Deloitte. 德勤

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF VIGONVITA LIFE SCIENCES CO., LTD. AND CITIC SECURITIES (HONG KONG) LIMITED

Introduction

We report on the historical financial information of Vigonvita Life Sciences Co., Ltd.* ("蘇州旺山旺水生物醫藥股份有限公司") (the "Company") and its subsidiaries (together, the "Group") set out on pages I-4 to I-79, which comprises the consolidated statements of financial position of the Group as at December 31, 2023 and 2024 and April 30, 2025, the statements of financial position of the Company as at December 31, 2023 and 2024 and April 30, 2025 and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the two years ended December 31, 2024 and the four months ended April 30, 2025 (the "Track Record Period") and material accounting policy information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-4 to I-79 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated October 28, 2025 (the "Prospectus") in connection with the initial listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

* *English name is for identification purpose only.*

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Company, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the Group's financial position as at December 31, 2023 and 2024 and April 30, 2025, of the Company's financial position as at December 31, 2023 and 2024 and April 30, 2025 and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Review of stub period comparative financial information

We have reviewed the stub period comparative financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the four months ended April 30, 2024 and other explanatory information (the "Stub Period Comparative Financial Information"). The directors of the Company are responsible for the preparation of the Stub Period Comparative Financial Information in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to Note 15 to the Historical Financial Information which states that no dividend was declared or paid by the Company in respect of the Track Record Period.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
October 28, 2025

HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, have been prepared in accordance with the accounting policies which conform with IFRS Accounting Standards issued by International Accounting Standards Board (the "IASB") and were audited by us in accordance with Hong Kong Standards on Auditing issued by the HKICPA ("Underlying Financial Statements").

The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	NOTES	Year ended December 31, 2023	Year ended December 31, 2024	Four months ended April 30, 2024	Four months ended April 30, 2025
		RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Revenue	*6*	199,651	11,832	3,224	12,958
Cost of sales		(6,014)	(8,345)	(1,453)	(3,088)
Gross profit		193,637	3,487	1,771	9,870
Other income	*8*	5,974	8,052	4,039	7,493
Other gains and losses, net	*9*	222	211	22	367
Research and development expenses		(131,297)	(134,863)	(51,698)	(63,905)
Administrative expenses		(51,187)	(65,071)	(20,453)	(52,195)
Selling expenses		(1,322)	(4,321)	(1,160)	(3,663)
Impairment losses under expected credit loss ("ECL") model, net of reversal		(2,400)	(2,787)	(1,675)	(1,302)
Listing expenses		–	(6,187)	–	(4,802)
Finance costs	*10*	(7,200)	(16,164)	(4,681)	(4,272)
Profit (loss) before tax	*11*	6,427	(217,643)	(73,835)	(112,409)
Income tax expense	*12*	–	–	–	–
Profit (loss) for the year/period		6,427	(217,643)	(73,835)	(112,409)
Other comprehensive expense					
Item that may be reclassified subsequently to profit or loss:					
Exchange differences arising on translation of foreign operations		(285)	(222)	(207)	(6)
Total comprehensive income (expense) for the year/period		**6,142**	**(217,865)**	**(74,042)**	**(112,415)**
Profit (loss) for the year/period attributable to:					
Owners of the Company		12,089	(211,404)	(71,508)	(111,965)
Non-controlling interests		(5,662)	(6,239)	(2,327)	(444)
		6,427	(217,643)	(73,835)	(112,409)
Total comprehensive income (expense) for the year/period attributable to:					
Owners of the Company		11,804	(211,626)	(71,715)	(111,971)
Non-controlling interests		(5,662)	(6,239)	(2,327)	(444)
		6,142	(217,865)	(74,042)	(112,415)
Earnings (loss) per share					
– Basic (RMB yuan)	*14*	0.08	(1.45)	(0.49)	(0.75)
– Diluted (RMB yuan)	*14*	N/A	(1.45)	(0.49)	N/A

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	NOTES	As at December 31, 2023	As at December 31, 2024	As at April 30, 2025
		RMB'000	*RMB'000*	*RMB'000*
Non-current assets				
Property, plant and equipment	*16*	309,082	360,753	409,937
Right-of-use assets	*17*	126,277	122,980	118,002
Intangible assets	*18*	68,074	77,770	78,736
Other non-current assets	*21*	6,679	5,051	2,820
		510,112	566,554	609,495
Current assets				
Inventories	*22*	3,209	3,287	3,217
Trade receivables	*23*	36,552	8,717	8,193
Prepayments and other receivables	*24*	6,639	7,960	9,258
Contract assets	*25*	2,414	1,141	1,175
Other current assets	*26*	21,396	17,162	23,075
Bank balances and cash	*27*	95,974	121,135	72,833
		166,184	159,402	117,751
Current liabilities				
Trade and other payables	*28*	123,176	126,188	106,487
Contract liabilities	*29*	6,961	5,726	5,550
Amounts due to a related party	*36(ii)*	10,882	11,267	11,396
Lease liabilities	*30*	10,860	13,967	16,819
Borrowings	*31*	133,751	151,968	199,671
Deferred income	*32*	179	13,079	8,329
		285,809	322,195	348,252
Net current liabilities		**(119,625)**	**(162,793)**	**(230,501)**
Total assets less current liabilities		**390,487**	**403,761**	**378,994**
Non-current liabilities				
Lease liabilities	*30*	30,642	28,355	23,325
Borrowings	*31*	145,775	222,160	256,612
Deferred income	*32*	25,954	12,875	12,565
		202,371	263,390	292,502
Net assets		**188,116**	**140,371**	**86,492**
Capital and reserves				
Share capital	*33*	6,361	6,601	150,000
Reserves		192,733	142,899	(53,935)
Equity attributable to owners of the Company		199,094	149,500	96,065
Non-controlling interests		(10,978)	(9,129)	(9,573)
Total equity		**188,116**	**140,371**	**86,492**

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		As at December 31,		As at April 30,
	NOTES	2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Non-current assets				
Property, plant and equipment	*16*	18,810	68,608	121,227
Right-of-use assets	*17*	62,342	56,934	55,198
Intangible assets	*18*	54,549	53,492	52,966
Amounts due from subsidiaries	*36(ii)*	142,987	209,478	253,478
Interests in subsidiaries	*20*	42,411	64,707	87,727
Other non-current assets	*21*	2,695	2,656	140
		323,794	455,875	570,736
Current assets				
Inventories	*22*	182	1,068	827
Trade receivables	*23*	51,084	9,082	11,485
Prepayments and other receivables	*24*	5,393	7,261	8,314
Contract assets	*25*	2,414	1,141	1,175
Other current assets	*26*	1,198	13,281	17,314
Bank balances and cash	*27*	81,696	95,369	57,443
		141,967	127,202	96,558
Current liabilities				
Trade and other payables	*28*	41,640	53,534	43,023
Contract liabilities	*29*	7,079	5,576	5,400
Lease liabilities	*30*	4,334	3,393	3,421
Borrowings	*31*	99,252	91,965	147,019
Deferred income	*32*	–	12,900	7,900
		152,305	167,368	206,763
Net current liabilities		**(10,338)**	**(40,166)**	**(110,205)**
Total assets less current liabilities		**313,456**	**415,709**	**460,531**
Non-current liabilities				
Lease liabilities	*30*	2,627	–	–
Borrowings	*31*	40,199	152,171	201,612
Deferred income	*32*	12,900	–	–
		55,726	152,171	201,612
Net assets		**257,730**	**263,538**	**258,919**
Capital and reserves				
Share capital	*33*	6,361	6,601	150,000
Reserves	*34*	251,369	256,937	108,919
Total equity		**257,730**	**263,538**	**258,919**

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company										
	Paid-in capital	Share capital	Capital reserve	Share premium	Other reserve	Share-based payments reserve	Translation reserve	(Accumulated losses) retained earnings	Subtotal	Non-controlling interests	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	6,361	–	348,639	–	–	63,320	302	(246,077)	172,545	(5,316)	167,229
Profit (loss) for the year	–	–	–	–	–	–	–	12,089	12,089	(5,662)	6,427
Other comprehensive expense for the year	–	–	–	–	–	–	(285)	–	(285)	–	(285)
Total comprehensive income (expense) for the year	–	–	–	–	–	–	(285)	12,089	11,804	(5,662)	6,142
Conversion into a joint stock company *(Note 33)*	(6,361)	6,361	(348,639)	176,701	–	(62,092)	–	234,030	–	–	–
Recognition of equity-settled share-based payments *(Note 35)*	–	–	–	–	–	14,745	–	–	14,745	–	14,745
As at December 31, 2023	–	6,361	–	176,701	–	15,973	17	42	199,094	(10,978)	188,116
Loss for the year	–	–	–	–	–	–	–	(211,404)	(211,404)	(6,239)	(217,643)
Other comprehensive expense for the year	–	–	–	–	–	–	(222)	–	(222)	–	(222)
Total comprehensive expense for the year	–	–	–	–	–	–	(222)	(211,404)	(211,626)	(6,239)	(217,865)
Issue of Series C shares	–	240	–	159,760	–	–	–	–	160,000	–	160,000
Recognition of redemption liabilities on Series C financing *(Note 33)*	–	–	–	–	(50,000)	–	–	–	(50,000)	–	(50,000)
Reclassification of financial liabilities at amortised cost as equity *(Note 33)*	–	–	–	–	51,875	–	–	–	51,875	–	51,875
Recognition of equity-settled share-based payments *(Note 35)*	–	–	–	–	–	14,745	–	–	14,745	–	14,745
Acquisition of non-controlling interests of a subsidiary *(Note 41)*	–	–	–	–	(14,588)	–	–	–	(14,588)	6,088	(8,500)
Capital injection from a non-controlling interest	–	–	–	–	–	–	–	–	–	2,000	2,000

	Attributable to owners of the Company										
	Paid-in capital	Share capital	Capital reserve	Share premium	Other reserve	Share-based payments reserve	Translation reserve	(Accumulated losses) retained earnings	Subtotal	Non-controlling interests	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at December 31, 2024	–	6,601	–	336,461	(12,713)	30,718	(205)	(211,362)	149,500	(9,129)	140,371
Loss for the period	–	–	–	–	–	–	–	(111,965)	(111,965)	(444)	(112,409)
Other comprehensive expense for the period	–	–	–	–	–	–	(6)	–	(6)	–	(6)
Total comprehensive expense for the period	–	–	–	–	–	–	(6)	(111,965)	(111,971)	(444)	(112,415)
Share Conversion *(Note 33)*	–	143,399	–	(143,399)	–	–	–	–	–	–	–
Recognition of equity-settled share-based payments *(Note 35)*	–	–	–	–	–	58,536	–	–	58,536	–	58,536
As at April 30, 2025	–	150,000	–	193,062	(12,713)	89,254	(211)	(323,327)	96,065	(9,573)	86,492
As at January 1, 2024	–	6,361	–	176,701	–	15,973	17	42	199,094	(10,978)	188,116
Loss for the period	–	–	–	–	–	–	–	(71,508)	(71,508)	(2,327)	(73,835)
Other comprehensive expense for the period	–	–	–	–	–	–	(207)	–	(207)	–	(207)
Total comprehensive expense for the period	–	–	–	–	–	–	(207)	(71,508)	(71,715)	(2,327)	(74,042)
Issue of Series C shares	–	90	–	59,910	–	–	–	–	60,000	–	60,000
Recognition of redemption liabilities on Series C financing *(Note 33)*	–	–	–	–	(50,000)	–	–	–	(50,000)	–	(50,000)
Recognition of equity-settled share-based payments *(Note 35)*	–	–	–	–	–	4,916	–	–	4,916	–	4,916
As at April 30, 2024 (unaudited)	–	6,451	–	236,611	(50,000)	20,889	(190)	(71,466)	142,295	(13,305)	128,990

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
OPERATING ACTIVITIES				
Profit (loss) for the year/period	6,427	(217,643)	(73,835)	(112,409)
Adjustments for:				
Depreciation of property, plant and equipment	6,867	20,437	6,100	7,220
Gains arising from financial assets at fair value through profit or loss ("FVTPL")	–	(218)	–	–
Losses on lease modification	–	156	145	–
Losses on disposal of property, plant and equipment	–	37	–	–
Amortisation of intangible assets	22	774	14	636
Depreciation of right-of-use assets	9,951	12,410	3,564	4,339
Share-based payment expenses	14,745	14,745	4,916	58,536
Finance costs	7,200	16,164	4,681	4,272
Impairment losses under expected credit loss model, net of reversal	2,400	2,787	1,675	1,302
Net foreign exchange gains	(246)	(239)	(209)	(2)
Operating cash flow before movements in working capital	47,366	(150,590)	(52,949)	(36,106)
(Increase) decrease in trade receivables, prepayments and other receivables	(26,040)	24,233	17,393	1,242
(Increase) decrease in inventories	(2,106)	(78)	(32)	70
(Increase) decrease in contract assets	(2,013)	1,614	1,441	(45)
(Increase) decrease in other current assets	(4,827)	4,234	(7,050)	(5,913)
(Increase) decrease in other non-current assets	(3,942)	4,449	4,449	–
Increase (decrease) in trade and other payables	16,703	8,701	(9,330)	2,259
Decrease in contract liabilities	(2,193)	(1,235)	(2,546)	(176)
Increase (decrease) in deferred income	7,721	(179)	(60)	(5,060)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	30,669	(108,851)	(48,684)	(43,729)
INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(86,715)	(77,676)	(9,271)	(76,000)
Purchase of intangible assets	(26,132)	(10,470)	(4,203)	(102)
Payments for right-of-use assets	(46,360)	–	–	–
Payments for rental deposits	(1,664)	(483)	(213)	–
Proceeds from disposal of financial assets at FVTPL	–	125,218	–	–
Purchases of financial assets at FVTPL	–	(125,000)	–	–
NET CASH USED IN INVESTING ACTIVITIES	(160,871)	(88,411)	(13,687)	(76,102)

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
FINANCING ACTIVITIES				
Interest paid	(11,797)	(14,789)	(4,069)	(4,331)
Proceeds from borrowings	172,348	263,176	112,493	161,471
Repayments of borrowings	(75,104)	(168,490)	(77,429)	(80,128)
Repayments of lease liabilities	(8,946)	(10,365)	(2,962)	(2,178)
Proceeds from issue of Series C shares	–	160,000	60,000	–
Payment on acquisition of non-controlling interests of a subsidiary	–	(8,500)	–	–
Capital injection from a non-controlling interest	–	2,000	–	–
Issue costs paid	–	(848)	–	(3,307)
NET CASH FROM FINANCING ACTIVITIES	76,501	222,184	88,033	71,527
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(53,701)	24,922	25,662	(48,304)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR/PERIOD	149,429	95,974	95,974	121,135
Effect of foreign exchange rate changes	246	239	209	2
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR/PERIOD	95,974	121,135	121,845	72,833

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Company was incorporated in the People's Republic of China (the "PRC") on January 21, 2013 as a limited liability company. On March 10, 2023, the Company was converted to a joint stock company with limited liability under the Company Law of the PRC. The respective address of the registered office and the principal place of business of the Company are set out in the section headed "Corporate Information" to the prospectus dated October 28, 2025 (the "Prospectus").

The Group is an innovation-driven biopharmaceutical company dedicated to meeting clinical needs in the treatment of neuropsychiatric, infectious and andrological diseases. Particulars and principal activities of the subsidiaries are disclosed in Note 41.

