO services	CRO services	2023	30 days	1,922	4.7
Total					32,992	80.8

Five Largest Suppliers for the Year Ended December 31, 2025	Supplier's Background	Products/ Services Provided	Commencement of Business Relationship	Credit Term	Purchase Amount	Percentage of Total Purchase
					(RMB'000)	*(%)*
WuXi AppTec Co., Ltd. (無錫藥明康德新藥開發股份有限公司)	A global CRDMO (Contract Research, Development and Manufacturing Organization) listed on Shanghai Stock Exchange and Hong Kong Stock Exchange	CDMO services	2013	30 days	9,592	38.2
Supplier A	Based in Shanghai, China, a company providing CRO services	CRO services	2021	60 days	2,651	10.6
Supplier G	A technical expert specializing in the construction of AI models	Expert services	2019	30 days	1,734	6.9
Supplier B	Based in Chongqing, China, a company listed on Shenzhen Stock Exchange which provides CDMO services	CDMO services	2017	30 days	1,730	6.9
Supplier F	Based in Shanghai, China, an institution providing intellectual property agency services	Intellectual property agency services mainly including drafting and submission of patent applications and payment of maintenance fees	2021	30 days	1,504	6.0
Total					17,211	68.6

To the best of knowledge of our Directors, all of our five largest suppliers in each year/period during the Track Record Period are Independent Third Parties. Except for WuXi AppTec Co., Ltd., none of our Directors, their respective associates nor any shareholder who, to the best knowledge of our Directors, owned more than 5% of our issued share capital as of the Latest Practicable Date, has any interest in any of our five largest suppliers in each year during the Track Record Period. In addition, we believe that we have adequate alternative sources for such suppliers. We will establish necessary relationships with alternative sources based on our assessment on the risk of supply continuity.

COMPETITION

The pharmaceutical industry is evolving and highly competitive. While we believe that our research and development capabilities enable us to establish a favorable position in the industry, we encounter competition from biopharmaceutical companies, public and private research institutions and governmental agencies worldwide. For more information on the competitive landscape of our drug candidates, please see "Industry Overview" and "— Our Pipeline Products."

We believe the primary competitive factors in our markets are efficacy, safety, convenience and cost. We expect the competition will become more intensive in the future as additional players enter into the segments. Any drug candidates that we successfully develop and commercialize will compete with existing drugs or any new drugs that may become available in the future. For potential impact of market competition, please see "Risk Factors — Risks Relating to the Research and Development of our Drug Candidates — We may face competition with other traditional antibiotics as well as existing first-line treatments of the targeted indications."

ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS

We acknowledge our environment protection and social responsibilities and are aware of the environmental, energy, climate-related and workplace safety issues that may impact our Group's business operation. We are committed to complying with ESG reporting requirements upon listing.

We are subject to various environment, health and safety related laws and regulations in China. To ensure our compliance with applicable environmental protection, health and safety laws and regulations, we (i) have established various guidelines governing laboratory and manufacturing procedures and the handling, use, storage, treatment and disposal of hazardous materials wastes, and taken measures to ensure such guidelines are strictly enforced; (ii) inspect our equipment and offices regularly to identify and eliminate safety hazards; and (iii) conduct health examinations for all of our employees.

During the Track Record Period and up to the Latest Practicable Date, we complied with the relevant PRC environmental and occupational health and safety laws and regulations in all material aspects.

Governance of Environmental and Social Matters

Our Board has overall responsibility for (i) overseeing and determining our Group's ESG related risks and opportunities that impact our Group, (ii) establishing ESG related targets of our Group, (iii) adopting the ESG related policies, and (iv) reviewing our Group's performance in ESG matters. Our Board continues to review the ESG-related materials from all departments of our Company to ensures our Board is well-informed on ESG matters.

We are subject to ESG related issues. See "Risk Factors — Risks Relating to Government Regulations — If we or our CROs, CDMOs and other business partners are subject to environmental protection, health and safety laws and regulations." We may adopt more ESG policies relating to social responsibility and internal governance as our Board deems fit.

In addition, we carefully evaluate and manage ESG risks along our supply chain. To be specific, we take various ESG matters into account when selecting CROs and CDMOs, including: (i) whether they implement environmental, health and safety manuals, policies and standard operating procedures; and (ii) whether there are bad records in ESG issues. Furthermore, we take various measures to ensure that CROs and CDMOs perform their duties regarding ESG matters in accordance with the standards of applicable laws and regulations and in consistent with our quality control processes and protocols, including requiring them to report regularly and conducting on-site inspections.

Compliance

Our compliance team is responsible for monitoring and enforcing the compliance of our operations with health, safety, social and environmental protection regulations. We have developed internal policies for environmental risk prevention to ensure compliance with the requirements of the applicable national, industrial and local standards, laws, regulations and policies. We also conduct ESG compliance training to our employees in order to ensure a compliance culture. Our Directors confirm that we have obtained all applicable permits and licenses under PRC environmental laws and regulations that are material to our operations. During the Track Record Period and up to the Latest Practicable Date, we had been in compliance with the relevant PRC laws and regulations in all material aspects, and had not been subject to any material claim or penalty in relation to health, safety, social and environmental protection, or been involved in any significant work place accident or fatality.

We attach great importance to ESG and act proactively to conform with ESG standards. We are committed to minimizing environmental impacts and ensuring sustainability through our entire value chain. Our Directors recognize the importance of good corporate governance to protect the interests of our Shareholders. After the Listing, we will publish an Environmental, Social and Governance Report each year pursuant to Appendix C2 of the Listing Rules to analyze and disclose important environmental, social and governance matters, risk management and the accomplishment of performance objectives.

Risk Mitigation

We will adopt various strategies and measures to identify, assess, manage and mitigate environmental, social and climate-related risks, including but not limited to:

- reviewing and assessing the ESG reports of similar companies in the industry to ensure that all relevant ESG-related risks are identified on a timely basis.

- discussing among management from time to time to ensure all the material ESG areas are recognized and reported.

- discussing with key stakeholders on key ESG principles and practices to ensure that the significant aspects are covered.

- setting targets for environment KPI, including with regard to emission, pollution and other impact on the environment aimed at reducing emissions and natural resource consumption.

Environmental Matters

Waste

We monitor our waste on a periodic basis and make continuous efforts in working towards the target of reducing the waste discharge. Our hazardous waste discharge levels amounted to approximately 4.8 tons, 4.0 tons, and 6.3 tons in 2023, 2024 and 2025, respectively.

We have adopted internal policies for environmental risk prevention to ensure compliance with the requirements of the applicable national, industrial and local standards, laws, regulations and policies. We engage third-party waste treatment service providers to collect and treat hazardous waste produced in our operations. We select such service providers by considering their quality, industry reputation and compliance with relevant regulatory agencies. We inspect their business licenses, relevant operating permits and certificates for hazardous waste before engaging such service providers and require them to treat and dispose our hazardous waste in accordance with the applicable PRC environmental laws and regulations. The third-party waste treatment service providers issue written records for the transfer of hazardous waste and we keep such records for our internal review and compliance. In 2023, 2024 and

2025, we incurred costs in relation to hazardous waste disposal of approximately RMB25.5 thousand, RMB31.2 thousand and RMB33.5 thousand, respectively. We will make continuous endeavors to take measures to protect the ecological environment during our business operation, so as to minimize adverse environmental impact.

Resource Consumption

To reach our goal for sustainable development, we oversee our environmental protection performance in various aspects, such as efficiency in the use of resources and energy consumption. We monitor our electricity and water consumption levels and implement measures to improve energy efficiency and water conservation. In 2023, 2024 and 2025, the electricity we consumed were approximately 430.4 MWh, 434.9 MWh and 394.2 MWh, respectively, with our water consumption reaching approximately 698 tons, 892 tons and 910 tons, respectively.

Following the ESG evaluation system standards in China and the market practice of industry pioneers, we aim to avoid or reduce the adverse impact on the environment caused by our operations and services, formulate environmental management plans to continuously improve our energy consumption efficiency and ensure all of our operations comply with governmental environment-related regulations and requirements. Our current target is to establish a comprehensive ESG governance mechanism for our Company and the historical energy consumption levels during the Track Record Period will serve as a foundation for developing more relevant energy reduction strategies and settling appropriate reduction targets for us in the future.

Climate Change

In view of the nature of our business, to the best knowledge of our Directors, the climate change will not have any major impact on our business operation. In the case of extreme natural weather, we will actively respond to the relevant policies of local government, make contingency plans to ensure the safety of our staff. In the case of acute physical risks such as direct damage to assets and indirect impacts from supply chain disruption as a result of extreme weather events, we will make corresponding contingency and disaster preparedness plans, and we believe that we have the ability to deal with climate crisis. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material impact on our business operations, strategies or financial performance as a result of climate-related issues.

Goals and Measures

Goals

Following the ESG evaluation system standards in China and the market practice of industry pioneers, we aim to avoid or reduce the adverse impact on the environment caused by our operations.

In setting targets for the KPIs, we have taken into account our respective historical levels during the Track Record Period, and has considered our future business expansion in a thorough and prudent manner with a view of balancing business growth and environmental protection to achieve sustainable development. We will make continuous efforts in working towards the target of reducing our electricity and water consumption, gas emissions and hazardous wastes discharge per thousand dollars of expense.

Measures

We have adopted or will adopt measures below to mitigate environmental impact from our business:

Focus area	Key measures
Exhaust gas management	• Adopt exhaust gas treatment system and install active carbon filters
Greenhouse gas management	• Increase the use of clean energy • Use energy efficient equipment
Solid waste management	• Require proper handling and disposal of solid waste • Set up hazardous waste storage sites in accordance with relevant standards and establish standardized hazardous waste management system • Engage qualified third-party suppliers for solid waste disposal
Energy consumption	• Require our employees to turn off lights after work • Set the air-conditioning to a moderate temperature • Check faucets regularly to avoid leaks • Post water-saving and power-saving signs at eye-catching areas in our offices

Our directors are of the view that such measures will not have a material impact on our operations and financial performance.

Social Matters

Equality and Work Safety

We have policies on compensation and dismissal, equal opportunities and anti-discrimination. If our employees encounter any unequal discrimination, they should seek immediate assistance from either their department head, human resources department or our management team. We will immediately follow up, investigate, and, if necessary, report to the law enforcement authorities.

We have adopted and maintained a series of rules, standard operating procedures and measures to maintain a healthy and safe environment for our employees. We also organize regular safety training and exercises for our employees to improve their safety awareness.

Welfare on Animal

All of our animal trials, including animal breeding, drug administration and autopsy, are performed by qualified third parties, such as CROs. We require such third parties to strictly comply with applicable laws and regulations, such as Good Laboratory Practice, in all respects including animal welfare. We check the compliance of such third parties on a regular basis.

Patient Safety

In order to enhance the safety of patients enrolled in our clinical trials, we have adopted a series of measures, including: (i) establishing and enforcing internal policies and procedures on clinical trial safety; (ii) developing clinical trial protocols with reference to the latest regulations and guidelines on clinical trial safety; (iii) revising protocols, investigators' brochures and informed consent forms and re-evaluating the safety risks periodically; (iv) monitoring adverse events of drug candidates from literature, social media, reports and clinical trials, and conducting comprehensive analysis on the collected adverse events; and (v) reporting serious adverse events and potential serious safety risks to regulatory authorities promptly.

EMPLOYEES

As of the Latest Practicable Date, we employed 54 employees, all of whom were based in China. The following table sets forth a breakdown of our employees by function as of the Latest Practicable Date.

Function	Number of employees	Percentage
Research and development	39	72.2%
General and administrative	15	27.8%
Total	**54**	**100.0%**

We believe our ability to attract, hire, and keep quality employees is indispensable for our success. We primarily recruit employees through job websites, recruitment agencies and internal referrals, taking into account factors including work experience, education, and professional competence. We offer competitive remuneration packages based on qualifications and experience. To ensure compliance with PRC labor laws, we enter into standard individual employment agreements with our employees, covering matters such as terms, wages, bonuses, employee benefits and grounds for termination. Our standard employment agreements also include confidentiality clauses. As required by PRC regulations, we participate in various government statutory employee benefit plans, including social insurances, namely pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and housing funds. We are required under PRC law to make contributions to employee benefit plans at specified percentages of the salaries, bonuses and certain allowances of our employees, up to a maximum amount specified by the local government regulations from time to time. We conduct new staff training regularly to guide new employees and help them adapt to the new working environment. We also provide training and development programs to our employees from time-to-time to ensure their awareness and compliance with our various policies and procedures.

We believe that we have maintained good working relationships with our employees. During the Track Record Period and up to the Latest Practicable Date, we were not subject to any material claims, lawsuits, penalties or administrative actions relating to non-compliance with occupational health and safety laws or regulations, and had not experienced any strikes, labor disputes or industrial actions which have had a material effect on our business.

PROPERTIES

Leased properties

As of the Latest Practicable Date, we leased 6 properties with an aggregate GFA of approximately 2,207.6 sq.m. in China, which were primarily used for R&D facilities, offices and dormitory. The following table sets forth the details of our material leased properties:

No.	Location	Usage	GFA	End of Lease Term
			(Approximate sq.m.)	
1.	Suzhou, Jiangsu Province	R&D and office	1,652.0	December 31, 2027
2.	Suzhou, Jiangsu Province	R&D and office	207.0	June 14, 2028
3.	Suzhou, Jiangsu Province	R&D and office	204.0	September 14, 2026
4.	Zhongshan, Guangdong Province	Office	102.6	October 14, 2026

As of the Latest Practicable Date, one of our leased agreements with an aggregate GFA of less than 5.0 sq.m. had not been registered with the relevant PRC authorities primarily due to the difficulty of procuring our lessors' cooperation to register such lease. The registration of such lease will require the cooperation of our lessors. As advised by our PRC Legal Adviser, the failure to register the lease agreement would not affect the validity of the lease agreement. However, we may be subject to a fine of no less than RMB1,000 and not exceeding RMB10,000 for each unregistered lease agreement if the relevant PRC government authorities require us to rectify and we fail to do so within the prescribed time period. We estimate that the maximum penalty we may be subject to for the unregistered lease agreement will be RMB10,000, which we believe immaterial. Going forward, we will require all of our lessors to provide necessary documentations before we enter into lease agreements with them, and to cooperate with us in completing the registration of the lease agreements. In the worst scenario where we need to relocate and find a new leased premises, as the leased property is used solely for office purposes, we would be able to quickly identify suitable alternative locations. Accordingly, such relocation would not have any material adverse impact on our daily operations or clinical trials.

INSURANCE

We maintain insurance policies that we consider to be in line with market practice and adequate for our business. Our insurance include clinical trial liability and accidental injury.

LICENSES, PERMITS AND APPROVALS

Our PRC Legal Adviser has advised, that as of the Latest Practicable Date, we had obtained all requisite licenses, approvals and permits from relevant authorities that are material to our operations in the PRC. We had not experienced any material difficulty in renewing such licenses, permits, approvals and certificates during the Track Record Period and up to the Latest Practicable Date, and we currently do not expect to have any material difficulty in renewing them when they expire, if applicable.

The following table sets forth the details of our material licenses, permits and approvals as of the Latest Practicable Date:

License/Permit	Issuing Authority	Holder	Grant date	Expiration date
Class B Pharmaceutical Manufacturing License (藥品生產許可證B證) . .	Drug Administration of Jiangsu Province (江蘇省藥品監督管理局)	Our Company	June 21, 2025	June 20, 2030

LEGAL PROCEEDINGS AND REGULATORY COMPLIANCE

During the Track Record Period and up to the Latest Practicable Date, we had not been a party to any actual or threatened material legal or administrative proceedings. During the Track Record Period and up to the Latest Practicable Date, we had complied in all material respects with the applicable laws and regulations relating to our business operations. We are committed to maintaining the highest standards of compliance with the laws and regulations applicable to our business. However, we may from time to time be subject to various legal or administrative claims and proceedings arising in the ordinary course of business.

RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management

We are exposed to various risks in our business operations and we recognize that risk management is critical to our success. For a discussion of various operational risks and uncertainties we face, see "Risk Factors." We have adopted a series of risk management policies which set out a risk management framework to identify, assess, evaluate and monitor key risks associated with our strategic objectives on an ongoing basis. Our senior management, and ultimately our Directors, supervise the implementation of our risk management policies. Risks identified by management will be analyzed on the basis of likelihood and impact, and will be properly followed up and mitigated and rectified by us.

The following key principles outline our approach to risk management:

- Our Audit Committee will oversee and manage the overall risks associated with our business operations, including (i) reviewing and approving our risk management policy to ensure that it is consistent with our corporate objectives; (ii) reviewing and approving our corporate risk tolerance; (iii) monitoring the most significant risks associated with our business operation and our management's handling of such risks; (iv) reviewing our corporate risk in the light of our corporate risk tolerance; and (v) monitoring and ensuring the appropriate application of our risk management framework across our Group.

- Our Board will be responsible for (i) formulating our risk management policy and reviewing major risk management issues of our Company; (ii) reviewing and approving major risk management issues of our Group; (iii) promulgating risk management measures; (iv) providing guidance on our risk management approach to the relevant departments in our Company; (v) reviewing the relevant departments' reporting on key risks and providing feedbacks; (vi) supervising the implementation of our risk management measures by the relevant departments; (vii) ensuring that the appropriate structure, processes and competencies are in place across our Group; and (viii) reporting to our Audit Committee on our material risks.

- The relevant departments in our Company, including but not limited to the finance department, the legal department and the human resources department, are responsible for implementing our risk management policy and carrying out our day-to-day risk management practice. In order to formalize risk management across our Group and set a common level of transparency and risk management performance, the relevant departments will (i) gather information about the risks relating to their operation or function; (ii) conduct risk assessments, which include the identification, prioritization, measurement and categorization of all key risks that could potentially affect their objectives; (iii) continuously monitor the key risks relating to their operation or function; (iv) implement appropriate risk responses where necessary; and (v) develop and maintain an appropriate mechanism to facilitate the application of our risk management framework.

Internal Control

Our Board is responsible for establishing our internal control system and reviewing its effectiveness. As of the Latest Practicable Date, there were no material outstanding issues relating to our Group's internal control.

Below is a summary of the internal control policies, measures and procedures we have implemented or plan to implement:

- We have adopted various measures and procedures regarding each aspect of our business operation, such as confidentiality management, IT security and protection of intellectual property.

- Our Directors (who are responsible for monitoring the corporate governance of our Group) with help from our legal advisers, will also periodically review our compliance status with all relevant laws and regulations after the Listing.

- We have established 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.

- We have engaged Maxa Capital Limited as our compliance advisor to provide advice to our Directors and senior management team regarding matters relating to the Listing Rules. Our compliance advisor is expected to, upon our consultation, provide advice and guidance in respect of compliance with the applicable laws and Listing Rules including various requirements of directors' duties and internal control in a timely fashion.

- We plan to provide various and continuing trainings to update our Directors, senior management, and relevant employees on the latest laws and regulations from time to time with a view to proactively identify any concerns and issues relating to any potential non-compliance.

- Regarding anti-bribery and anti-kickback, we issued anti-bribery and anti-fraud policy which included compliance training for our personnel and setting whistle-blowing system for non-compliance behavior and penalties for bribery and fraud cases.

- Our Directors believe that compliance creates value for us and dedicate to cultivating a compliance culture among all of our employees. To ensure such compliance culture is embedded into everyday workflow and set the expectations for individual behavior across the organization, we regularly conduct internal compliance checks and inspections, adopt strict accountability internally and conduct compliance training.

During the Track Record Period, we had regularly reviewed and enhanced our risk management system and internal control system. We consider that our Directors and members of our senior management possess the necessary knowledge and experience in providing good corporate governance oversight in connection with risk management and internal control.

BOARD OF DIRECTORS

Our Board currently consists of six Directors, comprising one executive Director, two non-executive Directors and three independent non-executive Directors. Our Board serves a term of three years, which is renewable upon re-election and re-appointment and is responsible for, and has general powers for, the management and conduct of our business.

The following table sets forth general information regarding our Directors:

Name	Age	Position(s)	Date of appointment as Director	Date of joining our Group	Role and responsibilities	Relationship with other Directors and senior management
Dr. Ma Zhenkun (馬振坤)	64	Chairman of the Board, executive Director, chief executive officer and general manager	February 25, 2013	February 25, 2013	Responsible for the strategic planning and the overall management of our Group	None
Dr. Song Gaoguang (宋高廣)	42	Non-executive Director	June 29, 2022	June 29, 2022	Responsible for providing strategic advice to our Group	None
Mr. Michael James Bakes	55	Non-executive Director	July 8, 2025	July 8, 2025	Responsible for providing strategic advice to our Group	None
Mr. Lee Wai Kong, Albert (李維剛)	53	Independent non-executive Director	July 8, 2025	July 8, 2025	Responsible for providing independent advice and judgment to our Board	None
Dr. Ni Lin (倪琳)	52	Independent non-executive Director	July 8, 2025	July 8, 2025	Responsible for providing independent advice and judgment to our Board	None
Dr. Li Leping (李樂平)	62	Independent non-executive Director	July 8, 2025	July 8, 2025	Responsible for providing independent advice and judgment to our Board	None

The following sets forth the biographies of our Directors:

Executive Director

Dr. Ma Zhenkun (馬振坤), aged 64, is our chairman of the Board, executive Director, chief executive officer and general manager. Dr. Ma founded our Group in February 2013 and served as one of our Directors since then. He was re-designated as an executive Director on July 8, 2025. Dr. Ma is responsible for the strategic planning and the overall management of our Group. He currently holds directorships in TenNor Zhongshan, TenNor Shanghai, TenNor USA and TenNor Hong Kong.

Dr. Ma has more than 30 years of experience in new drug development in infectious disease area with successful track record in the discovery and development of cethromycin, pretomanid, rifasutenizol, rifaquizinone and many drug candidates in clinical development. Prior to joining our Group, Dr. Ma worked as the chief scientific officer of TB Alliance from August 2004 to July 2013. He also served as the director of medical chemistry at Cumbre Inc. from December 2001 to August 2004 and joined Abbot Laboratories in August 1994. He was designated as an associated research fellow in the Volwiler Society of Abbot Laboratories in June 2001. Dr. Ma published more than 100 research articles in new drug development with over 6,000 citations and 44 h-index. He was the inventor or co-inventor of more than 80 patent applications. Dr. Ma was appointed as an adjunct professor at Soochow University (蘇州大學) in November 2013 and an industry honorary professor of Xi'an Jiaotong-Liverpool University (西交利物浦大學) in June 2021.

Dr. Ma obtained a bachelor's degree in chemistry from Peking University (北京大學) in the PRC in July 1984. He further obtained a master's degree in chemistry from Peking University (北京大學) in the PRC in July 1987 and a doctor of philosophy in chemistry from University of Connecticut in the United States in August 1991.

The Directors are of the review that although Dr. Ma has been leading the development of all Core Products since the establishment of the Company, the Company has no key-man risk because (i) apart from Dr. Ma, there are other core members in the R&D team, namely, Dr. Geng Guozhu, Ms. Chen Jing and Ms. Yu Yinjiao, each of whom has profound experiences in pharmaceutical industry; (ii) our Board is supported by a stable team of the senior management team who have joined the Group well before the Track Record Period with a balanced mixed of knowledge and skills, including but not limited to strategic development, overall management and financial management and financing in addition to profound experience in the pharmaceutical industry, which is more specifically described below; (iii) as confirmed by Dr. Ma, he currently has no intention to dispose of his interests in our Company; (iv) the patents associated with our Core Products are all owned by our Company; and (v) neither Dr. Ma nor any of his close associates has provided any loans, advances or guarantees to the Group during the Track Record Period and up to the Latest Practicable Date.

We implement various measures to ensure sustainability of our business including, without limitation, ensuring that there is considerable overlap in competencies among our senior management and key personnel such that our business is not dependent on any one key personnel. Our Directors consider that while Dr. Ma is responsible for the strategic planning and the overall management of the Group, the key-man risk is mitigated by our holistic and collective engagement approach, namely, in addition to Dr. Ma, (i) each of Dr. Geng Guozhu, Ms. Yu Yinjiao and Ms. Chen Jing, being core members of the R&D team, to lead, manage and implement our Company's R&D and clinical development collectively; (ii) Dr. Bi Jie to lead our Company's business development and marketing; and (iii) each of the senior management team collectively to lead, manage and execute the general and administrative matters of our Company with collective efforts. Ms. Chen Rongping will lead and manage the financial management, capital investment and financing of our Group. In addition, our other internal personnel have extensive knowledge of our R&D development, clinical development and regulatory approval status. Notably, most of our senior management members have worked for our Group for more than three years who are well familiar with all aspects of our Company's operations and with profound experience in the pharmaceutical

industry. Therefore, we believe that a degree of team stability has been formed and will continue to support our Group's sustainable growth. All of our senior management members are also partners of the ESOP Platforms and their interests align with that of our Group and should be naturally incentivized to further our business.

Our Company has adopted a standard of procedures which states clearly the procedures and standards for our R&D activities (including drug discovery), pre-clinical studies, clinical development plans and clinical trials, regulatory filing and approval process, procurement, materials management, instruments and equipment management, and quality assurance and management system. Our standard of procedures will be able to facilitate our senior management team to drive effective decision making and continue on with our operations to ensure the sustainability of our business.

Dr. Song Gaoguang (宋高廣), aged 42, was appointed as a non-executive Director on June 29, 2022, responsible for providing strategic advice to our Group.

Dr. Song has profound experience in the corporate strategy and investment management. He has been a partner at Northern Light Venture Capital Consulting (Beijing) Co., Ltd. (北極光諮詢顧問(北京)有限公司) leading equity investment projects and managing client relations in emerging markets and was an investor at that company. He previously worked at Staidson (Beijing) BioPharmaceuticals Co., Ltd. (舒泰神(北京)生物製藥股份有限公司) as a strategic research analyst.

Dr. Song obtained a bachelor's degree in biological engineering from Inner Mongolia University of Science and Technology (內蒙古科技大學) in the PRC in July 2006. He further obtained a master's degree in biochemical engineering from Beijing Institute of Technology (北京理工大學) in June 2008 and a doctoral degree in biophysics from Peking Union Medical College (北京協和醫學院) in the PRC in July 2012.

Mr. Michael James Bakes, aged 55, was appointed as a non-executive Director on July 8, 2025, responsible for providing strategic advice to our Group.

Mr. Bakes has extensive experience in the life sciences industry. He was the president and chief operating officer at Dose Therapeutics, Inc. from January 2022 to March 2023 and joined Instil Bio, Inc. as the global head of privacy in November 2020. He was an executive director at Merck & Co. from January 2020 to April 2020 and served as the director of operations and later the vice president of operations at Peloton Therapeutics Inc. from 2012 to April 2020. Prior to that, he was the vice president of operations of Affinium Pharmaceuticals, Ltd. from September 2008 to January 2009. He successively held various positions at Cumbre Inc. (formerly known as Tularik Texas Corporation) from April 2001 to May 2008, including acting president and director of technology. Earlier in his career, he worked as application scientist at Hitachi Instruments Inc. from October 1999 to October 2000 and as visiting junior researcher at the University of Texas Southwestern Medical Center from September 1997 to November 1999. Moreover, he joined the Commonwealth Scientific and Research Organization (Csiro Australia) in March 1993. Upon the recommendation by Cumbre to the Company as a Director candidate, Mr. Bakes was elected and appointed by the general meeting as a Director.

Mr. Bakes obtained a bachelor's degree in applied science from the University of Tasmania in Australia in May 1992. He has been a certified project management professional from July 2011 to July 2026.

Independent Non-executive Directors

Mr. Lee Wai Kong (李維剛), aged 53, is our independent non-executive Director. He was appointed as an independent non-executive Director on July 8, 2025 and is responsible for supervising and providing independent judgment to our Board.

Mr. Lee has profound experience in the accounting industry. He has been working as a partner of RSM HK Business Advisory Limited (羅申美香港商業諮詢有限公司) since January 2026. Prior to joining our Group, he was an assurance partner of Ernst and Young, Hong Kong from January 2022 to September 2024. Mr. Lee was one of the founders of Pro-I Business Consulting HK Limited, a boutique internal audit and risk management firm, in July 2003, which was acquired by Protiviti Inc. in November 2004. He then worked as a director of Protiviti Hong Kong Co., Limited (甫瀚諮詢香港有限公司) (formerly known as Pro-I Business Consulting HK Limited) from June 2004 to December 2021 where his last position was a managing director. Prior to that, he worked at a reputable accounting firm in Hong Kong for almost eight years after he graduated from The Chinese University of Hong Kong in 1995.

Mr. Lee obtained his bachelor's degree in business administration from The Chinese University of Hong Kong (香港中文大學) in December 1995 and subsequently Executive Master of Business Administration degree jointly awarded by Kellogg School of Management at Northwestern University and The Hong Kong University of Science and Technology (香港科技大學) in December 2012. He has been a member of the American Institute of Certified Public Accountants, the Institute of Internal Auditors and the Certified Practising Accountant Australia since February 1997, August 2004 and January 2014, respectively. He has been a practising certified public accountant in Hong Kong since January 2008 and a practising accountant in the State of Illinois in the United States since August 1996.

Dr. Ni Lin (倪琳), aged 52, is our independent non-executive Director. She was appointed as an independent non-executive Director on July 8, 2025 and is responsible for supervising and providing independent judgment to our Board.

Dr. Ni has over 25 years' experience in pharmaceutical development and investment. She has been the legal representative and the executive director of Shanghai Orange Pharmaceutical Technology Co., Ltd. (上海橘色醫藥科技有限公司), which was principally engaged in providing scientific research and technical services, since July 2022. She was also the legal representative of Shanghai Taifu Biomedical Technology Company Limited (上海泰服醫藥科技有限公司), which was principally engaged in pharmaceutical technology, biotech, property and equipment leasing, startup incubator operation and management, from February 2021 to December 2022 and since July 2024. She served as a senior partner of Shanghai TF Venture Capital Management Co., Ltd (上海泰甫創業投資管理有限公司), which was principally engaged in investment business, from October 2020 to July 2022. She was appointed as a director of Taizhou EOC Pharma Co., Ltd. (泰州億騰景昂藥業股份有限公司), which was principally engaged in drug manufacturing and innovative drug research and development, from November 2021 to May 2023, the legal representative of Shanghai Youxiang Biopharmaceutical Co., Ltd. (上海優相生物醫藥有限公司) ("**Shanghai Youxiang**"), which was principally engaged in pharmaceutical and biotech research and development, and medical device operations, from June 2021 to January 2022, an executive director of Shanghai Youxiang from June 2021 to January 2025, and the legal representative and the general manager of Ruifabo Technology (Shanghai) Co., Ltd. (瑞法博科技(上海)有限公司), which was principally engaged in providing new material technical services, and resource recycling technology services, from October 2021 to November 2022. Dr. Ni was appointed as a non-executive director of Genor Biopharma Holdings Limited (嘉和生物藥業(開曼)控股有限公司) (formerly known as JHBP (CY) Holdings Limited) (stock code: 6998.HK), which was principally engaged in biopharmaceutical product research and development, from April 2021 to July 2022. She was appointed as a director of Shanghai Ark Biopharmaceutical Co., Ltd. (上海愛科百發生物醫藥技術股份有限公司), which was principally engaged in new drug research and development, biopharmaceutical research, and medical devices, from March 2021 to July 2022. Prior to that, she served as the managing director of Guotou Investment Promotion (Nanjing) Investment Management Co., Ltd. (國投招商(南京)投資管理有限公司), which was principally engaged in investment business, from August 2019 to September 2020 and a managing director of Frontline Bioventures (SHANGHAI) Co., Ltd. (崇凱創業投資諮詢(上海)有限公司), which was principally

engaged in investment business, from June 2015 to August 2019. She was a partner of Shanghai Ruiye Investment Management Center (Limited Partnership) (上海瑞業投資管理中心(有限合夥)), which was principally engaged in investment management.

Dr. Ni obtained a bachelor's degree in science from East China Normal University (華東師範大學) in the PRC in July 1996 and a master's degree in pharmacy from Osaka University in Japan in March 2002. She further obtained a doctoral degree in pharmacology from Osaka University in Japan in March 2009.

Dr. Li Leping (李樂平), aged 62, is our independent non-executive Director. He was appointed as an independent non-executive Director on July 8, 2025 and is responsible for supervising and providing independent judgment to our Board.

Dr. Li has rich experience with large pharmaceutical companies and start-up biological companies. He has been a senior vice president and general manager of TCG Soleil Labs (Shanghai) since March 2021. Prior to that, he served as a senior vice president of Haihe Biopharma Co., Ltd (上海海和藥物研究開發股份有限公司) from April 2019 to August 2024. Moreover, he also served as a senior vice president of Assembly Biosciences, Inc. from January 2016 to June 2020 and Presidio Pharmaceuticals, Inc. from October 2007 to January 2016. He worked at Amgen Inc. (formerly known as Tularik, Inc.) from June 1998 to September 2007 where his last position was technology director. Before that, he was a senior researcher at AbbVie, Inc. (formerly known as the pharmaceutical division of Abbott Laboratories) from November 1991 to May 1998.

Dr. Li Leping became acquainted with Dr. Ma when they were colleagues at Abbot Laboratories. At the time when Dr. Li worked as a senior vice president executive at Presidio Pharmaceutical Inc., TenNor Cayman attempted to hire him to join the company. As an inducement for him to join the company at that time, TenNor Cayman issued 200,000 shares to him in June 2013 at nil consideration. However, due to family reasons, Dr. Li did not join TenNor Cayman and such shares were repurchased by TenNor Cayman in April 2014. Save as disclosed herein, Dr. Li did not and currently does not have any other relationship with our Company and its connected persons under the Listing Rules. Our Directors are of the view that Mr. Li Leping satisfies the independence criteria under Rule 3.13 of the Listing Rules on the basis that (i) Mr. Li Leping and the Group have never had any business or employment relationship; (ii) his appointment as an independent non-executive Director is primarily due to his extensive and profound experience in the pharmaceutical industry in the PRC and United States; (iii) he has no material interest in the principal business activity of the Group; (iv) although the shares were actually issued to him, such shares were repurchased shortly afterwards and Mr. Li Leping has never derived any actual economic benefits from these shares and that more than 10 years have elapsed since the issue and allotment of the shares.

Dr. Li obtained a bachelor's degree in science from Shandong University (山東大學) in the PRC in July 1983. He further obtained a master's degree in arts from Rice University in the United States in May 1989 and a doctor of philosophy from Rice University in the United States in May 1989.

General

Save as disclosed in this section and the paragraph headed "Further Information about Our Directors and Substantial Shareholders" in Appendix VI to this prospectus, each of our Directors has confirmed that: (a) he/she obtained the legal advice referred to under Rule 3.09D of the Listing Rules on July 11, 2025, and understood his/her obligations as a director of a listed issuer; (b) he/she does not have any existing or proposed service contract with our Group other than contracts expiring or determinable by the relevant member of our Group within one year without payment of compensation (other than statutory compensation); (c) he/she has no interest in the Shares within the meaning of Part XV of the SFO; (d) he/she has not been a director of any other publicly listed company during the three years prior to the Latest Practicable Date and as of the Latest Practicable Date; (e) other than being a Director and/or

member of our Company's senior management, he/she does not have any relationship with any other Directors, senior management or substantial shareholders of our Company; and (f) he/she has not completed his/her respective education programs as disclosed in this section by way of attendance of long distance learning or online courses.

Each of our independent non-executive Directors has confirmed: (a) his/her independence after taking into consideration each of the factors referred to under Rules 3.13(1) to 3.13(8) of the Listing Rules; (b) that he/she does not have any past or present financial or other interest in the business of our Company or our subsidiaries, or any connection with any core connected person of our Company; and (c) that there are no other factors which may affect his/her independence at the time of his/her appointment as our independent non-executive Director.

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management and operation of our business. The table below sets forth certain information in respect of the senior management of our Company:

Name	Age	Position(s)	Date of appointment as senior management	Date of founding/ joining our Group	Role and responsibilities	Relationship with Directors and other senior management
Dr. Ma Zhenkun (馬振坤)	64	Chairman of the Board, executive Director, chief executive officer and general manager	February 25, 2013	February 25, 2013	Responsible for the strategic planning and the overall management of our Group	None
Dr. Bi Jie (畢潔)	46	Chief business officer	September 5, 2022	September 5, 2022	Responsible for our Group's business strategy, business development as well as managing the business operational matters of our Group	None
Dr. Geng Guozhu (耿國柱)	54	Vice president of medical affairs	March 29, 2021	March 29, 2021	Responsible for the management and support related to our Group's clinical development and the formulation and planning of clinical development strategies	None
Ms. Chen Jing (陳靜)	39	Vice president of clinical operation	March 1, 2023	June 2, 2019	Responsible for managing and supporting our Group's clinical development and overseeing clinical operation	None

Name	Age	Position(s)	Date of appointment as senior management	Date of founding/ joining our Group	Role and responsibilities	Relationship with Directors and other senior management
Ms. Yu Yinjiao (俞銀姣)	61	Senior vice president of regulatory affairs	November 1, 2024	September 18, 2023	Responsible for regulatory affairs and quality management of our Group	None
Ms. Chen Rongping (陳榮平)	44	Vice president of finance and Board Secretary	March 24, 2023	October 1, 2016	Responsible for overseeing the financial management, capital investment and financing of our Group	None

For biographical details of Dr. Ma, see "—Board of Directors—Executive Director" in this section. The details of each of the other senior management members are set out below:

Dr. Bi Jie (畢潔), aged 46, joined our Group on September 5, 2022 as the chief business officer, responsible for our Group's business strategy, business development as well as managing the business operational matters of our Group.

Prior to joining our Group, Dr. Bi worked as the head of business development of China at Sanofi (China) Investment Co., Ltd. (賽諾菲(中國)投資有限公司) from September 2020 to September 2022. She joined Midas Pharma GmbH, Shanghai Representative Office (德國麥德斯醫藥有限公司上海代表處) in May 2010 and then became the vice president of business development and international licensing from September 2012 to September 2020. She also served as a senior consultant at EAC-International Consulting, Shanghai Representative Office (德國歐亞諮詢公司上海代表處) from November 2007 to May 2010. Prior to that, she worked as a post-doctoral research fellow at the School of Chemistry, University of Nottingham in the United Kingdom from February to July in 2007.

Dr. Bi obtained her bachelor's degree in chemistry from Peking University (北京大學) in the PRC in July 2002 and a doctor of philosophy in organic chemistry from University of Bristol in the United Kingdom in March 2007. She also completed the professional management development program (a long distance learning course) organized by The Wharton School, University of Pennsylvania in the United States in January 2024.

Dr. Geng Guozhu (耿國柱), aged 54, joined our Group in March 2021 as the vice president of medical affairs, primarily responsible for the management and support related to our Group's clinical development and the formulation and planning of clinical development strategies.

Prior to joining our Group, Dr. Geng worked as the director of medical affairs department and the biometrics and pharmacovigilance director at Shanghai Shengdi Pharmaceutical Co., Ltd. (上海盛迪醫藥有限公司) from March 2019 to February 2022 and Shanghai Hengrui Pharmaceuticals Co., Ltd, (上海恒瑞醫藥有限公司) from March 2016 to February 2019. He also worked as a medical affairs manager and an epidemiology manager at GlaxoSmithKline (China) Investment Co., Ltd. (葛蘭素史克(中國)投資有限公司) and Zhejiang Tianyuan Bio-pharmaceutical Co., Ltd. (浙江天元生物藥業有限公司) from October 2015 to February 2016 and March 2012 to March 2015, respectively.

Dr. Geng obtained a bachelor's degree in preventive medicine from Nanjing Medical University (南京醫科大學) in the PRC in July 1996 and further obtained a master's degree in epidemiology and health statistics from Fudan University (復旦大學) in the PRC in June 2004. He also obtained a doctoral degree in epidemiology and health statistics from Soochow University (蘇州大學) in the PRC through part-time study in June 2018.

Ms. Chen Jing (陳靜), aged 39, joined our Group in June 2019 as a project manager of clinical operation and became a vice president of clinical operation in March 2023. Ms. Chen is primarily responsible for managing and supporting our Group's clinical development and overseeing clinical operation.

Prior to joining our Group, Ms. Chen worked at Jiangsu Wuzhong Pharmaceutical Group Co., Ltd. (江蘇吳中醫藥集團有限公司), which is principally engaged in pharmaceutical R&D, production, and sales, from March 2013 to May 2019 where her last position was a senior manager of clinical operation.

Ms. Chen obtained a bachelor's degree in nursing from Nanjing Medical University (南京醫科大學) in the PRC in July 2010 and further obtained a master's degree in applied psychology (an on-the-job learning course) from Renmin University of China (中國人民大學) in the PRC in June 2021 on a part-time basis. She is currently pursuing a doctoral degree in health management (an on-the-job learning course) at the University of Montpellier in France (China campus) on a part-time basis.

Ms. Yu Yinjiao (俞銀姣), aged 61, joined our Group in September 2023 as a senior consultant and became a senior vice president of regulatory affairs since November 2024, responsible for regulatory affairs and quality management of our Group.

Ms. Yu has 29 years of profound experience in the pharmaceutical industry. Prior to joining our Group, Ms. Yu worked as the chief regulatory officer at Shanghai AffaMed Therapeutics Co., Ltd. (上海藹睦醫療科技有限公司), a biopharmaceutical company focused on developing and commercializing transformative pharmaceutical products, from August 2021 to August 2024. She worked as the vice president of Asia Pacific for medical, clinical, regulatory and quality at Hologic, Inc., which develops medical technologies that effectively detect, diagnose and treat health conditions, from August 2017 to July 2021. She also joined Fresenius Kabi (China) Co., Ltd. (費森尤斯卡比(中國)投資有限公司) as the senior vice president of Greater China for medical, clinical, regulatory and quality in January 2015 and joined Baxter (China) Investment Co., Ltd. (百特(中國)投資有限公司), a company engaging in medical investments, investment consulting, and other services, as vice president of regulatory science and pharmacovigilance in August 2011. Prior to that, she also worked as the head of regulatory science at Sino-American Tianjin SmithKline and French Lab., Ltd. (中美天津史克製藥有限公司), which is a pharmaceutical company, and a registration director at Shanghai Johnson & Johnson Pharmaceuticals Ltd. (上海強生製藥有限公司), which is a pharmaceutical company. She also worked as the head of regulatory department at Quintiles Medical Development (Shanghai) Co., Ltd. (昆泰醫藥發展（上海）有限公司), which is primarily engaged in providing biopharmaceutical development and commercial outsourcing. Before joining the pharmaceutical industry, Ms. Yu worked as a medical doctor at Ningbo Baoli Hospital (寧波市保黎醫院).

Ms. Yu obtained a bachelor's degree in clinical medicine from Zhejiang Medical University (浙江醫科大學) (now known as Zhejiang University (浙江大學)) in the PRC in July 1987 and further obtained a master's degree in medical science (pharmacology) from Shanghai Medical University (上海醫科大學) (now known as Fudan University (復旦大學)) in the PRC in July 1994. Ms. Yu obtained an executive master's degree in business administration (EMBA) from China Europe International Business school (中歐國際工商學院) on a part-time basis in August 2014.

Ms. Chen Rongping (陳榮平), aged 44, joined our Group in October 2016 as a finance director and became the vice president in March 2023. She currently serves as the vice president of finance and the Board secretary since June 2025. She is responsible for overseeing the financial management, capital

investment and financing of our Group. Before that, she held key roles within our Group, including the senior consultant and director of finance, fundraising and corporate development. Prior to joining our Group, Ms. Chen provided professional consulting services to various funds and companies.

Ms. Chen obtained a bachelor's degree in accounting from Jianghan University (江漢大學) in the PRC in July 2004 and further obtained a master's degree in business administration from Fudan University (復旦大學) in the PRC through part-time study in January 2022. She also completed the professional financial management program organized by PBCSF Tsinghua University (清華五道口金融學院) in the PRC in February 2023.

General

Save as disclosed in this section and the paragraph headed "Further Information about Our Directors and Substantial Shareholders" in Appendix VI to this prospectus, each of our senior management members has confirmed that: (a) he/she does not hold and has not held any other positions in our Group and any other members of our Group as of the Latest Practicable Date; (b) other than being a Director and/or member of our Company's senior management, he/she does not have any relationship with any Directors, other members of senior management or substantial shareholders of our Company as of the Latest Practicable Date; (c) he/she does not hold and has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years prior to the Latest Practicable Date and as of the Latest Practicable Date; and (d) he/she has not completed his/her respective education programs as disclosed in this section by way of attendance of long distance learning or online courses.

Currently, the Company did not appoint any supervisor. The Company does not have any plan or arrangement in place to set up a supervisory committee.

JOINT COMPANY SECRETARIES

Ms. Chen Rongping (陳榮平) was appointed as one of our joint company secretaries with effect from Listing.

Ms. Ye Jiahong (葉嘉紅), was appointed as one of our joint company secretaries with effect from Listing. Ms. Ye currently serves an assistant manager of the listing services department of TMF Hong Kong Limited, responsible for providing corporate secretarial and compliance services to listed companies. Ms. Ye has over 8 years of experience in the corporate secretarial field. She is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Ms. Ye obtained a bachelor degree in English (business management stream) from Jinan University in June 2013 and a master of arts degree in computer-aided translation from The Chinese University of Hong Kong in November 2014.

COMPLIANCE ADVISER

We have appointed Maxa Capital Limited as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, the compliance adviser will advise us on the following circumstances: (a) before the publication of any announcements, circulars or financial reports; (b) where a transaction, which might be a notifiable or connected transaction under Chapters 14 and 14A of the Listing Rules 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 prospectus or where our business activities, developments or results deviate from any forecast, estimate or other information in this prospectus; and (d) where the Stock Exchange makes an inquiry of us regarding unusual price movement and trading volume or other issues under Rule 13.10 of the Listing Rules.

Pursuant to Rule 3A.24 of the Listing Rules, Maxa Capital Limited will, in a timely manner, inform us of any amendment or supplement to the Listing Rules and new or amended laws and regulations in Hong Kong applicable to us.

The terms of the appointment shall commence on the Listing Date and end on the date which we distribute our annual report of our financial results for the first full financial year commencing after the Listing Date.

BOARD COMMITTEES

We have established the following committees on our Board: an audit committee, a remuneration committee and a nomination committee. The committees operate in accordance with the terms of reference established by our Board.

Audit Committee

We have established an audit committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of part 2 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the "**Corporate Governance Code**"). The Audit Committee consists of Mr. Lee Wai Kong, Albert (李維剛), Dr. Li Leping (李樂平) and Dr. Song Gaoguang (宋高廣), with Mr. Lee Wai Kong, Albert (李維剛) being the chairperson of the committee. Mr. Lee Wai Kong, Albert holds the appropriate accounting or related financial management expertise as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The primary duties of the Audit Committee are to assist our Board in providing an independent view of the effectiveness of our financial reporting process, internal control and risk management systems, overseeing the audit process, and performing other duties and responsibilities as assigned by our Board, which includes amongst other things: (a) proposing to our Board the appointment and replacement of external audit firms; (b) reviewing and evaluating the work of external auditors; (c) supervising the implementation of our internal audit system; (d) liaising between our internal audit department and external auditors; (e) reviewing our financial information and related disclosures; and (f) other duties conferred by our Board.

Remuneration Committee

We have established a remuneration committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph E.1 of part 2 of the Corporate Governance Code. The Remuneration Committee consists of Dr. Li Leping (李樂平), Dr. Ni Lin (倪琳) and Mr. Michael James Bakes, with Dr. Li Leping (李樂平) being the chairperson of the committee.

The primary duties of the Remuneration Committee are to develop remuneration and appraisal policies of our Directors, evaluate the performance, make recommendations on the remuneration packages of our Directors and senior management and evaluate and make recommendations on employee benefits, which include amongst other things: (a) making recommendations to our Board on our policy and structure concerning remuneration and appraisal of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration and appraisal; (b) making recommendations to our Board on the terms of the specific remuneration package of each Director and members of senior management; (c) conducting the evaluation of the annual performance of all Directors and senior management; (d) monitoring remuneration payable to all Directors and senior management; (e) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by our Directors from time to time; (f) reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules; and (g) other duties conferred by our Board.

Nomination Committee

We have established a nomination committee with written terms of reference in compliance with paragraph B.3 of part 2 of the Corporate Governance Code. The Nomination Committee consists of Dr. Ma, Dr. Ni Lin (倪琳) and Dr. Li Leping (李樂平), with Dr. Ma being the chairperson of the committee.

The primary duties of the Nomination Committee are to make recommendations to our Board in relation to the appointment and removal of Directors which includes, amongst other things: (a) reviewing the structure, size and composition of our Board on a regular basis, assisting our Board in maintaining a board skills matrix, and making recommendations to our Board regarding any proposed changes; (b) identifying, selecting or making recommendations to our Board on the selection of individuals nominated for directorships, general manager and other senior managements; (c) formulating and maintaining the diversity policy of our Board; (d) assessing the independence of independent non-executive Directors; (e) making recommendations to our Board on relevant matters relating to the appointment, re-appointment and removal of our Directors, general manager and other senior managements; (f) reviewing and assessing the performance of our Directors, and supporting our Company's regular evaluation of our Board's performance; and (g) other duties conferred by our Board.

CORPORATE GOVERNANCE

Our Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of our Shareholders.

Code Provision A.2.1 of the Corporate Governance Code

Under paragraph C.2.1 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Dr. Ma is the Chairperson of our Board and our chief executive officer. With considerable experience in pharmaceutical industry and having served in our Group since its establishment, Dr. Ma has been supervising and providing overall management, operation and strategies of our Group. Despite the fact that the roles of the Chairperson of our Board and our chief executive officer are both performed by Dr. Ma, which constitutes a deviation from paragraph C.2.1 of the Corporate Governance Code, our Board considers that vesting the roles of the Chairperson of our Board and our chief executive officer both in Dr. Ma is beneficial to the management of our Group. The balance of power and authority is ensured by the operation of our Board and our senior management, which comprises experienced and visionary individuals. Upon Listing, our Board will comprise one executive Director, two non-executive Directors and three independent non-executive Directors, and therefore, will have a strong independence element in its composition.

Save as disclosed above, our Company intends to comply with all applicable code provisions under the Corporate Governance Code after the Listing.

Board Diversity

We seek to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. We have adopted a board diversity policy (the "**Board Diversity Policy**") to enhance the effectiveness of our Board and to maintain a high standard of corporate governance. Pursuant to the Board Diversity Policy, in reviewing and assessing suitable candidates to serve as a Director, the Nomination Committee will consider a range of diversity perspectives with reference to our Company's business model and specific needs, including but not limited to gender, age, language, cultural and educational background, professional qualifications, skills, knowledge, industry, regional experience and length of service. Furthermore, the Nomination Committee is responsible for reviewing the diversity of our Board, reviewing the Board Diversity Policy from time to time, developing and reviewing measurable objectives for implementing the Board Diversity Policy, and monitoring the progress on achieving these measurable objectives in order to ensure that the Board Diversity Policy remains effective.

Our Directors have a balanced mixed of knowledge and skills, including but not limited to strategic development, overall management and accounting and finance in addition to industry experience in the pharmaceutical industry. They obtained degrees in various majors including sciences, pharmacy and business administration. Our Board consists of six male members and one female members. Our Company

has reviewed the membership, structure and composition of our Board, and is of the opinion that the structure of our Board is reasonable, and the experience and skills of the Directors in various aspects and fields can enable our Company to maintain a high standard of operation.

Our Company will, among others, (i) disclose the biographical details of each Director and (ii) report on the implementation of the Board Diversity Policy (including whether we have achieved board diversity) in its annual corporate governance report. In particular, our Company will take opportunities to increase the proportion of female members of our Board when selecting and recommending suitable candidates for Board appointments to help enhance gender diversity in accordance with stakeholder expectations and recommended best practices. Our Company also intends to promote gender diversity when recruiting staff at the mid to senior level so that our Company will have a pipeline of female senior management and potential successors to our Board. We believe that such merit-based selection process with reference to our Board Diversity Policy and the nature of our business will be in the best interests of our Group and our Shareholders as a whole.

COMPETITION

Each of our Directors confirms that as of the Latest Practicable Date, he/she did not have any interest in a business which competes or is likely to compete, directly or indirectly, with our business, and requires disclosure under Rule 8.10 of the Listing Rules.

KEY TERMS OF EMPLOYMENT CONTRACTS

We normally enter into (i) an employment contract and (ii) a confidentiality and non-competition agreement with our senior management members and other key personnel (other than Directors). Below sets forth the key terms of these contracts we enter into with our senior management and other key personnel.

Confidentiality

- Scope of confidential information: (a) Business information including various business plans, outsourcing services, brand decisions, product pricing, market analysis, advertising strategies; (b) management information including internal rules and regulations of our Company, financial materials, personnel materials, compensation; and (c) technical information including product information, research and development strategies, target products, synthesis routes, research results, patents, and scientific research achievements.

- Confidentiality obligations: The employee shall strictly comply with any written or non-written confidentiality rules and regulations set by our Company and shall also adopt any necessary and reasonable measures to maintain, in good faith, confidentiality of any information belonging to our Company or any information belonging to others but to which our Company owes confidentiality obligations. The employee shall also properly and reasonably use any confidential information within the authorized scope and as needed to fulfill their responsibilities towards our Company and for its benefits. The employee shall not divulge, disclose or publish confidential information to unauthorized persons in any form and shall promptly notify our Company of any confidential information that we may not be aware of.

- Confidential period: The confidential obligation shall continue until our Company announces that any information is not confidential anymore or the confidential information has been made public.

Ownership of intellectual work products

- The rights and interests in any discovery and invention that are produced by the employee (whether produced or their own or jointly with others) (i) during their employment; (ii) related to any task assigned to them during their employment; (iii) within one year from the date of the employee's departure which are related to any work or tasks assigned to them during their employment; and (iv) using our fund, equipment, parts, material or confidential information, shall belong to us.

Non-competition and non-solicitation

- Within two years from the date of the employee's departure, the employee shall not (i) engage in setting up any business on their own or operate any business for any other entity(ies) that competes with us; (ii) recruit any of our employees for themselves or others; (iii) be employed by, provide services to or hold any interests, in any entity(ies) that compete directly or directly with us; (iv) engage in any contact with our business partners or customers that may result in transferring our business (whether directly or directly) or creating any adverse effect to our business.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

We offer our executive Director and senior management members, who are also employees of our Group, emolument the form of fees, salaries, allowances, benefits in kind, performance related bonuses, share-based compensation and pension scheme contributions. Our Directors' remuneration is determined with reference to the relevant Director's experience and qualifications, level of responsibility, performance and the time devoted to our business, and the prevailing market conditions. Our independent non-executive Directors receive emolument based on their responsibilities (including being members or the chairperson of Board committees).

The aggregate amounts of remuneration (including fees, salaries, allowances, benefits in kind, performance related bonuses, share-based compensation and pension scheme contributions) which were paid or payable to our Directors for each of the three financial years ended December 31, 2023 and 2024 and 2025 were RMB3.20 million, RMB3.40 million, and RMB8.06 million, respectively.

It is estimated that the aggregate amount of remuneration (including fees, salaries, allowances, benefits in kind, performance related bonuses, share-based compensation and pension scheme contributions) payable to our Directors for the financial year ending December 31, 2026 would be approximately RMB4.10 million under arrangements in force as of the date of this prospectus.

For each of the three financial years ended December 31, 2023 and 2024 and 2025, there was nil, one and one Director among the five highest paid individuals, respectively. The aggregate amounts of remuneration (including fees, salaries, allowances, benefits in kind, performance related bonuses, share-based compensation and pension scheme contributions) which were paid or payable by our Group to our five highest paid individuals (excluding Directors) for each of the three financial years ended December 31, 2023 and 2024 and 2025 were RMB13.60 million, RMB11.80 million and RMB22.70 million, respectively.

During the Track Record Period, (i) no remuneration was paid to our Directors or the five highest paid individuals as an inducement to join, or upon joining our Group, (ii) no compensation was paid to, or receivable by, our Directors, past Directors or the five highest paid individuals for the loss of office as a director of any member of our Group or any other office in connection with the management of the affairs of any member of our Group, and (iii) none of our Directors waived or agreed to waive any emoluments.

Except as disclosed above, no other payment has been paid, or is payable, by our Group to our Directors or the five highest paid individuals of our Group during the Track Record Period.

For additional information on remuneration of Directors during the Track Record Period as well as information on the five highest paid individuals, see notes 6 and 33 to the Accountant's Report.

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, the Cumbre Entities were our single largest group of Shareholders which were able to exercise an aggregate of approximately 18.82% voting rights in our Company. Each of the Cumbre Entities was ultimately owned and controlled by Mr. Morton H Meyerson ("**Mr. Meyerson**") and his family members before Mr. Meyerson passed away in August 2025. To the best knowledge of our Company, having made due inquiries, after the pass away of Mr. Meyerson, the Cumbre Entities have been controlled by Mr. Meyerson's family members, including Ms. Marti Meyerson (daughter of Mr. Meyerson) who is the executor of Mr. Meyerson's estates and are expected to remain controlled by family members of Mr. Meyerson upon completion of the implementation of the will of Mr. Meyerson. Immediately upon completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), the Cumbre Entities are expected to be entitled to exercise an aggregate of approximately 15.82% voting rights in our Company. Therefore, the Cumbre Entities and family members of Mr. Meyerson will constitute our Single Largest Group of Shareholders upon the Listing.

As of the Latest Practicable Date, the interests in Cumbre have been distributed in accordance with Mr. Meyerson's will and Cumbre is held as to: (i) approximately 1.08% partnership interests by 2M InvestCo LLC (as the general partner) which is wholly owned by P56 Revocable Trust ("**P56 Trust**") which is in turn wholly owned by Marlene Nathan Meyerson Family Foundation with Ms. Marti Meyerson acting as its president; (ii) approximately 86.19% partnership interests by P56 Trust (as a limited partner); and (iii) approximately 12.73% partnership interests held by each of the other family members of Mr. Meyerson as limited partners, namely, (a) Ms. Hannah Hooper, Mr. David Hooper, Ms. Sanford Hooper, Ms. Julia Gordon, Mr. Miles Gordon and Ms. Natalie Bader (all being grandchildren of Mr. Meyerson), (b) Mrs. Leslie Gordon (daughter of Mr. Meyerson) and Mr. Robert Gordon (son-in-law of Mr. Meyerson), (c) Ms. Audrey Prystowsky, Mr. Benjamin Prystowsky, Mr. Lee Gordon, Ms. Shai Gordon and Mr. Barry Bader (all being great-grandchildren of Mr. Meyerson).

To the best knowledge of our Company, having made due enquiries, there have been no acting concert agreements, whether historical and current, among the beneficial owners of the Cumbre Entities regarding voting rights in our Company. Further, there have been no acting concert agreements, whether historical and current, between the Cumbre Entities and Dr. Ma regarding their voting rights in our Company. The Cumbre Entities will remain as passive investors of our Company and will not be involved in the daily operation of our Company, and they have no current intention to appoint additional Director other than Mr. Michael James Bakes who is elected and appointed as our non-executive Director upon recommendation by Cumbre.

Since Mr. Meyerson passed away in August 2025, on the basis that (i) our Company continued to be managed by Dr. Ma, our founder, chairman of the Board, executive Director, chief executive officer and general manager, who has extensive research and managerial experience in the pharmaceutical industry across the PRC and the United States, since our inception, together with our senior management team, and (ii) the Cumbre Entities remain as passive investors of our Company with no involvement in the daily operation of our Company, our Directors are of the view that our Company is still able to satisfy the ownership continuity requirement after his pass away in August 2025 and up to the Latest Practicable Date and the pass away of Mr. Meyerson as well as any delay in execution of Mr. Meyerson's will not have any material adverse impact on our Company's operation, performance and listing application. Taking into account the basis of the Director's view and the independent due diligence work conducted by the Joint Sponsors, nothing has come to the attention of the Joint Sponsors that would reasonably cause them to cast doubt on such Directors' view.

Although the Cumbre Entities and family members of Mr. Meyerson constitute our Single Largest Group of Shareholders, we have been managed by Dr. Ma, our founder, chairman of the Board, executive Director, chief executive officer and general manager, who has extensive research and managerial experience in the pharmaceutical industry across the PRC and the United States, since our inception. Our achievements have been enabled under the leadership of Dr. Ma, who is responsible for the overall strategic planning, management and operation of our Group. In all Board meetings of our Company held

historically and up to the Latest Practicable Date, Dr. Ma and the Cumbre Entities have voted unanimously and the Cumbre Entities have voted alongside with Dr. Ma on matters related to our Company. As of the Latest Practicable Date, Dr. Ma, together with the ESOP Platforms, controls approximately 13.61% voting rights in our Company. Immediately after the completion of the Global Offering (without taking into account any H Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option), Dr. Ma, together with the ESOP Platforms, are expected to control approximately 11.42% voting rights in our Company. For details of Dr. Ma's biographical background, relevant industry experience and contributions to the research and development of our product pipelines, see the sections headed "Directors and Senior Management" and "Business — Overview" in this prospectus.

INDEPENDENCE FROM OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Our Directors consider that we are capable of carrying on our business independently of our Single Largest Group of Shareholders and their close associates after the Listing, taking into consideration of the factors below.

Management Independence

Our Board comprises six Directors, including one executive Director, two non-executive Directors and three independent non-executive Directors. We believe that our Board as a whole, together with our senior management, is able to perform the managerial role in our Group independently from our Single Largest Group of Shareholders for the following considerations: (a) each of our Directors is aware of his/her fiduciary duties as a Director which require, among others, that he/she acts for the benefit of and in the best interests of our Company and not allow any conflict between his/her duties as a Director and his/her personal interests; (b) our daily management and operation decisions are made by all our executive Director and senior management, all of whom have substantial experience in the industry in which we are engaged and will be able to make business decisions that are in the best interest of our Group. For details of the industry experience of our senior management, see section headed "Directors and Senior Management" in this prospectus; (c) we have appointed three independent non-executive Directors, comprising more than one-third of the total members of our Board, who have sufficient knowledge, experience and competence with a view to bringing independent judgment to the decision-making process of our Board; (d) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and a Director and/or his/her associate, he/she shall abstain from voting and shall not be counted towards the quorum for the voting; and (e) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and our Single Largest Group of Shareholders which would support our independent management. For further details, please refer to the paragraph headed "Corporate Governance Measures" in this section.

In light of the above, our Directors believe that our Company has sufficient and effective control mechanisms to ensure that our Directors perform their respective duties properly and safeguard the interests of our Company and our Shareholders as a whole.

Operational Independence

We have full rights to make all decisions on, and to carry out, our own business operations independently. We have our own departments specializing in these respective areas which have been in operation and are expected to continue to operate independently from our Single Largest Group of Shareholders and their close associates. We hold all the requisite licenses, intellectual property rights and qualifications that are material to carry on our principal business. We also have independent access to suppliers and customers and have sufficient capital, facilities and employees to operate our business independently from our Single Largest Group of Shareholders and their close associates.

Based on the above, our Directors believe that we will be able to operate independently from our Single Largest Group of Shareholders and their close associates.

Financial Independence

We have an independent financial system. We make financial decisions according to our own business needs and neither our Single Largest Group of Shareholders nor their close associates intervene with our use of funds. We have established an independent finance department with a team of financial staff and an independent audit, accounting and financial management system. In addition, we have been and are capable of obtaining financing from third parties without relying on any guarantee or security provided by our Single Largest Group of Shareholders or their close associates. As of the Latest Practicable Date, there was no loan, advance or guarantee provided by our Single Largest Group of Shareholders or their close associates. Based on the above, our Directors believe that we are capable of carrying on our business independently of and do not place undue reliance on our Single Largest Group of Shareholders and their close associates after the Listing.

CORPORATE GOVERNANCE MEASURES

Our Directors recognize the importance of good corporate governance in protecting our Shareholders' interests. We have adopted the following measures to safeguard good corporate governance standards and to avoid potential conflict of interests between our Group and our 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 associates has a material interest, our Single Largest Group of Shareholders or their associate will not vote on the relevant resolutions and shall not be counted in the quorum for the voting; (b) our Company has established internal control mechanisms to identify connected transactions. Upon the Listing, if our Company enters into connected transactions with our Single Largest Group of Shareholders or any of their associates, our Company will comply with the applicable Listing Rules; (c) our Board consists of a balanced composition of executive Director, non-executive Directors and independent non-executive Directors, with independent non-executive Directors representing not less than one-third of our Board to ensure that our Board is able to effectively exercise independent judgment in its decision-making process and provide independent advice to our Shareholders. Our independent non-executive Directors individually and collectively possess the requisite knowledge and experience to perform their duties. They will review whether there is any conflict of interests between our Group and our Single Largest Group of Shareholders and provide impartial and professional advice to protect the interests of our minority Shareholders; (d) where our Directors reasonably request the advice of independent professionals, such as financial advisers, the appointment of such independent professionals will be made at our Company's expenses; and (e) we have appointed Maxa Capital Limited as our compliance adviser to provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules, including various requirements relating to corporate governance.

