SUMMARY

This summary aims to give you an overview of the information contained in this document. As it is a summary, it does not contain all the information that may be important to you and is qualified in its entirety by, and should be read in conjunction with, the full document. You should read the whole document before you decide to [**REDACTED**] *in the* [**REDACTED**]. *There are risks associated with any* [**REDACTED**]. *Some of the particular risks in* [**REDACTED**] *in the* [**REDACTED**] *are set forth in the section headed "Risk Factors" of this document. You should read that section carefully before you decide to* [**REDACTED**] *in the* [**REDACTED**]. *In particular, we are a biotechnology company seeking to* [**REDACTED**] *on the Main Board of the Stock Exchange under Chapter 18A of the Listing Rules as we do not meet the requirements under Rule 8.05 of the Listing Rules. There are unique challenges, risks and uncertainties associated with* [**REDACTED**] *in companies like ours. Notably, our Core Products, namely iza-bren and T-Bren, are under clinical development for certain indications. 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. Your* [**REDACTED**] *decision should be made in light of these considerations.*

OVERVIEW

Founded in 1996, we are an integrated biopharmaceutical group committed to advancing breakthrough innovation to develop oncology therapeutics with breakthrough efficacy and bring them to patients worldwide. In 2014, we established SystImmune, Inc. ("**SystImmune**") in Seattle, the United States, to expand our presence in the global biotechnology ecosystem and spearhead "0-to-1" innovation. Complementing these capabilities, our China-based research, translational medicine and clinical development infrastructure enables us to accelerate the "1-to-N" clinical translation and indication expansion of internally discovered assets. As of the Latest Practicable Date, our innovative drug pipeline featured 15 clinical-stage drug candidates, five of which were undergoing clinical development outside China. We are focused on the oncology therapeutic area and have strategically deployed three cutting-edge technology tracks — antibody-drug conjugates ("**ADCs**"), antibody-radionuclide conjugates ("**ARCs**") and multi-specific T-cell engagers ("**TCEs**").

We have two Core Products, iza-bren and T-Bren. Iza-bren pioneers the bispecific ADC field and is the world's first and, to date, only approved bispecific ADC, as well as the only epidermal growth factor receptor ("**EGFR**") × human epidermal growth factor receptor 3 ("**HER3**") bispecific ADC to have entered registrational stage globally. Iza-bren received new drug application ("**NDA**") approvals from the NMPA for the late-line treatment of nasopharyngeal carcinoma ("**NPC**") in June 2026 and for the second-line treatment of esophageal squamous cell carcinoma ("**ESCC**") in July 2026. As of the Latest Practicable Date, iza-bren's NDA for triple-negative breast cancer ("**TNBC**") had also been accepted by the NMPA. T-Bren is a human epidermal growth factor receptor 2 ("**HER2**") ADC with best-in-class potential, and is currently in registrational clinical development across multiple HER2-expressing solid tumors.

WE MAY NOT BE ABLE TO SUCCESSFULLY DEVELOP AND/OR MARKET OUR PIPELINE PRODUCTS, INCLUDING OUR CORE PRODUCTS, IZA-BREN AND T-BREN.

OUR PORTFOLIO ASSETS

Our Innovative Drug Pipeline

Leveraging our proprietary technology platforms — HIRE-ADC (and SEBA), GNC and HIRE-ARC, we have systematically built a global pipeline of innovative drug candidates across multiple modalities, targeting major tumor types and demonstrating the repeatable productivity of our discovery engine beyond any single product. As of the Latest Practicable Date, our innovative drug pipeline featured 15 clinical-stage drug candidates, five of which were undergoing clinical development outside China. All assets in our innovative drug pipeline as of the Latest Practicable Date are self-discovered.

The following chart sets forth an overview of our pipeline products as of the Latest Practicable Date.

	Product	Target	Indication	Mono/Combo	Pre-Clinical	IND	Phase Ia	Phase Ib	Phase II	Phase III	NDA	Approved for Marketing	Expected Completion Year[1]	Commercial Rights
HIRE-ADC	★ iza-bren	EGFR x HER3	NSCLC, SCLC, HR+/HER2- BC, TNBC, ESCC, GC, CRC, BTC, NPC, HNSCC, gynecological tumors, urological tumors and other solid tumors	Mono&Combo						*NPC and ESCC approved*			2026-2032[2]	China & U.S.[3]
	★ T-Bren	HER2	HER2+ BC, HER2- BC, GC, NSCLC, CC, OC, endometrial cancer, UC, BTC and other solid tumors	Mono&Combo									2026-2031	Global
	BL-M14D1	DLL3	SCLC, neuroendocrine tumors and other solid tumors	Mono&Combo									2026-2030	
	BL-M05D1	Claudin 18.2	GC/GEJ adenocarcinoma and other solid tumors	Mono									2026-2029	
	BL-M11D1	CD33	AML	Mono									2026-2028	
	BL-B16D1	Undisclosed	Lung cancer, BC, HNSCC and other solid tumors	Mono									2026	
	BL-M08D1	Undisclosed	Solid tumors and hematologic malignancies	Mono									2026-2027	
	BL-M09D1	Undisclosed	NSCLC, GIC and other solid tumors	Mono									2027	
	BL-M24D1	Undisclosed	Hematologic malignancies, NSCLC, HNSCC, GIC and other solid tumors	Mono									2027	
HIRE-ARC	BL-ARC001	Undisclosed	Lung cancer, BC, HNSCC, GIC and other solid tumors	Mono									2027	
	BL-ARC002	Undisclosed	Solid tumors	Mono									2027	
GNC	GNC-038	CD3 x 4-1BB x PD-L1 x CD19	Autoimmune diseases (systemic lupus erythematosus and rheumatoid arthritis, etc.)	Mono									2027	
SEBA	SI-B001	EGFR x HER3	NSCLC, HNSCC	Mono&Combo									2026-2027	
	SI-B003	PD-1 x CTLA-4	Solid tumors	Mono&Combo									2026	
	SI-B036	Undisclosed	Solid tumors	Mono									2028	

★ Core Products

Abbreviations: NSCLC: non-small cell lung cancer; SCLC: small cell lung cancer; BC: breast cancer; TNBC: triple-negative breast cancer; ESCC: esophageal squamous cell carcinoma; GC: gastric cancer; CRC: colorectal cancer; BTC: biliary tract cancer; NPC: nasopharyngeal carcinoma; HNSCC: head and neck squamous cell carcinoma; CC: cervical cancer; OC: ovarian cancer; UC: urothelial carcinoma; GEJ: gastroesophageal junction adenocarcinoma; AML: acute myeloid leukemia; GIC: gastrointestinal cancer

Notes: (1) denotes estimated primary completion year; (2) in June 2026, the NMPA granted conditional approval for iza-bren for the treatment of NPC, based on data from the Phase III trial in r/m NPC (NCT06118333), which met its ORR primary endpoint in March 2025. In July 2026, the NMPA granted approval for iza-bren for the treatment of ESCC, based on data from the Phase III trial in r/m ESCC (NCT06304974), which met its dual primary endpoints of PFS and OS in October 2025; (3) we have entered into a global strategic license and collaboration agreement with BMS. Under this agreement, four joint committees have been established to govern and coordinate the collaboration. BMS and SystImmune will develop iza-bren in the United States in accordance with the global development plan and budget overseen by the joint steering committee and joint development committee. Commercialization of iza-bren in the United States will be conducted pursuant to a commercialization plan and budget jointly developed and finalized by BMS and SystImmune through the joint steering committee and joint commercialization committee. We have retained exclusive rights to develop and commercialize iza-bren in Chinese Mainland, and we have granted BMS an exclusive license to develop and commercialize iza-bren in the rest of the world, subject to certain specified conditions and limitations. For details of this agreement, see "Business — License and Collaboration Agreement with Bristol-Myers Squibb Company"; and (4) clinical progress represents the most advanced trial stage of the corresponding pipeline asset.