The controlling shareholders of the Company are Dr. Shen Jingshan ("Dr. Shen") and his spouse, Ms. Jin Jie. Dr. Shen is also one of the founders of the Company.

The Historical Financial Information is presented in RMB, which is also the functional currency of the Company.

2. BASIS OF PREPARATION OF THE HISTORICAL FINANCIAL INFORMATION

The Historical Financial Information has been prepared based on the accounting policies which conform with IFRS Accounting Standards issued by the IASB.

The statutory financial statements of the Company for the years ended December 31, 2023 and 2024 were prepared in accordance with Accounting Standards for Business Enterprises of the PRC and were audited by Suzhou Fangben Certified Public Accountants Suzhou Industrial Park Branch* (蘇州方本會計師事務所有限公司園區分所), CPA registered in the PRC and Suzhou Wanlong Yongding Certified Public Accountants Co., Ltd.* (蘇州萬隆永鼎會計師事務所有限公司), CPA registered in the PRC, respectively.

Going concern assessment

As at April 30, 2025, the Group's net current liabilities were RMB230,501,000. Meanwhile, the Group's total borrowings amounted to RMB456,283,000 as at April 30, 2025, of which RMB199,671,000 will be due for repayment within the next twelve months. In addition, the Group's bank balances and cash were amounted to RMB72,833,000, whilst the Group's current liabilities were amounted to RMB348,252,000 as at April 30, 2025.

Since the Group had unutilised banking facilities of RMB300,120,000 as at August 31, 2025, of which RMB130,780,000 could be utilised for daily operating and RMB169,340,000 could be utilised for construction in progress in Suzhou. The Group has prepared cash flow projections which cover a period from September 1, 2025 to October 31, 2026. The directors of the Company are of the opinion that, taking into account the above unutilised bank facilities, as well as other possible financing options, and also cash flows from potential business development opportunities, the Group will have sufficient working capital to fund its operations and to meet its payment obligations including the milestone payment of in-licenses and capital commitment when they fall due from September 1, 2025 to October 31, 2026. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare the consolidated financial statements of the Group for the four months ended April 30, 2025 on a going concern basis.

3. ADOPTION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

For the purpose of preparing and presenting the Historical Financial Information for the Track Record Period, the Group has consistently applied the accounting policies which conform with IFRS Accounting Standards, which are effective for the accounting period beginning on January 1, 2025 throughout the Track Record Period.

* *English name is for identification purpose only.*

New and amendments to IFRS Accounting Standards in issue but not yet effective

At the date of this report, the following new and amendments to IFRS Accounting Standards have been issued which are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature — dependent Electricity[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards — Volume 11[2]
IFRS 18	Presentation and Disclosure in Financial Statements[3]

1 Effective for annual periods beginning on or after a date to be determined

2 Effective for annual periods beginning on or after 1 January 2026

3 Effective for annual periods beginning on or after 1 January 2027

Except for the new IFRS Accounting Standard mentioned below, the directors of the Company anticipate that the application of these amendments to IFRS Accounting Standards will have no material impact on the Group's consolidated financial statements in the foreseeable future.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 Presentation of Financial Statements. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Minor amendments to IAS 7 Statement of Cash Flows and IAS 33 Earnings per Share are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures, but have no material impact on the Group's financial position and performance.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards issued by the IASB. For the purpose of preparation of the Historical Financial Information, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the Historical Financial Information includes the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

Basis of consolidation

The Historical Financial Information incorporates the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Interests in subsidiaries

Interests in subsidiaries are stated in the statements of financial position of the Company at cost less identified impairment loss, if any.

Revenue from contracts with customers

Information about the Group's accounting policies relating to revenue from contracts with customers is provided in Notes 6, 25 and 29.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes other than construction in progress as described below are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related assets are functioning properly and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets other than properties under construction less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Leases

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Non-lease components are separated from lease component and are accounted for by applying other applicable standards.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Right-of-use assets

The cost of right-of-use assets includes:

- the amount of the initial measurement of the lease liability; and
- any lease payments made at or before the commencement date, less any lease incentives received.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under IFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.

- a lease contract is modified and the lease modification is not accounted for as a separate lease (see below for the accounting policy for "lease modifications").

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and

- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Sale and leaseback transactions

The Group applies the requirements of IFRS 15 *Revenue from Contracts with Customers* to assess whether sale and leaseback transaction constitutes a sale by the Group.

The Group as a seller-lessee

For a transfer that does not satisfy the requirements as a sale, the Group as a seller-lessee continues to recognise the assets and accounts for the transfer proceeds as borrowings within the scope of IFRS 9.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. The Group recognises development costs as follows:

For class I innovative drugs (innovative drugs that have not been previously approved for marketing in Mainland China), development stage begins after obtaining new drug application approval from drug regulatory organisation. Development costs at this stage are recognised as assets when the above six criteria are met.

For generic drugs which have been previously approved for marketing in Mainland China, development stage begins after commencement of bioequivalence tests. Development costs incurred for bioequivalence tests are recognised as assets when the above six criteria are met. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment on property, plant and equipment, right-of-use assets and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets ready for use to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets not yet available for use are not subject to amortisation and are tested for impairment at least annually, and whenever there is an indication that may be impaired.

The recoverable amount of property, plant and equipment, right-of-use assets and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the recoverable amount, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which there are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Such grants are presented under "other income".

Employee benefits

Retirement benefit costs

Payments to defined contribution retirement benefit plans including state-managed retirement benefit schemes in the PRC are recognised as an expense when employees have rendered service entitling them to the contributions.

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the Group entity can no longer withdraw the offer of the termination benefit and when it recognises any related restructuring costs.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries) after deducting any amount already paid.

Share-based payment

Equity-settled share-based payment transactions

Restricted shares ("RS") granted to employees

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve.

When shares granted are vested, the amount previously recognised in share-based payments reserve will be transferred to share premium.

Taxation

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Historical Financial Information and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of each reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 *Income Taxes* requirements to the lease liabilities and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income tax levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

- cash, which comprises of cash on hand and demand deposits; and
- cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivable arising from contracts with customers which are initially measured in accordance with IFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributed to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any interest earned on the financial asset and is included in the "other gains and losses, net" line item.

Impairment of financial assets and contract assets subject to impairment assessment under IFRS 9

The Group performs impairment assessment under expected credit losses ("ECL") model on financial assets (including trade receivables, other receivables, bank balances and amounts due from subsidiaries) and contract assets which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after each reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables and contract assets.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at each reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event;

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. Except for those trade receivables of significant balances or with different risk characteristics, the Group uses a practical expedient in estimating ECL on trade receivables collectively and taking into consideration historical credit loss experience and forward looking information that is available without undue cost or effort.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Lifetime ECL for trade receivables and contract assets for contract research organization ("CRO") services and sales of pharmaceutical products are considered on a collective basis taking into consideration past due information and relevant credit information such as forward-looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables, contact assets, other receivables and amounts due from subsidiaries, where the corresponding adjustment is recognised through a loss allowance account.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other gains and losses, net" line item (Note 9) as part of the net foreign exchange gains/(losses).

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the assets expire.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at amortised cost

Financial liabilities including trade and other payables, amounts due to a related party and borrowings are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting a financial asset and a financial liability

A financial asset and a financial liability are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in, first-out method. Net realisable value represents the estimate selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income.

For the purposes of presenting the Historical Financial Information, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 4, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Research and development expenses

Development expenses incurred on the Group's drug product pipelines are capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, the Group's intention to complete and the Group's ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the pipeline and the ability to measure reliably the expenditure during the development. Development expenses which do not meet these criteria are expensed when incurred. Management will assess the progress of each of the research and development projects and determine the criteria are met for capitalisation.

During the years ended December 31, 2023 and 2024 and the four months ended April 30, 2024 (unaudited) and 2025, the Group incurred significant research and development expenses of RMB141,491,000, RMB143,143,000, RMB55,871,000 and RMB64,007,000 respectively (before capitalisation and excluding purchase of in-licenses), out of which, development costs amounted to RMB10,194,000, RMB8,280,000, RMB4,173,000 and RMB102,000 respectively, have been capitalised, and research and development expenses amounted to RMB131,297,000, RMB134,863,000, RMB51,698,000 and RMB63,905,000 respectively are expensed when incurred. As at December 31, 2023 and 2024 and April 30, 2025, the capitalised development costs not ready for use of the Group were RMB16,408,000, RMB6,047,000 and RMB6,149,000 respectively, and the capitalised development costs not ready for use of the Company were RMB15,823,000, RMB nil and RMB nil, respectively.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment testing of intangible assets not ready for use

Capitalised development costs and in-licenses are recognised as intangible assets and stated at cost less accumulated amortisation and impairment, if any. For the capitalised development costs and in-licenses not yet available for use, the Group would assess the assets individually for impairment annually. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the assets belongs. In determining whether an asset is impaired, the Group has to exercise judgment and make estimation, particularly in assessing: (1) whether the carrying value of an asset can be supported by the recoverable amount, which is the higher of the value in use or fair value less costs of disposal; and (2) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. Changing the assumptions and estimates as set out in Note 19 to the Historical Financial Information in the cash flow projections, could materially affect the net present value used in the impairment test.

As at December 31, 2023 and 2024 and April 30, 2025, the carrying amounts of capitalised development costs not ready for use and in-licenses not yet available for use are RMB67,688,000, RMB59,487,000 and RMB61,089,000 respectively (net of accumulated impairment loss of RMB2,500,000, RMB nil and RMB nil respectively). Details of the assessment of impairment of intangible assets not yet available for use are set out in Note 19 to the Historical Financial Information.

Impairment of property, plant and equipment, right-of-use assets and intangible assets ready for use

Property, plant and equipment, right-of-use assets and intangible assets ready for use are stated at costs less accumulated depreciation/amortisation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the cash generating unit to which the assets belongs, including allocation of corporate assets when a reasonable and consistent basis of allocation can be established, otherwise recoverable amount is determined at the smallest group of cash generating units, for which the relevant corporate assets have been allocated. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts.

At the end of each reporting period, the Group review the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets ready for use to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss.

As at December 31, 2023 and 2024 and April 30, 2025, no indication of impairment for property, plant and equipment, right-of-use assets and intangible assets ready for use are identified by the Group.

Useful lives of property, plant, and equipment

The Group's management determines the estimated useful lives and the depreciation method in determining the related depreciation charges for its property, plant and equipment other than construction in progress. This estimate is reference to the useful lives of property, plant and equipment of similar nature and functions in the industry. Management will increase the depreciation charge where useful lives are expected to be shorter than expected, or will write-off or write-down obsolete assets that have been abandoned or sold. As at December 31, 2023 and 2024 and April 30, 2025, the carrying amounts of property, plant and equipment other than construction in progress of the Group are RMB53,631,000, RMB279,745,000 and RMB274,638,000 respectively, as disclosed in Note 16 to the Historical Financial Information.

6. REVENUE

(i) Disaggregation of revenue from contracts with the customers:

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Timing of revenue recognition				
At a point in time				
Out-licensing income	196,157	5,102	1,040	273
Income from transfer of intellectual property rights	–	–	–	10,000
Sales of pharmaceutical products	674	1,481	4	2,594
	196,831	6,583	1,044	12,867
Over time				
CRO services	2,820	5,249	2,180	91
	199,651	11,832	3,224	12,958
Geographical market				
The PRC	198,977	11,790	3,220	12,901
Uzbekistan	674	42	4	57
	199,651	11,832	3,224	12,958

(ii) **Performance obligations for contracts with customers and revenue recognition policies**

Out-licensing income

From 2021 to 2023, the Company entered into an out-licensing agreement and several supplementary agreements with customers to grant them (i) an exclusive right of research and development, production, and commercialisation of Project VV116 applying to COVID-19 symptoms and (ii) an exclusive supply right of pharmaceutical ingredient for Project VV116 applying to COVID-19 symptoms in the world except for five countries in Central Asia (comprising Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, and Turkmenistan), North Africa (comprising Egypt, Libya, Tunisia, Algeria, Morocco, and Sudan), the Middle East (comprising Saudi Arabia, Iran, Iraq, Kuwait, United Arab Emirates, Oman, Qatar, Bahrain, Turkey, Israel, Palestine, Syria, Lebanon, Jordan, Yemen, Cyprus, Georgia, Armenia, and Azerbaijan), and Russia (the "Granted Regions").

The consideration for the out-licensing comprises of (i) development milestones payments, (ii) royalties calculated based on the higher of sales or gross profits as defined in the related supplementary agreement with customers, and (iii) a consideration for the exclusive supply right of the pharmaceutical ingredient for Project VV116 applying to COVID-19 symptoms in the Granted Regions.

The fee for the exclusive supply right of the pharmaceutical ingredient for Project VV116 applying to COVID-19 symptoms in the Granted Regions is recognised as revenue when the control of the supply right is obtained by the customer. Installment payment of total consideration was settled within one year after control of the supply right transferred, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

For variable consideration in relation to milestone payments and royalties from out-licensing agreement, the Group estimates the amount of consideration to which it will be entitled using the most likely amount, which best predicts the amount of consideration to which the Group will be entitled. The potential milestone payments that the Company is eligible to receive were considered as variable consideration as all milestone amounts were fully constrained due to uncertainty of achievement. The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting period, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period.

The aforementioned milestone payments, royalties and the exclusive supply right of the pharmaceutical ingredient of RMB196,157,000 are recognised as revenue for the year ended December 31, 2023, and royalties of RMB5,102,000, RMB1,040,000 and RMB273,000 are recognised as revenue for the year ended December 31, 2024 and the four months ended April 30, 2024 (unaudited) and 2025, respectively. As at December 31, 2023 and 2024 and April 30, 2025, the remaining uncompleted milestone payments are subject to the future achievement of remaining milestone criteria.

Income from transfer of intellectual property rights

In February 2025, the Company entered into a patent transfer agreement with a customer, under which the Company transferred a series of patents to the customer in exchange for a fixed consideration of RMB10,000,000. The revenue of RMB10,000,000 was recognised for the four months ended April 30, 2025 when the customer obtained the patent rights and accepted related documents.

CRO services

The Group earns revenues by providing CRO services to its customers through fee-for-service ("FFS") contracts. The Group carries out several research services including managing pre-clinical studies and preparing relevant application documents for its customers to ensure the research meet all regulatory guidelines. The Group identifies all services as one performance obligation and recognises FFS revenue of contractual elements over time as the Group's performance does not create an asset with an alternative future use since the Group cannot redirect the asset for use on another customer, and the contract terms specify the

Group has an enforceable right to payment for performance completed to date. And the Group uses the input method to determine the progress of performance based on the percentage of costs incurred to date to the total estimated costs for the completion of the performance obligation.

The transaction price received by the Group is recognised as a contract liability until the services have been delivered to the customers.

Sales of pharmaceutical products

Revenue is recognised when control of the goods has been transferred, being when the goods have been delivered to the customers' specific locations and the customers have inspected and accepted the goods. Transportation and handling activities that occur before customers obtain control are considered as fulfilment activities. A receivable is recognised by the Group when the control of goods are transferred to the customers. The normal credit term is 30 to 60 days upon the control of goods are transferred to the customers. The transaction price received by the Group is recognised as a contract liability until the control of goods are transferred to the customers. Revenue is recognised after deducting the estimated sales return (if any), in relation to the return rights granted to the customers under certain conditions.