Based on the above, our Directors believe that sufficient corporate governance measures have been put in place to manage conflicts of interest that may arise between our Group and our Single Largest Group of Shareholders and to protect our Shareholders' interests as a whole after the Listing.

INTEREST IN COMPETING BUSINESS OF OUR SINGLE LARGEST GROUP OF SHAREHOLDERS AND THE DIRECTORS

None of the members of our Single Largest Group of Shareholders or our Directors was, as of the Latest Practicable Date, interested in or engaged in any business, other than our Company, which, competes or is likely to compete, either directly or indirectly, with our Group's businesses and which requires disclosure pursuant to Rule 8.10 of the Listing Rules.

So far as our Directors are aware, immediately following the completion of the Global Offering and without taking into account any H Shares which may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option, the following persons will have an interest or short position in the Shares or the underlying Shares which would fall to be disclosed to our Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company:

			As of the date of this prospectus		Immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised)[3]		
Name of Shareholder	Type of Shares held	Nature of Interest	Number of Shares[2]	Approximate percentage in the total issued Shares	Number of Shares	Approximate percentage of shareholding in the relevant type of Shares	Approximate percentage in the total issued Shares
Cumbre[4]	Unlisted Shares	Beneficial owner	6,153,028	14.15%	–	–	–
	H Shares	Beneficial owner	–	–	6,153,028	11.89%	11.89%
Ms. Marti Meyerson[4]	Unlisted Shares	Interest in controlled corporation	7,619,885	17.52%	–	–	–
	H Shares	Interest in controlled corporation	–	–	7,619,885	14.72%	14.72%
Big Bend 77[4]	Unlisted Shares	Beneficial owner	1,466,857	3.37%	–	–	–
	H Shares	Beneficial owner	–	–	1,466,857	2.83%	2.83%
Danyuan Kangnuo[5]	Unlisted Shares	Beneficial owner	2,180,237	5.02%	–	–	–
	H Shares	Beneficial owner	–	–	2,180,237	4.21%	4.21%
Danyuan Aonuo[5]	Unlisted Shares	Beneficial owner	1,780,987	4.10%	–	–	–
	H Shares	Beneficial owner	–	–	1,780,987	3.44%	3.44%
Danyuan Nuokang[5]	Unlisted Shares	Beneficial owner	578,922	1.33%	–	–	–
	H Shares	Beneficial owner	–	–	578,922	1.12%	1.12%
Dr. Ma[5]	Unlisted Shares	Beneficial owner; interest in controlled corporation	5,912,816	13.61%	–	–	–
	H Shares	Beneficial owner; interest in controlled corporation	–	–	5,912,816	11.41%	11.41%
Shanghai Kangyuan Dannuo[5]	Unlisted Shares	Interest in controlled corporation	4,540,146	10.45%	–	–	–
	H Shares	Interest in controlled corporation	–	–	4,540,146	8.77%	8.77%
WuXi Fund[6]	Unlisted Shares	Beneficial owner	2,848,109	6.55%	–	–	–
	H Shares	Beneficial owner	–	–	2,848,109	5.50%	5.50%
WuXi Fund GP[6]	Unlisted Shares	Interest in controlled corporation	2,848,109	6.55%	–	–	–
	H Shares	Interest in controlled corporation	–	–	2,848,109	5.50%	5.50%
WuXi AppTec HK[6]	Unlisted Shares	Interest in controlled corporation	2,848,109	6.55%	–	–	–
	H Shares	Interest in controlled corporation	–	–	2,848,109	5.50%	5.50%
Wuxi AppTec Shanghai[6]	Unlisted Shares	Interest in controlled corporation	2,848,109	6.55%	–	–	–
	H Shares	Interest in controlled corporation	–	–	2,848,109	5.50%	5.50%

Name of Shareholder	Type of Shares held	Nature of Interest	As of the date of this prospectus		Immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised)[3]		
			Number of Shares[2]	Approximate percentage in the total issued Shares	Number of Shares	Approximate percentage of shareholding in the relevant type of Shares	Approximate percentage in the total issued Shares
WuXi Cayman I[6]	Unlisted Shares	Interest in controlled corporation	2,848,109	6.55%	–	–	–
	H Shares	Interest in controlled corporation	–	–	2,848,109	5.50%	5.50%
WuXi Cayman II[6]	Unlisted Shares	Interest in controlled corporation	2,848,109	6.55%	–	–	–
	H Shares	Interest in controlled corporation	–	–	2,848,109	5.50%	5.50%
WuXi AppTec International[6]	Unlisted Shares	Interest in controlled corporation	2,848,109	6.55%	–	–	–
	H Shares	Interest in controlled corporation	–	–	2,848,109	5.50%	5.50%
WuXi AppTec[6]	Unlisted Shares	Interest in controlled corporation	2,848,109	6.55%	–	–	–
	H Shares	Interest in controlled corporation	–	–	2,848,109	5.50%	5.50%
AMR US[7][8]	Unlisted Shares	Beneficial owner; interest held jointly with another person	3,128,711	7.19%	–	–	–
	H Shares	Beneficial owner; interest held jointly with another person	–	–	5,178,261	10.00%	10.00%
AMR Action US GP[7][8]	Unlisted Shares	Interest in a controlled corporation; interest held jointly with another person	3,128,711	7.19%	–	–	–
	H Shares	Interest in a controlled corporation; interest held jointly with another person	–	–	5,178,261	10.00%	10.00%
AMR Luxembourg[7][8]	Unlisted Shares	Beneficial owner; interest held jointly with another person	3,128,711	7.19%	–	–	–
	H Shares	Beneficial owner; interest held jointly with another person	–	–	5,178,261	10.00%	10.00%

Name of Shareholder	Type of Shares held	Nature of Interest	As of the date of this prospectus		Immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised)[3]		
			Number of Shares[2]	Approximate percentage in the total issued Shares	Number of Shares	Approximate percentage of shareholding in the relevant type of Shares	Approximate percentage in the total issued Shares
AMR Luxembourg GP [7][8]	Unlisted Shares	Interest in a controlled corporation; interest held jointly with another person	3,128,711	7.19%	–	–	–
	H Shares	Interest in a controlled corporation; interest held jointly with another person	–	–	5,178,261	10.00%	10.00%
Suzhou Industrial Park[9]	Unlisted Shares	Interest in controlled corporation	2,203,545	5.07%	–	–	–
	H Shares	Interest in controlled corporation	–	–	2,824,395	5.46%	5.46%
Oriza Holdings[9]	Unlisted Shares	Interest in controlled corporation	2,203,545	5.07%	–	–	–
	H Shares	Interest in controlled corporation	–	–	2,824,395	5.46%	5.46%
Zhongxin VC[9]	Unlisted Shares	Interest in controlled corporation	2,203,545	5.07%	–	–	–
	H Shares	Interest in controlled corporation	–	–	2,824,395	5.46%	5.46%
Suzhou Origin[9]	Unlisted Shares	Beneficial owner	2,203,545	5.07%	–	–	–
	H Shares	Beneficial owner	–	–	2,203,545	4.26%	4.26%
Hua Yuan[9]	Unlisted Shares	Beneficial owner	–	–	–	–	–
	H Shares	Beneficial owner	–	–	620,850	1.20%	1.20%

Notes:

(1) For the avoidance of doubt, both Unlisted Shares and H Shares are ordinary Shares in the share capital of our Company and are considered as one class of Shares.

(2) The calculation is based on the total number of 43,472,926 Shares in issue as at the Latest Practicable Date, which will all be converted into H Shares upon completion of the Global Offering.

(3) The calculation is based on the assumption that immediately following the completion of the Global Offering, there will be a total number of 51,753,476 H Shares (including 43,472,926 H Shares converted from Unlisted Shares without taking into consideration the exercise of the Offer Size Adjustment Option and the Over-allotment Option) in issue.

(4) Cumbre is a limited partnership organized and existing under the laws of the State of Texas (United States). As of the Latest Practicable Date, Cumbre is held as to: (i) approximately 1.08% partnership interests by 2M InvestCo LLC (as the general partner) which is wholly owned by P56 Revocable Trust ("**P56 Trust**") which is in turn wholly owned by Marlene Nathan Meyerson Family Foundation with Ms. Marti Meyerson acting as its president; (ii) approximately 86.19% partnership interests by P56 Trust (as a limited partner). Therefore, Ms. Marti Meyerson is deemed to be interested in the Shares held by Cumbre under the SFO.

Big Bend 77 LLC ("**Big Bend 77**") was wholly owned by Ms. Marti Meyerson and as such, she is deemed to be interested in the Shares held by Big Bend 77 under the SFO.

(5) Each of Danyuan Kangnuo, Danyuan Aonuo and Danyuan Nuokang is our ESOP Platform. As of the Latest Practicable Date, (i) Danyuan Kangnuo was held as to 35.25% by Shanghai Kangyuan Dannuo Consulting Management Co., Ltd. (上海康源丹諾諮詢管理有限公司) ("**Shanghai Kangyuan Dannuo**"), its general partner; (ii) Danyuan Aonuo was held as to 57.07% by Shanghai Kangyuan Dannuo, its general partner; and (iii) Danyuan Nuokang was held as to 97.46% by Shanghai Kangyuan Dannuo, its general partner. As of the Latest Practicable Date, Shanghai Kangyuan Dannuo was wholly-owned by Dr. Ma. Therefore, Dr. Ma is deemed to be interested in the Shares held by each of the ESOP Platforms under the SFO.

(6) The general partner of WuXi PharmaTech Healthcare Fund I L.P. ("**WuXi Fund**") is WuXi PharmaTech Fund I General Partner L.P. ("**WuXi Fund GP**"), and its sole limited partner is WuXi AppTec (Hong Kong) Holding Limited ("**WuXi AppTec HK**"). The general partner of WuXi Fund GP is WuXi PharmaTech Investments (Cayman) Inc. ("**WuXi Cayman I**") which is wholly owned by WuXi PharmaTech Investment Holdings (Cayman) Inc. ("**WuXi Cayman II**"). WuXI Cayman II is wholly owned by WuXi AppTec International Holdings Limited ("**WuXi AppTec International**") which is the sole limited partner of WuXi Fund GP. WuXi AppTec International is wholly owned by WuXi AppTec Co., Ltd. ("**WuXi AppTec**"), which is listed on the Stock Exchange (stock code: 2359) and the Shanghai Stock exchange (stock code: 603259).

WuXi AppTec HK is owned as to 80% by WuXi AppTec (Shanghai) Co., Ltd. ("**WuXi AppTec Shanghai**") which is in turn wholly owned by WuXi AppTec.

As such, each of WuXi Fund GP, WuXi AppTec HK, WuXi Cayman I, WuXi Cayman II, WuXi AppTec International, WuXi AppTec Shanghai and WuXi AppTec is deemed to be interested in the Shares held by WuXi Fund under the SFO.

(7) AMR Action Fund, L.P. ("**AMR US**"), as one of our cornerstone investors, will subscribe for 1,521,600 Offer Shares. Please see "Cornerstone Investors – The Cornerstone Investors" for further details.

The general partner of AMR US is AMR Action Fund GP, LLC ("**AMR US GP**"). As such, AMR US GP is deemed to be interested in the Shares held by AMR US under the SFO.

(8) AMR Action Fund, SCSp ("**AMR Luxembourg**"), as one of our cornerstone investors, will subscribe for 527,950 Offer Shares. Please see "Cornerstone Investors – The Cornerstone Investors" for further details.

The managing general partner of AMR Luxembourg is AMR Action Fund GP, S.à r.l. ("**AMR Luxembourg GP**") As such, AMR Luxembourg GP is deemed to be interested in the Shares held by AMR Luxembourg under the SFO.

The interests of AMR US and AMR Luxembourg are aggregated as each of AMR US and AMR Luxembourg has (a) shared power to vote or to direct the vote of, and (b) shared power to dispose of or to direct the disposition of, the shares held by the other fund and they are deemed to be interested in the Shares held by one another under the SFO.

(9) Hua Yuan International Limited ("**Hua Yuan**"), as one of our cornerstone investors, will subscribe for 620,850 Offer Shares. Please see "Cornerstone Investors—The Cornerstone Investors" for further details.

Hua Yuan is directly and wholly owned by Zhongxin Suzhou Industrial Park Venture Capital Co., Ltd. (中新蘇州工業園區創業投資有限公司) ("**Zhongxin VC**") and Suzhou Industrial Park Origin Ventures Co., Ltd. (蘇州工業園區原點創業投資有限公司) ("**Suzhou Origin**"), one of our existing Shareholders, is also directly and wholly owned by Zhongxin VC. Therefore, Zhongxin VC is deemed to be interested in the Shares held by Suzhou Origin and Hua Yuan under the SFO.

Zhongxin VC is directly and wholly owned by Suzhou Oriza Holdings Corporation (蘇州元禾控股股份有限公司) ("**Oriza Holdings**"). Oriza Holdings is owned as to 59.98% by Suzhou Industrial Park Economic Development Co., Ltd. (蘇州工業園區經濟發展有限公司) ("**Suzhou Industrial Park**"), 20.00% by Suzhou Industrial Park State-owned Capital Investment and Operation Holding Co., Ltd. (蘇州工業園區國有資本投資運營控股有限公司) and 20.02% by Jiangsu Guoxin Investment Group Limited (江蘇省國信集團有限公司). Suzhou Industrial Park is owned as to 90% by Suzhou Industrial Park Administrative Committee (蘇州工業園區管理委員會) controlled by Suzhou Municipal People's Government (蘇州市人民政府). Therefore, Suzhou Industrial Park is deemed to be interested in the Shares held by Oriza Holdings and Zhongxin VC under the SFO.

For details of the substantial shareholders who will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group other than our Company, see "Further Information about Our Directors and Substantial Shareholders—1. Disclosure of Interests" in Appendix VI to this prospectus.

Save as disclosed herein, our Directors are not aware of any persons who will, immediately following completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), without taking into account the Offer Shares that may be taken up under the Global Offering, have interests or short positions in Shares or underlying Shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or, will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company.

This section presents certain information regarding our share capital prior to and upon the completion of the Global Offering.

BEFORE THE GLOBAL OFFERING

As of the date of this document, the registered share capital of our Company was RMB43,472,926.00 comprising 43,472,926 Unlisted Shares with a nominal value of RMB1.00 each.

UPON COMPLETION OF THE GLOBAL OFFERING

Immediately upon completion of the Global Offering, assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage of the total issued share capital
		(%)
H Shares to be converted from Unlisted Shares*(note)*	43,472,926	84.00
H Shares to be issued pursuant to the Global Offering	8,280,550	16.00
Total	**51,753,476**	**100.00**

Immediately upon completion of the Global Offering, assuming the Offer Size Adjustment Option and the Over-allotment Option are fully exercised, the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage of the total issued share capital
		(%)
H Shares to be converted from Unlisted Shares*(note)*	43,472,926	79.88
H Shares to be issued pursuant to the Global Offering	10,950,950	20.12
Total	**54,423,876**	**100.00**

Note: For details of the identities of the Shareholders whose Unlisted Shares will be converted into H Shares upon Listing, see "History, Development and Corporate Structure—Capitalization of Our Company" in this prospectus.

SHARE CLASSES

Upon completion of the Global Offering and conversion of 43,472,926 Unlisted Shares into H Shares, our Shares will consist of H Shares only. Both Unlisted Shares and H Shares are ordinary shares in the share capital of our Company. Apart from certain qualified domestic institutional investors in the PRC, certain qualified PRC investors under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, and other persons who are entitled to hold our H Shares pursuant to relevant PRC laws and regulations or upon approvals of any competent authorities, H Shares generally cannot be subscribed by or traded among legal and natural persons of the PRC.

Unlisted Shares and H Shares are regarded as one class of shares under our Articles of Association, and Unlisted Shares and H Shares will rank *pari passu* with each other in all other respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this prospectus. Other than cash, dividends could also be paid in the form of shares or a combination of cash and shares.

CONVERSION OF OUR UNLISTED SHARES INTO H SHARES

All our Unlisted Shares are not listed or traded on any stock exchange. The holders of our Unlisted Shares may, at their own option, authorize us to apply to the CSRC for conversion of their respective Unlisted Shares to H Shares. After the conversion of Unlisted Shares, such converted Shares may be listed or traded on an overseas stock exchange, provided that such conversion shall have gone through any requisite internal approval process and complied with the regulations prescribed by the securities regulatory authorities of the State Council and the regulations, requirements and procedures prescribed by the overseas stock exchange(s) and the filing procedure with the CSRC shall have been completed. The listing of such converted Shares on the Hong Kong Stock Exchange will also require the approval of the Hong Kong Stock Exchange. In addition, such conversion, trading and listing shall in all respects comply with the regulations prescribed by the State Council's securities regulatory authorities and the regulations, requirements and procedures prescribed by the relevant overseas stock exchange.

Based on the procedures for the conversion of our Unlisted Shares into H Shares as disclosed in this section, we can apply for the listing of all or any portion of our Unlisted Shares on the Hong Kong Stock Exchange as H Shares in advance of any proposed conversion to ensure that the conversion process can be completed promptly upon notice to the Hong Kong Stock Exchange and delivery of Shares for entry on the H Share register. As any listing of additional Shares after our initial listing on the Hong Kong Stock Exchange is ordinarily considered by the Hong Kong Stock Exchange to be a purely administrative matter, it will not require such prior application for listing at the time of our initial listing in Hong Kong.

No class Shareholder voting is required for the listing and trading of the converted Shares on the Hong Kong Stock Exchange. Any application for listing of the converted Shares on the Hong Kong Stock Exchange after our initial listing is subject to prior notification by way of announcement to inform Shareholders and the public of such proposed conversion.

After all the requisite approvals have been obtained, the following procedure will need to be completed in order to effect the conversion: the relevant Unlisted Shares will be withdrawn from the Unlisted Share register and we will re-register such Shares on our H Share register maintained in Hong Kong and instruct the H Share Registrar to issue H Share certificates. Registration on our H Share register will be conditional on (a) our H Share Registrar lodging with the Hong Kong Stock Exchange a letter confirming the proper entry of the relevant H Shares on the H Share register of members and the due dispatch of H Share certificates; and (b) the admission of the H Shares to trade on the Hong Kong Stock Exchange in compliance with the Listing Rules, the General Rules of HKSCC and the HKSCC Operational Procedures in force from time to time. Until the converted shares are re-registered on our H Share register, such Shares would not be listed as H Shares.

TRANSFER OF SHARES ISSUED PRIOR TO LISTING DATE

Pursuant to the PRC Company Law, our Shares issued prior to the Listing shall not be transferred within one year from the Listing Date.

REGISTRATION OF SHARES NOT LISTED ON THE OVERSEAS STOCK EXCHANGE

According to the Guidelines for the "Full Circulation" Program for Domestic Unlisted Shares of H-Share Listed Companies (《H股公司境內未上市股份申請"全流通"業務指引》) announced by the CSRC, the domestic shareholders of Unlisted Shares shall handle share transfer registration business in accordance with the relevant business rules of the China Securities Depository and Clearing Corporation Limited. Further, H-share companies should submit the relevant status reports to the CSRC within 15 days after the transfer registration with the China Securities Depository and Clearing Corporation Limited of the Unlisted Shares involved in the application is completed.

CIRCUMSTANCES UNDER WHICH A GENERAL MEETING IS REQUIRED

For details of circumstances under which a general meeting of our Company is required, see paragraph headed "The PRC Company Law, the Trial Measures and the Guidelines—Shareholders' Meetings" in Appendix IV to this prospectus.

THE CORNERSTONE INVESTMENT

We have entered into cornerstone investment agreements (each a "**Cornerstone Investment Agreement**", and together the "**Cornerstone Investment Agreements**") with the cornerstone investors set out below (each a "**Cornerstone Investor**", and together the "**Cornerstone Investors**"), pursuant to which the Cornerstone Investors have agreed to, subject to certain conditions, subscribe for such number of Offer Shares (rounded down to the nearest whole board lot of 50 H Shares) which may be purchased at the Offer Price with an aggregate amount of US$29.8 million (or approximately HK$233.5 million, calculated based on the exchange rate set out in the section headed "Information about this Prospectus and the Global Offering — Exchange Rate Conversion" in this prospectus) (exclusive of brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee) (the "**Cornerstone Investment**").

Based on the Offer Price of HK$75.70 per Offer Share, the total number of Offer Shares to be subscribed for by the Cornerstone Investors would be 3,084,400. The table below reflects the shareholding percentage immediately after the completion of the Global Offering.

Assuming the Offer Size Adjustment Option is not exercised				Assuming the Offer Size Adjustment Option is exercised in full			
Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full		Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full	
Approximate % of the Offer Shares	Appropriate % of the total issued share capital immediately upon completion of the Global Offering	Approximate % of the Offer Shares	Appropriate % of the total issued share capital immediately upon completion of the Global Offering	Approximate % of the Offer Shares	Appropriate % of the total issued share capital immediately upon completion of the Global Offering	Approximate % of the Offer Shares	Appropriate % of the total issued share capital immediately upon completion of the Global Offering
37.2	5.9	32.4	5.9	32.4	5.9	28.1	5.7

Our Company is of the view that, (i) the Cornerstone Investment will ensure a reasonable size of solid commitment at the beginning of the marketing period of the Global Offering and will provide confidence to the market; and (ii) by leveraging on the Cornerstone Investors' industry reputation and investment experience, in particular in the life sciences, healthcare and biopharmaceutical sectors, the Cornerstone Investment will help raise the profile of our Company and to signify that such investors have confidence in our business and prospect. Our Company became acquainted with each of the Cornerstone Investors through the business network of our Group or through our existing Shareholders.

Among the Cornerstone Investors, (i) each of the AMR Action Fund Entities is an existing Shareholder of our Company; and (ii) Hua Yuan is a close associate an existing shareholders of our Company, namely, Suzhou Industrial Park Origin Ventures Co., Ltd. (蘇州工業園區原點創業投資有限公司) ("**Suzhou Origin**"). Each of the AMR Action Fund Entities has been granted a waiver from strict compliance with the requirements under Rule 10.04 of the Listing Rules and a written consent under paragraph 1C(2) of the Placing Guidelines, and Hua Yuan has been permitted to participate in the Cornerstone Investment pursuant to a written consent under paragraph 1C(2) of Appendix F1 to the Listing Rules granted by the Stock Exchange. For further details of the abovementioned waiver and consent, please refer to the section headed "Waivers from Strict Compliance with Listing Rules" in this prospectus.

The Cornerstone Investment will form part of the International Offering and, save as otherwise obtained consent from the Stock Exchange, the Cornerstone Investors and their respective close associates will not subscribe for any Offer Shares under the Global Offering other than pursuant to the Cornerstone Investment Agreements. The Offer Shares to be subscribed for by the Cornerstone Investors will rank *pari passu* in all respects with the fully paid H Shares in issue following the completion of the Global Offering and to be listed on the Stock Exchange. The Offer Shares to be subscribed for by the Cornerstone Investors

(except for the AMR Action Fund Entities) will be counted towards the public float of our Company under Rule 8.08 of the Listing Rules. Other than a guaranteed allocation of the relevant Offer Shares at the Offer Price, the Cornerstone Investors do not have any preferential rights in the Cornerstone Investment Agreements compared with other public Shareholders. Immediately following the completion of the Global Offering, (i) none of the Cornerstone Investors (except for the AMR Action Fund Entities) will become a substantial shareholder of our Company; (ii) none of the Cornerstone Investors will have any Board representation in our Company solely by virtue of its cornerstone investment; and (iii) equity interests in our Company being beneficially owned by the three largest public Shareholders will be less than 50% for the purpose of Rule 8.08(3) of the Listing Rules. Each of June Star, Orient Asset Management, Hua Yuan and the AMR Action Fund Entities is independent of each other.

The Cornerstone Investors have agreed that the Overall Coordinators may in their sole discretion defer the delivery of all or part of the Offer Shares it will subscribe to on a date later than the Listing Date. Such delayed delivery arrangement is in place to facilitate the over-allocation in the International Offering. There will be no delayed delivery if there is no over-allocation in the International Offering. All Cornerstone Investors have agreed to pay for the relevant Offer Shares that they have subscribed before dealings in the Shares commence on the Stock Exchange. If there is over-allocation in the International Offering, the settlement of such over-allocation may be effected through delayed delivery of the Offer Shares to be subscribed by certain Cornerstone Investors under the Cornerstone Investment. Where delayed delivery takes place, each Cornerstone Investor that may be affected by such delayed delivery has agreed that it shall nevertheless pay for the relevant Offer Shares in full before the Listing. If there is no over-allocation in the International Offering, delayed delivery will not take place. As such, there will be no deferred settlement of the investment amount for the Offer Shares to be subscribed by the Cornerstone Investors pursuant to the Cornerstone Investment Agreements.

To the best knowledge, information and belief of our Company, (i) each of the Cornerstone Investors and its ultimate beneficial owners is an Independent Third Party (save for their respective interests in our Company); (ii) none of the Cornerstone Investors (other than the AMR Action Fund Entities which are our existing Shareholders and Hua Yuan which is a close associate of an existing Shareholder) is accustomed to taking instructions from our Company, the Directors, chief executive of the Company, the Single Largest Shareholders, substantial Shareholders, existing Shareholders or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting, or other disposition of H Shares registered in its name or otherwise held by it; and (iii) none of the subscription for the relevant Offer Shares by the Cornerstone Investors (other than the AMR Action Fund Entities which are our existing Shareholders and Hua Yuan which is a close associate of an existing Shareholder) is financed by our Company, the Directors, chief executive of our Company, the substantial Shareholders, existing shareholders or any of its subsidiaries or their respective close associates for the purpose of subscription of the Offer Shares.

To the best knowledge of our Company and as confirmed by each of the Cornerstone Investors, they made their own independent decisions to enter into the Cornerstone Investment Agreements, and their subscriptions under the Cornerstone Investment would be financed by their assets managed for its investors (in the case of the AMR Action Fund Entities and Orient Asset Management), and by external financing from a commercial bank (in the case of Hua Yuan) or its own internal resources (in the case of June Star). The Cornerstone Investors have also confirmed that all necessary approvals have been obtained with respect to the Cornerstone Investment and that no specific approval from any stock exchange (if relevant) or their shareholders is required for the Cornerstone Investment. Other than a guaranteed allocation of the relevant Offer Shares at the Offer Price, the Cornerstone Investors do not have any preferential rights in the Cornerstone Investment Agreements compared with other public Shareholders. Other than the Cornerstone Investment Agreements, as confirmed by each of the Cornerstone Investors, there are no side agreements or arrangements between us and the Cornerstone Investors or any benefit, direct or indirect, conferred on the Cornerstone Investors by virtue of or in relation to the Listing, other than a guaranteed allocation of the relevant Offer Shares at the Offer Price.

The total number of Offer Shares to be subscribed for by the Cornerstone Investors under the Cornerstone Investment may be affected by reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering in the event of over-subscription under the Hong Kong Public Offering, as described in the paragraphs headed "Structure of the Global Offering — The Hong Kong Public Offering — Reallocation" in this prospectus. The number of Offer Shares to be acquired by each Cornerstone Investor may be deducted on a pro rata basis in accordance with the terms of the Cornerstone Investment Agreements to satisfy the public demands under the Hong Kong Public Offering, after taking into account the requirements under Appendix F1 to the Listing Rules as well as the discretion of the Overall Coordinators (for themselves and on behalf of the International Underwriters) to exercise the Offer Size Adjustment Option and the Over-allotment Option. Details of the actual number of Offer Shares to be allocated to each of the Cornerstone Investors will be disclosed in the allotment results announcement to be issued by our Company on or around May 21, 2026.

All of the Cornerstone Investors have confirmed that they have sufficient funds to settle the investment amounts and they will pay and settle in full for the relevant Offer Shares that they have subscribed before dealings in the Offer Shares commence on the Stock Exchange. As such, there will be no deferred settlement of payment of the investment amounts.

THE CORNERSTONE INVESTORS

The table below sets forth details of the Cornerstone Investment, based on the Offer Price of HK$75.70 set out in this prospectus:

				Assuming the Offer Size Adjustment Option is not exercised				Assuming the Offer Size Adjustment Option is exercised in full			
				Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full		Assuming the Over-allotment Option is not exercised		Assuming the Over-allotment Option is exercised in full	
Cornerstone Investor	Investment amount		Number of Offer Shares	Approximate % of the Offer Shares	Appropriate % of the total issued share capital immediately upon completion of the Global Offering	Approximate % of the Offer Shares	Appropriate % of the total issued share capital immediately upon completion of the Global Offering	Approximate % of the Offer Shares	Appropriate % of the total issued share capital immediately upon completion of the Global Offering	Approximate % of the Offer Shares	Appropriate % of the total issued share capital immediately upon completion of the Global Offering
	(US$ in millions)	*(HK$ in millions)*									
AMR Action Fund, L.P.	14.7	115.2	1,521,600	18.4	2.9	16.0	2.9	16.0	2.9	13.9	2.8
AMR Action Fund, SCSp	5.1	40.0	527,950	6.4	1.0	5.5	1.0	5.5	1.0	4.8	1.0
Hua Yuan International Limited	6.0	47.0	620,850	7.5	1.2	6.5	1.2	6.5	1.2	5.7	1.1
Orient Asset Management (Hong Kong) Limited	3.0	23.5	310,500	3.7	0.6	3.3	0.6	3.3	0.6	2.8	0.6
June Star Global Limited	1.0	7.8	103,500	1.2	0.2	1.1	0.2	1.1	0.2	0.9	0.2
Total	**29.8**	**233.5**	**3,084,400**	**37.2**	**5.9**	**32.4**	**5.9**	**32.4**	**5.9**	**28.1**	**5.7**

The information about our Cornerstone Investors set forth below has been provided by the Cornerstone Investors in connection with the Cornerstone Investment.

AMR Action Fund, L.P. ("AMR US")

AMR US is a limited partnership formed and existing under the laws of the State of Delaware, United States. AMR US is a venture capital fund. The general partner and investment adviser of AMR US are AMR Action Fund GP, LLC which is a limited liability company formed under the laws of the State of Delaware, U.S. and has significant experience investing in clinical stage biotechnology companies developing novel antibiotics. None of the limited partners of AMR US individually holds more than 20% of the interests therein. The sole member of AMR Action Fund GP, LLC is a corporation (i) with no beneficial or economic interest in AMR US, (ii) owned and controlled by a third party service provider, and (iii) of which no individual natural or legal person ultimately holds 30% or more interest therein.

AMR Action Fund, SCSp ("AMR Luxembourg", together with AMR US, the "AMR Action Fund Entities")

AMR Luxembourg is a special limited partnership formed and existing under the laws of the Grand Duchy of Luxembourg. AMR Luxembourg is a venture capital fund. The investment adviser of AMR Luxembourg is AMR Action Fund GP, LLC, which has significant experience investing in clinical stage biotechnology companies developing novel antibiotics. The managing general partner of AMR Luxembourg is AMR Action Fund GP, S.à r.l. which is a private limited liability company formed under the laws of Luxembourg. None of the limited partners of AMR Luxembourg individually holds more than 20% of the interests therein. The sole member of AMR Action Fund GP, S.à r.l. is a stichting entity with no shareholders or members.

Hua Yuan International Limited (華圓管理諮詢(香港)有限公司) ("Hua Yuan")

Hua Yuan is a company incorporated in Hong Kong, which is directly and wholly owned by Zhongxin Suzhou Industrial Park Venture Capital Co., Ltd. (中新蘇州工業園區創業投資有限公司) ("**Zhongxin VC**") and Suzhou Industrial Park Origin Ventures Co., Ltd. (蘇州工業園區原點創業投資有限公司), one of our existing Shareholders, is also directly and wholly owned by Zhongxin VC. Zhongxin VC is an investment services flagship which is directly and wholly owned by Suzhou Oriza Holdings Corporation (蘇州元禾控股股份有限公司) ("**Oriza Holdings**"). Oriza Holdings' primary investment focus is on early-stage and growth-stage enterprises and has previously invested in healthcare companies such as Innovent Biologics, Inc. (stock code: 1801.HK), JW (Cayman) Therapeutics (stock code: 2126.HK), Ascentage Pharma (stock code: 6855.HK) and Duality Biotherapeutics (stock code: 9606.HK). Oriza Holdings is owned as to 59.98% by Suzhou Industrial Park Economic Development Co., Ltd. (蘇州工業園區經濟發展有限公司), 20.00% by Suzhou Industrial Park State-owned Capital Investment and Operation Holding Co., Ltd. (蘇州工業園區國有資本投資運營控股有限公司) and 20.02% by Jiangsu Guoxin Investment Group Limited (江蘇省國信集團有限公司). Suzhou Industrial Park Economic Development Co., Ltd. is owned as to 90% by Suzhou Industrial Park Administrative Committee (蘇州工業園區管理委員會) controlled by Suzhou Municipal People's Government (蘇州市人民政府).

Hua Yuan may obtain external financing from a commercial bank (the "**Lender**") to finance its subscription of the Offer Shares. The loan(s), if obtained, will be on normal commercial terms after arm's length negotiations. No Offer Shares to be subscribed for by Hua Yuan will be charged to the Lender as security for such loan.

Orient Asset Management (Hong Kong) Limited (東方資產管理(香港)有限公司) ("Orient Asset Management")

Orient Asset Management is a wholly-owned subsidiary of Orient Finance Holdings (Hong Kong) Limited and is licensed to carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO in Hong Kong by the SFC. Orient Finance Holdings (Hong Kong) Limited is a wholly-owned subsidiary of DFZQ (東方證券股份有限公司), which is listed on the Stock Exchange (Stock code: 3958) and the Shanghai Stock Exchange (Stock code: 600958).

Orient Asset Management exercises full discretionary investment management authority, and all investment decisions are made solely by Orient Asset Management in accordance with the agreed investment mandate.

Orient Asset Management has agreed to subscribe for our Offer Shares for a discretionary managed investor account under its management as an investment manager for and on behalf of an underlying client, Panda Capital Management Limited, which is an Independent Third Party to the best knowledge of the Company and Orient Asset Management. Panda Capital Management Limited, primarily engaged in medium-to-long-term strategic pre-initial public offering investments and cornerstone or similar investments in initial public offerings in healthcare and emerging industries, is directly and wholly owned by Ms. Wang Ruijin (王瑞金), who is a professional investor with investment experience in the capital markets of Hong Kong and the PRC, including medium-to-long-term opportunities in healthcare and emerging industries. The investment objectives of the said account are to achieve capital appreciation by investing in listed equity securities of companies and secondary market securities products.

June Star Global Limited (駿昇環球有限公司) ("June Star")

June Star is a limited company incorporated under the laws of British Virgin Islands on February 23, 2023 and is primarily engaged in medium-to-long-term investments across financial, pharmaceutical and related sectors. As of the Latest Practicable Date, June Star was wholly-owned by Ms. Li Guozhen (李幗珍), an Independent Third Party and an experienced investor with over 10 years of investment experience, including medium-to-long-term opportunities in healthcare industry, and has participated in various Hong Kong initial public offerings through international placements.

CONDITIONS PRECEDENT

The obligations of each Cornerstone Investor to subscribe for the Offer Shares under the respective Cornerstone Investment Agreements are subject to, among others, the following closing conditions:

(a) the underwriting agreements for the Hong Kong Public Offering and the International Offering being entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in these underwriting agreements, and neither of the aforesaid underwriting agreements having been terminated;

(b) the Offer Price having been agreed upon between our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters);

(c) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the H Shares (including the Offer Shares under the Cornerstone Investment as well as other applicable waivers and approvals (including those in connection with the subscription by the Cornerstone Investors of the Offer Shares)) and such approval, permission or waiver having not been revoked prior to the commencement of dealings in the H Shares on the Stock Exchange;

(d) the CSRC having accepted the CSRC filings and published the filing results in respect of the CSRC filings on its website, and such notice of acceptance and/or filing results published not having otherwise been rejected, withdrawn, revoked or invalidated prior to the commencement of dealings in the H Shares on the Stock Exchange;

(e) no laws shall have been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Global Offering or the Cornerstone Investment Agreements and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and

(f) the representations, warranties, undertakings, acknowledgements and confirmations of the Cornerstone Investors under the respective Cornerstone Investment Agreements are (as of the date of the Cornerstone Investment Agreements) and will be (as of the Listing Date) accurate, true and complete in all respects and not misleading or deceptive and that there is no breach of any of the Cornerstone Investment Agreements on the part of the respective Cornerstone Investors.

RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each of the Cornerstone Investors has agreed that without the prior written consent of each of our Company, the Overall Coordinators and the Joint Sponsors, it will not, whether directly or indirectly, at any time during the period of six months from and including the Listing Date (the "**Lock-up Period**"), dispose of, in any way, any of the Offer Shares or any interest in any company or entity holding such Offer Shares, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investors, including the Lock-up Period restriction.

The following discussion and analysis should be read in conjunction with the consolidated financial information together with the accompanying notes in the Accountant's Report included in Appendix I to this prospectus. Our historical financial information and the consolidated financial statements of our Group have been prepared in accordance with the HKFRS Accounting Standards, which may differ in certain material aspects from generally accepted accounting principles in other jurisdictions. You should read the whole Appendix I and not rely merely on the information contained in this section. Unless the context otherwise requires, historical financial information in this section is described on a consolidated basis.

The discussion and analysis set forth in this section contains forward-looking statements that involve risks and uncertainties. These statements are based on assumptions and analyses made by us 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. Our actual results may differ significantly from those projected. Factors that could cause or contribute to such differences include, without limitation, those discussed in the sections headed "Risk Factors" and "Business" and elsewhere in this prospectus. Discrepancies between totals and sums of amounts listed in this section in any table or elsewhere in this prospectus may be due to rounding.

OVERVIEW

We are a near-commercial stage biotechnology company dedicated to the discovery, development and commercialization of differentiated therapies to address medical needs in disease areas associated with bacterial infections and bacterial metabolism. Empowered by our multi-targeting conjugate molecule technology, we aim to deliver the best therapeutic solutions to overcome the limitations of conventional treatments and improve patient outcomes.

We currently have no products approved for commercial sale and have not generated any revenue from product sales. We have not been profitable and have incurred operating losses during the Track Record Period. We recorded net loss of RMB191.8 million, RMB145.9 million and RMB153.2 million in 2023, 2024 and 2025, respectively, primarily due to the significant research and development expenses and administrative expenses incurred during the Track Record Period.

We expect to incur significant amount of operating expenses for at least the next several years as we further our preclinical research efforts, continue the clinical development, and seek regulatory approvals for our drug candidates before launching these products to the market. Subsequent to the Listing, we expect to also incur costs associated with operating as a public company. We expect that our financial performance will fluctuate from period to period due to the development status of our drug candidates, regulatory approval timeline and commercialization of our future approved drugs.

BASIS OF PREPARATION

We were incorporated in the PRC on February 25, 2013. The historical financial information has been prepared in accordance with HKFRS Accounting Standards, issued by the HKICPA. The principal accounting policies have been consistently applied to all years or periods presented, unless otherwise stated.

The historical financial information has been prepared under the historical cost convention, except for financial assets measured at fair value through profit or loss. The historical financial information is presented in RMB and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations have been, and are expected to continue to be, affected by a number of factors, including the following:

Our Ability to Successfully Develop and Commercialize Our Drug Candidates

Our business and results of operations are dependent on our ability to successfully develop and commercialize our drug candidates. We had developed a pipeline of seven drug candidates focused on bacterial infections and diseases associated with bacterial metabolism. Among them, two Core Products and one Key Product have progressed to Phase II or later stages of clinical development. Our most advanced asset, rifasutenizol—our Core Product—has completed a Phase III clinical trial and is in preparation for NDA submission. For more details, see "Business — Overview." However, the success of our drug candidates will depend on several factors, including but not limited to the completion of clinical trials, obtaining safety and efficacy data from our clinical trials and receipt of regulatory approvals from applicable regulatory authorities. Whether we are able to achieve one or more of these in a timely manner may affect our business and our ability to generate sufficient revenue and cash flows to sustain our operations.

Although all of our drug candidates currently have not been approved for commercialization, and we have not generated any revenue from sales of our drug candidates, we expect to commercialize one or more of our drug candidates in the near future. Upon commercialization of our drug candidates, our business and results of operations will be driven by the market acceptance and sales performance of these commercialized products. Failure to achieve sufficient market acceptance could hinder our ability to generate the expected revenue.

Potential Competition Upon Commercialization

We may face competition with respect to any drug candidates that we may seek to develop or commercialize in the future. For instance, our Core Product, rifasutenizol, upon potential marketing approval, may face competition from other drugs, in particular antibacterial agents, approved for the same target indications. See "Business—Core Product: Rifasutenizol — World's First NME Drug Candidate for *H. Pylori* Infection Since the Discovery of this Pathogen" and "Industry Overview—Antibacterial Agents."

Competition may further intensify due to technological advancements and increasing capital availability for investment in the industry. Our competitors may succeed in developing, acquiring, or licensing products that are more effective with a lower cost than our drug candidates on an exclusive basis, or they may achieve earlier patent protection, regulatory approvals, product commercialization and market penetration than we do. To compete with an approved product, we must demonstrate compelling advantages in efficacy, convenience, tolerability or safety in order to overcome price competition and to be commercially successful. Furthermore, disruptive technologies and medical breakthroughs could intensify competition and render our drug candidates obsolete or noncompetitive. See "Risk Factors—Risks Relating to the Research and Development of Our Drug Candidates—We may face competition with other traditional antibiotics as well as existing first-line treatments of the targeted indications."

Funding for Our Operations

During the Track Record Period, we primarily funded our operations through equity and debt financing. As of December 31, 2025, we had cash and cash equivalents of RMB183.8 million. We expect to fund our future operations primarily with existing cash and cash equivalents, bank borrowings, financial assets at FVPL and net proceeds from the Global Offering. Going forward, in the event of a successful commercialization of one or more of our drug candidates, we expect to fund our operations primarily through revenue generated from the sales of our commercialized drug products.

However, with the continuing growth of our business and expansion of our pipeline, additional funding may be required through public or private equity offerings, debt financing, or other sources. Any changes in our ability to secure adequate funding could impact our cash flow and overall financial performance.

Our Cost Structure

Our results of operations are significantly affected by our cost structure, particularly research and development expenses, administrative expenses and finance costs.

Research and development activities are central to our business model. In 2023, 2024 and 2025, our research and development expenses amounted to RMB108.4 million, RMB69.8 million and RMB71.9 million, respectively. The fluctuations in our research and development expenses during the Track Record Period was primarily due to the evolving progress of preclinical studies and clinical trials of our different drug candidates. For more details regarding our research and development expenses, please see "— Description of Major Components of Our Consolidated Statements of Comprehensive Loss — Research and Development Expenses." We expect our research and development expenses to continue to increase for the foreseeable future as we move our drug candidates, either from preclinical to clinical stage, or further to more advanced clinical trials, and as we continue to support the clinical trials of our drug candidates for indication expansion.

In 2023, 2024 and 2025, our administrative expenses amounted to RMB19.4 million, RMB13.1 million and RMB48.9 million, respectively. For more details regarding our administrative expenses, please see "— Description of Major Components of Our Consolidated Statements of Comprehensive Loss — Administrative Expenses." Our finance costs consisted of (i) changes in the carrying amount of redemption liabilities recognized in connection with our redemption obligations under the Pre-IPO financings, which ceased to be effective as of May 22, 2025; (ii) interest expenses on bank borrowings, and (iii) interest expenses on lease liabilities. In 2023, 2024 and 2025, our finance costs amounted to RMB69.8 million, RMB68.2 million and RMB35.2 million, respectively.

We expect our cost structure to evolve as we continue to advance and expand our drug pipeline. As the clinical trials of our drug candidates continue to progress, we expect to incur additional costs in relation to preclinical and clinical studies, regulatory approval and headcount expansion when necessary, among other things. Moreover, once our drug candidates receive requisite regulatory approvals and achieve their commercialization, we are expected to dedicate our resources to sales and marketing. We plan to establish sales and marketing capabilities through a combination of in-house efforts and collaboration with external partners, all of which will incur selling expenses. Additionally, we anticipate increasing legal, compliance, accounting, insurance and investor and public relations expenses associated with being a public company in Hong Kong.

MATERIAL ACCOUNTING POLICIES, CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

The historical financial information has been prepared in accordance with the following accounting policies which conform with HKFRS Accounting Standards issued by the HKICPA.

Our most material accounting policies and critical accounting estimates and judgements are summarized below. See Note 4 and Note 38 to the Accountant's Report in Appendix I to this prospectus for a description of our critical accounting estimates and judgements and accounting policies.

Material Accounting Policies

Property, Plant and Equipment

Property, plant and equipment, comprising office equipment, transportation vehicles, electronic equipment, laboratory equipment and leasehold improvements are stated at historical cost less depreciation and impairment losses, if any. 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 recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to our Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the Track Record Period in which they are incurred. For more details regarding property, plant and equipment, please see Note 12 to the Accountant's Report in Appendix I to this prospectus.

Intangible Assets

Software

Computer software is recognized at historical cost and subsequently carried at cost less accumulated amortization and accumulated impairment losses. Our Group amortized on a straight-line basis over their estimated useful lives of 3 to 10 years.

In-progress Patent Projects

In-progress patent projects comprised of TNP-2092 and TNP-2198 related patent projects purchased from the former holding company of the Company, TenNor Therapeutics Limited, at a consideration of USD3.9 million, equivalent to approximately RMB25.1 million, in September 2021.

In-progress patent projects are amortized on the straight-line basis over their estimated useful lives from the time when they are ready for their intended use.

Research and development

Our Group incurs significant costs and efforts on research and development activities. Research expenditures are charged to the profit or loss as an expense in the period the expenditures are incurred.

For more details regarding intangible assets, please see Note 14 to the Accountant's Report in Appendix I to this prospectus.

Share-based payment

We operate employee incentive plans. Employees, directors and consultants of our Group (the "**eligible participants**") receive remuneration in the form of share-based payments, whereby the eligible participants render services in exchange for equity instruments. Employee benefits expense is recognized by reference to the fair value of RSUs granted or transferred to the eligible participants, together with a corresponding increase in equity in the share-based compensation reserves. 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; and
- including the impact of any non-vesting conditions.

The total expense is recognized 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 period of the Track Record Period, our Group revises our estimates of the number of RSUs that are expected to vest based on the service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Where there is any modification of terms and conditions in a manner that is beneficial to the employee, for example, by reducing the vesting period, the modification is taken into account when considering the estimate of the number of equity instruments expected to vest, but does not impact the measurement of the value of each instrument. The modification is accounted for retrospectively, the cumulative expense is "trued up" at the modification date, to reflect the best estimate of awards expected to vest as of that date.

RSU schemes

The Company operates a 2021 batch 1 RSU scheme and 2021 batch 2 RSU scheme (together, the "**RSU schemes**"), which were adopted pursuant to board resolutions passed in August 2021 and December 2021 respectively, for the purpose of providing incentives and rewards to the eligible participants who contribute to the success of our Group's operations.

Danyuan Kangnuo, Danyuan Nuokang, and Danyuan Aonuo (collectively referred to as the "**ESOP platforms**") were incorporated in the PRC under the Company Law of the PRC to hold our Company's share capital of approximately RMB4,540,000 to implement the RSU schemes. Under the RSU schemes, eligible participants shall subscribe for partnership interests of ESOP platforms at a consideration price ranging from RMB0.02 to RMB1.05 for each RSU (ordinary shares at RMB1.0 each) and indirectly hold the share capital of our Company.

Pursuant to original RSU schemes, the RSUs granted shall be vested immediately or on the third anniversary date upon the successful listing of our Company. Upon the approval of the board' resolutions on July 11, 2025, our Company resolved to modify the RSU schemes to be vested upon the first anniversary date after the successful listing of our Company. If the eligible participants terminate their relationships with our Group within the vesting period, the executive partner of ESOP platforms who is one of our Directors, or a third party designated by the executive partner shall buy back the unvested RSUs at the lower of original consideration plus the contractually agreed interests and fair value of such RSUs. Any RSUs forfeited by departing eligible participants will be regranted to eligible participants and the fair value of the new granted RSUs was determined based on the underlying equity value of our Group nearest the new granted date.

Redemption Liabilities

Certain investors were granted with the right to require our Group to redeem their capital contributions for cash or liquidate in a preferential order upon occurrence of certain events which are not all within our control. A contract that contains an obligation to purchase our Group's equity instruments for cash or another financial asset gives rise to a financial liability for the present value of the redemption amount. At initial recognition, such financial liabilities are measured at the present value of the redemption amount, which represents the settlement that would be triggered by the event with the most likely outcome and are reclassified from equity. Subsequently, any changes in the carrying amount of the financial liabilities resulting from the revision of the estimated contractual cash flows are recognized in profit or loss. Our Group derecognizes the financial liability when, and only when, our Group's obligations are discharged, canceled or have expired. Upon a termination of the redemption rights and liquidation preferences under deemed liquidation events, the carrying amount of the financial instruments derecognized is credited into the equity. For more details regarding investors with special rights, please refer to Note 28 to the Accountant's Report in Appendix I to this prospectus.

Critical Accounting Estimates and Judgements

Some of our accounting policies involve subjective assumptions, estimates and judgments. Our management has identified the estimates and judgments that they believe are critical to the preparation of our financial statements, including recognition of share-based compensation expenses, impairment of intangible assets, accrual of research and development expenses and carrying amount of redemption liabilities. For more details, please see Note 4 of the Accountants' Report in Appendix I to this prospectus.

DESCRIPTION OF MAJOR COMPONENTS OF OUR CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

The following table sets forth our consolidated statements of comprehensive loss for the years indicated.

	Year Ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Research and development expenses	(108,399)	(69,838)	(71,872)
Administrative expenses	(19,388)	(13,135)	(48,910)
Other income	4,519	4,938	1,746
Other gains, net	786	37	366
Operating Loss	**(122,482)**	**(77,998)**	**(118,670)**
Finance income	474	250	664
Finance costs	(69,836)	(68,181)	(35,238)
Finance costs, net	(69,362)	(67,931)	(34,574)
Loss before income tax	**(191,844)**	**(145,929)**	**(153,244)**
Income tax expense	–	–	–
Loss for the year	**(191,844)**	**(145,929)**	**(153,244)**

Research and Development Expenses

During the Track Record Period, our research and development expenses consisted of (i) salaries and other benefits for our research and development personnel; (ii) preclinical and clinical trial expenses for our drug candidates, primarily in relation to the engagement of CROs, CDMOs, trial sites and other service providers; (iii) share-based compensation expenses in relation to the RSUs we granted to research and development personnel; (iv) depreciation and amortization; (v) others, mainly comprising traveling expenses, raw material expenses, and other miscellaneous expenses.

The following table sets forth a breakdown of our research and development expenses for the years indicated:

	Year Ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Salaries and other benefits	17,022	18,473	21,256
Preclinical and clinical trial expenses	82,471	39,748	24,520
Share-based compensation expenses	5,689	8,703	24,008
Depreciation and amortization	827	881	708
Others	2,390	2,033	1,380
Total	**108,399**	**69,838**	**71,872**

In 2023, 2024 and 2025, our research and development expenses was RMB108.4 million, RMB69.8 million and RMB71.9 million, respectively, accounting for 84.8%, 84.2% and 59.5% of our total operating expenses (i.e. research and development expenses and administrative expenses) in the respective year. Our research and development expenses attributable to our Core Products were RMB99.7 million, RMB64.2 million and RMB60.5 million in 2023, 2024 and 2025, respectively, accounting for 91.9%, 91.9% and 84.1% of our total research and development expenses, and 78.0%, 77.4% and 50.1% of our total operating expenses (i.e. research and development expenses and administrative expenses) in the respective year.

The table below sets forth the breakdown of our research and development expenses attributable to each of our Core Products and Key Product during the Track Record Period:

	Year Ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Rifasutenizol	87,589	59,415	35,360
Rifaquizinone injection	12,076	4,763	25,111
TNP-2092 oral	3,452	914	905
Total	**103,117**	**65,092**	**61,376**

Our R&D expenses fluctuated from period to period, which was mainly in line with the evolving progress of clinical trial status of different product candidates. Our research and development expenses attributable to Rifasutenizol were RMB87.6 million, RMB59.4 million, and RMB35.4 million in 2023, 2024 and 2025, respectively, accounting for 80.8%, 85.1%, and 49.2% of our total research and development expenses, and 68.5%, 71.6%, and 29.3% of our total operating expenses in the respective year.

Our research and development expenses attributable to Rifaquizinone injection were RMB12.1 million, RMB4.8 million, and RMB25.1 million in 2023, 2024 and 2025, respectively, accounting for 11.1%, 6.8%, and 34.9% of our total research and development expenses, and 9.5%, 5.7%, and 20.8% of our total operating expenses in the respective year.

Our research and development expenses attributable to TNP-2092 oral were RMB3.5 million, RMB0.9 million, and RMB0.9 million in 2023, 2024 and 2025, respectively, accounting for 3.2%, 1.3%, and 1.3% of our total research and development expenses, and 2.7%, 1.1%, and 0.7% of our total operating expenses in the respective year.

Administrative Expenses

During the Track Record Period, our administrative expenses consisted of (i) salaries and other benefits for our administrative personnel; (ii) share-based compensation expenses in relation to the RSUs we granted to administrative personnel; (iii) professional service fees mainly incurred for legal, human resources and auditing services; (iv) traveling expenses incurred for our administrative activities; (v) office expenses incurred for our administrative purpose; (vi) depreciation and amortization related to offices equipment and other assets which were used for administrative purpose; (vii) listing expenses; and (viii) others, mainly including rental and property management expenses, conference expenses and other miscellaneous expenses.

The following table sets forth a breakdown of our administrative expenses for the years indicated:

	Year Ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries and other benefits	8,729	7,925	11,825
Share-based compensation expenses	4,134	(101)	12,834
Professional service fees	1,833	1,548	2,362
Traveling expenses	404	430	629
Office expenses	641	333	671
Depreciation and amortization	2,057	1,815	876
Listing expense	–	–	17,647
Others	1,590	1,185	2,066
Total	**19,388**	**13,135**	**48,910**

Other Income

During the Track Record Period, our other income primarily consisted of government grants, which were subsidies granted by the PRC local government authorities to us as incentives for our research and development activities or to support our business operations.

The following table sets forth a breakdown of our other income for the years indicated:

	Year Ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Government grants	4,444	4,938	1,746
Others	75	–	–
Total	**4,519**	**4,938**	**1,746**

Other Gains, Net

During the Track Record Period, our net other gains primarily consisted of net fair value gains on financial assets at FVPL, representing fair value gains on structured deposits we purchased. In 2023, 2024 and 2025, we recorded net other gains of RMB786 thousand, RMB37 thousand and RMB366 thousand, respectively.

Finance Income

During the Track Record Period, our finance income consisted of interest income from bank deposits. In 2023, 2024 and 2025, our finance income amounted to RMB474 thousand, RMB250 thousand and RMB664 thousand, respectively.

Finance Costs

During the Track Record Period, our finance costs consisted of (i) changes in the carrying amount of redemption liabilities; (ii) interest expenses on bank borrowings, and (iii) interest expenses on lease liabilities. In 2023, 2024 and 2025, our finance costs amounted to RMB69.8 million, RMB68.2 million and RMB35.2 million, respectively.

The following table sets forth a breakdown of our finance costs for the years indicated:

	Year Ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Changes in carrying amount of redemption liabilities	67,490	66,294	33,756
Interest expenses on bank borrowings	2,261	1,853	1,398
Interest expenses on lease liabilities	85	34	84
Total	**69,836**	**68,181**	**35,238**

Changes in the carrying amount of redemption liabilities relate to the redemption rights granted to certain of our Pre-IPO Investors, which are measured at the present value of the redemption amount. Any changes in the carrying amount of the redemption liabilities are recognized in profit or loss. As the special rights related to recognition of the Company's redemption liabilities ceased to be effective from May 22, 2025, upon which the redemption liabilities were reclassified from liabilities to equity and we will no longer recognize changes in the carrying amount thereof.

Income Tax Expense

We are subject to income tax on an entity basis on profits arising in or derived from the countries or jurisdictions in which members of our Group are domiciled and operate.

Under the Law of the PRC on Enterprise Income Tax, or the EIT Law, and Implementation Regulation of the EIT Law, the EIT rate of the Company and our PRC subsidiaries was 25% during the Track Record Period. TenNor Shanghai and TenNor Zhongshan were qualified as small and micro enterprises and were therefore entitled to a preferential income tax rate of 20% during the Track Record Period.

As a result, we did not record any income tax expenses during the Track Record Period. Our Directors confirm that during the Track Record Period, we had made all the required tax filings and had no outstanding tax liabilities with the relevant tax authorities in the relevant jurisdictions and we are not aware of any outstanding or potential disputes with such tax authorities.

COMPARISON OF RESULTS OF OPERATIONS

Year Ended December 31, 2025 Compared With Year Ended December 31, 2024

Research and Development Expenses

Our research and development expenses increased by RMB2.1 million from RMB69.8 million in 2024 to RMB71.9 million in 2025, mainly due to an increase of RMB15.3 million in share-based compensation expenses mainly in relation to our adjustment to the RSU schemes in 2025, partially offset by a decrease of RMB15.2 million in preclinical and clinical trial expenses, which was mainly in line with the evolving progress of clinical trial status of different drug candidates. Specifically, we incurred expenses for a Phase III clinical trial for our rifasutenizol (TNP-2198) for the treatment of *H. pylori infection* in 2024.

Administrative Expenses

Our administrative expenses increased significantly by RMB35.8 million from RMB13.1 million in 2024 to RMB48.9 million in 2025, mainly due to (i) an occurrence of RMB17.6 million in listing expenses related to the Listing, and (ii) an increase of RMB12.9 million in share-based compensation expenses mainly in relation to our adjustment to the RSU schemes in 2025.

Other Income

Our other income decreased significantly by RMB3.2 million from RMB4.9 million in 2024 to RMB1.7 million in 2025, due to a decrease of RMB3.2 million in government grants. In 2024, we received several one-off government grants from Suzhou Industrial Park mainly for our completion of Phase II clinical trials for our rifaquizinone injection and rifasutenizol.

Finance Costs

Our finance costs decreased by RMB33.0 million from RMB68.2 million in 2024 to RMB35.2 million in 2025, primarily due to a decrease of RMB32.5 million in changes in the carrying amount of redemption liabilities.

Loss for the Year

As a result of the foregoing, we recorded loss for the year of RMB145.9 million and RMB153.2 million in 2024 and 2025, respectively.

Year Ended December 31, 2024 Compared With Year Ended December 31, 2023

Research and Development Expenses

Our research and development expenses decreased by RMB38.6 million from RMB108.4 million in 2023 to RMB69.8 million in 2024, mainly due to a decrease of RMB42.7 million in preclinical and clinical trial expenses, which was mainly in line with the evolving progress of clinical trial status of different drug candidates. In particular, we completed the patient enrollment for the Phase III clinical trial for our Core Product, rifasutenizol, in 2023. Such decrease was partially offset by an increase of RMB3.0 million in share-based compensation expenses mainly in relation to the restricted share units we granted to certain management members and employees who contributed to our research and development activities.

Administrative Expenses

Our administrative expenses decreased by RMB6.3 million from RMB19.4 million in 2023 to RMB13.1 million in 2024, mainly due to (i) a decrease of RMB4.2 million in share-based compensation expenses, and (ii) a decrease of RMB0.8 million in salaries and other benefits, both of which were mainly attributable to the termination of employment with a management member in 2024.

Other Income

Our other income increased by RMB0.4 million from RMB4.5 million in 2023 to RMB4.9 million in 2024, due to an increase of RMB0.5 million in government grants. In 2024, we received more government grants related to our research and development activities from Suzhou Industrial Park as we completed Phase II clinical trials for our rifaquizinone injection and rifasutenizol.

Finance Costs

Our finance costs remained relatively stable at RMB69.8 million in 2023 and RMB68.2 million in 2024.

Loss for the Year

As a result of the foregoing, we recorded loss for the year of RMB191.8 million and RMB145.9 million in 2023 and 2024, respectively.

DISCUSSION OF CERTAIN SELECTED ITEMS FROM THE CONSOLIDATED BALANCE SHEETS

The following table sets forth selected information from our consolidated balance sheets as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
ASSETS			
Non-current assets			
Property, plant and equipment	2,744	1,315	1,006
Intangible asset	25,422	25,320	25,401
Right-of-use assets	1,521	256	1,860
Other non-current assets	2,724	4,066	7,424
Total non-current assets	**32,411**	**30,957**	**35,691**
Current assets			
Prepayments, other receivables and other assets	5,531	4,111	7,580
Cash and cash equivalents	58,112	97,818	183,765
Total current assets	**63,643**	**101,929**	**191,345**
LIABILITIES			
Current liabilities			
Trade payables	22,956	15,989	7,975
Other payables and accruals	5,691	5,420	11,550
Borrowings	34,222	44,025	17,672
Lease liabilities	1,244	161	943
Redemption liabilities	766,897	–	–
Total current liabilities	**831,010**	**65,595**	**38,140**
Non-current liabilities			
Borrowings	23,725	8,750	9,100
Lease liabilities	227	88	939
Redemption liabilities	–	931,501	–
Other non-current liabilities	1	25,000	25,000
Total non-current liabilities	**23,953**	**965,339**	**35,039**
Equity			
Paid-in capital	**36,582**	**38,869**	**–**
Share capital	**–**	**–**	**43,473**
Reserves	**(795,491)**	**(936,917)**	**110,384**
Total (deficit)/equity	**(758,909)**	**(898,048)**	**153,857**

Property, Plant and Equipment

Our property, plant and equipment primarily includes office equipment, leasehold improvements, electronic equipment, laboratory equipment and transportation vehicles. Our property, plant and equipment decreased from RMB2.7 million as of December 31, 2023 to RMB1.3 million as of December 31, 2024, primarily due to a decrease in leasehold improvements mainly caused by the depreciation. Our property, plant and equipment then further decreased to RMB1.0 million as of December 31, 2025, mainly due to depreciation.

The following table sets out our property, plant and equipment as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Office equipment	22	13	9
Leasehold improvements	1,112	56	–
Electronic equipment	192	150	232
Laboratory equipment	1,405	1,083	752
Transportation vehicles	13	13	13
Total	**2,744**	**1,315**	**1,006**

Intangible Assets

Our intangible assets consist of in-progress patent projects and software. Our intangible assets remained relatively stable at RMB25.4 million, RMB25.3 million and RMB25.4 million as of December 31, 2023, 2024 and 2025, respectively.

Intangible assets that have an indefinite useful life or not yet available for their intended use are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. An impairment loss is recognized 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. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each balance sheet date. For more details regarding intangible assets, please see Note 14 to the Accountant's Report in Appendix I to this prospectus.

The intangible assets related to three in-progress patent projects which are not ready for use and our Group is continuing research and development work of the related drug candidates derived from three in-progress patent projects. The impairment tests were performed for the intangible assets related to the three in-progress patent projects on a drug candidate level by engaging an independent valuer to estimate fair value less cost to sell as the recoverable amount of each drug candidate. The fair values were based on the multi-period excess earning method plus decision tree model and our Group estimated the forecast of profit for each drug candidate based on the timing of clinical development and regulatory approval, commercial ramp up to reach expected peak revenue potential, and the length of exclusivity. The discount rates used are post-tax and reflected specific risks relating to each drug candidate.

