A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of Our Company

Our Company was established as a limited liability company in the PRC on August 17, 2006 and was converted into a joint stock limited company on November 29, 2011 under the laws of the PRC. Our Company completed the listing of our A Shares on the SSE STAR Market (stock code: 688506) in January 2023. Accordingly, our corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. The relevant PRC laws and regulatory provisions and a summary of our Articles of Association are set out in "Appendix IV — Summary of Principal Legal and Regulatory Provisions" and "Appendix V — Summary of Articles of Association," respectively.

Our registered office is located at 1#, Building 1, No. 161, Baili Road, Cross-Strait Science and Technology Industrial Park, Wenjiang District, Chengdu City, Sichuan Province, PRC. We were registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on July 22, 2024, and our principal place of business in Hong Kong is at 46/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Ms. Ho Wing Nga (何詠雅) has been appointed as our authorized representative for the acceptance of service of process and notices on behalf of our Company in Hong Kong. The address for service of process on our Company in Hong Kong is the same as our principal place of business in Hong Kong as set out above.

2. Changes in the Share Capital of Our Company

Save as disclosed in "History, Development and Corporate Structure" and below there has been no alteration in the share capital of our Company within two years immediately preceding the date of this document.

On December 31, 2025 and June 2, 2026, following approval by the Board in each case, our Company announced plans to repurchase A Shares through centralized bidding transactions. All A Shares repurchased under the plan are intended to be used for the implementation of an employee share ownership plan or share incentive scheme at an appropriate time. As of the Latest Practicable Date, our Company had repurchased and held as treasury Shares an aggregate of 1,558,877 A Shares.

Upon 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**]), our total issued share capital will increase from RMB412,873,817 to RMB[**REDACTED**], comprising 412,873,817 A Shares and [**REDACTED**] H Shares, all of which will be fully paid up.

3. Changes in the Share Capital of Our Subsidiaries

Details of our subsidiaries are set out in "History, Development and Corporate Structure" and Note 47 to the Accountants' Report in Appendix I to this document.

Save as disclosed below, there has been no alteration in the share capital of our subsidiaries within two years immediately preceding the date of this document.

On November 7, 2025, the registered capital of Baili Pharmaceutical was increased from RMB125,000,000 to RMB126,000,000.

On November 7, 2025, the registered capital of Baili-Bio was increased from RMB200,000,000 to RMB205,000,000.

4. Resolutions of our Shareholders

Pursuant to the resolutions passed at general meetings of our Shareholders on July 8, 2024 and February 9, 2026, the following resolutions, among others, were passed by the Shareholders:

(a) the [**REDACTED**] by our Company of H Shares of nominal value of RMB1.00 each and such H Shares be [**REDACTED**] on the SEHK;

(b) the number of H Shares to be [**REDACTED**] shall not be more than [**REDACTED**]% of the total issued share capital of our Company as enlarged by the [**REDACTED**] (assuming the [**REDACTED**] is not exercised);

(c) the number of additional H Shares to be [**REDACTED**] pursuant to the exercise of the [**REDACTED**] granted to the [**REDACTED**] shall not be more than [**REDACTED**]% of the number of H Shares initially [**REDACTED**] under the [**REDACTED**];

(d) subject to the completion of the [**REDACTED**], the conditional adoption of the Articles of Association, which shall become effective on the [**REDACTED**], and the Board has been authorized to amend the Articles of Association in accordance with any comments from the SEHK and other relevant regulatory authorities; and

(e) authorizing our Board and its authorized persons to handle all matters relating to, among other things, the [**REDACTED**], the [**REDACTED**] and [**REDACTED**] of the H Shares.