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) for contracts with customers regarding CRO services as at 31 December 2023 and 2024 and April 30, 2025 and the expected timing of recognising revenue are as follows:

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within one year	4,780	1,124	1,199
More than one year	717	57	57
	5,497	1,181	1,256

Since the timing of the services to be performed are not subject to contract terms, the above information was based on management's estimate as at December 31, 2023 and 2024 and April 30, 2025, and the actual timing of revenue recognition may change, depending on the actual progress of pre-clinical studies.

The transaction price allocated to performance obligations for out-licensing agreement, which have been satisfied but not yet recognised due to variable consideration constraint, is not disclosed.

All sales of pharmaceutical products are for a period of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

7. SEGMENTS INFORMATION

For the purpose of resources allocation and performance assessment, the general manager of the Company, being the chief operating decision maker, reviews the consolidated results when making decisions about allocating resources and assessing performance of the Group as a whole. The Group has only one reportable segment. Accordingly, only geographical information and major customers are presented.

Geographical information

The Group's operations are located in the PRC and Uzbekistan.

Information about the Group's revenue from continuing operations from external customers is presented based on the location of the operations. Details of geographical information are set out in Note 6(i) to the Historical Financial Information.

Almost all of the Group's non-current assets are located in the PRC.

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group during the Track Record Period are as follows:

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Customer A	102,102	7,702	2,851	N/A*
Customer B	94,340	N/A*	N/A*	N/A*
Customer C	N/A*	N/A*	N/A*	10,000

* The revenue from certain customers for the year/period is less than 10% of the total revenue of the Group for the corresponding year/period.

8. OTHER INCOME

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Government grants *(Note)*	3,988	7,134	3,822	7,183
Bank interest income	1,792	708	194	129
Others	194	210	23	181
	5,974	8,052	4,039	7,493

Note: The amount represents subsidies granted by the PRC government authorities as incentives mainly for the Group's research and development activities. The government grants including unconditional and conditional which had been approved by the PRC government authorities. The unconditional government grants are recognised when payments were received. The conditional government grants are recognised when condition met and the corresponding grants are received.

9. OTHER GAINS AND LOSSES, NET

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Net foreign exchange gains	246	239	209	2
Gains arising from financial assets at FVTPL	–	218	–	–
Losses on lease modifications	–	(156)	(145)	–
Losses on disposal of property, plant and equipment	–	(37)	–	–
Others	(24)	(53)	(42)	365
	222	211	22	367

10. FINANCE COSTS

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Interest on borrowings	10,796	12,957	4,042	4,627
Less: amounts capitalised in the cost of construction in progress	5,386	801	114	1,000
	5,410	12,156	3,928	3,627
Interest on lease liabilities	1,405	1,748	526	516
Interest on financial liabilities at amortised cost	–	1,875	98	–
Interest on loan from a related party *(Note 36(i))*	385	385	129	129
	7,200	16,164	4,681	4,272

11. PROFIT (LOSS) BEFORE TAX

Profit (loss) before tax for the year/period has been arrived at after charging:

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Depreciation of property, plant and equipment	6,867	20,437	6,100	7,220
Depreciation of right-of-use assets	10,926	14,326	4,203	4,978
Amortisation of intangible assets	22	774	14	636
Total depreciation and amortisation	17,815	35,537	10,317	12,834
Less: amounts capitalised in the cost of construction in progress	975	1,916	639	639
amounts capitalised in the cost of inventories	–	898	–	788
	16,840	32,723	9,678	11,407
Auditors' remuneration	800	207	–	–
Impairment losses recognised (reversed) on				
– trade receivables	1,683	3,237	1,454	1,282
– other receivables	(183)	(109)	(97)	11
– contract assets	900	(341)	318	9
Cost of inventories recognised as an expense				
– research and development expenses	10,707	10,809	2,464	3,435
– costs of sales	775	1,613	161	1,638
Listing expenses	–	6,187	–	4,802
Directors' and supervisors' emoluments *(Note 13(a))*	17,327	17,454	5,811	13,861

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Other staff costs:				
– salaries and other benefits	54,716	56,796	18,837	18,899
– discretionary bonus *(Note)*	2,655	3,456	1,153	1,153
– retirement benefit scheme contributions	6,284	7,293	2,531	2,436
– share-based payments	–	–	–	45,649
Total staff costs (including directors' and supervisors' emoluments)	80,982	84,999	28,332	81,998
Less: amounts capitalised in the cost of inventories	–	1,065	–	696
	80,982	83,934	28,332	81,302

Note: Discretionary bonus is determined based on their duties and responsibilities of the relevant individuals within the Group and the Group's performance.

12. INCOME TAX EXPENSE

(i) Income tax expense:

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries of the Company is 25% for the Track Record Period.

The Company was accredited as a "High and New Technology Enterprises" on November 18, 2022 and it may entitle to a preferential tax rate of 15% for a three-year period commencing from the year of accreditation, subject to certain conditions. Therefore, the applicable Enterprise Income Tax rate (the "EIT rate") of the Company is 15% for the years ended December 31, 2023 and 2024 and the four months ended April 30, 2024. For the four months ended April 30, 2025, the applicable EIT rate will be subject to the result of the renewal of the Company's "High and New Technology Enterprises" accreditation. The management of the Company considers that the Company could renew the accreditation in 2025.

Pursuant to Caishui 2023 circular No. 7, the Company enjoyed super deduction of 200% on qualified research and development expenditures for the Track Record Period.

Vigonvita Tashkent LLC, a wholly-owned subsidiary of the Company, is subject to the Uzbekistan Corporate Income Tax rate of 15% for the Track Record Period.

No provision for taxation in the PRC or Uzbekistan has been made as the Group's has no taxable profit for the Track Record Period.

The income tax expense for the Track Record Period can be reconciled to the profit (loss) before tax per the consolidated statements of profit or loss and other comprehensive expenses as follows:

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Profit (loss) before tax	6,427	(217,643)	(73,835)	(112,409)
PRC income tax rate at 25%	1,607	(54,411)	(18,459)	(28,102)
Tax effect of expenses that are not deductible for tax purpose	363	430	146	7,855

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Tax effect of super deduction on research and development expenses	(28,590)	(25,439)	(9,497)	(13,113)
Tax effect of tax losses not recognised	20,560	75,392	21,778	27,193
Tax effect of deductible temporary differences not recognised	6,328	4,075	6,050	7,432
Utilisation of deductible temporary differences previously not recognised	(268)	(47)	(18)	(1,265)
Income tax expense	–	–	–	–

(ii) **Deferred taxation:**

For the purpose of presentation in the consolidated statements of financial position, deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same legal entity and fiscal authority. The following is the analysis of the deferred tax balances for financial reporting purposes:

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Deferred tax assets	9,457	9,625	8,705
Deferred tax liabilities	(9,457)	(9,625)	(8,705)
	–	–	–

The following are the major deferred tax assets/(liabilities) recognised and movements thereon during the Track Record Period:

	Right-of-use assets	Lease liabilities	Tax losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Carrying amount				
As at January 1, 2023	(5,552)	5,552	–	–
(Charge) credit to profit or loss	(3,905)	3,905	–	–
As at December 31, 2023	(9,457)	9,457	–	–
(Charge) credit to profit or loss	(168)	(22)	190	–
As at December 31, 2024	(9,625)	9,435	190	–
Credit (charge) to profit or loss	920	(730)	(190)	–
As at April 30, 2025	(8,705)	8,705	–	–

As at December 31, 2023 and 2024 and April 30, 2025, the Group had deductible temporary differences of RMB67,273,000, RMB83,383,000 and RMB108,051,000. No deferred tax asset has been recognised in relation to such deductible temporary differences as it is not probable that taxable profit will be available against which such deductible temporary differences can be utilised.

As at December 31, 2023 and 2024 and April 30, 2025, the Group had unused tax losses of RMB406,009,000, RMB691,162,000 and RMB799,243,000 respectively, available to offset against future profits. As at December 31, 2023 and 2024 and April 30, 2025, unused tax losses of RMB nil, RMB761,000 and RMB nil had been recognised as deferred tax assets, while RMB406,009,000, RMB690,401,000 and RMB799,243,000 had not been recognised as deferred tax assets due to the unpredictability of future profit streams. For these unrecognised tax losses, pursuant to the relevant laws and regulations in the PRC and Uzbekistan, these tax losses will be carried forward and expired in years as follows:

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
2024 *(Note)*	1,438	–	–
2025 *(Note)*	3,862	9	9
2026 *(Note)*	24,146	22,944	22,944
2027	15,042	15,042	15,042
2028	79,583	79,583	79,583
2029	18,461	110,741	111,502
2030 *(Note)*	37,785	36,441	76,167
2031 *(Note)*	82,725	78,609	78,609
2032 *(Note)*	142,967	134,383	134,383
2034	–	212,649	212,649
2035	–	–	68,355
	406,009	690,401	799,243

Note: The unused tax losses as at December 31, 2024 changed due to the fact that the Company updated its EIT filling record with the tax authority in February and March 2025 regarding the super deduction on additional quantified research and development expenses for 2020 to 2023.

13. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments paid or payable to the individuals who were appointed as directors, supervisors and the chief executive officer of the Company during the Track Record Period are as follows:

(a) Directors and supervisors

	Date of appointment	Director fees	Salaries and other benefits	Discretionary Bonuses	Retirement benefit scheme contributions	Share-based payments	Total
		RMB'000	*RMB'000*	*RMB'000* *(Note (v))*	*RMB'000*	*RMB'000* *(Note (vi))*	*RMB'000*
For the year ended December 31, 2023							
Executive director and general manager:							
Dr. Tian Guanghui *(Note (vi))*	June 28, 2020	–	609	116	46	14,745	15,516
Executive director:							
Dr. Hu Tianwen	June 20, 2023	–	476	204	62	–	742
Non-executive directors (Note (ii)):							
Dr. Shen *(Note (vii))*	September 15, 2021	–	–	–	–	–	–
Mr. Liu Haoxuan	June 28, 2020	–	–	–	–	–	–

	Date of appointment	Director fees	Salaries and other benefits	Discretionary Bonuses	Retirement benefit scheme contributions	Share-based payments	Total
		RMB'000	*RMB'000*	*RMB'000* *(Note (v))*	*RMB'000*	*RMB'000* *(Note (vi))*	*RMB'000*
Independent non-executive directors:							
Dr. Ju Dianwen	March 27, 2023	76	–	–	–	–	76
Ms. Cao Xinwen	March 27, 2023	76	–	–	–	–	76
Dr. Xu Hongxi *(Note (viii))*	January 24, 2025	–	–	–	–	–	–
Supervisors:							
Dr. Yang Rulei	September 15, 2021	–	376	33	38	–	447
Mr. Zhou Hongju *(Note (ii))*	September 15, 2021	–	–	–	–	–	–
Mr. Li Jian	March 15, 2021	–	398	30	42	–	470
		152	1,859	383	188	14,745	17,327

	Date of appointment	Director fees	Salaries and other benefits	Discretionary Bonuses	Retirement benefit scheme contributions	Share-based payments	Total
		RMB'000	*RMB'000*	*RMB'000* *(Note (v))*	*RMB'000*	*RMB'000* *(Note (vi))*	*RMB'000*
For the year ended December 31, 2024							
Executive director and general manager:							
Dr. Tian Guanghui *(Note (vi))*	June 28, 2020	–	613	93	46	14,745	15,497
Executive director:							
Dr. Hu Tianwen	June 20, 2023	–	479	163	67	–	709
Non-executive director (Note (ii)):							
Mr. Liu Haoxuan	June 28, 2020	–	–	–	–	–	–
Independent non-executive directors:							
Dr. Ju Dianwen	March 27, 2023	100	–	–	–	–	100
Ms. Cao Xinwen	March 27, 2023	100	–	–	–	–	100
Dr. Xu Hongxi *(Note (viii))*	January 24, 2025	–	–	–	–	–	–
Supervisors:							
Dr. Yang Rulei	September 15, 2021	–	456	28	46	–	530
Mr. Zhou Hongju *(Note (ii))*	September 15, 2021	–	–	–	–	–	–
Mr. Li Jian	March 15, 2021	–	442	30	46	–	518
		200	1,990	314	205	14,745	17,454

	Date of appointment	Director fees	Salaries and other benefits	Discretionary Bonuses	Retirement benefit scheme contributions	Share-based payments	Total
		RMB'000	*RMB'000*	*RMB'000* *(Note (v))*	*RMB'000*	*RMB'000* *(Note (vi))*	*RMB'000*
For the four months ended April 30, 2024 *(unaudited)*							
Executive director and general manager:							
Dr. Tian Guanghui *(Note (vi))*	June 28, 2020	–	204	31	15	4,916	5,166
Executive director:							
Dr. Hu Tianwen	June 20, 2023	–	159	54	22	–	235
Non-executive director (Note (ii)):							
Mr. Liu Haoxuan	June 28, 2020	–	–	–	–	–	–
Independent non-executive directors:							
Dr. Ju Dianwen	March 27, 2023	33	–	–	–	–	33
Ms. Cao Xinwen	March 27, 2023	33	–	–	–	–	33
Dr. Xu Hongxi *(Note (viii))*	January 24, 2025	–	–	–	–	–	–
Supervisors:							
Dr. Yang Rulei	September 15, 2021	–	148	9	15	–	172
Mr. Zhou Hongju *(Note (ii))*	September 15, 2021	–	–	–	–	–	–
Mr. Li Jian	March 15, 2021	–	148	9	15	–	172
		66	659	103	67	4,916	5,811

	Date of appointment	Director fees	Salaries and other benefits	Discretionary Bonuses	Retirement benefit scheme contributions	Share-based payments	Total
		RMB'000	*RMB'000*	*RMB'000* *(Note (v))*	*RMB'000*	*RMB'000* *(Note (vi))*	*RMB'000*
For the four months ended April 30, 2025							
Executive director and general manager:							
Dr. Tian Guanghui *(Note (vi))*	June 28, 2020	–	192	31	16	8,001	8,240
Executive director:							
Dr. Hu Tianwen	June 20, 2023	–	160	54	23	3,086	3,323
Non-executive director (Note (ii)):							
Mr. Liu Haoxuan	June 28, 2020	–	25	–	–	–	25

	Date of appointment	Director fees	Salaries and other benefits	Discretionary Bonuses	Retirement benefit scheme contributions	Share-based payments	Total
		RMB'000	*RMB'000*	*RMB'000* *(Note (v))*	*RMB'000*	*RMB'000* *(Note (vi))*	*RMB'000*
Independent non-executive directors:							
Dr. Ju Dianwen	March 27, 2023	33	–	–	–	–	33
Ms. Cao Xinwen	March 27, 2023	33	–	–	–	–	33
Dr. Xu Hongxi *(Note (viii))*	January 24, 2025	55	–	–	–	–	55
Supervisors:							
Dr. Yang Rulei	September 15, 2021	–	142	9	16	1,029	1,196
Mr. Zhou Hongju *(Note (ii))*	September 15, 2021	–	25	–	–	–	25
Mr. Li Jian	March 15, 2021	–	135	9	16	771	931
		121	679	103	71	12,887	13,861

Notes:

(i) None of the directors or supervisors of the Company waived or agreed to waive any emoluments during the Track Record Period.

(ii) The non-executive directors and Mr. Zhou Hongju as the supervisor of the Company, are of the opinion that the service provided to the Group only occupy an insignificant portion of their time for the years ended December 31, 2023 and 2024 and the four months ended April 30, 2024 (unaudited) and therefore it is concluded that they are not remunerated for such services for the respective year/period.

(iii) During the Track Record Period, no emoluments were paid by the Group to any of the directors or supervisors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office.

