[**REDACTED**]

We estimate that we will receive [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**], after deducting [**REDACTED**], fees and estimated expenses in connection with the [**REDACTED**] payable by us, and assuming that the [**REDACTED**] is not exercised and based on an [**REDACTED**] of HK$[**REDACTED**] per H Share, being the [**REDACTED**] of the indicative [**REDACTED**] range stated in this document.

We intend to apply such [**REDACTED**] from the [**REDACTED**] for the following purposes:

- approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the clinical development of iza-bren. In particular,
  - approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund a Phase II/III clinical trial evaluating iza-bren in combination with osimertinib as perioperative treatment for EGFR-mutant NSCLC in China. This trial was initiated in July 2026 and is expected to reach primary completion in 2032.
  - approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund a Phase III clinical trial evaluating iza-bren in combination with osimertinib as maintenance treatment for EGFR-mutant NSCLC after platinum-based chemoradiotherapy in China, with a plan to enroll approximately 400 patients. This trial is expected to reach primary completion in 2030.
  - approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund a global multicenter Phase III clinical trial evaluating iza-bren in combination with osimertinib as 1L treatment for EGFR-mutant NSCLC, compared to osimertinib alone or osimertinib combined with platinum-based chemotherapy, with a plan to enroll approximately 850 patients. This trial is expected to commence in September 2026 and to reach primary completion in 2031. Pursuant to the BMS Agreement, SystImmune and BMS shall jointly develop iza-bren in accordance with the global development plan and budget. SystImmune and BMS share the relevant global development costs according to an agreed-upon percentage, with SystImmune's share being less than 50%. For additional information, see "Business — License and Collaboration Agreement with Bristol-Myers Squibb Company."
- approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the clinical development of T-Bren. Specifically, we plan to initiate a global multicenter Phase III clinical trial of T-Bren as 2L or later treatment for a type of HER2-expressing solid tumor. We are in the final stage of communication with the FDA and expect to finalize the design of this trial in 2026.
- approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the clinical development of BL-M14D1. Specifically, we initiated a global multicenter Phase III clinical trial of BL-M14D1 in combination with atezolizumab as 1L treatment for previously untreated ES-SCLC in July 2026 and plan to enroll approximately 550 patients for this trial.

- 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. In particular,

  - approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the expansion of our Baili-Bio Base and the technical upgrade of our Jingxi Base to meet the commercial production needs for iza-bren. The expansion of our Baili-Bio Base includes the construction of commercial production facilities, including production workshops, warehouses, quality inspection facilities, and animal laboratories. The construction commenced in 2025 and is expected to be completed in 2028. The technical upgrade of our Jingxi Base primarily involves the procurement of manufacturing equipment and the renovation of utilities and warehouses. The upgrade is planned to commence in the second half of 2026 and complete in 2028.

  - approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used to fund the construction of our ARC drug R&D and production base located in Chengdu for the preclinical R&D, clinical production and commercial production of our ARC drugs. The construction is planned to commence in the second half of 2026 and complete in 2027.

- approximately [**REDACTED**]% of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used for our working capital and other general corporate purposes overseas.

If the [**REDACTED**] is exercised in full, the [**REDACTED**] of the [**REDACTED**] would increase to approximately HK$[**REDACTED**] (based on the [**REDACTED**] of HK$[**REDACTED**] per H Share). We intend to apply the additional [**REDACTED**] to the above uses in the proportion stated above.

To the extent that our [**REDACTED**] are not sufficient to fund the purposes set out above, we intend to finance the remaining portions through a variety of means, including operating cash flows, bank loans and other borrowings.

If the [**REDACTED**] of the [**REDACTED**] are not immediately applied to the above purposes, we will deposit the unutilized [**REDACTED**] into short-term interest-bearing accounts with licensed commercial banks or other authorized financial institutions, as defined under the Securities and Futures Ordinance ("**SFO**") or other applicable laws and regulations, until they are used for the intended purposes.

We will publish an appropriate announcement if there is any material change to the above proposed [**REDACTED**].