5. Restrictions on Repurchase

Please refer to "Appendix IV — Summary of Principal Legal and Regulatory Provisions" and "Appendix V — Summary of Articles of Association" for details of the restrictions on the share repurchase by our Company.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within two years preceding the date of this document, which are or may be material:

(a) [**REDACTED**]; and

(b) [●]

2. Our Material Intellectual Property Rights

(a) Trademarks

As of the Latest Practicable Date, we have registered the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Registered owner	Place of registration	Registration number	Class	Validity period
1		Our Company	PRC	12023054	35	June 28, 2024 to June 27, 2034

No.	Trademark	Registered owner	Place of registration	Registration number	Class	Validity period
2	乐维泰	Guorui Pharmaceutical	PRC	7149088	5	August 14, 2020 to August 13, 2030
3	乐维松	Guorui Pharmaceutical	PRC	7141450	5	August 14, 2020 to August 13, 2030
4	乐维静	Guorui Pharmaceutical	PRC	3390406	5	July 28, 2024 to July 27, 2034
5	精西	Jingxi Pharmaceutical	PRC	22398751	5	February 7, 2018 to February 6, 2028
6	百利多特	Baili Pharmaceutical	PRC	73592189	42	April 28, 2024 to April 27, 2034
7	百利多特	Baili Pharmaceutical	PRC	73591486	35	April 28, 2024 to April 27, 2034
8	百利天恒	Baili Pharmaceutical	PRC	71057791	42	October 14, 2023 to October 13, 2033
9	百利天恒	Baili Pharmaceutical	PRC	71040230	40	October 7, 2023 to October 6, 2033
10	百利天恒	Baili Pharmaceutical	PRC	71040223	35	October 7, 2023 to October 6, 2033
11	BIOKIN Pharma	Baili Pharmaceutical	PRC	65434240	35	March 7, 2023 to March 6, 2033
12	BAILI BIO	Baili Pharmaceutical	PRC	59190269	5	May 14, 2022 to May 13, 2032
13	百利	Baili Pharmaceutical	PRC	50675605	10	May 28, 2022 to May 27, 2032
14	好好	Baili Pharmaceutical	PRC	48761260A	5	August 28, 2021 to August 27, 2031
15	天泽	Baili Pharmaceutical	PRC	50340444	5	July 7, 2021 to July 6, 2031
16	玉颜芪	Baili Pharmaceutical	PRC	56488172	3	December 14, 2021 to December 13, 2031

No.	Trademark	Registered owner	Place of registration	Registration number	Class	Validity period
17	SYSTIMMUNE	Baili Pharmaceutical	PRC	22279704	35	January 28, 2018 to January 27, 2028
18	SYSTIMMUNE	Baili Pharmaceutical	PRC	22279638	42	January 28, 2018 to January 27, 2028
19	百利天恒药业	Baili Pharmaceutical	PRC	11374435	30	January 21, 2024 to January 20, 2034
20	百利天恒药业	Baili Pharmaceutical	PRC	11374417	35	January 21, 2024 to January 20, 2034
21	百利天恒	Baili Pharmaceutical	PRC	11374401	35	January 21, 2024 to January 20, 2034
22	百利天恒药业	Baili Pharmaceutical	PRC	11374286	5	January 21, 2024 to January 20, 2034
23	百利天恒	Baili Pharmaceutical	PRC	11374232	5	January 21, 2024 to January 20, 2034
24	百利药业	Baili Pharmaceutical	PRC	8546146	5	August 14, 2021 to August 13, 2031
25	新博	Baili Pharmaceutical	PRC	8546145	5	August 21, 2021 to August 20, 2031
26	百利	Baili Pharmaceutical	PRC	4193979	5	February 14, 2018 to February 13, 2028
27	新百利	Baili Pharmaceutical	PRC	4193977	5	February 14, 2018 to February 13, 2028
28		Baili Pharmaceutical	PRC	1636408	5	September 21, 2021 to September 20, 2031
29		Baili Pharmaceutical	PRC	1636406	5	September 21, 2021 to September 20, 2031