(iv) The executive directors' and supervisors' (except for Mr. Zhou Hongju for the years ended December 31, 2023 and 2024 and the four months ended April 30, 2024 (unaudited)) emoluments shown above were for their services in connection with the management of the affairs of the Group and the Company, respectively.

(v) The discretionary bonuses were determined with reference to their duties and responsibilities of the relevant individuals within the Group and the Group's performance.

(vi) Dr. Tian Guanghui was granted the restricted shares, in respect of his services to the Group under the restricted shares scheme of the Company. Details of the restricted shares scheme are set out in Note 35 to the Historical Financial Information.

(vii) Dr. Shen was resigned as non-executive director of the Company in June 2023.

(viii) Dr. Xu Hongxi was appointed as an independent non-executive director of the Company in January 2025.

(b) Five highest paid individuals

The five highest paid individuals of the Group included one, one, one and two directors of the Company for the years ended December 31, 2023 and 2024 and the four months ended April 30, 2024 (unaudited) and 2025 respectively, details of whose remuneration are set out above. Details of the remuneration for the remaining four, four, four and three highest paid individuals for the years ended December 31, 2023 and 2024 and the four months ended April 30, 2024 (unaudited) and 2025 are as follows:

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Salaries and other benefits	3,803	3,740	1,533	897
Retirement benefit scheme contributions	183	258	70	63
Discretionary bonuses *(Note)*	780	547	208	122
Share-based payments	–	–	–	5,400
	4,766	4,545	1,811	6,482

Note: Discretionary bonuses were determined based on their duties and responsibilities of the relevant individuals within the Group and the Group's performance.

The emoluments of the five highest paid individuals for the Track Record Period are within the following bands:

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	No. of employees	*No. of employees*	*No. of employees* *(unaudited)*	*No. of employees*
Hong Kong Dollars ("HK$") nil to to HK$1,000,000	–	–	4	–
HK$1,000,001 to HK$1,500,000	3	3	–	–
HK$1,500,001 to HK$2,000,000	1	1	–	–
HK$2,000,001 to HK$2,500,000	–	–	–	3
HK$3,500,001 to HK$4,000,000	–	–	–	1
HK$5,500,001 to HK$6,000,000	–	–	1	–
HK$8,500,001 to HK$9,000,000	–	–	–	1
HK$17,000,001 to HK$17,500,000	1	1	–	–
	5	5	5	5

During the Track Record Period, no emoluments were paid by the Group to the directors of the Company or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office.

14. EARNINGS (LOSS) PER SHARE

The calculation of the basic and diluted earnings (loss) per share attributable to the owners of the Company is based on the following data:

Earnings (loss) figures are calculated as follows:

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Earnings (loss)				
Earnings (loss) for the purpose of basic earnings (loss) per share for the year/period attributable to owners of the Company	12,089	(211,404)	(71,508)	(111,965)
	'000	*'000*	*'000*	*'000*
Number of shares				
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share *(Note)*	144,558	145,558	144,611	150,000
	RMB	*RMB*	*RMB*	*RMB*
Basic earnings (loss) per share	0.08	(1.45)	(0.49)	(0.75)

Note: The Company was converted to a joint stock company on March 10, 2023, 6,361,242 ordinary shares with par value of RMB1 each were issued and allotted to the respective shareholders of the Company according to the paid-in capital registered under these shareholders on that day. This capitalisation of share capital is applied retrospectively for the purpose of calculating basic earnings per share, as adjusted for the capital contributions by the then shareholders and the number of ordinary shares.

Certain Series C investor, which are recorded as financial liabilities at amortised cost as set out in Note 33 to the Historical Financial Information, are not treated as outstanding shares and thus are excluded in the calculation of basic loss per share until the redemption right was legally terminated on December 23, 2024.

The weighted average number of ordinary shares for the purpose of basic earnings (loss) per share has also been adjusted retrospectively for the share conversion on January 13, 2025 as set out in Note 33 to the Historical Financial Information on the assumption that the share conversion had been effective at the beginning of the Track Record Period.

No diluted earnings per share for the year ended December 31, 2023 and the four months ended April 30, 2025 was presented as there were no potential ordinary shares in issue for the year/period.

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the year ended December 31, 2024 and the four months ended April 30, 2024 (unaudited), the Company had one investor's shares which are potential ordinary shares. As the Group incurred losses for the year ended December 31, 2024 and the four months ended April 30, 2024 (unaudited), the potential ordinary shares were not included in the calculation of diluted loss per share, as their inclusion would be anti-dilutive. Accordingly, diluted loss per share for the year ended December 31, 2024 and the four months ended April 30, 2024 (unaudited) is the same as basic loss per share for the year/period.

15. DIVIDENDS

No dividend was declared or paid by the Company during the Track Record Period.

16. PROPERTY, PLANT AND EQUIPMENT

The Group

	Buildings	Leasehold improvements	Machinery and equipment	Office equipment and fixtures	Vehicles	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
COST							
As at January 1, 2023	–	–	16,333	2,043	–	229,960	248,336
Additions	48	–	10,047	1,963	81	65,369	77,508
Transfer	–	12,888	26,990	–	–	(39,878)	–
As at December 31, 2023	48	12,888	53,370	4,006	81	255,451	325,844
Additions	–	–	2,743	305	–	69,097	72,145
Transfer	234,915	401	8,203	21	–	(243,540)	–
Disposals	–	–	(267)	(214)	–	–	(481)
As at December 31, 2024	234,963	13,289	64,049	4,118	81	81,008	397,508
Additions	472	–	187	22	–	55,723	56,404
Transfer	1,355	–	46	31	–	(1,432)	–
As at April 30, 2025	236,790	13,289	64,282	4,171	81	135,299	453,912
DEPRECIATION							
As at January 1, 2023	–	–	8,630	1,265	–	–	9,895
Provided for the year	–	1,491	4,670	691	15	–	6,867
As at December 31, 2023	–	1,491	13,300	1,956	15	–	16,762
Provided for the year	10,208	2,494	7,045	671	19	–	20,437
Eliminated on disposals	–	–	(253)	(191)	–	–	(444)
As at December 31, 2024	10,208	3,985	20,092	2,436	34	–	36,755
Provided for the period	3,671	916	2,399	228	6	–	7,220
As at April 30, 2025	13,879	4,901	22,491	2,664	40	–	43,975
CARRYING AMOUNT							
As at December 31, 2023	48	11,397	40,070	2,050	66	255,451	309,082
As at December 31, 2024	224,755	9,304	43,957	1,682	47	81,008	360,753
As at April 30, 2025	222,911	8,388	41,791	1,507	41	135,299	409,937

The Company

	Machinery and equipment	Office equipment and fixtures	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
COST				
As at January 1, 2023	16,225	1,706	–	17,931
Additions	656	311	12,071	13,038
As at December 31, 2023	16,881	2,017	12,071	30,969
Additions	473	60	51,559	52,092
Disposals	(267)	–	–	(267)
As at December 31, 2024	17,087	2,077	63,630	82,794
Additions	29	4	53,281	53,314
As at April 30, 2025	17,116	2,081	116,911	136,108
DEPRECIATION				
As at January 1, 2023	8,630	1,154	–	9,784
Provided for the year	2,040	335	–	2,375
As at December 31, 2023	10,670	1,489	–	12,159
Provided for the year	2,034	246	–	2,280
Eliminated on disposals	(253)	–	–	(253)
As at December 31, 2024	12,451	1,735	–	14,186
Provided for the period	637	58	–	695
As at April 30, 2025	13,088	1,793	–	14,881
CARRYING AMOUNT				
As at December 31, 2023	6,211	528	12,071	18,810
As at December 31, 2024	4,636	342	63,630	68,608
As at April 30, 2025	4,028	288	116,911	121,227

The above items of property, plant and equipment, other than construction in progress, are depreciated on a straight-line basis, after taking into account of the residual value, over the following period:

Buildings	20 years
Leasehold improvements	Over the shorter of the relevant lease terms or 5 years
Machinery and equipment	5 or 10 years
Office equipment and fixtures	3 or 5 years
Vehicles	4 years

17. RIGHT-OF-USE ASSETS

The Group

	Leased properties	Land use rights	Total
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount			
As at January 1, 2023	22,210	30,832	53,042
Additions	26,687	57,474	84,161
Depreciation charged for the year	(8,355)	(2,571)	(10,926)
As at December 31, 2023	40,542	85,735	126,277
Additions	14,470	–	14,470
Decrease for lease modifications	(3,441)	–	(3,441)
Depreciation charge for the year	(11,754)	(2,572)	(14,326)
As at December 31, 2024	39,817	83,163	122,980
Depreciation charge for the period	(4,121)	(857)	(4,978)
As at April 30, 2025	35,696	82,306	118,002

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Expenses relating to short-term leases	816	436	180	262
Expenses relating to low-value leases, excluding short-term leases of low-value assets	16	47	11	15
Total cash outflow for leases	57,673	12,468	3,551	2,969

The Company

	Leased properties	Land use right	Total
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount			
As at January 1, 2023	–	–	–
Additions	10,163	57,474	67,637
Depreciation charged for the year	(3,379)	(1,916)	(5,295)
As at December 31, 2023	6,784	55,558	62,342
Decrease for lease modifications	(167)	–	(167)
Depreciation charge for the year	(3,325)	(1,916)	(5,241)
As at December 31, 2024	3,292	53,642	56,934
Depreciation charge for the period	(1,097)	(639)	(1,736)
As at April 30, 2025	2,195	53,003	55,198

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* (*unaudited*)	*RMB'000*
Expenses relating to short-term leases	402	240	118	238
Expenses relating to low-value leases, excluding short-term leases of low-value assets	13	27	6	11
Total cash outflow for leases	50,269	3,844	1,064	249

During the Track Record Period, the land use right of the Group and the Company represented the prepaid lease payment for lands located in the PRC with the fixed period of 30 years to 50 years and 30 years, respectively.

During the Track Record Period, the Group and the Company lease various properties for the operations. The Group's and the Company's lease contracts are entered into for fixed term of 3 to 6 years and 3 years, respectively. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. There were no extension options in the lease contracts. In determining the lease term and assessing the length of the non-cancellable period, the Group and the Company apply the definition of a contract and determines the period for which the contract is enforceable.

In addition, the Group and Company own several industrial leasehold lands for industrial building and construction in progress. Lump sum payments were made upfront to acquire these leasehold lands. The leasehold land components of these owned properties are presented separately since the payments made can be allocated reliably. The lease terms for certain leasehold lands leased by the Group and Company are 30 or 50 years and 30 years respectively.

The Group regularly entered into short-term leases for apartments and motor vehicles. As at December 31, 2023 and 2024 and April 30, 2025, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

Restrictions or covenants on leases

As at December 31, 2023 and 2024 and April 30, 2025, the Group's lease liabilities of RMB41,502,000, RMB42,322,000 and RMB40,144,000 are recognised with related right-of-use assets of RMB40,542,000, RMB39,817,000 and RMB35,696,000 respectively. The Company's lease liabilities of RMB6,961,000, RMB3,393,000 and RMB3,421,000 are recognised with related right-of-use assets of RMB6,784,000, RMB3,292,000 and RMB2,195,000 respectively. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased properties may not be used as security for borrowing purposes.

Sale and leaseback transaction

To better manage the Group's capital structure and financing needs, the Group sometimes enters into sale and leaseback arrangements in relation to machinery leases. These legal transfers do not satisfy the requirements of IFRS 15 to be accounted for as a sale of the machinery. During the year ended December 31, 2023, the Group has raised RMB20,900,000 borrowings (net of a deposit of RMB1,100,000 to offset future repayments of the borrowings) in respect of such sale and leaseback arrangement. The Group did not enter such sale and leaseback arrangement during the year ended December 31, 2024 and the four months ended April 30, 2024 (unaudited) and 2025. The Company did not enter such sale and leaseback arrangement during the Track Record Period.

Details of the lease maturity analysis of lease liabilities are set out in Note 30 to the Historical Financial Information.

18. INTANGIBLE ASSETS

The Group

	Capitalised development costs not ready for use	Capitalised development costs ready for use	In-licenses	Software	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
COST					
As at January 1, 2023	6,214	–	36,500	–	42,714
Additions	10,194	–	17,280	408	27,882
As at December 31, 2023	16,408	–	53,780	408	70,596
Additions	8,280	–	2,160	30	10,470
Transfer	(18,641)	18,641	–	–	–
Disposal	–	–	(2,500)	–	(2,500)
As at December 31, 2024	6,047	18,641	53,440	438	78,566
Additions	102	–	1,500	–	1,602
As at April 30, 2025	6,149	18,641	54,940	438	80,168
AMORTISATION AND IMPAIRMENT					
As at January 1, 2023	–	–	2,500	–	2,500
Charged for the year	–	–	–	22	22
As at December 31, 2023	–	–	2,500	22	2,522
Charged for the year	–	731	–	43	774
Eliminated on disposal	–	–	(2,500)	–	(2,500)
As at December 31, 2024	–	731	–	65	796
Charged for the period	–	621	–	15	636
As at April 30, 2025	–	1,352	–	80	1,432
CARRYING AMOUNT					
As at December 31, 2023	16,408	–	51,280	386	68,074
As at December 31, 2024	6,047	17,910	53,440	373	77,770
As at April 30, 2025	6,149	17,289	54,940	358	78,736

The Company

	Capitalised development costs not ready for use	Capitalised development costs ready for use	In-licenses	Software	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
COST					
As at January 1, 2023	6,214	–	28,500	–	34,714
Additions	9,609	–	12,340	408	22,357
As at December 31, 2023	15,823	–	40,840	408	57,071
Additions	4,425	–	–	30	4,455
Transfer	(15,345)	15,345	–	–	–
Disposal	(4,903)	–	(2,500)	–	(7,403)
As at December 31, 2024 and April 30, 2025	–	15,345	38,340	438	54,123
AMORTISATION AND IMPAIRMENT					
As at January 1, 2023	–	–	2,500	–	2,500
Charged for the year	–	–	–	22	22
As at December 31, 2023	–	–	2,500	22	2,522
Charged for the year	–	566	–	43	609
Eliminated on disposal	–	–	(2,500)	–	(2,500)
As at December 31, 2024	–	566	–	65	631
Charged for the period	–	511	–	15	526
As at April 30, 2025	–	1,077	–	80	1,157
CARRYING AMOUNT					
As at December 31, 2023	15,823	–	38,340	386	54,549
As at December 31, 2024	–	14,779	38,340	373	53,492
As at April 30, 2025	–	14,268	38,340	358	52,966

The above intangible assets have finite useful lives. Such intangible assets are amortised on a straight-line basis over the following periods:

Capitalised development costs	Over the estimated economic life when ready for use
In-licenses	Over the shorter of terms of contractual rights and 10 years when ready for use
Software	10 years

During the year ended December 31, 2024, internally researched and developed generic drugs of the Group amounted to RMB18,641,000 are commercialised and amortised when ready for use over the estimated economic life of 10 years.

In-licensing agreements

Historically, the Group entered into several in-licensing agreements with Topharman Shanghai Co., Ltd.* (上海特化醫藥科技有限公司) ("Topharman Shanghai") and Topharman Shandong Co., Ltd.* (山東特珐曼藥業有限公司) ("Topharman Shandong") and other independent third parties. Topharman Shanghai and Topharman Shandong are controlled by one of the founders of the Company, Dr. Shen.