Biologics Portfolio Empowered by HIRE-ADC Platform

Iza-bren (EGFR × HER3 bispecific ADC), Our Core Product

Iza-bren (izalontamab brengitecan, 宜泽康®) is the world's first and only approved bispecific ADC. It is also the only EGFR × HER3 bispecific ADC to have entered registrational stage globally, underscoring its substantial global clinical value and market potential. As of the Latest Practicable Date, iza-bren had received approvals from the NMPA through the Priority Review Programs for the treatment of adult patients with recurrent or metastatic NPC who had failed at least two prior lines of systemic chemotherapy and treatment with PD-1/PD-L1 inhibitor therapy and for the treatment of adult patients with recurrent or metastatic ESCC who had failed at least two prior lines of systemic therapy. These approvals provide new treatment options and may reshape the standard of care for the relevant patient population and mark the entry of bispecific ADC therapy into the later-line treatment paradigm for NPC and second-line treatment for ESCC. In addition, iza-bren's NDA for locally advanced or metastatic TNBC had been accepted by the NMPA as of the Latest Practicable Date. These regulatory milestones mark iza-bren's transition from clinical development to commercialization and demonstrate continued progress in realizing its potential value across multiple indications.

EGFR and HER3 are broadly and highly expressed across a wide range of epithelial tumors. Leveraging its bispecific structure, iza-bren is designed to broadly target multiple solid tumors and achieve greater enrichment within tumor tissues, thereby enhancing tumor-killing activity while reducing on-target off-tumor toxicity. Its differentiated design provides the biological foundation for the broad clinical development of iza-bren across multiple tumor types, patient populations and treatment settings.

Durable core patent protection supporting long-term commercialization. The core patent portfolio covering iza-bren is expected to provide protection through November 2042, potentially offering a substantial period of patent exclusivity to support its long-term commercialization in global markets and sustained value realization through indication expansion, global registration, commercial ramp-up and lifecycle management.

Expansive global clinical program. As of the Latest Practicable Date, iza-bren was being evaluated in over 45 clinical trials in China and overseas, comprising (i) 14 Phase III trials in China three of which supported advanced regulatory milestones – the NMPA's conditional approval for NPC, approval for ESCC and acceptance for filing of the NDA for TNBC; (ii) three global pivotal Phase II/III registrational trials; (iii) two additional Phase II/III registrational trials in China; (iv) 21 Phase II trials; and (v) six early-stage trials. In addition, a global Phase III clinical trial for EGFRmut NSCLC is expected to be initiated in September 2026. These trials span first-line, later-line, maintenance and perioperative settings, covering more than 10 major solid tumor types — including lung, breast, gastrointestinal, head and neck, gynecologic and genitourinary cancers — both as monotherapy and in combination regimens. As of the Latest Practicable Date, iza-bren had received breakthrough therapy designations for a total of eight indications, comprising seven indications under the CDE's breakthrough therapy designation program and one indication under the FDA's breakthrough therapy designation.

Next-generation backbone cancer therapy and super-blockbuster potential. Iza-bren's broad clinical validation across treatment settings and tumor types positions it to potentially become the next backbone cancer therapy. In tumors where PD-(L)1 plus chemotherapy is currently first-line standard of care, iza-bren may replace or reduce reliance on the chemotherapy component, offering a potentially better-tolerated regimen. In tumors where first-line treatment is primarily tyrosine kinase inhibitor ("**TKI**")-based, iza-bren is being evaluated in combination with TKIs to explore new treatment paradigms. Its development also extends into earlier-stage disease, including perioperative settings, which represent significant additional market opportunities. If successfully validated across these indications, iza-bren could achieve the broad applicability required to become a super-blockbuster drug — a transformative therapy with global revenue potential of tens of billion.

Clinical results presented at global oncology congresses. As a first-in-class therapy, iza-bren's clinical data have been showcased at leading international oncology congresses — including the American Society of Clinical Oncology ("**ASCO**"), the European Society for Medical Oncology ("**ESMO**"), the World Conference on Lung Cancer ("**WCLC**"), the European Lung Cancer Congress ("**ELCC**") and the San Antonio Breast Cancer Symposium ("**SABCS**") — and published in top-tier peer-reviewed journals such as *The Lancet Oncology* and *Nature Medicine*, demonstrating promising efficacy signals and a favorable safety profile across multiple tumor types.

2023 ASCO — EGFRmut NSCLC (Phase I): At the 2023 ASCO annual meeting, we were invited to give an oral presentation at the session of *Developmental Therapeutics-Molecularly Targeted Agents and Tumor Biology*. The presentation, delivered to over 6,000 attendees including oncology clinical experts and pharmaceutical research scientists, announced first-in-human Phase I data showing an objective response rate ("**ORR**") of 63.2% and disease control rate ("**DCR**") of 89.5% in EGFRmut non-small cell lung cancer ("**NSCLC**") patients. Following this presentation, several top global pharmaceutical companies approached us for partnership discussions, ultimately leading to the BMS collaboration. The updated data was published in July 2024 in the globally renowned academic journal, *The Lancet Oncology*.

2025 WCLC — EGFRmut NSCLC (first-line and second-line): At the 2025 WCLC, two iza-bren studies for the treatment of NSCLC were selected for the official press program and presented as oral presentations. The presentations featured breakthrough data from both first-line and later-line settings:

- *First-line:* Iza-bren plus osimertinib achieved a 100% ORR and 100% DCR — the first and only cancer therapy worldwide to achieve 100% ORR in solid tumors. At 12.5 months median follow-up, the 12-month progression-free survival ("**PFS**") rate was 92.1% and overall survival ("**OS**") rate was 94.8%, the highest ever reported for first-line NSCLC therapy. These results highlight the potential of iza-bren in combination with osimertinib to redefine the first-line treatment standard for EGFRmut NSCLC.

- *Second-line:* Iza-bren monotherapy in post-TKI, chemotherapy-naïve patients achieved median progression-free survival ("**mPFS**") of 12.5 months and 18-month OS rate of 69.2% — the longest mPFS reported for a monotherapy in second-line EGFRmut NSCLC. These results indicate that earlier use of iza-bren following EGFR-TKI therapy may deliver meaningful survival benefit and offer a potential new approach to addressing EGFR-TKI resistance.

2025 ESMO — NPC (Phase III, first approval): Our Phase III study (NCT06118333), the world's first confirmatory randomized controlled Phase III study in post-line treatment for NPC, was selected as a Late-Breaking Abstract, the highest honor at this conference. Iza-bren demonstrated statistically significant improvements over chemotherapy: ORR 54.6% vs. 27.0%, DCR 82.4% vs. 69.6%, median duration of response ("**mDoR**") 8.5 vs. 4.8 months, and mPFS 8.38 vs. 4.34 months. These results directly supported approval of iza-bren's first indication and advanced the treatment of later-line NPC from conventional chemotherapy into the era of bispecific ADC therapy.