No.	Trademark	Registered owner	Place of registration	Registration number	Class	Validity period
30		Our Company	Hong Kong	306590719	5, 42	June 24, 2024 to June 23, 2034
31	百利天恒	Our Company	Hong Kong	306590728	5, 42	June 24, 2024 to June 23, 2034
32	Biokin Pharma	Our Company	Hong Kong	306590737	5, 42	June 24, 2024 to June 23, 2034
33	伊泽康	Baili Pharmaceutical	PRC	79248303	5	February 14, 2025 to February 13, 2035
34	怡泽康	Baili Pharmaceutical	PRC	79254337	5	February 14, 2025 to February 13, 2035
35	亦泽康	Baili Pharmaceutical	PRC	79261125	5	February 14, 2025 to February 13, 2035
36	百利多特	Baili Pharmaceutical	PRC	73596967	5	February 14, 2025 to February 13, 2035
37	金百利金百利	Baili Pharmaceutical	PRC	80815547	5	June 14, 2025 to June 13, 2035
38	宜泽康	Baili Pharmaceutical	PRC	79248311	5	December 7, 2024 to December 6, 2034

(b) Patents

As of the Latest Practicable Date, we have registered the following patents which we consider to be or may be material to our business:

No.	Patent	Place of registration	Patent number	Owners	Announcement date of grant
1.	An antibody-drug conjugate with acid-stable linker (一種帶酸性自穩定接頭的抗體-藥物偶聯物)	PRC	ZL201810620856.7	Baili-Bio	November 26, 2021
2.	A camptothecin drug and its antibody conjugate thereof	Australia	AU2020442003	SystImmune	January 11, 2024

No.	Patent	Place of registration	Patent number	Owners	Announcement date of grant
3.	A camptothecin-type drug having highly stable hydrophilic binding units and their complexes (一種帶有高穩定性親水連接單元的喜樹鹼類藥物及其偶聯物)	PRC	ZL202110610405.7	Baili-Bio	September 30, 2025
4.	Camptothecin-type drugs having highly stable hydrophilic binding units and their complexes	Japan	JP7686677	SystImmune	May 23, 2025
5.	Bispecific tetravalent antibody and methods of making and using the thereof	U.S.	US10919977B2	SystImmune	January 27, 2021
6.	Bispecific tetravalent antibody and methods of making and using the thereof (雙特異性四價抗體及其製造和使用方法)	PRC	ZL201580036408.7	Baili-Bio	May 18, 2021
7.	Bispecific antibody-camptothecin drug conjugates and pharmaceutical uses thereof	Japan	JP7767613	SystImmune	October 31, 2025
8.	Anti-PD-1 antibodies and methods of making and using thereof	U.S.	US11466084	SystImmune	October 11, 2022
9.	Anti-ROR1 antibodies and methods of making and using thereof	U.S.	US11518815	SystImmune	December 6, 2022
10.	Anti-CD3 antibodies and methods of making and using thereof	U.S.	US11535667	SystImmune	December 27, 2022
11.	Multi-specific antibodies and methods of making and using thereof	U.S.	US11787863	SystImmune	October 17, 2023
12.	Multi-specific antibodies and methods of making and using thereof (多特異性抗體及其製備和使用方法)	PRC	ZL201880039401.4	Baili-Bio	August 15, 2023

(c) Domain Names

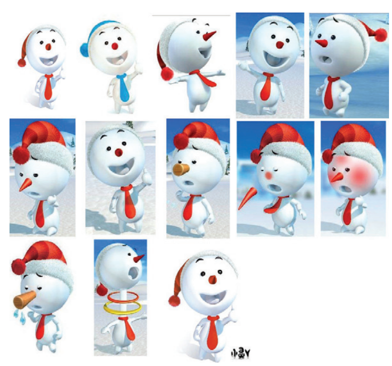
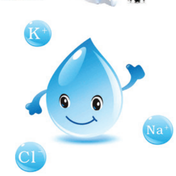
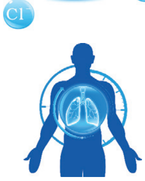
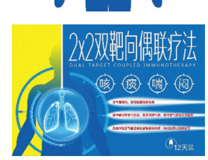
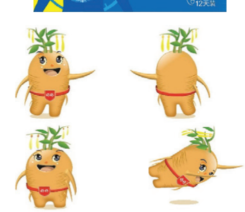
As of the Latest Practicable Date, we owned the following domain names which we consider to be or may be material to our business:

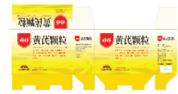
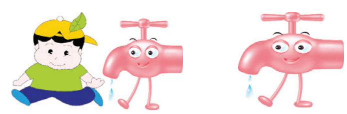
No.	Domain name	Owner	Registration date	Expiry date
1	biokin-pharm.com	Our Company	March 20, 2023	March 20, 2028
2	biokin-pharm.cn	Our Company	March 20, 2023	March 20, 2028
3	biokin-pharm.com.cn	Our Company	May 23, 2024	May 23, 2029
4	biokin-pharm.net	Our Company	May 23, 2024	May 23, 2029
5	baili-pharm.com.cn	Our Company	May 23, 2024	May 23, 2029
6	baili-pharm.net	Our Company	May 23, 2024	May 23, 2029
7	baili-bio.com.cn	Our Company	June 17, 2024	June 17, 2029

No.	Domain name	Owner	Registration date	Expiry date
8	baili-bio.cn	Our Company	June 17, 2024	June 17, 2029
9	biokin.co	Our Company	June 17, 2024	June 17, 2029
10	biokin.ltd	Our Company	June 17, 2024	June 17, 2029
11	biokin-pharm.co	Our Company	June 17, 2024	June 17, 2029
12	biokin-pharm.ltd	Our Company	June 17, 2024	June 17, 2029
13	baili-pharm.co	Our Company	June 17, 2024	June 17, 2029
14	baili-pharm.ltd	Our Company	June 17, 2024	June 17, 2029
15	baili-bio.com	Our Company	June 17, 2024	June 17, 2029
16	baili-bio.co	Our Company	June 17, 2024	June 17, 2029
17	baili-bio.ltd	Our Company	June 17, 2024	June 17, 2029
18	baili-bio.net	Our Company	June 17, 2024	June 17, 2029

(d) Copyrights

As of the Latest Practicable Date, we have registered the following copyrights which we consider to be or may be material to our business:

No.	Registered Owner	Copyright	Date of registration
1	Baili Pharmaceutical		August 11, 2010
2	Baili Pharmaceutical		October 20, 2014
3	Baili Pharmaceutical		July 3, 2019
4	Baili Pharmaceutical		July 4, 2019
5	Baili Pharmaceutical		December 3, 2019

No.	Registered Owner	Copyright	Date of registration
6	Baili Pharmaceutical	好好 黄芪颗粒 好好 黄芪颗粒	August 28, 2020
7	Baili Pharmaceutical		December 22, 2020
8	Baili Pharmaceutical	百利 百利药业	December 11, 2020
9	Baili Pharmaceutical	百利药业 百利药业	December 11, 2020
10	Baili Pharmaceutical	杜拉宝	June 15, 2021
11	Baili Pharmaceutical		June 15, 2021
12	Baili Pharmaceutical		June 15, 2021
13	Baili Pharmaceutical		August 19, 2022
14	Baili Pharmaceutical	百利天恒 BIOKIN PHARMACEUTICAL 真诚伙伴，健康快乐!!	May 31, 2023
15	Guorui Pharmaceutical		December 2, 2016

Save as disclosed above, as of the Latest Practicable Date, there were no other intellectual property rights which were or may be material in relation to our business.

C. FURTHER INFORMATION ABOUT DIRECTORS, SENIOR MANAGEMENT AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interests

(a) Interests and short positions of our Directors and the chief executive of our Company in the Shares, underlying Shares and debentures of our Company and our associated corporations

Immediately following 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**]), the interests and short positions of our Directors and chief executive of our Company in our Shares, underlying Shares or debentures of our Company or any of our associated corporations (within the meaning of Part XV of the SFO) (i) which will have to be notified to our Company and the SEHK pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO), or (ii) which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (iii) which will be required to be notified to our Company and the SEHK pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, in each case once our Shares are [**REDACTED**] on the SEHK:

(i) Interests in Shares and underlying Shares

Name of Director/ chief executive	Position	Capacity/Nature of interest	Description of Shares	Number of Shares directly or indirectly held	Approximate percentage of shareholding in our A Shares	Approximate percentage of shareholding in our total issued Shares[1]
Dr. Zhu	Executive Director, chairperson of the Board, general manager and Chief Scientific Officer	Beneficial owner	A Shares	298,159,400	72.22%	[**REDACTED**]%
		Interested in treasury shares[2]	A Shares	1,558,877	0.38%	[**REDACTED**]%
Ms. Zhang Suya (張蘇婭)	Executive Director, executive deputy general manager and chief financial officer	Beneficial owner	A Shares	9,575,543	2.32%	[**REDACTED**]%

Notes:

(1) The calculation is based on 412,873,817 A Shares (including 1,558,877 A Shares being held as treasury Shares repurchased by our Company) and [**REDACTED**] H Shares in issue.

(2) As of the Latest Practicable Date, our Company had repurchased an aggregate of 1,558,877 A Shares, all of which were held as treasury Shares. As such, under the SFO, Dr. Zhu Yi, who controls more than one third of the voting power at the general meetings of our Company, would be taken to have an interest in such repurchased A Shares held by our Company.

(ii) Interests in our associated corporation

Name of Director/ chief executive	Position	Capacity/Nature of interest	Associated corporation	Number of shares of the associated corporation underlying the share options[1]	Approximate percentage of shareholding interest in the associated corporation underlying the share options[2]
Dr. Zhu	Executive Director, chairperson of the Board, general manager and Chief Scientific Officer	Beneficial owner	SystImmune	10,128,407[3]	3.50%
Dr. Zhu Hai (朱海)	Executive Director	Beneficial owner	SystImmune	2,893,616[3]	1.00%

Notes:

(1) The number of shares held by Dr. Zhu or Dr. Zhu Hai represents the total number of shares of SystImmune underlying the share options granted to them under the SystImmune Incentive Plans, respectively. For further details of the SystImmune Incentive Plans, see "— D. SystImmune Incentive Plans."

(2) Assuming no new shares are issued pursuant to the outstanding options under the SystImmune Incentive Plans.

(3) Consists of options corresponding to different classes of shares.

(b) Interests of the substantial Shareholders in the Shares

Save as disclosed in "Substantial Shareholders," immediately following the completion of the [**REDACTED**], our Directors are not aware of any other person (not being a Director or chief executive of our Company) who will have an interest or short position in our Shares or the underlying Shares which would fall to be disclosed to us and the SEHK under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the issued voting shares of our Company.

(c) Interests of the substantial Shareholders in other members of our Group

So far as our Directors are aware, as of the Latest Practicable Date, no persons were, 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 other members of our Group.

2. Particulars of Directors' Service Contracts

We have entered into a service contract with each of our Directors which contains provisions in relation to, among other things, compliance with relevant laws and regulations and observance of the Articles of Association. The principal particulars of these service contracts are: (a) each of the contracts is for a term of three years following his/her respective effective date of his/her appointment; and (b) each of the contracts is subject to termination in accordance with their respective terms. The contracts may be renewed in accordance with our Articles of Association and the applicable rules.

Save as disclosed in "Directors and Senior Management" and above, we have not entered into, and do not propose to enter into any service contracts with any of our Directors in their respective capacities as Directors (excluding agreements expiring or determinable by any member of our Group within one year without payment of compensation other than statutory compensation).

3. Remuneration of Directors

Save as disclosed in "Directors and Senior Management" and Note 14 to the Accountants' Report set out in Appendix I to this document for the years ended December 31, 2024 and 2025 and the three months ended March 31, 2026, none of our Directors received other remunerations of benefits in kind from us.

4. Disclaimers

(a) Save as disclosed in "— C. Further information about Directors, Senior Management and Substantial Shareholders — 1. Disclosure of Interests," none of our Directors or our chief executive has any interest or short position in our Shares, underlying Shares or debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the SEHK pursuant to Divisions 7 and 8 of Part XV 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 SEHK pursuant to Model Code for Securities Transactions by Directors of Listed Issuers once the H Shares are [**REDACTED**] on the SEHK.