* *English name is for identification purpose only.*

Pursuant to these in-licensing agreements, the Group acquired exclusive intellectual property rights related to (i) TPN171, (ii) TPN102, (iii) LV232, (iv) a category of resorcinol compound and its application in neurological disorders, (v) a category of antiviral nucleoside analogs and pharmaceutical compositions and its application, (vi) a category of aromatic amines compound and its application on a global scale; and (vii) 50% of exclusive intellectual property rights related to a category of baicalein derivatives and its application in the world except for five countries in Central Asia (comprising Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, and Turkmenistan) from the counterparties.

In exchange for aforementioned intellectual property rights, the Group obligated to pay the consideration consisting of upfront payment, milestone payments and sales royalties based on certain percentage determined in each in-licensing agreement of annual sales realised in granted areas to the counterparties.

During the years ended December 31, 2023 and 2024 and the four months ended April 30, 2024 (unaudited) and 2025, the Group paid upfront payments and milestone payments of RMB15,530,000, RMB2,160,000, RMB nil and RMB nil respectively, and the Group accrued milestone payable of RMB1,750,000, RMB nil, RMB nil and RMB750,000 respectively to Topharman Shanghai for the agreed milestone reached during the year/period. As at December 31, 2023 and 2024 and April 30, 2025, the Group had paid upfront payments and milestone payments of RMB48,530,000, RMB50,690,000 and RMB50,690,000 for the ongoing in-licensing agreements respectively, and the Group accrued milestone payable of RMB2,750,000, RMB2,750,000 and RMB3,500,000 respectively to Topharman Shanghai. Such amounts were capitalised by the Group as intangible assets when the payment obligation became unconditional. As at December 31, 2023 and 2024 and April 30, 2025, the Company had paid upfront payments and milestone payments of RMB37,340,000, RMB37,340,000 and RMB37,340,000 for the ongoing in-licensing agreements respectively, and the Company accrued milestone payable of RMB1,000,000, RMB1,000,000 and RMB1,000,000 respectively to Topharman Shanghai. Such amounts were capitalised by the Company as intangible assets when the payment obligation became unconditional.

Given no economic benefits can be recovered in the future, the Company recognised a full impairment loss for an upfront payment of RMB2,500,000 regarding an in-licensing agreement recognised as intangible asset in 2022, since the Company ceased its related research and development in 2022 due to business strategic considerations. Subsequently, the Company signed a termination agreement with counterparties in respect of the in-licensing agreement in June 2024, and the Company no longer has any interests and rights regarding the in-licensing agreement. The related intangible asset was disposed, and the impairment was written-off accordingly.

As at December 31, 2023 and 2024 and April 30, 2025, the remaining uncompleted milestone payments up to an aggregate amount of RMB312,620,000, RMB277,960,000 and RMB276,460,000 (excluding royalties charged on annual sales) for the Group respectively, and the remaining uncompleted milestone payments up to an aggregate amount of RMB247,560,000, RMB215,060,000 and RMB215,060,000 (excluding royalties charged on annual sales) for the Company respectively, are subject to the future achievement of remaining milestone criteria.

19. IMPAIRMENT TESTING ON INTANGIBLE ASSETS NOT READY FOR USE

Impairment test

In-licenses and certain capitalised development costs, which are intangible assets not yet ready for use, are tested impairment annually based on the recoverable amount of the cash-generating unit to which the intangible asset is related. The appropriate cash-generating unit is at the pipeline or potential pipeline level.

Impairment test on the in-licenses of the Group has been conducted by the management of the Group by engaging an independent qualified professional valuer, AVISTA Valuation Advisory Limited ("AVISTA"), to estimate the recoverable amount of the cash-generating unit at the end of each year. The address of AVISTA is Suites 2401-06, 24/F, Everbright Centre, No. 108 Gloucester Road, Wan Chai, Hong Kong. Impairment test on the capitalised development costs has been conducted by the management of the Group. For the purpose of impairment test, the recoverable amount of the cash-generating unit is determined based on value in use by using the discounted cash flow approach.

With the assistance of AVISTA, the management determined the recoverable amount of the above cash-generating units based on the following approach and the key assumptions:

- The cash-generating unit will generate cash inflows starting from certain years (as disclosed in below key parameters) based on the timing of clinical development and regulatory approval for each pipeline, commercial ramp up to reach expected peak revenue potential till certain years (as disclosed in below key parameters), and up to the end of the exclusivity for the product. The management considers the length forecast period is appropriate because it generally takes longer for a biopharma company to generate positive cash flows, compared to companies in other industries, especially when the related products are under pre-clinical trial;

- The expected market penetration rate was based on the expected selling conditions considering the features of marketing and technology development;

- The discount rate used is pre-tax and reflect market assessments of time value and the specific risks relating to the industry; and

- The expected success rate of commercialisation by reference to practices of pharmaceutical industries, development of technologies and related regulations from administrations.

The range of key parameters used for recoverable amount calculations of in-licenses are as follows:

	As at December 31,	
	2023	2024
The year for the commencement of generating cash flow	2025 – 2034	2025 – 2034
The year achieved peak sales	2037 – 2042	2037 – 2042
Expected annual growth rates till the year achieved peak sales	2.8% – 631.9%	3.0% – 631.7%
Expected market penetration rate	0.5% – 28.9%	0.5% – 27.3%
Pre-tax discount rate	15.1% – 16.4%	15.1% – 16.9%

The range of key parameters used for recoverable amount calculations of capitalised development costs not ready for use are as follows:

	As at December 31,	
	2023	2024
The year for the commencement of generating cash flow	2024 – 2026	2026
Expected annual growth rates till 2035	10.0% – 49.1%	20.6% – 49.1%
Expected market penetration rate	0.1% – 19.6%	10.0% – 19.6%
Pre-tax discount rate	16.3% – 18.0%	18.0%

The revenue growth rate for the forecast period and budgeted gross margin were determined by the management based on their expectation for market and product development.

Based on the result of impairment test, there was no impairment for the above in-licenses and capitalised development costs not ready for use as at December 31, 2023 and 2024. Management believes that any reasonably possible change in any of these assumptions would not result in impairment.

As at April 30, 2025, the management is not aware of any significant adverse changes on the respective cash-generating unit that indicates the carrying amount of the cash-generating unit exceeds its recoverable amount. As a result, no impairment assessment as at April 30, 2025 was performed.

Impairment test – sensitivity analysis

The Company performed sensitivity analysis by increasing 1 percentage point of discount rate or decreasing 2 percentage points of revenue growth rate, which are the key assumptions determine the recoverable amount of in-licenses, with all other variables held constant. The range of impacts on the amount by which the recoverable amount of in-licenses above its carrying amount (headroom) are as below:

	As at December 31,	
	2023	2024
	RMB'000	*RMB'000*
Carrying amount	1,440 – 32,000	2,340 – 32,000
Headroom	2,000 – 776,000	2,200 – 683,200
Negative impact by increasing discount rate	1,600 – 76,700	1,800 – 66,700
Negative impact by decreasing annual revenue growth rate	1,500 – 134,300	1,800 – 153,000

The Company performed sensitivity analysis by increasing 1 percentage point of discount rate or decreasing 2 percentage points of revenue growth rate, which are the key assumptions determine the recoverable amount of capitalised development costs not ready for use, with all other variables held constant. The range of impacts on the amount by which the recoverable amount of capitalised development costs not ready for use above its carrying amount (headroom) are as below:

	As at December 31,	
	2023	2024
	RMB'000	*RMB'000*
Carrying amount	1,123 – 11,879	6,047
Headroom	4,962 – 37,755	45,543
Negative impact by increasing discount rate	1,196 – 2,985	3,094
Negative impact by decreasing annual revenue growth rate	2,824 – 4,108	4,157

20. INTERESTS IN SUBSIDIARIES

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cost of investments	42,411	69,911	92,931
Less: impairment losses on investments	–	5,204	5,204
	42,411	64,707	87,727

21. OTHER NON-CURRENT ASSETS

The Group

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments for property, plant and equipment	492	2,830	599
Long-term deposits	1,738	2,221	2,221
Value-Added Tax ("VAT") recoverable	4,449	–	–
	6,679	5,051	2,820

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments for property, plant and equipment	–	2,516	–
VAT recoverable	2,555	–	–
Long-term deposits	140	140	140
	2,695	2,656	140

22. INVENTORIES

The Group

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Raw materials and consumables	3,174	1,127	1,299
Work in progress	–	453	340
Finished goods	35	1,707	1,578
	3,209	3,287	3,217

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Raw materials	182	114	76
Finished goods	–	954	751
	182	1,068	827

23. TRADE RECEIVABLES

The Group

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables	38,773	10,875	11,180
Less: allowance for credit losses	2,221	2,158	2,987
	36,552	8,717	8,193

As at January 1, 2023, trade receivables from contracts with customers of the Group amounted to RMB7,155,000.

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables from third parties	38,773	10,738	11,042
Trade receivables from subsidiaries *(Note 36(ii))*	14,532	14,079	17,007
	53,305	24,817	28,049
Less: allowance for credit losses	2,221	15,735	16,564
	51,084	9,082	11,485

As at January 1, 2023, trade receivables from contracts with customers of the Company amounted to RMB21,057,000.

The following is an aged analysis of trade receivable net of allowance for credit losses presented based on invoice dates as at December 31, 2023 and 2024 and April 30, 2025:

The Group

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
1 to 30 days	16,174	8,120	6,704
31 to 60 days	20,000	40	254
61 to 90 days	–	171	78
91 to 120 days	–	52	32
121 to 180 days	45	–	936
181 to 365 days	–	–	189
Over 365 days	333	334	–
	36,552	8,717	8,193

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
1 to 30 days	23,028	7,986	7,672
31 to 60 days	20,000	40	2,214
61 to 90 days	–	171	80
91 to 120 days	–	52	32
121 to 180 days	7,723	–	800
181 to 365 days	–	–	189
Over 365 days	333	833	498
	51,084	9,082	11,485

For the third parties, the Group and the Company normally grants a credit period of 30 to 60 days or a particular period agreed with third party customers effective from the date when the services have been completed or control of goods has been transferred to the customer and billed to the customer. The Company does not have a credit period term to its subsidiaries. For certain trade receivables balances which have been past due more than 90 days, the directors of the Company consider they are not in default since such balances could be recovered based on the historical repayment pattern of overdue trade receivables and the financial conditions of corresponding customers.

Details of expected credit loss assessment of trade receivables are set out in Note 39(b) to the Historical Financial Information.

24. PREPAYMENTS AND OTHER RECEIVABLES

The Group

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments for purchase of materials and research and development services	4,117	4,415	3,386
Deferred issue costs	–	3,253	5,412
Other receivables	2,263	84	296
Less: allowance for credit losses	113	4	14
	2,150	80	282
Deposits	242	210	132
Prepayments for short-term rental and property management fee	130	2	46
	6,639	7,960	9,258

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Prepayments for purchase of materials and research and development services	3,151	3,856	2,807
Deferred issue costs	–	3,253	5,412
Other receivables	2,260	84	–
Less: allowance for credit losses	113	4	–
	2,147	80	–
Deposits	95	72	95
	5,393	7,261	8,314

25. CONTRACT ASSETS

The Group and the Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
CRO services			
Contract assets	3,383	1,528	1,436
Less: allowance for credit losses	969	387	261
	2,414	1,141	1,175

As at January 1, 2023, contract assets of the Group and the Company amounted to RMB1,301,000 and RMB1,301,000, respectively.

The contract assets primarily relate to the Group's and Company's right to consideration for work completed in connection to CRO services and not billed because the rights are conditioned on the Group's future performance. The contract assets are transferred to trade receivables when the rights become unconditional.

Typical payment terms which impact on the amount of contract assets recognised are as follows:

The contract assets represent the Group's and the Company's rights to consideration for the services performed to date. Payment for CRO services is not due from the customer until the milestone criteria determined in the CRO contracts with the customers are met and therefore a contract asset is recognised over the period in which the CRO services are performed.

The Group and the Company classify these contract assets as current because the Group and the Company expect to realise them in its normal operating cycle.

Details of expected credit loss assessment of contract assets are set out in Note 39(b) to the Historical Financial Information.

26. OTHER CURRENT ASSETS

The Group

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
VAT recoverable	21,396	17,162	23,075

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
VAT recoverable	1,198	13,281	17,314

27. BANK BALANCES AND CASH

The Group

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Bank balances	95,942	121,116	72,817
Cash on hand	32	19	16
	95,974	121,135	72,833

The carrying amounts of the Group's bank balances and cash denominated in currencies other than functional currencies of the relevant group entities at the end of each reporting period are as follows:

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
United States Dollars ("US$")	2,282	892	1,206

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Bank balances	81,664	95,350	57,427
Cash on hand	32	19	16
	81,696	95,369	57,443

Bank balances and cash denominated in currencies other than functional currency of the Company at the end of each reporting period are as follows:

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
US$	94	57	775

Bank balances held by the Group and the Company carry interests at market rates ranging from 0.25% to 2.00%, 0.20% to 1.35% and 0.05% to 1.35% as at December 31, 2023 and 2024 and April 30, 2025, respectively.

28. TRADE AND OTHER PAYABLES

The Group

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade payables for research and development expenses	615	3,502	3,947
Accrued research and development expenses	19,710	19,620	23,374
Payables for construction in progress	85,884	81,403	58,041
Accrued staff costs and benefits	9,549	9,107	10,643
Accrued listing expenses and issue costs	–	7,002	3,330
Payables in respect of acquisition of intangible assets	2,750	2,750	4,250
Payables for machineries and equipment	2,406	977	873
Payables for property management fee	–	286	143
Other tax payables	1,590	1,302	384
Deposits	672	2	458
Others	–	237	1,044
	123,176	126,188	106,487

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade payables for research and development expenses	136	4,057	1,403
Accrued research and development expenses	20,840	19,618	23,333
Payables for construction in progress	9,782	12,344	2,429
Accrued staff costs and benefits	7,835	7,451	8,886
Accrued listing expenses and issue costs	–	7,002	3,330
Payables in respect of acquisition of intangible assets	1,000	1,000	1,000
Other tax payables	2,017	1,568	1,024
Payables for property management fee	–	286	143
Payables for machineries and equipment	18	5	–
Deposits	12	–	431
Others	–	203	1,044
	41,640	53,534	43,023

The following is an aged analysis of trade payables presented based on the invoice dates at the end of each reporting period:

The Group

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 30 days	256	1,189	1,567
31 to 90 days	16	1,677	179
91 to 180 days	46	373	1,292
181 to 365 days	153	79	765
Over 365 days	144	184	144
	615	3,502	3,947

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 30 days	4	3,924	1,270
Over 365 days	132	133	133
	136	4,057	1,403

The average credit period granted by suppliers is normally 30 to 60 days. There is no credit period terms for the balances between the Company and its subsidiaries.

29. CONTRACT LIABILITIES

The Group

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
CRO services	6,961	5,543	5,543
Sales of pharmaceutical products	–	183	7
	6,961	5,726	5,550

As at January 1, 2023, contract liabilities of the Group amounted to RMB9,154,000.

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
CRO services	7,079	5,393	5,393
Sales of pharmaceutical products	–	183	7
	7,079	5,576	5,400

As at January 1, 2023, contract liabilities of the Company amounted to RMB9,154,000.

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

When the amount of milestone payment according to the payment schedule determined in the CRO service contract received by the Group exceeds the amount of the revenue could be recognised based on the proportion of completion of the CRO service rendered to date, this will give rise to contract liabilities. The stage milestone results in contract liabilities being carried forward to recognise as revenue when the performance obligation of corresponding CRO service is satisfied.