At 2025 ESMO, we also released the first multicenter international solid tumor data from the global Phase Ib trial, demonstrating a confirmed ORR of 55.0% and mPFS of 5.4 months in heavily pretreated patients, with particularly compelling signals in lung and breast cancers. Together with the clinical data observed in Chinese patients with advanced solid tumors, these results further demonstrate iza-bren's broad anti-tumor potential across diverse patient populations and tumor types and highlight its promising profile as a versatile therapeutic agent.

2026 ELCC — ES-SCLC (first-line combination): At the 2026 ELCC, we presented Phase II data for iza-bren plus serplulimab as first-line therapy for ES-SCLC — the world's first study evaluating an ADC plus PD-1 inhibitor in this setting. SCLC is an aggressive subtype of lung cancer characterized by rapid progression, high recurrence rates and poor prognosis. Platinum-based chemotherapy combined with immunotherapy has long been the principal first-line treatment for ES-SCLC. However, a substantial unmet clinical need remains for treatments that can provide more durable disease control and improved survival outcomes. In this Phase II study, iza-bren in combination with serplulimab demonstrated encouraging anti-tumor activity and a manageable safety profile, with an ORR of 88.3%, a confirmed objective response rate ("**cORR**") of 77.9%, an mPFS of 8.2 months and a 12-month OS rate of 80.8% (85.7% in the recommended dose cohort). These results suggest that iza-bren in combination with immunotherapy has the potential to help address the plateau in clinical benefit observed with existing chemo-immunotherapy regimens, providing a clinical foundation for advancing to a confirmatory Phase III trial and exploring a new first-line treatment paradigm for SCLC.

2026 ASCO — TNBC and ESCC (Phase III): At the 2026 ASCO Annual Meeting, we presented positive Phase III data in two indications:

- *TNBC:* PANKU-Breast02 is the world's first Phase III study of a bispecific ADC to report positive results for the dual primary endpoints of PFS and OS in TNBC, and the results were selected as a Late-Breaking Abstract. TNBC is an aggressive subtype of BC characterized by poor prognosis and limited treatment options. At a median follow-up of 11.0 months, iza-bren demonstrated statistically significant improvements over chemotherapy in both OS (mOS 15.9 vs. 12.5 months; HR=0.60, 40% reduction in death risk) and PFS (mPFS 8.5 vs. 3.1 months; HR=0.29, 71% reduction in progression/death risk), with a manageable safety profile (1.9% discontinuation rate, 1.4% interstitial lung disease ("**ILD**") incidence, no Grade 3 or above ILD events). These data demonstrate that iza-bren may offer a new therapeutic option with survival benefit and a manageable safety profile for patients with previously treated advanced TNBC, with the potential to reshape the second-line and later treatment landscape and provide a clinical foundation for further exploration in earlier-line settings. The NDA was accepted by CDE in June 2026.

- *ESCC:* PANKU-Esophagus01 is the world's first Phase III trial of a bispecific ADC in esophageal cancer ("**EC**") to report positive results for both PFS and OS, and the results were selected for oral presentation. In patients with recurrent or metastatic ESCC who progressed after first-line immunotherapy plus platinum-based chemotherapy, subsequent treatment options remain limited and long-term survival outcomes remain suboptimal. Iza-bren achieved significant improvements over chemotherapy in OS (mOS 9.8 vs. 7.2 months; HR=0.64, 36% reduction in death risk) and PFS (mPFS 4.2 vs. 2.0 months; HR=0.50, 50% reduction in progression/death risk), with ORR nearly three times that of chemotherapy (35.3% vs. 13.1%). Iza-bren demonstrated a manageable safety profile with no new safety signals observed. These data indicate that iza-bren has the potential to address an important gap in the second-line treatment landscape for ESCC. The NDA was approved by the NMPA in July 2026.

Collaboration with MNC. On December 11, 2023, we reached a global strategic license and collaboration agreement with BMS. Under the agreement, four joint committees have been established to govern and coordinate the collaboration. BMS and SystImmune will develop iza-bren in the United States in accordance with the global development plan and budget overseen by the joint steering committee and joint development committee. Commercialization of iza-bren in the United States will be conducted pursuant to a commercialization plan and budget jointly developed and finalized by BMS and SystImmune through the joint steering committee and joint commercialization committee. We are exclusively responsible for the development, commercialization, and manufacturing of iza-bren in Chinese Mainland, and will be responsible for manufacturing some of the drug supply for use outside of Chinese Mainland. BMS has an exclusive

license for iza-bren in the rest of the world. This collaboration is expected to generate substantial global revenues for us, while also allowing us to extend our biopharmaceutical capabilities beyond early-stage drug discovery and development into global clinical development and commercialization. As of the Latest Practicable Date, we had received the upfront payment of US$800 million and the first clinical trial milestone of US$250 million. We expect to trigger the second clinical trial milestone in the fourth quarter of 2026. See "Business — License and Collaboration Agreement with Bristol-Myers Squibb Company" for details.

T-Bren (HER2 ADC), Our Core Product

T-Bren (trastuzumab brengitecan) is our internally developed innovative HER2-targeting ADC candidate with best-in-class potential. T-Bren is the second Core Product generated from our HIRE-ADC platform to enter Phase III clinical development, demonstrating the strength of our mature and systematic innovation engine. T-Bren uses our proprietary, globally patented Topoisomerase I ("**Topo1**") inhibitor payload (Ed-04) and a cleavable, highly stable linker. Designed to improve hydrophilicity and reduce aggregation, it has demonstrated stronger antitumor activity than certain marketed HER2 ADCs in various cell line-derived xenograft ("**CDX**") tumor models, with a favorable safety profile. As a next-generation candidate in the HER2 ADC industry, T-Bren has validated its broad development potential in multiple HER2-expressing or HER2-driven solid tumors, including breast cancer ("**BC**"), gastric cancer/gastroesophageal junction adenocarcinoma ("**GC/GEJ**"), lung cancer and ovarian cancer ("**OC**").

As of the Latest Practicable Date, T-Bren was being evaluated in 18 clinical trials in China and overseas, including eight Phase III trials, one Phase II/III registrational trial, three Phase II trials, three Phase I/II trials and three Phase I trials. As of the Latest Practicable Date, one T-Bren indication had been included by the CDE in the breakthrough therapy designation program.

Clinical validation across tumor types. T-Bren has demonstrated positive efficacy and a favorable safety profile across multiple HER2-expressing and HER2-driven solid tumors, with data presented at leading international conferences including ASCO, ESMO and SABCS.

2025 ESMO/ESMO Asia — GC/GEJ and NSCLC. In previously treated HER2+ advanced GC/GEJ adenocarcinoma (median two prior lines, majority with prior anti-HER2 therapy, representing a difficult-to-treat patient population), T-Bren demonstrated positive antitumor activity: ORR 55.3%, cORR 47.4%, DCR 92.1%, mPFS 8.4 months; mOS not yet reached. In previously treated HER2-mutant NSCLC, T-Bren achieved cORR 56.9%, with mPFS not yet reached and six-month PFS rate of 88.7%. These data support T-Bren's broad development potential as a next-generation HER2 ADC.

2026 ASCO — OC and BC. At the 2026 ASCO Annual Meeting, we presented Phase II data for T-Bren in two indications, further demonstrating its best-in-class potential:

- *OC:* T-Bren monotherapy data in platinum-resistant recurrent ovarian cancer ("**PROC**") were selected for oral presentation. In pooled analysis of two Phase II studies, T-Bren achieved a cORR of 52.5%, mPFS not reached and a nine-month PFS rate of 54.7% in PROC patients with HER2 expression, with a favorable safety profile (only one Grade 1 ILD case). These data further demonstrate T-Bren's best-in-class potential and support its continued late-stage development in HER2-expressing PROC.