(b) 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 are interested in more than 5% of the number of issued shares of our Company has any interest in the five largest customers or the five largest suppliers of our Group.

(c) None of our Directors is materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to the business of our Group taken as a whole.

(d) None of our Directors or any of the experts listed in this Appendix has any direct or indirect interest in the promotion of our Company, or in any assets which have been, within two years immediately preceding the date of this document, acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group.

D. SYSTIMMUNE INCENTIVE PLANS

The following is a summary of the principal terms of the SystImmune Incentive Plan I, SystImmune Incentive Plan II, SystImmune Incentive Plan III and SystImmune Incentive Plan IV as adopted by our subsidiary SystImmune in 2015, 2022, 2023 and 2024. The terms of the SystImmune Incentive Plans are not subject to the provisions of Chapter 17 of the Listing Rules, as SystImmune is not a principal subsidiary of the Company under Rule 17.14 of the Listing Rules. Terms of each of the SystImmune Incentive Plans are substantially similar.

1. Summary of terms

(a) Purpose

The purpose of the SystImmune Incentive Plans is to motivate and retain employees within the Group or consultants to contribute to the growth of SystImmune.

(b) Eligible participants

Eligible participants of the SystImmune Incentive Plans may include: (i) employees (including officers, directors and other employees) of SystImmune and/or certain members within the Group, or (ii) consultants who provide services to SystImmune and/or certain members within the Group.

(c) Administration

Each of the SystImmune Incentive Plans is administered by the board of directors of SystImmune ("**SystImmune Board**"), or a committee or committees appointed by the SystImmune Board consisting of two or more members of, the SystImmune Board (collectively, the "**Plan Administrator**").

(d) Awards

An award may take the form of option and/or restricted share.

(e) Grant of awards

Awards granted will be evidenced by a written agreement, which will contain the terms, conditions, limitations, and restrictions determined by the Plan Administrator. Such written agreements must include or incorporate by reference at least the following terms and conditions: number of shares, exercise price, vesting schedule, term and termination.

(f) Validity period of the SystImmune Incentive Plans

Unless being terminated earlier, the term of the SystImmune Incentive Plans is ten years from the date of adoption by the board or shareholders (as the case may be).

(g) Term of options

Unless determined by the Plan Administrator, the option has a term of 10 years commencing from the grant date.

(h) Vesting period of options

The Plan Administrator will establish and include in each written agreement the time at which and the installments in which, the option granted will vest and become exercisable. The Plan Administrator may waive or accelerate any vesting requirement for any outstanding and unexercised options. The major vesting period arrangements are as follows:

	Vesting period	Maximum percentage that can be vested
Four-year vesting period:		
First vesting period	on the first anniversary of the grant date	15%
Second vesting period	on the second anniversary of the grant date	25%
Third vesting period	on the third anniversary of the grant date	25%
Fourth vesting period	on the fourth anniversary of the grant date	35%
Five-year vesting period:		
First vesting period	on the first anniversary of the grant date	20%
Second vesting period	on the second anniversary of the grant date	20%
Third vesting period	in 24 equal monthly increments beginning with the first calendar month following the third anniversary of the grant date	60%
Six-year vesting period:		
First vesting period	on the second anniversary of the grant date	20%
Second vesting period	on the third anniversary of the grant date	20%
Third vesting period	in 24 equal monthly increments beginning with the first calendar month following the fourth anniversary of the grant date	60%

(i) Restricted shares

The Plan Administrator may award restricted shares, subject to conditions established by the Plan Administrator.

When a right to purchase or receive restricted share is granted under the SystImmune Incentive Plans, the participant will be advised in writing of the terms, conditions, and restrictions related to the offer, including the number of shares which may be purchased, the exercise price which will be determined by the Plan Administrator, and the time within which the participant may accept the offer.