The Group and the Company classify these contract liabilities as current because the Group and the Company expect to realise them in its normal operating cycle.

30. LEASE LIABILITIES

The Group

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Lease liabilities payable:			
Within one year	10,860	13,967	16,819
Within a period of more than one year but not exceeding two years	9,079	9,807	9,938
Within a period of more than two years but not exceeding five years	20,128	18,548	13,387
More than five years	1,435	–	–
	41,502	42,322	40,144
Less: Amount due for settlement within 12 months shown as current liabilities	10,860	13,967	16,819
Amount due for settlement after 12 months shown as non-current liabilities	30,642	28,355	23,325

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Lease liabilities payable:			
Within one year	4,334	3,393	3,421
Within a period of more than one year but not exceeding two years	2,627	–	–
	6,961	3,393	3,421
Less: Amount due for settlement within 12 months shown as current liabilities	4,334	3,393	3,421
Amount due for settlement after 12 months shown as non-current liabilities	2,627	–	–

The weighted average incremental borrowing rates applied to the lease liabilities is 3.45% to 4.30% per annum for the Track Record Period.

31. BORROWINGS

The Group

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At amortised cost			
Bank loans	263,614	365,526	451,539
Other loan in respect of sale and leaseback arrangement *(Note 17)*	15,912	8,602	4,744
	279,526	374,128	456,283
Secured	126,911	158,834	202,696
Unsecured	152,615	215,294	253,587
	279,526	374,128	456,283

As at December 31, 2023 and 2024 and April 30, 2025, secured bank loans are pledged by below assets owned by the Group:

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Buildings	–	224,755	222,911
Land use rights	85,735	83,163	82,306
Construction in progress	255,451	63,630	116,911
Machineries and equipment	19,463	16,391	15,178
	360,649	387,939	436,306

In addition, the secured bank loan of a subsidiary of the Group is guaranteed by the Company.

The carrying amounts of the above borrowings are analysed based on contractual repayment date as follows:

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
The carrying amounts of the above borrowings are repayable:			
Within one year	133,751	151,968	199,671
Within a period of more than one year but not exceeding two years	74,706	145,489	37,990
Within a period of more than two year but not exceeding five years	71,069	76,671	218,622
	279,526	374,128	456,283
Less: Amount due within one year shown under current liabilities	133,751	151,968	199,671
Amount shown under non-current liabilities	145,775	222,160	256,612

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At amortised cost			
Bank loans	139,451	244,136	348,631
Secured	999	53,981	115,452
Unsecured	138,452	190,155	233,179
	139,451	244,136	348,631

As at December 31, 2023 and 2024 and April 30, 2025, secured bank loans are pledged by below assets owned by the Company:

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Land use rights	55,558	53,642	53,003
Construction in progress	12,071	63,630	116,911
	67,629	117,272	169,914

The carrying amounts of the above borrowings are analysed based on contractual repayment date as follows:

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
The carrying amounts of the above borrowings are repayable:			
Within one year	99,252	91,965	147,019
Within a period of more than one year but not exceeding two years	39,200	103,000	10,490
Within a period of more than two years but not exceeding five years	999	49,171	191,122
	139,451	244,136	348,631

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Less: Amount due within one year shown under current liabilities	99,252	91,965	147,019
Amount shown under non-current liabilities	40,199	152,171	201,612

The exposure of the Group's and Company's borrowings are as follows:

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
The Group			
Fixed-rate borrowings	97,735	118,983	89,467
Variable-rate borrowings	181,791	255,145	366,816
The Company			
Fixed-rate borrowings	88,572	98,845	74,059
Variable-rate borrowings	50,879	145,291	274,572

The Group's variable-rate borrowings carry interest at LPR. Interest rates are reset every year.

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's and Company's borrowings are as follows:

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
Effective interest rate:				
The Group				
Fixed-rate borrowings	3.75% to 4.15%	3.00% to 4.15%	3.50% to 4.15%	3.00% to 3.60%
Variable-rate borrowings	3.50% to 5.50%	2.80% to 5.40%	2.80% to 5.40%	2.65% to 4.80%
The Company				
Fixed-rate borrowings	3.75% to 4.15%	3.00% to 4.15%	3.60% to 4.15%	3.00% to 3.60%
Variable-rate borrowings	3.50% to 4.00%	2.80% to 4.00%	2.80% to 4.00%	2.65% to 3.60%

32. DEFERRED INCOME

The Group

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Government grants related to property, plant and equipment *(Note (i))*	13,233	13,054	12,994
Other subsidy *(Note (ii))*	12,900	12,900	7,900
	26,133	25,954	20,894
Less: Amount due within one year shown under current liabilities	179	13,079	8,329
Amount shown under non-current liabilities	25,954	12,875	12,565

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Other subsidy *(Note (ii))*	12,900	12,900	7,900
Less: Amount due within one year shown under current liabilities	–	12,900	7,900
Amount shown under non-current liabilities	12,900	–	–

Notes:

(i) The Group received government grants for capital expenditure incurred for the purpose of compensation for construction in progress of the Group.

(ii) Other subsidy is provided in relation to the research and development activities of the Company.

33. SHARE CAPITAL AND PAID-IN CAPITAL

As disclosed in Note 1, the Company converted into a joint stock company on March 10, 2023, the balance as at January 1, 2023 represented the paid-in capital of the Company prior to the conversion of the Company. Share capital as at December 31, 2023 and 2024 and April 30, 2025 represented the issued share capital of the Company.

Paid-in capital

	Paid-in capital
	RMB'000
Issued and paid	
As at January 1, 2023	6,361
Conversion into a joint stock company *(Note (i))*	(6,361)
As at December 31, 2023	–

Share capital

	Number of shares	Nominal value of shares
		RMB'000
Ordinary shares of RMB1 each		
Authorised and issued		
As at January 1, 2023	–	–
Conversion into a joint stock company *(Note (i))*	6,361,242	6,361
As at December 31, 2023	6,361,242	6,361
Issue of Series C Shares *(Note (ii))*	239,482	240
As at December 31, 2024	6,600,724	6,601
Share conversion *(Note (iii))*	143,399,276	143,399
As at April 30, 2025	150,000,000	150,000

Notes:

(i) On March 10, 2023, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The net assets of the Company as of the conversion date of November 30, 2022, including paid-in capital, reserves and accumulated losses, amounting to approximately RMB183,062,000 were converted into 6,361,242 shares with a nominal value of RMB1.00 each. The excess of net assets converted over nominal value of the ordinary shares was credited to the Company's share premium.

(ii) From April 2024 to September 2024, the Company entered into share subscription agreements with several independent investors and a relative investor ("Series C Investors"), pursuant to which the investors shall make an aggregate investment of RMB160,000,000 in the Company as consideration for the subscription of 239,482 new ordinary shares issued by the Company. As at April 30, 2025, the Company had received the total proceeds of RMB160,000,000 for Series C shares.

A certain Series C Investor was entitled to a redemption right and the Company was liable for the redemption obligation, pursuant to which the investment from the Series C Investor was recognised as financial liabilities at amortised cost until the Company signed a supplementary agreement with the Series C Investor on December 23, 2024, to terminate the redemption right, which will not be reinstated. The amounts of the financial liabilities at amortised cost of RMB51,875,000 as at the termination date were derecognised and credited to other reserve in December 2024.

(iii) On January 13, 2025, the Company passed a shareholders' resolution to increase the share capital of the Company from RMB6,601,000 to RMB150,000,000 with the increased share capital of RMB143,399,000 from the share premium converted into 143,399,276 ordinary shares of RMB1 par value each, which were subscribed by and issued to the then shareholders of the Company in proportion to their respective equity interest in the Company (the "Share Conversion").

34. RESERVES OF THE COMPANY

	Capital reserve	Share premium	Other reserve	Share-based Payment reserve	(Accumulated losses) retained earnings	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	348,639	–	–	63,320	(226,157)	185,802
Profit for the year	–	–	–	–	50,822	50,822
Conversion into a joint stock company *(Note 33)*	(348,639)	176,701	–	(62,092)	234,030	–
Recognition of share-based payments *(Note 35)*	–	–	–	14,745	–	14,745
As at December 31, 2023	–	176,701	–	15,973	58,695	251,369
Loss for the year	–	–	–	–	(170,812)	(170,812)
Issue of Series C shares *(Note 33)*	–	159,760	–	–	–	159,760
Recognition of redemption liabilities on Series C financing *(Note 33)*	–	–	(50,000)	–	–	(50,000)
Reclassification of financial liabilities at amortised cost as equity *(Note 33)*	–	–	51,875	–	–	51,875

	Capital reserve	Share premium	Other reserve	Share-based Payment reserve	(Accumulated losses) retained earnings	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Recognition of equity- settled share-based payment *(Note 35)*	–	–	–	14,745	–	14,745
As at December 31, 2024	–	336,461	1,875	30,718	(112,117)	256,937
Loss for the period	–	–	–	–	(63,155)	(63,155)
Share Conversion *(Note 33)*	–	(143,399)	–	–	–	(143,399)
Recognition of equity- settled share-based payment *(Note 35)*	–	–	–	58,536	–	58,536
As at April 30, 2025	–	193,062	1,875	89,254	(175,272)	108,919

35. SHARE-BASED PAYMENT TRANSACTIONS

Suzhou Nanbowan RS Scheme

In recognition of the contributions of certain eligible directors and employees, Dr. Shen, one of the founders of the Company established an employee stock ownership platform, namely Suzhou Nanbowan Enterprise Management Consulting Partnership (Limited Partnership)* (蘇州南博萬企業管理諮詢合夥企業(有限合夥)) ("Suzhou Nanbowan") in November 2018, to hold the Company's paid-in capital of RMB750,000, which was transferred from the founder, to implement restricted shares scheme ("Suzhou Nanbowan RS Scheme"). Under the Suzhou Nanbowan RS Scheme, eligible directors and employees shall subscribe for partnership interests of Suzhou Nanbowan at a consideration price of RMB1 for each RMB1 registered capital and indirectly hold the incentive shares of the Company.

Pursuant to the Suzhou Nanbowan RS Scheme, the RSs granted shall be vested on the fourth anniversary date of the grant date. If the grantees terminate their labor relationships with the Group within the vesting period, the executive partner of Suzhou Nanbowan who is one of the founders of the Company, or a third party designated by the executive partner shall buy back the unvested RSs at original consideration plus interests at 10% per annum.

Details of the unvested restricted shares as at December 31, 2023 and 2024 and April 30, 2025 under the Suzhou Nanbowan RS Scheme are as follows:

	Amount of registered capital/share capital			
	As at December 31,		As at April 30,	
Grant date	2023	2024	2025	Grantee
	RMB'000	*RMB'000*	*RMB'000*	
June 28, 2021	350	350	7,954	A director

* *English name is for identification purpose only.*

The Company was converted to a joint stock company on March 10, 2023, 6,361,242 ordinary shares with par value of RMB1 each were issued and allotted to the respective shareholders of the Company according to the paid-in capital registered under these shareholders on that day and following table to reflect the impact of the conversion. 1 registered capital before the conversion represented 1 share of the joint stock company:

	Unvested registered capital/share capital	Weighted average grant date fair value per registered capital/share capital
	'000	*RMB*
Unvested as at January 1, 2023, December 31, 2023, December 31, 2024	350	168.54
Impact of the Share Conversion	7,604	
Unvested as at April 30, 2025	7,954	7.42

Fair value of RSs granted under the Suzhou Nanbowan RS Scheme

Back-solve method was used to determine the underlying equity fair value of the Company and equity allocation method was used to determine the fair value of the RSs granted. The fair value of shares at grant date was valued by directors of the Company with reference to valuation reports carried out by an independent qualified professional valuer, AVISTA, whose address is disclosed in Note 19 to the Historical Financial Information. The fair value of RSs at grant date was determined by taking into account of the fair value of the equity of the Company amounting to RMB169.54 per share and the purchase price of the RS is RMB1 per share. The inputs into the model were as follows:

	June 28, 2021
Expected volatility	46.87%
Risk-free rate	2.57%

The Group has recognised share-based payment expenses of RMB14,745,000, RMB14,745,000, RMB4,916,000 and RMB4,916,000 under the Suzhou Nanbowan RS Scheme for the years ended December 31, 2023 and 2024 and the four months ended April 30, 2024 (unaudited) and 2025 respectively.

Pre-IPO Restricted Share Scheme

In recognition of the contributions of certain eligible directors and employees and to incentivise them to further promote the Group's development, Dr. Shen established another employee stock ownership platform, namely Suzhou Hesheng Enterprise Management Consulting Partnership Enterprise (Limited Partnership)* (蘇州合升企業管理諮詢合夥企業(有限合夥)) ("Suzhou Hesheng") in June 2021, to hold the Company's paid-in capital of RMB865,385, which was transferred from Dr. Shen, who is the one of the founders of the Company, to implement employee incentive plan. Upon the Company converted into a joint stock company on March 10, 2023, Suzhou Hesheng held 865,385 ordinary shares of the Company with a nominal value of RMB1.00 each.

As approved by the Company's shareholders on January 13, 2025, the Company adopted a restricted share scheme, pursuant to which a total number of 521,313 restricted shares (before the Share Conversion as disclosed in Note 33 to the Historical Financial Information) under Suzhou Hesheng, representing 7.8978% of the total number of ordinary shares of the Company, shall be granted to its directors, supervisors, senior management and core employees (the "Grantees") of the Group (the "Pre-IPO Restricted Share Scheme"). On January 15, 2025, all the restricted shares under the Pre-IPO Restricted Share Scheme had been granted to the Grantees. Under the Pre-IPO Restricted Share Scheme, a total of 222,813 restricted shares were granted to eligible directors, supervisors, and employees through the direct transfer of respective shares of the Company from Suzhou Hesheng to the Grantees at the price of RMB6 for each restricted share. The other eligible employees subscribed for partnership interests of Suzhou Hesheng at a consideration price of RMB6 for each share of the Company and indirectly hold a total of 298,500 incentive shares of the Company. The remaining 344,072 shares of the Company under Suzhou Hesheng had been transferred back to Dr. Shen.

* *English name is for identification purpose only.*

Pursuant to the Pre-IPO Restricted Share Scheme, the granted restricted shares shall be vested in four tranches: (i) 25% vested on December 31, 2025; (ii) 25% vested on December 31, 2026; (iii) 25% vested on December 31, 2027; and (iv) 25% vested on December 31, 2028. If the grantees terminate their labor relationships with the Group within the vesting period, Dr. Shen or a third party designated by him shall buy back the unvested RSs at original consideration plus interests at 4% per annum.

After considering the impact of the Share Conversion as disclosed in Note 33 to the Historical Financial Information, details of the unvested restricted shares as at April 30, 2025 under the Pre-IPO Restricted Share Scheme are as follows:

Grant date	Amount of share capital	Grantee
	RMB'000	
January 15, 2025	1,363	Directors
January 15, 2025	398	Supervisors
January 15, 2025	1,193	Senior managements
January 15, 2025	8,893	Other employees

The following table discloses the movement of the unvested restricted shares under the Pre-IPO Restricted Share Scheme during the Track Record Period:

	Unvested shares	Weighted average grant date fair value per share
	'000	*RMB*
Unvested as at January 1, 2025	–	
Granted	521	662.14
Impact of the Share Conversion	11,326	
Unvested as at April 30, 2025	11,847	29.14

Fair value of RSs granted under the Pre-IPO Restricted Share Scheme

The Group used the back-solve method to determine the underlying equity fair value of the Company. The fair value of RS at grant date was determined to be RMB662.14 per RMB1 share capital, by referring to the equity fair value of the Company and the purchase price of the RS of RMB6 per share. The foresaid fair value of RS at date of grant was valued by directors of the Company with reference to valuation reports carried out by AVISTA.