The level of fair value hierarchy within the fair value measurements is categorized at level 3. The key parameters used for recoverable amount calculations are as below:

TNP-2198	As of December 31,		
	2023	2024	2025
Post-tax discount rate	14.90%	14.00%	14.20%
Revenue growth rate	9.18% to 335.02%	9.18% to 335.02%	6.22% to 406.68%
Recoverable amount (in RMB'000)	376,000	574,000	646,000

TNP-2092-Injection	As of December 31,		
	2023	2024	2025
Post-tax discount rate	14.90%	14.00%	14.20%
Revenue growth rate	9.56% to 160.55%	9.56% to 160.55%	18.28% to 1,740.68%
Recoverable amount (in RMB'000)	493,000	991,000	699,000

TNP-2092-Oral	As of December 31,		
	2023	2024	2025
Post-tax discount rate	14.90%	14.00%	14.20%
Revenue growth rate	10.59% to 491.72%	10.59% to 491.72%	10.66% to 481.44%
Recoverable amount (in RMB'000)	561,000	687,000	712,000

Our Company performed sensitivity test by increasing 1 percentage point of post-tax discount rate or decreasing 5 percentage point of revenue growth rate, which our management considers are the key parameters in determining the recoverable amount of each drug candidate, with all other variables held constant:

TNP-2198	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Headroom	371,754	569,754	641,754
Impact by increasing post-tax discount rate	(28,000)	(42,000)	(36,000)
Impact by decreasing revenue growth rate	(80,000)	(121,000)	(106,000)

TNP-2092-Injection	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Headroom	480,653	978,653	686,653
Impact by increasing post-tax discount rate	(26,000)	(50,000)	(44,000)
Impact by decreasing revenue growth rate	(85,000)	(166,000)	(140,000)

TNP-2092-Oral	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Headroom	552,452	678,452	703,452
Impact by increasing post-tax discount rate	(33,000)	(39,000)	(33,000)
Impact by decreasing revenue growth rate	(88,000)	(104,000)	(91,000)

Considering there was still sufficient headroom based on the assessment, our management believes that a reasonably possible change in any of the key parameters on which our management has based its determination of each drug candidate's recoverable amount would not cause its carrying amount to exceed its recoverable amount. Based on the result of the above assessment, there was no impairment for the in-progress patent projects as of December 31, 2023, 2024 and 2025.

Right-of-Use Assets

Our right-of-use assets primarily arise from the leased offices and laboratory as well as electronic equipment. Our right-of-use assets decreased from RMB1.5 million as of December 31, 2023 to RMB0.3 million as of December 31, 2024, primarily due to the expiration of a lease agreement. Our right-of-use then increased from RMB0.3 million as of December 31, 2024 to RMB1.9 million as of December 31, 2025, primarily due to the renewal of the lease agreement.

Other Non-current Assets

Our other non-current assets primarily consist of (i) value-added tax recoverable, representing value-added tax paid by us on purchases that are deductible against future value-added tax payable, and (ii) non-current refundable deposits for our leased properties or lease intention deposit. Our other non-current assets increased from RMB2.7 million as of December 31, 2023 to RMB4.1 million as of December 31, 2024, and then increased to RMB7.4 million as of December 31, 2025, primarily due to the increases in value-added tax recoverable mainly in relation to our procurement.

The following table sets forth the details of other non-current assets as of the dates indicated:

	As of December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Value-added tax recoverable	2,404	3,190	6,551
Non-current refundable deposits	320	876	873
Total	**2,724**	**4,066**	**7,424**

Prepayments, Other Receivables and Other Assets

Our prepayments, other receivables and other assets primarily consist of (i) prepayments, mainly representing the prepaid research and development expenses; (ii) due from related parties, primarily representing an interest-bearing receivable from Dr. Ma. Such receivable had been fully settled in 2025, and (iii) deferred listing expenses. Our prepayments, other receivables and other assets decreased from RMB5.5 million as of December 31, 2023 to RMB4.1 million as of December 31, 2024, primarily due to settlements with our suppliers upon the achievement of certain payment milestones. Our prepayments, other receivables and other assets then increased from RMB4.1 million as of December 31, 2024 to RMB7.6 million as of December 31, 2025, primarily due to (i) an occurrence of RMB3.8 million in deferred listing expenses, and (ii) an increase of RMB2.5 million in prepayments, mainly relating to the advance in our clinical trials in 2025, partially offset by our settlement of the receivable with Dr. Ma in 2025.

The following table sets out our prepayments, other receivables and other assets as of the dates indicated.

	As of December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Prepayments	3,222	1,337	3,807
Due from related parties	2,265	2,306	7
Deferred listing expenses	–	–	3,766
Others	44	468	–
Total	**5,531**	**4,111**	**7,580**

Cash and Cash Equivalents

Our cash and cash equivalents primarily consist of cash on hand as well as bank balances. Our cash at banks earns interest at floating rates based on daily bank deposit rates. Our cash and cash equivalents amounted to RMB58.1 million, RMB97.8 million and RMB183.8 million as of December 31, 2023, 2024 and 2025, respectively. For an analysis on cash flows during the Track Record Period, please see "— Liquidity and Capital Resources."

Other Non-current Liabilities

In November 2024, we entered into an exclusive commercialization collaboration agreement with Grand Life Science in respect of the commercialization of rifasutenizol. For more details regarding such agreement, please see "Business — Commercialization — Collaboration with Grand Life Science for rifasutenizol (TNP-2198)." The first installment of milestone payments we received was recognized as other non-current liabilities and will be amortized from first commercial sale of rifasutenizol over the term of the collaboration agreement for recognition of profit or loss.

Trade Payables

Our trade payables mainly related to our purchases of materials and third-party contracting services in relation to our research and development activities. Our trade payables decreased from RMB23.0 million as of December 31, 2023 to RMB16.0 million as of December 31, 2024, and further decreased to RMB8.0 million as of December 31, 2025, primarily due to our settlements with CROs according to the progress of clinical trials. Our credit terms on trade payables normally range from 20 to 60 days.

The following table sets forth an aging analysis of our trade payables as of the dates indicated:

	As of December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	22,956	13,348	6,350
1 to 2 years	–	2,641	1,290
2 to 3 years	–	–	335
Total	**22,956**	**15,989**	**7,975**

As of March 31, 2026, RMB4.7 million or 58.6% of our trade payables as of December 31, 2025 had been subsequently settled.

Other Payables and Accruals

Our other payables and accruals primarily consist of (i) payroll and welfare payables, (ii) payables for professional services, (iii) escrow government subsidy payables to employees, and (iv) other tax payables. Our other payables and accruals remained relatively stable at RMB5.7 million and RMB5.4 million as of December 31, 2023 and 2024, respectively. Our other payables and accruals then increased to RMB11.6 million as of December 31, 2025, mainly due to an occurrence of RMB2.7 million in accrued listing expenses relating to the Listing in 2025.

The following table sets out our other payables and accruals as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Payroll and welfare payables	3,369	4,027	6,765
Payables for professional services	718	216	661
Other tax payables	530	651	429
Escrow government subsidy payables to employees	629	400	730
Accrued listing expense	–	–	2,682
Others	445	126	283
Total	**5,691**	**5,420**	**11,550**

Redemption Liabilities

As of December 31, 2023, 2024 and 2025, we had redemption liabilities of RMB766.9 million, RMB931.5 million and nil, respectively. Our redemption liabilities arose from our redemption obligation to redeem the capital contributions that were initially measured at the present value of the redemption amount, which represents the amount expected to be paid to the investors with special rights upon occurrence of the event with the most likely outcome in accordance with the accounting policies. Pursuant to the supplemental agreement entered into between our Company and certain Pre-IPO Investors, the special rights related to recognition of the Company's the redemption liabilities ceased to be effective as of May 22, 2025. As a result, we no longer recognize any redemption liabilities from that date onward. For more details of redemption liabilities, see Note 28 to the Accountant's Report in Appendix I to this prospectus.

LIQUIDITY AND CAPITAL RESOURCES

Overview

Our primary sources of liquidity consist of cash and cash equivalents, which we have historically generated primarily through equity financing and borrowings. We expect that our cash needs in the near future will primarily relate to progressing the development of our drug candidates towards receiving regulatory approval and commencing commercialization, as well as expanding our drug candidate portfolio. Our management closely monitors uses of cash and cash balances and strives to maintain a healthy liquidity for our operations. We expect our liquidity requirements will be satisfied by a combination of existing cash and cash equivalents, bank loans, financial assets at FVPL and net proceeds from the Global Offering, as well as revenue generated from sales of our successfully commercialized drug products.

Cash Flows

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

	Year Ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash used in operations before movements in working capital	(111,470)	(66,752)	(80,067)
Changes in working capital	12,880	17,901	(7,792)
Interest received	474	250	664
Net cash flows used in operating activities	(98,116)	(48,601)	(87,195)
Net cash flows generated from/(used) in investing activities	70,381	(185)	2,500
Net cash flows generated from financing activities	4,726	88,497	170,635
Net (decrease)/increase in cash and cash equivalents	(23,009)	39,711	85,940
Cash and cash equivalents at beginning of the year	81,134	58,112	97,818
Effect of foreign exchange rate changes	(13)	(5)	7
Cash and cash equivalents at end of the year	**58,112**	**97,818**	**183,765**

Net Cash Flows Used in Operating Activities

In 2025, our net cash used in operating activities was RMB87.2 million, which was primarily attributable to our loss before income tax of RMB153.2 million, adjusted for non-cash and non-operating items, including (i) share-based compensation expenses of RMB36.8 million, and net finance costs of RMB35.2 million. The amount was further adjusted by the negative effect of changes in working capital, which mainly comprised a decrease in trade payables of RMB8.0 million, partially offset by an increase in other payables and accruals of RMB6.0 million.

In 2024, our net cash used in operating activities was RMB48.6 million, which was primarily attributable to our loss before tax of RMB145.9 million, adjusted for non-cash and non-operating items, including (i) net finance costs of RMB67.9 million, (ii) share-based compensation expenses of RMB8.6 million, and (iii) depreciation of property, plant and equipment of RMB1.6 million. The amount was further adjusted by the positive effect of changes in working capital, which mainly comprised an increase in other non-current liabilities of RMB25.0 million, partially offset by a decrease in trade payables of RMB7.0 million.

In 2023, our net cash used in operating activities was RMB98.6 million, which was primarily attributable to our loss before tax of RMB191.8 million, adjusted for non-cash and non-operating items, including (i) net finance costs of RMB69.4 million, (ii) share-based compensation expenses of RMB9.8 million, and (iii) depreciation of property, plant and equipment of RMB1.6 million. The amount was further adjusted by the positive effect of changes in working capital, which mainly comprised an increase in trade payables of RMB14.0 million.

We monitor and maintain a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. In view of our net operating cash outflows throughout the Track Record Period, we plan to improve such position by (i) rapidly advancing our pipeline products towards commercialization to generate revenue from product sales. In particular, we submitted an NDA for rifasutenizol to the NMPA in August 2025, with NDA approval expected in late 2026; (ii) adopting comprehensive measures to effectively control our costs and operating expenses, primarily including research and development expenses and administrative expenses. For example, we adopt a centralized procurement approach to enhance our bargaining power with suppliers, thereby reducing R&D expenses; (iii) enhancing working capital management efficiency. For example, we plan to upgrade our technological solutions and strength cash management to optimize our operational process and enhance our efficiency; and (iv) successfully launching the Global Offering to obtain the proceeds.

Net Cash Flows Generated from/(Used) in Investing Activities

In 2025, our net cash generated from investing activities was RMB2.5 million, primarily as result of (i) payments for financial assets at FVPL of RMB231.0 million, and (ii) repayments of loan by a related party of RMB2.1 million, partially offset by proceeds from financial assets on maturity of RMB231.0 million.

In 2024, our net cash used in investing activities was RMB0.2 million, primarily as a result of payments for financial assets at FVPL of RMB15.0 million, partially offset by proceeds from financial assets on maturity of RMB15.0 million.

In 2023, our net cash generated from investing activities was RMB70.4 million, primarily as a result of proceeds from financial assets on maturity of RMB382.0 million, partially offset by payments for financial assets at FVPL of RMB312.0 million.

Net Cash Flows Generated From Financing Activities

In 2025, our net cash generated from financing activities was RMB170.6 million, primarily as a result of (i) proceeds from capital contributions of RMB203.6 million, and (ii) proceeds from borrowings of RMB32.5 million, partially offset by repayments of borrowings of RMB58.5 million.

In 2024, our net cash generated from financing activities was RMB88.5 million, primarily as a result of (i) proceeds from capital contributions of RMB98.3 million, and (ii) proceeds from borrowings of RMB49.0 million, partially offset by repayments of borrowings of RMB54.2 million.

In 2023, our net cash generated from financing activities was RMB4.7 million, primarily as a result of (i) proceeds from borrowings of RMB30.0 million, and (ii) proceeds from contributions from capital contributions of RMB4.9 million, partially offset by repayments of borrowings of RMB26.4 million.

Net Current Assets/Liabilities

	As of December 31,			As of March 31,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*
Current assets				
Prepayments, other receivables and other assets	5,531	4,111	7,580	8,600
Cash and cash equivalents	58,112	97,818	183,765	195,418
Total current assets	**63,643**	**101,929**	**191,345**	**204,018**
Current liabilities				
Trade payables	22,956	15,989	7,975	3,993
Other payables and accruals	5,691	5,420	11,550	12,069
Borrowings	34,222	44,025	17,672	31,445
Lease liabilities	1,244	161	943	919
Redemption liabilities	766,897	–	–	–
Total current liabilities	**831,010**	**65,595**	**38,140**	**48,426**
Net current (liabilities)/assets	**(767,367)**	**36,334**	**153,205**	**155,592**

We recorded net current liabilities of RMB767.4 million as of December 31, 2023 and net current assets of RMB36.3 million as of December 31, 2024. Such change was primarily due to (i) a decrease of RMB766.9 million in redemption liabilities caused by the reclassification from current position to non-current position as the due date of redemption obligation was extended. See Note 28 to the Accountant's Report in Appendix I to this prospectus, and (ii) an increase of RMB39.7 million in cash and cash equivalents mainly attributable to the proceeds we received from our Series E1 Financing in 2024.

Our net current assets increased from RMB36.3 million as of December 31, 2024 to RMB153.2 million as of December 31, 2025. Such change was primarily due to an increase of RMB85.9 million in cash and cash equivalents proceeds we received from our Series E2 and E3 Financing in 2025.

Working Capital Confirmation

Our Directors are of the opinion that, taking into account the financial resources available to our Group, including cash and cash equivalents as of December 31, 2025, and the estimated net proceeds from the Global Offering, we have available sufficient working capital to cover at least 125% of the Group's costs, including research and development expenses and administrative expenses, for at least the next 12 months from the date of this prospectus.

Our cash burn rate refers to the average monthly amount of (i) net cash used in operating activities, (ii) payments for property, plant and equipment, intangible assets and other capital expenditures, and (iii) payments of lease liabilities. Assuming an average cash burn rate going forward of 2 times the average level of 2023 and 2024, we estimate that our cash and cash equivalents as of December 31, 2025, will be able to maintain our financial viability for 15 months, or, if we also take into account the estimated net proceeds (based on the Offer Price of HK$75.70 per Share and assuming the Offer Size Adjustment Option and the Over-Allotment Option are not exercised), 54 months. Our Directors and our management team will continue to monitor our working capital, cash flows, and our business development progress.

CASH OPERATING COSTS

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

	Year Ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Research and development costs			
Research and development costs for Core Products			
– Preclinical and clinical trial expenses	67,358	46,503	31,192
– Material expenses	–	6	74
– Others[(1)]	451	439	1,745
Research and development costs for other drug candidates			
– Preclinical and clinical trial expenses	2,902	201	658
– Material expenses	563	310	430
– Others[(1)]	508	500	653
Workforce employment costs for research and development staff	16,729	17,746	20,289
Workforce employment costs for non-research and development staff	8,380	8,364	9,790
Others[(2)]	11,276	10,990	10,673

Notes:

(1) Primarily included intellectual property registration-related expenses.

(2) Primarily included professional service fees, traveling expense, maintenance expenses and utilities.

INDEBTEDNESS

Our indebtedness mainly included borrowings, lease liabilities and redemption liabilities during the Track Record Period. Except as disclosed in the table below, we did not have any material mortgages, charges, debentures, debt securities, bank overdrafts or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptances (other than normal trade bills), acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured, or guarantees or other contingent liabilities as of March 31, 2026. After due and careful consideration, our Directors confirm that there had been no material change in our indebtedness since March 31, 2026 and up to the Latest Practicable Date.

The following table sets forth a breakdown of our indebtedness as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*
Current:				
Borrowings	34,222	44,025	17,672	31,445
Lease liabilities	1,244	161	943	919
Redemption liabilities	766,897	–	–	–
Subtotal	*802,363*	*44,186*	*18,615*	*32,364*
Non-current:				
Borrowings	23,725	8,750	9,100	31,400
Lease liabilities	227	88	939	720
Redemption liabilities	–	931,501	–	–
Subtotal	*23,952*	*940,339*	*10,039*	*32,120*
Total	**826,315**	**984,525**	**28,654**	**64,484**

Borrowings

Our borrowings consist of bank loans that we borrowed to support our research and development activities with an effective interest rate ranging from 2.26% to 4.35% per annum. As of December 31, 2023, 2024 and 2025 and March 31, 2026, our borrowings amounted to RMB57.9 million, RMB52.8 million, RMB26.8 million and RMB62.8 million, respectively. As of March 31, 2026, we had committed unutilized banking facilities of RMB87.0 million.

The table below sets forth the breakdown of our borrowings for the periods indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*
Current				
Long-term borrowings due within one year — unsecured and unguaranteed	19,207	19,504	9,166	2,926
Bank borrowings — unsecured and unguaranteed	15,015	24,521	8,506	28,519
Subtotal	*34,222*	*44,025*	*17,672*	*31,445*
Non-current				
Bank borrowings — unsecured and unguaranteed	*23,725*	*8,750*	*9,100*	*31,400*
Total	**57,947**	**52,775**	**26,772**	**62,845**

Our bank borrowing agreements contain standard terms, conditions and covenants that are customary for commercial bank loans. As confirmed by our Directors, we did not experience any difficulty in obtaining bank loans, default in the repayment of the bank loans and other borrowings during the Track Record Period. Our Directors have confirmed that there was no material covenant on any of our outstanding debt and there was no breach of any covenant during the Track Record Period and up to December 31, 2025. As of the date of this prospectus, we did not have any plan for other material external debt financing.

Lease Liabilities

Our lease liabilities are in relation to properties that we leased for our business operations. Our lease liabilities amounted to RMB1.5 million, RMB0.2 million, RMB1.9 million and RMB1.6 million as of December 31, 2023, 2024 and 2025 and March 31, 2026, respectively.

Redemption Liabilities

As of December 31, 2023, 2024 and 2025 and March 31, 2026, we had redemption liabilities of RMB766.9 million, RMB931.5 million, nil and nil, respectively. For more details of redemption liabilities, see "— Discussion of Certain Selected Items from the Consolidated Balance Sheets — Redemption Liabilities" and Note 28 to the Accountant's Report in Appendix I to this prospectus.

TRANSACTIONS WITH RELATED PARTIES

The following table sets forth our transactions with related parties during the Track Record Period.

	Year Ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Purchase of goods or services	13,456	7,993	9,624
Rental fees and related service charges	–	12	58
Total	13,456	8,005	9,682

The following table sets forth the outstanding balances with related parties as of the date indicated.

	As of December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Prepayments and other receivables	3,507	2,795	159
Other non-current assets	–	611	608
Trade payables	2,200	1,615	1,943
Total	**5,707**	**5,021**	**2,710**

Our Directors confirm that all material related party transactions during the Track Record Period were conducted on an arm's length basis, and would not distort our results of operations over the Track Record Period or make our historical results over the Track Record Period not reflective of our expectations for our future performance.

CAPITAL EXPENDITURE

In 2023, 2024 and 2025, our capital expenditures were RMB513 thousand, RMB203 thousand and RMB453 thousand, respectively, which included purchases of property, plant and equipment and intangible assets. We regularly incur capital expenditures to purchase and maintain our property, plant and equipment and acquire right-of-use assets in order to enhance our research and development capabilities and expand our business operations and increase our operating efficiency. The following table sets forth our capital expenditures for the years indicated:

	Year Ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Purchase of property, plant and equipment	396	203	225
Purchase of intangible assets	117	–	228
Total	513	203	453

Our current capital expenditure plans for any future period are subject to change, and we may adjust our capital expenditures for any given period according to our development plans or in light of market conditions and other factors we believe to be appropriate.

COMMITMENTS

We did not have any material operating or capital commitments as of December 31, 2023, 2024 and 2025.

KEY FINANCIAL RATIO

The table below sets forth our key financial ratio as of the dates indicated.

	As of December 31,		
	2023	**2024**	**2025**
Current ratio[(1)]	0.1	1.6	5.0

Note:

(1) Current ratio equals to current assets divided by current liabilities as of the same date.

Our current ratio increased from 0.1 as of December 31, 2023 to 1.6 as of December 31, 2024, mainly due to (a) the reclassification of redemption liabilities from current position to non-current position as the due date of redemption obligation was extended and (b) the proceeds received from our Series E1 Financing in 2024. Our current ratio then increased to 5.0 as of December 31, 2025, mainly due to increases in cash and cash equivalents as we received proceeds from our Series E2 and E3 Financing in 2025.

FINANCIAL RISK DISCLOSURE

Our activities expose us to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate 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 Group's financial performance. Risk management is carried out by our management. The management reviews and agrees policies for managing each of these risks and they are summarized below. For more details, see Note 3 to the Accountant's Report in Appendix I to this prospectus.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

During the Track Record Period and as of the Latest Practicable Date, we had not entered into any off-balance sheet transactions.

DIVIDENDS

We did not declare or pay any dividend during the Track Record Period. We do not currently have a formal dividend policy or a fixed dividend payout ratio. We currently intend to retain all available funds and earnings, if any, to fund the development and expansion of our business and we do not anticipate paying any cash dividends in the foreseeable future. Investors should not purchase our ordinary shares with the expectation of receiving cash dividends. Any future determination to pay dividends will be made at the discretion of our Directors and may be based on a number of factors, including our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that our Directors may deem relevant. Regulations in the PRC currently permit payment of dividends of a PRC company only out of accumulated distributable after-tax profits less any recovery of accumulated losses and appropriations to statutory and other reserves that we are required to make, as determined in accordance with its articles of association and the accounting standards and regulations in China. As advised by our PRC Legal Adviser, taking into account the aforesaid, we may not have sufficient or any distributable profits to make dividend distributions to our Shareholders in a given year, in view of our accumulated losses, or even if we become profitable, as we will only be able to declare or pay dividends out of our distributable profits until (i) the accumulated losses are covered by our after-tax profits, and (ii) sufficient statutory and other reserves are drawn in accordance with the relevant laws, regulations and our constitutional documents. In light of our accumulated losses as disclosed in this prospectus, it is unlikely that we will be eligible to pay dividends out of our profits in the foreseeable future.

DISTRIBUTABLE RESERVES

As of December 31, 2025, we did not have any distributable reserves.

LISTING EXPENSES

Our listing expenses represent professional fees, underwriting commissions and other fees incurred in connection with the Global Offering. Based on the Offer Price of HK$75.70 per Share and assuming the Offer Size Adjustment Option and the Over-Allotment Option are not exercised, our listing expenses in relation to the Global Offering are estimated to be approximately RMB60.4 million (HK$69.0 million), representing 11.01% of the gross proceeds. The listing expenses consist of (i) underwriting-related expenses, including underwriting commissions, of approximately RMB22.0 million (HK$25.1 million), and (ii) non-underwriting-related expenses of approximately RMB38.4 million (HK$43.9 million), comprising (a) fees and expenses of our legal advisers and reporting accountant of approximately RMB23.5 million (HK$26.9 million), and (b) other fees and expenses of approximately RMB14.9 million (HK$17.0 million).

We had incurred listing expenses of RMB21.4 million as of December 31, 2025, of which RMB17.6 million was charged to our consolidated statement of comprehensive loss and RMB3.8 million was recognized as deferred listing expenses and will be recognized directly as a deduction from equity upon completion of the Global Offering. We expect to incur additional listing expenses of approximately RMB39.0 million, of which RMB15.6 million is expected to be charged to our consolidated statement of comprehensive loss and RMB23.4 million will be deducted from equity.

UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

For details of our unaudited pro forma statement of adjusted net tangible assets, please see the section headed "Unaudited Pro Forma Statement of Adjusted Consolidated Net Tangible Assets" to Appendix II to this prospectus.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that there has been no material adverse change in our business, financial condition and results of operations since December 31, 2025, being the latest balance sheet date of our consolidated financial statements in the Accountant's Report set out in Appendix I to this prospectus, and up to the date of this prospectus.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

We confirm that, as of the Latest Practicable Date, there were no circumstances that would give rise to disclosure required under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS AND PROSPECTS

See "Business—Our Strategies" for a detailed description of our future plans.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$557.8 million, after deducting underwriting commissions, fees and other estimated expenses paid and payable by us in connection with the Global Offering, assuming the Offer Size Adjustment Option and the Over-allotment Option being not exercised and based on the Offer Price of HK$75.70 per Share.

Assuming that the Offer Size Adjustment Option and the Over-allotment Option are not exercised, we intend to use the net proceeds from the Global Offering for the following purposes:

1. 71.0%, or approximately HK$395.7 million, will be used for the research, development, registrational filings and commercialization of our Core Products, including:

    a. 27.9%, or approximately HK$155.4 million, will be used to fund the clinical trials, registrational filings and commercialization of rifasutenizol, of which:

        i. 17.6%, or approximately HK$98.1 million, will be used to fund the planned Phase IIb and Phase III clinical trials and registrational filings of rifasutenizol tablets for the treatment of *H. pylori* infection in the U.S., including HK$25.3 million for the planned Phase IIb clinical trial and HK$72.8 million for the planned Phase III clinical trial. We plan to commence the Phase IIb clinical trial in the fourth quarter of 2026;

        ii. 5.8%, or approximately HK$32.4 million, will be used to fund a planned Phase II clinical trial of rifasutenizol capsules for the treatment of bacterial vaginosis in China, which we expect to commence in the second half of 2027; and

        iii. 2.5%, or approximately HK$13.9 million, will be used to fund a planned Phase II clinical trial of rifasutenizol capsules for the treatment of C. *difficile* infection in China, which we expect to commence in 2027; and

        iv. 2.0%, or approximately HK$11.0 million, will be used to fund the promotion and commercialization of rifasutenizol capsules, including costs for recruitment of sales and marketing personnel in anticipation of the commercial launch of rifasutenizol capsules in China and conducting pharmacoeconomic and post-marketing studies.

        See "Business — Core Product: Rifasutenizol — World's First Novel Antibiotic Candidate for *H. pylori* Since the Discovery of This Pathogen — Clinical Development Plan."

The table below sets forth the research and development costs to be incurred and net proceeds allocated for each clinical trial of rifasutenizol:

Clinical Trial	Stage	Research and Development Costs to be Incurred	Net proceeds Allocated
Phase IIb clinical trial for the treatment of *H. pylori* infection in the U.S.	We plan to commence the Phase IIb clinical trial in the fourth quarter of 2026	HK$54.9 million	HK$25.3 million
Phase III clinical trial for the treatment of *H. pylori* infection in the U.S.	We plan to commence the Phase III clinical trial in the third quarter of 2028	HK$157.9 million	HK$72.8 million
Phase II clinical trial for the treatment of bacterial vaginosis in China	We expect to commence Phase II clinical trial in the second half of 2027	HK$70.2 million	HK$32.4 million
Phase II clinical trial for the treatment of C. *difficile* infection in China	We expect to commence Phase II clinical trial in the second half of 2027	HK$23.2 million	HK$13.9 million

b. 43.1%, or approximately HK$240.3 million, will be used to fund the research and development of rifaquizinone injection, of which:

   i. 17.7%, or approximately HK$98.7 million, will be used to fund the ongoing Phase Ib/IIa clinical trial of rifaquizinone injection for the treatment of PJI in China and a planned Phase III MRCT of rifaquizinone injection, including HK$4.2 million for the ongoing Phase Ib/IIa clinical trial and HK$94.5 million for the planned Phase III MRCT. We expect to complete the Phase II clinical trial in China in the fourth quarter of 2026 and commence a Phase III MRCT after completion of the Phase III MRCT for ABSSSI, which is anticipated in the second half of 2029;

   ii. 22.8%, or approximately HK$127.1 million, will be used to fund a planned Phase III MRCT of rifaquizinone injection for the treatment of ABSSSI, which we plan to initiate in the fourth quarter of 2026; and

   iii. 2.6%, or approximately HK$14.5 million, will be used to fund a planned Phase II clinical trial of rifaquizinone injection for the treatment of LVAD infection in the U.S., which we expect to initiate in the second half of 2026.

   See "Business — Core Product: Rifaquizinone — World's Only Drug Candidate in Late-stage Clinical Development for Implant-associated Bacterial Infections — Clinical Development Plan."

The table below sets forth the research and development costs to be incurred and net proceeds allocated for each clinical trial of rifaquizinone injection:

Clinical Trial	Stage	Research and Development Costs to be Incurred	Net proceeds Allocated
Phase Ib/IIa clinical trial for the treatment of PJI (IA administration) in China	We expect to complete the Phase II clinical trial in China in the fourth quarter of 2026	HK$9.1 million	HK$4.2 million
Phase III MRCT for the treatment of PJI	We expect to commence a Phase III MRCT after completion of the Phase III MRCT for ABSSSI, which is anticipated in the second half of 2029	HK$205.0 million	HK$94.5 million
Phase III MRCT for the treatment of ABSSSI	We plan to initiate Phase III MRCT in the fourth quarter of 2026	HK$275.5 million	HK$127.1 million
Phase II clinical trial for the treatment of LVAD infection in the U.S.	We expect to submit the Phase II study protocols to the FDA in the first half of 2026, followed by initiation of Phase II clinical trial in the U.S. in the second half of 2026	HK$31.5 million	HK$14.5 million

2. 7.0%, or approximately HK$39.2 million, will be used to fund a planned Phase IIb MRCT of TNP-2092 oral formulation for the treatment of HE, which we expect to initiate in the second half of 2027. See "Business — Key Product: TNP-2092 Oral — The World's First Multi-Targeting Antibacterial Drug Candidate For The Treatment of Diseases Associated with Gut Bacterial Metabolism — Clinical Development Plan."

   The table below sets forth the research and development costs to be incurred and net proceeds allocated for each clinical trial of TNP-2092 (oral):

Clinical Trial	Stage	Research and Development Costs to be Incurred	Net proceeds Allocated
Phase IIb MRCT for the treatment of HE	We expect to initiate Phase IIb MRCT in the second half of 2027	HK$85.0 million	HK$39.2 million

3. 7.3%, or approximately HK$40.9 million, will be used for the research and development of our other product candidates, including:

   a. 5.7%, or approximately HK$31.7 million, will be used to fund the research and development of our other product candidates targeting bacterial infections, of which:

i. 1.8%, or approximately HK$10.1 million, will be used to fund a planned Phase I/II clinical trial of TNP-2092 topical formulation for the treatment of diabetic foot infection, which we expect to commence in 2027;

ii. 0.8%, or approximately HK$4.4 million, will be used to fund the preclinical studies of TNBi-1 for the treatment of *H. pylori* infection. We expect to submit IND application in 2026;

iii. 1.8%, or approximately HK$10.1 million, will be used to fund the preclinical studies of TNBi-2 for the treatment of NTM-PD. We expect to submit IND application in 2027; and

iv. 1.3%, or approximately HK$7.1 million, will be used to fund our continued R&D efforts to explore and develop new product candidates targeting bacterial infections.

b. 1.6%, or approximately HK$9.2 million, will be used to fund the preclinical studies of TNBm-1 for the treatment of metabolic diseases. We expect to submit IND application in 2028.

4. 7.2%, or approximately HK$40.2 million will be used for the construction of our in-house manufacturing facility in Zhongshan, Guangdong Province. Such manufacturing facility is designed for various oral dosage forms, such as tablets and capsules. Upon commencement of its operations in 2028, it will have an annual production capacity of approximately 300 million capsules and we plan to leverage a combination of outsourced manufacturing by qualified CDMO/CMOs and in-house manufacturing to optimize production flexibility and efficiency while effectively controlling costs.

5. 7.5%, or approximately HK$41.8 million, will be used for working capital and other general corporate purposes.

For the shortfall of expected R&D costs for each of the products, we intend to fund such shortfall using our internal resources, including cash and cash equivalents, as well as revenue to be generated from our commercialized products in the future.

If the Offer Size Adjustment Option and the Over-allotment Option are exercised in full, the net proceeds that we will receive will be approximately HK$751.9 million, based on the Offer Price of HK$75.70 per Share. In the event that the Offer Size Adjustment Option and the Over-allotment Option are exercised in full, we intent to apply the additional net proceeds to the above purposes in the proportions stated above.

To the extent that the net proceeds from the Global Offering are not immediately applied to the above purposes and to the extent permitted by applicable law and regulations, we will only deposit the net proceeds in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or the applicable laws and regulations in other jurisdictions).

In the event of any material change in our use of net proceeds of the Global Offering from the purposes described above or in our allocation of the net proceeds among the purposes described above, a formal announcement will be made.

HONG KONG UNDERWRITERS

CLSA Limited
ABCI Securities Company Limited
China Renaissance Securities (Hong Kong) Limited
Futu Securities International (Hong Kong) Limited
Tiger Brokers (HK) Global Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, the Company is offering the Hong Kong Offer Shares for subscription on the terms and conditions set out in this prospectus and the Hong Kong Underwriting Agreement at the Offer Price.

Subject to (a) the Listing Committee granting approval for the listing of, and permission to deal in, the H Shares (including any additional H Shares that may be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option) on the Main Board of the Stock Exchange and such approval not having been subsequently revoked prior to the commencement of trading of the H Shares on the Stock Exchange and (b) certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally but not jointly to procure subscribers for, or themselves to subscribe for, their respective applicable proportions of the Hong Kong Offer Shares being offered which are not taken up under the Hong Kong Public Offering on the terms and conditions set out in this prospectus and the Hong Kong Underwriting Agreement. The Hong Kong Underwriting Agreement is conditional on, among other things, the International Underwriting Agreement having been executed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for termination

If any of the events set out below occur at any time prior to 8:00 a.m. on the Listing Date, the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) shall be entitled by written notice to the Company to terminate the Hong Kong Underwriting Agreement with immediate effect:

(i) there develops, occurs, exists or comes into force:

(a) any new law or regulation or any change or development involving a prospective change in existing law or regulation, or any change or development involving a prospective change in the interpretation or application thereof by any court or other competent authority in or affecting Hong Kong, the PRC, Japan, Singapore, the United States, the United Kingdom, or the European Union (or any member thereof) or any other jurisdiction relevant to the Group (each a "**Relevant Jurisdiction**"); or

(b) any change or development involving a prospective change or development, or any event or series of events likely to result in or representing a change or development, or prospective change or development, in local, national, regional or international financial, political, military, industrial, economic, currency market, fiscal or regulatory or market conditions or any monetary or trading settlement system (including, without limitation, conditions in stock and bond markets, money and foreign exchange markets and inter-bank markets, a change in the system under which the value of the Hong Kong currency is linked to that of the currency of the United States or a change of the Hong Kong dollars or of the Renminbi against any foreign currencies) in or affecting any Relevant Jurisdiction; or

(c) any event or series of events, whether in continuation, or circumstances in the nature of force majeure (including, without limitation, acts of government, labor disputes, strikes, lock-outs, fire, explosion, earthquake, flooding, tsunami, volcanic eruption, civil commotion, riots, rebellion, public disorder, acts of war (whether declared or undeclared), acts of terrorism (whether or not responsibility has been claimed), acts of God, accident or interruption in transportation, destruction of power plant, outbreak, escalation, mutation or aggravation of diseases, pandemics or epidemics including, but not limited to, SARS, swine or avian flu, H5N1, H1N1, H1N7, H7N9, Ebola virus, Middle East respiratory syndrome (MERS), COVID-19 and such related/mutated forms, economic sanction, in whatever form) in or directly or indirectly affecting any Relevant Jurisdiction; or

(d) any local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared) or other state of emergency or calamity or crisis in whatever form, political change, paralysis of government operations, interruption or delay in transportation, other industry action in or directly or indirectly affecting any Relevant Jurisdiction; or

(e) any moratorium, suspension or restriction (including, without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) in or on trading in securities of any other member of the Group listed or quoted on a stock exchange or an over-the-counter market, or trading in securities generally on the Stock Exchange, the New York Stock Exchange, the NYSE Amex, the NASDAQ Global Market, the London Stock Exchange, the Singapore Stock Exchange, the Shanghai Stock Exchange or the Shenzhen Stock Exchange; or

(f) any general moratorium on commercial banking activities in Hong Kong (imposed by the Financial Secretary or the Hong Kong Monetary Authority or other competent governmental authority), New York (imposed at Federal or New York State level or other competent governmental authority), London, Singapore, the PRC, the European Union (or any member thereof), Japan or any Relevant Jurisdiction or any disruption in commercial banking or foreign exchange trading or securities settlement or clearance services, procedures or matters in any Relevant Jurisdiction; or

(g) any (A) change or prospective change in exchange controls, currency exchange rates or foreign investment regulations (including, without limitation, a change of the Hong Kong dollars or RMB against any foreign currencies, a change in the system under which the value of the Hong Kong dollars is linked to that of the United States dollars or RMB is linked to any foreign currency or currencies), or (B) any change or prospective change in taxation in any Relevant Jurisdiction adversely affecting an investment in the Shares; or

(h) the imposition of sanctions or the withdrawal of trading privileges, in whatever form, in or affecting any Relevant Jurisdiction;

(i) any change or development involving a prospective change which has the effect of materialisation of any of the risks set out in the section headed "Risk Factors" in this prospectus; or

(j) any litigation or claim being threatened or instigated against any member of the Group or any Director or Dr. Ma, or any litigation, dispute or claim being threatened or instigated which would affect the operation, financial condition, reputation or composition of the board of the Group; or

(k) any contravention of the Companies Ordinance, the PRC Company Law, the Listing Rules or any other law by the Company, any member of the Group, any Director, or Dr. Ma; or

(l) any litigation or claim being threatened or instigated against, or any governmental authority or any regulatory body or organization in any Relevant Jurisdiction commencing any investigation, action or proceedings, or announcing an intention to investigate or take other action or proceedings, against the Company, any member of the Group, any Director or Dr. Ma; or

(m) any order or petition for, or any demand by creditors for repayment of indebtedness or a petition being presented for the winding-up or liquidation of any member of the Group, or any member of the Group making any composition or arrangement with its creditors or entering into a scheme of arrangement or any resolution being passed for the winding-up of any member of the Group or a provisional liquidator, receiver or manager being 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

(n) any Proceedings of any third party being threatened or instigated against any member of the Group; or

(o) the imposition of sanctions or economic sanctions, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction on the Company or any member of the Group.

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters): (A) has or will have or may have Material Adverse Effect (as defined in the Hong Kong Underwriting Agreement) or material adverse effect to any present or prospective shareholder of the Company in its capacity as such; or (B) has or will have or may have a material adverse effect on the success of the Global Offering or the level of Offer Shares being applied for or accepted or subscribed for or purchased or the distribution of Offer Shares and/or has made or is likely to make or may make it impracticable or inadvisable 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 (C) makes or will make it or may make it impracticable or inadvisable or incapable to proceed with the Hong Kong Public Offering and/or the Global Offering or the delivery of the Offer Shares on the terms and in the manner contemplated by this prospectus, the formal notice, the preliminary offering circular or the offering circular; or (D) would have or may have the effect of making a part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or which prevents the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof.

(ii) there has come to the notice of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters):

(a) that any statement contained in the Offering Documents (as defined in the Hong Kong Underwriting Agreement), the Operative Documents (as defined in the Hong Kong Underwriting Agreement), the preliminary offering circular and/or any notices, announcements, advertisements, communications issued or used by or on behalf of the Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) was or has become untrue, incomplete, incorrect or misleading or any forecasts, estimate, expressions of opinion, intention or expectation expressed in the Offering Documents and/or any notices, announcements, advertisements, communications so issued or used are not fair and honest and made on reasonable grounds or, where appropriate, based on reasonable assumptions, when taken as a whole; or

(b) non-compliance of this prospectus, the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) or any other documents used in connection with the contemplated subscription and sale of the Offer Shares or any aspect of the Global Offering with the Listing Rules, the CSRC Rules (as defined in the Hong Kong Underwriting Agreement) or any other applicable law; or

(c) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, not having been disclosed in the Offering Documents, constitutes a material omission therefrom; or

(d) either (i) there has been a breach of any of the representations, warranties, undertakings or provisions of either the Hong Kong Underwriting Agreement or the International Underwriting Agreement by the Company and Dr. Ma or (ii) any of the representations, warranties and undertakings given by the Company and Dr. Ma in the Hong Kong Underwriting Agreement or the International Underwriting Agreement, as applicable, is (or would when repeated be) untrue, incorrect, incomplete or misleading; or

(e) any event, act or omission which gives or is likely to give rise to any liability of the Company and Dr. Ma pursuant to the indemnities given by the Company and Dr. Ma under the Hong Kong Underwriting Agreement; or

(f) any breach of any of the obligations of the Company and Dr. Ma under the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or

(g) a material portion of the orders in the book-building process, or the investment commitments by any cornerstone investors after signing of agreements with such cornerstone investors, have been withdrawn, terminated or canceled; or

(h) the issue or requirement to issue by the Company of a supplemental or amendment to this prospectus, Preliminary Offering Circular or Offering Circular or other documents in connection with the offer and sale of the H Shares pursuant to the Companies Ordinance, Companies (Winding Up and Miscellaneous Provisions) Ordinance or the Listing Rules or upon any requirement or request of the Stock Exchange, the SFC or the CSRC; or

(i) any of the Directors, the chief executive officer or the chief financial officer of the Company vacating his or her office; or

(j) any of the Directors, the chief executive officer or the chief financial officer of the Company being charged with an indictable offence or prohibited by operation of laws or otherwise disqualified from taking part in the management of a company or the commencement by any governmental, political, regulatory body of any action against any of them or any announcement by any governmental, political, regulatory body that it intends to take any such action; or

(k) any cornerstone investor is unlikely to fulfill its obligation under the respective agreement; or

(l) any expert, whose consent is required for the issue of this prospectus with the inclusion of its reports, letters or opinions and references to its name included in the form and context in which it respectively appears, has withdrawn its respective consent prior to the issue of this prospectus; or

(m) any adverse change or prospective adverse change or development involving a prospective adverse change in the assets, business, general affairs, management, shareholder's equity, earnings, profits, losses, properties, results of operations, business prospects, financial or trading position, or condition (financial or otherwise) or prospects of the Group, as a whole; or

(n) a prohibition on the Company for whatever reason from allotting, issuing or selling the H Shares (including the Offer Size Adjustment Option Shares and the Over-allotment Option Shares (if any)) pursuant to the terms of the Global Offering; or

(o) Admission (as defined in the Hong Kong Underwriting Agreement) is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the Admission is subsequently withdrawn, canceled, qualified (other than by customary conditions), revoked or withheld; or

(p) the Company has withdrawn the Offering Documents (and/or any other documents issued or used in connection with the Global Offering) or the Global Offering,

then the Joint Sponsors and the Overall Coordinators may, for themselves and on behalf of the Hong Kong Underwriters, in their sole and absolute discretion and upon giving notice orally or in writing to the Company, terminate the Hong Kong Underwriting Agreement with immediate effect.

Indemnity

The Company has agreed to indemnify the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries for certain losses which they may suffer or incur, including losses arising from their performance of their obligations under the Hong Kong Underwriting Agreement and any breach by the Company of the Hong Kong Underwriting Agreement.

International Underwriting Agreement

In connection with the International Offering, the Company and Dr. Ma expect to enter into the International Underwriting Agreement with, among others, the International Underwriters. Under the International Underwriting Agreement and subject to the Offer Size Adjustment Option and 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 Offering Shares initially being offered pursuant to the International Offering. It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors should note that in the event that the International Underwriting Agreement is not entered into, the Global Offering will not proceed. See "Structure of the Global Offering—The International Offering" in this prospectus.

Undertakings to the Stock Exchange pursuant to the Listing Rules

Undertakings by the Company

Pursuant to Rule 10.08 of the Listing Rules, the Company has undertaken to the Stock Exchange that it will not issue any further Shares or securities convertible into equity securities of the Company (whether or not of a class already listed) or enter into any agreement to such issue within six months from the Listing Date (whether or not such issue of Shares or securities will be completed within six months from the Listing Date), except pursuant to the Global Offering, the exercise of the Offer Size Adjustment Option and the Over-allotment Option or for the circumstances permitted under Rule 10.08 of the Listing Rules.

Undertakings pursuant to the Hong Kong Underwriting Agreement

(A) Undertakings by the Company

Except for the offer and sale of the Offer Shares pursuant to the Global Offering (including pursuant to the Offer Size Adjustment Option and the Over-allotment Option), during the period commencing on the date of the Hong Kong Underwriting Agreement and ending on, and including, the date that is six months after the Listing Date (the "**First Six-Month Period**"), the Company has undertaken to each of 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 the Joint Sponsors not and to procure each other member of the Group not to without the prior written consent of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

(i) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, assign, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, or repurchase, any legal or beneficial interest in the share capital or any other securities of the Company or any H shares or other securities of such other member of the Group, as applicable, 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 the Company or such other member of the Group, as applicable), or deposit any Shares or other securities of the Company, as applicable, with a depositary in connection with the issue of depositary receipts; or

(ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of the H Shares or any other securities of the Company or any shares or other securities of such other member of the Group, as applicable, or any interest in any of the foregoing (including, without limitation, any securities of which are convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any H Shares or any other securities of the Company or any shares or any other securities of such other member of the Group, as applicable); or

(iii) enter into any transaction with the same economic effect as any transaction described in paragraphs (i) or (ii) above; or

(iv) offer to or agree to do any of the foregoing or announce any intention to do so.

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 the Company in cash or otherwise (whether or not the issue of such Shares or other shares or securities will be completed within the First Six-Month Period). The Company further agrees that, in the event the Company is allowed to enter into any of the transactions specified in (i), (ii) or (iii) 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**"), the Company will take all reasonable steps to ensure that such an issue or disposal will not, and no other act of the Company will, create a disorderly or false market for any H Shares or other securities of the Company.

(B) Undertakings by Dr. Ma

Dr. Ma has undertaken to each of the Company, the Joint Sponsors, 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 will not, and will procure that none of his affiliates will, at any time during the First-Six Month Period and the Second-Six Month Period, without the prior written consent of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters):

(i) offer, accept subscription for, pledge, charge, allot, issue, sell, lend, mortgage, assign, contract to allot, issue or sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend or otherwise transfer or dispose of, either directly or indirectly, conditionally or unconditionally, or repurchase any of his share capital or other securities of the Company or any interest therein (including but not limited to any securities convertible into or exercisable or exchangeable for or that represent the right to receive any such share capital or securities or any interest therein); 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 such share capital or securities or any interest therein, as applicable, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any H Shares or any other securities of the Company); 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 the Company or in cash or otherwise.

Hong Kong Underwriters' interests in the Company

Save for their respective obligations under the Hong Kong Underwriting Agreement, as of the Latest Practicable Date, none of the Hong Kong Underwriters was interested, legally or beneficially, directly or indirectly, in any Shares or any securities of any member of the Group or had any right or option (whether legally enforceable or not) to subscribe for or purchase, or to nominate persons to subscribe for or purchase, any Shares or any securities of any member of the Group.

Following the completion of the Global Offering, the Hong Kong Underwriters and their affiliated companies may hold a certain portion of the Shares as a result of fulfilling their respective obligations under the Hong Kong Underwriting Agreement.

Commissions and Expenses

The Underwriters and the Capital Market Intermediaries will receive an underwriting commission of 3.00% of the aggregate Offer Price of all the Offer Shares (including any Offer Shares to be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option) (the "**Fixed Fees**"), out of which they will pay any sub-underwriting commissions and other fees.

In addition, the Company may, at its sole discretion, pay a discretionary incentive fee of an aggregate of up to 1.00% of the aggregate Offer Price of all the Offer Shares (including any Offer Shares to be issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option) (the "**Discretionary Fees**"). Based on the Offer Price of HK$75.70 per Offer Share, assuming the Discretionary Fees are paid in full and the Offer Size Adjustment Option and the Over-allotment Option are exercised in full, the ratio of the Fixed Fees and Discretionary Fees payable is therefore approximately 55:45.

For any unsubscribed Hong Kong Offer Shares reallocated to the International Offering, the underwriting commission will not be paid to the Hong Kong Underwriters but will instead be paid, at the rate applicable to the International Offering, and such commission will be paid to the relevant International Underwriters.

ACTIVITIES BY SYNDICATE MEMBERS

The underwriters of the Hong Kong Public Offering and the International Offering (together, the "**Syndicate Members**") and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or stabilizing process.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In the ordinary course of their various business activities, the Syndicate Members and their respective affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers. Such investment and trading activities may involve or relate to assets, securities and/or instruments of the Company and/or persons and entities with relationships with the Company and may also include swaps and other financial instruments entered into for hedging purposes in connection with the Group's loans and other debt.

In relation to the Shares, the activities of the Syndicate Members and their affiliates could include acting as agent for buyers and sellers of the Shares, entering into transactions with those buyers and sellers in a principal capacity, including as a lender to initial purchasers of the Shares (which financing may be secured by the Shares) in the Global Offering, proprietary trading in the Shares, and entering into over the counter or listed derivative transactions or listed or unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have their underlying assets including the Shares. Such transactions may be carried out as bilateral agreements or trades with selected counterparties. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the Shares, which may have a negative impact on the trading price of the Shares. All such activities could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in the Shares, in baskets of securities or indices including the Shares, in units of funds that may purchase the Shares, or in derivatives related to any of the foregoing.

In relation to issues by Syndicate Members or their affiliates of any listed securities having the Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the stock exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the Shares in most cases.

All such activities may occur both during and after the end of the stabilizing period described in the section headed "Structure of the Global Offering" in this prospectus. Such activities may affect the market price or value of the Shares, the liquidity or trading volume in the Shares and the volatility of the price of the Shares, and the extent to which this occurs from day to day cannot be estimated.

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

(a) the Syndicate Members (other than the Stabilizing Manager or any person acting for it) must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares), whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and

(b) the Syndicate Members must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

Certain of the Syndicate Members or their respective affiliates have provided from time to time, and expect to provide in the future, investment banking and other services to the Company and each of its affiliates for which such Syndicate Members or their respective affiliates have received or will receive customary fees and commissions.

In addition, the Syndicate Members or their respective affiliates may provide financing to investors to finance their subscriptions of Offer Shares in the Global Offering.

THE HONG KONG PUBLIC OFFERING

Number of Offer Shares initially offered

The Company is initially offering 828,100 Shares for subscription by the public in Hong Kong at the Offer Price, representing approximately 10.0% of the total number of Offer Shares initially available under the Global Offering and approximately 1.60% of the total Shares in issue immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors in Hong Kong. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions set out in "—Conditions of the Global Offering" in this section.

Allocation

Allocation of Offer Shares to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which could mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of Hong Kong Offer Shares available under the Hong Kong Public Offering (after taking into account any reallocation referred to below) will be divided equally into two pools: pool A and pool B (with any odd lots being allocated to pool A). The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to valid applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of HK$5 million (excluding the brokerage, the SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable) or less. The Hong Kong Offer Shares in pool B will be allocated on an equitable basis to valid applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of more than HK$5 million (excluding the brokerage, the SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable) and up to the total value in pool B.

Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If any Hong Kong Offer Shares in one (but not both) of the pools are unsubscribed, such unsubscribed Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. For the purpose of the immediately preceding paragraph only, the "price" for Hong Kong Offer Shares means the price payable on application therefor. 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 414,050 Hong Kong Offer Shares (being 50.0% of the 828,100 Offer Shares initially available under the Hong Kong Public Offering) is liable to be rejected.

Reallocation

Subject to the allocation cap described in the subsequent paragraph, the Overall Coordinators may in their discretion reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In addition, if the Hong Kong Public Offering is not fully subscribed and the International Offer Shares are fully subscribed or oversubscribed, the Overall Coordinators will have the discretion (but shall not be under any obligation) to reallocate to the International Offering all or any unsubscribed Hong Kong Offer Shares in such amounts as it deems appropriate.

In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between Pool A and Pool B and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Overall Coordinators deem appropriate. Where the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times, up to 413,950 Offer Shares may be reallocated from the International Offering to the Hong Kong Public Offering, so that the total number of Offer Shares available for subscription under the Hong Kong Public Offering will increase up to 1,242,050 Offer Shares, representing approximately 15% of the number of Offer Shares initially available under the Global Offering (before any exercise of the Offer Size Adjustment Option and the Over-allotment Option) in accordance with Chapter 4.14 of the Guide for New Listing Applicants. Given the initial allocation of the Offer Shares to the Hong Kong Public Offering and the International Offering follows Mechanism B set out under paragraph 2 of Chapter 4.14 of the Guide for New Listing Applicants and the provision of Paragraph 4.2(b) of Practice Note 18 of the Listing Rules, no mandatory clawback or reallocation mechanism is required to increase the number of Offer Shares under the Hong Kong Public Offering to a certain percentage of the total number of Offer Shares offered under the Global Offering.

Applications

Each applicant under the Hong Kong Public Offering will be required to give an undertaking and confirmation in the application submitted by him that he and any person(s) for whose benefit he is making the application has not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any International Offering 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 be required to pay, on application (subject to application channels), the Offer Price in addition to the brokerage, the SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable on each Offer Share, amounting to a total of HK$3,823.17 for one board lot of 50 Shares. Further details are set out in the section headed "How to Apply for Hong Kong Offer Shares" in this prospectus.

THE INTERNATIONAL OFFERING

Number of Offer Shares initially offered

The International Offering will consist of an offering of initially 7,452,450 Shares, representing approximately 90.0% of the total number of Offer Shares initially available under the Global Offering (subject to reallocation, the Offer Size Adjustment Option and the Over-allotment Option) and approximately 14.40% of the total Shares in issue immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised).

Allocation

The International Offering will include selective marketing of Offer Shares to (i) a limited number of institutional "accredited investors" (as defined in Rule 501(a) under the U.S. Securities Act) in the United States in reliance on the Rule 506 safe harbor under the U.S. Securities Act; and (ii) institutional and professional investors and other investors anticipated to have a sizeable demand for such Offer Shares in Hong Kong and other jurisdictions outside the United States in offshore transactions in reliance on Regulation S. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities. Allocation of Offer Shares pursuant to the International Offering will be effected in accordance with the "book-building" process described in "—Pricing and Allocation" in this section and based on a number of factors, including the level and timing of demand, the total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further Shares and/or hold or sell its Shares after the Listing. Such allocation is intended to result in a distribution of the Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of the Group and the Shareholders as a whole.

Reallocation

The total number of Offer Shares to be issued or sold pursuant to the International Offering may change as a result of the reallocation arrangement described in "—The Hong Kong Public Offering—Reallocation" in this section above, the exercise of the Offer Size Adjustment Option and the Over-allotment Option in whole or in part and/or any reallocation of unsubscribed Offer Shares originally included in the Hong Kong Public Offering.

OFFER SIZE ADJUSTMENT OPTION

In order to provide our Company with the flexibility to increase the number of Offer Shares available for purchase under the International Offering to cover additional market demand, our Company is expected to grant to the International Underwriters the Offer Size Adjustment Option, exercisable by the Overall Coordinators at their absolute discretion (for themselves and on behalf of the International Underwriters) on or before the second business day prior to the Listing Date and will lapse immediately thereafter, to require our Company to issue and allot up to an aggregate of 1,242,050 additional H Shares, representing in aggregate approximately 15% of the total number of the Offer Shares initially available under the Global Offering, at the Offer Price, to cover any excess demand in the International Offering.

In considering whether to exercise the Offer Size Adjustment Option, the Company and the Overall Coordinators will take into account a number of factors, including, among other things:

(a) whether the level of interest expressed by prospective professional and institutional investors during the book-building process under the International Offering is sufficient to cover:

  (i) the total number of Offer Shares, which represents the aggregate of the Offer Shares initially available under the Global Offering and the additional H Shares upon any exercise of the Offer Size Adjustment Option; and

  (ii) the corresponding number of H Shares under the Over allotment Option;

(b) the prices at which prospective professional and institutional investors have indicated they would be prepared to acquire the Offer Shares in the course of the book-building process;

(c) the quality of investors, with a view to establishing a solid professional institutional and investor shareholder base to the benefit of the Company and its Shareholders as a whole; and

(d) general market conditions.

If the Offer Size Adjustment Option is exercised in full, the additional Offer Shares to be issued pursuant thereto will represent approximately 2.34% of the enlarged issued share capital immediately of the Company following the completion of the Global Offering (assuming the Over-allotment Option is not exercised). The dilution effect of the Offer Size Adjustment Option (assuming the Over-allotment Option is not exercised) is set out below:

Number of H Shares issued under the Global Offering before the exercise of the Offer Size Adjustment Option (the "Original Subscribers")	Approximate percentage of total issued share capital held by the Original Subscribers before the exercise of the Offer Size Adjustment Option	Number of H Shares issued under the Global Offering after the exercise of the Offer Size Adjustment Option in full	Approximate percentage of total issued share capital held by the Original Subscribers after the exercise of the Offer Size Adjustment Option in full
8,280,550	16.0%	9,522,600	18.0%

The Offer Size Adjustment Option will not be associated with any price stabilization activities and will not be subject to the Securities and Futures (Price Stabilizing) Rules of the SFO (Chapter 571W of the Laws of Hong Kong). The Offer Size Adjustment Option will be in addition to the Over-allotment Option. The Company will disclose in the allotment results announcement whether and to what extent the Offer Size Adjustment Option has been exercised, and will confirm in the announcement that, where the Offer Size Adjustment Option had not been exercised by then, the Offer Size Adjustment Option has lapsed and cannot be exercised on any future date.

OVER-ALLOTMENT OPTION

In connection with the Global Offering, the 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 at their sole and absolute discretion (on behalf of the International Underwriters) at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offering, to require the Company to issue up to an aggregate of 1,242,050 additional H Shares, representing approximately 15.0% of the total number of Offer Shares initially available under the Global Offering assuming the Offer Size Adjustment Option is not exercised, or up to an aggregate of 1,428,350 additional H Shares, representing approximately 15.0% of the total number of Offer Shares offered under the Global Offering assuming the Offer Size Adjustment Option is exercised in full, at the Offer Price under the International Offering to, among other things, cover over-allocations in the International Offering, if any.

If the Offer Size Adjustment Option is not exercised and the Over-allotment Option is exercised in full, the additional Offer Shares to be issued pursuant thereto will represent approximately 2.34% of the total Shares in issue immediately following the completion of the Global Offering and the issue of Offer Shares pursuant to the Over-allotment Option. If the Offer Size Adjustment Option and the Over-allotment Option are exercised in full, the additional Offer Shares to be issued pursuant to the Over-allotment Option will represent approximately 2.62% of the total Shares in issue immediately following the completion of the Global Offering and the issue of Offer Shares pursuant to the Over-allotment Option. If the Over-allotment Option is exercised, an announcement will be made.

STABILIZATION

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the securities in the secondary market during a specified period of time, to retard and, if possible, prevent a decline in the initial public market price of the securities below the offer price. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including those of Hong Kong. In Hong Kong, the price at which stabilization is effected is not permitted to exceed the offer price.

In connection with the Global Offering, the Stabilizing Manager (or any person acting for it), on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilizing or supporting the market price of the Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilizing Manager (or any person acting for it) to conduct any such stabilizing action. Such stabilizing action, if taken, (a) will be conducted at the absolute discretion of the Stabilizing Manager (or any person acting for it) and in what the Stabilizing Manager reasonably regards as the best interest of the Company; (b) may be discontinued at any time; and (c) is required to be brought to an end within 30 days of the last day for lodging applications under the Hong Kong Public Offering. The number of Shares that may be over-allocated will not exceed the number of Shares that may be sold under the Over-allotment Option, which is approximately 15.0% of the Offer Shares initially available under the Global Offering.

Stabilization action will be entered into in accordance with the laws, rules and regulations in place in Hong Kong. Stabilization action permitted in Hong Kong pursuant to the Securities and Futures (Price Stabilizing) Rules of the SFO includes (a) over-allocating for the purpose of preventing or minimizing any reduction in the market price of the Shares; (b) selling or agreeing to sell the 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 Shares; (c) purchasing, or agreeing to purchase, the Shares pursuant to the Over-allotment Option in order to close out any position established under paragraph (a) or (b) above, (d) purchasing, or agreeing to purchase, any of the Shares for the sole purpose of preventing or minimizing any reduction in the market price of the Shares, (e) selling or agreeing to sell any Shares in order to liquidate any position established as a result of those purchases, and (f) offering or attempting to do anything as described in paragraph (b), (c), (d) or (e) above.

Specifically, prospective applicants for and investors in the Offer Shares should note that:

(a) the Stabilizing Manager (or any person acting for it) may, in connection with the stabilizing action, maintain a long position in the 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 Shares;

(d) no stabilizing action can be taken to support the price of the Shares for longer than the stabilization period, which will begin on the Listing Date, and is expected to expire on Thursday, June 18, 2026, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering. After this date, when no further stabilizing action may be taken, demand for the Shares, and therefore the price of the Shares, could fall;

(e) the price of the Shares cannot be assured to stay at or above the Offer Price either during or after the stabilization period 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.

The 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 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 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 a combination of these means.

PRICING AND ALLOCATION

The Offer Price will be HK$75.70 per Offer Share, unless otherwise announced, as further explained below, not later than the morning of the last day for lodging applications under the Hong Kong Public Offering.

The International Underwriters will be soliciting from prospective investors' indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as "book-building", is expected to continue up to, and to cease on or around, the last day for lodging applications under the Hong Kong Public Offering.

The Overall Coordinators (for themselves and on behalf of the Underwriters) may, where considered appropriate, based on the level of interest expressed by prospective professional and institutional investors during the book-building process, and with the consent of our Company, reduce the number of Offer Shares and/or the Offer Price as stated in this prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such case, we will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offering, cause to be published on the websites of the Stock Exchange at **www.hkexnews.hk** and the Company at **www.tennortherapeutics.com**, notices of the reduction. Upon issue of such a notice, the revised number of Offer Shares and/or the Offer Price will be final and conclusive and the Offer Price, if agreed upon by the Overall Coordinators, for themselves and on behalf of the Underwriters, and our Company, will be fixed within such a revised Offer Price. Such notice will also include confirmation or revision, as appropriate, of the working capital statement and the Global Offering statistics as currently set out in the prospectus and any other financial information which may change materially as a result of such reduction. Our Company will also, as soon as practicable following the decision to make such change, issue a supplemental prospectus updating investors of the change in the number of Offer Shares being offered under the Global Offering and/or the Offer Price. The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental prospectus.

Before submitting applications for the Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares and/or the Offer Price may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offering. In the absence of any such notice so published, the number of Offer Shares and/or the Offer Price will not be reduced.

In the event of a reduction in the number of Offer Shares, the Overall Coordinators (for themselves and on behalf of the Underwriters) may, at its discretion, reallocate the number of Offer Shares to be offered in the Hong Kong Public Offering and the International Offering. The Offer Shares to be offered in the Hong Kong Public Offering and the Offer Shares to be offered in the International Offering may, in certain circumstances, be reallocated between these offerings at the discretion of the Overall Coordinators (for themselves and on behalf of the Underwriters).

The level of indications of interest in the Global Offering, the results of allocations and the basis of allotment of the Hong Kong Offer Shares are expected to be announced on Thursday, May 21, 2026 on the website of the Stock Exchange at **www.hkexnews.hk** and on the website of our Company at **www.tennortherapeutics.com**.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Offer Shares will be conditional on, among other things:

(a) the Listing Committee granting approval for the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Global Offering on the Main Board of the Stock Exchange and such approval not subsequently having been withdrawn or revoked prior to the commencement of trading of the Shares on the Stock Exchange;

(b) the execution and delivery of the International Underwriting Agreement on or about Wednesday, May 20, 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 or otherwise, 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).

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 websites of the Company and the Stock Exchange at **www.tennortherapeutics.com** and **www.hkexnews.hk**, respectively, on the next day following such lapse. In such a situation, all application monies will be returned, without interest, on the terms set out in the section headed "How to Apply for Hong Kong Offer Shares—D. Despatch/Collection of H Share Certificates and Refund of Application Monies" in this prospectus. In the meantime, all application monies will be held in separate bank account(s) with the receiving banks or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

H Share certificates for the Offer Shares will only become valid evidence of title at 8:00 a.m. on Friday, May 22, 2026, provided that the Global Offering has become unconditional in all respects at or before that time.

DEALINGS IN THE H SHARES

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Friday, May 22, 2026, it is expected that dealings in the H Shares on the Stock Exchange will commence at 9:00 a.m. on Friday, May 22, 2026. The H Shares will be traded in board lots of 50 H Shares each and the stock code of the H Shares will be 6872.

IMPORTANT NOTICE TO INVESTORS OF HONG KONG PUBLIC OFFER SHARES

FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offer and below are the procedures for application.

This prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the "*HKEXnews* > *New Listings* > *New Listing Information*" section, and our website at www.tennortherapeutics.com.