- *BC:* In a Phase II study of T-Bren plus pertuzumab as first-line treatment for HER2+ unresectable locally advanced or metastatic BC, T-Bren achieved one-year PFS rate of 90.8%, one-year OS rate of 95% and cORR of 87.5%, with no treatment-related ILD events. A registrational Phase III study comparing T-Bren plus pertuzumab with docetaxel plus trastuzumab and pertuzumab as first-line therapy is ongoing, the results of which may provide a new potential treatment option for this patient population.

BL-M14D1 (DLL3 ADC)

BL-M14D1 is an innovative delta-like ligand 3 ("**DLL3**")-directed ADC designed for the treatment of advanced small cell lung cancer ("**SCLC**"), neuroendocrine neoplasms and other solid tumors. DLL3 is overexpressed in up to 80% of SCLC and other neuroendocrine neoplasms, with low expression in normal tissues, making it an attractive therapeutic target for ADC-based approaches. In our Phase I trial to evaluate BL-M14D1 as monotherapy in patients with locally advanced or metastatic SCLC, neuroendocrine carcinoma ("**NEC**") and other solid tumors, BL-M14D1 has demonstrated promising antitumor activity with a tolerable safety profile. As of the data cut-off date (March 1, 2026), among SCLC patients, BL-M14D1 achieved an ORR of 71.4% (cORR of 60.7%), a DCR of 94.0%, and an mPFS of 7.1 months. Among NEC patients, the ORR was 55.9% (cORR 38.2%), DCR was 94.1%, and the 6-month PFS rate was 56.7%. The most common treatment related adverse events ("**TRAEs**") were hematologic and clinically manageable, with only 2.4% of patients discontinuing treatment due to TRAEs. These results were presented as an oral presentation at the 2026 ASCO Annual Meeting. We initiated a Phase III multi-regional clinical trial of BL-M14D1 as first-line treatment for extensive-stage SCLC ("**ES-SCLC**") in July 2026, which is our first independently initiated global Phase III trial.

BL-M05D1 (Claudin 18.2 ADC)

BL-M05D1 is an innovative Claudin 18.2-targeted ADC and is currently being evaluated in three clinical trials across China and the U.S. Claudin 18.2 is predominantly expressed in the gastric mucosa and typically absent from other healthy tissues; however, its overexpression has been identified in 30% to 50% of GC, pancreatic cancer and biliary tract cancer ("**BTC**") cases, making it an attractive therapeutic target. In our Phase I clinical trial, BL-M05D1 has demonstrated promising antitumor activity with a tolerable safety profile across multiple Claudin 18.2-expressing tumor types. As of the data cut-off date (March 30, 2026), BL-M05D1 achieved an ORR of 41.5% (cORR of 37.7%), an mPFS of 5.5 months and an mOS of 12.8 months in GC/GEJ; an ORR of 26.3% (cORR of 23.7%), an mPFS of 4.4 months and an mOS of 14.2 months in pancreatic cancer; and an ORR of 42.5% (cORR of 32.5%), an mPFS of 5.7 months and mOS not reached in BTC. The most common TRAEs were hematologic and clinically manageable, with no new safety signals observed. These results were presented at the 2026 ASCO Annual Meeting. Based on the Phase I data in GC/GEJ cohort, we initiated a Phase III registrational trial in May 2026 in China to evaluate BL-M05D1 as monotherapy for Claudin 18.2+ advanced GC/GEJ.

BL-M11D1 (CD33 ADC)

BL-M11D1 is an innovative CD33 specific ADC being evaluated in hematologic malignancies, including relapsed/refractory acute myeloid leukemia ("**AML**") and myelodysplastic syndromes. CD33 is a transmembrane receptor expressed on cells of myeloid lineage and is broadly overexpressed in hematologic malignancies. Approximately 85% to 90% of AML patients express CD33 on their leukemia cells, supporting CD33 as a promising selective therapeutic target in AML. In our Phase I monotherapy trial in China, BL-M11D1 demonstrated encouraging anti-leukemic activity and an acceptable safety profile in patients with relapsed/refractory AML. We initiated a Phase II/III trial in March 2026 evaluating BL-M11D1 in combination with either cytarabine and daunorubicin or venetoclax and azacitidine in AML.

Other HIRE-ADC Candidates

We are also advancing other HIRE-ADC candidates, including BL-B16D1, BL-M08D1, BL-M09D1 and BL-M24D1. All these candidates are in Phase I clinical trials, covering solid tumors including head and neck squamous cell carcinoma ("**HNSCC**"), NSCLC, gastrointestinal cancer ("**GIC**") and BC, and hematologic malignancies such as relapsed or refractory lymphoid malignancies.

Biologics Portfolio Empowered by GNC Platform

Our proprietary GNC platform is a fully self-developed multi-specific antibody development platform. The platform is designed to generate multi-specific antibodies with symmetrical or asymmetrical architectures that can simultaneously engage multiple distinct antigens. Through the coordinated interaction of multiple tumor- and immune-related protein domains, GNC molecules are designed to synergistically modulate multiple immune mechanisms, thereby "guiding," "navigating" and "controlling" immune cells to induce targeted, activated immune responses against tumor or other pathogenic cells.

GNC-038, a representative drug candidate generated from our GNC platform, is an innovative recombinant humanized tetra-specific antibody targeting cluster of differentiation 3 ("**CD3**"), 4-1BB, PD-L1 and cluster of differentiation 19 ("**CD19**"). According to CIC, GNC-038 is the world's first tetra-specific therapeutic antibody to enter clinical development. We are conducting two Phase I clinical trials of GNC-038 in China for rheumatoid arthritis and systemic lupus erythematosus, demonstrating the potential versatility of our GNC platform beyond oncology and into severe autoimmune diseases.

Biologics Portfolio Empowered by SEBA Platform

Our "Specificity Enhanced Bispecific Antibody," or SEBA, platform is our proprietary, self-developed bispecific antibody platform. SEBA molecules are able to not only block growth signals that cancer cells rely on for survival, but also induce greater immune system activity for greater potency and selectivity while minimizing off-target effects. Products developed from our SEBA platform include SI-B001 (EGFR × HER3 bispecific antibody), SI-B003 (PD-1 × cytotoxic T lymphocyte-associated antigen-4 ("**CTLA-4**") bispecific antibody) and SI-B036.

SI-B001 (EGFR × HER3 bispecific antibody)

SI-B001, also known as izalontamab, is a potentially first-in-class EGFR × HER3 bispecific antibody. According to CIC, SI-B001 is currently the only clinical-stage bispecific antibody in the world that simultaneously targets EGFR and HER3. Clinical studies have demonstrated SI-B001's encouraging antitumor activity and manageable safety in HNSCC. In a Phase II trial evaluating SI-B001 in combination with paclitaxel in patients with recurrent or metastatic HNSCC who had progressed on prior PD-(L)1 therapy, SI-B001 plus paclitaxel achieved an ORR of 58.2%, a DCR of 82.4%, an mDoR of 3.9 months and an mPFS of 5.4 months as of the same data cut-off date. In addition, updated HNSCC data from an expanded cohort were presented at the 2026 ASCO Annual Meeting, showing an ORR of 52.9% (cORR 41.2%), a DCR of 73.5%, an mPFS of 5.4 months and an mOS of 11.2 months. In patients with only one prior line of therapy, the ORR was 53.8% (cORR 46.2%) and mOS was 17.9 months. We are advancing four clinical trials for SI-B001 in China in HNSCC and NSCLC in combination settings, including in combination with chemotherapy and SI-B003. All these trials were in follow-up visit stage as of the Latest Practicable Date.