(j) Exercise price

The exercise price for each award will be determined by the Plan Administrator, but may not be less than 100% of the fair market value of the share of SystImmune on the grant date.

(k) Maximum number of shares subject to the SystImmune Incentive Plans

The maximum number of shares of SystImmune underlying the awards that may be further granted under the SystImmune Incentive Plans shall be 26,913,865 in aggregate.

2. Awards granted

As of the Latest Practicable Date, share options representing the right to subscribe for 17,087,135 SystImmune shares granted to 141 employees of the Group remain outstanding.

E. OTHER INFORMATION

1. Estate duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries under the laws of the PRC.

2. Litigation

As of the Latest Practicable Date, we were not engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to our Directors to be pending or threatened by or against any member of our Group, that would have a material adverse effect on our Group's results of operations or financial condition, taken as a whole.

3. Preliminary expenses

Our Company did not incurred material preliminary expenses in relation to the incorporation of our Company.

4. Promoters

Information of our promoters as of the time of our Company's conversion into a joint stock company in November 2011 is as follows:

No.	Name
1.	Dr. Zhu
2.	Ms. Zhang Suya (張蘇婭)
3.	Ms. Zhu Ying (朱英)
4.	Xinjiang Xinxi Equity Investment Limited Partnership (新疆新璽股權投資有限合夥企業)
5.	Hangzhou Ronggao Equity Investment Co., Ltd. (杭州融高股權投資有限公司)

Save as disclosed in "Appendix I — Accountants' Report — 40. Related Parties' Transactions", within the two years immediately preceding the date of this document, no cash, securities or other benefit has been paid, allotted or given or is proposed to be paid, allotted or given to the promoters named above in connection with the [**REDACTED**] and the related transactions described in this document.

5. Taxation of Holders of H Shares

(a) Hong Kong

The [**REDACTED**] of H Shares are subject to Hong Kong stamp duty if such [**REDACTED**] are effected on the [**REDACTED**] of members of our Company, including in circumstances where such transaction is effected on the SEHK. The current rate of Hong Kong stamp duty for such sale, purchase and transfer is 0.1% of the consideration or, if higher, the fair value of the H Shares being [**REDACTED**]. For further details in relation to taxation, see "Appendix III — Taxation and Foreign Exchange."

(b) Consultation with professional advisers

Potential [**REDACTED**] in the [**REDACTED**] are urged to consult their professional tax advisers if they are in any doubt as to the taxation implications of [**REDACTED**] our H Shares (or exercising rights attached to them). None of us, the Joint Sponsors, the [**REDACTED**], the [**REDACTED**], the [**REDACTED**], the [**REDACTED**], the [**REDACTED**], the [**REDACTED**], or any other person or party involved in the [**REDACTED**] accept responsibility for any tax effects on, or liabilities of, any person, resulting from the [**REDACTED**] or the exercise of any rights in relation to our H Shares.

6. Related Party Transactions

Our Group entered into the related party transactions within the two years immediately preceding the date of this document as mentioned in "Appendix I — Accountants' Report — 40. Related Parties' Transactions."

7. No Material Adverse Change

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, the Directors confirm that, up to 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 latest date of our consolidated financial statements as set out in Appendix I to this document, and there is 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.

8. 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 opinion and/or advice in this document are as follows:

Name	**Qualifications**
CITIC Securities (Hong Kong) Limited	A corporation licensed to conduct Type 4 (advising on securities) and Type 6 (advising on corporate finance) of the regulated activities as defined under the SFO
Jefferies Hong Kong Limited	A corporation licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

Name	Qualifications
China International Capital Corporation Hong Kong Securities Limited	A corporation licensed to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
Deutsche Securities Asia Limited	A corporation licensed to conduct Type 1 (Dealing in Securities), Type 2 (Dealing in Futures Contracts) and Type 6 (Advising on Corporate Finance in respect of Hong Kong IPO sponsor activity only) regulated activities under the SFO
Deloitte Touche Tohmatsu	Certified public accountants and Registered Public Interest Entity Auditor
JunHe LLP	Legal adviser to our Company as to PRC laws
China Insights Industry Consultancy Limited	Independent industry consultant

As of the Latest Practicable Date, none of the experts named above had any shareholding interest in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

9. Consents of Experts

Each of the experts as listed in this Appendix has given and has not withdrawn its respective written consent to the issue of this document with the inclusion of its report and/or letter and/or legal opinion (as the case may be) and the references to its name included herein in the form and context in which it is respectively included.