The contents of this prospectus are identical to the prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

A. APPLICATION FOR HONG KONG OFFER SHARES

1. Who Can Apply

You can apply for Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are 18 years of age or older; and
- have a Hong Kong address *(for the **HK eIPO White Form** service only)*.

Unless permitted by the Listing Rules or a waiver and/or consent has been granted by the Stock Exchange to us, you cannot apply for any Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are an existing Shareholder or close associates; or
- are a Director or any of his/her close associates.

2. Application Channels

The Hong Kong Public Offer period will begin at 9:00 a.m. on Thursday, May 14, 2026 and end at 12:00 noon on Tuesday, May 19, 2026 (Hong Kong time).

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

Application Channel	Platform	Target Investors	Application Time
HK eIPO White Form service .	www.hkeipo.hk	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 Thursday, May 14, 2026 to 11:30 a.m. on Tuesday, May 19, 2026, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Tuesday, May 19, 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 an EIPO application on your behalf through HKSCC's FINI system in accordance with your instruction.	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 **HK eIPO White Form** service and the HKSCC EIPO channel are facilities subject to capacity limitations and potential service interruptions and you are advised not to wait until the last day of the application period to apply for Hong Kong Offer Shares.

For those applying through the **HK eIPO White Form** service, once you complete payment in respect of any application instructions given by you or for your benefit through the **HK eIPO White Form** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. If you are a person for whose benefit the **electronic application instructions** are given, you shall be deemed to have declared that only one set of **electronic application instructions** has been given for your benefit. If you are an agent for another person, you shall be deemed to have declared that you have only given one set of **electronic application instructions** for the benefit of the person for whom you are an agent and that you are duly authorized to give those instructions as an agent.

For the avoidance of doubt, giving an application instruction under the **HK eIPO White Form** service more than once and obtaining different payment reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you apply through the **HK eIPO White Form** service, you are deemed to have authorized the **HK eIPO White Form** Service Provider to apply on the terms and conditions in this prospectus, as supplemented and amended by the terms and conditions of the **HK eIPO White Form** service.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the HKSCC EIPO channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to apply for Hong Kong Offer Shares on your behalf and to do on your behalf all the things stated in this prospectus and any supplement to it.

For those applying through HKSCC EIPO channel, an actual application will be deemed to have been made for any application instructions given by you or for your benefit to HKSCC (in which case an application will be made by HKSCC Nominees on your behalf) provided such application instruction has not been withdrawn or otherwise invalidated before the closing time of the Hong Kong Public Offer.

HKSCC Nominees will only be acting as a nominee for you and neither HKSCC nor HKSCC Nominees shall be liable to you or any other person in respect of any actions taken by HKSCC or HKSCC Nominees on your behalf to apply for Hong Kong Offer Shares or for any breach of the terms and conditions of this prospectus.

3. Information Required to Apply

You must provide the following information with your application:

For Individual/Joint Applicants	For Corporate Applicants
• Full name(s)[2] as shown on your identity document	• Full name(s)[2] as shown on your identity document
• Identity document's issuing country or jurisdiction	• Identity document's issuing country or jurisdiction
• Identity document type, with order of priority:	• Identity document type, with order of priority:
i. HKID card; or	i. LEI registration document; or
ii. National identification document; or	ii. Certificate of incorporation; or
iii. Passport; and	iii. Business registration certificate; or
• Identity document number	iv. Other equivalent document; and
	• Identity document number

Notes:

1. If you are applying through the **HK eIPO White Form** service, you are required to provide a valid e-mail address, a contact telephone number and a Hong Kong Address. You are also required to declare that the identity information provided by you follows the requirements as described in Note 2 below. In particular, where you cannot provide a HKID number, you must confirm that you do not hold a HKID card. The number of joint applicants may not exceed four. If you are a firm, the applicant must be in the individual members' names.

2. The applicant's full name as shown on their identity document must be used and the surname, given name, middle and other names (if any) must be input in the same order as shown on the identity document. If an applicant's identity document contains both an English and Chinese name, both English and Chinese names must be used. Otherwise, either English or Chinese names will be accepted. The order of priority of the applicant's identity document type must be strictly followed and where an individual applicant has a valid HKID card (including both Hong Kong Residents and Hong Kong Permanent Residents), the HKID number must be used when making an application to subscribe for shares in a public offer. Similarly for corporate applicants, a LEI number must be used if an entity has a LEI certificate.

3. If the applicant is a trustee, the client identification data ("**CID**") of the trustee, as set out above, will be required. If the applicant is an investment fund (i.e. a collective investment scheme, or CIS), the CID of the asset management company or the individual fund, as appropriate, which has opened a trading account with the broker will be required, as above.

4. The maximum number of joint applicants on FINI is capped at 4 in accordance with market practice.

5. If you are applying as a nominee, you must provide: (i) the full name (as shown on the identity document), the identity document's issuing country or jurisdiction, the identity document type; and (ii), the identity document number, for each of the beneficial owners or, in the case(s) of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.

6. If you are applying as an unlisted company and (i) the principal business of that company is dealing in securities; and (ii) you exercise statutory control over that company, then the application will be treated as being for your benefit and you should provide the required information in your application as stated above.

   "Unlisted company" means a company with no equity securities listed on the Stock Exchange or any other stock exchange.

   "Statutory control" means you:

   - control the composition of the board of directors of the company;
   - control more than half of the voting power of the company; or

- hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

For those applying through HKSCC EIPO channel, and making an application under a power of attorney, we and the Overall Coordinators, as our agent, have discretion to consider whether to accept it on any conditions we think fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

4. Permitted Number of Hong Kong Offer Shares for Application

Board lot size . . . . . : 50 H Shares

Permitted number of Hong Kong Offer Shares for application and amount payable on application/ successful allotment : Hong Kong Offer Shares are available for application in specified board lot sizes only. Please refer to the amount payable associated with each specified board lot size in the table below.

The Offer Price is HK$75.70 per H Share.

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

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the HKSCC EIPO channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the Offer Price, brokerage, SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy by debiting the relevant nominee bank account at the Designated Bank for your broker or custodian.

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

No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
50	3,823.17	700	53,524.40	5,000	382,317.18	70,000	5,352,440.41
100	7,646.34	800	61,170.75	6,000	458,780.60	80,000	6,117,074.75
150	11,469.52	900	68,817.09	7,000	535,244.04	90,000	6,881,709.10
200	15,292.69	1,000	76,463.43	8,000	611,707.48	100,000	7,646,343.46
250	19,115.86	1,500	114,695.16	9,000	688,170.91	200,000	15,292,686.90
300	22,939.02	2,000	152,926.87	10,000	764,634.35	300,000	22,939,030.36
350	26,762.21	2,500	191,158.58	20,000	1,529,268.69	414,050[1]	31,659,685.06
400	30,585.38	3,000	229,390.30	30,000	2,293,903.04		
450	34,408.54	3,500	267,622.02	40,000	3,058,537.38		
500	38,231.72	4,000	305,853.74	50,000	3,823,171.73		
600	45,878.07	4,500	344,085.46	60,000	4,587,806.06		

Notes:

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

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

5. Multiple Applications Prohibited

You or your joint applicant(s) shall not make more than one application for your own benefit, except where you are a nominee and provide the information of the underlying investor in your application as required under the paragraph headed "*—A. Application for Hong Kong Offer Shares—3. Information Required to Apply*" in this section. If you are suspected of submitting or cause to submit more than one application, all of your applications will be rejected.

Multiple applications made either through (i) the **HK eIPO White Form** service, (ii) HKSCC EIPO channel, or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **HK eIPO White Form** service or HKSCC EIPO channel, you or the person(s) for whose benefit you have made the application shall not apply for any International Offer Shares.

The H Share Registrar would record all applications into its system and identify suspected multiple applications with identical names and identification document numbers according to the Best Practice Note on Treatment of Multiple/Suspected Multiple Applications ("**Best Practice Note**") issued by the Federation of Share Registrars Limited.

Since applications are subject to personal information collection statements, identification document numbers displayed are redacted.

6. Terms and Conditions of An Application

By applying for Hong Kong Offer Shares through the **HK eIPO White Form** service or HKSCC EIPO channel, you (or as the case may be, HKSCC Nominees will do the following things on your behalf):

(i) undertake to execute all relevant documents and instruct and authorize us and/or the Overall Coordinators, 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;

(ii) confirm that you have read and understand the terms and conditions and application procedures set out in this prospectus and the designated website of the **HK eIPO White Form** service (or as the case may be, the agreement you entered into with your broker or custodian), and agree to be bound by them;

(iii) (if you are applying through the HKSCC EIPO channel) agree to the arrangements, undertakings and warranties under the participant agreement between your broker or custodian and HKSCC and observe the General Rules of HKSCC and the HKSCC Operational Procedures for giving application instructions to apply for Hong Kong Offer Shares;

(iv) confirm that you are aware of the restrictions on offers and sales of H Shares set out in this prospectus and they do not apply to you, or the person(s) for whose benefit you have made the application;

(v) confirm that you have read this prospectus and any supplement to it and have relied only on the information and representations contained therein in making your application (or as the case may be, causing your application to be made) and will not rely on any other information or representations;

(vi) agree that the Relevant Persons[1], the H Share Registrar and HKSCC will not be liable for any information and representations not in this prospectus and any supplement to it;

(vii) agree to disclose the details of your application and your personal data and any other personal data which may be required about you and the person(s) for whose benefit you have made the application to 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 under the paragraph headed "*—G. Personal Data—3. Purposes and 4. Transfer of personal data*" in this section;

(viii) agree (without prejudice to any other rights which you may have once your application (or as the case may be, HKSCC Nominees' application) has been accepted) that you will not rescind it because of an innocent misrepresentation;

(ix) agree that subject to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any application made by you or HKSCC Nominees on your behalf cannot be revoked once it is accepted, which will be evidenced by the notification of the result of the ballot by the H Share Registrar by way of publication of the results at the time and in the manner as specified in the paragraph headed "*—B. Publication of Results*" in this section;

1 Relevant Persons would include the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of their or the Company's respective directors, officers, employees, partners, agents, advisers and any other parties involved in the Global Offering.

(x) confirm that you are aware of the situations specified in the paragraph headed "*—C. Circumstances In Which You Will Not Be Allocated Hong Kong Offer Shares*" in this section;

(xi) agree that your application or HKSCC Nominees' application, any acceptance of it and the resulting contract will be governed by and construed in accordance with the laws of Hong Kong;

(xii) agree to comply with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Articles of Association and laws of any place outside Hong Kong that apply to your application and that neither 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;

(xiii) confirm that (a) your application or HKSCC Nominees' application on your behalf is not financed directly or indirectly by the Company, any of the directors, chief executives, substantial Shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates; and (b) you are not accustomed or will not be accustomed to taking instructions from the Company, any of the directors, chief executives, substantial shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in your name or otherwise held by you;

(xiv) warrant that the information you have provided is true and accurate;

(xv) confirm that you understand that 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;

(xvi) agree to accept Hong Kong Offer Shares applied for or any lesser number allocated to you under the application;

(xvii) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;

(xviii) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit by giving **electronic application instructions** to HKSCC directly or indirectly or through the application channel of the **HK eIPO White Form** service or by any one as your agent or by any other person; and

(xix) (if you are making the application as an agent for the benefit of another person) warrant that (1) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person by giving **electronic application instructions** to HKSCC or the **HK eIPO White Form** Service Provider and (2) you have due authority to give **electronic application instructions** on behalf of that other person as its agent.

B. PUBLICATION OF RESULTS

Results of Allocation

You can check whether you are successfully allocated any Hong Kong Offer Shares through:

Platform		Date/Time
Applying through the **HK eIPO White Form** service or HKSCC EIPO channel:		
Website	From the "Allotment Results" page at **www.hkeipo.hk/IPOResult** (or **www.tricor.com.hk/ipo/result**) with a "search by ID" function.	24 hours, from 11:00 p.m. on Thursday, May 21, 2026 to 12:00 midnight on Wednesday, May 27, 2026 (Hong Kong time)
	The full list of (i) wholly or partially successful applicants using the **HK eIPO White Form** service and HKSCC EIPO channel, and (ii) the number of Hong Kong Offer Shares conditionally allotted to them, among other things, will be displayed at **www.hkeipo.hk/IPOResult** (or **www.tricor.com.hk/ipo/result**)	
	The Stock Exchange's website at **www.hkexnews.hk** and our website at **www.tennortherapeutics.com** which will provide links to the above mentioned websites of the H Share Registrar.	No later than 11:00 p.m. on Thursday, May 21, 2026 (Hong Kong time).
Telephone	+852 3691 8488—the results telephone enquiry line provided by the H Share Registrar	between 9:00 a.m. and 6:00 p.m., from Friday, May 22, 2026 to Thursday, May 28, 2026 (Hong Kong time) on a business day

For those applying through HKSCC EIPO channel, you may also check with your broker or custodian from 6:00 p.m. on Wednesday, May 20, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Wednesday, May 20, 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 Global Offer, the level of applications in the Hong Kong Public Offering and the basis of allocations of Hong Kong Offer Shares on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.tennortherapeutics.com** by no later than 11:00 p.m. on Thursday, May 21, 2026 (Hong Kong time).

C. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOCATED HONG KONG OFFER SHARES

You should note the following situations in which Hong Kong Offer Shares will not be allocated to you or the person(s) for whose benefit you are applying for:

1. If your application is revoked:

Your application or the application made by HKSCC Nominees on your behalf may be revoked pursuant to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

2. If 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:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Stock Exchange notifies us of that longer period within three weeks of the closing date of the application lists.

4. If:

- you make multiple applications or suspected multiple applications. You may refer to the paragraph headed "*—A. Applications for Hong Kong Offer Shares—5. Multiple Applications Prohibited*" in this section on what constitutes multiple applications;
- your application instruction is incomplete;
- your payment (or confirmation of funds, as the case may be) is not made correctly;
- the Underwriting Agreements do not become unconditional or are terminated;
- we or the Overall Coordinators believe that by accepting your application, it or we would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted H 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 Public 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 H 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 Global 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. DESPATCH/COLLECTION OF H SHARE CERTIFICATES AND REFUND OF APPLICATION MONIES

You will receive one H Share certificate for all Hong Kong Offer Shares allotted to you under the Hong Kong Public Offering (except pursuant to applications made through the HKSCC EIPO channel where the H Share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the H Shares. No receipt will be issued for sums paid on application.

H Share certificates will only become valid evidence of title at 8:00 a.m. on Friday, May 22, 2026 (Hong Kong time), provided that the Global Offering has become unconditional and the right of termination described in the section headed "Underwriting" has not been exercised. Investors who trade H Shares prior to the receipt of H Share certificates or the H Share certificates becoming valid do so entirely at their own risk.

The right is reserved to retain any H Share certificate(s) and (if applicable) any surplus application monies pending clearance of application monies.

The following sets out the relevant procedures and time:

	HK eIPO White Form service	HKSCC EIPO channel
Despatch/collection of H Share certificate[2]		
For application of 200,000 Hong Kong Offer Shares or more	Collection in person from the H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. **Time:** from 9:00 a.m. to 1:00 p.m. on Friday, May 22, 2026 (Hong Kong time). If you are an individual, you must not authorize any other person you. If you are a corporate applicant, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop.	H Share certificate(s) will be issued in the name of HKSCC Nominees, deposited into CCASS and credited to your designated HKSCC Participant's stock account. No action by you is required.

2 Except in the event of any Bad Weather Signals (as defined below) in force in Hong Kong in the morning on Thursday, May 21, 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. Bad Weather Arrangements*" in this section.

	HK eIPO White Form service	HKSCC EIPO channel
	Both individuals and authorized representatives must produce, at the time of collection, evidence of acceptable to the H Share Registrar.	
	Note: If you do not collect your H Share certificate(s) personally within the time above, it/they will be sent to the address specified in your application instructions by ordinary post at your own risk.	
For application of less than 200,000 Hong Kong Offer Shares	Your H Share certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk	
	Date: Thursday, May 21, 2026	
Refund mechanism for surplus application monies paid by you		
Date	Friday, May 22, 2026	Subject to the arrangement between you and your broker or custodian
Responsible party	H Share Registrar	Your broker or custodian
Application monies paid through single bank account	**HK eIPO White Form** e-Auto Refund payment instructions to your designated bank account	Your broker or custodian will arrange refund to your designated bank account subject to the arrangement between you and it
Application monies paid through multiple bank accounts	Refund cheque(s) will be despatched to the address as specified in your application instructions by ordinary post at your own risk	

E. BAD WEATHER ARRANGEMENTS

The Opening and Closing of the Application Lists

The application lists will not open or close on Tuesday, May 19, 2026 if, there is/are:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- Extreme Conditions, (collectively, "**Bad Weather Signals**"), in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Tuesday, May 19, 2026.

Instead they will open between 11:45 a.m. and 12:00 noon and/or close at 12:00 noon on the next business day which does not have Bad Weather Signals in force at any time between 9:00 a.m. and 12:00 noon.

Prospective investors should be aware that a postponement of the opening/closing of the application lists may result in a delay in the listing date. Should there be any changes to the dates mentioned in the section headed "Expected Timetable" in this prospectus, an announcement will be made and published on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.tennortherapeutics.com** of the revised timetable.

If a Bad Weather Signal is hoisted on Thursday, May 21, 2026, the H Share Registrar will make appropriate arrangements for the delivery of the H Share certificates to the CCASS Depository's service counter so that they would be available for trading on Friday, May 22, 2026.

If a Bad Weather Signal is hoisted on Thursday, May 21, 2026, for application of less than 200,000 Hong Kong Offer Shares, the despatch of physical H Share certificates will be made by ordinary post when the post office re-opens after the Bad Weather Signal is lowered or canceled (*e.g.* in the afternoon of Thursday, May 21, 2026 or on Friday, May 22, 2026).

If a Bad Weather Signal is hoisted on Friday, May 22, 2026, for application of 200,000 Hong Kong Offer Shares or more, the physical H Share certificates will be available for collection in person at the H Share Registrar's office after the Bad Weather Signal is lowered or canceled (*e.g.* in the afternoon of Friday, May 22, 2026 or on Tuesday, May 26, 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 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 HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made enabling the H Shares to be admitted into CCASS.

You should seek the advice of your broker or other professional advisor for details of the settlement arrangement as such arrangements may affect your rights and interests.

G. PERSONAL DATA

The following Personal Information Collection Statement applies to any personal data collected and held by the Company, the H Share Registrar, the receiving banks and the Relevant Persons about you in the same way as it applies to personal data about applicants other than HKSCC Nominees. This personal data may include client identifier(s) and your identification information. By giving application instructions to HKSCC, you acknowledge that you have read, understood and agree to all of the terms of the Personal Information Collection Statement below.

1. Personal Information Collection Statement

This Personal Information Collection Statement informs the applicant for, and holder of, Hong Kong Public Offer Shares, of the policies and practices of the Company and the H Share Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

2. Reasons for the collection of your personal data

It is necessary for applicants and registered holders of Hong Kong Offer Shares to ensure that personal data supplied to the Company or its agents and the H Share Registrar is accurate and up-to-date when applying for Hong Kong Offer Shares or transferring Hong Kong Offer Shares into or out of their names or in procuring the services of the H Share Registrar.

Failure to supply the requested data or supplying inaccurate data may result in your application for Hong Kong Offer Shares being rejected, or in the delay or the inability of the Company or the H Share Registrar to effect transfers or otherwise render their services. It may also prevent or delay registration or transfers of Hong Kong Offer Shares which you have successfully applied for and/or the despatch of H Share certificate(s) to which you are entitled.

It is important that applicants for and holders of Hong Kong Offer Shares inform the Company and the H Share Registrar immediately of any inaccuracies in the personal data supplied.

3. Purposes

Your personal data may be used, held, processed, and/or stored (by whatever means) for the following purposes:

a. processing your application and refund cheque and **HK eIPO White Form** e-Auto Refund payment instruction(s), where applicable, verification of compliance with the terms and application procedures set out in this prospectus and announcing results of allocation of Hong Kong Offer Shares;

b. compliance with applicable laws and regulations in Hong Kong and elsewhere;

c. registering new issues or transfers into or out of the names of the holders of the H Shares including, where applicable, HKSCC Nominees;

d. maintaining or updating the register of members of the Company;

e. verifying identities of applicants for and holders of the H Shares and identifying any duplicate applications for the Shares;

f. facilitating Hong Kong Offer Shares balloting;

g. establishing benefit entitlements of holders of the H Shares, such as dividends, rights issues, bonus issues, etc.;

h. distributing communications from the Company and its subsidiaries;

i. compiling statistical information and profiles of the holder of the H Shares;

j. disclosing relevant information to facilitate claims on entitlements; and

k. any other incidental or associated purposes relating to the above and/or to enable the Company and the H Share Registrar to discharge their obligations to applicants and holders of the H Shares and/or regulators and/or any other purposes to which applicants and holders of the H Shares may from time to time agree.

4. Transfer of personal data

Personal data held by the Company and the H Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but the Company and the H Share Registrar may, to the extent necessary for achieving any of the above purposes, disclose, obtain or transfer (whether within or outside Hong Kong) the personal data to, from or with any of the following:

a. the Company's appointed agents such as financial advisers, receiving banks and overseas principal share registrar;

b. 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);

c. any agents, contractors or third-party service providers who offer administrative, telecommunications, computer, payment or other services to the Company or the H Share Registrar in connection with their respective business operation;

d. the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, including for the purpose of the Stock Exchange's administration of the Listing Rules and the SFC's performance of its statutory functions; and

e. any persons or institutions with which the holders of Hong Kong Offer Shares have or propose to have dealings, such as their bankers, solicitors, accountants or brokers etc.

5. Retention of personal data

The Company and the H Share Registrar will keep the personal data of the applicants and holders of Hong Kong Offer Shares for as long as necessary to fulfill the purposes for which the personal data were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

6. Access to and correction of personal data

Applicants for and holders of Hong Kong Offer Shares have the right to ascertain whether the Company or the H Share Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. The Company and the H Share Registrar have the right to charge a reasonable fee for the processing of such requests. All requests for access to data or correction of data should be addressed to the Company and the H Share Registrar, at their registered address disclosed in the section headed "Corporate information" in this prospectus or as notified from time to time, for the attention of the company secretary, or the H Share Registrar for the attention of the privacy compliance officer.

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 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 TENNOR THERAPEUTICS (SUZHOU) LIMITED AND CITIC SECURITIES (HONG KONG) LIMITED AND ABCI CAPITAL LIMITED

Introduction

We report on the historical financial information of TenNor Therapeutics (Suzhou) Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages I-3 to I-50, which comprises the consolidated balance sheets as at 31 December 2023, 2024 and 2025, the balance sheets of the Company as at 31 December 2023, 2024 and 2025, and the consolidated statements of comprehensive loss, the consolidated statements of changes in equity and the consolidated statements of cash flows for each of the years ended 31 December 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-50 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 14 May 2026 (the "Prospectus") in connection with the initial listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

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 preparation set out in Note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of 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.

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 judgment, 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

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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 preparation set out in Note 2.1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountant's report, a true and fair view of the financial position of the Company as at 31 December 2023, 2024 and 2025 and the consolidated financial position of the Group as at 31 December 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 preparation set out in Note 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange 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 29 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Track Record Period.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 14 May 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 Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") ("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 COMPREHENSIVE LOSS

	Notes	Year ended 31 December		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Research and development expenses	*5*	(108,399)	(69,838)	(71,872)
Administrative expenses	*5*	(19,388)	(13,135)	(48,910)
Other income	*7*	4,519	4,938	1,746
Other gains – net	*8*	786	37	366
Operating loss		(122,482)	(77,998)	(118,670)
Finance income	*9*	474	250	664
Finance costs	*9*	(69,836)	(68,181)	(35,238)
Finance costs – net		(69,362)	(67,931)	(34,574)
Loss before income tax		(191,844)	(145,929)	(153,244)
Income tax expense	*10*	–	–	–
Loss for the year attributable to the owners of the Company		(191,844)	(145,929)	(153,244)
Other comprehensive income/(loss):				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation		8	4	(15)
Other comprehensive income/(loss) for the year, net of tax		8	4	(15)
Total comprehensive loss for the year attributable to the owners of the Company		(191,836)	(145,925)	(153,259)
Loss per share for the loss attributable to the owners of the Company				
Basic and diluted loss per share (in RMB)	*11*	(5.19)	(3.89)	(3.85)

CONSOLIDATED BALANCE SHEETS

	Notes	As at 31 December 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
ASSETS				
Non-current assets				
Property, plant and equipment	*12*	2,744	1,315	1,006
Intangible assets	*14*	25,422	25,320	25,401
Right-of-use assets	*13*	1,521	256	1,860
Other non-current assets	*15*	2,724	4,066	7,424
Total non-current assets		32,411	30,957	35,691
Current assets				
Prepayments, other receivables and other assets	*18*	5,531	4,111	7,580
Cash and cash equivalents	*19*	58,112	97,818	183,765
Total current assets		63,643	101,929	191,345
Total assets		96,054	132,886	227,036
EQUITY				
Paid-in capital	*20*	36,582	38,869	–
Share capital	*21*	–	–	43,473
Reserves	*22*	(795,491)	(936,917)	110,384
Total (deficit)/equity		(758,909)	(898,048)	153,857
LIABILITIES				
Non-current liabilities				
Borrowings	*24*	23,725	8,750	9,100
Lease liabilities	*13*	227	88	939
Redemption liabilities	*28*	–	931,501	–
Other non-current liabilities	*25*	1	25,000	25,000
Total non-current liabilities		23,953	965,339	35,039
Current liabilities				
Trade payables	*26*	22,956	15,989	7,975
Other payables and accruals	*27*	5,691	5,420	11,550
Borrowings	*24*	34,222	44,025	17,672
Lease liabilities	*13*	1,244	161	943
Redemption liabilities	*28*	766,897	–	–
Total current liabilities		831,010	65,595	38,140
Net current (liabilities)/assets		(767,367)	36,334	153,205
Total liabilities		854,963	1,030,934	73,179
Total (deficit)/equity and liabilities		96,054	132,886	227,036

THE COMPANY BALANCE SHEETS

	Notes	As at 31 December 2023 RMB'000	2024 RMB'000	2025 RMB'000
ASSETS				
Non-current assets				
Property, plant and equipment	*12*	2,744	1,306	1,000
Intangible assets	*14*	25,422	25,320	25,401
Right-of-use assets	*13*	1,521	221	1,846
Investments in subsidiaries	*34*	647	50,647	150,647
Other non-current assets	*15*	2,724	3,258	5,500
Total non-current assets		33,058	80,752	184,394
Current assets				
Trade receivables	*34*	–	–	1,496
Prepayments, other receivables and other assets	*18*	5,708	3,870	6,592
Cash and cash equivalents	*19*	57,764	52,545	59,251
Total current assets		63,472	56,415	67,339
Total assets		96,530	137,167	251,733
EQUITY				
Paid-in capital	*20*	36,582	38,869	–
Share capital	*21*	–	–	43,473
Reserves	*22*	(795,014)	(932,116)	136,621
Total (deficit)/equity		(758,432)	(893,247)	180,094
LIABILITIES				
Non-current liabilities				
Borrowings	*24*	23,725	8,750	9,100
Lease liabilities	*13*	227	72	939
Redemption liabilities	*28*	–	931,501	–
Other non-current liabilities	*25*	1	25,000	25,000
Total non-current liabilities		23,953	965,323	35,039
Current liabilities				
Trade payables	*26*	22,956	15,528	6,598
Other payables and accruals	*27*	5,690	5,396	11,402
Borrowings	*24*	34,222	44,025	17,672
Lease liabilities	*13*	1,244	142	928
Redemption liabilities	*28*	766,897	–	–
Total current liabilities		831,009	65,091	36,600
Total liabilities		854,962	1,030,414	71,639
Total (deficit)/equity and liabilities		96,530	137,167	251,733

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Notes	Attributable to the owners of the Company		
		Paid-in capital	Reserves	Total deficit
		RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2023		36,582	(613,478)	(576,896)
Comprehensive loss				
Loss for the year	*22*	–	(191,844)	(191,844)
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation	*22*	–	8	8
Transactions with owners in their capacity as owner:				
Share-based compensation expense	*23*	–	9,823	9,823
As at 31 December 2023		36,582	(795,491)	(758,909)
As at 1 January 2024		36,582	(795,491)	(758,909)
Comprehensive loss				
Loss for the year	*22*	–	(145,929)	(145,929)
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation	*22*	–	4	4
Transactions with owners in their capacity as owner:				
Capital contributions from Series E1 Investors	*20, 22*	2,287	94,207	96,494
Redemption liabilities from Series E1 Investors	*28*	–	(98,310)	(98,310)
Share-based compensation expense	*23*	–	8,602	8,602
As at 31 December 2024		38,869	(936,917)	(898,048)

	Notes	Attributable to the owners of the Company			
		Paid-in capital	Share capital	Reserves	Total (deficit)/ equity
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2025		38,869	–	(936,917)	(898,048)
Comprehensive loss					
Loss for the year	*22*	–	–	(153,244)	(153,244)
Other comprehensive loss					
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation	*22*	–	–	(15)	(15)
Transactions with owners in their capacity as owner:					
Capital contributions from Series E2 Investors	*20, 22*	2,331	–	95,657	97,988
Redemption liabilities from Series E2 Investors	*28*	–	–	(98,310)	(98,310)
Derecognition of redemption liabilities upon termination of special rights	*28*	–	–	1,063,567	1,063,567
Conversion into a joint stock company	*20, 21*	(41,200)	41,200	–	–
Capital contributions from Series E3 Investors	*21, 22*	–	2,273	102,565	104,838
Share-based compensation expense	*23*	–	–	36,842	36,842
Acquisition of a subsidiary	*34*	–	–	239	239
As at 31 December 2025		–	43,473	110,384	153,857

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Year ended 31 December		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Cash flows from operating activities				
Cash used in operations	*30*	(98,590)	(48,851)	(87,859)
Interest received		474	250	664
Net cash outflow from operating activities		(98,116)	(48,601)	(87,195)
Cash flows from investing activities				
Payments for property, plant and equipment		(396)	(203)	(225)
Payments for intangible assets		(117)	–	(228)
Payments for financial assets at fair value through profit or loss		(312,000)	(15,000)	(231,000)
Proceeds from sale of property, plant and equipment		–	6	–
Proceeds from acquisition of a subsidiary, net of cash paid		–	–	377
Proceeds from financial assets on maturity		382,000	15,000	231,000
Repayments of loan by a related party		–	–	2,062
Gains received on financial assets at fair value through profit or loss		894	12	514
Net cash inflow/(outflow) from investing activities		70,381	(185)	2,500
Cash flows from financing activities				
Proceeds from capital contributions	*20, 21*	4,862	98,310	203,620
Proceeds from borrowings		30,000	49,000	32,500
Payments of principal elements of lease liabilities		(1,333)	(938)	(940)
Repayments of borrowings		(26,445)	(54,155)	(58,475)
Interest paid		(2,358)	(1,904)	(1,510)
Payment of listing expenses		–	–	(3,766)
Payments of transaction costs related to capital contributions		–	(1,816)	(794)
Net cash inflow from financing activities		4,726	88,497	170,635
Net (decrease)/increase in cash and cash equivalents		(23,009)	39,711	85,940
Cash and cash equivalents at the beginning of year		81,134	58,112	97,818
Effect of foreign exchange rate changes on cash and cash equivalents		(13)	(5)	7
Cash and cash equivalents at the end of year		58,112	97,818	183,765

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 GENERAL INFORMATION

TenNor Therapeutics (Suzhou) Limited (the "Company") was incorporated in Suzhou city, Jiangsu province of the People's Republic of China (the "PRC") on 25 February 2013. The address of the Company's registered office is Room 701, Building B7, Bio Nano Park, No. 218 Xinghu Street, Suzhou Industrial Park, Suzhou, Jiangsu Province, the PRC.

The Company was converted into a joint stock company with limited liability under the Company Law of the PRC and changed its registered name from "TenNor Therapeutics (Suzhou) Limited (丹諾醫藥(蘇州)有限公司)" to "TenNor Therapeutics (Suzhou) Limited (丹諾醫藥(蘇州)股份有限公司)" on 27 June 2025.

The Company and its subsidiaries (together, the "Group") are principally engaged in the research and development as well as commercialization of differentiated therapies to address unmet medical needs in disease areas associated with bacterial infections and bacterial metabolism.

2 BASIS OF PREPARATION AND NEW OR AMENDED STANDARDS OR INTERPRETATIONS

2.1 Basis of preparation

The Historical Financial Information of the Company has been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. The accounting policies have been consistently applied to all the years presented, unless otherwise stated.

The Historical Financial Information have been prepared under the historical cost basis, except for financial assets measured at fair value through profit or loss ("FVPL").

The preparation of the Historical Financial Information in conformity with HKFRS 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.

Other than those material accounting policies information as disclosed in the notes to the relevant financial line items or transactions in the Historical Financial Information, a summary of the other accounting policies information has been set out in Note 37 to the Historical Financial Information.

2.2 New or amended standards 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.

New Standards, amendments to standards 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, amendments to standards and interpretations	Key requirements	Effective for the financial year beginning on or after
Amendments to HKFRS 9 and HKFRS 7	Amendments to the classification and measurement of financial instruments, Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	1 January 2026
HKFRS 18	Presentation and disclosure in financial statements	1 January 2027
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency	1 January 2027
HKFRS 19 and its amendments	Subsidiaries without public accountability: disclosures	1 January 2027
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

The directors of the Company have performed assessment on the new standards, amendments to standards and interpretations, and have concluded on a preliminary basis that these new standards, amendments to standards and interpretations would not have a significant impact on the financial performance and positions of the Group when they become effective.

HKFRS 18 will be effective for annual periods beginning on or after 1 January 2027. Management is currently assessing the implication of applying HKFRS 18, and preliminarily identified that the application of HKFRS 18 is expected to mainly affect on below items: i) Presentation of the statements of comprehensive loss: the major impact would be that the fair value gains on financial assets, currently presented in the line item "Other gains – net" within operating loss would be presented below operating loss in the

statements of comprehensive loss; ii) Cash flow classification: the interest received currently presented within operating activities would be classified as investing activities in the statements of cash flows; iii) Disclosure requirements: management-defined performance measures would be provided in the notes to the financial statements. Other than those, there would not be significant impact on the Group's financial positions and performance.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme 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 management of the Group.

3.1.1 Market risk

(i) Foreign exchange risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant group entity. The Company's functional currency is RMB. The Company's primary subsidiaries were incorporated in the PRC and considered RMB as their functional currency.

The Group operates mainly in the PRC. There are certain cash and bank balances, trade payables, other payables and redemption liabilities denominated in a currency that is not the functional currency of the Company or the Company's subsidiaries. The Group constantly reviews the economic situation and its foreign exchange risk profile, and considers appropriate hedging measures, as may be necessary.

The Group is primarily exposed to changes in United States Dollar ("USD")/RMB. As at 31 December 2023, 2024 and 2025, if USD had strengthened/weakened by 10% against RMB with all other variables held constant, loss before income tax for the year would have been approximately RMB19,234,000, RMB21,685,000 higher/lower and RMB332,000 lower/higher respectively, mainly due to certain redemption liabilities denominated in USD.

(ii) Cash flow and fair value interest rate risk

The Group has no significant interest-bearing assets and liabilities, except for cash and cash equivalents (Note 19), lease liabilities (Note 13), borrowings (Note 24) and redemption liabilities (Note 28). Those carried at floating rates expose the Group to cash flow interest rate risk whereas those carried at fixed rates expose the Group to fair value interest rate risk.

The Group's interest-rate risk mainly arises from borrowings. As at 31 December 2023, 2024 and 2025, if the Group's interest rates on borrowings obtained at floating rates had been higher/lower by 1% with all other variables held constant, loss before income tax for the year would have been approximately RMB177,000, RMB85,000 and RMB50,000 higher/lower respectively.

Management does not anticipate significant impact to interest-bearing assets resulted from the changes in interest rates, because the interest rates of bank deposits are not expected to change significantly.

3.1.2 Credit risk

Credit risk arises from cash and cash equivalents, non-current refundable deposits 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.

To manage this risk, cash and cash equivalents are mainly deposited with state-owned or reputable financial institutions in the PRC and reputable international financial institutions outside of the PRC. There has been no recent history of default in relation to these financial institutions.

For non-current refundable deposits and other receivables, management has assessed that during the years ended 31 December 2023, 2024 and 2025, non-current refundable deposits and other receivables 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.

To measure the expected credit losses, non-current refundable deposits and other receivables have been grouped based on shared credit risk characteristics and the days past due. As at 31 December 2023, 2024 and 2025, the Group has assessed that the expected loss rate for non-current refundable deposits and other receivables was immaterial. Thus no loss allowance provision for non-current refundable deposits and other receivables was recognised as at 31 December 2023, 2024 and 2025.

3.1.3 Liquidity risk

The Group aims to maintain sufficient cash and cash equivalents or have available facility through an adequate amount of available financing to meet its daily operating working capital.

The table below analyses the Group's non-derivative financial liabilities that will be settled into relevant maturity grouping based on the remaining period at each balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 31 December 2025				
Borrowings (including interest payables)	18,118	9,261	–	27,379
Trade payables *(Note 26)*	7,975	–	–	7,975
Other payables and accruals (excluding payroll and welfare payables and other taxes payables)	4,356	–	–	4,356
Lease liabilities	996	907	52	1,955
	31,445	10,168	52	41,665

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 31 December 2024				
Borrowings (including interest payables)	45,143	8,780	–	53,923
Trade payables *(Note 26)*	15,989	–	–	15,989
Other payables and accruals (excluding payroll and welfare payables and other taxes payables)	742	–	–	742
Lease liabilities	168	89	–	257
Redemption liabilities	–	1,100,618	–	1,100,618
	62,042	1,109,487	–	1,171,529

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 31 December 2023				
Borrowings (including interest payables)	35,674	15,893	8,530	60,097
Trade payables *(Note 26)*	22,956	–	–	22,956
Other payables and accruals (excluding payroll and welfare payables and other taxes payables)	1,792	–	–	1,792
Lease liabilities	1,286	240	61	1,587
Redemption liabilities	798,811	–	–	798,811
	860,519	16,133	8,591	885,243

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for owners and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to owners, issue new shares or sell assets to reduce debt.

The Group monitors capital by regularly reviewing the capital structure. As a part of this review, the Company considers the cost of capital and the risks associated with the issued paid-in capital. In the opinion of the directors of the Company, the Group's capital risk is low.

As at 31 December 2023, 2024 and 2025, the liability-to-asset ratios were as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Total liabilities	854,963	1,030,934	73,179
Total assets	96,054	132,886	227,036
Liability-to-asset ratio	890.09%	775.80%	32.23%

The liability-to-asset ratio during the Track Record Period decreased mainly due to derecognition of redemption liabilities upon termination of special rights (Note 28) and additional capital contributions from investors (Note 20, 21).

3.3 Fair value estimation

(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.

- 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.
- Level 2: The fair value of financial instruments that are not traded in an active market 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 levels 1, 2 and 3 for fair value measurements during the Track Record Period.

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments mainly include:

- Quoted market prices or dealer quotes for similar instruments; and
- Other techniques, such as Monte Carlo Simulation, used to determine fair value for the remaining financial instruments.

There were no changes in valuation techniques during the Track Record Period.

(iii) Fair value measurements using significant unobservable inputs (level 3)

As at 31 December 2023, 2024 and 2025, there is no balance of financial assets at FVPL held by the Group.

The following table presents the changes in level 3 items for the years ended 31 December 2023, 2024 and 2025:

	Financial assets at FVPL
	RMB'000
As at 1 January 2023	70,125
Acquisitions	312,000
Disposals	(382,844)
Fair value changes	719
As at 31 December 2023	–
As at 1 January 2024	–
Acquisitions	15,000
Disposals	(15,011)
Fair value changes	11
As at 31 December 2024	–
As at 1 January 2025	–
Acquisitions	231,000
Disposals	(231,485)
Fair value changes	485
As at 31 December 2025	–

The changes of financial assets at FVPL for the years ended 31 December 2023, 2024 and 2025 have been presented in Note 8.

(iv) Valuation processes

The Group's finance team manages the valuation of level 3 instruments for financial reporting purposes. The team manages the valuation exercise of the relevant instruments on a case-by-case basis. At least once a year, the team uses valuation techniques to determine the fair value of the Group's level 3 instruments. External valuers will be involved when necessary.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of Historical Financial Information 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 judgments 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.

(i) Recognition of share-based compensation expenses

As disclosed in Note 23, the Company has adopted employee incentive plans and these transactions resulted in the recognition of share-based compensation expenses. The Group measured the fair value of Restricted Share Unit ("RSU") by reference to the Company's underlying equity value at the grant or transfer date. At the end of each reporting period, the Group reassesses estimated number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in consolidated statements of comprehensive loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based compensation reserve.

(ii) Impairment of Intangible assets

Intangible assets not ready for use are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. The Group obtained in-progress patent projects through purchase for the purpose of continuing the research and development work and commercialization of the related drug candidates, which are classified as intangible assets not ready for use.

An impairment loss is recognised for the amount by which the intangible asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an intangible asset's fair value less costs of disposal and value in use. Key parameters are disclosed in Note 14.

(iii) Accrual of research and development expenses

Research and development expenses primarily include costs related to clinical trials paid to contract research organisations, clinical site management operators and clinical trial centers. The estimate of accrual of research and development expenses is complex because billing terms under contracts often do not coincide with the timing of when the work is performed, which in turn requires estimates of outstanding obligations as of each balance sheet date. These estimates are based on several factors, including management's knowledge of the research and development programs and activities associated with timelines, invoicing date, and the provisions in the contracts.

(iv) Carrying amount of redemption liabilities

The carrying amount of the redemption liabilities measured at estimated contractual cash flows is determined using valuation techniques including discount cash flow method, back-solve method and the equity allocation model. Such valuation requires the Group to make estimates of the key parameters including the discount rate, risk-free interest rate, discount for lack of marketability and expected volatility, which are subject to uncertainty. Further details are included in Note 28 to the Historical Financial Information.

5 EXPENSES BY NATURE

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Preclinical and clinical trial expenses	82,471	39,748	24,520
Employee benefit expenses *(Note 6)*	35,574	35,000	69,923
Depreciation and amortisation	2,884	2,696	1,584
Professional services expenses	1,833	1,548	2,362
Traveling expenses	1,127	1,203	1,252
Office expenses	641	333	671
Listing expenses	–	–	17,647
Other expenses	3,257	2,445	2,823
	127,787	82,973	120,782

6 EMPLOYEE BENEFIT EXPENSES

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Wages and salaries	19,629	19,186	23,844
Discretionary bonuses	1,799	2,519	4,339
Share-based compensation expenses *(Note 23)*	9,823	8,602	36,842
Social insurance *(i)*	3,189	3,587	4,214
Other welfare for employees	1,134	1,106	684
	35,574	35,000	69,923

(i) Social insurance

The employees of the Group 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 the Group and the employees 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 31 December 2023, 2024 and 2025, the Group had no forfeited contributions under these plans which may be utilised 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 contributions described above.

(ii) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include nil, 1 and 1 director for the years ended 31 December 2023, 2024 and 2025, whose emoluments are reflected in the analysis shown in Note 33. The emoluments payable to the remaining individuals during the year are as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Wages and salaries	6,037	4,872	5,317
Discretionary bonuses	667	810	1,098
Share-based compensation expenses	5,922	5,254	15,414
Social insurance	835	733	813
Other welfare for employees	112	87	18
	13,573	11,756	22,660

The emoluments fell within the following bands:

	Year ended 31 December		
	2023	2024	2025
Emolument bands			
Hong Kong Dollar ("HKD") 2,500,001 to HKD3,000,000	3	2	–
HKD3,000,001 to HKD3,500,000	1	–	–
HKD3,500,001 to HKD4,000,000	1	2	–
HKD4,000,001 to HKD4,500,000	–	–	–
HKD4,500,001 to HKD5,000,000	–	–	–
HKD5,000,001 to HKD5,500,000	–	–	1
HKD5,500,001 to HKD6,000,000	–	–	–
HKD6,000,001 to HKD6,500,000	–	–	2
HKD6,500,001 to HKD7,000,000	–	–	–
HKD7,000,001 to HKD7,500,000	–	–	1
	5	4	4

7 OTHER INCOME

A government grant is not recognised until there is reasonable assurance that the entity will comply with the conditions attaching to it, and that the grant will be received.

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Government grants	4,444	4,938	1,746
Others	75	–	–
	4,519	4,938	1,746

8 OTHER GAINS — NET

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Net fair value gains on financial assets at FVPL	719	11	485
Others	67	26	(119)
	786	37	366

9 FINANCE COSTS — NET

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Finance income			
Finance income from bank deposits	474	250	664
Finance costs			
Interest expenses on bank borrowings	(2,261)	(1,853)	(1,398)
Interest expenses on lease liabilities	(85)	(34)	(84)
Changes in carrying amount of redemption liabilities	(67,490)	(66,294)	(33,756)
	(69,836)	(68,181)	(35,238)
Finance costs – net	(69,362)	(67,931)	(34,574)

10 INCOME TAX EXPENSE

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current income tax expense	–	–	–
Deferred income tax expense	–	–	–
	–	–	–
	–	–	–
	–	–	–

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at each balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

The Group's principal applicable taxes and tax rates are as follows:

During the years ended 31 December 2023, 2024 and 2025, the enterprise income tax rate applicable to the Company and TenNor Therapeutics (Zhongshan) Limited ("TenNor Zhongshan"), subsidiaries of the Company, was 25%, and to TenNor Therapeutics Technology (Shanghai) Limited ("TenNor Shanghai"), subsidiaries of the Company, was 20%.

Pursuant to the Announcement of the Ministry of Finance and the State Taxation Administration on Relevant Tax and Fee Policies With Respect to Further Supporting the Development of Small and Micro Enterprises and Individual Businesses (Cai Shui Announcement [2023] No. 12), TenNor Shanghai is qualified for a preferential income tax rate of 20% during the Track Record Period.

According to a policy promulgated by the State Tax Bureau of the PRC and effective from 2018 onwards, enterprises engaged in research and development activities are entitled to claim an additional tax deduction amounting to 75% of the qualified research and development expenses incurred in determining its tax assessable profits for that year. Starting from March 2021, the additional deduction ratio increased to 100% for manufacturing industry. Starting from 1 October 2022, the additional deduction ratio was increased to 100% for other industries.

TenNor Therapeutics, Inc. ("TenNor US"), a direct subsidiary of the Company, incorporated in New Jersey, the United States of America (the "USA") is subject to federal income tax at 21% and state and local income tax at 9% (an incentive tax rate of 6.5% or 7.5% is applied for corporations with entire net income not exceeding USD50,000 or USD100,000) where it has operation. TenNor US did not generate any taxable income for the Track Record Period, therefore no income tax expense was provided.

TenNor Therapeutics HK Limited ("TenNor HK"), an indirect subsidiary of the Company and limited company registered in Hong Kong, is subject to Hong Kong profits tax on its assessable profits generated from operations in Hong Kong at two-tiered profits tax rates, 8.25% for first 2 million HKD of assessable profits and 16.5% for assessable profits above 2 million HKD. TenNor HK did not generate any assessable profits for the Track Record Period, therefore no Hong Kong profits tax was provided.

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the statutory tax rate applicable to loss of the consolidated entities as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Loss before income tax	(191,844)	(145,929)	(153,244)
Income tax expenses calculated at statutory tax rate of 25% in Chinese Mainland	(47,961)	(36,482)	(38,311)
Effect of different tax rates available to different jurisdictions and preferential tax rates	57	882	41
Additional deduction of research and development expense	(24,512)	(13,899)	(8,729)
Expenses not deductible for tax purposes	16,942	16,634	8,516
Deductible temporary differences for which no deferred tax asset was recognised	2,946	2,151	9,362
Tax losses for which no deferred income tax asset was recognised	52,528	30,714	29,121
Income tax expense	–	–	–

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Expiry year			
2024	9,660	–	–
2025	10,036	10,036	10,036
2026	17,739	17,739	17,739
2027	30,967	30,967	30,967
2028	22,301	22,301	22,301
2029	46,270	54,897	54,897
2030	41,873	41,873	77,186
2031	105,806	105,806	105,806
2032	166,269	166,269	166,269
2033	209,515	209,515	209,515
2034	–	118,492	118,492
2035	–	–	81,271
2042	55	55	55
2043	351	351	351
2044	–	106	106
	660,842	778,407	894,991

Deductible tax losses of TenNor HK have no expiry date.

11 LOSS PER SHARE

(i) Basic loss per share

Basic loss per share is calculated by dividing the loss of the Group attributable to the owners of the Company by weighted average number of ordinary shares for the purpose of basic loss per share during the Track Record Period.

	Year ended 31 December		
	2023	2024	2025
Loss attributable to the owners of the Company (RMB'000)	(191,844)	(145,929)	(153,244)
Weighted average number of ordinary shares for the purpose of basic loss per share (in thousands)	36,955	37,523	39,854
Basic loss per share (RMB)	(5.19)	(3.89)	(3.85)

On 27 June 2025, the Company was converted into a joint stock company with limited liability, 41,199,517 ordinary shares at RMB1.0 each were issued and allotted to the then owners of the Company in proportion to their paid-in capital to the Company on that day. This capitalisation of share capital is applied retrospectively for the purpose of calculating basic loss per share, as adjusted for the paid-in capital by the then owners and the number of ordinary shares.

(ii) Diluted loss per share

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares for the purpose of basic loss per share to assume conversion of all dilutive potential shares.

As the Group incurred loss for the years ended 31 December 2023, 2024 and 2025, the dilutive potential shares, namely the restricted share units (Note 23) and the redemption liabilities on capital contributions (Note 28) had an anti-dilutive effect on the basic loss per share amounts presented. Accordingly, diluted loss per share for the years ended 31 December 2023, 2024 and 2025 are the same as basic loss per share.

12 PROPERTY, PLANT AND EQUIPMENT

Accounting policy for property, plant and equipment

(i) Recognition and subsequent measurement

Property, plant and equipment, comprising office equipment, transportation vehicles, electronic equipment, laboratory equipment and leasehold improvements are stated at historical cost less depreciation and impairment losses, if any. 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 Track Record 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 as follows:

	Estimated useful lives
Office equipment	5 years
Transportation vehicles	5 years
Electronic equipment	2-3 years
Laboratory equipment	3-5 years
Leasehold improvements	Estimated useful lives or remaining lease terms, whichever is shorter

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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 the consolidated statement of comprehensive loss.

(ii) Impairment

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 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. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each balance sheet date.

The Group

	Office equipment	Transportation vehicles	Electronic equipment	Laboratory equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2023						
Cost	134	282	730	2,796	3,661	7,603
Accumulated depreciation	(108)	(269)	(540)	(1,167)	(1,521)	(3,605)
Net book amount	26	13	190	1,629	2,140	3,998
Year ended 31 December 2023						
Opening net book amount	26	13	190	1,629	2,140	3,998
Additions	–	–	86	112	150	348
Depreciation charge	(4)	–	(84)	(336)	(1,178)	(1,602)
Closing net book amount	22	13	192	1,405	1,112	2,744
As at 31 December 2023						
Cost	134	282	816	2,908	3,811	7,951
Accumulated depreciation	(112)	(269)	(624)	(1,503)	(2,699)	(5,207)
Net book amount	22	13	192	1,405	1,112	2,744
As at 1 January 2024						
Cost	134	282	816	2,908	3,811	7,951
Accumulated depreciation	(112)	(269)	(624)	(1,503)	(2,699)	(5,207)
Net book amount	22	13	192	1,405	1,112	2,744
Year ended 31 December 2024						
Opening net book amount	22	13	192	1,405	1,112	2,744
Additions	–	–	63	23	94	180
Disposals	(5)	–	(2)	(13)	–	(20)
Depreciation charge	(4)	–	(103)	(332)	(1,150)	(1,589)
Closing net book amount	13	13	150	1,083	56	1,315
As at 31 December 2024						
Cost	36	282	839	2,652	3,905	7,714
Accumulated depreciation	(23)	(269)	(689)	(1,569)	(3,849)	(6,399)
Net book amount	13	13	150	1,083	56	1,315
As at 1 January 2025						
Cost	36	282	839	2,652	3,905	7,714
Accumulated depreciation	(23)	(269)	(689)	(1,569)	(3,849)	(6,399)
Net book amount	13	13	150	1,083	56	1,315
Year ended 31 December 2025						
Opening net book amount	13	13	150	1,083	56	1,315
Additions	–	–	187	12	–	199
Disposals	–	–	(5)	(8)	–	(13)
Depreciation charge	(4)	–	(100)	(335)	(56)	(495)
Closing net book amount	9	13	232	752	–	1,006
As at 31 December 2025						
Cost	36	282	845	2,598	3,905	7,666
Accumulated depreciation	(27)	(269)	(613)	(1,846)	(3,905)	(6,660)
Net book amount	9	13	232	752	–	1,006

Depreciation of the Group charged to consolidated statements of comprehensive loss is analysed as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Administrative expenses	1,090	1,040	137
Research and development expenses	512	549	358
	1,602	1,589	495

The Company

	Office equipment	Transportation vehicles	Electronic equipment	Laboratory equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2023						
Cost	134	282	730	2,796	3,661	7,603
Accumulated depreciation	(108)	(269)	(540)	(1,167)	(1,521)	(3,605)
Net book amount	26	13	190	1,629	2,140	3,998
Year ended 31 December 2023						
Opening net book amount	26	13	190	1,629	2,140	3,998
Additions	–	–	86	112	150	348
Depreciation charge	(4)	–	(84)	(336)	(1,178)	(1,602)
Closing net book amount	22	13	192	1,405	1,112	2,744
As at 31 December 2023						
Cost	134	282	816	2,908	3,811	7,951
Accumulated depreciation	(112)	(269)	(624)	(1,503)	(2,699)	(5,207)
Net book amount	22	13	192	1,405	1,112	2,744
As at 1 January 2024						
Cost	134	282	816	2,908	3,811	7,951
Accumulated depreciation	(112)	(269)	(624)	(1,503)	(2,699)	(5,207)
Net book amount	22	13	192	1,405	1,112	2,744
Year ended 31 December 2024						
Opening net book amount	22	13	192	1,405	1,112	2,744
Additions	–	–	54	23	94	171
Disposals	(5)	–	(2)	(13)	–	(20)
Depreciation charge	(4)	–	(103)	(332)	(1,150)	(1,589)
Closing net book amount	13	13	141	1,083	56	1,306
As at 31 December 2024						
Cost	36	282	830	2,652	3,905	7,705
Accumulated depreciation	(23)	(269)	(689)	(1,569)	(3,849)	(6,399)
Net book amount	13	13	141	1,083	56	1,306
As at 1 January 2025						
Cost	36	282	830	2,652	3,905	7,705
Accumulated depreciation	(23)	(269)	(689)	(1,569)	(3,849)	(6,399)
Net book amount	13	13	141	1,083	56	1,306
Year ended 31 December 2025						
Opening net book amount	13	13	141	1,083	56	1,306
Additions	–	–	187	12	–	199
Disposals	–	–	(5)	(8)	–	(13)
Depreciation charge	(4)	–	(97)	(335)	(56)	(492)
Closing net book amount	9	13	226	752	–	1,000
As at 31 December 2025						
Cost	36	282	836	2,598	3,905	7,657
Accumulated depreciation	(27)	(269)	(610)	(1,846)	(3,905)	(6,657)
Net book amount	9	13	226	752	–	1,000

13 LEASES

The Group has lease contracts for various items of offices and laboratory and electronic equipment used in its operations. Leases of offices and laboratory and electronic equipment generally have lease terms between 2 and 3 years.

The Group

(i) Amounts recognised in the consolidated balance sheets:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Right-of-use assets			
Offices and laboratory	1,472	227	1,804
Electronic equipment	49	29	56
	1,521	256	1,860
Lease liabilities			
Current	1,244	161	943
Non-current	227	88	939
	1,471	249	1,882

Additions to the right-of-use assets during the years ended 31 December 2023, 2024 and 2025 were approximately RMB275,000, RMB75,000 and RMB2,573,000 respectively.

(ii) Amounts recognised in the consolidated statement of comprehensive loss

The consolidated statements of comprehensive loss contain the following amounts relating to leases:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Depreciation charge of right-to-use assets			
Offices and laboratory	1,174	989	954
Electronic equipment	20	16	14
	1,194	1,005	968
Interest expenses	85	34	84
Expenses relating to short-term leases (included in administrative expenses and research and development expenses)	–	2	82

The total cash outflow for leases for the years ended 31 December 2023, 2024 and 2025 were approximately RMB1,418,000, RMB974,000, and RMB1,106,000 respectively.

The Company

(i) Amounts recognised in the consolidated balance sheets:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Right-of-use assets			
Offices and laboratory	1,472	192	1,790
Electronic equipment	49	29	56
	1,521	221	1,846
Lease liabilities			
Current	1,244	142	928
Non-current	227	72	939
	1,471	214	1,867

14 INTANGIBLE ASSETS

Accounting policy for intangible assets

(i) Recognition and subsequent measurement

(a) Software

Computer software is recognised at historical cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. The Group amortised on a straight-line basis over their estimated useful lives of 3-10 years.

(b) In-progress patent projects

In-progress patent projects comprised of TNP-2092 and TNP-2198 related patent projects purchased from the former holding company of the Company, TenNor Therapeutics Limited ("TenNor Therapeutics"), at a consideration of USD3,925,000, equivalent to approximately RMB25,141,000, in September 2021.

In-progress patent projects are amortised on the straight-line basis over their estimated useful lives from the time when they are ready for their intended use.

(c) Research and development

The Group incurs significant costs and efforts on research and development activities. Research expenditures are charged to the profit or loss as an expense in the period the expenditures are incurred. Development costs are recognised as assets if they can be directly attributable to a newly developed drug candidate and all the following can be demonstrated:

- the technical feasibility of completing the intangible assets so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible assets;
- the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The cost of an internally generated intangible asset is the sum of the expenditures incurred from the date the asset meets the recognition criteria above to the date when it is available for use. The costs capitalised in connection with the intangible asset include costs of materials and services used or consumed, employee costs incurred in the creation of the asset and an appropriate portion of relevant overheads. The Group generally considers capitalisation criteria for internally generated intangible assets is met when obtaining regulatory approval of new drug license.

Capitalised development expenditures are amortised using a straight-line method over the life of the related drug candidates. Amortisation shall begin when the asset is available for use. Subsequent to initial recognition, internally generated intangible assets are reported as cost less accumulated amortisation and accumulated impairment losses (if any).

Development expenditures not satisfying the above criteria are recognised in the profit or loss as incurred and development expenditures previously recognised as an expense are not recognised as an asset in a subsequent period.

(ii) Impairment

Intangible assets that have an indefinite useful life or not yet available for their intended use are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. 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. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each balance sheet date.

The Group and the Company

	In-progress patent projects	Software	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2023			
Cost	25,141	338	25,479
Accumulated amortisation	–	(73)	(73)
Net book amount	25,141	265	25,406
Year ended 31 December 2023			
Opening net book amount	25,141	265	25,406
Additions	–	104	104
Amortisation charge	–	(88)	(88)
Closing net book amount	25,141	281	25,422
As at 31 December 2023			
Cost	25,141	442	25,583
Accumulated amortisation	–	(161)	(161)
Net book amount	25,141	281	25,422
Year ended 31 December 2024			
Opening net book amount	25,141	281	25,422
Amortisation charge	–	(102)	(102)
Closing net book amount	25,141	179	25,320
As at 31 December 2024			
Cost	25,141	442	25,583
Accumulated amortisation	–	(263)	(263)
Net book amount	25,141	179	25,320
Year ended 31 December 2025			
Opening net book amount	25,141	179	25,320
Additions	–	202	202
Amortisation charge	–	(121)	(121)
Closing net book amount	25,141	260	25,401
As at 31 December 2025			
Cost	25,141	644	25,785
Accumulated amortisation	–	(384)	(384)
Net book amount	25,141	260	25,401

The intangible assets related to three in-progress patent projects which are not ready for use and the Group is continuing research and development work of the related drug candidates derived from three in-progress patent projects. The impairment tests were performed for the intangible assets related to the three in-progress patent projects on a drug candidate level by engaging an independent valuer to estimate fair value less cost to sell as the recoverable amount of each drug candidate. The fair values were based on the multi-period excess earning method plus decision tree model and the Group estimated the forecast of profit for each drug candidate based on the timing of clinical development and regulatory approval, commercial ramp up to reach expected peak revenue potential, and the length of exclusivity. The discount rates used are post-tax and reflected specific risks relating to each drug candidate.

The level of fair value hierarchy within the fair value measurements is categorised at level 3. The key parameters used for recoverable amount calculations are as below:

TNP-2198	As at 31 December		
	2023	2024	2025
Post-tax discount rate	14.90%	14.00%	14.20%
Revenue growth rate	9.18% to 335.02%	9.18% to 335.02%	6.22% to 406.68%
Recoverable amount (in RMB'000)	376,000	574,000	646,000

TNP-2092-Injection

	As at 31 December		
	2023	2024	2025
Post-tax discount rate	14.90%	14.00%	14.20%
Revenue growth rate	9.56% to 160.55%	9.56% to 160.55%	18.28% to 1,740.68%
Recoverable amount (in RMB'000)	493,000	991,000	699,000

TNP-2092-Oral

	As at 31 December		
	2023	2024	2025
Post-tax discount rate	14.90%	14.00%	14.20%
Revenue growth rate	10.59% to 491.72%	10.59% to 491.72%	10.66% to 481.44%
Recoverable amount (in RMB'000)	561,000	687,000	712,000

Impairment test-sensitivity

The Company performed sensitivity test by increasing 1 percentage point of post-tax discount rate or decreasing 5 percentage point of revenue growth rate, which management considers are the key parameters in determining the recoverable amount of each drug candidate, with all other variables held constant:

TNP-2198

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Headroom	371,754	569,754	641,754
Impact by increasing post-tax discount rate	(28,000)	(42,000)	(36,000)
Impact by decreasing revenue growth rate	(80,000)	(121,000)	(106,000)

TNP-2092-Injection

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Headroom	480,653	978,653	686,653
Impact by increasing post-tax discount rate	(26,000)	(50,000)	(44,000)
Impact by decreasing revenue growth rate	(85,000)	(166,000)	(140,000)

TNP-2092-Oral

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Headroom	552,452	678,452	703,452
Impact by increasing post-tax discount rate	(33,000)	(39,000)	(33,000)
Impact by decreasing revenue growth rate	(88,000)	(104,000)	(91,000)

Considering there was still sufficient headroom based on the assessment, management believes that a reasonably possible change in any of the key parameters on which management has based its determination of each drug candidate's recoverable amount would not cause its carrying amount to exceed its recoverable amount. Based on the result of the above assessment, there was no impairment for the in-progress patent projects as at 31 December 2023, 2024 and 2025.

15 OTHER NON-CURRENT ASSETS

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Value-added tax recoverable	2,404	3,190	6,551
Non-current refundable deposits	320	876	873
	2,724	4,066	7,424

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Value-added tax recoverable	2,404	3,010	5,252
Non-current refundable deposits	320	248	248
	2,724	3,258	5,500

16 DEFERRED INCOME TAX ASSETS AND LIABILITIES

The Group

Deferred tax assets are recognised to the extent of deferred tax liabilities and are offset when there is a legally enforceable right of offsetting and when the deferred income taxes relate to the same authority.