Other Bispecific Antibody Candidates

We are also developing other bispecific antibody candidates, including SI-B003 and SI-B036. SI-B003 is a bispecific antibody targeting both PD-1 and CTLA-4, designed to restore antitumor immune function by simultaneously blocking two key immune checkpoint pathways. We are currently conducting one Phase I clinical trial for SI-B003 as monotherapy for advanced solid tumors in China. As of the Latest Practicable Date, the database lock had been completed. We are exploring the combination therapy potential of SI-B003 with our other pipeline drug candidates, including iza-bren. SI-B036 is another bispecific antibody candidates currently in Phase I clinical trial for solid tumors in China.

Biologics Portfolio Empowered by HIRE-ARC Platform

Leveraging our expertise in antibody and ADC technologies, we have established the HIRE-ARC platform, a proprietary platform for the development of ARCs. The platform integrates precise antibody-mediated targeted delivery with the potent tumor-killing capabilities of radionuclides. Compared with conventional radioligand drug conjugates ("**RDCs**"), ARC candidates developed on our HIRE-ARC platform are designed to provide enhanced target specificity and tumor accumulation and may offer greater potential to overcome drug resistance.

As of the Latest Practicable Date, two drug candidates generated from our HIRE-ARC platform, BL-ARC001 and BL-ARC002, had entered Phase I clinical development for solid tumors in China. BL-ARC001 is our first innovative drug candidate in the ARC field and a potentially first-in-class ARC candidate. The clinical advancement of BL-ARC001 and BL-ARC002 demonstrates the ability of our HIRE-ARC platform to extend our antibody-engineering capabilities into innovative radiopharmaceutical modalities and further diversify our oncology pipeline.

Our Generics and Traditional Chinese Medicine Products

During the Track Record Period, we generated a portion of our revenue from the sales of 31 approved generics (covering a wide range of therapeutic areas such as anesthesia, parenteral nutrition, pediatric and anti-infective drugs) and traditional Chinese medicine products with over 100 specifications. In 2024, 2025 and the three months ended March 31, 2025 and 2026, our total revenue from the sales of these pharmaceutical products amounted to RMB486.8 million, RMB380.1 million, RMB60.5 million and RMB92.0 million, respectively. Among these, our major generics and traditional Chinese medicine products, which contributed over 5% of our total revenue from the sales of pharmaceutical products in any of 2024, 2025 or the three months ended March 31, 2026, comprised seven products across four therapeutic areas: (i) three anesthesia drugs — Leweijing (乐维静®, propofol injectable emulsion), Leweitai (乐维泰®, propofol medium and long chain fat emulsion injection) and Shuweijing (舒维静®, sevoflurane for inhalation); (ii) two parenteral nutrition drugs — Tianze (天泽®, medium and long chain fat emulsion injection) and Bailineng (百利能®, structural fat emulsion injection); (iii) one pediatric drug — Leyeping (乐液平®) and Pujikang (朴吉康®, glucose electrolyte effervescent tablet); and (iv) one traditional Chinese medicine — astragalus granule (黄芪颗粒). For details of the inclusion of our major generics and traditional Chinese medicine products in the National Reimbursement Drug List of China ("**NRDL**") and their participation in the VBP and other centralized procurement schemes, see "Business — Pricing."

The following table sets forth our revenue from the sale of our pharmaceutical products by product for the periods indicated:

	Year ended December 31,				Three months ended March 31,			
	2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)				*(Unaudited)*			
Major anesthesia drugs								
Leweijing	131,869	27.1	83,487	22.0	10,484	17.3	21,384	23.2
Leweitai	26,337	5.4	21,858	5.8	3,792	6.3	5,721	6.2
Shuweijing	46,009	9.5	40,956	10.8	6,142	10.2	13,013	14.1
Major parenteral nutrition drugs								
Tianze	27,245	5.6	19,610	5.2	4,192	6.9	3,751	4.1
Bailineng	968	0.2	21,131	5.6	2,954	4.9	8,344	9.1
Major pediatric drugs								
Leyeping and Pujikang	20,158	4.1	22,959	6.0	5,526	9.1	6,110	6.6
Other chemical drugs								
Anti-infectives	21,473	4.4	17,890	4.7	2,636	4.4	2,977	3.2
Others	48,219	9.9	56,185	14.8	9,482	15.6	12,937	14.0

	Year ended December 31,				Three months ended March 31,			
	2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)				*(Unaudited)*			
Traditional Chinese medicine								
Astragalus granule	146,312	30.1	84,077	22.1	13,641	22.5	15,838	17.2
Other traditional Chinese medicines	18,169	3.7	11,922	3.0	1,656	2.8	1,906	2.3
Total	**486,759**	**100.0**	**380,075**	**100.0**	**60,505**	**100.0**	**91,981**	**100.0**

See "Financial Information — Period to Period Comparison of Results of Operations" for details regarding material fluctuations.

BUSINESS SUSTAINABILITY

To realize long-term growth and enhance patient outcomes, we made the strategic move into the innovative drug business in 2010 and have focused on discovering and developing breakthrough oncology therapies since 2014. Leveraging our proprietary technology platforms, we have systematically built a pipeline of potential first- and best-in-class treatments across multiple modalities that target major tumor types. As of the Latest Practicable Date, our innovative drug pipeline featured 15 clinical-stage drug candidates, five of which were undergoing clinical development outside China. All assets in our innovative drug pipeline as of the Latest Practicable Date are self-discovered. This innovative drug pipeline is led by our Core Products, iza-bren, an EGFR × HER3 bispecific ADC which we believe has the potential to become a backbone pan-tumor treatment, and T-Bren, an innovative HER2-specific ADC with best-in-class potential.

We recorded a net profit of RMB3,707.5 million in 2024, mainly attributable to the license fee income we received. We recorded net losses of RMB1,053.6 million, RMB531.4 million and RMB774.6 million in 2025 and the three months ended March 31, 2025 and 2026, respectively. Our net losses recorded in 2025 and the three months ended March 31, 2026 were primarily due to (i) our substantial investment in R&D activities, with research and development expenses amounting to RMB2,513.7 million in 2025 and RMB694.8 million in the three months ended March 31, 2026, reflecting the continued clinical development of our iza-bren, T-Bren and other innovative drug candidates, and (ii) a decrease in license fee income from RMB5,331.7 million in 2024 to RMB2,124.4 million in 2025 as the milestone payment revenue recognized in 2025 was smaller in scale than the upfront payment revenue recognized in 2024.

We have identified the following strategic priorities to drive long-term growth and profitability: (i) commercialization and indication expansion of our Core Products; (ii) maintaining financial stability through generics and traditional Chinese medicine business; and (iii) continuing to advance our diverse portfolio of innovative drugs. For details, see "Financial Information — Business Sustainability."