10. Compliance Adviser

We have appointed TFI Capital Limited as our Compliance Adviser upon the [**REDACTED**] in compliance with Rule 3A.19 of the Hong Kong Listing Rules.

11. Joint Sponsors

The Joint Sponsors have made an application on behalf of our Company to the [**REDACTED**] of the SEHK for the [**REDACTED**] of, and permission to [**REDACTED**], the H Shares of our Company. All necessary arrangements have been made to enable the securities to be admitted into [**REDACTED**].

As of the Latest Practicable Date, CITIC Securities Company Limited ("**CITICS Securities**") held less than 5% of the total issued share capital of the Company. CITIC Securities (Hong Kong) Limited ("**CITICS Hong Kong**") is an indirectly wholly-owned subsidiary of CITICS Securities. CITICS Securities is a member of the sponsor group of CITICS Hong Kong as defined under the Listing Rules.

As none of the sponsor group of CITICS Hong Kong, its directors or its directors' close associates collectively holds and will, immediately following the completion of the [**REDACTED**], hold, directly or indirectly, more than 5% of the number of issued Shares (excluding treasury Shares) of the Company, the independence of CITICS Hong Kong as a sponsor would not be affected under Rule 3A.07 of the Listing Rules.

Therefore, all the Joint Sponsors satisfy the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

Pursuant to the engagement letter entered into between the Company and the Joint Sponsors, the Joint Sponsors' fees payable by us to each of the Joint Sponsors in respect of their services as sponsors in connection with the proposed [**REDACTED**] on the SEHK is US$500,000.

12. Binding Effect

This document 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.

13. Bilingual Document

The English and Chinese language versions of this document 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).

This document is written in the English language and contains a Chinese translation for information purpose only. Should there be any discrepancy between the English language of this document and the Chinese translation, the English language version of this document shall prevail.

14. Miscellaneous

Save as disclosed below:

(i) within the two years immediately preceding the date of this document:

- (a) save as disclosed in "— A. Further Information about Our Group — 2. Changes in the Share Capital of Our Company" and "— A. Further Information about Our Group — 3. Changes in the Share Capital of Our Subsidiaries," no share or loan capital of our Company or any of our subsidiaries had been issued or agreed to be issued or proposed to be fully or partly paid either for cash or a consideration other than cash;

- (b) save as disclosed in "— D. SystImmune Incentive Plans," no share or loan capital of our Company or any of our subsidiaries had been under option or is agreed conditionally or unconditionally to be put under option;

- (c) save for the A Shares of our Company that are listed on the SSE STAR Market, and save for the H Shares to be [**REDACTED**] in connection with the [**REDACTED**], no commissions, discounts, brokerages or other special terms had been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and

- (d) save for the A Shares of our Company that are listed on the SSE STAR Market, and save for the H Shares to be [**REDACTED**] in connection with the [**REDACTED**], no commission had been paid or payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of our subsidiaries;

(ii) there are no founder, management or deferred shares, convertible debt securities nor any debentures in our Company or any of our subsidiaries;

(iii) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this document;

(iv) our Company has no outstanding convertible debt securities or debentures;

(v) there is no arrangement under which future dividends are waived or agreed to be waived;

(vi) save for the A Shares of our Company that are listed on the SSE STAR Market, and save for the H Shares to be [**REDACTED**] in connection with the [**REDACTED**], none of the equity and debt securities of our Company, if any, is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought; and

(vii) all necessary arrangements have been made to enable the H shares to be [**REDACTED**] into [**REDACTED**] for clearing and settlement.