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Deferred income tax assets			
to be recovered within 12 months	253	39	236
to be recovered after 12 months	128	25	229
	381	64	465
Offset by deferred income tax liabilities	(381)	(64)	(465)
Net deferred income tax assets	–	–	–

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Deferred income tax liabilities			
to be recovered within 12 months	253	39	236
to be recovered after 12 months	128	25	229
	381	64	465
Offset by deferred income tax assets	(381)	(64)	(465)
Net deferred income tax liabilities	–	–	–

Deferred income tax assets	Tax losses	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2023	9	632	641
Credited/(charged) to the consolidated statements of comprehensive loss	4	(264)	(260)
As at 31 December 2023 and 1 January 2024	13	368	381
Charged to the consolidated statements of comprehensive loss	(11)	(306)	(317)
As at 31 December 2024 and 1 January 2025	2	62	64
(Charged)/credited to the consolidated statements of comprehensive loss	(2)	403	401
As at 31 December 2025	–	465	465

Deferred income tax liabilities	Fair value changes on financial assets at FVPL	Right-of-use assets	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2023	31	610	641
Credited to the consolidated statements of comprehensive loss	(31)	(229)	(260)
As at 31 December 2023 and 1 January 2024	–	381	381
Credited to the consolidated statements of comprehensive loss	–	(317)	(317)
As at 31 December 2024 and 1 January 2025	–	64	64
Charged to the consolidated statements of comprehensive loss	–	401	401
As at 31 December 2025	–	465	465

17 FINANCIAL INSTRUMENTS BY CATEGORY

The fair value of cash and cash equivalents, trade receivables, other receivables, other non-current assets (excluding value-added tax recoverable), other payables and accruals (excluding payroll and welfare payables and other taxes payables), current portion of borrowings and lease liabilities approximated their carrying amounts due to their short maturities or interest bearing. The fair value of non-current portion of borrowings and lease liabilities, non-current liabilities and redemption liabilities were assessed not to be significantly different from their carrying amounts by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Financial assets at amortised cost			
Cash and cash equivalents	58,112	97,818	183,765
Other receivables	2,309	2,774	7
Other non-current assets (excluding value-added tax recoverable)	320	876	873
	60,741	101,468	184,645
Financial liabilities at amortised cost			
Borrowings	57,947	52,775	26,772
Trade payables	22,956	15,989	7,975
Accruals and other payables (excluding payroll and welfare payables and other taxes payables)	1,792	742	4,356
Lease liabilities	1,471	249	1,882
Redemption liabilities	766,897	931,501	–
Other non-current liabilities	1	25,000	25,000
	851,064	1,026,256	65,985

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Financial assets at amortised cost			
Cash and cash equivalents	57,764	52,545	59,251
Trade receivables	–	–	1,496
Other receivables	2,498	2,784	1
Other non-current assets (excluding value-added tax recoverable)	320	248	248
	60,582	55,577	60,996
Financial liabilities at amortised cost			
Borrowings	57,947	52,775	26,772
Trade payables	22,956	15,528	6,598
Accruals and other payables (excluding payroll and welfare payables and other taxes payables)	1,791	742	4,341
Lease liabilities	1,471	214	1,867
Redemption liabilities	766,897	931,501	–
Other non-current liabilities	1	25,000	25,000
	851,063	1,025,760	64,578

18 PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

Prepayments mainly represent upfront cash payments made to testing companies. Prepayments to testing companies will be subsequently recorded as research and development expenses in accordance with the applicable performance requirements.

Prepayments are generally due for settlement within one year or less and therefore are all classified as current assets.

Other assets represent deferred listing expenses that are expected to deduct from equity in the future.

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments			
– to suppliers	1,980	848	3,655
– to related parties *(Note 32)*	1,242	489	152
	3,222	1,337	3,807
Other receivables			
– due from related parties *(Note 32)*	2,265	2,306	7
– refundable deposits	17	72	–
– others	27	396	–
	2,309	2,774	7
Less: provision for impairment	–	–	–
	2,309	2,774	7
Deferred listing expenses	–	–	3,766
Total	5,531	4,111	7,580

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments			
– to suppliers	1,968	597	2,673
– to related parties	1,242	489	152
	3,210	1,086	2,825
Other receivables			
– due from related parties	2,265	2,302	–
– due from subsidiaries *(i)*	1,807	1,816	2,052
– refundable deposits	–	72	–
– others	27	395	–
	4,099	4,585	2,052
Less: provision for impairment of amounts due from subsidiaries	(1,601)	(1,801)	(2,051)
	2,498	2,784	1
Deferred listing expenses	–	–	3,766
Total	5,708	3,870	6,592

(i) Amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

19 CASH AND CASH EQUIVALENTS

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash in bank and on hand *(i)*	58,112	97,818	183,765

(i) All cash in bank are deposits with original maturity within 3 months. The Group earns interest on cash in bank.

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash in bank and on hand are denominated in:			
RMB	57,799	97,605	183,571
USD	313	213	194
	58,112	97,818	183,765

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash in bank and on hand *(i)*	57,764	52,545	59,251

(i) All cash in bank are deposits with original maturity within 3 months. The Company earns interest on cash in bank.

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash in bank and on hand are denominated in:			
RMB	57,761	52,542	59,248
USD	3	3	3
	57,764	52,545	59,251

20 PAID-IN CAPITAL

The Group and the Company

	Registered capital in issue	Paid-in Capital
	USD	*RMB'000*
As at 1 January 2023 and 31 December 2023 and 1 January 2024	5,660,398	36,582
Capital contributions from Series E1 Investors *(i)*	325,072	2,287
As at 31 December 2024 and 1 January 2025	5,985,470	38,869
Capital contributions from Series E2 Investors *(i)*	325,072	2,331
Conversion into a joint stock limited company *(ii)*	(6,310,542)	(41,200)
As at 31 December 2025	–	–

(i) In September 2024, the Company entered into an investment agreement with several investors, pursuant to which total registered capital of USD975,215 (equivalent to approximately RMB6,367,000) of the Company was subscribed with a total consideration of approximately RMB294,930,000 in three equal installments.

The first tranche of capital contributions of approximately RMB98,310,000 were received by the Company in September and October 2024 upon satisfaction of the preconditions, with approximately USD325,072 (equivalent to RMB2,287,000) and approximately RMB94,207,000 (after deducting transaction cost of approximately RMB1,816,000) credited to the Company's paid-in capital and capital reserves, respectively (Note 22).

The second tranche of capital contributions of approximately RMB98,310,000 were received by the Company in February 2025 upon satisfaction of the preconditions, with USD325,072 (equivalent to approximately RMB2,331,000) and RMB95,657,000 (after deducting transaction cost of approximately RMB322,000) credited to the Company's paid-in capital and capital reserves, respectively (Note 22).

(ii) Pursuant to the shareholders' resolutions dated 23 May 2025, the then existing owners of the Company approved the conversion of the Company into a joint stock company with limited liability with 41,199,517 shares in a par value of RMB1.0 each. The net assets of the Company as of 31 March 2025 were converted to 41,199,517 ordinary shares at RMB1.0 each and issued to the then owners of the Company in proportion to their paid-in capital to the Company on that day, with the remaining amount RMB43,674,000 converted into share premium.

21 SHARE CAPITAL

The Group and the Company

	Number of shares	Share Capital
		RMB'000
As at 1 January 2025	–	–
Conversion into a joint stock limited company *(Note 20(ii))*	41,199,517	41,200
Capital contributions from Series E3 Investors *(i)*	2,273,409	2,273
As at 31 December 2025	43,472,926	43,473

(i) Refer to Note 20(i), the third tranche of capital contributions of approximately RMB98,310,000 were received by the Company in July 2025 upon satisfaction of the preconditions, with approximately RMB2,122,000 and RMB95,716,000 (after deducting transaction cost of approximately RMB472,000) credited to the Company's share capital and share premium, respectively.

Pursuant to the shareholders' resolutions dated 8 July 2025, the then existing shareholders of the Company approved the investment agreement with an investor, of which 151,114 shares at RMB1.0 each of the Company was subscribed for a total consideration of approximately RMB7,000,000 received in July 2025, with approximately RMB151,000 and RMB6,849,000 credited to the Company's share capital and share premium, respectively.

22 RESERVES

The Group

	Translation reserve	Share-based compensation	Capital reserves	Share premium	Accumulated losses	Treasury stock	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2023	47	152,191	372,536	–	(591,829)	(546,423)	(613,478)
Exchange differences on translation	8	–	–	–	–	–	8
Share-based compensation *(Note 23)*	–	9,823	–	–	–	–	9,823
Loss for the year	–	–	–	–	(191,844)	–	(191,844)
As at 31 December 2023	55	162,014	372,536	–	(783,673)	(546,423)	(795,491)
As at 1 January 2024	55	162,014	372,536	–	(783,673)	(546,423)	(795,491)
Capital contributions from Series E1 Investors	–	–	94,207	–	–	–	94,207
Recognition of redemption liabilities of Series E1 Investors *(i)*	–	–	–	–	–	(98,310)	(98,310)
Exchange differences on translation	4	–	–	–	–	–	4
Share-based compensation *(Note 23)*	–	8,602	–	–	–	–	8,602
Loss for the year	–	–	–	–	(145,929)	–	(145,929)
As at 31 December 2024	59	170,616	466,743	–	(929,602)	(644,733)	(936,917)
As at 1 January 2025	59	170,616	466,743	–	(929,602)	(644,733)	(936,917)
Capital contributions from Series E2 Investors	–	–	95,657	–	–	–	95,657
Recognition of redemption liabilities of Series E2 Investors *(i)*	–	–	–	–	–	(98,310)	(98,310)
Derecognition of redemption liabilities upon termination of special rights *(i)*	–	–	320,524	–	–	743,043	1,063,567
Conversion into a joint stock company *(Note 21)*	–	(131,500)	(882,924)	43,674	970,750	–	–
Capital contributions from Series E3 Investors	–	–	–	102,565	–	–	102,565
Exchange differences on translation	(15)	–	–	–	–	–	(15)
Share-based compensation *(Note 23)*	–	29,809	–	7,033	–	–	36,842
Loss for the year	–	–	–	–	(153,244)	–	(153,244)
Acquisition of a subsidiary	–	–	239	–	–	–	239
As at 31 December 2025	44	68,925	239	153,272	(112,096)	–	110,384

(i) Treasury stock is recorded to reflect the carrying amount of redemption liabilities when redemption liabilities are initially reclassified from equity, and will be reversed when redemption liabilities are derecognised upon when the Group's obligations in connection with redemption liabilities are discharged, cancelled or have expired, which will then be reclassified back to equity. Details of redemption liabilities at amortised cost have been set out in Note 28. The Group recorded treasury stock to reflect the carrying amount of redemption liabilities at the date of issuance of the series of financing from investors with redemption rights. As at 22 May 2025, the Company's obligations in respect of redemption rights and liquidation preferences under deemed liquidation events ceased to be effective pursuant to a supplemental agreement entered into by the Company with, among others, the then investors with special rights of the Company.

The Company

	Share-based compensation	Capital reserves	Share premium	Accumulated losses	Treasury stock	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2023	152,191	372,536	–	(591,875)	(546,423)	(613,571)
Share-based compensation *(Note 23)*	9,823	–	–	–	–	9,823
Loss for the year	–	–	–	(191,266)	–	(191,266)
As at 31 December 2023	162,014	372,536	–	(783,141)	(546,423)	(795,014)
As at 1 January 2024	162,014	372,536	–	(783,141)	(546,423)	(795,014)
Capital contributions from Series E1 Investors	–	94,207	–	–	–	94,207
Recognition of redemption liabilities of Series E1 Investors	–	–	–	–	(98,310)	(98,310)
Share-based compensation *(Note 23)*	8,602	–	–	–	–	8,602
Loss for the year	–	–	–	(141,601)	–	(141,601)
As at 31 December 2024	170,616	466,743	–	(924,742)	(644,733)	(932,116)
As at 1 January 2025	170,616	466,743	–	(924,742)	(644,733)	(932,116)
Capital contributions from Series E2 Investors	–	95,657	–	–	–	95,657
Recognition of redemption liabilities of Series E2 Investors	–	–	–	–	(98,310)	(98,310)
Derecognition of redemption liabilities upon termination of special rights	–	320,524	–	–	743,043	1,063,567
Conversion into a joint stock company	(131,500)	(882,924)	43,674	970,750	–	–
Capital contributions from Series E3 Investors	–	–	102,565	–	–	102,565
Share-based compensation *(Note 23)*	29,809	–	7,033	–	–	36,842
Loss for the year	–	–	–	(131,584)	–	(131,584)
As at 31 December 2025	68,925	–	153,272	(85,576)	–	136,621

23 SHARE-BASED COMPENSATION

Accounting policy for share-based compensation

The Company operates employee incentive plans. Employees, directors and consultants of the Group (the "eligible participants") receive remuneration in the form of share-based payments, whereby the eligible participants render services in exchange for equity instruments. Employee benefits expense is recognised by reference to the fair value of RSUs granted or transferred to the eligible participants, together with a corresponding increase in equity in the share-based compensation reserves.

The total amount to be expensed is determined by reference to the fair value of RSUs granted or transferred:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions; and
- 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 RSUs that are expected to vest based on the service conditions. The Group recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Where there is any modification of terms and conditions in a manner that is beneficial to the employee, for example, by reducing the vesting period, the modification is taken into account when considering the estimate of the number of equity instruments expected to vest, but does not impact the measurement of the value of each instrument. The modification is accounted for retrospectively, the cumulative expense is 'trued up' at the modification date, to reflect the best estimate of awards expected to vest as of that date.

(i) RSU schemes

The Company operates a 2021 batch 1 RSU scheme and 2021 batch 2 RSU scheme (together, the "RSU schemes"), which were adopted pursuant to board resolutions passed in August 2021 and December 2021 respectively, for the purpose of providing incentives and rewards to the eligible participants who contribute to the success of the Group's operations.

Suzhou Danyuan Kangnuo Enterprise Management Partnership (Limited Partnership) (蘇州丹源康諾企業管理合夥企業(有限合夥)) (formerly known as "Shanghai Danyuan Kangnuo Enterprise Management Partnership (Limited Partnership)", "Danyuan Kangnuo"), Suzhou Danyuan Nuokang Consulting Management Partnership (Limited Partnership) (蘇州丹源諾康諮詢管理合夥企業(有限合夥)) (formerly known as "Shanghai Danyuan Nuokang Consulting Management Partnership (Limited Partnership)", "Danyuan Nuokang") and Suzhou Danyuan Aonuo Consulting Management Partnership (Limited Partnership) (蘇州丹源奧諾諮詢管理合夥企業(有限合夥)) (formerly known as "Shanghai Danyuan Aonuo Consulting Management Partnership (Limited Partnership)", "Danyuan Aonuo") (collectively referred to as the "ESOP platforms") were incorporated in the PRC under the Company Law of the PRC to hold the Company's share capital of approximately RMB4,540,000 to implement the RSU schemes. Under the RSU schemes, eligible participants shall subscribe for partnership interests of ESOP platforms at a consideration ranging from RMB0.02 to RMB1.05 for each RSU (ordinary shares at RMB1.0 each) and indirectly hold the share capital of the Company.

Pursuant to original RSU schemes, the RSUs granted shall be vested immediately or on the third anniversary date upon the successful listing of the Company. Upon the approval of the board' resolutions on 11 July 2025, the Company resolved to modify the RSU schemes to be vested upon the first anniversary date after the successful listing of the Company. If the eligible participants terminate their relationships with the Group within the vesting period, the executive partner of ESOP platforms who is one of the directors of the Company, or a third party designated by the executive partner shall buy back the unvested RSUs at the lower of original consideration plus the contractually agreed interests and fair value of such RSUs. Any RSUs forfeited by departing eligible participants will be regranted to eligible participants and the fair value of the new granted RSUs was determined based on the underlying equity value of the Group nearest the new granted date.

Details of the RSUs granted or transferred under the RSU schemes as of 31 December 2025 are as follows:

Grant date	Number of RSUs (ordinary shares) vested/ outstanding*	Grantee	Vesting schedule defined in contract term	Exercise price per RSU*	Fair value at grant date per RSU*
				(RMB)	*(RMB)*
August 2021	810,158	director	100% vested on grant date	0.15	45.42
August 2021	1,253,651	employees and consultants	vested on the first anniversary date upon the successful listing of the Company	0.02~0.15	45.42
March 2022	1,577,625	director	100% vested on grant date	0.99	45.42
March 2022	185,552	employees	vested on the first anniversary date upon the successful listing of the Company	0.99	45.42
July 2023	257,054	employees	vested on the first anniversary date upon the successful listing of the Company	1.00	47.93
January 2025	273,088	employees	vested on the first anniversary date upon the successful listing of the Company	0.99	46.39
July 2025	279,108	employees	vested on the first anniversary date upon the successful listing of the Company	0.15~0.99	46.47
October 2025	154,625	director	100% vested on grant date	0.99	46.47

* The quantity/amount was calculated based on the conversion ratio used to convert the paid-in capital (USD) into shares (RMB) upon the company's conversion to a joint stock company.

Set out below are the movement in the number of outstanding RSUs during the Track Record Period:

	Number of RSUs (ordinary shares) outstanding
As at 1 January 2023	2,152,460
Granted	257,054
Forfeited	(309,042)
As at 31 December 2023	2,100,472
As at 1 January 2024	2,100,472
Granted	–
Forfeited	(249,591)
As at 31 December 2024	1,850,881
As at 1 January 2025	1,850,881
Granted	706,821
Forfeited	(154,625)
As at 31 December 2025	2,403,077

In July 2023, January 2025, July 2025 and October 2025, 257,054 RSUs, 273,088 RSUs, 279,108 RSUs and 154,625 RSUs of the Company were granted to the eligible participants at a consideration of RMB1.00 per share, RMB0.99 per share, RMB0.15 to RMB0.99 per share and RMB0.99 per share, respectively through ESOP platforms. Certain eligible participants ceased to be employed by the Group during the years ended 31 December 2023, 2024 and 2025, 309,042 RSUs, 249,591 RSUs and 154,625 RSUs were forfeited and repurchased by executive partner of the ESOP platforms at the price initially paid for the RSUs with an agreed interest.

(ii) Fair value of RSUs granted

The fair value of services received in return for RSU is measured by reference to the fair value of the RSUs at the grant or transfer date. The fair value of each RSU was determined by the underlying equity value of the Group using discount cash flow method and back-solve method with further details included in Note 28.

(iii) Expenses arising from share-based compensation

Expenses for the share-based compensation have been charged to the consolidated statements of comprehensive loss as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Research and development expenses	5,689	8,703	24,008
Administrative expenses	4,134	(101)	12,834
	9,823	8,602	36,842

24 BORROWINGS

The Group and the Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Bank borrowings included in non-current liabilities			
Bank borrowings – unsecured and unguaranteed	42,932	28,254	18,266
Less: long-term borrowings due within one year	(19,207)	(19,504)	(9,166)
	23,725	8,750	9,100
Bank borrowings included in current liabilities			
Long-term borrowings due within one year – unsecured and unguaranteed	19,207	19,504	9,166
Bank Borrowings – unsecured and unguaranteed	15,015	24,521	8,506
	34,222	44,025	17,672

As at 31 December 2023, 2024 and 2025, the range of interest rate of borrowings was from 3.25% to 4.35%, 2.90% to 3.65% and 2.70% to 3.65% respectively.

25 OTHER NON-CURRENT LIABILITIES

The Group and the Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Exclusive upfront fees *(i)*	–	25,000	25,000
Others	1	–	–
	1	25,000	25,000

(i) In November 2024, the Group entered into an exclusive commercialization collaboration agreement with Grand Life Sciences Group Limited ("Grand Life"), pursuant to which, Grand Life paid RMB25,000,000 to the Group as the first installment of milestone payments to exclusively commercialize the Group's drug candidate. The first installment payment was recognised as prepaid upfront fees and will be amortised over the term of the collaboration agreement in profit or loss.

26 TRADE PAYABLES

The Group

As at 31 December 2023, 2024 and 2025, the ageing analysis of the Group's trade payables based on recognition date is as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
within 1 year	22,956	13,348	6,350
1-2 years	–	2,641	1,256
2-3 year	–	–	369
	22,956	15,989	7,975

The Company

As at 31 December 2023, 2024 and 2025, the ageing analysis of the Company's trade payables based on recognition date is as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
within 1 year	22,956	12,887	4,973
1-2 years	–	2,641	1,256
2-3 year	–	–	369
	22,956	15,528	6,598

27 OTHER PAYABLES AND ACCRUALS

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Payroll and welfare payables	3,369	4,027	6,765
Payables for professional services	718	216	661
Escrow government subsidy payables to employees	629	400	730
Other taxes payable	530	651	429
Accrued listing expenses	–	–	2,682
Others	445	126	283
	5,691	5,420	11,550

The carrying amounts of other payables and accruals of the Group are denominated in the following currencies:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
RMB	5,662	5,389	8,996
USD	29	31	2,533
HKD	–	–	21
	5,691	5,420	11,550

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Payroll and welfare payables	3,369	4,003	6,640
Payables for professional services	718	216	651
Escrow government subsidy payables to employees	629	400	730
Other taxes payable	530	651	421
Accrued listing expenses	–	–	2,682
Others	444	126	278
	5,690	5,396	11,402

The carrying amounts of other payables and accruals of the Company are denominated in the following currencies:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
RMB	5,662	5,365	8,849
USD	28	31	2,532
HKD	–	–	21
	5,690	5,396	11,402

28 REDEMPTION LIABILITIES

Accounting policy for redemption liabilities

Certain investors were granted with the right to require the Group to redeem their capital contributions for cash or liquidate in a preferential order upon occurrence of certain events which are not all within the control of the Group. A contract that contains an obligation to purchase the Group's equity instruments for cash or another financial asset gives rise to a financial liability for the present value of the redemption amount. At initial recognition, such financial liabilities are measured at the present value of the redemption amount, which represents the settlement that would be triggered by the event with the most likely outcome and are reclassified from equity. Subsequently, any changes in the carrying amount of the financial liabilities resulting from the revision of the estimated contractual cash flows are recognised in profit or loss. The Group derecognises the financial liability when, and only when, the Group's obligations are discharged, cancelled or have expired. Upon a termination of the redemption rights and liquidation preferences under deemed liquidation events, the carrying amount of the financial instruments derecognised is credited into the equity.

(i) Investors with special rights

During the period from October 2013 to August 2020, the Group went through a series of equity financings with the interest of the investors (namely, Series B Investors, Series C Investors and Series C+ Investors) held in the Group at the level of the former holding company of the Company, TenNor Therapeutics and/or the Company.

In 2021, the Group underwent the restructuring by flipping down the shareholding of Series B Investors, Series C Investors and Series C+ Investors at the level of TenNor Therapeutics to the level of the Company (the "Flip-down"). As part of the Flip-down, paid-in capital of USD1,065,790, USD384,520 and USD194,639 of the Company were transferred to Series B Investors, Series C Investors and Series C+ Investors of TenNor Therapeutics to mirror their respective shareholding held through TenNor Therapeutics in the Company, respectively. The initial redemption liabilities of the investments of the then investors with special rights at the level of TenNor Therapeutics as at 31 December 2021 was approximately RMB204,397,000 and was recognised in equity as it was resulted from an obligation for the Group to purchase its own equity instruments. Upon completion of the restructuring as at 31 December 2021, the Company became the holding company of the Group, with all investors holding interest directly in the Company.

In December 2021, the Company entered into an investment agreement with several investors (the "Series D Investors"), pursuant to which the Series D Investors agreed to inject a total approximately RMB148,250,000 into the Company for the subscription of the Company's newly issued paid-in capital of USD490,203.

In November 2022, the Company entered into an investment agreement with several investors (the "Series D+ Investors"), pursuant to which the Series D+ Investors agreed to inject a total approximately RMB63,600,000 into the Company for the subscription of the Company's newly issued paid-in capital of USD210,300.

In September 2024, the Company entered into investment agreements with several investors ("Series E Investors"), pursuant to which the Series E Investors agreed to inject a total approximately RMB294,930,000 into the Company for the subscription of the Company's newly issued paid-in capital of USD975,215 (Note 20).

In accordance with the respective agreements, the Series B Investors, the Series C Investors, the Series C+ Investors, the Series D Investors, the Series D+ Investors and the Series E Investors (collectively, the "investors with special rights") were granted certain special rights. The key terms of these special rights that impacted the financial statements of the Group are outlined below:

Redemption rights

Pursuant to the respective agreements, investors with special rights is entitled to request the Company redeem all or part of the capital contributions upon occurrence of the following events which cannot be controlled by the Company, including (a) the Company fails to complete the IPO before 31 December 2026; (b) the founder or the ESOP platforms controlled by the founder fails to duly perform the operation and management responsibilities for the Company due to his/its misappropriation, embezzlement of the Company's assets or being imposed statutory compulsory measures; (c) the founder resigns without the prior consent of investors with special rights; (d) the Company fails to hold regular shareholders' meetings for more than one year, or the shareholders' meeting or the board, as the case may be, of the Company fails to reach effective resolutions for more than one year or three times in a row, unless such failure is caused by investors with special rights; (e) the Company or the founder seriously violates any provisions set forth in the respective agreements; (f) other investors with special rights request to repurchase their equity; (g) the Company or the founder were found to have committed major commercial bribery or were severely punished by administrative or judicial authorities, thereby causing substantial obstruction to the IPO and (h) any issue that is considered a liquidation event of any member of the Group occurs before 31 December 2026.

The redemption amount for the Series C+ Investors, the Series D Investors, the Series D+ Investors and the Series E Investors is calculated as the higher of (a) the original capital contributions amount from investors with an annual simple interest rate of 12% of the original capital contributions amount plus any dividends declared but unpaid and (b) the then fair market value of the capital contributions amount as requested to be redeemed. The redemption amount for the Series C Investors is calculated as the original capital contributions amount from investors with an annual compound interest rate of 10% of the original capital contributions amount plus any dividends declared but unpaid. The redemption amount for the Series B Investors is calculated as the original capital contributions amount from investors with an annual compound interest rate of 12% of the original capital contributions amount plus any dividends declared but unpaid and less any dividends declared and paid.

Liquidation preferences

In the event of liquidation, dissolution or winding up of the Company or any deemed liquidation event including (a) any sale, merger, liquidation or winding up of any member of the Group whether voluntary or involuntary, (b) any consolidation, amalgamation, scheme of arrangement or merger of any member of the Group with or into any other entities or other reorganization, in which the owners of such member of the Group immediately prior to such consolidation, amalgamation, merger, scheme of arrangement or reorganization, own less than fifty percent (50%) of the voting power of such member of the Group immediately after such consolidation, merger, amalgamation, scheme of arrangement or reorganization, or any transaction or series of related transactions to which such member of the Group is a party in which in excess of fifty percent (50%) of the voting power of such member of the Group is transferred; (c) a sale, transfer, lease or other disposition of all or substantially all of the assets of any member of the Group (or any series of related transactions resulting in such sale, transfer, lease or other disposition of all or substantially all of the assets of such member); and (d) the exclusive licensing of all or substantially all of the Group's intellectual property to a third party, unless, in each case above, each investors with special rights agrees in writing not to treat such event as a liquidation event, after the assets of the Company are used to settle debts payable by the Company in accordance with its articles of association, and to the extent permitted by the applicable PRC law, the remaining proceeds (the "Remaining Proceeds") shall be distributed in the following order:

(a) Series E Investors: the greater of an amount of: (i) 100% of the capital contributions amount of such Series E Investors plus an interest accrued thereon at a simple rate of 8% per annum, and all dividends that have been declared, accrued but not paid; (ii) an amount of purchase price obtained by such Series E Investors from selling all of its capital to a bona fide third party; or (iii) an amount equal to 150% of the capital contributions amount of such capital, plus all dividends that have been declared, accrued but not paid.

(b) Series D+ Investors and Series D Investors: the greater of an amount of: (i) 100% of the capital contributions amount of such Series D+ Investors and Series D Investors plus an interest accrued thereon at a simple rate of 8% per annum, and all dividends that have been declared, accrued but not paid; (ii) an amount of purchase price obtained by such Series D+ Investors and Series D Investors from selling all of its capital to a bona fide third party; or (iii) an amount equal to 150% of the capital contributions amount of such capital, plus all dividends that have been declared, accrued but not paid.

(c) Series C+ Investors: 150% of the capital contributions amount of such capital, plus all dividends that have been declared, accrued but not paid.

(d) Series C Investors: 150% of the capital contributions amount of such capital, plus all dividends that have been declared, accrued but not paid.

(e) Series B Investors: 150% of the capital contributions amount of such capital, plus all dividends that have been declared, accrued but not paid.

If there are any assets or funds remaining after the payment of liquidation price of each investors with special rights, the remaining assets and funds of the Company available for distribution shall be distributed ratably among all owners according to the relative amounts of paid-in capital.

If the Remaining Proceeds are not sufficient to be distributed in accordance with the distribution method described above, then the funds legally available for distribution shall be distributed pro rata among the investors with special rights in proportion to the full liquidation preference amount that each investors with special rights would be otherwise entitled to receive in the distribution order above.

Anti-dilution right

If the Company increases its paid-in capital at a price lower than the price paid by the investors on a per paid-in capital basis, the investors have a right to require the Company to issue additional paid-in capital at nominal price of RMB1.0 or the minimum consideration permitted by law, so that the total amount paid by the investors divided by the total amount of paid-in capital obtained is equal to the price per paid-in capital in the new issuance or reduced to a lower determined price.

Most favorable terms

If the rights granted by the Company to any investors brought in before the existing investors thereafter are more favorable than the rights of existing investors, the existing investors are also entitled to such terms, conditions or rights.

(ii) Termination of special rights

Pursuant to a supplemental agreement entered into by the Company with, among others, the then investors with special rights of the Company as at 22 May 2025, the Company's obligations in respect of the redemption rights and liquidation preferences under deemed liquidation events have ceased to be effective from the date and shall not be reinstated in any event, and all other special rights ceased to be effective upon the Company's first submission of an application for the listing of the shares on the Main Board of the Stock Exchange (the "Listing"), provided that these special rights (excluding the Company's obligations in respect of the redemption rights and liquidation preferences under deemed liquidation events) shall automatically be reinstated, as if the termination of such rights had never taken place in the event where (i) the Company withdraws its application for the Listing, (ii) the Stock Exchange, the Securities and Futures Commission or any competent securities regulatory authority has decided not to approve or to reject the Listing of the Company.

(iii) Presentation and classification

As the Company did not have an unconditional right to avoid redeeming the capital contributions for cash before the termination of special rights, the Company recognised financial liabilities for the obligation to redeem the capital contributions that were initially measured at the present value of the redemption amount, which represents the amount expected to be paid to the investors with special rights upon occurrence of the event with the most likely outcome in accordance with the accounting policies. These financial liabilities were subsequently measured at amortised cost. The changes in the carrying amount of the liabilities arising from the remeasurement of the redemption amount are recognised in profit or loss as "finance cost". Upon the termination of special rights, the Company transferred the balance of redemption liabilities to equity.

The Group and the Company

The movements of the redemption liabilities are set out below:

Redemption liabilities	Series B Investors	Series C Investors	Series C+ Investors	Series D Investors	Series D+ Investors	Series E Investors	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2023	122,889	186,295	164,393	161,890	63,940	–	699,407
Changes in the carrying amount of redemption liabilities	16,312	20,264	5,436	18,038	7,440	–	67,490
As at 31 December 2023 and 1 January 2024	139,201	206,559	169,829	179,928	71,380	–	766,897
Recognition of redemption liabilities of Series E1 Investors	–	–	–	–	–	98,310	98,310
Changes in the carrying amount of redemption liabilities	18,322	22,325	2,725	13,991	6,347	2,584	66,294
As at 31 December 2024 and 1 January 2025	157,523	228,884	172,554	193,919	77,727	100,894	931,501
Recognition of redemption liabilities of Series E2 Investors	–	–	–	–	–	98,310	98,310
Changes in the carrying amount of redemption liabilities	7,130	8,676	249	7,287	3,014	7,400	33,756
Derecognition of redemption liabilities upon termination of special rights	(164,653)	(237,560)	(172,803)	(201,206)	(80,741)	(206,604)	(1,063,567)
As at 31 December 2025	–	–	–	–	–	–	–

As of the dates of issuance and at the end of each reporting period, the redemption scenario resulted in the most likely outcome of the redemption liabilities. The redemption liabilities were measured according to redemption rights.

The Company has engaged an independent valuer to determine the fair value of investments from investors with special rights. The back-solve method or the discounted cash flow method of the market approach was used to determine the total equity value of the Group and then equity value allocation model based on the hybrid method, i.e., hybrid between the probability-weighted expected return method and the option pricing method, was adopted to determine the fair value of investments from investors with special rights to arrive at the redemption liabilities of the Company in accordance with redemption rights.

The following table lists the key parameters:

	As at 31 December		
	2023	2024	2025
Risk-free interest rate	2.29%	1.14%	–
Expected volatility	37.26%	29.63%	–
Discount for lack of marketability	3.98%-19.65%	1.25%-15.72%	–

The Group estimated the risk-free interest rate based on Government Bond Yield to Maturity with a maturity life close to period from the respective valuation dates to the expected redemption dates. Volatility was estimated on each valuation date based on average of historical volatilities of the comparable companies in the same industry for a period from the respective valuation dates to expected redemption dates. The discount for lack of marketability ("DLOM") represents the amounts of premiums and discounts determined by the Group that market participants would take into account when pricing the investments. DLOM was estimated using a protective-put option framework.

Below is a summary of significant unobservable inputs to the fair value of investments from investors with special rights together with a quantitative sensitivity analysis as at the end of each reporting period:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Risk-free interest rate			
– 1% increase	(40)	(22)	–
– 1% decrease	41	21	–
			–
Expected volatility			
– 5% increase	(3,087)	(2,622)	–
– 5% decrease	3,164	2,646	–
			–
Discount for lack of marketability			
– 1% increase	(1,974)	(1,901)	–
– 1% decrease	1,976	1,900	–
			–

The redemption liabilities were presented in current liabilities as at 31 December 2023 as the Company would be requested to redeem the capital contributions if the Company failed to consummate qualified listing before 30 June 2024. Pursuant to the shareholders' resolutions dated 16 June 2024, the due date was extended to 31 December 2026, therefore the redemption liabilities were reclassified as non-current liabilities as at 31 December 2024.

29 DIVIDENDS

No dividend has been paid or declared by the Company during years ended 31 December 2023, 2024 and 2025.

30 CASH FLOW INFORMATION

(i) Reconciliation of loss for the year to cash used in operations

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Loss before income tax	(191,844)	(145,929)	(153,244)
Adjustments for:			
– Depreciation of property, plant and equipment *(Note 12)*	1,602	1,589	495
– Amortisation of intangible assets *(Note 14)*	88	102	121
– Share-based compensation expense *(Note 23)*	9,823	8,602	36,842
– Depreciation of right-of-use assets *(Note 13)*	1,194	1,005	968
– Finance costs – net *(Note 9)*	69,362	67,931	35,238
– Amortisation of government grants	(999)	(1)	–
– Loss on disposal of property, plant and equipment	–	16	12
– Net fair value gains on financial assets at FVPL *(Note 8)*	(719)	(11)	(485)
– Other gains	(37)	(37)	(8)
– Net foreign exchange losses/(gains)	60	(19)	(6)
Changes in operating assets and liabilities:			
– (Increase)/decrease in prepayment, other receivables and other assets	(78)	1,479	(2,380)
– Increase in other non-current assets	(1,381)	(1,320)	(3,358)
– Increase/(decrease) in trade payables	13,951	(6,968)	(8,014)
– Increase/(decrease) in other payables and accruals	388	(290)	5,960
– Increase in other non-current liabilities	–	25,000	–
Cash used in operations	(98,590)	(48,851)	(87,859)

(ii) Major non-cash investing and financing activities

Major non-cash investing and financing activities disclosed in other notes are:

- additions to right-of-use assets in respect of lease — Note 13.
- recognition, changes in the carrying amount and termination of redemption liabilities — Note 28.

(iii) Reconciliation of liabilities arising from financing activities

	Lease liabilities	Borrowings	Redemption liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Net debt as at 1 January 2023	2,529	54,404	699,407	756,340
Cash flows – principal	(1,333)	3,555	–	2,222
Cash flows – interest	(85)	(2,273)	–	(2,358)
Lease addition	275	–	–	275
Interest expenses	85	2,261	67,490	69,836
Net debt as at 31 December 2023	1,471	57,947	766,897	826,315
Net debt as at 1 January 2024	1,471	57,947	766,897	826,315
Cash flows – principal	(938)	(5,155)	–	(6,093)
Cash flows – interest	(34)	(1,870)	–	(1,904)
Lease addition	75	–	–	75
Lease termination	(359)	–	–	(359)
Recognition of redemption liabilities of Series E1 Investors	–	–	98,310	98,310
Interest expenses	34	1,853	66,294	68,181
Net debt as at 31 December 2024	249	52,775	931,501	984,525
Net debt as at 1 January 2025	249	52,775	931,501	984,525
Cash flows – principal	(940)	(25,975)	–	(26,915)
Cash flows – interest	(84)	(1,426)	–	(1,510)
Lease addition	2,573	–	–	2,573
Recognition of redemption liabilities of Series E2 Investors	–	–	98,310	98,310
Derecognition of redemption liabilities upon termination of special rights	–	–	(1,063,567)	(1,063,567)
Interest expenses	84	1,398	33,756	35,238
Net debt as at 31 December 2025	1,882	26,772	–	28,654

31 COMMITMENTS

The Group and the Company did not have material operating and capital commitments.

32 RELATED PARTY TRANSACTIONS

Parties are considered to be related in one party has the ability, directly or indirectly, to control the other part or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control. Members of key management and their close family members of the Group are also considered as related parties.

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business during the years ended 31 December 2023, 2024 and 2025 respectively.

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.

(i) Names and relationships with related parties

The table set forth below summaries the names of the related parties and nature of their relationship with the Group.

Name of related parties	Relationship with the Group
Dr. Zhenkun Ma	Director and chairman of the board
WuXi AppTec (Suzhou) Co., Ltd. ("WuXi AppTec (Suzhou)")	Affiliate of the ultimate controlling party of the Company's investor
WuXi AppTec (Shanghai) Co., Ltd. ("WuXi AppTec (Shanghai)")	Affiliate of the ultimate controlling party of the Company's investor
WuXi Labnetwork (Wuhan) Chemical Technology Co., Ltd. ("WuXi Labnetwork (Wuhan)")	Affiliate of the ultimate controlling party of the Company's investor
WuXi Clinical (Shanghai) Co., Ltd. ("WuXi Clinical (Shanghai)")*	Affiliate of the ultimate controlling party of the Company's investor
WuXi Jinshi Pharmaceutical Technology (Shanghai) Co., Ltd. ("WuXi Jinshi (Shanghai)")*	Affiliate of the ultimate controlling party of the Company's investor
Shanghai STA Pharmaceutical Co., Ltd. ("Shanghai STA")	Affiliate of the ultimate controlling party of the Company's investor
Shanghai SynTheAll Pharmaceutical R&D Co., Ltd. ("Shanghai SynTheAll")	Affiliate of the ultimate controlling party of the Company's investor
WuXi STA Pharmaceutical Co., Ltd. ("WuXi STA")	Affiliate of the ultimate controlling party of the Company's investor
Zhongshan Life and Health Industry Development Co., Ltd. (formerly known as Zhongshan Cuiheng Jianhui Industrial Park Development Co., Ltd., "Zhongshan Life and Health")	Significant shareholder of the Company's investor

* On 28 October 2025, the 100% equity interests of WuXi Clinical (Shanghai) and WuXi Jinshi (Shanghai) were announced to be disposed of to third parties by WuXi AppTec Co., Ltd., with business registration completed on 16 December 2025. Consequently, the two entities ceased to be related parties of the Company from the disposal date. Accordingly, the related party transaction amounts and balances disclosed herein only comprise those for the period when the entities were still related parties of the Company.

(ii) Transactions with related parties

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Purchases of goods or services			
WuXi Jinshi (Shanghai)	4,735	858	8
Shanghai SynTheAll	3,088	4,205	6,325
WuXi AppTec (Suzhou)	2,711	2,225	167
WuXi Clinical (Shanghai)	1,265	120	–
Shanghai STA	1,121	40	40
WuXi AppTec (Shanghai)	532	–	–
WuXi Labnetwork (Wuhan)	4	1	–
WuXi STA	–	544	3,084
	13,456	7,993	9,624
Rental fees and related service charges			
Zhongshan Life and Health	–	12	58

(iii) Balance with related parties

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments			
WuXi AppTec (Suzhou)	1,242	–	–
WuXi STA	–	489	152
	1,242	489	152
Other receivables			
Dr. Zhenkun Ma *(a)*	2,265	2,302	–
Zhongshan Life and Health	–	4	7
	2,265	2,306	7
Other non-current assets			
Zhongshan Life and Health	–	611	608
Trade payable			
WuXi Jinshi (Shanghai)	1,019	823	–
WuXi Clinical (Shanghai)	378	266	248
Shanghai SynTheAll	705	486	1,364
Shanghai STA	98	40	–
WuXi STA	–	–	258
WuXi AppTec (Suzhou)	–	–	73
	2,200	1,615	1,943

The above balances with related parties were denominated in RMB, unsecured and non-interest bearing. Except for other receivables due from Dr. Zhenkun Ma as disclosed in (a) below, prepayments, other receivables, trade payable and other non-current assets are all trade in nature. Those trade payables were due within 30 days. Other non-current assets represent rent deposits due from a related party after one year from the balance sheet date. Their fair values approximated their carrying amounts due to their short maturities.

(a) As at 31 December 2023 and 2024, the balance represented receivables due from Dr. Zhenkun Ma and related interest accrued in non-trade nature, which had been fully settled in March 2025.

(iv) Key management compensation

Compensation for key management other than those for directors as disclosed in Note 33 is set out below:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Wages and salaries	6,335	4,850	6,969
Share-based compensation expenses *(a)*	4,510	3,843	17,223
Discretionary bonuses	569	704	1,671
Social insurance	835	628	732
Other welfare for employees	111	75	17
	12,360	10,100	26,612

(a) Share-based compensation expenses for the years ended 31 December 2023 and 2024 do not include a reversal of approximately RMB2,666,000 and RMB3,568,000 respectively due to resignation of certain employees.

As at 31 December 2023, 2024 and 2025, wages, salaries and discretionary bonuses of approximately RMB1,313,000, RMB1,435,000 and RMB2,444,000 have not been paid to key management, respectively.

33 DIRECTORS' BENEFITS AND INTERESTS

(i) Directors' emoluments

Directors' emoluments for the years ended 31 December 2023 are set out as follows:

	Fees	Salary	Discretionary bonus	Share-based compensation expenses	Pension costs	Other benefits	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2023							
Executive directors							
Dr. Zhenkun Ma *(a)*	–	1,868	187	–	–	26	2,081
Non-executive directors							
Mr. Lianyong Chen *(b)*	–	–	–	–	–	–	–
Mr. Morton H Meyerson *(h)*	–	–	–	1,135	–	–	1,135
Mr. Jianlin Yu *(e)*	–	–	–	–	–	–	–
Dr. Gaoguang Song *(g)*	–	–	–	–	–	–	–
Mr. Shang Li *(d)*	–	–	–	–	–	–	–
Mr. Michael Chungyaw Chao *(c)*	–	–	–	–	–	–	–
Ms. Zeng Liu *(f)*	–	–	–	–	–	–	–
Supervisors							
Ms. Zhixiu Yang *(i)*	–	–	–	–	–	–	–
	–	1,868	187	1,135	–	26	3,216

Directors' emoluments for the years ended 31 December 2024 are set out as follows:

	Fees	Salary	Discretionary bonuses	Share-based compensation expenses	Pension costs	Other benefits	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2024							
Executive directors							
Dr. Zhenkun Ma *(a)*	–	1,896	300	–	–	32	2,228
Non-executive directors							
Mr. Morton H Meyerson *(h)*	–	–	–	1,135	–	–	1,135
Mr. Jianlin Yu *(e)*	–	–	–	–	–	–	–
Dr. Gaoguang Song *(g)*	–	–	–	–	–	–	–
Mr. Wei Wang *(j)*	–	–	–	–	–	–	–
Ms. Shuang Yang *(k)*	–	–	–	–	–	–	–
Dr. Martin Friedrich Heidecker *(l)*	–	–	–	–	–	–	–
Mr. Bomu Zhang *(m)*	–	–	–	–	–	–	–
Supervisors							
Ms. Zhixiu Yang *(i)*	–	–	–	–	–	–	–
	–	1,896	300	1,135	–	32	3,363

Directors' emoluments for the years ended 31 December 2025 are set out as follows:

	Fees	Salary	Discretionary bonuses	Share-based compensation expenses	Pension costs	Other benefits	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2025							
Executive directors							
Dr. Zhenkun Ma *(a)*	–	1,907	818	7,033	–	252	10,010
Non-executive directors							
Mr. Morton H Meyerson *(h)*	–	–	–	(2,270)	–	–	(2,270)
Mr. Jianlin Yu *(e)*	–	–	–	–	–	–	–
Dr. Gaoguang Song *(g)*	–	–	–	–	–	–	–
Mr. Wei Wang *(j)*	–	–	–	–	–	–	–
Ms. Shuang Yang *(k)*	–	–	–	–	–	–	–
Dr. Martin Friedrich Heidecker *(l)*	–	–	–	–	–	–	–
Mr. Bomu Zhang *(m)*	–	–	–	–	–	–	–
Mr. Michael James Bakes *(n)*	–	–	–	–	–	–	–

	Fees	Salary	Discretionary bonuses	Share-based compensation expenses	Pension costs	Other benefits	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Independent directors							
Dr. Leping Li *(o)*	109	–	–	–	–	–	109
Mr. Weigang Li *(p)*	104	–	–	–	–	–	104
Dr. Lin Ni *(q)*	104	–	–	–	–	–	104
Supervisors							
Ms. Zhixiu Yang *(i)*	–	–	–	–	–	–	–
Mr. Zhijun Zhuang *(r)*	–	45	8	115	26	*	194
Mr. Shijie He *(s)*	–	50	8	115	26	*	199
	317	2,002	834	4,993	52	252	8,450

* Represents amount less than RMB1,000.

(a) Dr. Zhenkun Ma, as the founder, was appointed as executive director on 25 February 2013.

(b) Mr. Lianyong Chen was appointed as non-executive director on 15 September 2013 and resigned on 24 September 2024. Mr. Lianyong Chen did not receive any emolument during the years ended 31 December 2023 and 2024.

(c) Mr. Michael Chungyaw Chao was appointed as non-executive director on 21 January 2019 and resigned on 24 September 2024. Mr. Michael Chungyaw Chao did not receive any emolument during the years ended 31 December 2023 and 2024.

(d) Mr. Shang Li was appointed as non-executive director on 30 December 2021 and resigned on 24 September 2024. Mr. Shang Li did not receive any emolument during the years ended 31 December 2023 and 2024.

(e) Mr. Jianlin Yu was appointed as non-executive director on 30 December 2021 and resigned on 8 July 2025. Mr. Jianlin Yu did not receive any emolument during the years ended 31 December 2023, 2024 and 2025.

(f) Ms. Zeng Liu was appointed as non-executive director on 30 December 2021 and resigned on 24 September 2024. Ms. Zeng Liu did not receive any emolument during the years ended 31 December 2023 and 2024.

(g) Dr. Gaoguang Song was appointed as non-executive director on 29 June 2022. Dr. Gaoguang Song did not receive any emolument during the years ended 31 December 2023, 2024 and 2025.

(h) Mr. Morton H Meyerson was appointed as non-executive director on 29 June 2022 and resigned on 8 July 2025.

(i) Ms. Zhixiu Yang was appointed as supervisor on 15 November 2022 and resigned on 23 July 2025. Ms. Zhixiu Yang did not receive any emolument during the years ended 31 December 2023, 2024 and 2025.

(j) Mr. Wei Wang was appointed as non-executive director on 12 September 2024 and resigned on 26 May 2025. Mr. Wei Wang did not receive any emolument during the years ended 31 December 2024 and 2025.

(k) Ms. Shuang Yang was appointed as non-executive director on 12 September 2024 and resigned on 8 July 2025. Ms. Shuang Yang did not receive any emolument during the years ended 31 December 2024 and 2025.

(l) Dr. Martin Friedrich Heidecker was appointed as non-executive director on 12 September 2024. Dr. Martin Friedrich Heidecker did not receive any emolument during the years ended 31 December 2024 and 2025.

(m) Mr. Bomu Zhang was appointed as non-executive director on 12 September 2024 and resigned on 8 July 2025. Mr. Bomu Zhang did not receive any emolument during the years ended 31 December 2024 and 2025.

(n) Mr. Michael James Bakes was appointed as non-executive director on 8 July 2025. Mr. Michael James Bakes did not receive any emolument during year ended 31 December 2025.

(o) Dr. Leping Li was appointed as independent director on 8 July 2025.

(p) Mr. Weigang Li was appointed as independent director on 8 July 2025.

(q) Dr. Lin Ni was appointed as independent director on 8 July 2025.

(r) Mr. Zhijun Zhuang was appointed as supervisor on 26 May 2025 and resigned on 23 July 2025.

(s) Mr. Shijie He was appointed as supervisor on 26 May 2025 and resigned on 23 July 2025.

(ii) Directors' retirement benefits

None of the directors received or will receive any retirement benefits during the years ended 31 December 2023, 2024 and 2025.

(iii) Directors' termination benefits

None of the directors received or will receive any termination benefits during the years ended 31 December 2023, 2024 and 2025.

(iv) Consideration provided to third parties for making available directors' services

During the years ended 31 December 2023, 2024 and 2025, the Company did not pay consideration to any third parties for making available directors' services.

(v) Information about loans, quasi-loans and other dealings in favor of directors, bodies corporate controlled by or entities connected with directors

Save as disclosed in Note 32, there were no loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors during the years ended 31 December 2023, 2024 and 2025.

(vi) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the years ended 31 December 2023, 2024 and 2025.

34 SUBSIDIARIES

The details of the Group's principal subsidiaries are set out below:

Name	Place and date of incorporation	Principal activities	Paid-in capital			Percentage of attributable equity interest to the Company			
			As at 31 December			As at 31 December			As at the date of this report
			2023	2024	2025	2023	2024	2025	
			RMB'000	*RMB'000*	*RMB'000*				
TenNor Shanghai *(i)*	the PRC, 15 December 2014	Research and development of innovative drugs	1,000	1,000	1,000	100%	100%	100%	100%
TenNor Zhongshan *(ii)*	the PRC, 25 August 2023	Research and development and manufacturing and commercialization of innovative drugs	–	50,000	150,000	100%	100%	100%	100%
TenNor US *(iii)*	the USA, 27 June 2018	Research and development of innovative drugs	647	647	647	100%	100%	100%	100%
TenNor HK *(iv)*	Hong Kong, 8 Jan 2012	Research and development of innovative drugs	–	–	–	Not applicable	Not applicable	100%	100%

Notes:

(i) No audited financial statements have been prepared for TenNor Shanghai for the years ended 31 December 2023, 2024 and 2025 as there is no statutory requirement in its place of incorporation.

(ii) No audited financial statements have been prepared for TenNor Zhongshan for the year ended 31 December 2023 as there is no statutory requirement in its place of incorporation. The statutory financial statements of TenNor Zhongshan for the year ended 31 December 2024 and 2025 were audited by Suzhou Devotion Certified Public Accountants Partnership (蘇州德富信會計師事務所), certified public accountants registered in the PRC.

(iii) No audited financial statements have been prepared for TenNor US for the years ended 31 December 2023, 2024 and 2025 as there is no statutory requirement in its place of incorporation.

(iv) On 20 February 2025, TenNor US acquired TenNor HK from TenNor Therapeutics Limited, the former holding company of the Company, at a consideration of RMB1.0, leading to an increase in capital reserves by approximately RMB239,000. After the acquisition, TenNor HK became a wholly-owned subsidiary of TenNor US. The audited financial statements TenNor HK for the year ended 31 December 2025 have yet to be issued.

Investments in subsidiaries

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
TenNor Zhongshan	–	50,000	150,000
TenNor Shanghai	1,000	1,000	1,000
TenNor US	647	647	647
	1,647	51,647	151,647
Less: provision for impairment of investments in subsidiaries	(1,000)	(1,000)	(1,000)
	647	50,647	150,647

Trade receivables

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
TenNor Zhongshan *(i)*	–	–	1,496

(i) The receivables from TenNor Zhongshan arose from the research and development services provided by the Company.

35 SUBSEQUENT EVENTS

There are no material subsequent events undertaken by or impacted on the Company or the Group subsequent to 31 December 2025 and up the date of this report.

36 CONTINGENCIES

As at 31 December 2023, 2024 and 2025, there were no significant contingency items for the Group and the Company.

37 SUMMARY OF OTHER ACCOUNTING POLICIES

37.1 Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when 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 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 unrealised gains on transactions between group companies are eliminated. Unrealised 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.

37.2 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 Company's functional currency is RMB. As the Company's primary subsidiaries were incorporated in the PRC, the Group determined to present its Historical Financial Information in RMB.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in consolidated statements of comprehensive loss in the period in which they arise.

Monetary assets and liabilities denominated in foreign currencies at the year-end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

All foreign exchange gains and losses are presented in the consolidated statements of comprehensive loss within "Other gains — net".

(iii) Group companies

The results and balance sheet of all the Group entities (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 are translated at the spot exchange rates on the balance sheet date;
- Income and expenses for statement of comprehensive income are translated at the spot exchange rates of the transaction dates; and
- All resulting exchange differences are recognised in other comprehensive income and accumulated as "Reserves" in equity.

37.3 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 (CGUs). 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.

The recoverable amount of these CGUs at the end of reporting period had been determined based on value in use calculations, using cash flow projections prepared by management. Key assumptions applied in preparing the cash flow projections included revenue growth rate and discount rate. Based on the results of the assessment, the recoverable amount exceeded the carrying amount with sufficient headroom and no impairment of property, plant and equipment, right-of-use assets and intangible assets was recorded during the Track Record Period.

37.4 Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

37.5 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

37.6 Paid-in capital/Share capital

Paid-in capital/ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of paid-in capital/new shares are shown in equity as a deduction, net of tax, from the proceeds.

37.7 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the consolidated balance sheets when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as "finance costs".

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

37.8 Borrowings costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

37.9 Trade and other payables

Trade and other payables mainly represent the obligations to pay for services that have been acquired in the ordinary course of business from contract research organisations, clinical site management operators and clinical trial centers. Trade and other payables are presented as current liabilities unless payment is not due within one year or less after the reporting period.

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

37.10 Income tax and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Historical Financial Information. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

37.11 Employee benefits

(i) Pension obligations

In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the PRC under which the Group and the employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries, subject to certain ceiling. The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The assets of these plans are held separately from those of the Group in an independent fund managed by the PRC government. The Group's contributions to these plans are expensed as incurred.

(ii) Housing funds, medical insurances and other social insurances

The PRC employees of the Group 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.

(iii) 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 balance sheet.

(iv) Employee leave entitlement

Employee entitlement to annual leave are recognised 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 end of the reporting period. Employees entitlement to sick leave and maternity leave are not recognised until the time of leave.

(v) Bonus plan

The expected cost of bonus is recognised 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 12 months and are measured at the amounts expected to be paid when they are settled.

37.12 Government grants

Government grants 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 the attached conditions.

Government grants relating to costs are deferred and recognised in consolidated statements of comprehensive loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred income and are credited to consolidated statements of comprehensive loss over the estimated useful lives of the related assets using the straight-line method.

37.13 Leases

(i) Leases as lessee

The Group leases various offices and properties. Leases are initially recognised as a right-of-use asset and corresponding liability at the date when the leased asset is available for use by the Group. Each lease payment is allocated between the 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. The right-of-use asset is depreciated on a straight-line basis over the shorter of the asset's estimated useful life and the lease term.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments (if applicable):

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- the lease payments are discounted using the interest rate implied in the lease, if that rate can be determined, or the respective incremental borrowing rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of lease liabilities.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate, 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.

The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Group use that rate as a starting point to determine the incremental borrowing rate.

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 reporting period.

Right-of-use assets are measured at cost comprising the following (if applicable):

- the amount of the initial measurement of lease liabilities;
- any lease payments made at or before the commencement date, less any lease incentive received;
- any initial direct costs.

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. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases are recognised on a straight-line basis as an expense. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

(ii) Leases as lessor

A lease that substantially transfers almost all risks and rewards incidental to the ownership of the leased asset is classified as a finance lease. All other leases are classified as operating leases.

For operating leases of self-owned or sub-lease buildings and structures, rental income is recognised on a straight-line basis over the lease term.

37.14 Loss per share

(a) Basic loss per share

Basic loss per share is calculated by dividing:

- the loss attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares;
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury stock.

(b) Diluted loss per share

Diluted loss per share adjusts the figures used in the determination of basic loss per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares.

III SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared for the Company or any of the companies comprising the Group in respect of any period subsequent to 31 December 2025 and up to the date of this report. No dividend or distribution has been declared, made or paid by the Company or any of the companies comprising the Group in respect of any period subsequent to 31 December 2025 and up to the date of this report.

The following information set out in this Appendix II does not form part of the Accountant's Report from PricewaterhouseCoopers, Certified Public Accountants, the reporting accountant of the Company, as set out in Appendix I to 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" in this prospectus and the Accountant's Report set out in Appendix I to this prospectus.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following is an illustrative statement of 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 31 December 2025 and based on the consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2025 and adjusted as described below.

The unaudited pro forma statement of adjusted 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 consolidated net tangible assets of the Group had the Global Offering been completed as of 31 December 2025 or any future date.

	Audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2025	**Estimated net proceeds from the Global Offering**	**Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2025**	**Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share**	
	RMB'000	*RMB'000*	*RMB'000*	*RMB*	*HK$*
	Note 1	*Note 2*		*Note 3*	*Note 4*
Based on an Offer Price of HK$75.70 per Share	128,456	506,210	634,666	12.26	14.00

Notes

1. The audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2025 is extracted from the Accountant's Report set out in Appendix I to this prospectus, which is based on the audited consolidated net assets of the Group attributable to the owners of the Company as at 31 December 2025 of approximately RMB153,857,000 with adjustment for the intangible assets as at 31 December 2025 of approximately RMB25,401,000.

2. The estimated net proceeds from the Global Offering are based on 8,280,550 Offer Shares and an Offer Price of HK$75.70 per H Share, after deduction of the underwriting fees and other related expenses (excluding any listing expenses which have been accounted for in the consolidated statement of comprehensive loss up to 31 December 2025 and such amount is RMB17,647,000), without taking into account of any H Shares which may be allotted and issued upon the exercise of the Offer Size Adjustment Option and the Over-allotment Option, or any Shares which may be allotted and issued or repurchased by the Company pursuant to the general mandates.

3. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share is arrived at after the adjustments referred to in the preceding paragraphs and on the basis that 51,753,476 Shares were in issue assuming the Global Offering had taken place on 31 December 2025, without taking into account of any H Shares which may be allotted and issued upon the exercise of the Offer Size Adjustment Option and the Over-allotment Option, or any Shares which may be allotted and issued or repurchased by the Company pursuant to the general mandates.

4. For the purpose of this unaudited pro forma adjusted consolidated net tangible assets, the amounts stated in Renminbi are converted into Hong Kong dollars at a rate of RMB1.0000 to HK$1.1418, as set out in the section headed "Information about this prospectus and the Global Offering" in this prospectus. 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 31 December 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 TenNor Therapeutics (Suzhou) Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of TenNor Therapeutics (Suzhou) Limited and its subsidiaries (collectively 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 31 December 2025, and related notes (the "Unaudited Pro Forma Financial Information") as set out on page II-1 of the Company's prospectus dated 14 May 2026, in connection with the proposed initial public offering of the shares of the Company (the "Prospectus"). 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 31 December 2025 as if the proposed initial public offering had taken place at 31 December 2025. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's financial information for the year ended 31 December 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.

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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 31 December 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:

(a) the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 14 May 2026

TAXATION IN THE PRC

Taxation on dividend

Individual Investors

Under PRC Individual Income Tax Law (《中華人民共和國個人所得税法》) (the "IIT Law"), promulgated on 10 September, 1980, latest amended on 31 August, 2018 and effective on 1 January, 2019, and its implementation rules (《中華人民共和國個人所得税法實施條例》), effective on 1 January, 2019, dividends paid by PRC companies to individual investors are generally subject to a tax at a rate of 20%.

In accordance with the Notice on Issues Concerning Differentiated IIT Policies for Dividends and Bonuses of Listed Companies (《關於上市公司股息紅利差別化個人所得税政策有關問題的通知》) (Cai Shui [2015] No. 101), issued on 7 September, 2015, where an individual acquires stocks of a listed company from public offering market or from the stock transfer market and holds the stocks for more than one year, the income from dividends is exempt from IIT; where an individual holds the stocks for one month or less, the full amount of such income from dividends shall be included in taxable income; if the individual holds the stocks for one month to one year, 50% of such income from dividends shall be included in taxable income; the aforesaid income is subject to a flat rate of 20%.

HK Individual Investors

Pursuant to the Arrangement between the Mainland PRC and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排), signed on 21 August, 2006, 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.

Foreign Enterprise Investors

In accordance with the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》) (the "EIT Law"), effective on 29 December, 2018, and its implementation rules (《中華人民共和國企業所得税法實施條例》), amended by the State Council and effective on 20 January, 2025, a non-resident enterprise is generally subject to a 10% enterprise income tax on PRC-sourced income, if a non-resident enterprise does not establish an institution or premise in the PRC or has an institution or premise in the PRC but the PRC-sourced income is not connected with such institution or premise in the PRC.

The Notice of the Issues Concerning Withholding EIT on the Dividends Distributed by PRC Resident Enterprises to Overseas H-share Non-PRC Resident Enterprise Shareholders (《國家税務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得税有關問題的通知》) (Guo Shui Han [2008] No. 897), came into effect on 6 November, 2008, stipulates that with regard to dividends paid for 2008 onwards, PRC resident enterprises must withhold tax at a rate of 10% on dividends distributed to H-share non-PRC resident enterprise shareholders. The Reply of the Imposition of Enterprise Income Tax on B-share and Other Dividends of Non-resident Enterprises (《國家税務總局關於非居民企業取得B股等股票股息徵收企業所得税問題的批覆》) that was promulgated on 24 July, 2009, further provides that any PRC resident enterprise listed on any overseas stock exchange must withhold enterprise income tax at a rate of 10% on dividends distributed to non-PRC resident enterprise shareholders. The above tax rates may be further amended in accordance with tax treaties or agreements between China and relevant jurisdictions (if applicable).

HK Enterprise Investors

Pursuant to the Arrangement between the Mainland PRC and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》) signed on 21 August, 2006, tax on dividends paid by PRC companies to Hong Kong enterprises shall not exceed 10% of the total amount of the dividends. If Hong Kong enterprises directly holds 25% or more of the equity interest in PRC companies, such tax shall not exceed 5% of the total dividends paid by the PRC companies.

Tax agreements

Non-PRC resident investors residing in countries which have entered into agreements for the avoidance of double taxation with the PRC are entitled to a reduction of the withholding taxes imposed on the dividends received from PRC companies. The PRC has entered into Avoidance of Double Taxation Arrangements with a number of countries and regions including but not limited to Hong Kong, Macau, Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States. Non-PRC resident enterprises entitled to preferential tax rates in accordance with the relevant income tax treaties or arrangements are required to apply to the Chinese tax authorities for a refund of the withholding tax in excess of the agreed tax rate, and the refund payment is subject to approval by the Chinese tax authorities.

Taxation on income from transfer of equity

Individual Investors

According to the IIT Law and its implementation regulations, individuals shall pay the IIT at the rate of 20% on their income from the sale of equity in PRC resident enterprises.

In accordance with the Circular of the Declaring that IIT Continues to Be Exempted over Income of Individuals from Transfer of Shares (《財政部、國家税務總局關於個人轉讓股票所得繼續暫免徵收個人所得税的通知》) (Cai Shui Zi [1998] No. 61), promulgated on 30 March 1998, from 1 January 1997, income of individuals from the transfer of shares of listed companies remain exempt from IIT. According to the Announcement about the Catalogue of Preferential IIT Policies with Continued Effect (《財政部、國家税務總局關於繼續有效的個人所得税優惠政策目錄的公告》) (MOF SAT Announcement [2018] No. 177), promulgated on 29 December, 2018, the Circular of the Declaring that IIT Continues to Be Exempted over Income of Individuals from Transfer of Shares will remain effective.

Foreign Enterprise Investors

In accordance with the EIT Law and its implementation provisions, a non-PRC resident enterprise is generally subject to a 10% enterprise income tax on PRC-sourced income, including gains derived from the disposal of equity interests in a PRC resident enterprise, if it does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but the PRC-sourced income is not connected in reality with such establishment or premise. Such income tax for non-resident enterprises shall be deducted at source, where the payer of the income is required to withhold the enterprise income tax from the amount to be paid to the non-resident enterprise when such payment is made or due. Such withholding tax may be reduced or exempted to avoid double taxation in accordance with applicable agreements or protocols.

Tax policies for Shanghai—Hong Kong Stock Connect

Individual Investors

Taxation on income from transfer of equity

Pursuant to Announcement on Continuation of Implementation of Individual Income Tax Policies Relating to Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect and Mutual Recognition of Funds between Mainland China and Hong Kong (《關於延續實施滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得税政策的公告》) (MOF Announcement [2023] No. 23), effective on 21 August, 2023, the income from the transfer price difference obtained by Mainland PRC individual investors investing in stocks listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect is exempt from IIT to 31 December, 2027.