LICENSE AND COLLABORATION AGREEMENT WITH BRISTOL-MYERS SQUIBB COMPANY

On December 11, 2023, we entered into an exclusive license and collaboration agreement with Bristol-Myers Squibb Company ("**BMS**"), effective as of February 8, 2024 (the "**BMS Agreement**"), under which we and BMS will conduct a global strategic license of and collaboration on iza-bren, a bispecific ADC which targets both EGFR and HER3 (the "**Licensed Product**"). Under the BMS Agreement, BMS agreed to pay to us a US$800 million upfront payment and up to US$500 million in contingent near-term payments. In addition, we are eligible to receive additional payments of up to US$7.1 billion contingent upon the achievement of certain development, regulatory and sales performance milestones for a total potential consideration of up to US$8.4 billion. Under the agreement, four joint committees have been established to govern and coordinate the collaboration. BMS and SystImmune will develop iza-bren in the United States in accordance

with the global development plan and budget overseen by the joint steering committee and joint development committee. Commercialization of iza-bren in the United States will be conducted pursuant to a commercialization plan and budget jointly developed and finalized by BMS and SystImmune through the joint steering committee and joint commercialization committee. The parties will share certain global development expenses and profits and losses in the U.S., and we retained exclusive rights to develop and commercialize the Licensed Product in Chinese Mainland where BMS will receive a royalty on net sales, and we granted BMS an exclusive license to develop and commercialize the Licensed Product in the rest of the world ("**ROW**") where we will receive a tiered royalty on net sales, subject to certain specified conditions and limitations.

RESEARCH AND DEVELOPMENT

Research and development is a fundamental pillar of our business and will continue to be critical to our future growth and our ability to remain competitive in the global biopharmaceutical market. In 2024, 2025 and the three months ended March 31, 2025 and 2026, our research and development expenses were RMB1,442.8 million, RMB2,513.7 million, RMB494.9 million and RMB694.8 million, respectively. In particular, our research and development expenses attributable to our Core Products were RMB745.8 million, RMB1,800.4 million, RMB326.5 million, and RMB488.9 million during the same periods, respectively, accounting for 51.7%, 71.6%, 66.0% and 70.4% of our total research and development expenses in the corresponding periods. Our in-house R&D capabilities revolve around our four core technology platforms: HIRE-ADC, GNC, SEBA and HIRE-ARC, which in turn serve as the foundation for our continued drug innovation. We currently have three R&D facilities, namely our SystImmune R&D Center in Seattle, U.S., our Baili Pharm R&D Center and Baili-Bio R&D Center in Chengdu, Sichuan Province, PRC. As of March 31, 2026, we had an R&D team of 1,702 members across our offices in China and the U.S., accounting for approximately 52.0% of our total employees.

MANUFACTURING

We manufacture all of our innovative drug candidates as well as our generic drugs and traditional Chinese medicines on our own, which are in a variety of dosage forms, including injections, tablets, capsules, and granules. We currently have five manufacturing facilities, housing a total of 29 production lines for our major approved drugs. Our Baili-Bio Base is dedicated to the production of innovative biologics, while our Guorui Base, Baili Base, Hiatt/Jingxi Base and Tianze Base are primarily used for the production of generic drugs and traditional Chinese medicine products. We currently own the major production equipment used in our manufacturing process. With a GFA of approximately 36,000 sq.m., our Baili-Bio Base houses various workshops, covering the full cycle of cell culture, antibody purification, ADC conjugation, filling, lyophilisation and packaging. As of the Latest Practicable Date, our manufacturing facilities for generic drugs and traditional Chinese medicines occupied an aggregate site area of approximately 174,341 sq.m. and had an aggregate gross floor area ("**GFA**") of approximately 90,142 sq.m.

SALES AND MARKETING

As of the Latest Practicable Date, we had grown iza-bren's commercial coverage to span 30 provincial-level regions and 161 cities across Chinese Mainland, with access through over 450 direct-to-patient pharmacies located in proximity to major hospitals and leading cancer centers. We are actively pursuing hospital admissions to further broaden patient access. During the Track Record Period, we generated a portion of our revenue from the sales of 31 approved with over 100 specifications generics and traditional Chinese medicine products. We generate revenue from the sales of generic drugs and traditional Chinese medicine products primarily by selling our products to distributors who, in turn, sell our products to hospitals, pharmacies and other medical institutions. We have established a comprehensive sales and marketing system for our generic drugs and traditional Chinese medicines that spans over 30 provinces and 200 cities across China. As of the Latest Practicable Date, our distribution network comprised of over 800 distributors across more than 30 provinces and over 200 cities.

SUPPLIERS

During the Track Record Period, our suppliers primarily consisted of contract research organizations ("**CROs**") and suppliers of raw materials, equipment, devices and construction services. We primarily procure our raw materials within the PRC, with a minor portion sourced from the United States. Purchases from our five largest suppliers in each period during the Track Record Period were RMB217.2 million, RMB422.0 million and RMB105.9 million in 2024, 2025 and the three months ended March 31, 2026, respectively, representing 15.8%, 16.6% and 16.5% of our total purchases for the corresponding periods. Purchases from our largest supplier in 2024,2025 and the three months ended March 31, 2026 were RMB73.2 million, RMB205.9 million and RMB37.2 million, respectively, representing 5.3%, 8.1% and 5.8% of our total purchases for the corresponding periods.

CUSTOMERS

During the Track Record Period, our revenue was derived from license fee income and sales of pharmaceutical products. In 2024 and 2025, our revenue was primarily derived from license fee income, while in the three months ended March 31, 2026, our revenue was primarily derived from sales of pharmaceutical products, mainly to third-party distributors. Our revenue from our five largest customers in each period during the Track Record Period, calculated on the group level with entities controlled by the same group combined together, were RMB5,537.8 million, RMB2,306.9 million and RMB47.7 million in 2024, 2025 and the three months ended March 31, 2026, respectively, representing 95.1%, 91.5% and 50.7% of our total revenue for the corresponding periods. Our revenue from our largest customer in each period during the Track Record Period were RMB5,334.3 million, RMB2,136.9 million and RMB18.1 million, respectively, representing 91.6%, 84.8% and 19.2% of our total revenue for the corresponding periods.

COMPETITION

We operate in a competitive industry, facing potential competition from many others working to develop therapies and products targeting the same indications and markets, such as multinational biopharmaceutical companies, specialty pharmaceutical companies, and biotechnology companies. In our innovative biologics business, our drug candidates may, upon marketing approval, face competition from existing drugs and other drug candidates directed against the same molecular targets, mechanisms and indications, as an increasing number of biotechnology and multinational pharmaceutical companies commit substantial resources to our modalities of focus. In our generics and traditional Chinese medicine business, we face competition from other domestic manufacturers, including in the centralized tender process and the VBP scheme, where pricing pressure and competing bidders have affected, and may continue to affect, the sales volume, pricing and market share of such products. We believe that the primary competitive factors in our markets include the identification of promising targets, mechanisms, and pathways for drug development, molecule screening and design, efficacy and safety of drug candidates, manufacturing efficiency, and commercialization, as well as, for our generics and traditional Chinese medicine products, price competitiveness, product quality, clinical effectiveness, and manufacturer qualifications and reputation in centralized tender and VBP processes. We believe our continued success will depend on our following capabilities: the capability to develop innovative products and advanced technologies, including our proprietary HIRE-ADC, SEBA, GNC and HIRE-ARC platforms; the capability to apply technologies to all production lines; the capability to develop an extensive product portfolio spanning both our innovative biologics pipeline and our generics and traditional Chinese medicine business; the capability to maintain a highly efficient operational model; the capability to attract, retain and cultivate talent; the capability to maintain high quality standards; the capability to obtain and maintain regulatory approvals; and the capability to effectively market and promote products, including through our differentiated bidding strategy in centralized tender and VBP processes.