The Group has recognised share-based payment expenses of RMB53,620,000 under the Pre-IPO Restricted Share Scheme for the four months ended April 30, 2025.

The total share-based payment expenses in relation to the restricted shares granted by the Company recognised for the Track Record Period are as follows:

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Research and development expenses	–	–	–	23,091
Administrative expenses	14,745	14,745	4,916	34,159
Selling expenses	–	–	–	1,286
	14,745	14,745	4,916	58,536

36. RELATED PARTY TRANSACTIONS

(i) Other than as disclosed in Note 18 to the Historical Financial Information, the Group has the following transactions with its fellow subsidiaries under the common control of the founder of the Company during the Track Record Period.

Purchase of pharmaceutical ingredient with ancillary service from a related party

	Year ended December 31,		Four months ended April 30,	
	2023	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Topharman Shandong	10,010	2,927	576	1,094

Purchase of in-licenses from a related party

	Year ended December 31,		Four months ended April 30,	
	2023	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Topharman Shanghai	1,750	–	–	750

Interests on loan from a related party

	Year ended December 31,		Four months ended April 30,	
	2023	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Topharman Shanghai	385	385	129	129

(ii) As at the end of the Track Record Period, the Group and the Company had balances with related parties as follows, which are all unsecured, as follows:

The Group

Trade payables

	As at December 31,		As at April 30,
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Topharman Shandong	6,097	7,991	9,147
Topharman Shanghai	2,750	2,750	3,500
	8,847	10,741	12,647

Amounts due to a related party

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Topharman Shanghai *(Note)*	10,882	11,267	11,396

Note: The amounts due to Topharman Shanghai are loans from Topharman Shanghai to Nantong Hefeng Lianwang Pharmaceutical Technology Co., Ltd.* (南通和風連旺醫藥科技有限公司) ("Nantong Hefeng"), a non-wholly owned subsidiary of the Company, with a fixed interest rate of 3.85%. The principal of RMB10,000,000 and corresponding interests are fully repayable in 2024. In 2024, Nantong Hefeng signed the supplementary agreements with Topharman Shanghai to extend the final repayment date to September 30, 2025. Therefore, the amounts due to Topharman Shanghai were classified as current liabilities in the consolidated statement of financial position as at December 31, 2023 and 2024 and April 30, 2025. As at the date of this report, the Group had settled such non-trade related amounts due to a related party.

The Company

Trade receivables

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Nantong Hefeng	13,579	13,579	13,579
旺山旺水(連雲港)製藥有限公司 Vigonvita (Lianyungang) Pharmaceutical Co., Ltd.* ("Vigonvita Lianyungang")	953	500	3,428
	14,532	14,079	17,007

The above amounts due from related parties are presented before accumulative impairment losses of RMB nil, RMB13,579,000, and RMB13,579,000 as at December 31, 2023 and 2024 and April 30, 2025 respectively.

Amounts due from subsidiaries

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Vigonvita Lianyungang	103,389	153,880	189,880
旺山旺水(上海)生物醫藥有限公司 Vigonvita (Shanghai) Life Sciences Co., Ltd.* ("Vigonvita Shanghai")	36,098	55,598	63,598
Nantong Hefeng	3,500	3,500	3,500
	142,987	212,978	256,978

The above amounts due from related parties are presented before accumulative impairment losses of RMB nil, RMB3,500,000, and RMB3,500,000 as at December 31, 2023 and 2024 and April 30, 2025 respectively.

* *English name is for identification purpose only.*

The amounts due from subsidiaries were non-trade in nature, interest free, unsecured and repayable on demand. The Company does not expect to realise the above amounts due from subsidiaries within twelve months after April 30, 2025, therefore, such balances are classified as non-current assets as at December 31, 2023 and 2024 and April 30, 2025.

Trade payables

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Topharman Shandong	6,097	7,284	7,416
Vigonvita Lianyungang	1,367	3,386	1,214
Topharman Shanghai	1,000	1,000	1,000
	8,464	11,670	9,630

Contract liabilities

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Vigonvita Lianyungang	118	–	–

Compensation of key management personnel

The remuneration of directors and supervisors of the Company and other members of key management was as follows:

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* (*unaudited*)	*RMB'000*
Salaries and other benefits	4,862	5,043	1,675	1,698
Retirement benefits scheme contribution	371	393	130	133
Discretionary bonus *(Note)*	841	677	226	226
Share-based payments	14,745	14,745	4,916	18,286
	20,819	20,858	6,947	20,343

Note: Discretionary bonus is determined based on their duties and responsibilities of the relevant individuals within the Group and the Group's performance.

(iii) Other significant information about the related parties

The Company has several series of financing from investors (the "Pre-IPO Investors") since its incorporation and certain Pre-IPO Investors were granted customary special rights, including but not limited to the redemption rights, liquidation preferences and anti-dilution rights. According to the terms of the relevant investment agreements and supplementary agreements with certain Pre-IPO Investors, Dr. Shen is the obligor of redemption rights and liquidation preferences in the equity transfer event (Note) granted to certain Pre-IPO Investors, except for a redemption right granted to one of the Series C Investors as disclosed in Note 33 to the Historical Financial Information, which the Company was liable for the redemption obligation and such redemption right was terminated on December 23, 2024. The details of the special rights granted to the Pre-IPO Investors are set out in the section headed

"History, Development and Corporate Structure — Pre-IPO Investments — Rights of the Pre-IPO Investors" to the Prospectus. As represented by the management of the Group, the Company did not provide any guarantee on the redemption rights as granted by Dr. Shen to certain Pre-IPO Investors in the aforementioned investment agreements and supplementary agreements in case of default by Dr. Shen.

Note: When more than 50% of the Company's interests belongs to a third party other than Dr. Shen after the transfer of the Company's equity, Dr. Shen is liable for the liquidation preference distribution amounts (equals to the pre-determined redemption price) to certain Pre-IPO Investors with all consideration received by him as the proceeds of the equity transfer event.

37. CAPITAL COMMITMENTS

The Group

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Capital expenditure contracted for but not provided in the Historical Financial Information in respect of:			
– acquisition of property, plant and equipment	15,272	203,430	154,285

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Capital expenditure contracted for but not provided in the Historical Financial Information in respect of:			
– acquisition of property, plant and equipment	15,134	203,430	154,285

38. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to investors through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged throughout the Track Record Period.

The capital structure of the Group consists of net debts, which includes amounts due to a related party disclosed in Note 36(ii), lease liabilities disclosed in Note 30 and borrowings disclosed in Note 31, net of bank balances and cash disclosed in Note 27 and equity attributable to owners of the Company, comprising paid-in capital, share capital, reserves and non-controlling interests.

The management of the Group reviews the capital structure regularly. As part of this review, the management of the Group considers the cost of capital. Based on recommendation of the management of the Group, the Group will balance its overall capital structure through the new share issues or issue of new debt.

39. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The Group

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Financial assets			
Amortised cost	136,656	132,363	83,661
Financial liabilities			
Amortised cost	382,735	474,552	536,435
Lease liabilities	41,502	42,322	40,144

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Financial assets			
Amortised cost	278,149	314,221	322,641
Financial liabilities			
Amortised cost	150,399	262,031	355,081
Lease liabilities	6,961	3,393	3,421

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, other receivables, bank balances and cash, trade and other payables, amounts due to a related party, lease liabilities and borrowings. The Company's major financial instruments include trade receivables, other receivables, amounts due from subsidiaries, bank balances and cash, trade and other payables, lease liabilities and borrowings. Details of these financial assets and liabilities are disclosed in respective notes.

The risks associated with the financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

The Group's and the Company's activities expose it primarily to currency risk and interest rate risk. There has been no change in the Group's and the Company's exposure to these risks or the manner in which it manages and measures the risks.

(i) Currency risk

Certain financial assets and liabilities are denominated in foreign currencies of respective group entities which are exposed to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's and the Company's foreign currencies denominated monetary assets and liabilities at the end of the Track Record Period are as follows:

The Group

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Assets			
US$	2,623	1,238	1,206

The Company

	As at December 31,		As at April 30,
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Assets			
US$	435	403	775

Sensitivity analysis

The following table details the Group's sensitivity to a 5% increase and decrease in RMB against US$, the foreign currencies with which the Group may have a material exposure. 5% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis uses outstanding foreign currencies denominated monetary items as a base and adjusts their translation at the end of each reporting period for a 5% change in foreign currency rates. A negative number below indicates a decrease in profit or an increase in loss where RMB strengthens 5% against US$. For a 5% weakening of RMB against US$, there would be an equal and opposite impact on the profit or loss for the respective years.

	Year ended December 31,		Four months ended April 30,	
	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Profit or loss	(131)	(62)	(126)	(60)

(ii) *Interest rate risk*

The Group and the Company are primarily exposed to fair value interest rate risk in relation to lease liabilities (Note 30) and fixed-rate borrowings (Note 31) and cash flow interest rate risk in relation to bank balances (Note 27) and variable-rate borrowings (Note 31). The Group currently does not have an interest rate hedging policy to mitigate interest rate risk; nevertheless, the management monitors interest rate exposure and will consider hedging significant interest rate risk should the need arise.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the Track Record Period. The analysis is prepared assuming the financial instruments outstanding at the end of Track Record Period were outstanding for the whole year. A 50 basis point increase or decrease in variable-rate bank borrowings are used which represents management's assessment of the reasonably possible change in interest rates. Bank balances are excluded from sensitivity analysis as the management considers that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended December 31, 2023 would decrease/increase by RMB650,000 and the Group's loss for the year ended December 31, 2024 and the four months ended April 30, 2024 (unaudited) and 2025 would increase/decrease by RMB1,276,000, RMB405,000 and RMB611,000, respectively. This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings.

Credit risk and impairment assessment

Credit risk refers to the risk that the Group's and the Company's counterparties default on their contractual obligations resulting in financial losses to the Group and the Company. The Group's and the Company's credit risk exposures are primarily attributable to trade receivables, other receivables, contract assets, amounts due from subsidiaries and bank balances. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

Trade receivables and contract assets arising from contracts with customers

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In this regard, the management of the Group consider that the Group's credit risk is significantly reduced.

The Group's concentration of credit risk for 84% and 52% and 53% of the total trade receivables was due from the Group's out-licensing and CRO service income for two, one and one customers as at December 31, 2023 and 2024 and April 30, 2025, respectively. The Company's concentration of credit risk for 61%, 23% and 21% of the total trade receivables was due from the Company's out-licensing and CRO service income for two, one and one customers as at December 31, 2023 and 2024 and April 30, 2025.

The Group and the Company perform impairment assessment under ECL model on trade receivable and contract assets balances individually and collectively. Except for items that are subject to individual evaluation, which are assessed for impairment individually, the remaining trade receivables and contract assets balances are assessed collectively, based on the past default experience of the debtor, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forward-looking information that is available without undue cost or effort at the end of the reporting period.

Other receivables and long-term deposits

For other receivables, the management makes periodic individual assessment on the recoverability of other receivables based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The management believes that there are no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL.

Amounts due from subsidiaries

The ECL on amounts due from subsidiaries are assessed individually based on the probability of defaults of amounts due from subsidiaries, the management has taken into account the financial position of the counterparties as well as forward looking information that is available without undue cost or effort.

Bank balances

The credit risk on bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables/ contract assets	Other financial assets
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	Lifetime ECL-not credit-impaired	12m ECL
Watch list	Debtor frequently repays after due dates but usually settle in full	Lifetime ECL-not credit-impaired	12m ECL
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL-not credit-impaired	Lifetime ECL-not credit-impaired
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL-credit-impaired	Lifetime ECL-credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

The tables below detail the credit risk exposures of the Group's and the Company's financial assets, which are subject to ECL assessment:

				Gross carrying amounts					
				The Group			The Company		
				As at December 31,		As at April 30,	As at December 31,		As at April 30,
	Notes	Internal credit rating	12m or lifetime ECL	2023	2024	2025	2023	2024	2025
				RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at amortised cost									
Trade receivables	*23*	Low risk	Lifetime ECL-not credit-impaired	34,388	7,522	8,28(	48,92(	7,88:	11,57(
		Doubtful	Lifetime ECL-not credit-impaired	4,385	2,900	-	4,38:	2,90(	-
		Loss	Lifetime ECL-credit- impaired	-	453	2,90(	-	14,032	16,47(
Other receivables and deposits	*24*	Low risk	12m ECL	2,505	294	42(	2,35:	15(	9:
Long-term deposits	*21*	Low risk	12m ECL	1,738	2,221	2,221	14(	14(	14(

				Gross carrying amounts					
				The Group			The Company		
				As at December 31,		As at April 30,	As at December 31,		As at April 30,
	Notes	Internal credit rating	12m or lifetime ECL	2023	2024	2025	2023	2024	2025
				RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Amounts due from subsidiaries	*36(ii)*	Low risk	12m ECL	N/A	N/A	N/A	142,987	209,478	253,478
		Loss	Lifetime ECL-credit-impaired	N/A	N/A	N/A	-	3,500	3,500
Bank balances	*27*	N/A	12m ECL	95,942	121,116	72,817	81,664	95,350	57,427
Other item									
Contact assets	*25*	Low risk	Lifetime ECL-not credit-impaired	1,497	1,155	1,200	1,497	1,155	1,200
		Doubtful	Lifetime ECL-not credit-impaired	1,886	-	-	1,886	-	-
		Loss	Lifetime ECL-credit-impaired	-	373	236	-	373	236

As part of the Group's credit risk management, the Group and the Company uses internal credit ratings to assess the impairment for its customers in relation to its operation of out-licensing income, CRO service income and sales of pharmaceutical products.

The Group

Debtors with significant outstanding balances and with different credit risk characteristics with gross carrying amounts of trade receivables of RMB36,956,000, RMB8,984,000 and RMB8,870,000 as at December 31, 2023 and 2024 and April 30, 2025 were assessed individually by the Group, respectively. Debtors with different credit risk characteristics with gross carrying amounts of contract assets of RMB1,886,000, RMB373,000 and RMB236,000 as at December 31, 2023 and 2024 and April 30, 2025 were assessed individually by the Group, respectively. The remaining trade receivables and contract assets were assessed collectively.

As at December 31, 2023 and 2024 and April 30, 2025, the credit loss rate of trade receivable and contract assets collectively assessed by the Group is as follows:

	As at December 31,		As at April 30,
	2023	2024	2025
	%	%	%
Trade receivables	1.60	1.85	3.78
Contact assets	1.73	1.24	2.02

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

As at December 31, 2023 and 2024 and April 30, 2025, the Group provided RMB29,000, RMB35,000 and RMB87,000 impairment allowance for trade receivables based on collective assessment, respectively. Impairment allowance of RMB2,192,000, RMB2,123,000 and RMB2,900,000 were made on trade receivables with different credit risk characteristics assessed individually by the Group as at December 31, 2023 and 2024 and April 30, 2025, respectively.

As at December 31, 2023 and 2024 and April 30, 2025, the Group provided RMB26,000, RMB14,000 and RMB25,000 impairment allowance for contract assets based on collective assessment, respectively. Impairment allowance of RMB943,000, RMB373,000 and RMB236,000 were made on contract assets with different credit risk characteristics assessed individually by the Group as at December 31, 2023 and 2024 and April 30, 2025, respectively.