Taxation on dividend

Pursuant to the Circular of the MOF, SAT and China Securities Regulatory Commission on the Relevant Taxation Policies for the Pilot Interconnected Mechanism for Trading in the Stock Markets of Hong Kong and Shanghai (《財政部、國家税務總局、證監會關於滬港股票市場交易互聯互通機制試點有關税收政策的通知》) (Cai Shui [2014] No. 81), effective on 17 November, 2014, in respect of dividends and bonuses received by mainland PRC individual investors from investing in the H shares listed on the Hong Kong Stock Exchange through the Shanghai-Hong Kong Stock Connect, the H share company should submit an application to CSDC, then CSDC will provide a list of the mainland PRC individual investors to the H share company, and the H share company shall withhold individual income tax based on 20% tax rate.

Enterprises Investors

Taxation on income from transfer of equity and dividend

Pursuant to the Circular of the MOF, SAT and China Securities Regulatory Commission on the Relevant Taxation Policies for the Pilot Interconnected Mechanism for Trading in the Stock Markets of Hong Kong and Shanghai (《財政部、國家税務總局、證監會關於滬港股票市場交易互聯互通機制試點有關税收政策的通知》) (Cai Shui [2014] No. 81), effective on 17 November, 2014, the income derived from the difference in the price of the transfer of the stocks listed on the Hong Kong Stock Exchange obtained by mainland PRC enterprise investors through the Shanghai-Hong Kong Stock Connect shall be counted as part of their gross income and be subject to the enterprise income tax according to the law. Dividend and bonus income obtained by mainland PRC resident enterprises from their continuous holding of H shares for 12 months or more is exempted from enterprise income tax in accordance with the law. H share companies do not withhold dividend and bonus income tax on behalf of mainland PRC enterprises in respect of dividend and bonus income obtained by mainland PRC enterprises. The tax payable shall be declared and paid by the enterprise itself.

Tax policies for Shenzhen—Hong Kong Stock Connect

Individual Investors

Taxation on income from transfer of equity

Pursuant to Announcement on Continuation of Implementation of Individual Income Tax Policies Relating to Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect and Mutual Recognition of Funds between Mainland China and Hong Kong (《關於延續實施滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得税政策的公告》) (MOF Announcement [2023] No. 23), effective on 21 August, 2023, the income from the transfer price difference obtained by Mainland PRC individual investors investing in stocks listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect is exempt from IIT to 31 December, 2027.

Taxation on income from dividend

Pursuant to the Circular on the Relevant Taxation Policy for the Pilot Programme of an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》) (Cai Shui [2016] No. 127) which came into effect on 5 December, 2016, for dividends and bonus obtained by individual investors of mainland PRC investing in the H shares listed on the Stock Exchange through Shenzhen—Hong Kong Stock Connect, the H share companies shall apply to CSDC for provision by CSDC to the H-share companies the register of mainland PRC individual investors, and the H-share companies shall withhold IIT at a rate of 20%.

Enterprises Investors

Taxation on income from transfer of equity and dividend

Pursuant to the Circular on the Relevant Taxation Policy for the Pilot Programme of an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》) (Cai Shui [2016] No. 127) which came into effect on 5 December, 2016, the income from the transfer price difference obtained by enterprise investors of mainland PRC investing in stocks listed on the Stock Exchange through Shenzhen—Hong Kong Stock Connect shall be included in their total income, and the EIT shall be levied on such income in accordance with the law.

Dividend and bonus income obtained by mainland PRC enterprise residents from their continuous holding of H shares for 12 months or more is exempted from enterprise income tax in accordance with the law. H share companies do not withhold dividend and bonus income tax on behalf of mainland PRC enterprises in respect of dividend and bonus income obtained by mainland PRC enterprises. The tax payable shall be declared and paid by the enterprise itself.

Stamp duty in the PRC

In accordance with the Stamp Duty Law of the PRC (《中華人民共和國印花稅法》) which came into effect on 1 July 2022, (i) entities and individuals that conclude taxable certificates, or conduct securities transactions within the territory of the PRC shall be taxpayers of stamp duty, and shall pay the PRC stamp duty; (ii) entities and individuals who are located outside the territory of the PRC and conclude taxable certificates that are to be used within the territory of the PRC shall pay the PRC stamp duty.

Estate Duty

The PRC currently has not imposed any estate duty yet.

Enterprise income tax

According to the EIT Law, the EIT rate in the PRC is 25%, which is in line with the rate applicable to foreign-invested enterprises and foreign enterprises. According to the Administrative Measures for Recognition of High and New-Technology Enterprises (《高新技術企業認定管理辦法》) that was promulgated by the Ministry of Science and Technology, the MOF and the SAT on 14 April 2008, amended on 29 January, 2016 and came into effect on 1 January, 2016, enterprises which are recognized as high and new-tech enterprises could apply for a preferential EIT rate of 15% in accordance with the EIT Law.

Value-added tax ("VAT")

Pursuant to the Provisional Regulations on VAT of the PRC (《中華人民共和國增值稅暫行條例》), came into effect on 19 November, 2017, all organizations and individuals engaged in sales of goods, provision of processing, repairs and replacement services, or import of goods etc. within the territory of the PRC are subject to VAT.

Pursuant to the Notice on the Implementation of the Pilot Programme of Replace the Business Tax with VAT (《關於全面推開營業税改徵增值税試點的通知》) (Cai Shui [2016] No. 36) and its appendix the Measures for the Implementation of the Pilot Programme of Replacing Business Tax with VAT (《營業税改徵增值税試點實施辦法》), effective on 1 May, 2016, the tax rates applied to the taxpayer for the different goods it sells and different services it provides shall be 17%, 11%, 6% and zero, respectively. Pursuant to the Notice on Adjusting VAT Rates (《關於調整增值税税率的通知》) (Cai Shui [2018] No. 32), promulgated on 4 April, 2018 and came into effect on 1 May, 2018, for taxpayers engaging in taxable sales or import of goods, the previously applicable VAT rates are adjusted to 16% and 10%, respectively. Pursuant to the Announcement on Relevant Policies for Deepening the VAT Reform (《關於深化增值税改革有關政策的公告》) (MOF SAT GACC Announcement [2019] No. 39), promulgated on 20 March, 2019 and came into effect on 1 April, 2019, for taxpayers engaging in taxable sales or import of goods, the previously applicable VAT rates of 16% and 10% are adjusted to 13% and 9%, respectively.

TAXATION IN HONG KONG

Tax on dividends

Under the current practice of the Inland Revenue Department of Hong Kong, no tax is payable in Hong Kong in respect of dividends paid by us.

Capital gains and profit tax

No tax is imposed in Hong Kong in respect of capital gains from the sale of H Shares. However, trading gains from the sale of H Shares by persons carrying on a trade, profession or business in Hong Kong, where such gains are derived from or arise in Hong Kong from such trade, profession or business will be subject to Hong Kong profits tax, which is currently imposed at the maximum rate of 16.5% on corporations and at the maximum rate of 15% on unincorporated businesses. Certain categories of taxpayers (for example, financial institutions, insurance companies and securities dealers) are likely to be regarded as deriving trading gains rather than capital gains unless these taxpayers can prove that the investment securities are held for long-term investment purposes.

Trading gains from sales of H Shares effected on the Stock Exchange will be considered to be derived from or arise in Hong Kong. Liability for Hong Kong profits tax would thus arise in respect of trading gains from sales of H Shares effected on the Stock Exchange realized by persons carrying on a business of trading or dealing in securities in Hong Kong.

Stamp duty

Hong Kong stamp duty, currently charged at the ad valorem rate of 0.1% on the higher of the consideration for or the market value of H Shares, will be payable by the purchaser on every purchase and by the seller on every sale of Hong Kong securities, including H Shares (in other words, a total of 0.2% is currently payable on a typical sale and purchase transaction involving H Shares). In addition, a fixed duty of HK$5.00 is currently payable on any instrument of transfer of H Shares. Where one of the parties is a resident outside Hong Kong and does not pay the ad valorem duty due by it, the duty not paid will be assessed on the instrument of transfer (if any) and will be payable by the transferee. If no stamp duty is paid on or before the due date, a penalty of up to ten times the duty payable may be imposed.

Estate duty

The Revenue (Abolition of Estate Duty) Ordinance 2005 abolished estate duty in respect of deaths occurring on or after February 11, 2006.

MAIN TAXES OF THE COMPANY IN CHINA

Please refer to the chapter titled "Regulatory Overview" of this document.

FOREIGN EXCHANGE

The lawful currency of the PRC is the RMB, which is currently subject to foreign exchange control and is not freely convertible into foreign exchange.

Pursuant to the Regulations of the People's Republic of China on Foreign Exchange Administration (《中華人民共和國外匯管理條例》) (the "Foreign Exchange Administration Regulations"), effective on 1 April 1996, all international payments and transfers are classified into current items and capital items, with most of the current items no longer subject to the approval of the foreign exchange administration agencies, while capital items are still subject to its approval. The latest Foreign Exchange Administration Regulations, amended on 5 August, 2008, clarifies that the State does not impose restriction on international current item payments and transfers.

According to the "Regulations on the Administration of Settlement, Sale and Payment of Foreign Exchange" (《結匯、售匯及付匯管理規定》) (Yin Fa [1996] No. 210), issued on 20 June, 1996, the existing restrictions on foreign exchange transactions under capital items were retained, while the residual restrictions under current items were abolished.

Pursuant to the Announcement on Reforms to Improve the Exchange Rate Formation Mechanism of Renminbi (《關於完善人民幣匯率形成機制改革的公告》) (PBOC Announcement [2005] No. 16), effective on 21 July 2005, the PRC began to implement a managed floating exchange rate system, under which the exchange rate is determined according to market demand and supply and adjusted with reference to a basket of currencies. The exchange rate of RMB is no longer pegged to the U.S. dollar. The PBOC will announce the closing price of foreign currencies, such as the U.S. dollar, against the RMB in the interbank foreign exchange market after the close of market on each business day, which will be used as the mid-rate for RMB transactions on the following business day.

On 23 October, 2014, the State Council promulgated the Decisions on Matters including Canceling and Adjusting a Batch of Administrative Approval Items (《國務院關於取消和調整一批行政審批項目等事項的決定》)(Guo Fa [2014] No. 50), which canceled the administrative approval by the SAFE and its branches for the remittance and settlement of the proceeds raised from the overseas listing of the foreign shares into RMB domestic accounts.

On 26 December, 2014, the SAFE issued the Notice of the State Administration of Foreign Exchange on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) (Hui Fa [2014] No. 54), pursuant to which, a domestic company shall, within 15 business days from the date of the completion of its overseas listing and issuance, register the overseas listing with the SAFE's local branch at the place of its establishment. The proceeds from an overseas listing of a domestic company may be remitted to the domestic account or deposited in an overseas account, but the use of the proceeds shall be consistent with the content of documents as publicly disclosed by the document.

According to the Notice of the State Administration of Foreign Exchange on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) (Hui Fa [2015] No. 13), promulgated on February 13, 2015, banks shall directly examine and handle foreign exchange registration under domestic direct investment and overseas direct investment, and the SAFE and its branch offices shall indirectly regulate the foreign exchange registration of direct investment through banks.

According to the Notice of the State Administration of Foreign Exchange of the PRC on Revolutionizing and Regulating Capital Account Settlement Management Policies (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) (Hui Fa [2016] No. 16), effective on 9 June, 2016, foreign currency earnings in capital account that relevant policies of willingness exchange settlement have been clearly implemented on (including the recalling of raised capital by overseas listing) may undertake

foreign exchange settlement in the banks according to actual business needs of the domestic institutions. The tentative percentage of foreign exchange settlement for foreign currency earnings in capital account of domestic institutions is 100%. The SAFE may adjust the above proportion in due time according to balance of payments.

On 26 January, 2017, the SAFE issued the Circular of State Administration of Foreign Exchange on Further Promoting Foreign Exchange Management Reform and Improving the Verification of True Compliance (《國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知》) (Hui Fa [2017] No. 3) to further expand the scope of settlement of domestic and overseas foreign exchange loans by allowing the settlement of domestic foreign exchange loans with a background of exporting goods for trading, the redeployment of the funds under the domestic guaranteed foreign loans to be used in the domestic market, and the settlement of domestic foreign exchange accounts of foreign institutions in the pilot free trade zones; and implementing the full-scale external loan management in local and foreign currencies, where a domestic institution handles overseas lending business, the total balance of overseas lending in local currency and the balance of overseas lending in foreign currency shall not exceed the maximum of 30% of the owner's equity in its audited financial statements of the previous year.

According to the SAFE issued the Circular of the State Administration of Foreign Exchange on Further Promoting Cross-border Trade and Investment Facilitation (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》) (Hui Fa [2019] No. 28), promulgated on October 23, 2019 and effective on December 4, 2023, on the basis that the foreign invested enterprises with an investment nature (including foreign invested companies with an investment nature, foreign-invested venture capital enterprises and foreign-invested equity investment enterprises) may make equity investments in the PRC with capital fund in accordance with the law, foreign invested enterprises without an investment nature are allowed to make equity investments in the PRC with capital in accordance with the law on the premise of not violating the existing special administrative measures for access to foreign investment (the Negative List), and that the projects they invest in the PRC are genuine and in compliance with the law.

According to the Circular of the State Administration of Foreign Exchange on Optimising Foreign Exchange Management to Support the Development of Foreign-Related Businesses (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》) (Hui Fa [2020] No. 8), effective on 10 April, 2020, eligible enterprises are not required to provide proofs of truthfulness to the banks beforehand for each and every payment when they use the income from capital, foreign debts and overseas listings in the domestic market, provided that the use of the funds is genuine and regulation-abiding, and in compliance with the existing regulations on the use of income from capital items. The handling banks shall manage and control the relevant business risks in accordance with the principle of prudent business development and conduct retrospective random checks on the facilitation of capital item receipts and payments in accordance with the relevant requirements.

Pursuant to SAFE Notice on Further Deepening the Reform to Facilitate Cross-border Trade and Investment (《國家外匯管理局關於進一步深化改革促進跨境貿易投資便利化的通知》), effective on 4 December 2023, for the purpose of facilitating the payment and use of funds from equity transfer under domestic reinvestment and funds raised from overseas listing of foreign direct investment, the asset realization account under the capital item shall be adjusted to the settlement account under the capital item. Where a domestic equity transferor (including institutions and individuals) receives funds from equity transfer consideration paid by a domestic entity in a foreign currency and foreign exchange funds raised from overseas listing of a domestic enterprise, such funds may be directly remitted to the settlement account under the capital account. Funds in the settlement account under the capital item may be settled and used on its own. The funds from equity transfer consideration paid by a foreign-invested enterprise with RMB funds from income from foreign exchange settlement (sourced from income from direct foreign exchange settlement or RMB funds in the foreign exchange settlement account pending for payment) received by a domestic equity transferor may be directly transferred to the RMB account of the domestic equity transferor.

THE PRC LEGAL SYSTEM

The PRC legal system is based on the Constitution of the People's Republic of China (《中華人民共和國憲法》, the "Constitution"), which was adopted on September 20, 1954 and subsequently amended on January 17, 1975, March 5, 1978, December 4, 1982, April 12, 1988, March 29, 1993, March 15, 1999, March 14, 2004 and March 11, 2018. The PRC legal system is made up of written laws, administrative regulations, local regulations, autonomous regulations, separate regulations, rules and regulations of State Council departments, rules and regulations of local governments, laws of special administrative regions and international treaties of which the PRC government is a signatory and other regulatory document. Court judgments do not constitute legally binding precedents, although they are used for the purposes of judicial reference and guidance.

The NPC and its Standing Committee are empowered to exercise the legislative power of the State in accordance with the Constitution and the Legislation Law of the People's Republic of China (《中華人民共和國立法法》, the "Legislation Law"), which was adopted on March 15, 2000 and amended on March 15, 2015 and March 13, 2023. The NPC has the power to formulate and amend basic laws governing state authorities, civil, criminal and other matters. The SCNPC is empowered to formulate and amend laws other than those required to be enacted by the NPC and to supplement and amend parts of the laws enacted by the NPC during the adjournment of the NPC, provided that such supplements and amendments are not in conflict with the basic principles of such laws.

The State Council is the highest organ of state administration and has the power to formulate administrative regulations based on the Constitution and laws.

The people's congresses of the provinces, autonomous regions and municipalities and their respective standing committees may formulate local regulations based on the specific circumstances and actual needs of their respective administrative areas, provided that such local regulations do not contravene any provision of the Constitution, laws or administrative regulations. The people's congresses of cities divided into districts and their respective standing committees may formulate local regulations on aspects such as urban and rural construction and management, environmental protection and historical cultural protection based on the specific circumstances and actual needs of such cities, provided that such local regulations do not contravene any provision of the Constitution, laws, administrative regulations and local regulations of their respective provinces or autonomous regions. If the law provides otherwise on the matters concerning formulation of local regulations by cities divided into districts, those provisions shall prevail. Such local regulations will become enforceable after being reported to and approved by the standing committees of the people's congresses of the relevant provinces or autonomous regions but such local regulations shall conform with the Constitution, laws, administrative regulations, and the relevant local regulations of the relevant provinces or autonomous regions. People's congresses of national autonomous areas have the power to enact autonomous regulations and separate regulations in light of the political, economic and cultural characteristics of the ethnic groups in the areas concerned.

The ministries and commissions of the State Council, the People's Bank of China, National Audit Office and the subordinate institutions with administrative functions directly under the State Council may formulate departmental rules within the jurisdiction of their respective departments based on the laws and administrative regulations, and the decisions and orders of the State Council. Provisions of departmental rules should be the matters related to the enforcement of the laws and administrative regulations, and the decisions and orders of the State Council. The people's governments of the provinces, autonomous regions, municipalities and cities or autonomous prefectures divided into districts may formulate rules and regulations based on the laws, administrative regulations and local regulations of such provinces, autonomous regions and municipalities.

The Constitution has supreme legal authority and no laws, administrative regulations, local regulations, autonomous regulations or separate regulations or rules may contravene the Constitution. The authority of laws is greater than that of administrative regulations, local regulations and rules. The authority of administrative regulations is greater than that of local regulations and rules. The authority of the rules enacted by the people's governments of the provinces and autonomous regions is greater than that of the rules enacted by the people's governments of the cities divided into districts within their respective administrative regions.

The NPC has the authority to alter or annul any inappropriate laws enacted by the SCNPC, and to annul any autonomous regulations and separate regulations that have been approved by the SCNPC but contravene the Constitution and the Legislation Law; the SCNPC has the authority to annul administrative regulations that contravene the Constitution and laws, to annul local regulations that contravene the Constitution, laws and administrative regulations, and to annul autonomous regulations and separate regulations that have been approved by the standing committees of the people's congresses of the relevant provinces, autonomous regions or municipalities directly under the Central Government, but contravene the Constitution and the Legislation Law; the State Council has the authority to alter or annul any inappropriate ministerial rules and rules of local governments; the people's congresses of provinces, autonomous regions and municipalities directly under the Central Government have the authority to alter or annul any inappropriate local regulations enacted or approved by their respective standing committees; the standing committees of the local people's congresses have the authority to annul inappropriate rules enacted by the people's governments at the corresponding level; the people's governments of provinces and autonomous regions have the authority to alter or annul any inappropriate rules enacted by the people's governments at a lower level.

According to the Constitution and the Legislation Law, the power to interpret laws is vested in the SCNPC. Pursuant to the Resolution of the SCNPC Providing an Improved Interpretation of the Law (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》) implemented on June 10, 1981, issues related to the application of laws and decrees in a court trial shall be interpreted by the Supreme People's Court; and issues related to the application of laws and decrees in a prosecution process of a procuratorate should be interpreted by the Supreme People's Procuratorate. If there is any disagreement in principle between Supreme People's Court's interpretations & Supreme People's Procuratorate's interpretations, such issues shall be reported to the SCNPC for interpretation or judgment. The other issues related to laws and decrees that do not pertain to the court trial or prosecution process should be interpreted by the State Council and the competent authorities. The State Council and its ministries and commissions are also vested with the power to give interpretations of the administrative regulations and departmental rules which they have promulgated. At the regional level, the power to interpret regional laws and administrative regulations is vested in the regional legislative and administrative authorities which promulgate such laws and administrative regulations.

THE PRC JUDICIAL SYSTEM

Under the Constitution and the Law of Organization of the People's Courts of the People's Republic of China (《中華人民共和國人民法院組織法》), which is adopted on September 21, 1954 and subsequently amended on July 5, 1979, September 2, 1983, December 2, 1986, October 31, 2006 and October 26, 2018, the people's courts of the PRC are divided into the Supreme People's Court, the local people's courts and special people's courts.

The local people's courts are comprised of the primary people's courts, the intermediate people's courts and the higher people's courts. The primary people's courts may set up certain people's tribunals based on the facts of the region, population and cases. The intermediate people's courts and primary people's courts have similar structures, and may set up other special divisions if needed. The Supreme

People's Court is the highest judicial authority in the PRC. The Supreme People's Court shall supervise the administration of justice by the people's courts at all levels and special people's courts, and the people's courts at a higher level shall supervise the administration of justice of the people's courts at lower levels.

According to the Constitution and the Law of Organization of the People's Procuratorate of the PRC (《中華人民共和國人民檢察院組織法》) which is adopted on July 1, 1979, and subsequently amended September 2, 1983, December 2, 1986, and October 26, 2018 and taking effect on January 1, 2019, the People's Procuratorate is the law supervision organ of the state. The people's procuratorates of the PRC are divided into the Supreme People's Procuratorate, the local people's procuratorates at all levels, Military Procuratorates and other special people's procuratorates. The Supreme People's Procuratorate shall be the highest procuratorial organ and it shall direct the work of the local people's procuratorates at all levels and of the special people's procuratorates; the people's procuratorates at higher levels shall direct the work of those at lower levels.

Under the Civil Procedure Law of the People's Republic of China (《中華人民共和國民事訴訟法》) (the "PRC Civil Procedure Law", which is adopted on April 9, 1991 and subsequently amended on October 28, 2007, August 31, 2012, June 27, 2017, and September 1, 2023, which became effective from January 1, 2024), a people's court takes the rule of the second instance as the final rule. A party may appeal against the judgment or ruling of the first instance of a local people's court. The people's procuratorate may present a protest to the people's court at the next higher level in accordance with the procedures stipulated by the laws. In the absence of any appeal by the parties and any protest by the people's procuratorate within the stipulated period, the judgments or rulings of the people's court are final. Judgments or rulings of the second instance of the intermediate people's courts, the higher people's courts and the Supreme People's Court, and judgments or rulings of the first instance of the Supreme People's Court are final. However, if the Supreme People's Court finds some definite errors in a legally effective judgment, ruling or conciliation statement of the people's court at any level, or if the people's court at a higher level finds such errors in a legally effective judgment, ruling or conciliation statement of the people's court at a lower level, it has the authority to review the case itself or to direct the lower-level people's court to conduct a retrial. If the chief judge of all levels of people's courts finds some definite errors in a legally effective judgment, ruling or conciliation statement, and considers a retrial is preferred, such case shall be submitted to the judicial committee of the people's court at the same level for discussion and decision.

The PRC Civil Procedure Law prescribes the conditions for instituting a civil action, the jurisdiction of the people's courts, the procedures for conducting a civil action, and the procedures for enforcement of a civil judgment or ruling. All parties to a civil action conducted within the PRC must abide by the PRC Civil Procedure Law. Generally, a civil case is initially heard by the court located in the defendant's place of domicile. The court of jurisdiction in respect of a civil action may also be chosen by explicit agreement among the parties to a contract, provided that the people's court having jurisdiction should be located at places substantially connected with the disputes, such as the plaintiff's or the defendant's place of domicile, the place where the contract is executed or signed or the place where the object of the action is located, provided that the provisions regarding the level of jurisdiction and exclusive jurisdiction shall not be violated.

A foreign individual, a person without nationality, a foreign enterprise or a foreign organization is typically given the same litigation rights and obligations as a citizen, a legal person or other organizations of the PRC when initiating actions or defending against litigations at a PRC court. Should a foreign court limit the litigation rights of PRC citizens or enterprises, the PRC court may apply the same limitations to the citizens and enterprises of such foreign country. A foreign individual, a person without nationality, a foreign enterprise or a foreign organization must engage a PRC lawyer in case he or it needs to engage a lawyer for the purpose of initiating actions or defending against litigations at a PRC court. In accordance with the international treaties to which the PRC is a signatory or participant or according to the principle of reciprocity, a people's court and a foreign court may request each other to serve documents, conduct investigation, collect evidence and conduct other actions on its behalf. A people's court shall not

accommodate any request made by a foreign court which will result in the violation of sovereignty, security or public interests of the PRC. All parties to a civil action shall perform the legally effective judgments and rulings. If any party to a civil action refuses to abide by a judgment or ruling made by a people's court or an award made by an arbitration tribunal in the PRC, the other party may apply to the people's court for the enforcement of the same within two years subject to application for postponed enforcement or revocation. If a party fails to satisfy within the stipulated period a judgment which the court has granted an enforcement approval, the court may, upon the application of the other party, mandatorily enforce the judgment on the party.

THE PRC SECURITIES LAWS AND REGULATIONS

The PRC has promulgated a series of regulations relating to the issue and trading of shares and disclosure of information. In October 1992, the State Council established the Securities Committee and the CSRC. The Securities Committee is responsible for coordinating the drafting of securities regulations, formulating securities-related policies, planning the development of securities markets, directing, coordinating and supervising all securities related institutions in the PRC and administering the CSRC. The CSRC is the regulatory arm of the Securities Committee and is responsible for the drafting of regulatory provisions of securities markets, supervising securities companies, regulating public offering of securities by PRC companies in the PRC or overseas, regulating the trading of securities, compiling securities related statistics and undertaking relevant research and analysis. In April 1998, the State Council merged and restructured the two departments into the CSRC.

On April 22, 1993, the State Council promulgated the Interim Provisional Regulations on the Administration of Share Issuance and Trading (《股票發行與交易管理暫行條例》), governing the public offerings of equity securities, trading in equity securities, the acquisition of listed companies, deposit, clearing and transfer of listed equity securities, the disclosure of information with respect to a listed company, investigation, penalties and dispute settlement.

On December 25, 1995, the State Council promulgated the Regulations of the State Council Concerning Domestic Listed Foreign Shares of Joint Stock Limited Companies (《國務院關於股份有限公司境內上市外資股的規定》). These regulations principally govern the issue, subscription, trading and declaration of dividends and other distributions of domestic listed foreign shares and disclosure of information of joint stock limited companies having domestic listed foreign shares.

The Securities Law of the People's Republic of China (《中華人民共和國證券法》, the "PRC Securities Law", which took effect on July 1, 1999, was revised on August 28, 2004, October 27, 2005, June 29, 2013, August 31, 2014 and December 28, 2019, respectively, and came into effect on March 1, 2020) is divided into 14 chapters and 226 articles, regulating, among other things, the issue and trading of securities, the listing of securities, takeovers of listed companies, and the duties and responsibilities of the securities exchanges, securities companies, securities clearing institutions and securities regulatory authorities.

Article 224 of the PRC Securities Law provides that domestic enterprises which, directly or indirectly, issue securities or list and trade their securities outside the PRC shall comply with the relevant regulations of the State Council. Currently, the issue and trading of foreign issued securities (including H shares) are principally governed by the regulations and rules promulgated by the State Council and the CSRC.

On November 14, 2019, the CSRC promulgated the Guidance for the Application for the "Full Circulation" of the Domestic Unlisted Shares of H-share Companies (《H股公司境內未上市股份申請"全流通"業務指引》), which came into effect on the same day and was partly revised on August 10, 2023 according to the Decision on Revising and Abolishing Part of Securities and Futures Policy Documents by the CSRC (《中國證券監督管理委員會關於修改、廢止部分證券期貨制度文件的決定》). This guidance is to regulate the listing and circulation (hereinafter referred to as "Full Circulation") of unlisted

domestic shares of domestic joint-stock limited companies (hereinafter referred to as H-share Companies) listed on the Stock Exchange (including unlisted domestic shares held by domestic shareholders before overseas listing, unlisted domestic shares issued in China after overseas listing and unlisted shares held by foreign shareholders).

H-share Companies applying for "Full Circulation" shall submit the application to the CSRC for filing procedures. H-share companies may submit the application for "Full Circulation" separately or simultaneously when applying for overseas refinancing. Unlisted domestic joint stock limited companies may submit the application for "Full Circulation" simultaneously when applying for overseas initial public offering and listing.

ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARD

The Arbitration Law of the People's Republic of China (《中華人民共和國仲裁法》) (the "PRC Arbitration Law") was enacted by the SCNPC on August 31, 1994, which became effective on September 1, 1995 and was amended on August 27, 2009 and September 1, 2017, respectively. It is applicable to, among other matters, economic disputes involving foreign parties where all parties have entered into a written agreement to resolve disputes by arbitration before an arbitration committee constituted in accordance with the PRC Arbitration Law. The PRC Arbitration Law provides that an arbitration committee may, before the promulgation of arbitration regulations by the PRC Arbitration Association, formulate interim arbitration rules in accordance with the PRC Arbitration Law and the PRC Civil Procedure Law. Where the parties have agreed to settle disputes by means of arbitration, a people's court will refuse to handle a legal proceeding initiated by one of the parties at such people's court, unless the arbitration agreement is invalid.

Under the PRC Arbitration Law and the PRC Civil Procedure Law, an arbitral award shall be final and binding on the parties involved in the arbitration. If any party fails to comply with the arbitral award, the other party to the award may apply to a people's court for its enforcement. The people's court can issue a ruling prohibiting the enforcement of an arbitral award made by an arbitration commission after verification by collegial bench formed by the people's court if there is any procedural irregularity (including but not limited to irregularity in the composition of the arbitration tribunal or arbitration proceedings, the jurisdiction of the arbitration commission, or the making of an award on matters beyond the scope of the arbitration agreement).

Any party seeking to enforce an award of a foreign affairs arbitral body of the PRC against a party who or whose property is not located within the PRC shall apply to a foreign court with jurisdiction over the case for recognition and enforcement of the award. Likewise, an arbitral award made by a foreign arbitral body may be recognized and enforced by a PRC court in accordance with the principle of reciprocity or any international treaties concluded or acceded to by the PRC.

The PRC acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (《承認及執行外國仲裁裁決公約》, the "New York Convention") adopted on June 10, 1958 pursuant to a resolution passed by the SCNPC on December 2, 1986. The New York Convention provides that all arbitral awards made in a state which is a party to the New York Convention shall be recognized and enforced by other parties thereto subject to their rights to refuse recognition and enforcement under certain circumstances, including where the recognition or enforcement of the arbitral award is against the public policy of that state. At the time of the PRC's accession to the Convention, the SCNPC declared that (i) the PRC will only apply the Convention to the recognition and enforcement of arbitral awards made in the territories of other parties based on the principle of reciprocity; and (ii) the New York Convention will only be applied to disputes deemed under PRC laws to be arising from contractual or non-contractual mercantile legal relations.

An arrangement for mutual enforcement of arbitral awards between Hong Kong and the Supreme People's Court of China was reached. The Supreme People's Court of China adopted the Arrangements on the Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region (《關於內地與香港特別行政區相互執行仲裁裁決的安排》) on June 18, 1999, which took effect on February 1, 2000. The arrangement reflects the spirit of the New York Convention. Under the arrangement, the awards by the Mainland arbitral bodies in accordance with the PRC Arbitration Law may be enforced in Hong Kong, and the awards by the Hong Kong arbitral bodies according to the Arbitration Ordinance of Hong Kong SAR may also be enforced in the Mainland China. If the Mainland court finds that the enforcement of awards made by the Hong Kong arbitral bodies in the Mainland will be against public interests of the Mainland, or the court of Hong Kong SAR decides that the enforcement of the arbitral awards in Hong Kong SAR will be against public policies of Hong Kong SAR, the awards may not be enforced. The Supreme People's Court of China adopted the Supplementary Arrangements on the Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的補充安排》) (the "Supplementary Arrangements") on November 26, 2020. According to the Supplementary Arrangements, before or after the acceptance of an application for enforcement of an arbitration award, the relevant court may, upon application and in accordance with the law of the place where the arbitration award is enforced, adopt preservation or enforcement measures.

JUDICIAL JUDGMENT AND ITS ENFORCEMENT

According to the Arrangement on Mutual Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland China and of the Hong Kong Special Administrative Region Pursuant to Agreed Jurisdiction by Parties Concerned (《最高人民法院關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》) (the "Arrangement") promulgated by the Supreme People's Court on July 3, 2008 and implemented on August 1, 2008, in the case of final judgment, defined with payment amount and enforcement power, made between the court of Mainland China and the court of the Hong Kong Special Administrative Region in a civil and commercial case with written jurisdiction agreement, any party concerned may apply to the People's Court of China or the court of the Hong Kong Special Administrative Region for recognition and enforcement based on this arrangement. "Written jurisdiction agreement" refers to a written agreement defining the exclusive jurisdiction of either the People's Court of China or the court of the Hong Kong Special Administrative Region in order to resolve any dispute with particular legal relation occurred or likely to occur by the party concerned. Therefore, the party concerned may apply to the People's Court of China or the court of the Hong Kong Special Administrative Region to recognize and enforce the final judgment made in China or Hong Kong that meets certain conditions of the aforementioned regulations. On 18 January 2019, a further arrangement was reached between Hong Kong Special Administrative Region and the Supreme People's Court, Arrangements for Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Cases between Courts of the Mainland and Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》)) (the "New Arrangement"), which became effective and replace the Arrangement on 29 January 2024, privileged that "Written Agreement on Jurisdiction" reached under the Arrangement before 29 January 2024 will still apply. This New Arrangement further stipulates the scope and content of judgments applicable to the reciprocal recognition and enforcement and corresponding procedures and methods for applying, the circumstances concerning review, non-recognition and enforcement upon the jurisdiction of the court of first instance and the means of remedy. Non-monetary judgments and judgments on some intellectual property cases are included in the reciprocal recognition and enforcement of judgments in accordance with this New Arrangement.

THE PRC COMPANY LAW, THE TRIAL MEASURES AND THE GUIDELINES

The Company Law of the People's Republic of China (《中華人民共和國公司法》) (the "PRC Company Law") was adopted by the SCNPC on December 29, 1993 and came into effect on July 1, 1994, subsequently amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018, and December 29, 2023, and took effect on July 1, 2024.

The Trial Administrative Measures for Overseas Securities Offering and Listing by Domestic Enterprises (《境內企業境外發行證券和上市管理試行辦法》) (the "Trial Measures") which were promulgated by the CSRC on February 17, 2023 and came into effect on March 31, 2023, are applicable to the overseas offering and listing of PRC domestic companies' securities.

The Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》) the "Guidelines") which were issued by the CSRC on December 16, 1997, latest revised on March 28, 2025 and came into effect on the same date, provide the guidelines for the articles of association. As such, the contents provided in the Guidelines are set out in the Articles of Association of the Company, the summary of which is set out in the section entitled "Appendix V—Summary of Articles of Association" in this document.

Set out below is a summary of the major provisions of the PRC Company Law, the Trial Measures and the Guidelines applicable to the Company.

GENERAL

A joint stock limited company refers to an enterprise legal person incorporated in China under the PRC Company Law with independent legal person properties and entitlements to such legal person properties and with its registered capital divided into shares of equal par value. The liability of the company for its own debts is limited to all the properties it owns and the liability of its shareholders for the company is limited to the extent of the shares they subscribe for.

A joint stock limited company must conduct its business in accordance with laws and administrative regulations. A joint stock limited company may invest in other limited liability companies and joint stock limited companies. The liabilities of the joint stock limited company to such invested companies are limited to the amount invested.

INCORPORATION

A joint stock limited company may be established by promotion or subscription. A joint stock limited company shall have a minimum of one but no more than 200 people as its promoters, and over half of the promoters must be resident within the PRC. The registered capital of a joint stock limited company is the total share capital of the issued shares as registered with the company's registration authorities. No share offering shall be made to others before the shares subscribed for by the promoters are fully paid up.

For companies incorporated by way of promotion, the promoters shall fully subscribe for the shares that shall be issued at the time of the incorporation of the company as provided under the articles of association. For companies incorporated by way of subscription, the promoters shall subscribe for no less than 35% of the shares that shall be issued at the time of the incorporation of the company as provided under the articles of association; provided that, if laws and administrative regulations provide otherwise, such provisions shall prevail. Promoters shall make full payment for the shares they have subscribed for prior to the incorporation of the company.

After the subscription monies for subscription of the public offering shares have been paid in full, a capital verification institution established under PRC laws must be engaged to conduct a capital verification and furnish a certificate thereof. The promoters of the joint stock limited company incorporated by way of subscription shall preside over and convene an inauguration meeting within 30 days from the date of the full payment of subscription monies of the shares that shall be issued at the time of the incorporation of the company. For the joint stock limited company incorporated by way of promotion, the convening and voting procedures of its inauguration meeting shall be stipulated by the articles of association or the promoters' agreement. Where the shares that shall be issued at the time of the incorporation of the company remain undersubscribed by the cut-off date stipulated in the share offering document, or where the promoter fails to convene an inauguration meeting within 30 days of the subscription monies for the shares issued being fully paid up, the subscribers may demand that the promoters refund the subscription monies so paid together with the interest at bank rates of a deposit for the same period. Within 30 days of the conclusion of the inauguration meeting, the board of directors shall authorize a representative to apply to the company registration authority for registration of the establishment of the company. A company is formally established and has the capacity of a legal person after the relevant company registration authority has approved the registration and issued a business license.

SHARE CAPITAL

The promoters or shareholder of a company may make a capital contribution in currencies, or non-monetary assets such as in kind, intellectual property rights, land use rights, equity interests and creditor's rights which can be appraised with monetary value and transferred lawfully, except for assets which are prohibited from being contributed as capital by the laws or administrative regulations. If a capital contribution is made in non-monetary assets, a valuation and verification of the fair value of the assets contributed must be carried out.

The issuance of shares shall be conducted in a fair and equitable manner. The same class of shares must carry equal rights. For shares issued at the same time and within the same class, the conditions and price per share must be the same. The same price shall be paid for each share subscribed for by the subscribers. The share offering price of the par value share may be equal to or greater than the nominal value of the share but may not be lower than the nominal value.

A PRC domestic company must file with the CSRC before offering its shares to the overseas public. According to the Trial Measures, target investors of overseas offering and listing by domestic companies shall be overseas investors, unless prescribed in the Trial Measures or otherwise stipulated by the state.

INCREASE IN SHARE CAPITAL

Under the PRC Company Law, where a company is issuing new shares, resolutions shall be passed at shareholder's meeting in accordance with the articles of association in respect of the class and amount of the new shares, the issue price of the new shares, the commencement and end dates for the issue of the new shares and the class and amount of the new shares proposed to be issued to existing shareholders.

Where an increase in registered capital of a company is made by means of an issue of new shares, the subscription of new shares by shareholders shall be made in accordance with the relevant provisions on the payment of subscription monies for the incorporation of a company.

Where a company intends to make public offering of shares, it shall go through the registration with the securities regulatory authority of the State Council and announce the document. After the subscription monies that a company making offering of shares has been paid up, a public announcement shall be made accordingly.

REDUCTION OF SHARE CAPITAL

When a company reduces its registered capital, it shall prepare a statement of financial position and a property list. The company shall inform its creditors within 10 days, from the date of resolution on reduction in registered capital, and publish an announcement in newspapers or on the national enterprise credit information publicity system within 30 days after the resolution approving the reduction of registered capital has been passed. Creditors may within 30 days after receiving the notice, or within 45 days of the public announcement if no notice has been received, require the company to pay its debts or provide guarantees covering the debts. The company shall apply to the relevant company registration authority for the registration of the reduction in registered capital.

REPURCHASE OF SHARES

A company shall not purchase its own shares except under any of the following circumstances:

(1) reducing the registered capital of the company;

(2) merging with another company that holds its shares;

(3) using shares for employee stock ownership plan or equity incentives;

(4) acquiring its shares at the request of its shareholder who objects to a resolution of the shareholders' meeting on the merger or division of the company;

(5) using shares for converting convertible corporate bonds issued by the company;

(6) where it is necessary for a listed company to protect the corporate value and the rights and interests of shareholders.

A company purchasing its own shares under any of the circumstances set forth in items (1) and (2) of the preceding paragraph shall be subject to a resolution of the shareholders' meeting; and a company purchasing its own shares under any of the circumstances set forth in items (3), (5) and (6) of the preceding paragraph may, pursuant to the articles of association or the authorization of the shareholders' meeting, be subject to a resolution of a meeting of the board of directors at which more than two-thirds of directors are present.

After purchasing its own shares pursuant to the above, a company shall, under the circumstance set forth in item (1), cancel them within 10 days after the purchase; while under the circumstance set forth in either item (2) or (4), transfer or cancel them within six months; and while under the circumstance set forth in item (3), (5) or (6), aggregately hold not more than 10% of the total shares that have been issued by the company, and transfer or cancel them within three years.

A listed company purchasing its own shares shall perform the obligation of information disclosure according to the provisions of the PRC Securities Law. A listed company purchasing its own shares under any of the circumstances set forth in items (3), (5) and (6) shall carry out trading in a public and centralized manner.

No company may accept the shares of its own as the subject matter of a pledge.

TRANSFER OF SHARES

Shares held by shareholders may be transferred legally. Under the PRC Company Law, a shareholder should effect a transfer of his shares on a stock exchange established in accordance with laws or by any other means as required by the State Council. Shares may be transferred by endorsement of the shareholders or in any other manner specified by the laws or administrative regulations. Following the transfer, the company shall enter the names and domiciles of the transferees into its register of shareholders. No changes shall be made to the register of shareholders during a period of 20 days prior to convening a shareholders' meeting or five days prior to the record date for the purpose of determining entitlements to dividend distributions, however, if laws, administrative regulations, or the securities regulatory authority of the State Council has different provisions on the changes in the register of shareholders of listed companies, those provisions shall prevail.

Under the PRC Company Law, shares of the company issued prior to the public issuance of shares may not be transferred within one year of the date on which the shares of a company are listed and traded on a stock exchange. Where it is otherwise provided for by laws, administrative regulations or the securities regulatory authority of the State Council on the transfer of shares held by the shareholders or actual controllers of a listed company, such provisions shall prevail. Directors, supervisors and the senior management of a company shall declare to the company their shareholdings in the company and any changes in such shareholdings. During their terms of office as determined when they assume the posts, they may transfer no more than 25% of the total number of shares they hold in the company every year. They shall not transfer the shares they hold within one year of the date of the company's listing on a stock exchange, nor within six months after they leave their positions in the company. The articles of association may set out other restrictive provisions in respect of the transfer of shares in the company held by its directors, supervisors and the senior management.

SHAREHOLDERS

Under the PRC Company Law and the Guidelines, the rights of shareholders of a joint stock limited company include the rights:

(1) to receive dividends and profit distributions in any other form in proportion to their shareholdings;

(2) to lawfully require, convene, preside over or attend shareholders' meetings either in person or by proxy and exercise the corresponding voting right;

(3) to supervise, present suggestions on or make inquiries about the operations of the Company;

(4) to transfer, gift or pledge their shares in accordance with the laws, administrative regulations, and the articles of association;

(5) to acquire relevant information, including the duplicate of the articles of association, register of shareholders, minutes of shareholders' meetings, resolutions of the meeting of the board of directors, resolutions of the supervisory board, financial and accounting statements of the company, and to bring forward suggestions or raise inquiries about the business operation of the company;

(6) in the event of the termination or liquidation of the company, to participate in the distribution of the remaining property of the company in proportion to the shares held by them;

(7) to require the company to buy their shares in the event of their objection to resolutions of the shareholders' meeting concerning merger or division of the company; and

(8) any other shareholders' rights provided for in laws, administrative regulations, other regulatory documents and the articles of association.

The obligations of shareholders include the obligation to abide by the articles of association, to pay the subscription monies according to the number of shares subscribed for and the method of subscription, to be liable for the company to the extent of the amount of his or her subscribed shares and any other shareholder obligation specified in the articles of association.

SHAREHOLDERS' MEETINGS

The shareholders' meeting is the organ of authority of the company, which exercises its powers in accordance with the PRC Company Law. The shareholders' meeting may exercise the following powers:

(1) to elect and remove the directors and supervisors and to decide on the matters relating to the remuneration of directors and supervisors;

(2) to review and approve the reports of the board of directors;

(3) to review and approve the reports of the supervisory board;

(4) to review and approve the company's profit distribution proposals and loss recovery proposals;

(5) to decide on any increase or reduction of the company's registered capital;

(6) to decide on the issue of corporate bonds;

(7) to decide on merger, division, dissolution and liquidation of the company or change of its corporate form;

(8) to amend the articles of association; and

(9) to exercise other authorities stipulated in the articles of association.

A shareholders' meeting is required to be held once every year. An extraordinary meeting is required to be held within two months of the occurrence of any of the following:

(1) the number of directors is less than the number stipulated by the PRC Company Law or less than two-thirds of the number specified in the articles of association;

(2) the outstanding losses of the company amounted to one-third of the company's total share capital;

(3) shareholders individually or in aggregate holding 10% or more of the company's shares request the convening of an extraordinary meeting;

(4) the board of directors deems necessary;

(5) the supervisory board proposes to hold; or

(6) any other circumstances as provided for in the articles of association.

A shareholders' meeting shall be convened by the board of directors and presided over by the chairperson of the board of directors. In the event that the chairperson is incapable of performing or is not performing his duties, the meeting shall be presided over by the vice chairperson. In the event that the vice chairperson is incapable of performing or is not performing his duties, a director nominated by half or more of the directors shall preside over the meeting. Where the board of directors is incapable of performing or is not performing its duties to convene the shareholders' meeting, the supervisory board shall convene and preside over shareholders' meeting in a timely manner. If the supervisory board fails to convene and preside over shareholders' meeting, shareholders individually or in aggregate holding 10% or more of the company's shares for 90 days or more consecutively may unilaterally convene and preside over shareholders' meeting.

In accordance with the PRC Company Law, a notice of the shareholders' meeting stating the date and venue of the meeting and the matters to be considered at the meeting shall be given to all shareholders 20 days before the meeting. A notice of extraordinary meeting shall be given to all shareholders 15 days prior to the meeting.

Under the PRC Company Law, shareholders present at a shareholders' meeting have one vote for each share they hold, save that the company's shares held by the company are not entitled to any voting rights. An accumulative voting system may be adopted for the election of directors and supervisors at the shareholders' meeting pursuant to the provisions of the articles of association or a resolution of the shareholders' meeting. Under the accumulative voting system, each share shall be entitled to the number of votes equivalent to the number of directors or supervisors to be elected at the shareholders' meeting, and shareholders may consolidate their votes for one or more directors or supervisors when casting a vote. Under the PRC Company Law, resolutions of the shareholders' meeting must be passed by more than half of the voting rights held by shareholders present at the meeting, with the exception of matters relating to merger, division or dissolution of the company, increase or reduction of registered share capital, change of corporate form or amendments to the articles of association, which in each case must be passed by at least two-thirds of the voting rights held by the shareholders present at the meeting.

Minutes shall be prepared in respect of matters considered at the shareholders' meeting and the chairperson and directors attending the meeting shall endorse such minutes by signature. The minutes shall be kept together with the shareholders' attendance register and the proxy forms.

BOARD OF DIRECTORS

A company shall have a board, which shall consist of no less than 3 members. The term of a director shall be stipulated in the articles of association, provided that no term of office shall last for more than three years. After the term of a director expires, the director may serve consecutive terms if re-elected. A director shall continue to perform his/her duties as a director in accordance with the laws, administrative regulations and the articles of association until a duly newly-elected director takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office or if the resignation of directors results in the number of directors being less than the quorum.

Under the PRC Company Law, the board of directors may exercise the following powers:

(1) to convene shareholders' meetings and report on its work to the shareholders' meetings;

(2) to implement the resolutions passed by the shareholders at the shareholders' meetings;

(3) to decide on the company's operational plans and investment proposals;

(4) to formulate the company's profit distribution proposals and loss recovery proposals;

(5) to formulate proposals for the increase or reduction of the company's registered capital and the issue of corporate bonds;

(6) to formulate proposals for the merger, division or dissolution of the company or change of corporate form;

(7) to decide on the setup of the company's internal management organs;

(8) to appoint or dismiss the company's manager and decide on his/her remuneration and, based on the manager's recommendation, to appoint or dismiss any deputy general manager and financial officer of the company and to decide on their remunerations;

(9) to formulate the company's basic management system; and

(10) to exercise any other authority stipulated in the articles of association or granted by the shareholders' meeting.

According to the PRC Company Law, meetings of the board of directors shall be convened at least twice each year. Notices of meeting shall be given to all directors and supervisors 10 days before the meeting. Interim board meetings may be proposed to be convened by shareholders representing more than 10% of the voting rights, more than one-third of the directors or the supervisory board. The chairperson shall convene the meeting within 10 days of receiving such proposal, and preside over the meeting. The board may otherwise determine the means and the period of notice for convening an interim board meeting. Meetings of the board of directors shall be held only if more than half of the directors are present. Resolutions of the board shall be passed by more than half of all directors. Each director shall have one vote for a resolution to be approved by the board. Directors shall attend board meetings in person. If a director is unable to attend for any reason, he/she may appoint another director to attend the meeting on his/her behalf by a written power of attorney specifying the scope of authorization.

If a resolution of the board of directors violates the laws, administrative regulations or the articles of association or resolutions of the shareholders' meeting, and as a result of which the company sustains serious losses, the directors participating in the resolution are liable to compensate the company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director shall be relieved from that liability.

Under the PRC Company Law, the following person may not serve as a director in a company: (i) a person who is unable or has limited ability to undertake any civil liabilities; (ii) a person who has been convicted of an offense of corruption, bribery, embezzlement, misappropriation of property or destruction of the socialist market economic order, or who has been deprived of his political rights due to his crimes, in each case where less than five years have elapsed since the date of completion of the sentence, or the person who has been sentenced to a probation, due to his crimes, where less than two years have elapsed since the date of expiration of the probation term; (iii) a person who has been a former director, factory manager or manager of a company or an enterprise that has entered into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the bankruptcy and liquidation of the company or enterprise; (iv) a person who has been a legal representative of a company or an enterprise that has had its business license revoked due to violations of the law or has been ordered to close down by law and the person was personally responsible, where less than three years have elapsed since the date of such revocation; (v) a person who has been listed as a dishonest defaulter by a people's court due to failure to repay a relatively large amount of overdue debts.

Where a company elects or appoints a director to which any of the above circumstances applies, such election or appointment shall be null and void. A director to which any of the above circumstances occurs during his/her term of office shall be released of his/her duties by the company.

Under the PRC Company Law, the board shall appoint a chairperson and may appoint a vice chairperson.

The chairperson and the vice chairperson shall be elected with approval of more than half of all the directors. The chairperson shall convene and preside over board meetings and review the implementation of board resolutions. The vice chairperson shall assist the chairperson to perform his/her duties. Where the chairperson is incapable of performing or is not performing his/her duties, the duties shall be performed by the vice chairperson. Where the vice chairperson is incapable of performing or is not performing his/her duties, a director nominated by more than half of the directors shall perform his/her duties.

SUPERVISORY BOARD

A joint stock limited company shall have a supervisory board composed of not less than three members; provided that, a joint stock limited company with a relatively small scale or relatively few shareholders may opt not to set up a supervisory board and instead set up a single supervisor to exercise the powers as stipulated by the PRC Company Law for the supervisory board; a joint stock limited company that has established an audit committee composed of directors in accordance with the provisions of its articles of association may delegate the powers of the supervisory board as stipulated by the PRC Company Law to the audit committee, and may not establish a supervisory board or a supervisor.

The supervisory board shall consist of shareholders' representatives and an appropriate proportion of the company's staff representatives, of which the proportion of staff representatives shall not be less than one-third, and the specific proportion shall be determined in the articles of association. Staff Representatives at the supervisory board shall be democratically elected by the company's staff at the staff representative assembly, general staff meeting or otherwise. Directors and senior management shall not concurrently serve as supervisors.

Each term of office of a supervisor is three years and he/she may serve consecutive terms if re-elected. A supervisor shall continue to perform his/her duties as a supervisor in accordance with the laws, administrative regulations and the articles of association until a duly newly-elected supervisor takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office or if the resignation of the supervisor results in the number of supervisors being less than the quorum.

The supervisory board may exercise the following powers:

(1) to review the company's financial position;

(2) to supervise the directors and senior management in their performance of their duties and to propose the removal of directors and senior management who have violated laws, administrative regulations, the articles of association or resolutions of the shareholders' meetings;

(3) when the acts of a director or senior management personnel are detrimental to the company's interests, to require the director and senior management to correct these acts;

(4) to propose the convening of extraordinary shareholders' meetings and to convene and preside over shareholders' meetings when the board fails to perform the duty of convening and presiding over shareholders' meetings under the PRC Company Law;

(5) to submit proposals to the shareholders' meetings;

(6) to bring actions against directors and senior management personnel pursuant to the relevant provisions of the PRC Company Law; and

(7) to exercise any other authority stipulated in the articles of association.

Supervisors may be present at board meetings and make inquiries or proposals in respect of the resolutions of the board.

The supervisory board may investigate any irregularities identified in the operation of the company and, when necessary, may engage an accounting firm to assist its work at the cost of the company. The supervisory board shall appoint a chairperson and may appoint a vice chairperson. The chairperson and the vice chairperson of the supervisory board shall be elected by more than half of the supervisors. The chairperson of the supervisory board shall convene and preside over supervisory board meetings. Where the chairperson of the supervisory board is incapable of performing or is not performing his/her duties, the vice chairperson of the supervisory board shall convene and preside over supervisory board meetings. Where the vice chairperson of the supervisory board is incapable of performing or is not performing his/her duties, a supervisor recommended by more than half of the supervisors shall convene and preside over supervisory board meetings.

MANAGER AND SENIOR MANAGEMENT

Under the PRC Company Law, a joint stock limited company shall have a manager who shall be appointed or removed by the board of directors. The manager shall be responsible to the board of directors, and exercise his/her powers according to the articles of association or the authorization of the board of directors. The manager shall be present at meetings of the board of directors.

Under the PRC Company Law, senior management refers to the manager, deputy manager(s), financial officer, secretary of the board of directors of a listed company and other personnel as stipulated in the articles of association.

DUTIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Under the PRC Company Law, directors, supervisors and senior management are required to comply with the relevant laws, administrative regulations and the articles of association, and owe the duties of loyalty and diligence towards the company.

Directors and senior management are prohibited from:

(1) embezzling company properties and misappropriating company funds;

(2) depositing company funds into accounts under their own names or the names of other individuals;

(3) giving bribes or accepting any other illegal proceeds by taking advantage of his/her powers;

(4) accepting commissions paid by a third-party for transactions conducted with the company to oneself;

(5) unauthorized divulgence of confidential information of the company; and

(6) other acts in violation of their duty of loyalty to the company.

Where any director, supervisor or senior management directly or indirectly enters into a contract or conducts a transaction with the company, he/she shall report the matters relating to the contract or transaction to the board of directors or shareholders' meeting, which shall be subject to the resolution of the board of directors or shareholders' meeting according to the articles of association. Where any of the close relatives of the directors, supervisors or senior management, or any of the enterprises directly or indirectly controlled by the directors, supervisors or senior management or any of their close relatives, or any of the related parties who has any other related relationship with the directors, supervisors or senior management, enters into a contract or conducts a transaction with the company, the aforementioned provision shall apply.

No director, supervisor or senior management may take advantage of his/her position to seek any business opportunity that belongs to the company for himself/herself or any other person except under any of the following circumstances:

(1) where he/she has reported to the board of directors or the shareholders' meeting and has been approved by a resolution of the board of directors or the shareholders' meeting according to the articles of association; or

(2) where the company cannot make use of the business opportunity as stipulated by laws, administrative regulations or the articles of association.

Without reporting to the board of directors or the shareholders' meeting and obtaining an approval by resolution of the board of directors or the shareholders' meeting according to the articles of association, no director, supervisor or senior management may engage in any business that is similar to that of the company where he/she holds office, for himself/herself or for any other person. Income generated by directors or senior management in violation of aforementioned paragraphs shall be returned to the company. A director, supervisor or senior management who contravenes law, administrative regulation or articles of association in the performance of his/her duties resulting in any loss to the company shall be liable to the company for compensation.

Where a director, supervisor or senior management is required to attend a shareholders' meeting, such director, supervisor or senior management shall attend the meeting and answer the inquiries from shareholders. The supervisory board may require directors and senior management to submit reports on the performance of their duties. Directors and senior management shall furnish all true information and data to the supervisory board, without impeding the discharge of duties by the supervisory board or supervisors.

Where a director or senior management contravenes law, administrative regulation or articles of association in the performance of his/her duties resulting in any loss to the company, shareholder(s) holding individually or in aggregate no less than 1% of the company's shares consecutively for at least 180 days may request in writing that the supervisory board institute litigation at a people's court on its behalf. Where the supervisor violates the laws or administrative regulations or the articles of association in the discharge of its duties resulting in any loss to the company, such shareholder(s) may request in writing that the board of directors institute litigation at a people's court on its behalf. If the supervisory board or the board of directors refuses to institute litigation after receiving this written request from the shareholder(s), or fails to institute litigation within 30 days of the date of receiving the request, or in case of emergency where failure to institute litigation immediately will result in irrecoverable damage to the company's interests, such shareholder(s) shall have the power to institute litigation directly at a people's court in its own name for the company's benefit. For other parties who infringe the lawful interests of the company resulting in loss to the company, such shareholder(s) may institute litigation at a people's court in accordance with the procedure described above. Where a director or senior management contravenes any laws, administrative regulations or the articles of association in infringement of shareholders' interests, a shareholder may also institute litigation at a people's court.

FINANCE AND ACCOUNTING

A company shall establish its own financial and accounting systems according to the laws, administrative regulations and the regulations of the competent financial departments of the State Council. At the end of each financial year, a company shall prepare a financial report which shall be audited by an accounting firm in accordance with the laws. The financial and accounting reports shall be prepared in accordance with the laws, administrative regulations and the regulations of the financial departments of the State Council.

The company's financial reports shall be made available for shareholders' inspection at the company 20 days before the convening of an annual shareholders' meeting. A joint stock limited company that makes public stock offerings shall publish its financial reports.

When distributing each year's profits after taxation, the company shall set aside 10% of its profits after taxation for the company's statutory common reserve fund until the fund has reached 50% or more of the company's registered capital. When the company's statutory common reserve fund is not sufficient to make up for the company's losses for the previous years, the current year's profits shall first be used to make up for the losses before any allocation is set aside for the statutory common reserve fund. After the company has made allocations to the statutory common reserve fund from its profits after taxation, it may, upon passing a resolution at a shareholders' meeting, make further allocations from its profits after taxation to the discretionary common reserve fund. After making up for its losses and making allocations to its discretionary common reserve fund, the joint stock limited company shall distribute the remaining profits after taxation in proportion to the number of shares held by the shareholders, unless otherwise provided by the articles of association.

Profits distributed to shareholders by the company in violation of the provisions of the PRC Company Law must be returned to the company; if losses are incurred to the company, shareholders and responsible directors, supervisors and senior management shall be liable for compensation. The company shall not be entitled to any distribution of profits in respect of shares held by it.

The premium over the nominal value of the shares of the company earned from the issue of share, the amount of proceeds from the issue of no-par value shares that is not calculated in the registered capital, and other income as required by CSRC to be treated as the capital reserve fund shall be accounted for as the capital reserve fund. The common reserve fund of a company shall be applied to make up for the company's losses, expand its business operations or increase its capital. Where the common reserve fund of a company is applied to make up for the company's losses, the discretionary common reserve fund and statutory common reserve fund shall be firstly applied; and if losses still cannot be made up, the capital reserve can be used in accordance with the relevant provisions. Upon the transfer of the statutory common reserve fund into capital, the balance of the fund shall not be less than 25% of the registered capital of the company before such transfer.

The company shall have no accounting books other than the statutory books. The company's assets shall not be deposited in any account opened under the name of an individual.

APPOINTMENT AND RETIREMENT OF AUDITORS

Pursuant to the PRC Company Law, the engagement or dismissal of an accounting firm responsible for the company's auditing shall be determined by the shareholders' meeting, the board of directors, or the supervisory board in accordance with the articles of association. The accounting firm should be allowed to make statements when the shareholders' meeting, the board of directors, or the supervisory board conduct a vote on the dismissal of the accounting firm. The company should provide true and complete accounting evidence, accounting books, financial and accounting reports and other accounting information to the engaged accounting firm without any refusal, withholding or falsification of information.

PROFIT DISTRIBUTION

Under the PRC Company Law, a company shall not distribute profits before losses are covered and the statutory common reserve fund is provided.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Under the PRC Company Law, the resolution of a shareholders' meeting regarding any amendment to a company's articles of association requires affirmative votes by at least two-thirds of the votes held by shareholders attending the meeting.

DISSOLUTION AND LIQUIDATION

Under the PRC Company Law, a company shall be dissolved for any of the following reasons:

(1) the term of its operation set out in the articles of association has expired or other events of dissolution specified in the articles of association have occurred;

(2) the shareholders' meeting has resolved to dissolve the company;

(3) the company is dissolved by reason of its merger or division;

(4) the business license of the company is suspended or the company is ordered to close down or to be revoked in accordance with the laws;

(5) the company is dissolved by a people's court in response to the request of shareholders holding shares that represent more than 10% of the voting rights of all shareholders of the company, on the grounds that the operation and management of the company has encountered serious difficulties that cannot be resolved through other means, rendering ongoing existence of the company a cause for significant losses to the shareholders.

In the event of paragraph (1) or (2) above, the company may carry on its existence by amending its articles of association or upon a resolution of the shareholders' meeting under the condition that the company has not distributed the assets to its shareholders. The amendments to the articles of association in accordance with the provisions described above shall require the approval of more than two-thirds of voting rights of shareholders attending a shareholders' meeting.

Where the company is dissolved under the circumstances set forth in paragraph (1), (2), (4), or (5) above, it should establish a liquidation committee within 15 days of the date on which the dissolution matter occurs. The liquidation committee shall be composed of directors or any other person determined by a shareholders' meeting or as stipulated in the articles of association. If a liquidation committee fails to be established within the prescribed period or fails to carry out the liquidation after its establishment, interested parties may file an application with a people's court to appoint relevant personnel to form a liquidation committee to administer the liquidation. The people's court should accept such application and form a liquidation committee to conduct liquidation in a timely manner.

The liquidation committee may exercise following powers during the liquidation:

(1) to sort out the company's assets and to prepare a statement of financial position and an inventory of assets, respectively;

(2) to notify creditors by notice or public announcement;

(3) to deal with any outstanding business related to the liquidation;

(4) to pay outstanding tax together with any tax arising during the liquidation process;

(5) to settle claims and liabilities;

(6) to distribute the company's remaining assets after its debts have been paid off;

(7) to represent the company in any civil procedures.

The liquidation committee shall notify the company's creditors within 10 days of its establishment and publish an announcement in newspapers or on the national enterprise credit information publicity system within 60 days.

A creditor shall lodge his claim with the liquidation committee within 30 days of receipt of the notification or within 45 days of the date of the announcement if he has not received any notification. A creditor shall report all matters relevant to his claimed creditor's rights and furnish relevant evidence. The liquidation committee shall register such creditor's rights. The liquidation committee shall not make any settlement to creditors during the period of the claim.

Upon disposal of the company's property and preparation of the required statement of financial position and inventory of assets, the liquidation committee shall draw up a liquidation plan and submit this plan to a shareholders' meeting or a people's court for confirmation. The remaining part of the company's assets, after payment of liquidation expenses, employee wages, social insurance expenses and statutory compensation, outstanding taxes and the company's debts, shall be distributed to shareholders in proportion to shares held by them. The company shall continue to exist during the liquidation period, although it cannot conduct operating activities that are not related to the liquidation. The company's assets shall not be distributed to shareholders before repayments are made in accordance with the requirements described above.

Upon liquidation of the company's property and preparation of the required statement of financial position and inventory of assets, if the liquidation committee becomes aware that the company does not have sufficient assets to meet its liabilities, it must apply to a people's court for a bankruptcy liquidation in accordance with the laws. After the people's court accepts the application for bankruptcy, the liquidation committee shall hand over the liquidation matters to the bankruptcy administrator designated by the people's court.

Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report and submit it to the shareholders' meeting or a people's court for confirmation. Following such confirmation, the report shall be submitted to the company registration authority to cancel the company's registration. Members of the liquidation committee performing their liquidation obligations have the duties of loyalty and diligence. Members of the liquidation committee are liable for indemnifying the company in respect of the losses arising from their negligent performance of their liquidation duties; members of the liquidation committee are liable to indemnify the creditors in respect of any losses arising from their willful or gross negligence.