INTELLECTUAL PROPERTY

We have a global portfolio of invention patents to protect our drug candidates and technologies. As of the Latest Practicable Date, we owned (i) 251 issued invention patents, including 83 in Chinese Mainland, 22 in the U.S., and 146 in other jurisdictions, and (ii) 938 patent applications, including 205 in Chinese Mainland, 77 in the U.S., 14 valid applications under the Patent Cooperation Treaty ("**PCT**") and 642 in other jurisdictions. As of the Latest Practicable Date, with respect to our Core Products, we owned 11 issued patents in Chinese Mainland, five issued patents in the U.S. and 32 issued patents in other jurisdictions, as well as 188 patent applications, including 26 in Chinese Mainland, 14 in the U.S., two valid applications under the PCT and 146 in other jurisdictions. The invention patents granted to, or under application by, us cover all material aspects of our Core Products. For details of our intellectual property, see "Business — Intellectual Property."

SUMMARY OF KEY FINANCIAL INFORMATION

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

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

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

	Year ended December 31,				Three months ended March 31,			
	2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%
	(RMB in thousands except for percentages)				*(unaudited)*			
Revenue	**5,821,050**	**100.0**	**2,518,494**	**100.0**	**67,034**	**100.0**	**94,076**	**100.0**
Cost of sales	(290,827)	(5.0)	(266,697)	(10.6)	(38,694)	(57.7)	(47,896)	(50.9)
Gross profit	**5,530,223**	**95.0**	**2,251,797**	**89.4**	**28,340**	**42.3**	**46,180**	**49.1**
Other income	253,953	4.4	270,603	10.7	64,524	96.3	64,893	69.0
Other gains and losses, net	94,310	1.6	(97,183)	(3.9)	(11,170)	(16.7)	(40,182)	(42.7)
Impairment losses under expected credit loss ("**ECL**") model, net of reversal	(2,191)	0.0	2,792	0.1	697	1.0	668	0.7
Research and development expenses	(1,442,789)	(24.8)	(2,513,725)	(99.8)	(494,913)	(738.3)	(694,755)	(738.5)
Distribution and selling expenses	(214,560)	(3.7)	(201,112)	(8.0)	(52,653)	(78.5)	(42,913)	(45.6)
Administrative expenses	(194,739)	(3.3)	(300,085)	(11.9)	(57,196)	(85.3)	(83,071)	(88.3)
Other expenses	(3,530)	(0.1)	(49,452)	(2.0)	(491)	(0.7)	(414)	(0.4)
Finance costs	(42,523)	(0.7)	(85,069)	(3.4)	(15,961)	(23.8)	(26,557)	(28.2)
Profit (loss) before tax	**3,978,154**	**68.3**	**(721,434)**	**(28.6)**	**(538,823)**	**(803.8)**	**(776,151)**	**(825.0)**
Income tax (expense) credit	(270,649)	(4.6)	(332,184)	(13.2)	7,387	11.0	1,593	1.7
Profit (loss) for the year/period attributable to owners of the Company	**3,707,505**	**63.7**	**(1,053,618)**	**(41.8)**	**(531,436)**	**(792.8)**	**(774,558)**	**(823.3)**

Revenue

During the Track Record Period, we generated revenue primarily from the sale of pharmaceutical products and the license fee income. The following table sets forth a breakdown of our revenue by nature in both absolute amounts and as percentages of our revenue for the periods indicated:

	Year ended December 31,				Three months ended March 31,			
	2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%
	(RMB in thousands except for percentages)				*(unaudited)*			
Sale of pharmaceutical products	486,759	8.4	380,075	15.1	60,505	90.3	91,981	97.8
License fee income	5,331,724	91.6	2,124,353	84.4	–	–	–	–
Others[(1)]	2,567	0.0	14,066	0.5	6,529	9.7	2,095	2.2
Total	**5,821,050**	**100.0**	**2,518,494**	**100.0**	**67,034**	**100.0**	**94,076**	**100.0**

(1) Primarily included revenue generated from the sales of R&D materials.

See "— Our Portfolio Assets — Our Generics and Traditional Chinese Medicine Products" regarding the breakdown of our revenue from the sale of our pharmaceutical products by product during the Track Record Period.

Summary of Consolidated Statements of Financial Position

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

	As of December 31,		As of March 31,
	2024	2025	2026
	(RMB in thousands)		
Total non-current assets	830,153	957,078	1,039,853
Total current assets	6,307,206	10,490,724	10,005,707
Total current liabilities	1,994,656	1,954,682	2,015,801
Net current assets	4,312,550	8,536,042	7,989,906
Total assets less current liabilities	5,142,703	9,493,120	9,029,759
Total non-current liabilities	1,256,778	2,870,446	3,386,041
Net assets	3,885,925	6,622,674	5,643,718

Our net current assets decreased from RMB8,536.0 million as of December 31, 2025 to RMB7,989.9 million as of March 31, 2026, primarily due to (i) a decrease in cash and cash equivalents of RMB2,212.2 million as we placed funds into term deposits with a maturity of more than three months, and (ii) an increase in borrowings of RMB96.6 million, partially offset by (iii) an increase in term deposits of RMB1,712.4 million; and (iv) an increase in trade and other receivables of RMB31.4 million.

Our net current assets increased from RMB4,312.6 million as of December 31, 2024 to RMB8,536.0 million as of December 31, 2025, primarily due to (i) an increase in cash and cash equivalents of RMB1,934.2 million, (ii) an increase in financial assets at FVTPL of RMB2,170.0 million, and (iii) a decrease in contract liabilities of RMB348.8 million, reflecting the recognition of license fee income from the transfer of manufacturing technology in 2025, partially offset by (iv) an increase in trade and other payables of RMB207.2 million.

Summary of Consolidated Statements of Cash Flows

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

	Year ended December 31,		Three months ended March 31,	
	2024	2025	2025	2026
	(RMB in thousands)		*(unaudited)*	
Net cash from/(used in) operating activities	3,841,817	(977,064)	(539,171)	(778,427)
Net cash (used in)/from investing activities	(2,348,591)	(2,152,263)	259,152	(1,642,024)
Net cash from financing activities	1,273,891	5,156,223	739,010	365,505
Net increase/(decrease) in cash and cash equivalents	2,767,117	2,026,896	458,991	(2,054,946)
Cash and cash equivalents at the beginning of the year/period	391,693	3,207,998	3,207,998	5,142,149
Effect of foreign exchange rate changes	49,188	(92,745)	(5,887)	(157,272)
Cash and cash equivalents at the end of the year/period	3,207,998	5,142,149	3,661,102	2,929,931

Key Financial Ratios

	As of/for the year ended December 31,		As of/in the three months ended March 31,
	2024	2025	2026
Gross profit margin[(1)]	95.0%	89.4%	49.1%
Current ratio[(2)]	3.2	5.4	5.0
Quick ratio[(3)]	3.1	5.3	4.9

(1) Gross profit margin is calculated by dividing gross profit by our revenue for the period/year indicated.

(2) Current ratio is calculated by dividing total current assets by total current liabilities as of the date indicated.

(3) Quick ratio is calculated based on total current assets less inventories divided by total current liabilities as of year/period end.