The Company

Debtors with significant outstanding balances and with different credit risk characteristics with gross carrying amounts of trade receivables of RMB36,956,000, RMB8,984,000 and RMB8,870,000 as at December 31, 2023 and 2024 and April 30, 2025 were assessed individually by the Company, respectively. Debtors with different credit risk characteristics with gross carrying amounts of contract assets of RMB1,886,000, RMB373,000 and RMB236,000 as at December 31, 2023 and 2024 and April 30, 2025 were assessed individually by the Company, respectively. The trade receivables from subsidiaries of RMB14,532,000, RMB14,079,000 and RMB17,007,000 as at December 31, 2023 and 2024 and April 30, 2025 were assessed individually by the Company, respectively.

As at December 31, 2023 and 2024 and April 30, 2025, the credit loss rate of trade receivable and contract assets collectively assessed by the Company is as follows:

	As at December 31,		As at April 30,
	2023	2024	2025
	%	%	%
Trade receivables	1.60	1.89	3.95
Contact assets	1.73	1.24	2.02

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

As at December 31, 2023 and 2024 and April 30, 2025, the Company provided RMB29,000, RMB33,000 and RMB85,000 impairment allowance for trade receivables based on collective assessment, respectively. Impairment allowance of RMB2,192,000, RMB2,123,000 and RMB2,900,000 were made on trade receivables with different credit risk characteristics assessed individually by the Company as at December 31, 2023 and 2024 and April 30, 2025, respectively.

As at December 31, 2023 and 2024 and April 30, 2025, the Company provided RMB26,000, RMB14,000 and RMB25,000 impairment allowance for contract assets based on collective assessment, respectively. Impairment allowance of RMB943,000, RMB373,000 and RMB236,000 were made on contract assets with different credit risk characteristics assessed individually by the Company as at December 31, 2023 and 2024 and April 30, 2025, respectively.

As at December 31, 2023 and 2024 and April 30, 2025, impairment allowance of RMB nil, RMB13,579,000 and RMB13,579,000 were made on trade receivables from subsidiaries credit-impaired assessed individually by the Company, respectively.

The following table shows the movement in lifetime ECL that has been recognised for trade receivables and contract assets under the simplified approach.

The Group

	Lifetime ECL-not credit-impaired	Lifetime ECL-credit-impaired	Total
	RMB'000	*RMB'000*	*RMB'000*
As at January 1, 2023	607	–	607
– Impairment losses recognised	2,742	–	2,742
– Impairment losses reversed	(159)	–	(159)
As at December 31, 2023	3,190	–	3,190
– Transfer to credit-impaired	(2,288)	2,288	–
– Impairment losses recognised	1,321	2,079	3,400
– Impairment losses reversed	(504)	–	(504)
– Impairment losses write-off	–	(3,541)	(3,541)
As at December 31, 2024	1,719	826	2,545
– Transfer to credit-impaired	(1,670)	1,670	–
– Impairment losses recognised	79	1,230	1,309
– Impairment losses reversed	(16)	–	(16)
– Impairment losses write-off	–	(590)	(590)
As at April 30, 2025	112	3,136	3,248

The Company

	Lifetime ECL-not credit-impaired	Lifetime ECL-credit-impaired	Total
	RMB'000	*RMB'000*	*RMB'000*
As at January 1, 2023	607	–	607
– Impairment losses recognised	2,742	–	2,742
– Impairment losses reversed	(159)	–	(159)
As at December 31, 2023	3,190	–	3,190
– Transfer to credit-impaired	(2,288)	2,288	–
– Impairment losses recognised	1,319	15,658	16,977
– Impairment losses reversed	(504)	–	(504)
– Impairment losses write-off	–	(3,541)	(3,541)
As at December 31, 2024	1,717	14,405	16,122
– Transfer to credit-impaired	(1,670)	1,670	–
– Impairment losses recognised	79	1,230	1,309
– Impairment losses reversed	(16)	–	(16)
– Impairment losses write-off	–	(590)	(590)
As at April 30, 2025	110	16,715	16,825

Liquidity risk

In the management of the liquidity risk, the Group and the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's and the Company's operations and mitigate the effects of fluctuations in cash flows. The Group monitors the utilisations of bank borrowings and relies on issuance of ordinary shares and utilisations of bank facilities as significant sources of liquidity.

As at April 30, 2025, the Group's net current liabilities were RMB230,501,000. The Group had available unutilised bank facilities for daily operating of RMB130,780,000 and unutilised bank facilities for expenditure on construction in progress in Suzhou of RMB169,340,000 as at August 31, 2025. The directors of the Company believes that the unutilised facilities, other possible financing options and cash flows from potential business development opportunities could mitigate the liquidity risk of the Group.

The following table details the Group's and the Company's remaining contractual maturity for its financial liabilities and lease liabilities based on agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

The Group

	Weighted average effective interest rate	Within 1 year and on demand	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount
	%	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at December 31, 2023							
Trade and other payables	–	92,327	–	–	–	92,327	92,327
Borrowings	4.50	129,640	79,264	73,767	–	282,671	279,526
Lease liabilities	4.18	12,356	10,194	21,501	1,456	45,507	41,502
Amounts due to a related party	3.85	11,122	–	–	–	11,122	10,882
		245,445	89,458	95,268	1,456	431,627	424,237

	Weighted average effective interest rate	Within 1 year and on demand	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount
	%	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at December 31, 2024							
Trade and other payables	–	89,157	–	–	–	89,157	89,157
Borrowings	3.72	163,414	151,565	77,852	–	392,831	374,128
Lease liabilities	4.07	15,362	10,753	19,244	–	45,359	42,322
Amounts due to a related party	3.85	11,555	–	–	–	11,555	11,267
		279,488	162,318	97,096	–	538,902	516,874

	Weighted average effective interest rate	Within 1 year and on demand	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount
	%	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at April 30, 2025							
Trade and other payables	–	68,756	–	–	–	68,756	68,756
Borrowings	3.33	215,225	169,177	112,927	–	497,329	456,283
Lease liabilities	4.04	18,070	10,751	13,845	–	42,666	40,144
Amounts due to a related party	3.85	11,557	–	–	–	11,557	11,396
		313,608	179,928	126,772	–	620,308	576,579

The Company

	Weighted average effective interest rate	Within 1 year and on demand	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount
	%	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
<u>As at December 31, 2023</u>							
Trade and other payables	–	10,948	–	–	–	10,948	10,948
Borrowings	3.77	102,070	40,151	1,017	–	143,238	139,451
Lease liabilities	3.65	4,505	2,674	–	–	7,179	6,961
		117,523	42,825	1,017	–	161,365	157,360

	Weighted average effective interest rate	Within 1 year and on demand	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount
	%	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
<u>As at December 31, 2024</u>							
Trade and other payables	–	17,895	–	–	–	17,895	17,895
Borrowings	3.40	98,613	106,418	50,335	–	255,366	244,136
Lease liabilities	3.65	3,439	–	–	–	3,439	3,393
		119,947	106,418	50,335	–	276,700	265,424

	Weighted average effective interest rate	Within 1 year and on demand	1 to 2 years	2 to 5 years	Over 5 years	Total	Carrying amount
	%	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
<u>As at April 30, 2025</u>							
Trade and other payables	–	6,450	–	–	–	6,450	6,450
Borrowings	3.18	155,418	111,178	112,927	–	379,523	348,631
Lease liabilities	3.63	3,439	–	–	–	3,439	3,421
		165,307	111,178	112,927	–	389,412	358,502

(c) **Fair value measurements of financial instruments**

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

As at December 31, 2023 and 2024 and April 30, 2025, the Group and the Company did not hold any financial assets at FVTPL. There were no transfers between Level 1 and Level 2 during the Track Record Period.

Reconciliation of Level 3 fair value measurements of financial assets:

	Financial assets at FVTPL
	RMB'000
As at January 1, 2023 and December 31, 2023	–
Fair value gain:	
– in profit or loss	218
Purchased	125,000
Disposals	(125,218)
As at December 31, 2024 and April 30, 2025	–

Financial assets at FVTPL held by the Group for the Track Record Period are structured deposits. As at December 31, 2023 and 2024 and April 30, 2025, there is no unrealised gain or loss as the Group does not hold any financial assets at FVTPL. Fair value gains or losses on financial assets at FVTPL are included in "other gains and losses".

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

The directors of the Company consider that the carrying amounts of the Group's and the Company's financial assets and financial liabilities recorded at amortised cost in the Historical Financial Information approximate their fair values.

40. RETIREMENT BENEFIT PLANS

The employees of the Group in the PRC are members of the state-sponsored retirement benefit scheme organised by the relevant local government authority in the PRC. The PRC entities are required to contribute, based on a certain percentage of the payroll costs of their employees, to the retirement benefit scheme and have no further obligations for the actual payment of pensions or post-retirement benefits beyond the annual contributions. The total amount provided by the Group to the scheme in the PRC and charged to profit or loss are RMB6,472,000, RMB7,498,000, RMB2,598,000 and RMB2,507,000 for the years ended December 31, 2023 and 2024 and the four months ended April 30, 2024 (unaudited) and 2025 respectively.

41. PARTICULARS OF SUBSIDIARIES

During the Track Record Period and as at the date of this report, the Company has direct equity interests in the following subsidiaries:

Name of subsidiaries	Place/country and date of establishment incorporation	Paid-in capital/registered capital	Equity interest attributable to the Company				Principal activities
			As at December 31,		As at April 30,	As at the date of this report	
			2023	2024	2025		
旺山旺水(連雲港)製藥有限公司 Vigonvita (Lianyungang) Pharmaceutical Co., Ltd.* *(Note (i))*	The PRC/ December 6, 2019	RMB30,000,000/ RMB100,000,000	80%	100%	100%	100%	Production and commercialisation of innovative drugs

* *English name is for identification purpose only*

Name of subsidiaries	Place/country and date of establishment incorporation	Paid-in capital/registered capital	Equity interest attributable to the Company				Principal activities
			As at December 31,		As at April 30,	As at the date of this report	
			2023	2024	2025		
南通和風連旺醫藥科技有限公司 Nantong Hefeng Lianwang Pharmaceutical Technology Co., Ltd.*	The PRC/ October 10, 2020	RMB10,204,082/ RMB10,204,082	51%	51%	51%	51%	Research, development and commercialisation of innovative drugs
Vigonvita Tashkent LLC	Uzbekistan/ May 12, 2021	UZS5,280,000,000/ UZS5,280,000,000	100%	100%	100%	100%	Sales of pharmaceutical drugs
旺山旺水(上海)生物醫藥有限公司 Vigonvita (Shanghai) Life Sciences Co., Ltd.*	The PRC/ August 19, 2022	RMB10,000,000/ RMB10,000,000	100%	100%	100%	100%	Research, development of innovative drugs
英久健康諮詢(蘇州)有限公司 Yingjiu Health Consulting (Suzhou) Co., Ltd.*	The PRC/ December 6, 2023	RMB1,000,000/ RMB1,000,000	100%	100%	100%	100%	Sales and marketing management
青島安泰如山生物醫藥有限公司 Qingdao Antairushan Life Sciences Co., Ltd.* ("Vigonvita Qingdao") *(Note (ii))*	The PRC/ April 28, 2024	RMB20,000,000/ RMB50,000,000	N/A	90%	90%	90%	Production and commercialisation of innovative drugs
昂维他(北京)生物醫藥科技有限公司 Angweita (Beijing) Biopharmaceutical Technology Co., Ltd.*	The PRC/ July 25, 2025	RMB nil/ RMB1,000,000	N/A	N/A	N/A	100%	Investment holding

Notes:

(i) On November 1, 2024, the Company signed an agreement with the non-controlling shareholder of Vigonvita Lianyungang to acquire the remaining 20% equity interest in Vigonvita Lianyungang from its non-controlling shareholder at a cash consideration of RMB8,500,000. As at the date of this report, the Company owns the entire equity interest in Vigonvita Lianyungang.

(ii) Vigonvita Qingdao was wholly invested by the Company and incorporated in April 2024. On June 26, 2024, the Company signed an agreement with an independent third party to transfer 10% equity interest in Vigonvita Qingdao to the independent third party at a cash consideration of RMB100,000 representing 10% of the paid-in capital of Vigonvita Qingdao as at May 31, 2024. Afterwards, the Company and the non-controlling shareholder further injected the paid-in capital into Vigonvita Qingdao in proportion to their respective equity interest. As at April 30, 2025, the paid-in capital of Vigonvita Qingdao was RMB20,000,000. As at the date of this report, the Company owns 90% equity interest in Vigonvita Qingdao.

(iii) No statutory financial statements have been prepared for all of the subsidiaries for the Track Record Period as there are no statutory audit requirements.

42. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Lease liabilities	Borrowings	Financial liability at amortised cost	Amount due to a related party	Accrued issue costs	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	23,807	181,878	–	10,497	–	216,182
Financing cash flow	(10,351)	86,852	–	–	–	76,501
Non-cash changes:						
Finance costs	1,405	5,410	–	385	–	7,200
Interests capitalised in the cost of construction in progress	–	5,386	–	–	–	5,386
New leases entered	26,641	–	–	–	–	26,641
As at December 31, 2023	41,502	279,526	–	10,882	–	331,910
Financing cash flow	(12,113)	81,645	50,000	–	(848)	118,684
Non-cash changes:						
Finance costs	1,748	12,156	1,875	385	–	16,164
Interests capitalised in the cost of construction in progress	–	801	–	–	–	801
New leases entered	14,470	–	–	–	–	14,470
Lease modification	(3,285)	–	–	–	–	(3,285)
Reclassification of financial liabilities at amortised cost	–	–	(51,875)	–	–	(51,875)
Deferred issue costs recognised	–	–	–	–	3,253	3,253
As at December 31, 2024	42,322	374,128	–	11,267	2,405	430,122
Financing cash flow	(2,694)	77,528	–	–	(3,307)	71,527
Non-cash changes:						
Finance costs	516	3,627	–	129	–	4,272
Interests capitalised in the cost of construction in progress	–	1,000	–	–	–	1,000
Deferred issue costs recognised	–	–	–	–	2,159	2,159
As at April 30, 2025	40,144	456,283	–	11,396	1,257	509,080
As at January 1, 2024	41,502	279,526	–	10,882	–	331,910
Financing cash flow	(3,488)	31,521	50,000	–	–	78,033
Non-cash changes:						
Finance costs	526	3,928	98	129	–	4,681
Interests capitalised in the cost of construction in progress	–	114	–	–	–	114
Lease modification	(1,419)	–	–	–	–	(1,419)
As at April 30, 2024 (unaudited)	37,121	315,089	50,098	11,011	–	413,319

43. MAJOR NON-CASH TRANSACTIONS

During the Track Record Period, the Group entered into new lease agreements for office premises for 3 to 6 years. On the lease commencement, the Group recognised right-of-use assets amounted to RMB26,641,000, RMB14,470,000 , RMB nil and RMB nil with lease liabilities amounted to RMB26,641,000, RMB14,470,000, RMB nil and RMB nil during the years ended December 31, 2023 and 2024 and the four months ended April 30, 2024 (unaudited) and 2025, respectively.

44. SUBSEQUENT EVENTS

There are no material subsequent events undertaken by the Company or by the Group after April 30, 2025 and up to the date of this report.

45. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements of the Group, the Company or any of its subsidiaries have been prepared in respect of any period subsequent to April 30, 2025 and up to the date of this report.