Liquidation of a company declared bankrupt according to law shall be processed in accordance with the laws on corporate bankruptcy.

OVERSEAS LISTING

Pursuant to the Trial Measures, where an issuer makes an overseas initial public offering or listing, it shall file with the CSRC within three PRC business days after such overseas listing application is submitted.

MERGER AND DIVISION

For companies to merge, a merger agreement shall be signed by merging companies, and the companies shall prepare respective statements of financial position and inventory of assets. The companies shall within 10 days of the date of passing the resolution approving the merger notify their respective creditors and publicly announce the merger in newspapers or the national enterprise credit information publicity system within 30 days. A creditor may, within 30 days of receipt of the notification, or within 45 days of the date of the announcement if he/she has not received the notification, request the company to settle any outstanding debts or provide relevant guarantees. In case of a merger, the credits and debts of the merging parties shall be assumed by the surviving company or the new company.

In case of a division, the company's assets shall be divided, and a statement of financial position and an inventory of assets shall be prepared. When a resolution regarding the company's division is approved, the company should notify all its creditors within 10 days of the date of passing such resolution and publicly announce the division in newspapers or on the national enterprise credit information publicity system within 30 days. Unless an agreement in writing is reached with creditors before the company's division in respect of the settlement of debts, the liabilities of the company which have accrued prior to the division shall be jointly borne by the divided companies.

SHARES

Issuance of Shares

The shares of a company shall be in the form of stocks. The share certificates of the company shall adopt the form of registered share certificates. In addition to those specified in the Company Law, the company's shares shall also include other matters required by the stock exchange at the place where the company's shares are listed.

The company issues common shares, including domestic shares and H-shares (shares issued for listing in Hong Kong). As required by law, administrative regulations, the CSRC, and the stock exchange where the company is listed, the company may issue different classes of shares from common shares, such as those entitled to preferential or post-deferred profit distribution or residual assets, as well as other classes specified by the State Council.

The issuance of shares of a company shall follow the principles of openness, fairness and impartiality. Each share of the same class shall have equal rights. The conditions for issuance and the price of each share of the same class issued at the same time shall be the same; each share subscribed by a subscriber shall be paid the same amount.

The company's domestically unlisted shares (referring to shares issued but not traded on domestic or overseas exchanges) and overseas-listed shares shall enjoy identical rights in any distributions made through dividends (including cash and physical distributions) or other forms. No party shall exercise any rights, freeze, or otherwise impair the rights attached to the shares merely because they directly or indirectly hold such interests without disclosing their equity status to the company.

With filing with the CSRC and approval from regulatory authorities including the HKEX, the company may convert all or part of its unlisted domestic shares into overseas-listed shares. These converted shares can be listed and traded on the HKEX. The conversion process does not require a shareholder meeting vote. When such converted shares are listed on the HKEX, they must comply with local regulatory procedures, rules, and requirements of the exchange's jurisdiction.

The shares issued by the company are all par value shares, with a par value of RMB1 per share.

The unlisted domestic shares issued by the company are centrally depository in China Securities Depository and Clearing Company Limited (CSDCC); the H-shares issued by the company are centrally depository in Computershare Hong Kong Investor Services Limited (CHIS); shareholders may also hold them in their own names.

Increase/Reduction of Shares

A company may, upon resolution by a shareholders' meeting, adopt the following methods to increase its capital based on its business and development needs and pursuant to the provisions of laws and regulations, Hong Kong Listing Rules, securities regulatory rules of the company's listing place and relevant regulations of regulatory authorities:

(1) issuance of shares to unspecified objects;

(2) issuance of shares to specified objects;

(3) distribution of bonus shares to existing shareholders;

(4) conversion of reserve to increase share capital; and

(5) any other methods stipulated by laws, administrative regulations, the Hong Kong Listing Rules, as well as those approved by the securities regulatory authorities of the place where the company's shares are listed, the HKEX and the CSRC.

The board of directors may decide to issue no more than 50% of the issued shares within three years. However, the contribution of non-monetary property shall be approved by the shareholders' meeting.

Where the board of directors decides to issue shares in accordance with the provisions of the preceding paragraph, resulting in changes in the company's registered capital and the number of issued shares, no further vote shall be required by the shareholders' meeting on the modification of the items recorded in this article of association.

Where the board of directors decides to issue new shares, the resolution of the board of directors shall be passed by more than 2/3 of all the directors.

A company may reduce its registered capital. The reduction of a company's registered capital shall be handled in accordance with the Company Law and other relevant provisions, the Hong Kong Listing Rules and other securities regulatory rules of the place where the company's shares are listed and the procedures stipulated in the articles of association.

Where a company increases or reduces its registered capital, it shall, in accordance with law, go through the registration of changes with the company registration authority.

Share Repurchase

Under the following circumstances, the Company may acquire its own shares in accordance with laws, administrative regulations, departmental rules and these Articles of Association:

(1) Reducing the company's registered capital;

(2) Merger with other companies holding shares of the Company;

(3) Use the shares for employee stock ownership plan or equity incentive;

(4) A shareholder dissatisfied with the resolution of merger or division of the company made by the shareholders' meeting requests the company to acquire his shares;

(5) Use the shares to convert into corporate bonds issued by the company that can be converted into stocks;

(6) What is necessary for the company to safeguard its value and shareholders' rights and interests;

(7) Other circumstances permitted by laws, administrative regulations, departmental rules and regulatory rules of the stock listing place of the company.

The company's acquisition of its own shares shall be conducted in accordance with relevant laws and regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the company's shares are listed and the provisions of the articles of association.

The Company may acquire its shares through open centralized transactions or other methods approved by relevant laws and regulations, the Hong Kong Listing Rules and other securities regulatory rules of the company's listing place and the CSRC (if necessary).

Where a company acquires its own shares under the circumstances specified in items (3), (5) and (6) above, it shall, subject to the requirements of applicable securities regulatory rules and guidelines in the stock listing place of the company, conduct the acquisition through open centralized trading.

When a company acquires its own shares under the circumstances specified in items (1) and (2) above, such acquisition shall be approved by a resolution of the shareholders' meeting. If the acquisition is made under the circumstances stipulated in items (3), (5), or (6), it may be resolved by a board meeting attended by more than two-thirds of the directors, either in accordance with these Articles of Association or as authorized by the shareholders' meeting.

Upon acquiring shares of the company in accordance with the preceding provision, the company shall: (1) cancel such shares within ten days from the acquisition date; (2) transfer or cancel shares within six months for cases under items (2) and (4); (3) limit total holdings to no more than 10% of issued shares for cases under items (3), (5), and (6), with mandatory transfer or cancellation within three years.

Upon acquiring shares of a company, the acquiring entity shall fulfill disclosure obligations in accordance with relevant laws, regulations, and the Hong Kong Listing Rules. Where applicable regulations from the listing jurisdiction or stock exchange provisions differ regarding share repurchases, such differing requirements shall prevail. The repurchase of foreign shares listed overseas by the company shall comply with the Hong Kong Listing Rules and other applicable laws, regulations, and regulatory provisions of the overseas listing jurisdiction.

Transfer of Shares

The shares of the company shall be transferred according to law.

The restricted sale, reduction and other share changes of the shares held by the company's shareholders, directors and senior managers shall comply with the Company Law, the Securities Law, the Hong Kong Listing Rules, as well as the relevant regulations of the CSRC and the relevant regulatory rules of the company's stock listing place on the company's share changes.

All transfers of H-shares shall be executed through written documents in either standard or general formats approved by the Board of Directors (including the Standard Transfer Form or Assignment Form as required by the HKEX). Such documents may only be executed through manual signing or affixing the company's valid official seal (if the transferor or transferee is a company). Where the transferor or transferee is a recognized clearing house or its authorized agent under applicable Hong Kong legislation, the documents may be executed either manually or electronically. All transfer documents shall be maintained at the company's statutory address or such address as may be designated by the Board of Directors.

The Company does not accept the company's shares as the subject matter of the pledge.

The shares already issued by the company before its public offering of shares shall not be transferred within one year from the date on which the company's shares are listed and traded on the stock exchange. If laws, administrative regulations or securities regulatory agencies have other provisions on the transfer of shares held by the company's shareholders or actual controllers, such provisions shall prevail.

Directors and senior management personnel of the company shall report their holdings and any changes in shares to the company. During their tenure confirmed at appointment, they may not transfer more than 25% of their total shares held in the company each year, except for share transfers caused by judicial enforcement, inheritance, bequests, or legal property division. Shares held in the company shall not be transferred within one year from the date of listing and trading. These individuals are also prohibited from transferring their shares within six months after leaving their positions.

Where a share is pledged within the period of limitation for transfer prescribed by laws and administrative regulations, the pledgee shall not exercise the pledge right within the period of limitation for transfer.

Where the relevant regulations of the securities regulatory body and the stock exchange in the place where the company's shares are listed have other provisions on the transfer restrictions of overseas listed shares, such provisions shall prevail.

Shareholders holding 5% or more of the company's shares, including directors, senior management personnel, and other shareholders, must sell their holdings within six months after purchase or repurchase within six months after sale. Any profits derived from such transactions shall belong to the company, with the board of directors recovering the proceeds. However, securities companies holding over 5% shares through underwriting purchases of post-sale surplus shares, as well as other circumstances specified by the State Council's securities regulatory authority, local stock exchange regulators, or relevant authorities, are exempt from the six-month restriction. Notably, these shareholders do not include recognized clearing institutions and their agents as defined by Hong Kong laws that are currently effective.

The stocks or other securities of equity nature held by the directors, senior managers and natural person shareholders mentioned in the preceding paragraph include the stocks or other securities of equity nature held by their spouses, parents, children and other related persons and those held by others through accounts.

Where the board of directors of a company fails to execute the foregoing provision of this Article, the shareholders shall have the right to demand that the board of directors execute the provisions within 30 days. If the board of directors fails to execute the provisions within the said time limit, the shareholders shall have the right to file a lawsuit directly in the people's court in their own name for the benefit of the company.

Where the board of directors of the company fails to implement the foregoing provision of this Article, the responsible directors shall be jointly and severally liable according to law.

SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

Register of Shareholders

The company maintains a shareholder register based on certificates provided by securities registration and settlement institutions, in accordance with laws, regulations, normative documents, and the Hong Kong Listing Rules. The shareholder register serves as definitive proof of shareholders' equity holdings. Any shareholder registered in the share ledger or any party who requests that its name (or title) be registered in the share ledger may apply to the company for supplementary issue of replacement certificates if its share certificates have been lost. In the case of a holder of foreign capital shares listed overseas losing its share certificate and applying for supplementary issue of a replacement certificate, this shall be handled in accordance with the law of the place where the original ledger of foreign capital shareholders is kept with the rules of the stock exchange or other relevant regulations. Shareholders enjoy rights and fulfill obligations according to the type of shares they hold. Shareholders holding identical types of shares shall enjoy equal rights and bear corresponding obligations.

The transfer and assignment of shares shall be registered in the shareholder register. The company may, pursuant to understandings or agreements reached between the securities regulatory authority under the State Council and overseas securities regulators, maintain the register of shareholders for overseas-listed shares abroad and entrust it to foreign agents for management. The original H-share shareholder register shall be stored in Hong Kong. In case of discrepancies between the original and duplicate copies of the H-share shareholder register, the original version shall prevail. While the shareholder register must remain accessible to shareholders, the company may suspend shareholder registration procedures in accordance with Section 632 of the Companies Ordinance (Cap. 622, Laws of Hong Kong) and the securities regulatory rules of the listing jurisdiction.

When a company convenes Shareholders' meetings, distributes dividends, conducts liquidation, or engages in other actions requiring shareholder identification, the board of directors or the convener of the shareholders' meeting shall determine the equity registration date and identify shareholders entitled to relevant rights based on the shareholder register. Where laws, administrative regulations, departmental rules, normative documents, or the stock exchange where the company is listed or regulatory authorities have provisions regarding the suspension of share transfer registration procedures before the convening of shareholders' meetings or prior to the benchmark date for dividend distribution decisions, such provisions shall be followed.

Shareholders of the company shall enjoy the following rights:

(1) To receive dividends and other forms of benefit distribution in accordance with the share of shares they hold;

(2) To request, convene, preside over, attend or appoint a shareholder agent to attend the shareholders' meeting in accordance with the law, to speak at the shareholders' meeting and exercise the corresponding voting rights, unless an individual shareholder is required to waive the right to vote on certain matters in accordance with the securities regulatory rules of the listing place or applicable laws and regulations;

(3) To supervise the company's operations and make suggestions or inquiries;

(4) Transfer, gift or pledge the shares held by it in accordance with laws, administrative regulations and the provisions of these Articles;

(5) To consult and copy the articles of association, register of shareholders, minutes of meetings of Shareholders' meetings, resolutions of meetings of the board of directors, and financial and accounting reports; shareholders who meet the requirements may consult the company's accounting books and accounting vouchers; if there are other provisions in the securities regulatory rules of the place where the company's shares are listed, such provisions shall prevail;

(6) When the company terminates or liquidates, it shall participate in the distribution of the remaining property of the company according to its share of shares;

(7) A shareholder who disagrees with the resolution of merger or division of the company made by the shareholders' meeting and requests the company to acquire its shares;

(8) Other rights provided for by laws, administrative regulations, departmental rules, Hong Kong Listing Rules, regulatory rules of the place where the company's shares are listed or these Articles of Association.

Shareholders requesting to review or copy company-related materials shall comply with the provisions of laws and administrative regulations such as the Company Law and Securities Law. When shareholders request to access company information or obtain materials, they must provide written documents proving the type and quantity of their shareholdings. After verifying the shareholder's identity, the company shall provide the requested materials according to their requirements. Shareholders are obligated to maintain confidentiality regarding any information obtained from the company or materials requested until such information is publicly disclosed. Should shareholders breach confidentiality obligations and cause losses to the company, they shall bear liability for compensation.

Shareholders who have individually or collectively held more than 3% of the company's shares for over 180 consecutive days may request access to the company's accounting books and financial records. When making such requests, shareholders must submit a written application specifying their purpose. If the company has reasonable grounds to believe that the shareholder's request for accessing these

documents is improper and could harm its legitimate interests, it may refuse the request. The company must provide a written response with justification within fifteen days from the date of receiving the request. Shareholders who are denied access may file a lawsuit with the People's Court.

Shareholders may entrust accounting firms, law firms and other intermediary agencies to examine the materials specified in the preceding paragraph.

Shareholders and the intermediary agencies such as accounting firms and law firms entrusted by them to consult and copy relevant materials shall abide by the provisions of laws and administrative regulations on the protection of state secrets, business secrets, personal privacy and personal information.

Where the resolution of the shareholders' meeting or the board of directors of the company violates laws or administrative regulations, the shareholders shall have the right to request the people's court to invalidate it.

Where the convening procedures or voting methods of Shareholders' meetings or board meetings violate laws, administrative regulations, or the company's articles of association, or where the resolution content contravenes these provisions, shareholders shall have the right to petition the People's Court for revocation within sixty days from the date the resolution is adopted. However, this applies only when such procedural flaws or voting methods involve minor defects that do not substantially affect the resolution.

When disputes arise between the board of directors, shareholders, or other relevant parties regarding the validity of a shareholders 'resolution, they shall promptly file a lawsuit with the People's Court. Before the court issues a judgment or ruling, all parties must execute the shareholders' resolution without exception. No entity may refuse to comply with its content on the grounds that the resolution is invalid. The company, directors, and senior management must conscientiously fulfill their duties to ensure the smooth operation of the enterprise.

When the People's Court issues a judgment or ruling on relevant matters, the company shall fulfill its information disclosure obligations in accordance with laws, administrative regulations, the Hong Kong Listing Rules, and other securities regulatory rules of the CSRC and the stock listing location. The company must fully explain the impacts and actively cooperate with enforcement after the judgment or ruling takes effect. For corrections to prior matters, the company shall promptly address them and fulfill corresponding information disclosure obligations.

Under any of the following circumstances, the resolution of the shareholders' meeting or the board of directors of the company shall not be established:

(1) No resolution was made at the shareholders' meeting or the board of directors meeting;

(2) The shareholders' meeting or the board of directors fails to vote on the matters resolved;

(3) The number of persons present at the meeting or the number of voting rights held does not meet the number or the number of voting rights stipulated in the Company Law or these Articles of Association;

(4) The number of persons present at the meeting or the number of voting rights held does not meet the number or the number of voting rights stipulated in the Company Law or these Articles of Association;

(5) The number of persons or the number of voting rights holding the resolution items does not reach the number or the number of voting rights stipulated in the Company Law or these Articles of Association.

Directors and senior management personnel outside the Audit Committee who violate laws, administrative regulations, or the company's articles of association while performing their duties, thereby causing losses to the company, shall bear compensation liability in accordance with the law. Shareholders holding 1% or more of the company's shares individually or collectively for over 180 consecutive days have the right to submit written requests to the Audit Committee to file a lawsuit with the People's Court. Similarly, Audit Committee members who violate laws, administrative regulations, or the company's articles of association while performing their duties and cause losses to the company shall also bear compensation liability in accordance with the law. The aforementioned shareholders may submit written requests to the Board of Directors to file a lawsuit with the People's Court.

Where the Board of Auditors or the Board of Directors refuses to initiate litigation after receiving a written request from a shareholder specified in the preceding paragraph, fails to do so within 30 days from the date of receiving the request, or where an emergency situation arises that would cause irreparable harm to the company's interests if litigation is not initiated immediately, such shareholder shall have the right to directly file a lawsuit in the People's Court in its own name for the benefit of the company.

Where a company's lawful rights and interests are infringed by another person, thereby causing losses to the company, the shareholder may bring a lawsuit before a people's court.

Where directors, supervisors, or senior management personnel of a wholly-owned subsidiary violate laws, administrative regulations, or the company's articles of association in performing their duties, causing losses to the company, or where others infringe upon the legitimate rights and interests of the wholly-owned subsidiary resulting in losses, shareholders who individually or collectively hold more than 1% of the company's shares for over 180 consecutive days may submit written requests pursuant to the first three paragraphs of Article 189 of the Company Law. Such requests may direct the subsidiary's board of supervisors or board of directors to file a lawsuit with the people's court, or directly file a lawsuit in their own name. Where the wholly-owned subsidiary does not have a board of supervisors or supervisor, or has an audit committee, the foregoing provisions of this article shall apply.

Where a director or a senior manager violates the provisions of laws, administrative regulations or these articles of association and damages the interests of shareholders, the shareholders may bring a lawsuit before a people's court.

Shareholders of the company undertake the following obligations:

(1) Abide by laws, administrative regulations and these articles of association;

(2) Pay the share price according to the shares subscribed and the mode of investment;

(3) The share capital shall not be withdrawn except under circumstances prescribed by laws and regulations;

(4) It shall not abuse the rights of shareholders to harm the interests of the company or other shareholders; it shall not abuse the independent legal status of the company and the limited liability of shareholders to harm the interests of the company's creditors;

(5) Other obligations to be assumed as stipulated by laws, administrative regulations, regulatory rules of the stock listing place of the company and these articles of association.

Where a shareholder of a company abuses his right as a shareholder and causes losses to the company or other shareholders, he shall be liable for compensation according to law. Where a shareholder of a company abuses the independent legal status of the company and the limited liability of shareholders to evade debts and seriously damage the interests of creditors of the company, he shall be jointly and severally liable for the debts of the company.

If a shareholder holding more than 5% of the voting shares of the company pledges his shares, he shall make a written report to the company on the day when the fact occurs.

General Provisions of the Shareholders' Meeting

The shareholders' meeting is the authority of the company and exercises the following functions and powers according to law:

(1) electing and replacing directors and deciding on matters relating to the remuneration of directors;

(2) to examine and approve the reports of the board of directors;

(3) to examine and approve the company's profit distribution plan and loss compensation plan;

(4) to make resolutions on the increase or decrease of the company's registered capital;

(5) to make resolutions on the issuance of bonds or other securities and the listing of the company;

(6) to make resolutions on the merger, division, dissolution, liquidation or change of the form of the company;

(7) amend these Articles of Association;

(8) to make resolutions on the employment and dismissal of accounting firms undertaking audit services for the company;

(9) to examine and approve the security matters prescribed in Article 43;

(10) to examine and approve the purchase or sale of major assets by the company within one year that exceeds 30% of the company's total audited assets in the latest period;

(11) examine and approve changes in the use of raised funds;

(12) reviewing equity incentive plans and employee stock ownership plans;

(13) to examine the repurchase of shares of the Company in accordance with the provisions of these Articles;

(14) to examine laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules in the place where the company's shares are listed or other matters that should be decided by the shareholders' meeting as stipulated in these Articles of Association.

Unless otherwise provided for by laws, administrative regulations, departmental rules and regulatory rules of the stock listing place of the company, the authority of the shareholders' meeting shall not be exercised by the board of directors or other institutions or individuals in the form of authorization.

The following external guarantee acts of the company shall be submitted to the shareholders' meeting for deliberation and approval:

(1) Any guarantee provided by the company and its holding subsidiaries whose total amount exceeds 50% of the audited net assets of the latest period;

(2) Any guarantee provided by the Company whose total amount of external guarantees exceeds 30% of the audited total assets of the latest period;

(3) The amount of guarantee provided by the company within one year exceeds 30% of the total audited assets of the company in the latest period;

(4) Guarantees provided for guarantee objects whose asset-liability ratio exceeds 70%;

(5) A single guarantee whose amount exceeds 10% of the latest audited net assets;

(6) Guarantees provided by shareholders, actual controllers and their affiliated persons;

(7) Other guarantee circumstances that require approval by the shareholders' meeting as stipulated in laws, administrative regulations, rules, normative documents, The Hong Kong Listing Rules and other securities regulatory rules in the place where the company's shares are listed.

The external guarantee that should be examined and approved by the shareholders' meeting must be submitted to the shareholders' meeting for examination and approval only after being examined and approved by the board of directors.

Except for the matters mentioned above which shall be examined and approved by the shareholders' meeting, all other external guarantee matters of the company shall be examined and approved by the board of directors.

When a shareholder deliberates on a proposal to provide a guarantee for the shareholder, the actual controller and its affiliated persons (as defined in the Hong Kong Listing Rules), such shareholder or the shareholder under the control of the actual controller shall not participate in the vote, and the vote shall be passed by more than half of the voting rights held by other shareholders present at the shareholders' meeting.

Where a company provides a guarantee to an Affiliate (as defined in the Hong Kong Listing Rules), it shall comply with the applicable provisions of the Hong Kong Listing Rules (except for the exemption of the HKEX).

Shareholders' meetings are divided into annual shareholders' meetings and interim Shareholders' meetings. The annual shareholders' meeting shall be held once a year and shall be held within 6 months after the end of the previous fiscal year.

Under any of the following circumstances, the company shall convene an extraordinary shareholders' meeting within two months from the date when the fact occurs:

(1) The number of directors is less than 2/3 of the number stipulated in the Company Law or the articles of association;

(2) The company's unremedied losses reach 1/3 of the total amount of paid-up share capital;

(3) When a shareholder who individually or collectively holds more than 10% of the company's shares (based on the basis of one share, one vote);

(4) When the board of directors deems it necessary;

(5) When the audit Committee proposes to convene;

(6) Other circumstances stipulated by laws, administrative regulations, departmental rules, Hong Kong Listing Rules and other securities regulatory rules in the place where the company's shares are listed or other provisions of the Articles of Association.

The Company shall convene Shareholders' meetings at its registered office or other locations designated by the convening party. Shareholders' meetings shall be conducted in a manner approved or required by the securities regulatory authority of the stock listing location. The Company will provide convenient participation methods such as online platforms, video conferencing, telephone calls, or other means in accordance with laws, administrative regulations, the Hong Kong Listing Rules, and other securities regulatory requirements of the listing location. Participation through these methods shall be deemed as attendance. For remote attendees via online platforms, video conferencing, or telephone calls, shareholders must complete registration and identity verification as required by the meeting notice in advance, submit personal information to the Company, and use provided network credentials to participate. During meetings, the Board of Directors and chairpersons may arrange for remote participants to speak and ask questions without disrupting normal proceedings. The Company will also provide online voting options to facilitate shareholder participation, provided such practices comply with applicable laws, administrative regulations, departmental rules, normative documents, and the Hong Kong Listing Rules.

If laws, administrative regulations, departmental rules, Hong Kong Listing Rules and other securities regulatory rules in the listing place of the Company explicitly require the company to hold a shareholders' meeting with the presence of a lawyer and issue legal opinions, the Company will employ a lawyer to issue legal opinions and make public announcements on the following issues when holding a shareholders' meeting:

(1) whether the procedures for convening and holding the meeting comply with laws, administrative regulations and the articles of association;

(2) whether the qualifications of the participants and the qualifications of the convenor are legal and valid;

(3) whether the voting procedure and the result of the vote are legal and valid;

(4) legal opinions issued at the request of the Company on other relevant issues.

Convening of shareholders' meeting

The board of directors shall convene the shareholders' meeting on time within the prescribed time limit.

With the approval of a majority vote by all independent non-executive directors, such directors may submit a written proposal to the Board of Directors requesting the convening of an extraordinary general meeting. The Board shall provide written feedback within 10 days of receiving such request, evaluating whether to approve or reject the proposal in accordance with applicable laws, administrative regulations, the Hong Kong Listing Rules, securities regulatory requirements of the company's listing jurisdiction, and the Company's Articles of Association.

If the board of directors agrees to convene an extraordinary shareholders' meeting, it shall issue a notice of convening the shareholders' meeting within 5 days after the resolution is made by the board of directors; if the board of directors does not agree to convene an extraordinary shareholders' meeting, it shall state the reasons and make an announcement.

The Audit Committee may propose to the Board of Directors to convene an extraordinary shareholders' meeting and must submit such proposal in writing. The Board shall, within 10 days of receiving the proposal, provide written feedback on whether to approve or reject the extraordinary shareholders' meeting in accordance with applicable laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the company's listing location, and the company's Articles of Association.

If the board of directors agrees to convene an extraordinary shareholders' meeting, it shall issue a notice of convening the shareholders' meeting within 5 days after the resolution of the board of directors, and any change to the original proposal in the notice shall be subject to the consent of the audit committee.

If the board of directors does not agree to hold an interim shareholders' meeting, or fails to give feedback within 10 days after receiving the proposal, it shall be deemed that the board of directors is unable or fails to perform its duty of convening a shareholders' meeting, and the audit committee may convene and preside over the meeting by itself.

Shareholders holding 10% or more of the company's shares, either individually or collectively, have the right to request the board of directors to convene an extraordinary shareholders' meeting. Such requests must be submitted in writing to the board. The board shall provide written feedback on whether to approve the request within 10 days of receiving it, in accordance with applicable laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the stock listing location, and the company's articles of association.

Where the board of directors agrees to convene an extraordinary shareholders' meeting, it shall issue a notice of convening the shareholders' meeting within 5 days after the resolution is made. Any modification to the original request in the notice shall obtain the consent of the relevant shareholders. Where laws, administrative regulations, departmental rules, or securities regulatory rules of the stock listing place have other provisions, such provisions shall prevail.

If the board of directors does not agree to convene an extraordinary shareholders' meeting, or fails to give feedback within 10 days after receiving the request, a shareholder who individually or collectively holds more than 10% of the company's shares (based on the basis of one vote per share) shall have the right to propose to the audit committee to convene an extraordinary shareholders' meeting and shall submit the request in writing to the audit committee.

If the audit committee agrees to convene an extraordinary shareholders' meeting, it shall issue a notice of convening the shareholders' meeting within 5 days after receiving the request, and the modification of the original proposal in the notice shall obtain the consent of the relevant shareholders.

If the audit committee fails to issue a notice of shareholders' meeting within the prescribed time limit, it shall be deemed that the audit committee does not convene and preside over the shareholders' meeting, and the 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 the meeting by themselves.

If the audit committee or shareholders decide to convene the shareholders' meeting by themselves, they shall notify the board of directors.

Before the announcement of the shareholders' meeting resolution, the shareholding ratio of the convening shareholder shall not be less than 10%. The convening shareholder shall disclose the announcement no later than the issuance of the shareholders' meeting notice, and promise that during the period from the date of proposing to convene the shareholders' meeting to the date of the shareholders' meeting, its shareholding ratio shall not be less than 10% of the total share capital of the company.

Where laws, administrative regulations, departmental rules or securities regulatory rules of the place where the company's shares are listed provide otherwise, such provisions shall prevail.

The board of directors and the secretary of the board of directors shall cooperate with the audit committee or shareholders in convening a shareholders' meeting. The board of directors shall provide the register of shareholders on the date of share registration. The register of shareholders obtained by the convenor shall not be used for any purpose other than convening a shareholders' meeting.

The expenses necessary for the meeting of the shareholders' meeting convened by the audit committee or the shareholders themselves shall be borne by the company.

Proposal and Notice of Shareholders' meeting

The contents of the proposal shall fall within the authority of the shareholders' meeting, have clear topics and specific resolution matters, and comply with the relevant provisions of laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules in the place where the company's shares are listed and the articles of association.

Shareholders of the company convene a shareholders' meeting, and the board of directors, the audit committee and the shareholders who individually or collectively hold more than 1% of the company's shares have the right to put forward proposals to the company.

Shareholders holding 1% or more of the company's shares individually or collectively may submit a provisional proposal in writing to the convenor at least 10 days before the shareholders' meeting. The proposal must specify clear agenda items and concrete resolution matters. Upon receiving the proposal, the convenor shall issue a supplementary notice within two days, disclose the provisional proposal's content through public announcement, and submit it to the shareholders' meeting for deliberation. However, this does not apply if the proposal violates laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the company's listing location, or the company's articles of association, or falls outside the shareholders' meeting's authority.

Except for the circumstances specified in the preceding paragraph, the convenor shall not modify any proposal listed in the notice of shareholders' meeting or add any new proposal after issuing the notice of shareholders' meeting.

If a proposal is not listed in the notice of shareholders' meeting or does not conform to the provisions of these Articles of Association, the shareholders' meeting shall not vote and make a resolution.

The convenor shall notify the shareholders 21 days before the annual shareholders' meeting (including by announcement), and the temporary shareholders' meeting shall notify the shareholders 15 days before the meeting (including by announcement).

The Company shall not include the date of the meeting when calculating the starting period, but shall include the date of the notice. If there are other provisions in relevant laws, administrative regulations, the Hong Kong Listing Rules and the securities regulatory authorities of the company's listing place, such provisions shall prevail.

The written notice of the shareholders' meeting shall include the following contents:

(1) The time, place and duration of the meeting;

(2) Matters and proposals submitted to the meeting for consideration;

(3) It shall be clearly stated that all shareholders registered on the date of registration of equity have the right to attend the shareholders' meeting and may appoint agents in writing to attend the meeting and vote, and such shareholder agent need not be a shareholder of the company;

(4) The date of registration of shares of shareholders entitled to attend the shareholders' meeting;

(5) Name and telephone number of the permanent contact person for the conference;

(6) The time and procedure of voting by network or other means.

Shareholders' notices and supplementary notices shall include the content stipulated by the securities regulatory rules of the company's listing location and the Articles of Association, while fully disclosing all specific details of each proposal. When matters requiring opinions from independent non-executive directors are proposed for discussion, the notices shall simultaneously disclose their opinions and rationale.

Where the shareholders' meeting adopts the Internet or other means, the voting time and voting procedures of the Internet or other means shall be clearly stated in the notice of the shareholders' meeting.

The interval between the date of registration and the date of meeting shall not be more than 7 working days. Once the date of registration is confirmed, it shall not be changed.

If the shareholders' meeting intends to discuss the election of directors, the notice of the shareholders' meeting shall fully disclose the detailed information of the candidates for directors, including at least the following:

(1) Personal information such as educational background, working experience and part-time jobs;

(2) Whether there is an affiliated relationship with the company or its controlling shareholders and actual controllers;

(3) Disclose the number of shares held by the company;

(4) Whether they have been punished by relevant securities regulatory agencies and other relevant departments or disciplined by the stock exchange;

(5) Whether the qualifications for appointment required by laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the stock listing place of the company and the Articles of Association are met, as well as other details that should be disclosed.

In addition to the cumulative voting system for electing directors, each director candidate shall be proposed as a separate proposal.

After the notice of shareholders' meeting is issued, the shareholders' meeting shall not be postponed or cancelled without justifiable reasons, and the proposals listed in the notice of shareholders' meeting shall not be cancelled. In case of postponement or cancellation, the convenor shall make an announcement at least 2 working days before the original date of convening and explain the reasons.

If there are other provisions in the Listing Rules of Hong Kong on the foregoing matters, such provisions shall prevail.

The convention of Shareholders' Meeting

The board of directors and other conveners of the company shall take necessary measures to ensure the normal order of the shareholders' meeting. For acts that disturb the shareholders' meeting, cause trouble or infringe upon the legitimate rights and interests of shareholders, measures shall be taken to stop them and report them to relevant departments for investigation and punishment in time.

All shareholders or their agents registered on the record date are entitled to attend the shareholders' meeting and exercise their voting rights in accordance with relevant laws and regulations, the Hong Kong Listing Rules and other securities regulatory rules of the listing place of the company's shares and this Articles of Association (unless individual shareholders are required to waive their voting rights on certain matters in accordance with the securities regulatory rules of the listing place of the company's shares).

In accordance with applicable laws and regulations and the Hong Kong Listing Rules, if any shareholder is required to abstain from voting on a resolution or if any shareholder is restricted to vote for (or against) a resolution, the number of votes cast by such shareholder or its representative in violation of the relevant provisions or restrictions shall not be counted.

Shareholders may attend the shareholders' meeting in person or authorize agents to attend and vote on their behalf. Each shareholder has the right to appoint one agent, but such agent need not be a shareholder of the company. The shareholder's agent may exercise the following rights in accordance with the shareholder's authorization:

(1) The right of the shareholder to speak at the shareholders' meeting;

(2) To vote by themselves or jointly with others;

(3) Exercise the voting right by raising hands or voting, except as otherwise provided for in relevant laws, administrative regulations and the listing rules of the stock exchange where the company's shares are listed or other securities laws and regulations.

If a private shareholder attends the meeting in person, he/she shall present his/her identity card or other valid certificates or certificates that can show his/her identity; if he/she attends the meeting on behalf of another person, he/she shall present his/her valid identity certificate and shareholder's power of attorney.

Shareholders of a legal entity or institutional shareholders shall be represented by their legal representative/Executive Partner or an authorized agent appointed by such representative to attend meetings and vote. When attending in person, the legal representative/Executive Partner must present their ID card and valid documentation proving their authority as such. For agents attending on behalf, the agent must present their ID card and a written power of attorney legally issued by the legal representative/Executive Partner of the corporate shareholder entity/institution.

Shareholders without independent legal personality shall be present at the meeting by their responsible persons (if it is a partnership, the managing partner or general partner or the representative appointed by the managing partner) or agents entrusted by the responsible persons.

If a shareholder is defined as an approved clearing house (or its agent) under the relevant regulations of Hong Kong, such shareholder may authorize one or more persons deemed appropriate to act as their representative at any shareholders' meeting. However, if multiple persons are authorized, the power of attorney shall specify the number and type of shares each person is authorized to represent, and must be signed by the authorized personnel of the approved clearing house. The authorized persons may attend meetings on behalf of the approved clearing house (or its agent) (without presenting shareholding certificates, provided that notarized authorization and/or additional evidence confirms formal authorization), exercising rights (including the right to speak and vote) as if they were individual shareholders of the company.

Any shareholder who has the right to attend a shareholders' meeting and the right to vote shall have the right to entrust one or several persons (such persons need not be shareholders) as agent(s) to attend the meeting and to exercise voting rights. The power of attorney issued by a shareholder authorizing another person to attend the shareholders' meeting shall contain the following contents:

(1) The name or title of the client, and the type and number of shares held by the client;

(2) The name or title of the agent;

(3) Agency matters and scope of authorization, specific instructions from shareholders, including instructions on whether to vote in favour, against or abstain from each matter under consideration on the agenda of the shareholders' meeting; and specific instructions on whether they have the right to vote on any provisional proposal that may be included in the agenda of the shareholders' meeting and what kind of voting rights they should exercise if they have the right to vote;

(4) The date of issue and validity period of the power of attorney;

(5) Signature (or seal) of the client. If the client is a legal person shareholder, the company seal shall be affixed or a qualified person shall sign.

The power of attorney shall indicate whether the shareholder's agent may vote according to his own will if the shareholder does not give specific instructions. The shareholder's agent is not a shareholder of the company. The shareholder's agent shall exercise the voting right within the scope of authorization. If no such indication is indicated, it shall be deemed that the shareholder's agent has the right to vote according to his own will.

Where the Listing Rules of Hong Kong have special provisions on power of attorney, such provisions shall prevail.

A letter of proxy for voting shall be received and kept at the company's premises or at another place designated in the notice of the meeting at least twenty-four (24) hours prior to commencement of the relevant meeting or before the designated time of voting. Where a proxy voting power of attorney is authorized by the client to be signed by another person, the power of attorney or other authorization documents authorizing the signature shall be notarized. The notarized power of attorney or other authorization documents and the proxy voting power of attorney shall be kept at the company's domicile or other places specified in the notice of convening the meeting.

Where the entrusting party is a non-natural person, its legal representative (person in charge) or the person authorized by the board of directors or other decision-making organs shall attend the shareholders' meeting of the company as a representative.

If the shareholder is Hong Kong Securities Clearing Company Limited, it has the right to appoint one or more agents or corporate representatives to attend Shareholders' meetings and creditors' meetings. These agents or corporate representatives shall enjoy statutory rights equivalent to those of other shareholders, including the right to speak and vote. If two or more individuals are authorized, the power of attorney or authorization letter shall specify the number and type of shares each individual is authorized to represent. The authorized individuals may exercise rights on behalf of Hong Kong Securities Clearing Company Limited (or its agents) without presenting shareholding certificates, provided that the authorization is notarized and supported by further evidence proving formal authorization, as if they were individual shareholders of the company.

The company shall be responsible for making the meeting register of the participants. The meeting register shall specify the name (or the name of the unit) of the participants, their ID card numbers, the number of voting shares held or represented, and the name (or the name of the unit) of the agent.

The convenor and the company's appointed legal counsel (if any) shall jointly verify the validity of shareholder qualifications based on the shareholder register provided by the securities registration and settlement institution, and register the shareholders' names (or titles) along with the number of voting shares they hold. The meeting registration shall be terminated before the chairperson announces the number of shareholders and proxies present at the meeting and the total number of voting shares they hold.

Where the shareholders' meeting requires the directors and senior managers to attend the meeting, the directors and senior managers shall attend the meeting and accept the inquiries of the shareholders.

The shareholders' meeting shall be presided over by the chairman. If the chairman is unable or fails to perform his duties, a director jointly elected by more than half of the directors shall preside over the meeting.

The shareholders' meeting convened by the audit committee itself shall be presided over by the convenor of the audit committee. If the convenor of the audit committee is unable or fails to perform his duties, the meeting shall be presided over by a member of the audit committee jointly elected by more than half of the members of the audit committee.

A shareholders' meeting convened by the shareholders themselves shall be presided over by the convenor or his representatives.

When a shareholders' meeting is held, if the presiding person violates the rules of procedure and the shareholders' meeting cannot continue, with the consent of more than half of the shareholders present at the meeting who have the right to vote, the shareholders' meeting may elect one person to preside over the meeting and continue the meeting.

The company shall formulate shareholders' meeting rules of procedure, which shall specify in detail the convening, holding, and voting procedures of shareholders' meetings. These rules shall cover notification procedures, registration requirements, proposal review processes, voting mechanisms, vote counting methods, announcement of voting results, resolution formation, meeting minutes and their signing, as well as public announcements. The rules shall also outline the authorization principles granted by shareholders to the board of directors, with the scope of authorization being clearly defined. The shareholders' meeting rules shall be annexed to the articles of association, drafted by the board of directors and approved by the shareholders' meeting.

At the annual general meeting, the board of directors shall report to the shareholders on its work in the past year. Each independent non-executive director shall also make a report on his/her work.

Except for the information related to the company's trade secrets that cannot be disclosed at the shareholders' meeting, directors and senior managers shall explain and clarify the inquiries and suggestions of shareholders at the shareholders' meeting.

The presiding person of the meeting shall announce the number of shareholders and agents present at the meeting and the total number of voting shares held before voting, and the number of shareholders and agents present at the meeting and the total number of voting shares held shall be subject to the meeting registration.

The board of shareholders shall have minutes of the meeting, which shall be kept by the secretary of the board of directors.

The minutes of the meeting recorded the following:

(1) The time, place and agenda of the meeting and the name or name of the convenor;

(2) The names of the meeting presiding persons and the directors and senior managers attending or sitting in on the meeting;

(3) The number of shareholders and agents present at the meeting, the total number of voting shares held and the proportion of the total number of shares of the company;

(4) The deliberation process, key points of speech and voting results of each proposal;

(5) The inquiries, opinions or suggestions of the shareholders and the corresponding replies or explanations;

(6) The names of lawyers, vote counters and supervisors;

(7) Other contents that the shareholders' meeting considers or that should be included in the minutes of the meeting as stipulated in these Articles of Association.

The convenor shall ensure the meeting minutes are authentic, accurate, and complete. All attending directors, the board secretary, the convenor or their representative, and the chairperson must sign the minutes. The meeting minutes shall be archived alongside the on-site shareholder signature book, proxy voting documents, and valid records of other voting methods, with a retention period of no less than 10 years.

The convenor shall ensure the shareholders' meeting is held consecutively until a final resolution is reached. In case of suspension or failure to reach resolutions due to force majeure or other special circumstances, necessary measures shall be taken to resume the meeting promptly or terminate it immediately. The company must also make timely announcements in compliance with relevant laws, regulations, and requirements set by the securities regulatory authority of the stock listing location.

Voting and Resolutions of the Shareholders' meeting

Shareholders' resolutions are divided into general resolutions and special resolutions.

The shareholders' meeting shall pass the ordinary resolution by a majority of the voting rights held by the shareholders present at the shareholders' meeting (including the shareholders' agents).

A special resolution of the shareholders' meeting shall be passed by more than 2/3 of the voting rights held by the shareholders present at the shareholders' meeting (including shareholders' agents).

The following matters shall be passed by the shareholders' meeting through ordinary resolution:

(1) Report on the work of the board of directors;

(2) The profit distribution plan and loss compensation plan formulated by the board of directors;

(3) Appointment and removal of members of the board of directors and their remuneration and payment methods;

(4) The appointment, dismissal or non-renewal of an accounting firm and its remuneration;

(5) The company's annual report;

(6) Other matters other than those requiring special resolution as provided for by laws and administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules in the place where the company's shares are listed or as provided for in these Articles of Association.

The following matters shall be passed by the shareholders' meeting through special resolution:

(1) The company increases or reduces its registered capital;

(2) The division, spin-off, merger, dissolution and liquidation of the company (including voluntary liquidation of the company);

(3) Modification of these Articles of Association;

(4) The amount of major assets purchased or sold by the company or the amount of guarantees provided to others exceeds 30% of the total audited assets of the company in the latest period;

(5) Equity incentive plan;

(6) Other matters stipulated by laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules in the place where the company's shares are listed or the articles of association, as well as other matters that are deemed to have a significant impact on the company by the general resolution of the shareholders' meeting and need to be passed by a special resolution.

Shareholders (including their agents) exercise voting rights based on the number of voting shares they represent, with each share entitled to one vote. During voting procedures, shareholders holding two or more votes (including their agents) are not required to cast all their votes as either affirmative, negative, or abstaining.

When a shareholders' meeting deliberates on major matters affecting the interests of small and medium investors, separate votes shall be counted for small and medium investors. The results of separate votes shall be disclosed in a timely manner.

The shares held by the company have no voting rights, and such shares are not included in the total number of voting shares present at the shareholders' meeting.

Where a shareholder's purchase of voting shares of the company violates the provisions of Paragraph 1 and Paragraph 2 of Article 63 of the Securities Law, the excess proportion of the shares shall not be exercised for voting rights within 36 months after the purchase, and shall not be included in the total number of voting shares present at the shareholders' meeting.

The company's board of directors, independent non-executive directors, shareholders holding over 1% of voting shares, or investor protection institutions established in accordance with laws, administrative regulations, or securities regulatory requirements of the stock listing location may publicly solicit shareholder voting rights. When soliciting shareholder voting rights, the solicitor must fully disclose specific voting intentions and other relevant information to the solicited parties. Solicitation through paid or disguisedly paid means is prohibited. Except for statutory conditions, the company shall not impose minimum shareholding ratio restrictions on the solicitation of voting rights.

If the company has other shares outstanding, it shall state whether it enjoys voting rights.

When the shareholders' meeting considers a matter relating to an associated transaction (as defined in the Hong Kong Listing Rules), an associated shareholder (as defined in the Hong Kong Listing Rules) may make an appropriate statement regarding the matter but shall not vote and the number of voting shares represented by such associated shareholder shall not be included in the total number of valid votes.

Prior to Shareholders' meetings deliberating on related-party transactions, the company shall determine the scope of related shareholders in accordance with relevant national laws and regulations, the Hong Kong Listing Rules, and regulatory requirements from securities regulators at the company's listing location. Related shareholders or their authorized representatives may attend the meeting and present their views according to the general meeting procedures, but must abstain from voting during the voting process. When resolutions concerning related-party transactions are passed by the shareholders' meeting, such related shareholders shall voluntarily recuse themselves from voting. If a related shareholder fails to recuse themselves voluntarily, other attending shareholders have the right to request their recusal.

After the withdrawal of the relevant shareholders, other shareholders shall vote according to their voting rights and pass corresponding resolutions in accordance with the provisions of this Articles of Association; the withdrawal and voting procedures of the relevant shareholders shall be notified by the presiding officer of the shareholders' meeting and recorded in the minutes of the meeting.

Resolutions on related transactions by the shareholders' meeting shall be valid only if passed by a majority vote of non-related shareholders present at the meeting. However, when such transactions involve matters requiring special resolutions under the Articles of Association, the resolution must obtain approval from more than two-thirds of the voting rights held by non-related shareholders present. If related shareholders fail to disclose their affiliations or abstain as required by these procedures, all resolutions concerning such transactions shall be void and require a new vote. For public announcements regarding resolutions, the voting status of non-related shareholders must be fully disclosed. In accordance with applicable laws, regulations, and the Hong Kong Listing Rules, votes cast by shareholders who waive their voting rights or restrict others to supporting (or opposing) specific resolutions in violation of relevant provisions or restrictions shall not be counted.

The related transaction between the company and its related parties shall be signed in a written agreement, which shall follow the principles of equality, voluntary, equivalent and compensated, and the contents of the agreement shall be clear and specific.

If the Listing Rules of Hong Kong provide that any shareholder is required to abstain from voting or to restrict the voting of other matters (or objects), any vote cast by such shareholder or its representative for such matter which contravenes the relevant provisions or restrictions shall not be counted.

Except for the company's special circumstances such as crisis, the company will not enter into a contract with any person other than the directors, general manager and other senior managers to entrust the management of all or important business of the company to such person without the special resolution of the shareholders' meeting.

The list of candidates for directors shall be submitted to the shareholders' meeting for voting by proposal.

The nomination of directors candidates shall be in the following manner and procedure:

(1) When the board of directors is replaced or a new director is added to the current board of directors, the current board of directors and shareholders holding more than 1% of the shares individually or jointly may nominate candidates for the next board of directors or candidates for the addition of directors by shareholder representatives not exceeding the number of persons to be elected;

(2) Independent non-executive directors shall be nominated by the current board of directors or shareholders who individually or collectively hold more than 1% of the company's outstanding shares;

(3) The shareholders shall submit the resume and basic information of the candidates for directors and independent non-executive directors nominated by them to the current board of directors, which shall examine their qualifications. If they meet the qualifications for the office of director after examination, they shall be submitted to the shareholders' meeting for election;

(4) The nominator shall obtain the written commitment of the candidate before nominating the candidate, confirming that he/she accepts the nomination, and promise that the information of the candidate to be disclosed in public is true and complete, and that he/she will earnestly perform the duties of a director after being elected.

When voting on the election of directors, the shareholders' meeting may implement the cumulative voting system in accordance with the provisions of the articles of association or the resolution of the shareholders' meeting. If the proportion of the shares with rights and interests owned by a single shareholder and its acting-in-concert persons is 30% or more, the cumulative voting system shall be implemented.

The cumulative voting system mentioned in the preceding paragraph means that each share has the same number of voting rights as the number of directors to be elected by the shareholders' meeting, and the voting rights owned by shareholders can be used centrally. The board of directors shall announce the resume and basic information of the candidates for directors to the shareholders.

The following principles shall be implemented when the cumulative voting system is adopted for shareholders' vote:

(1) The number of candidates for directors may be more than the number of directors to be elected by the shareholders' meeting, but the number of candidates voted by each shareholder shall not exceed the number of directors to be elected by the shareholders' meeting, and the total number of votes allocated shall not exceed the number of votes owned by the shareholders; otherwise, the vote shall be invalid;

(2) The final list of elected directors shall be determined based on the order of vote counts. However, each elected director must receive a minimum number of votes exceeding half of the total shares held by shareholders present at the shareholders' meeting (including proxies). If fewer directors are elected than the proposed number, a second round of voting shall be conducted for all under-voted candidates. Should this still result in insufficient numbers, the company shall hold a by-election at its next shareholders' meeting. In cases where two or more directors have identical vote counts but only partial positions remain available due to quota restrictions, these tied candidates shall undergo separate second-round voting.

Except for the cumulative voting system, the shareholders' meeting shall vote on each proposal individually. If there are multiple proposals regarding the same matter, voting shall proceed in the order of their submission. Unless the shareholders' meeting is suspended or unable to reach a resolution due to force majeure or other special circumstances, no proposal shall be shelved or left unvoted.

When the shareholders' meeting deliberates a proposal, it shall not modify the proposal. If any change is made, it shall be regarded as a new proposal and shall not be voted at the shareholders' meeting.

One voting right can only choose one of the on-site, online or other voting methods. If there is a duplicate vote for the same voting right, the first vote shall prevail.

Shareholders' meeting shall vote by secret ballot.

Before voting on the proposal, the shareholders shall elect two shareholder representatives to participate in the counting and monitoring of votes. If the matters under consideration are related to the shareholders, the relevant shareholders and their agents shall not participate in the counting and monitoring of votes.

When voting on a proposal, the shareholders shall have lawyers (if any) and shareholder representatives jointly responsible for counting and supervising the votes in accordance with the Hong Kong Listing Rules, and the voting results shall be announced on the spot. The voting results of the resolution shall be recorded in the minutes of the meeting.

Shareholders of a company who vote by network or other means, or their agents, shall have the right to check their voting results through the corresponding voting system.

The closing time of the shareholders' meeting shall not be earlier than that of the meeting held online or by other means. The presiding person shall announce the voting status and results of each proposal, and announce whether the proposal is passed according to the voting results.

Prior to the official announcement of the voting results, the company, vote counters, supervisors, shareholders, network service providers and other relevant parties involved in the on-site, online and other voting methods of the shareholders' meeting shall have the obligation to keep confidential the voting situation.

Shareholders attending the shareholders' meeting shall express one of the following opinions on the proposals submitted for voting: consent, opposition or abstention. Securities registration and settlement institutions, except those that declare according to the expression of the actual holders' opinions, shall act as nominal holders of the stocks traded in the Mainland-Hong Kong Stock Market Interconnection Mechanism.

Ballot papers that are not filled in, incorrectly filled in or illegible, and ballot papers that are not cast shall be deemed to be the waiver of voting rights by the voters, and the voting result of the number of shares held shall be counted as "abstaining".

If any shareholder is required to abstain from voting on any particular resolution, or is limited to voting for or against a particular resolution, in accordance with the stock exchange in which the company's shares are listed, any vote cast by such shareholder or his representative in violation of such requirement or restriction shall not be counted.

If the presiding officer of a meeting has any doubt about the result of a resolution submitted to voting, he may organize a vote on the group of votes cast. If the presiding officer does not conduct a vote count, shareholders present at the meeting or their agents who have objections to the results announced by the presiding officer shall have the right to demand a vote count immediately after the announcement of the voting results, and the presiding officer shall immediately organize a vote count.

Shareholders' resolutions shall be promptly disclosed in accordance with applicable laws, regulations, or securities regulatory requirements of the company's listing jurisdiction. The disclosure must include: the number of shareholders and proxies present at meetings; the total number of voting shares held and their proportion of the company's total voting shares; voting procedures; voting outcomes for each proposal; detailed content of approved resolutions; and other matters required by the Hong Kong Listing Rules.

If the proposal is not passed, or the resolution of the previous shareholders' meeting is changed during this shareholders' meeting, a special reminder shall be made in the resolution of the shareholders' meeting.

If the shareholders' meeting approves a proposal regarding director election, the term of office for newly elected directors shall commence at the date specified in the resolution. Where no specific appointment date is specified in the resolution, the term of office shall be calculated from the date of approval of the resolution. However, during leadership transition elections, if the previous board members' terms have not expired, the new board members' term shall commence from the date when their current terms conclude.

If the shareholders' meeting passes the proposal on cash distribution, stock transfer or capital reserve conversion into share capital, the company will implement the specific plan within 2 months after the shareholders' meeting.

DIRECTORS AND BOARD OF DIRECTORS

General provisions for directors

A natural person shall not serve as a director of the company if he falls under any of the following circumstances:

(1) Being without civil capacity or having limited civil capacity;

(2) Those who have been sentenced to criminal punishment for embezzlement, bribery, embezzlement of property, misappropriation of property or destruction of the socialist market economic order, or those who have been deprived of political rights for crimes and have not exceeded five years after the expiration of the execution period, and are granted probation; or those who have not exceeded two years from the date of the expiration of the probation period;

(3) Where a director, factory director or general manager of a company or enterprise undergoing bankruptcy liquidation has personal liability for the bankruptcy of the company or enterprise, not more than three years have passed since the completion of the bankruptcy liquidation of the company or enterprise;

(4) If he acts as the legal representative of a company or enterprise whose business license has been revoked or which has been ordered to close due to violation of law and bears personal liability, the period shall not exceed 3 years from the date on which the business license of the company or enterprise is revoked or which is ordered to close;

(5) The individual's large amount of debt is not repaid when it becomes due and the person is listed by the people's court as a dishonest person subjected to execution;

(6) Having been imposed a ban from the securities market by the CSRC for an unexpired period;

(7) Other contents stipulated by laws, administrative regulations or departmental rules, the Hong Kong Listing Rules and other securities regulatory rules in the listing place of the company's shares.

Where a director is elected or appointed in violation of the provisions of this Article, such election, appointment or appointment shall be invalid. If a director commits any of the circumstances specified in this Article during his/her term of office, the company shall remove him/her from his/her post.

Directors shall be elected or replaced by the shareholders' meeting, and may be removed from their posts by the shareholders' meeting before the expiration of their term of office. The term of office of directors shall be three years, and upon the expiration of their term of office, they may be re-elected in accordance with the securities regulatory rules of the stock listing place of the company.

The term of office for directors shall commence on the date of appointment and terminate upon the expiration of the current Board's term. If a director fails to be timely re-elected upon the expiration of their term, or if resignation during the term results in the Board membership falling below the statutory quorum or causes the company to fail to meet other requirements under the Hong Kong Listing Rules, the former director shall continue to perform their duties in accordance with applicable laws, administrative regulations, departmental rules, and the Company's Articles of Association until a newly elected director assumes office.

Any person appointed by the Board of Directors as a director to fill an interim vacancy or increase the number of directors shall be elected by shareholders at the first annual general meeting of shareholders after his/her appointment and shall serve only until the first annual general meeting of shareholders of the Company after his/her appointment and shall be eligible for re-election at that time.

Directors may be concurrently held by the general manager or other senior managers, but the total number of directors who hold the positions of general manager or other senior managers shall not exceed half of the total number of directors of the company.

The board of directors of the company shall not have employee representative directors.

Directors shall abide by laws, administrative regulations and the provisions of these Articles of Association, have a duty of loyalty to the company, take measures to avoid conflicts of interest between their own interests and the interests of the company, and shall not take advantage of their authority to seek illegitimate interests.

Directors shall be bound by the following duties of loyalty:

(1) They shall not embezzle the company's property or misappropriate the company's funds;

(2) The company's funds shall not be deposited in an account under the name of the individual or another individual;

(3) They shall not use their authority to bribe or accept other illegal income;

(4) Without reporting to the board of directors or the shareholders' meeting and obtaining the resolution of the board of directors or the shareholders' meeting in accordance with the provisions of these Articles of Association, it shall not directly or indirectly conclude contracts or conduct transactions with the company;

(5) It shall not take advantage of its position to seek for itself or others business opportunities that should belong to the company, except where such business opportunities are reported to the board of directors or shareholders' meeting and approved by the shareholders' meeting, or the company cannot take advantage of such business opportunities in accordance with laws, administrative regulations or the provisions of these Articles of Association;

(6) It shall not engage in or operate for others business of the same kind as that of the company without reporting to the board of directors or shareholders' meeting and obtaining resolution by the board of directors or shareholders' meeting in accordance with the provisions of these Articles of Association;

(7) It shall not accept commissions from others for transactions with the company as its own;

(8) Shall not disclose the company's secrets without authorization;

(9) It shall not take advantage of its affiliated relationship to harm the interests of the company;

Other duties of loyalty as provided for by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules in the place where the company's shares are listed and these Articles of Association.

Any income obtained by a director in violation of the provisions of this Article shall belong to the company; if losses are caused to the company, he shall be liable for compensation.

The provisions of paragraph 2 (4) of this Article shall apply to the conclusion of contracts or transactions by directors, their near relatives, enterprises directly or indirectly controlled by directors, senior managers or their near relatives, and persons connected with directors or senior managers in other ways.

Directors shall abide by laws, administrative regulations and the provisions of these Articles of Association, have a duty of diligence to the company, and exercise their duties in the best interests of the company and exercise reasonable care normally due to managers.

Directors shall have the following duties of diligence towards the Company:

(1) Exercise the rights granted by the company with caution, diligence and diligence to ensure that the company's business activities comply with the requirements of national laws, administrative regulations and various national economic policies, and that the business activities do not exceed the business scope specified in the business license;

(2) All shareholders shall be treated fairly;

(3) To keep abreast of the company's business operation and management;

(4) It shall sign a written confirmation opinion on the company's periodic report to ensure that the information disclosed by the company is true, accurate and complete;

(5) They shall truthfully provide the audit committee with relevant information and materials, and shall not hinder the audit committee from exercising its functions and powers;

(6) Other duties of diligence as provided for by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules in the place where the company's shares are listed and these Articles of Association.

If a director fails to attend the meeting in person for two consecutive times or does not entrust another director to attend the meeting, he shall be deemed unable to perform his duties and the board of directors shall recommend the shareholders' meeting to replace him.

A director may resign before the expiration of their term. A director's resignation shall be submitted in writing to the Board of Directors, and the resignation takes effect upon receipt by the company. The Board of Directors shall disclose the relevant information within two business days. If the resignation of a director results in the number of Board members falling below the statutory minimum, or if the resignation of an independent non-executive director causes the number or proportion of such directors in the Board or its specialized committees to fail to meet legal, regulatory, or stock exchange listing requirements, or if there are no qualified independent non-executive directors with appropriate professional qualifications or expertise in accounting and financial management, the former director shall continue to perform their duties in accordance with applicable laws, administrative regulations, departmental rules, and the company's articles of association until a new director is elected.

When a director resigns, completes all handover procedures with the board of directors, or leaves office due to expiration of term, their fiduciary obligations to the company and shareholders remain legally binding. These obligations persist not only after resignation takes effect but also continue for two years following the termination of their term. The duty to maintain confidentiality regarding the company's trade secrets remains effective until such secrets become publicly available. Any responsibilities arising from the director's official duties during their tenure shall not be waived or terminated upon resignation.

The shareholders' meeting may resolve to remove a director, and the removal shall take effect on the date of the resolution.

If a director is removed without justifiable reasons before the expiration of his term of office, the director may demand compensation from the company.

No director shall act on behalf of the company or the Board of Directors in his or her personal capacity without the provisions of these Articles of Association or the lawful authorization of the Board of Directors. When acting in his or her personal capacity, a director shall declare his or her position and identity in advance if a third party reasonably considers that he or she is acting on behalf of the company or the Board of Directors.

Where a director causes damage to others by performing his duties as an executive of the company, the company shall be liable for compensation; where the director intentionally or through gross negligence, he shall also be liable for compensation.

The directors who violate the provisions of laws, administrative regulations, departmental rules or the articles of association in performing their duties for the company and cause losses to the company shall be liable for compensation.

Board of Directors

The company has a board of directors, which is responsible to the shareholders' meeting.

The Board of Directors consists of seven directors, including three independent non-executive directors. The Board shall have a Chairman. At any time, the Board must maintain at least one-third of its members as independent non-executive directors, with a minimum total of three such directors. Notably, at least one independent non-executive director must be a financial accounting professional who meets the requirements specified in Article 3.10(2) of the Hong Kong Listing Rules.

The board of directors shall exercise the following functions and powers:

(1) To convene a shareholders' meeting and report on its work to the shareholders' meeting;

(2) To execute the resolutions of the shareholders' meeting;

(3) To decide on the company's business plans and investment plans, and to decide on the company's entry into areas of non-essential business operations or changes in existing essential business operations;

(4) To formulate the company's profit distribution plan and loss compensation plan;

(5) Formulate plans for the company to increase or decrease its registered capital, issue bonds or other securities and go public;

(6) To draw up plans for major acquisitions, the acquisition of the company's shares, merger, division, dissolution or change of the company's form;

(7) To decide, within the scope authorized by the shareholders' meeting, on matters such as the company's external investment, acquisition and sale of assets, asset mortgage, external guarantee, entrusted financial management, related transactions and external donation;

(8) To decide on the establishment of the company's internal administrative organs;

(9) To appoint or dismiss the general manager and the secretary of the board of directors; to appoint or dismiss senior managers such as deputy general managers and financial director according to the nominations of the general manager, and to decide on their remuneration, rewards and punishments;

(10) Formulate the basic management system of the company;

(11) Formulate a plan for the revision of these Articles of Association;

(12) To administer the information disclosure of the company;

(13) To request the shareholders' meeting to employ or replace the accounting firm auditing the company;

(14) To hear the work report of the general manager of the company and inspect his work;

(15) Formulate and review the corporate governance policies and practices of the Company and make recommendations to the Board of Directors;

(16) Review and monitor the training and continuing professional development of directors and senior managers;

(17) Review and monitor the company's policies and practices in compliance with laws and regulatory requirements;

(18) Formulate, review and monitor codes of conduct for employees and directors and (if applicable) compliance manuals;

(19) Review the Company's compliance with the Corporate Governance Code (Appendix C1 of the Hong Kong Listing Rules) and its disclosure in the corporate governance report;

(20) Approval of transactions that are subject to the approval of the Board of Directors in accordance with laws, regulations, the Hong Kong Listing Rules, securities regulatory rules of the stock listing place of the Company and relevant regulatory authorities and the Articles of Association;

(21) Laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules in the place where the company's shares are listed, the articles of association or other powers granted by the shareholders' meeting.

Matters beyond the scope of authorization by the shareholders' meeting shall be submitted to the shareholders' meeting for deliberation.

The board of directors of the company shall explain to the shareholders' meeting the non-standard audit opinions issued by certified public accountants on the company's financial reports.

The board of directors shall formulate the rules of procedure for the board of directors to ensure that the board of directors implements the resolutions of the shareholders' meeting, improve work efficiency and ensure scientific decision-making.

The rules of procedure for the meeting of directors shall stipulate the procedures for the convening and voting of the board of directors. As an annex to the articles of association, the rules of procedure for the meeting of directors shall be drawn up by the board of directors and approved by the shareholders' meeting.

To ensure effective implementation of the Board's responsibilities, three specialized committees have been established: the Audit Committee, Nomination Committee, and Compensation & Assessment Committee. All members of these specialized committees are composed of directors, with their composition complying with legal requirements, administrative regulations, departmental rules, the Hong Kong Listing Rules, and other securities regulatory requirements applicable to the company's listing location or as stipulated by relevant regulatory authorities. The Board is responsible for formulating operational guidelines for these specialized committees to standardize their functioning.

The above special committees may employ intermediary agencies to provide professional advice, and the company shall bear the relevant costs.

The special committees are responsible to the board of directors, and the proposals of the special committees shall be submitted to the board of directors for review and decision.

The board of directors shall determine the authority to make foreign investment, acquire or sell assets, mortgage assets, make external guarantees, entrust financial management, related transactions and make donations, and establish strict examination and decision-making procedures; if the authority exceeds the authority of the board of directors or the authorization scope of the shareholders' meeting, it shall be submitted to the shareholders' meeting for approval.