SUMMARY OF MATERIAL RISK FACTORS

Our business faces risks including those set out in the section headed "Risk Factors." You should read the "Risk Factors" section in its entirety before you decide to invest in our Company. Some of the major risks that we face include: (i) our business and prospects depend substantially on the success of our drug candidates. Development of innovative drugs involves a lengthy and expensive process with uncertain outcomes. If we are not able to develop and commercialize new products, including our Core Products, our business prospects could be adversely affected; (ii) we may face intense competition, and our competitors may develop therapies that are similar, more advanced, or more effective than ours, which may adversely affect our financial condition and our ability to successfully commercialize our drug candidates; (iii) we may be unable to identify, discover, in-license, acquire or develop new drug candidates, or to expand the therapeutic opportunities for our drug candidates; (iv) before we start to generate revenue from the commercialization of our innovative drug candidates, we rely on the sales of commercialized products. If we are unable to maintain the sales volume, pricing levels and profit margins of our existing marketed products, our operations, revenue and profitability could be adversely affected; (v) pricing regulations or other policies such as volume-based procurement (the "**VBP**") that are

intended to reduce healthcare costs could adversely affect our operations, revenue and profitability; and (vi) we had net losses during the Track Record Period except for the year of 2024. We may continue to incur net losses and may fail to achieve or maintain profitability in the future.

OUR CONTROLLING SHAREHOLDER

As of the Latest Practicable Date, Dr. Zhu directly held approximately 72.22% of our total issued Shares, representing approximately 72.49% of the total voting rights in our Company (excluding treasury Shares). Immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised and that there is no change in the number of A Shares in issue between the Latest Practicable Date and the [**REDACTED**]), Dr. Zhu will directly hold approximately [**REDACTED**]% of our total issued Shares, representing approximately [**REDACTED**]% of the total voting rights in our Company (excluding treasury Shares). Accordingly, Dr. Zhu is, and will continue to be upon completion of the [**REDACTED**], our Controlling Shareholder.

SOPHISTICATED INVESTOR

Since our establishment, we have received meaningful investments from our financial investors including the Sophisticated Investor, namely OAP III. For further details, see "History, Development and Corporate Structure — Sophisticated Investor."

LISTING ON THE SSE STAR MARKET

On January 6, 2023, our A Shares were listed on the SSE STAR Market with the stock code of 688506. For details, see "History, Development and Corporate Structure."

[**REDACTED**]

WORKING CAPITAL SUFFICIENCY

Based on our available cash and cash equivalents, term deposits and financial assets at FVTPL, the anticipated cash flow from operations, available banking facilities and the anticipated [**REDACTED**] from the [**REDACTED**], our Directors are of the opinion that we will have sufficient funds to meet 125% of our working capital requirements and financial requirements of our capital expenditure for at least the next 12 months from the date of this document.

Our cash burn rate refers to the average monthly amount of net cash used in operating activities, capital expenditures and lease payments. Assuming an average cash burn rate going forward of [**REDACTED**] times the level of the 15 months from January 1, 2025 to March 31, 2026, we estimate that our cash at bank and on hand and other financial assets as of March 31, 2026 will be able to maintain our financial viability for [**REDACTED**] months from March 31, 2026 taking into account the estimated [**REDACTED**] from the [**REDACTED**], net of capitalized [**REDACTED**]; or we estimate that we will be able to maintain our financial viability for [**REDACTED**] months from March 31, 2026 without taking into account the estimated [**REDACTED**] from the [**REDACTED**], net of capitalized [**REDACTED**]. We will continue to monitor our cash flows from operations closely and expect to raise our next round of financing, if needed.

[**REDACTED**] EXPENSES

[**REDACTED**] expenses to be borne by us are estimated to be approximately HK$[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per H Share, being the mid-point of the indicative [**REDACTED**] range of HK$[**REDACTED**] to HK$[**REDACTED**] per H Share), representing approximately [**REDACTED**]% of the estimated [**REDACTED**] from the [**REDACTED**] assuming no H Shares are [**REDACTED**] pursuant to the [**REDACTED**]. The [**REDACTED**] expenses consist of (i) [**REDACTED**]-related expenses, including [**REDACTED**] commission, of approximately HK$[**REDACTED**], and (ii) non-[**REDACTED**]-related expenses of approximately HK$[**REDACTED**], comprising (a) fees and expenses of our legal advisors and reporting accountants of approximately HK$[**REDACTED**], and (b) other fees and expenses of approximately HK$[**REDACTED**]. Among the total [**REDACTED**] expenses, approximately RMB[**REDACTED**] will be directly attributable to the [**REDACTED**] of our H Shares, which will be deducted from equity upon the completion of the [**REDACTED**], and [**REDACTED**] has been expensed during the Track Record Period, and the remaining amount of approximately RMB[**REDACTED**] is expected to be expensed upon the [**REDACTED**]. We do not believe any of the above fees or expenses are material or are unusually high to us. The [**REDACTED**] expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

DIVIDENDS

We did not declare or pay dividends on our H Shares during the Track Record Period. We currently expect to retain all future earnings for use in operation and expansion of our business, and do not anticipate paying cash dividends in the foreseeable future. The declaration and payment of any dividends in the future will be determined by our Board of Directors and subject to our Articles of Association and the PRC Company Law, and will depend on a number of factors, including the successful commercialization of our products as well as our earnings, capital requirements, overall financial condition and contractual restrictions. Currently, we do not have a dividend policy or pre-determined dividend payout ratio in place. As confirmed by our PRC Legal Advisor, any future net profit that we make will have to be applied to make up for our historically accumulated losses in accordance with the PRC laws, after which we will be obliged to allocate 10% of our profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will therefore only be able to declare dividends after (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient profit to our statutory common reserve fund as described above.

[**REDACTED**]

We estimate that we will receive [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**], after deducting [**REDACTED**] commissions, fees and estimated expenses in connection with the [**REDACTED**] payable by us, and assuming that the [**REDACTED**] is not exercised and based on an [**REDACTED**] of HK$[**REDACTED**] per H Share, being the mid-point of the indicative [**REDACTED**] range stated in this document. We intend to apply such [**REDACTED**] from the [**REDACTED**] for the following purposes: (i) approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the clinical development of iza-bren; (ii) approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the clinical development of T-Bren; (iii) approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the clinical development of BL-M14D1, (iv) approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the upgrade and construction of our production and R&D bases; and (v) approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used for our working capital and other general corporate purposes overseas. For further details, see "Future Plans and [**REDACTED**]."

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Since the end of the Track Record Period, we have continued to advance our pipeline across multiple assets and indications. In May 2026, we submitted an NDA for iza-bren for the treatment of TNBC, which had been accepted for review by the CDE as of the Latest Practicable Date. In June and July 2026, the NMPA granted marketing approvals for iza-bren for the late-line treatment of NPC and the second-line treatment of ESCC, respectively. Further, we have initiated six clinical trials of iza-bren across BTC, ES-SCLC, ESCC and HR+/HER2- BC, as well as in the maintenance and perioperative treatment settings for EGFR-mutant NSCLC since April 2026. For T-Bren, we have initiated three Phase III clinical trials in HER2+ BC, HER2-expressing BTC, and HER2-expressing epithelial ovarian, fallopian tube and primary peritoneal cancers since April 2026. We also initiated a Phase II trial in China and a global multicenter Phase III trial in July 2026, each evaluating BL-M14D1 in combination with atezolizumab as first-line treatment for ES-SCLC.

Our Directors confirm that, as of the date of this document, there has been no material adverse change in our financial or trading position or prospects since March 31, 2026, being the end date of the periods reported in Appendix I to this document, and there was no event since March 31, 2026 that would materially affect the information as set out in the Accountants' Report included in Appendix I to this document.