The chairman shall be elected by the board of directors with a majority of all the directors.

The chairman shall exercise the following functions and powers:

(1) Preside over shareholders' meetings and convene and preside over board meetings;

(2) Supervise and inspect the implementation of the resolutions of the board of directors;

(3) Signing the company's stocks, bonds and other securities;

(4) Signing important documents of the board of directors and other documents that should be signed by the chairman of the company;

(5) To exercise the functions and powers of the legal representative;

(6) In case of force majeure emergency such as a major natural disaster, exercise the special disposal right in accordance with legal provisions and the interests of the company, and report to the board of directors and shareholders' meeting after the event;

(7) Other functions and powers granted by the board of directors.

Board meetings are divided into regular and extraordinary sessions. The Board shall convene at least four meetings annually, which are chaired by the Chairman. Regular board meetings shall notify all directors 14 days in advance through official channels (including personal delivery, fax, or email). Regular board meetings do not include approval of resolutions obtained through written circulation.

Shareholders representing more than 1/10 of the voting rights, more than 1/3 of the directors or the audit committee may propose to convene an interim meeting of the board of directors. The chairman shall, within 10 days after receiving the proposal, convene and preside over the meeting of the board of directors.

The notice method of the temporary meeting of the board of directors shall be: special delivery, letter, fax, email or telephone; the time limit of the notice shall be no later than 3 days before the meeting of the temporary board of directors.

However, with the unanimous consent of all the directors, the time limit for notice of an interim board meeting convened for a particularly urgent matter may not be restricted by the preceding paragraph.

The board meeting notice will include the following:

(1) Date and place of the meeting;

(2) The duration of the meeting;

(3) Causes and topics;

(4) The date of issuing the notice.

A meeting of the board of directors shall be held only when more than half of the directors are present. Unless otherwise provided by laws, administrative regulations, departmental rules, Hong Kong Listing Rules, other securities regulatory rules in the place where the company's shares are listed and these Articles of Association, resolutions of the board of directors shall be adopted by a majority of all directors.

In the voting of resolutions of the board of directors, one person has one vote.

Directors who have business connections with the enterprise involved in resolutions passed at board meetings (as defined in the Hong Kong Listing Rules) shall promptly submit a written report to the board. Directors with such business connections shall not exercise voting rights on the resolution, nor may they act on behalf of other directors to do so. A board meeting requires the attendance of more than half of non-connected directors to be valid, and resolutions must be approved by a majority of non-connected directors. If fewer than three non-connected directors are present at a board meeting, the matter shall be submitted to the shareholders' meeting for review.

The Board of Directors may adopt voting methods including named ballot, show of hands, fax, email, letter, or telephone. For voting conducted via fax, email, letter, or telephone, the company shall retain corresponding documents such as fax copies, emails, letters, delivery receipts, and telephone recordings for a period of 10 years. However, if any director requests a ballot-based voting method, such method shall be adopted.

The board of directors meeting shall be held on-site as the principle. The temporary meeting of the board of directors may be conducted by fax, email, letter or telephone to make resolutions on the premise of ensuring that the directors fully express their opinions, and the participating directors shall sign the resolutions.

When a board meeting is held in a non-on-site manner, the number of directors present shall be calculated by video display of the directors present, the directors who express their opinions in a teleconference, and the valid voting votes actually received within the prescribed time limit such as faxes or emails.

When the board meeting is held simultaneously in a field and off-site manner, the number of attendees shall be confirmed by counting the total number of people according to paragraphs 2 and 3 of this Article.

At board meetings, directors shall attend in person. If a director is unable to attend due to circumstances, they may authorize another director in writing to attend on their behalf. Independent non-executive directors must designate other independent non-executive directors as proxies. The authorization letter shall specify the proxy's name, scope of authority, validity period, and be signed or sealed by the authorizing party. Directors shall not issue or accept proxy votes without voting intent, full authority, or ambiguous authorization terms. A proxy attending the meeting shall exercise the director's rights within the authorized scope. Directors who neither attend nor authorize a proxy at a board meeting shall be deemed to have waived their voting rights at that meeting.

A director shall not accept the authorization of more than two directors to attend a board meeting. An independent non-executive director shall not authorize a non-independent non-executive director to attend the meeting on his behalf; when considering related transactions, a non-related director shall not authorize a related director to attend the meeting on his behalf.

The board of directors shall make minutes of the decisions on matters discussed at the meeting, and the directors present at the meeting shall sign the minutes. If a director has different opinions on the minutes of the meeting or the record of the resolution, he may make a written explanation when signing.

The minutes of the board of directors shall be kept as the company's archives for no less than 10 years.

The minutes of the board meeting include the following:

(1) The date and place of the meeting and the name of the convenor;

(2) The names of the directors present and the names of the directors (agents) attending the board of directors entrusted by others;

(3) Agenda of the meeting;

(4) Key points of the director's speech;

(5) The voting method and result of each resolution (the voting result shall state the number of votes in favour, against or abstaining).

Independent Director

Independent directors shall, in accordance with laws, administrative regulations, CSRC, securities exchange rules of the place where the company's shares are listed and the provisions of these Articles of Association, conscientiously perform their duties, play a role in participating in decision-making, supervision and balance, professional consultation in the board of directors, safeguard the overall interests of the company and protect the legitimate rights and interests of minority shareholders.

The term of office, nomination, election and resignation of independent directors shall be carried out in accordance with laws, administrative regulations, other normative documents, securities regulatory rules of the stock listing place of the company and relevant provisions of the company's management system.

Independent directors must maintain their independence. The following persons shall not serve as independent directors:

(1) the personnel employed by the company or its affiliated enterprises and their spouses, parents, children and main social relations;

(2) holding directly or indirectly more than 1% of the issued shares of the company, or being a natural person shareholder among the top ten shareholders of the company and his/her spouse, parents or children;

(3) persons who directly or indirectly hold more than 5% of the issued shares of the company or who are employed by the top five shareholders of the company and their spouses, parents and children;

(4) the personnel who hold positions in the subsidiary enterprises of the controlling shareholder and the actual controller of the company, as well as their spouses, parents and children;

(5) persons who have major business dealings with the company and its controlling shareholders, actual controllers or their respective affiliated enterprises, or persons who hold positions in the units that have major business dealings and their controlling shareholders and actual controllers;

(6) persons who provide financial, legal, consulting, sponsoring and other services to the Company, its controlling shareholders, actual controllers or their respective affiliated enterprises, including but not limited to all project team members of the intermediary agencies providing such services, review personnel at all levels, persons signing the report, partners, directors, senior managers and principal persons;

(7) persons who have had the circumstances listed in items 1 to 6 within the last twelve months;

(8) other personnel who are not independent in accordance with laws, administrative regulations, rules of the CSRC, Hong Kong Listing Rules, other securities regulatory rules in the place where the company's shares are listed and the articles of association.

The independent director shall conduct self-examination on the independence of the independent director every year and submit the self-examination to the board of directors. The board of directors shall evaluate the independence of the incumbent independent director every year and issue a special opinion, which shall be disclosed at the same time as the annual report.

Qualifications for independent directors:

(1) Having the qualifications to serve as a director of a listed company in accordance with laws, administrative regulations and other relevant provisions;

(2) It meets the independence requirements stipulated in these Articles of Association;

(3) Have the basic knowledge of the operation of a listed company and be familiar with relevant laws, regulations and rules;

(4) Having at least five years of working experience in law, accounting or economy necessary for performing the duties of an independent director;

(5) Having good personal ethics and no bad records such as major dishonesty;

(6) No more than 3 independent directors shall concurrently serve in a listed company.

(7) Other conditions stipulated by laws, administrative regulations, rules of the CSRC and other securities regulatory rules in the place where the company's shares are listed.

Independent directors shall exercise the following special powers:

(1) To independently employ intermediary agencies to audit, consult or verify specific matters of the listed company;

(2) To propose to the board of directors to convene an extraordinary shareholders' meeting;

(3) Proposing to convene a board of directors;

(4) Solicit shareholders' rights from shareholders in accordance with the law;

(5) To express independent opinions on matters that may harm the rights and interests of listed companies or minority shareholders;

(6) Other functions and powers stipulated by laws and regulations, relevant regulations of the Shanghai Stock Exchange and the articles of association.

The exercise of the functions and powers specified in items 1 to 3 of the preceding paragraph by an independent director shall be subject to the consent of more than half of all the independent directors.

Where an independent director exercises the functions and powers listed in paragraph 1 of this Article, the listed company shall make a timely disclosure. If the above-mentioned functions and powers cannot be normally exercised, the listed company shall disclose the specific situation and reasons.

The following matters shall be submitted to the board of directors for deliberation only after the consent of more than half of all the independent directors of the company:

(1) Related transactions that should be disclosed;

(2) Plans for the company and relevant parties to change or waive their commitments;

(3) Decisions and measures taken by the board of directors of the acquired company in respect of the acquisition;

(4) Other matters stipulated by laws, administrative regulations, the CSRC and these Articles of Association.

The company shall hold meetings (hereinafter referred to as "special meetings of independent directors") attended entirely by independent directors on a regular or irregular basis. The first paragraph of Article 128, Items 1 to 3 of this Articles of Association and the matters listed in this article shall be reviewed and deliberated at the special meetings of independent directors.

Special meetings of independent directors may be convened to discuss other matters of the company as necessary.

A special meeting of independent directors shall be convened and presided over by an independent director jointly nominated by more than half of the independent directors; if the convenor fails to perform or is unable to perform his duties, two or more independent directors may convene and nominate a representative to preside over the meeting.

The meeting minutes of the special meeting of independent directors shall be prepared in accordance with the provisions, and the opinions of the independent directors shall be recorded in the meeting minutes. The independent directors shall sign and confirm the meeting minutes.

The company provides convenience and support for the convening of special meetings of independent directors.

Special Committee of the Board of Directors

The board of directors of the company shall set up an audit committee to exercise the functions and powers of the board of supervisors stipulated in the Company Law.

The Audit Committee shall be composed of three members, who are non-executive directors who do not hold senior management positions in the Company. The independent non-executive directors shall constitute more than half of the committee members, and at least one of the committee members shall be a financial accounting professional and meet the requirements of Article 3.10(2) of the Hong Kong Listing Rules.

The audit committee is responsible for examining the company's financial information and its disclosure, supervising and evaluating internal and external audit work and internal control. The following matters shall be submitted to the board of directors for consideration with the consent of more than half of all members of the audit Committee:

(1) Disclosure of financial information in financial and accounting reports and periodic reports, and internal control evaluation reports;

(2) Hiring or dismissing an accounting firm that undertakes the company's audit business;

(3) To appoint or dismiss the company's financial director;

(4) Changes in accounting policies or accounting estimates or corrections of major accounting errors made for reasons other than changes in accounting standards;

(5) Other matters stipulated by laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules in the place where the company's shares are listed and the articles of association.

The audit Committee shall meet at least twice a year. An interim meeting may be convened upon the proposal of two or more members, or when the convenor deems it necessary. A meeting of the audit Committee shall be held only when more than two-thirds of its members are present.

The resolution of the audit committee shall be adopted by a majority of the members of the audit committee.

In the resolution of the audit committee, each member shall have one vote.

The audit committee shall make minutes of the meeting in accordance with the provisions of the resolution, and the members of the audit committee present at the meeting shall sign the minutes.

The working rules of the audit committee shall be formulated by the board of directors.

The company's Board of Directors has established specialized committees including the Compensation and Evaluation Committee and Nomination Committee, which perform their duties in accordance with this Articles of Association, Board authorization, and the Hong Kong Listing Rules. Proposals from these specialized committees shall be submitted to the Board for review and decision. The Board is responsible for formulating the operational guidelines for these specialized committees. The Compensation and Evaluation Committee shall consist of no fewer than three directors, with independent non-executive directors constituting a majority. The Chairperson (Convener) shall be an independent non-executive director. The Nomination Committee shall comprise no fewer than three directors, with independent non-executive directors accounting for over half and at least one director of different gender. The Chairperson (Convener) shall be either an independent non-executive director or the Chairman.

The main responsibilities of the Compensation and Assessment Committee and the Nomination Committee are as follows:

The Compensation and Evaluation Committee is responsible for establishing evaluation criteria and conducting assessments for directors and senior executives, formulating and reviewing compensation policies and plans for these personnel, and providing recommendations to the Board of Directors on related matters. The Nomination Committee establishes selection standards and procedures for directors and senior executives, conducts rigorous screening and qualification reviews for candidates, and submits recommendations to the Board regarding relevant appointments. The specific powers of each specialized committee within the Board are defined through corresponding procedural rules established by the Board of Directors.

If the board of directors does not adopt or does not fully adopt the suggestions of the compensation and assessment committee or the nomination committee, it shall record the opinions of the special committee and the specific reasons for not adopting them in the resolution of the board of directors, and disclose them.

GENERAL MANAGER AND OTHER SENIOR MANAGEMENT PERSONNEL

The company has one general manager, who is appointed or dismissed by the board of directors.

The company may appoint several deputy general managers as required by its operation and management, who shall be appointed or dismissed by the board of directors.

The general manager, deputy general managers, financial director and secretary of the board of directors are senior management personnel of the company.

The circumstances under which a director shall not be appointed as provided in Article 97 of these Articles shall also apply to senior managers.

The provisions of Article 99 of these Articles on the duty of loyalty of directors and Article 100 on the duty of diligence shall also apply to senior managers.

Personnel who hold administrative positions other than directors and supervisors in the controlling shareholder unit of the company shall not serve as senior management personnel of the company. The senior management personnel of the company shall only receive salaries from the company and shall not be paid by the controlling shareholder.

The general manager shall serve a three-year term and may be reappointed for consecutive terms.

The general manager is responsible to the board of directors and exercises the following functions and powers:

(1) To preside over the production, operation and management of the company, organize the implementation of the resolutions of the board of directors, and report the work to the board of directors;

(2) Organize and implement the company's annual business plan and investment plan;

(3) To draw up plans for the establishment of the company's internal management organs;

(4) To formulate the basic management system of the company;

(5) Formulate specific rules and regulations of the company;

(6) To request the board of directors to appoint or dismiss the deputy general manager and the person in charge of finance;

(7) To decide on the appointment or dismissal of responsible management personnel other than those who should be appointed or dismissed by the board of directors;

(8) To examine and approve transactions that should be examined and approved by the shareholders' meeting and the board of directors as stipulated by laws, regulations and these Articles of Association;

(9) Other powers granted by these articles of association or the board of directors.

The general manager attends the board meetings.

The general manager shall formulate the working rules of the general manager and submit them to the board of directors for approval before implementation.

The general manager's working rules include the following:

(1) Conditions, procedures and participants for the meeting of general managers;

(2) The specific duties and division of labor of the general manager and other senior managers;

(3) The authority of the company to use its funds and assets, to sign major contracts and to report to the board of directors;

(4) Other matters deemed necessary by the board of directors.

The general manager may resign before the expiration of his term of office. The specific procedures and methods for the resignation of the general manager shall be stipulated in the labor contract between the general manager and the company.

The deputy general manager shall be responsible to the general manager and assist the general manager in his work according to the division of management and operation. On behalf of the general manager, he/she may exercise part of the authority of the general manager authorized by the board of directors or the general manager. He/she shall be responsible for the work of the departments under his/her division of labor. The specific authority shall be specified separately.

The company shall appoint a board secretary to be responsible for the preparation of shareholders' meetings and board meetings, document storage, management of shareholder information, and handling of information disclosure matters. The board of directors and other senior management personnel shall support the work of the board secretary. No organization or individual shall interfere with the normal performance of duties by the board secretary.

The Secretary of the Board shall comply with laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules in the place where the company's shares are listed and the relevant provisions of these Articles of Association.

Where a senior manager causes damage to others while performing his duties for the company, the company shall be liable for compensation; if the senior manager intentionally or through gross negligence, he shall also be liable for compensation.

Where a senior manager violates the provisions of laws, administrative regulations, departmental rules or these articles of association in performing his duties for the company and causes losses to the company, he shall be liable for compensation.

The senior management personnel of the company shall faithfully perform their duties and safeguard the maximum interests of the company and all shareholders.

If the senior management personnel of a company fails to faithfully perform their duties or violates the obligation of good faith, thereby causing damage to the interests of the company and the public shareholders, they shall be liable for compensation according to law.

FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION, INTERNAL AUDIT AND THE APPOINTMENT OF ACCOUNTING FIRMS

Financial accounting system

The company shall formulate its financial and accounting system in accordance with laws, administrative regulations and the provisions of relevant state departments. If the securities regulatory authorities of the stock listing place have other provisions, such provisions shall prevail.

The company shall prepare annual financial and accounting reports within 4 months from the end of each fiscal year, and prepare interim financial and accounting reports within 2 months from the end of the first 6 months of each fiscal year.

The above financial and accounting reports are prepared and announced in accordance with relevant laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the company's listing place.

The company shall not set up separate accounting books except for the statutory accounting books. The assets of the company shall not be deposited in any personal account.

Appropriation of Profit

When distributing the annual after-tax profits, the company shall set aside 10% of the profits into the company's legal accumulation fund. If the accumulated amount of the company's legal accumulation fund exceeds 50% of the company's registered capital, no further withdrawal may be made.

Where the company's statutory reserve fund is insufficient to cover its losses in previous years, it shall first make up for its losses with its profits in the current year before drawing the statutory reserve fund in accordance with the provisions of the preceding paragraph.

After the company draws the statutory accumulation fund from the after-tax profits, it can also draw any accumulation fund from the after-tax profits upon resolution of the shareholders' meeting.

The remaining after-tax profits of the company after making up for losses and drawing out the accumulation fund shall be distributed according to the proportion of shares held by shareholders, except as provided in these Articles of Association.

Where a shareholder violates the Company Law in distributing profits to shareholders, the shareholder shall refund the profits distributed in violation of the provisions to the company; if losses are caused to the company, the shareholder and the directors and senior managers responsible shall be liable for compensation.

The company's shares held by the company do not participate in the distribution of profits.

The company's accumulation fund shall be used to make up for the company's losses, expand the company's production and operation or increase the company's capital. When making up for the company's losses, the company shall first use the arbitrary accumulation fund and the statutory accumulation fund; if it still cannot be made up, the capital accumulation fund may be used in accordance with the provisions.

When the legal provident fund is converted into an increase in the registered capital, the remaining provident fund shall not be less than 25% of the company's registered capital before the conversion.

The company's profit distribution focuses on reasonable investment returns for shareholders, and the profit distribution policy maintains continuity and stability.

The company's profit distribution policy is to distribute dividends according to the proportion of shares held by shareholders, and adopt cash, stock or a combination of the two methods or other methods permitted by laws, administrative regulations, departmental rules and regulatory rules of the company's listing place. The profit distribution method of cash dividend shall be given priority.

Specific conditions for cash dividend:

(1) The distributable profit (that is, the after-tax profit remaining after the company's loss compensation and accumulation of reserve funds) realized by the company in the current year or half-year is positive and the cash flow is sufficient, and the implementation of cash dividend will not affect the company's subsequent sustainable operation; the cumulative distributable profit of the company is positive;

(2) The audit institution issues an audit report with no reservation on the company's financial report for the current year;

(3) The company has no material investment plans or significant cash expenditures (except for fundraising projects). Material investment plans or significant cash expenditures refer to cumulative expenditures from external investments, asset acquisitions, or equipment purchases planned within the next twelve months that reach or exceed 30% of the company's most recent

audited net assets. However, if the company initiates such material investment plans or cash expenditures and subsequently passes a cash dividend resolution at the shareholders' meeting, the company may proceed with cash dividends.

On the premise of meeting the conditions for cash dividend and ensuring the normal operation and long-term development of the company, the company shall, in principle, make a cash dividend once after the annual shareholders' meeting. The board of directors may propose the company to make a mid-term cash dividend according to the company's profit status and capital needs.

Where a shareholder violates the rules in occupying the company's funds, the company shall deduct the cash dividends distributed to the shareholder to repay the funds occupied by the shareholder.

The Company shall pay cash and other amounts to domestic shareholders in RMB. The Company shall pay cash dividends and other amounts to H-share shareholders in RMB and shall declare them in foreign currencies. The foreign currency required by the Company to pay cash dividends and other amounts to H-share shareholders shall be handled in accordance with the relevant regulations on foreign exchange administration of the State.

When distributing dividends to shareholders, the company shall, in accordance with the provisions of Chinese tax law, withhold and pay the tax payable on the amount of dividends distributed.

After the shareholders' meeting of the company makes a resolution on the profit distribution plan, the board of directors of the company shall complete the distribution of dividends (shares) within two months after the shareholders' meeting.

Specific conditions for the company to issue stock dividends:

(1) The company is in good business;

(2) The company's stock price does not match the size of the company's share capital, and the issuance of stock dividends is conducive to the overall interests of all shareholders;

(3) Meeting the conditions for cash dividends;

(4) Other requirements stipulated by laws, regulations and normative documents.

Before the shareholders review the specific plan of cash dividend, the company shall actively communicate with the shareholders, especially the minority shareholders, through various channels, fully listen to the opinions and demands of the minority shareholders, and timely answer the questions concerned by the minority shareholders.

In the event of force majeure such as war or natural disasters, if the company needs to adjust its profit distribution policy due to factors including investment plans, actual business operations, social capital costs, external financing environment, shareholder preferences and requirements, or significant changes in production and operational conditions, the board of directors shall propose an adjustment plan based on actual circumstances. The revised profit distribution policy must prioritize shareholder rights protection and comply with relevant laws, regulations, the Hong Kong Listing Rules, and other securities regulatory rules of the company's listing location.

The company shall appoint one or more collection agents in Hong Kong for shareholders holding overseas-listed shares. These agents are responsible for collecting dividends and other payable amounts declared by the company for its Hong Kong-listed shares, and shall hold such funds on behalf of the shareholders pending payment to the holders. The collection agents appointed by the company must comply with the relevant regulations of the securities regulatory authorities in the listing jurisdiction.

Inside Audit

The company implements the internal audit system, and defines the leadership system, responsibilities and authority of the internal audit work, personnel allocation, fund guarantee, application of audit results and accountability.

The company's internal audit system shall be implemented and disclosed after being approved by the board of directors.

The company's internal audit institution shall supervise and inspect the company's business activities, risk management, internal control, financial information and other matters, and shall be equipped with full-time auditors.

Internal audit bodies are accountable to the Board.

Internal audit institutions shall be subject to the supervision and guidance of the audit committee during the process of supervising and checking the company's business activities, risk management, internal control and financial information. If internal audit institutions find relevant major problems or clues, they shall immediately report directly to the audit committee.

The internal audit institution is responsible for the specific organization and implementation of the company's internal control evaluation. The company shall issue an annual internal control evaluation report based on the evaluation report and relevant materials issued by the internal audit institution and reviewed by the audit committee.

When communicating with external audit units such as accounting firms and national audit institutions, internal audit institutions shall actively cooperate and provide necessary support and cooperation.

The Board of Auditors participates in the assessment of internal audit officers.

Appointment of an Accounting Firm

The company employs accounting firms that comply with the Securities Law, the Hong Kong Listing Rules and other securities regulatory rules of the stock listing place to conduct accounting statement audit, net assets verification and other related consulting services. The term of employment is one year, from the time when the annual shareholders' meeting of the company is approved to the end of the next annual shareholders' meeting, and can be renewed.

The appointment or dismissal of an accounting firm by the company shall be submitted to the board of directors for consideration after being approved by more than half of all members of the audit committee, and shall be decided by the shareholders' meeting. The board of directors shall not appoint an accounting firm before the decision of the shareholders' meeting.

The company guarantees to provide the employed accounting firm with true and complete accounting documents, accounting books, financial and accounting reports and other accounting materials, and shall not refuse, conceal or make false statements.

The audit fee of the accounting firm shall be decided by the shareholders' meeting.

When a company terminates or declines to renew an accounting firm's engagement, it shall notify the firm 10 days in advance and send a formal notice recommending termination or non-renewal, along with any written statements from the firm (if applicable), to shareholders at least 10 business days prior to the shareholders' meeting. During the vote on the termination of the accounting firm, the company shall permit the firm to present its position.

If an accounting firm proposes to resign, it shall explain to the shareholders' meeting whether there is any improper situation in the company.

NOTICES AND ANNOUNCEMENTS

Notice

The company's notice was issued in the following form:

(1) Special delivery;

(2) Sent by letter;

(3) By means of public announcement;

(4) Sent by fax;

(5) Sent by E-mail;

(6) Sent by telephone;

(7) In accordance with laws, administrative regulations and securities regulatory rules of the stock listing place of the Company, the information shall be released on the website designated by the Company and the HKEX;

(8) Other forms recognized by the securities regulatory body of the place where the company's shares are listed or stipulated in these Articles of Association.

Regarding the method of providing or sending corporate communications to H-share shareholders in accordance with the Hong Kong Listing Rules, provided that it complies with applicable laws, administrative regulations, departmental rules, securities regulatory requirements of the company's listing location, and the Company's Articles of Association, such communications may be delivered to H-share shareholders through the company's designated channels, the HKEX website, or electronic means.

"Corporate communications" for the purposes of the preceding paragraph means any document issued or to be issued by the Company for reference or action by any H-share shareholder of the Company or other persons required under the Hong Kong Listing Rules, including but not limited to:

1. The company's annual report (including the board of directors' report, the company's annual accounts, the audit report and the financial summary report (if applicable);

2. The company's interim report and interim summary report (if applicable);

3. Meeting notice;

4. Listing documents;

5. Circular;

6. Appointment Form (the appointment form shall have the meaning given in the Hong Kong Listing Rules).

When exercising the powers/rights under these Articles by notice in public notice, such notice shall be published in accordance with the methods prescribed in the Hong Kong Listing Rules.

If the listing rules of the stock exchange where the company is listed require the company to send, mail, distribute, issue, publish, or otherwise provide relevant documents in both English and Chinese versions, and if the company has made appropriate arrangements to determine whether shareholders prefer to receive only the English version or only the Chinese version, the company may, within the scope permitted by applicable laws and regulations and in accordance with such laws and regulations, send only the English version or only the Chinese version to relevant shareholders as specified by their instructions.

If the notice issued by the company is made in the form of an announcement, it shall be deemed to have been received by all relevant persons once the announcement is made.

The notice of the shareholders' meeting shall be made by public announcement.

The notice of the meeting of the board of directors shall be delivered by special person, letter, fax, email, etc. However, except as otherwise provided in these Articles of Association, the meeting of the board of directors shall be convened on an emergency basis.

For company notices delivered by designated personnel: The date of delivery shall be the date when the recipient signs (or stamps) the delivery receipt. For notices sent via mail: The delivery date shall be the third working day after the notice is mailed to the post office or courier service. For notices sent via fax: The delivery date shall be the date recorded on the fax transmission slip. For notices sent via email: The delivery date shall be the date of email dispatch. For notices delivered by phone: The delivery date shall be the date recorded in the call log. For notices issued through public announcement: The delivery date shall be the first publication date of the announcement.

The meeting and the resolutions made thereat shall not be invalidated by any accidental omission to send the notice of the meeting to a person entitled to be notified or by the fact that such person did not receive the notice of the meeting.

Announcement

The company shall formulate an information disclosure system in accordance with laws, regulations, rules and relevant provisions of the securities regulatory authorities in the place where the company's shares are listed, and disclose information in a standardized manner in accordance with the principles of authenticity, accuracy, completeness, comparability and timeliness.

The company shall issue announcements and disclose information to shareholders through legally mandated channels, administrative regulations, and information disclosure publications and websites designated or approved by domestic regulatory authorities or the stock exchange where the company is listed. Information disclosed through other public media must not precede that published in the designated publications and websites, nor shall it be substituted by press releases or press conferences to replace official announcements.

MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

Merger, Division, Capital Increase and Reduction

A company may merge by absorption or by establishing a new company.

Where one company absorbs another company through an absorption merger, the absorbed company is dissolved. Where two or more companies merge to establish a new company, the parties to the merger are dissolved.

Where the price paid by the company for the merger does not exceed 10% of the net assets of the company, no resolution of the shareholders' meeting may be required, except as otherwise provided in these Articles of Association.

Where the company does not make a resolution of the shareholders' meeting in accordance with the provisions of the preceding paragraph, it shall make a resolution of the board of directors.

When a company merges, the merging parties shall execute a merger agreement and prepare a balance sheet along with an asset inventory. The company must notify creditors within 10 days of making the merger resolution and publish a public notice in newspapers or through the National Enterprise Credit Information Publicity System within 30 days. Creditors who receive the notice must request debt repayment or corresponding guarantees within 30 days, while those without notice must do so within 45 days from the announcement date.

In case of merger of companies, the claims and debts of the parties to the merger shall be succeeded by the surviving company or the newly established company.

The property shall be divided accordingly in the event of a corporate split.

In case of a company split, a balance sheet and a list of assets shall be prepared. The company shall notify its creditors within 10 days from the date of making the resolution on the split, and make an announcement in a newspaper or on the national enterprise credit information publicity system within 30 days.

The debts incurred before the division of a company shall be jointly and severally liable by the company after the division, except as otherwise agreed in writing between the company and its creditors with respect to the settlement of debts before the division.

When a company needs to reduce its registered capital, it must prepare a balance sheet and a list of its assets.

The company shall notify creditors within 10 days from the date of making the resolution to reduce its registered capital, and make a public announcement in the information disclosure newspaper designated by the company within 30 days. Creditors who have received the notice shall have the right to demand repayment of debts or provide corresponding guarantees within 30 days from the date of receiving the notice, while those who have not received the notice shall have the right to demand repayment of debts or provide corresponding guarantees within 45 days from the date of the announcement.

Where a company reduces its registered capital, it shall reduce its capital contribution or shares proportionally according to the proportion of shares held by shareholders, except as otherwise provided by law or these Articles of Association.

Where a company reduces its registered capital in accordance with Article 225 of the Company Law, the provisions of Paragraph 2 of Article 183 shall not apply, but it shall make an announcement on the information disclosure newspaper designated by the company within 30 days from the date when the shareholders' meeting makes the resolution to reduce its registered capital.

After the company reduces its registered capital in accordance with the provisions of the preceding paragraph, it shall not distribute profits before the accumulated amount of statutory and arbitrary reserves reaches 50% of the company's registered capital.

Where the registered capital is reduced in violation of the Company Law and other relevant provisions, the shareholder shall refund the funds received, and the original status shall be restored if the shareholder's contribution is reduced; if losses are caused to the company, the shareholder and the responsible directors and senior managers shall be liable for compensation.

When the company issues new shares to increase its registered capital, shareholders shall not have the right of first refusal, except as otherwise provided in these Articles of Association or the resolution of the shareholders' meeting decides that shareholders shall have the right of first refusal.

Where a company is merged or divided and the registered items are changed, it shall go through the registration of changes with the company registration authority according to law; where a company is dissolved, it shall go through the cancellation registration of the company according to law; where a new company is established, it shall go through the registration of establishment of the company according to law.

Where a company increases or reduces its registered capital, it shall, in accordance with law, go through the registration of changes with the company registration authority.

Dissolution and Liquidation

The company is dissolved for the following reasons:

(1) The cause for dissolution provided for in these Articles of Association occurs;

(2) The shareholders' meeting resolves to dissolve;

(3) The company needs to be dissolved due to merger or division;

(4) Having its business license revoked, being ordered to close down or being revoked according to law;

(5) Where the company's operation and management are in serious difficulties, the continuation of which would cause heavy losses to the interests of shareholders, and no solution can be found through other means, a shareholder holding more than 10% of the voting rights of all the shareholders of the company may request the people's court to dissolve the company.

If the company encounters any of the dissolution causes specified in the preceding paragraph, it shall publicize the dissolution causes through the National Enterprise Credit Information Publicity System within 10 days.

Where the company falls under the circumstances specified in Item (1) and Item (2) of Article 188 of these Articles of Association, and has not yet distributed its property to shareholders, it may continue to exist by amending these Articles of Association or by resolution of the shareholders' meeting.

Any amendment to these Articles of Association in accordance with the provisions of the preceding paragraph shall be passed by more than 2/3 of the voting rights held by the shareholders present at the meeting of the shareholders' meeting.

Where the company is dissolved in accordance with item (1), item (2), item (4) and item (5) of Article 188 of these Articles, a liquidation group shall be established within 15 days from the date on which the cause for dissolution occurs to begin liquidation.

The liquidation group shall be composed of persons designated by the directors or shareholders' meeting.

Where the liquidation group is not established within the time limit or the liquidation is not carried out after the establishment of the liquidation group, the interested party may apply to the people's court to appoint relevant persons to form a liquidation group for liquidation.

The liquidation team shall exercise the following functions and powers during the liquidation:

(1) To liquidate the company's property and prepare separate balance sheets and lists of property;

(2) Notify and announce the creditors;

(3) To handle the outstanding business of the company related to liquidation;

(4) Payment of the taxes owed and taxes incurred in the course of liquidation;

(5) Liquidation of claims and debts;

(6) Disposing of the remaining property after the company has paid off its debts;

(7) To participate in civil litigation activities on behalf of the company.

The liquidation group shall notify the creditors within 10 days from the date of its establishment, and make an announcement in a newspaper or on the National Enterprise Credit Information Publicity System within 60 days. The creditors shall declare their claims to the liquidation group within 30 days from the date of receiving the notice, and those who have not received the notice shall declare their claims within 45 days from the date of the announcement.

When a creditor declares a claim, it shall state the relevant matters of the claim and provide supporting materials. The liquidation group shall register the claims.

During the period of claim declaration, the liquidation group shall not pay off debts to creditors.

After liquidating the company's property, preparing the balance sheet and a list of assets and liabilities, the liquidation group shall work out a liquidation plan and submit it to the shareholders' meeting or the people's court for confirmation.

The remaining property of the company shall be distributed according to the proportion of shares held by the shareholders after the payment of liquidation expenses, wages, social insurance expenses and statutory compensation for employees, payment of outstanding taxes and settlement of debts.

During the liquidation period, the company shall continue to exist, but shall not carry out any business activities unrelated to the liquidation.

The property of the company shall not be distributed to shareholders until the debts specified in the preceding paragraph have been paid off.

If, after liquidation of the company's property, preparation of balance sheet and inventory of property, the liquidation group finds that the company's property is insufficient to pay off debts, it shall apply to the people's court for bankruptcy declaration according to law.

After the people's court accepts the bankruptcy application, the liquidation group shall transfer the liquidation affairs to the bankruptcy administrator designated by the people's court.

After the completion of the company liquidation, the liquidation group shall prepare a liquidation report, submit it to the shareholders' meeting or the people's court for confirmation, submit it to the company registration authority, apply for cancellation of the company registration, and make a public announcement of the termination of the company.

Members of the liquidation group shall perform liquidation duties and have obligations of loyalty and diligence.

Where a member of the liquidation group neglects to perform the liquidation duties and causes losses to the company, it shall be liable for compensation; if it intentionally or through gross negligence causes losses to creditors, it shall be liable for compensation.

Where a company is declared bankrupt according to law, bankruptcy liquidation shall be carried out in accordance with the relevant laws on enterprise bankruptcy.

REVISION OF BYLAWS

Under any of the following circumstances, the company shall amend its articles of association:

(1) After the Company Law or relevant laws and administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules in the place where the company's shares are listed are amended, the matters stipulated in the articles of association conflict with the provisions of the amended laws and administrative regulations;

(2) The situation of the company has changed and is inconsistent with the matters recorded in the articles of association;

(3) The shareholders' meeting decides to amend the articles of association.

Any modification of the articles of association approved by the shareholders' meeting shall be submitted to the competent authority for approval if it is required to be approved by the competent authority; if it involves the registration of the company, the change of registration shall be handled according to law.

The board of directors shall amend these articles of association in accordance with the resolution of the shareholders' meeting to modify the articles of association and the approval opinions of the relevant competent authorities.

Any modification of the articles of association shall be disclosed in accordance with the requirements of laws and regulations.

SUPPLEMENTARY PROVISIONS

Paraphrase

(1) The controlling shareholder refers to the shareholder whose shareholding accounts for more than 50% of the total share capital of the joint stock limited company; or a shareholder whose shareholding proportion does not exceed 50%, but whose voting rights held by the shares are sufficient to have a significant impact on the resolutions of the shareholders' meeting, or a shareholder with the meaning specified in the Hong Kong Listing Rules.

(2) Actual controller refers to a natural person, legal person or other organization that can actually control the conduct of a company through investment relations, agreements or other arrangements.

(3) Related party, related transaction and related person means as defined in the Hong Kong Listing Rules.

The board of directors may, in accordance with the provisions of the articles of association, formulate rules for the articles of association. The rules for the articles of association shall not conflict with the provisions of the articles of association.

This Constitution is written in Chinese. In case of any ambiguity between this Constitution and other languages or different versions of the Constitution, the Chinese version of the Constitution approved and registered by the Suzhou Industrial Park Market Supervision and Administration Bureau in the latest time shall prevail.

The words "above" and "within" in these Articles of Association include the number itself; the words "less than", "outside", "lower than", "more than", "exceeding", and "higher than" do not include the number itself.

If any other agreement between shareholders (if any) is inconsistent or conflicting with these Articles of Association, the contents of these Articles of Association shall prevail.

The board of directors of the company is responsible for the interpretation of these articles.

For matters not covered in these Articles, the company shall handle and implement them in accordance with relevant national laws, regulations, departmental rules, normative documents, the Hong Kong Listing Rules, and provisions of the Hong Kong Securities Regulatory Authority, while taking into account the company's actual circumstances. Should any provisions of these Articles conflict with future laws, regulations, departmental rules, normative documents, the Hong Kong Listing Rules, or relevant provisions of the Hong Kong Securities Regulatory Authority, the latter provisions shall prevail, and these Articles shall be promptly amended accordingly.

This Articles of Association and its annexes shall take effect and be implemented from the date of the company's initial public offering of H-shares and listing on the HKEX, upon approval by the shareholders' meeting. The company must promptly file with the Suzhou Industrial Park Market Supervision Administration for record. From the effective date of these Articles of Association, the original "Articles of Association of TenNor Therapeutics (Suzhou) Limited" shall automatically become void.

FURTHER INFORMATION ABOUT OUR COMPANY

1. Incorporation of Our Company

Our Company was established as a limited liability company in the PRC on February 25, 2013 and was converted into a joint stock company with limited liability on June 27, 2025 under the laws of the PRC. As of the Latest Practicable Date, the registered share capital of our Company was RMB43,472,926.00 divided into 43,472,926 Shares with a nominal value of RMB1.00 each.

Our Company has established a place of business in Hong Kong at 31/F., Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong, and has registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on July 18, 2025. Ms. Ye Jiahong (葉嘉紅), the joint company secretary of our Company, has been appointed as our authorized representative for the acceptance of service of process in Hong Kong whose correspondence address is the same as our place of business in Hong Kong.

2. Changes in Share Capital of Our Company

Save as disclosed in the section headed "History, Development and Corporate Structure" of this prospectus, there has been no alteration in the share capital of our Company during the two years immediately preceding the date of this prospectus.

3. Changes in the Share Capital of Our Subsidiaries

Our subsidiaries as of the Latest Practicable Date are set out in note 34 to the Accountant's Report.

There had been no alteration in the share capital of our subsidiaries within two years immediately preceding the date of this prospectus.

4. Resolutions of the Shareholders

Pursuant to a general meeting of our Company held on July 23, 2025, the following resolutions, among others, were passed by our Shareholders:

(a) the issue by our Company of H Shares of a nominal value of RMB1.00 each and that such H Shares be listed on the Stock Exchange;

(b) that the number of H Shares to be issued shall not be more than 25% of the total issued share capital of our Company as enlarged by the Global Offering (without taking into account the H Shares which may be allotted and issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option), and the grant to the Underwriters (or their representatives) of the Over-allotment Option of not more than 15% of the number of H Shares issued pursuant to the Global Offering;

(c) subject to the completion of the Global Offering, the adoption of the Articles of Association which shall become effective on the Listing Date, and the authorization to the Board to amend the Articles of Association in accordance with the requirements of the relevant laws and regulations and the Listing Rules; and

(d) authorization of our Board to handle all relevant matters relating to, among other things, the issue and listing of the H Shares.

FURTHER INFORMATION ABOUT THE BUSINESS OF OUR COMPANY

1. Summary of Material Contract

We have entered into the following contract (not being a contract entered into in the ordinary course of business) within the two years immediately preceding the date of this prospectus that is or may be material:

(a) the cornerstone investment agreement dated May 12, 2026 entered into among our Company, AMR Action Fund, L.P. ("**AMR US**"), CITIC Securities (Hong Kong) Limited, ABCI Capital Limited, CLSA Limited and China Renaissance Securities (Hong Kong) Limited, pursuant to which AMR US agreed to subscribe for such number of H Shares at the Offer Price in an aggregate investment amount of Hong Kong dollar equivalent of US$14,699,653;

(b) the cornerstone investment agreement dated May 12, 2026 entered into among our Company, AMR Action Fund, SCSp ("**AMR Luxembourg**"), CITIC Securities (Hong Kong) Limited, ABCI Capital Limited, and CLSA Limited, pursuant to which AMR Luxembourg agreed to subscribe for such number of H Shares at the Offer Price in an aggregate investment amount of Hong Kong dollar equivalent of US$5,100,461;

(c) the cornerstone investment agreement dated May 11, 2026 entered into among our Company, Hua Yuan International Limited (華圓管理諮詢(香港)有限公司) ("**Hua Yuan**"), CITIC Securities (Hong Kong) Limited (中信證券(香港)有限公司), ABCI Capital Limited (農銀國際融資有限公司), and CLSA Limited (中信里昂證券有限公司), pursuant to which Hua Yuan agreed to subscribe for such number of H Shares at the Offer Price in an aggregate investment amount of Hong Kong dollar equivalent of US$6,000,000;

(d) the cornerstone investment agreement dated May 11, 2026 entered into among our Company, Orient Asset Management (Hong Kong) Limited (東方資產管理(香港)有限公司) ("**Orient Asset Management**"), CITIC Securities (Hong Kong) Limited (中信證券(香港)有限公司), ABCI Capital Limited (農銀國際融資有限公司), and CLSA Limited (中信里昂證券有限公司), pursuant to which Orient Asset Management agreed to subscribe for such number of H Shares at the Offer Price in an aggregate investment amount of Hong Kong dollar equivalent of US$3,000,000;

(e) the cornerstone investment agreement dated May 12, 2026 entered into among our Company, June Star Global Limited (駿昇環球有限公司) ("**June Star**") , CITIC Securities (Hong Kong) Limited (中信證券(香港)有限公司), ABCI Capital Limited (農銀國際融資有限公司), and CLSA Limited (中信里昂證券有限公司), pursuant to which June Star agreed to subscribe for such number of H Shares at the Offer Price in an aggregate investment amount of Hong Kong dollar equivalent of US$1,000,000; and

(f) the Hong Kong Underwriting Agreement.

2. Intellectual Property Rights

(a) Trademarks

As of the Latest Practicable Date, we have registered the following trademarks which we consider to be material to our business:

No.	Owner	Registration no.	Place of registration	Trademark	Class	Validity period
1.	Our Company	68933681	the PRC	速则宜	5	July 6, 2033
2.	Our Company	63149321	the PRC	Suzonegy	5	September 13, 2032
3.	Our Company	68942640	the PRC	蘇諾希	5	June 27, 2033
4.	Our Company	68939400	the PRC	澤諾迪	5	July 6, 2033
5.	Our Company	84185637	PRC	Suzonegy 速则益	5	September 13, 2035
6.	Our Company	84175870	PRC	Suzonegy 苏诺希	5	September 13, 2035
7.	Our Company	84179740	PRC	Zenodi 泽诺迪	5	September 13, 2035
8.	Our Company	306917329	Hong Kong	TENNOR THERAPEUTICS	5,42	June 1, 2035
9.	Our Company	306917338	Hong Kong	丹诺医药 TENNOR THERAPEUTICS	5,42	June 1, 2035
10.	Our Company	307124562	Hong Kong	TENNOR THERAPEUTICS	5,42	December 11, 2035
11.	Our Company	307123590	Hong Kong	丹诺医药 TENNOR THERAPEUTICS	5,42	December 11, 2035

(b) Domain Names

As of the Latest Practicable Date, we have registered the following domain names which we consider to be material to our business:

No.	Owner	Domain name	Registration date
1.	Our Company	tennorx.com	September 13, 2013
2.	Our Company	tennorx.cn	August 18, 2021
3.	Our Company	tennorpharma.com	May 6, 2011

(c) Patents

As of the Latest Practicable Date, we have registered the following patents which we consider to be material to our business:

No.	Owner	Type	Patent name	Patent No.	Application Date	Expiry Date	Place of Application	Core Products or Other Products associated with the Patent
1.	Our Company	Invention	Nitroheteroaryl-containing rifamycin derivatives	US7678791B2	July 12, 2007	January 21, 2028	United States	Rifasutenizol
2.	Our Company	Invention	Use of rifamycin- nitroimidazole coupling molecule	CN104971061B	June 9, 2015	June 9, 2035	PRC	Rifasutenizol
3.	Our Company	Invention	Use of rifamycin- nitroimidazole coupling molecule	HK1215178A1	June 9, 2015	June 9, 2035	Hong Kong	Rifasutenizol
4.	Our Company	Invention	Methods for preventing or treating *H. pylori* infection	US12005050B2	1 August, 2023	1 August, 2043	United States	Rifasutenizol
5.	Our Company	Invention	New applications of rifamycin-nitroimidazole coupling molecules	HK40011218A1	February 22, 2018	February 22, 2038	Hong Kong	Rifasutenizol
6.	Our Company	Invention	New applications of rifamycin-nitroimidazole coupling molecules	EP3574900B1	February 22, 2018	February 22, 2038	Europe	Rifasutenizol
7.	Our Company	Invention	Preparation method of rifamycin-nitroimidazole coupled molecule	CN105037389B	June 9, 2015	June 9, 2035	PRC	Rifasutenizol
8.	Our Company	Invention	Use of rifamycin-quinolizinone coupling molecule and pharmaceutically acceptable salt thereof	CN109529045B	January 8, 2019	January 8, 2039	PRC	Rifaquizinone
9.	Our Company	Invention	A crystalline form I of a rifamycin-quinazinone dual-targeting molecule and a method for its preparation	CN104710439B	March 6, 2015	March 6, 2035	PRC	TNP-2092 Oral
10.	Our Company	Invention	Rifamycin-quinolizinone coupled molecule ointment and method for preparing same	CN115501230B	August 5, 2022	August 5, 2042	PRC	TNP-2092 Topical
11.	Our Company	Invention	Rifamycin-quinolizinone coupled molecule ointment and method for preparing same	TWI887727	August 4, 2023	August 3, 2043	Taiwan	TNP-2092 Topical

As of the Latest Practicable Date, we have applied for the following patent applications which we consider to be material to our business:

No.	Applicant	Type	Patent name	Application No.	Application Date	Place of Application	Core Products or Other Products associated with the Patent Application
1.	Our Company	Invention	Crystal form of compound and use thereof	CN2024108506941	June 27, 2024	PRC	Rifasutenizol
2.	Our Company	Invention	Crystal form of compound and use thereof	PCT/CN2024/102004	June 27, 2024	PCT (U.S., Canada, Japan, Korea, Europe, Australia, Russian, New Zealand, Singapore, Malaysia, Thailand, Philippines, Indonesia, Brazil, Colombia, Chile, Saudi Arabia, United Arab Emirates, Qatar, Egypt, Algeria, India)	Rifasutenizol
3.	Our Company	Invention	Crystal form of compound and use thereof	TW113125678	July 9, 2024	Taiwan	Rifasutenizol
4.	Our Company	Invention	Crystal form of compound and use thereof	HK42024099861.7	June 27, 2024	Hong Kong	Rifasutenizol
5.	Our Company	Invention	Salts of compounds, crystal forms thereof, preparation method therefor and use thereof	PCT/CN2024/078360	February 23, 2024	PCT (China, the U.S., Canada, Japan, Korea, Europe, Hong Kong)	Rifasutenizol
6.	Our Company	Invention	Salts of compounds, crystal forms thereof, preparation method therefor and use thereof	TW113106646	February 23, 2024	Taiwan	Rifasutenizol
7.	TenNor Zhongshan	Invention	Methods for preventing or treating *H. pylori* infection	JP2025-508932	August 18, 2022	Japan	Rifasutenizol
8.	TenNor Zhongshan	Invention	Methods for preventing or treating *H. pylori* infection	CA3265050	August 18, 2022	Canada	Rifasutenizol
9.	Our Company	Invention	Use of rifamycin-quinolizinone coupling molecule and pharmaceutically acceptable salt thereof	EP20738311.8	January 3, 2020	Europe	Rifaquizinone
10.	Our Company	Invention	Application of rifamycin-quinolizinone conjugate molecule and pharmaceutically acceptable salt thereof	JP2021-539517	January 3, 2020	Japan	Rifaquizinone

No.	Applicant	Type	Patent name	Application No.	Application Date	Place of Application	Core Products or Other Products associated with the Patent Application
11.	Our Company	Invention	Joint cavity drug administration method, and use thereof	PCT/CN2023/096858	May 29, 2023	PCT (U.S., China, Canada, Japan, Korea, Europe, Australia, Russian, Singapore, Malaysia, Thailand, Philippines, Indonesia, Brazil, Saudi Arabia, United Arab Emirates, Qatar, Egypt, Algeria)	Rifaquizinone
12.	Our Company	Invention	Method for treating prosthetic joint infection by using compound	PCT/CN2023/090268	April 24, 2023	US	Rifaquizinone
13.	Our Company	Invention	Method of treating disease using compound, and use of compound	PCT/CN2023/100595	June 16, 2023	PCT (China, US, Canada, Japan, Europe, Hong Kong)	TNP-2092 Topical
14.	Our Company	Invention	Use of rifamycin-quinolizinone coupling molecule and pharmaceutically acceptable salt thereof	HK62021042062.1	January 3, 2020	Hong Kong	Rifaquizinone
15.	Our Company	Invention	Solid dispersion of compound and use thereof	PCT/CN2025/075675	February 5, 2025	PCT	TNP-2092 (Oral)
16.	Our Company	Invention	Compound and use thereof	PCT/CN2025/134891	November 14, 2025	PCT	Rifasutenizol
17.	Our Company	Invention	Compound and use thereof	TW114144543	November 14, 2025	Taiwan	Rifasutenizol
18.	Our Company	Invention	Method and use of compound for treating infections related to left ventricular assist devices	PCT/CN2025/110829	July 28, 2025	PCT	Rifaquizinone

Save as disclosed above, as of the Latest Practicable Date, there was no other trade or service mark, patent, intellectual or industrial property right which was material in relation to our business.

FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interests

Save as disclosed below, immediately following completion of the Global Offering (without taking into account the H Shares which may be allotted and issued pursuant to the exercise of the Offer Size Adjustment Option and the Over-allotment Option), so far as our Directors are aware, none of our Directors and chief executive has any interest or short positions in our Shares, underlying Shares or debentures of our Company or any associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to our Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules.

Name	Position	Capacity/nature of interest	Number of Shares held	Approximate percentage of shareholding in the relevant proportion of Shares[1]	Approximate percentage of shareholding in the total issued share capital of our Company[1]
				(%)	*(%)*
Dr. Ma[2]	Executive Director, chairperson of the Board, chief executive officer and general manager of the Company	Beneficial owner; interest in controlled corporations	5,912,816 H Shares	11.41	11.41

Notes:

(1) The calculation is based on the total number of 51,753,476 H Shares in issue (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised) upon Listing.

(2) For details of interests of Dr. Ma, please see the section headed "Substantial Shareholder" in this prospectus.

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 section headed "Substantial Shareholders" in this prospectus.

As of the Latest Practicable Date, our Directors are not aware of any other person (other than our Directors or chief executive) who will, immediately following completion of the Global Offering, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group other than our Company.

3. Service Contracts

Each of our Directors has entered into a service contract with our Company. The principal particulars of these service contracts comprise (a) a term of office commencing on the date of the approval at the relevant Company's general meeting and ending on the expiration of the term of office of the prevailing session of the Board (with respect to Directors); and (b) termination provisions in accordance with their respective terms.

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

4. Remuneration of Directors

Save as disclosed in the section headed "Directors and Senior Management" in this prospectus and notes 6 and 23 to the Accountant's Report, for the three financial years ended December 31, 2025, none of our Directors received other remunerations of benefits in kind from us.

5. Employee Incentive Plans

Our Company adopted and approved the Employee Incentive Plans in August, 2021 and December 2021, respectively. The Employee Incentive Plans are not subject to the provisions of Chapter 17 of the Listing Rules as they do not involve the grant of Shares or the grant of options by our Company to subscribe for Shares after the Listing. Given the underlying Shares under the Employee Incentive Plans had already been issued, there will not be any dilution effect to the issued share capital of the Company. No further awards will be granted after the Listing.

As of the Latest Practicable Date, our Company established three ESOP Platforms, namely Danyuan Kangnuo, Danyuan Nuokang and Danyuan Aonuo, which, in aggregate, held 4,540,146 Unlisted Shares. For further details of the ESOP Platforms, see section headed "History, Development and Corporate Structure—ESOP Platforms" in this prospectus.

The following is a summary of the principal terms of the Employee Incentive Plans (as amended from time to time).

(a) Objective

The purpose of the Employee Incentive Plans is to, among others, attract, retain and motivate talents needed to achieve our Company's strategic goals.

(b) Eligibility

Participants of the Employee Incentive Plans (the "**Participants**") include the following persons who satisfy the following conditions:

- natural persons who sign formal labor contracts or advisory agreements with our Company or its subsidiaries;
- Directors, senior managers, key employees, consultants and other persons identified by the Board; and
- such Participants having no record of dishonesty.

(c) Grant of Awards

The general partner of each of the ESOP Platforms is Shanghai Kangyuan Dannuo which is responsible for the management of each of the ESOP Platforms. Since Shanghai Kangyuan Dannuo is wholly-owned by Dr. Ma, therefore, in effect, all management powers of the ESOP Platforms reside with Dr. Ma.

The selected Participants will be granted awards in the form of economic interest in the ESOP Platforms and such selected Participants will become a limited partner of the relevant ESOP Platform. Upon becoming a limited partner of the ESOP Platforms, the selected Participants indirectly receive economic interest in the corresponding number of underlying Shares held by the ESOP Platforms determined based on the position and working years of the selected Participants and with reference to their past performance appraisal, subject to a cap as determined by the general partner of the relevant ESOP Platform.

(d) Administration

- Our Board shall be responsible for the modifications, interpretation and implementation of the Employee Incentive Plans;

- the general partner of the ESOP Platforms (or their authorized representative) shall be responsible for managing the platform and the selected Participants and shall exercise Shareholder's rights on behalf of the platform regarding its equity interest in our Company and safeguard the legitimate rights of the selected Participants; and

- the general partner of the ESOP Platforms hall have the authority to approve the procedures for the selected Participants to sell their partnership interests in the ESOP Platforms, provided that such actions do not violate the provisions of the Equity Incentive Plans.

(e) Lock-up Period and Restrictions on Disposals

During the Track Record Period and up till the Directors' meeting on July 11, 2025, the interest held by the Participants in the relevant ESOP Platform shall be subject to a lock-up period of three years. After the Directors' meeting on July 11, 2025, the interest held by the Participants in the relevant ESOP Platform shall be subject to a lock-up period which shall be 12 months from the Listing. During the lock-up period, such interest shall not be divided, gifted or pledged.

During the lock-up period, if (i) the selected Participant is incapacitated; (ii) the selected Participant dies or is found missing; (iii) the employment between our Company and its subsidiaries and the selected Participant has been terminated; (iv) the selected Participant is dismissed or removed by the target company or its subsidiaries in accordance with the law; (v) the partnership interest of the selected Participant is enforced or is subject to other legal compulsory actions; or (vi) there are any other circumstances that seriously damage the interest or reputation of the our Company and its subsidiaries, the general partner or its designated party shall have the right to acquire the partnership interests held by the selected Participant at a price determined based on the relevant provision(s) of the Equity Incentive Plan. If the general partner or its designated party waives its acquisition right, the relevant ESOP Platform shall have the right to repurchase such partnership interest.

During the Track Record Period and up till the Directors' meeting on July 11, 2025, upon the expiry of three years after the Listing, the selected Participants may apply to transfer all or part of their partnership interests to another selected Participant within the same ESOP Platform (the "**Internal Transfer**"). After the Directors' meeting on July 11, 2025, upon the expiry of one year after the Listing, the selected Participants may apply for an Internal Transfer. The general partner or its designated party shall have the right of first refusal on such partnership interests on the same terms and conditions.

If Internal Transfer does not materialize, the general partner may sell all or part of the Shares corresponding to the partnership interests held by the selected Participant at an appropriate time based on market conditions within three months if all divestment conditions are met. The proceeds from the disposal shall be distributed to the selected Participant after deducting relevant tax and expenses.

6. Disclaimers

(a) Save as disclosed in this section and the section headed "History, Development and Corporate Structure" in this prospectus, none of our Directors or any of the parties listed in the paragraph headed "—Other Information—5. Qualifications of Experts" in this Appendix is:

(i) interested in our promotion, or in any assets which have been, within two years immediately preceding the date of this prospectus, acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to any member of our Company; or

(ii) materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to our business.

(b) Save in connection with the Hong Kong Underwriting Agreement and the International Underwriting Agreement, none of the parties listed in the paragraph headed "—Other Information—5. Qualifications of Experts" in this Appendix.

(i) is interested legally or beneficially in any shares in any member of our Group; or

(ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of our Group;

(c) Save as disclosed in this section and the section headed "Directors and Senior Management" in this prospectus, none of our Directors is a director or employee of a company that has an interest in the share capital of our Company which, once the H Shares are listed on the Hong Kong Stock Exchange, would have to be disclosed pursuant to Divisions 2 and 3 of Part XV of the SFO.

(d) So far as is known to our Directors, none of our Directors or their respective close associates (as defined under the Listing Rules) or Shareholders who owns more than 5% of the issued shares of our Company has any interests in the five largest customers or the five largest suppliers of our Group.

OTHER INFORMATION

1. Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to impose on our Company or any of our subsidiaries under the laws of the PRC.

2. Litigation

As of the Latest Practicable Date, no member of our Group was involved in any litigation, arbitration or claim of material importance, and, so far as we are aware, no litigation, arbitration or claim of material importance is pending or threatened against any member of our Group, which would have a material adverse effect on our financial condition or results of operations, taken as a whole.

3. Joint Sponsors

The Joint Sponsors have made an application on behalf of our Company to the Hong Kong Stock Exchange for the listing of, and permission to deal in, our H Shares. All necessary arrangements have been made to enable the securities to be admitted into CCASS.

The Joint Sponsors satisfy the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules. Two of the Pre-IPO Investors, Nongyin No. 2 Wuxi Equity Investment Center (農銀二號無錫股權投資中心) ("**Nongyin No. 2**") and Suzhou Industrial Park Susui Equity Investment Investment Partnership (Limited Partnership) (蘇州工業園區蘇穗股權投資合夥企業(有限合夥)) ("**Susui Investment**", together with Nongyin No. 2, the "**Nongyin Entities**") are members of the sponsor group of our Joint Sponsor ABCI Capital Limited. Since the Nongyin Entities held less than 5% in the Company, the shareholding of the Nongying Entities in the Company does not affect the independence of ABCI Capital Limited to act as a Sponsor pursuant to Rule 3A.07 of the Listing Rules. The aggregate amount of sponsor fee payable by the Company to the Joint Sponsors is US$650,000.

4. Preliminary Expenses

As of the Latest Practicable Date, our Company has not incurred material preliminary expenses.

5. Qualifications of Experts

The qualifications of the experts (as defined under the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance) who have given opinions and/or advice in this prospectus are as follows:

Name	Qualifications
CITIC Securities (Hong Kong) Limited . . .	Licensed corporation to conduct Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
ABCI Capital Limited.	Licensed corporation to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
PricewaterhouseCoopers	Certified Public Accountants under the Professional Accountant Ordinance (Chapter 50 of the Laws of Hong Kong) and Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)
AllBright Law Offices	Company's PRC legal adviser
Jingtian & Gongcheng	Legal adviser as to intellectual property laws of the PRC
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Independent industry consultant

6. Consents

Each of the experts as referred to in the paragraph headed "—Other Information—5. Qualifications of Experts" in this Appendix has given and has not withdrawn their respective written consents to the issue of this prospectus with the inclusion of certificates, letters, opinions or reports and the references to their respective names in the form and context in which they are respectively included.

7. Taxation of Holders of H Shares

(a) Hong Kong

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty. The current rate charged on each of the purchaser and seller is 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred. For further details in relation to taxation, see Appendix IV to this prospectus.

(b) Consultation with Professional Advisers

Potential investors in the Global Offering are urged to consult their professional tax advisers if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in our H Shares (or exercising rights attached to them). None of our Company, our Directors, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, or any other person or party involved in the Global Offering accept responsibility for any tax effects on, or liabilities of, any person, resulting from the subscription, purchase, holding or disposal of, dealing in or the exercise of any rights in relation to our H Shares.

8. No Material Adverse Change

Our Directors confirm that, as of the date of this prospectus, there has been no material adverse change in the financial or trading position of our Company since December 31, 2025 (being the latest balance sheet date of our consolidated financial statements as set out in the Accountant's Report).

9. Promoters

The promoters of our Company are all then 47 shareholders of our Company as of June 27, 2025 before our conversion into a joint stock company with limited liability. Save as disclosed in the section headed "History, Development and Corporate Structure" in this prospectus, within the two years preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given or is proposed to be paid, allotted or given to any promoter in connection with the Global Offering and the related transactions described in this prospectus.

10. Restrictions on Repurchase

For details, see Appendices IV and V to this prospectus.

11. Binding Effect

This prospectus shall have the effect, if an application is made in pursuance of it, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

12. Bilingual

The English and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided under section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

13. Miscellaneous

Save as otherwise disclosed in this prospectus:

(a) within the two years preceding the date of this prospectus, (i) our Company has not issued nor agreed to issue any share or loan capital fully or partly paid either for cash or for a consideration other than cash; and (ii) no commission, discount, brokerage or other special term has been granted in connection with the issue or sale of any shares of our Company;

(b) no Share or loan capital of our Company, if any, is under option or is agreed conditionally or unconditionally to be put under option;

(c) our Company has not issued nor agreed to issue any founder shares, management shares or deferred shares;

(d) our Company has no outstanding convertible debt securities or debentures;

(e) there is no arrangement under which future dividends are waived or agreed to be waived;

(f) there has been no interruption in our business which may have or have had a significant effect on the financial position in the last 12 months;

(g) our Company is not presently listed on any stock exchange or traded on any trading system; and

(h) our Company is a joint stock company with limited liability and is subject to the PRC Company Law.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to a copy of this prospectus and delivered to the Registrar of Companies in Hong Kong for registration were:

(i) a copy of the material contract referred to in the paragraph headed "Further Information about the Business of Our Company—1. Summary of Material Contract" in Appendix VI to this prospectus; and

(ii) the written consents referred to in the paragraph headed "Other Information—6. Consents" in Appendix VI to this prospectus.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of the Hong Kong Stock Exchange at **www.hkexnews.hk** and our website at **www.tennortherapeutics.com** during a period of 14 days from the date of this prospectus:

(a) the Articles of Association;

(b) the Accountant's Report prepared by PricewaterhouseCoopers, the text of which is set out in Appendix I to this prospectus;

(c) the audited consolidated financial statements of our Group for the financial years ended December 31, 2023, 2024 and 2025;

(d) the report prepared by PricewaterhouseCoopers on the unaudited pro forma financial information of our Group, the text of which is set out in Appendix II to this prospectus;

(e) the industry report issued by Frost & Sullivan (Beijing) Inc., Shanghai Branch Co. referred to in the section headed "Industry Overview" in this prospectus;

(f) the PRC legal opinion issued by AllBright Law Offices, our legal adviser as to PRC laws, in respect of, among other things, the general matters and property interests of our Group under the PRC laws;

(g) the legal opinions issued by Jingtian & Gongcheng, our legal adviser as to intellectual property laws of the PRC;

(h) the material contract referred to in the paragraph headed "Further Information about the Business of Our Company—1. Summary of Material Contract" in Appendix VI to this prospectus;

(i) the service contracts referred to in the paragraph headed "Further Information about Our Directors and Substantial Shareholders—3. Service Contracts" in Appendix VI to this prospectus;

(j) the written consents referred to in the paragraph headed "Other Information—6. Consents" in Appendix VI to this prospectus; and

(k) the PRC Company Law, the PRC Securities Law, the Overseas Listing Trial Measures and the Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》) issued by the CSRC together with unofficial English translations thereof.

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