Ribolia
Life Science

**Stock Code: 6938**

# Suzhou Ribo Life Science Co., Ltd.

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

# 2025
# ANNUAL REPORT

# CONTENTS

# DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

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|---|---|
| "AGM" | the annual general meeting of the Company to be held on Tuesday, June 9, 2026 at F3, 3B-2 China Resources Life Sciences Park, Tower 3, 16 Baoshen South Street, Daxing, Beijing, PRC or any adjournment thereof |
| "Articles of Association" | the articles of association of the Company which became effective upon the Listing Date and as amended from time to time |
| "associate(s)" | has the meaning ascribed thereto under the Listing Rules |
| "Audit Committee" | the audit committee of the Board |
| "Auditor's Report" | the auditor's report prepared by Ernst & Young |
| "Azemidite" | Azemidite Biopharm Co., Ltd. (天津興博潤生物製藥有限公司), a limited liability company established under the laws of the PRC on August 23, 2017, which is a non-wholly owned subsidiary of our Company |
| "Beijing RiboCure" | Beijing RiboCure Pharmaceutical Co., Ltd. (北京瑞博開拓醫藥科技有限公司), a limited liability company established in the PRC on August 6, 2015, which is a wholly-owned subsidiary of our Company |
| "Board" or "Board of Directors" | the board of Directors of our Company |
| "Boehringer Ingelheim" | Boehringer Ingelheim International GMBH, a global research-driven pharmaceutical company founded in 1885 and headquartered in Germany. Boehringer Ingelheim's human pharma research focuses on therapeutic areas of cardiovascular and metabolic health, cancer, mental health, eye health and inflammatory diseases |
| "CG Code" | the Corporate Governance Code contained in Appendix C1 to the Listing Rules, as amended from time to time |
| "China" or "PRC" | the People's Republic of China, but for the purpose of this annual report and for geographical reference only and except where the context requires otherwise, references in this annual report do not include Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| "close associate(s)" | has the meaning ascribed thereto under the Listing Rules |
| "Companies Ordinance" | the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time |

# DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

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| "Company", "our Company" or "Ribolife" | Suzhou Ribo Life Science Co., Ltd. (蘇州瑞博生物技術股份有限公司), a limited liability company established in the PRC on January 18, 2007 and converted into a joint stock company with limited liability on August 14, 2020, formerly known as Suzhou Ribo Life Science Limited (蘇州瑞博生物技術有限公司) |
| "Company Law" or "PRC Company Law" | the Company Law of the PRC (《中華人民共和國公司法》), as amended, supplemented or otherwise modified from time to time |
| "connected person(s)" | has the meaning ascribed thereto under the Listing Rules |
| "connected transaction(s)" | has the meaning ascribed thereto under the Listing Rules |
| "Core Product" | has the meaning ascribed thereto in Chapter 18A of the Listing Rules; for the purpose of this annual report, our Core Product refers to RBD4059 (vortosiran) |
| "CSRC" | the China Securities Regulatory Commission (中國證券監督管理委員會), a regulatory body responsible for the supervision and regulation of the PRC national securities markets |
| "Director(s)" or "our Director(s)" | the director(s) of our Company, including all executive, non-executive and independent non-executive directors |
| "Dr. LIANG" | Dr. LIANG Zicai (梁子才), the spouse of Dr. ZHANG, the chairman of the Board, an executive Director, our chief executive officer and a member of our Single Largest Group of Shareholders |
| "Dr. ZHANG" | Dr. ZHANG Hongyan (張鴻雁), the spouse of Dr. LIANG, an executive Director, our president and a member of our Single Largest Group of Shareholders |
| "EMA" | the European Medicines Agency, responsible for the scientific evaluation, supervision, and safety monitoring of medicines within the EU and the European Economic Area |
| "Employee Incentive Platforms" | the employee incentive platforms established for the purpose of implementing the Employee Incentive Scheme including Kunshan Ruiman, Kunshan Ruijing, Kunshan Ruixing, Kunshan Ruixiang, Kunshan Ruilang and Kunshan Ruizhuo |
| "Employee Incentive Scheme" | the share incentive scheme adopted by our Company on May 20, 2020, as amended from time to time |

# DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

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| "EU" | European Union |
| "FDA" | the United States Food and Drug Administration |
| "Global Offering" | the offer of H Shares for subscription as described in the Prospectus |
| "Group", "our Group", "our", "we" or "us" | our Company and all of our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of its present subsidiaries, the businesses operated by such subsidiaries or their predecessors (as the case may be) |
| "H Share(s)" | listed ordinary share(s) in our share capital, with nominal value of RMB1.00 each in the share capital of our Company, which are subscribed for and traded in HK dollars, and listed on the Stock Exchange |
| "H Share Registrar" | Computershare Hong Kong Investor Services Limited |
| "Hong Kong" or "HK" | the Hong Kong Special Administrative Region of the PRC |
| "Hong Kong dollars," "HK dollars" or "HK$" | Hong Kong dollars, the lawful currency of Hong Kong |
| "Independent Third Party(ies)" | an individual or a company which, to the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, is not a connected person of the Company within the meaning of the Listing Rules |
| "Kunshan RiboCure" | Kunshan RiboCure Pharmaceutical Science and Technology Co., Ltd. (昆山瑞博居爾醫藥科技有限公司), a limited liability company established in the PRC on October 16, 2012, which is a wholly-owned subsidiary of our Company |
| "Kunshan Ruiji" | Kunshan Ruiji Enterprise Management Consulting L.P. (昆山瑞技企業管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on July 11, 2014, the general partner of which is Dr. LIANG and a member of our Single Largest Group of Shareholders |
| "Kunshan Ruijing" | Kunshan Ruijing Enterprise Management Consulting L.P. (昆山瑞景企業管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on May 20, 2020, and one of our Employee Incentive Platforms |

# DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

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|---|---|
| "Kunshan Ruikong" | Kunshan Ruikong Enterprise Management Consulting L.P. (昆山瑞控企業管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on December 2, 2011, the general partner of which is Dr. ZHANG and a member of our Single Largest Group of Shareholders |
| "Kunshan Ruilang" | Kunshan Ruilang Enterprise Management Consulting L.P. (昆山瑞朗企業管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on May 20, 2020, and one of our Employee Incentive Platforms |
| "Kunshan Ruiman" | Kunshan Ruiman Enterprise Management Consulting L.P. (昆山瑞曼企業管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on September 22, 2015, and one of our Employee Incentive Platforms |
| "Kunshan Ruixiang" | Kunshan Ruixiang Enterprise Management Consulting L.P. (昆山瑞翔企業管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on May 20, 2020, and one of our Employee Incentive Platforms |
| "Kunshan Ruixing" | Kunshan Ruixing Enterprise Management Consulting L.P. (昆山瑞興企業管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on May 20, 2020, and one of our Employee Incentive Platforms |
| "Kunshan Ruizhuo" | Kunshan Ruizhuo Enterprise Management Consulting L.P. (昆山瑞卓企業管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on February 23, 2023, which is held by its general partner, Dr. LIANG and its sole limited partner, Dr. GAN Liming (甘黎明), as to 8.61% and 91.39%, respectively, and one of our Employee Incentive Platforms |
| "Latest Practicable Date" | April 16, 2026, being the latest practicable date for the purpose of ascertaining certain information in this annual report prior to its publication |
| "Listing" | the listing of our H Shares on the Stock Exchange |
| "Listing Date" | January 9, 2026, being the date on which dealings in our H Shares first commence on the Stock Exchange |
| "Listing Rules" | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time |

# DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

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|---|---|
| "Madrigal" | Madrigal Pharmaceuticals, Inc. (NASDAQ: MDGL), a biopharmaceutical company focused on delivering novel therapeutics for metabolic dysfunction-associated steatohepatitis (MASH), a liver disease with high unmet medical need |
| "Main Board" | the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange |
| "Model Code" | the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules |
| "NMPA" | the National Medical Products Administration of the PRC (國家藥品監督管理局) and its predecessor, the China Food and Drug Administration (國家食品藥品監督管理總局) |
| "Nomination Committee" | the nomination committee of the Board |
| "Pre-IPO Share Option Scheme" | the 2024 pre-IPO share option scheme adopted by our Company on December 10, 2024, as amended from time to time |
| "Prospectus" | the prospectus issued by the Company on December 31, 2025 |
| "Qilu Pharmaceutical" | Qilu Pharmaceutical Co., Ltd. (齊魯製藥有限公司), a pharmaceutical company in China specializing in the research, production and sales of preparations and original pharmaceutical ingredients for the treatment of cardiovascular diseases, cerebrovascular diseases, respiratory system diseases, nervous system diseases, ophthalmic diseases and other conditions |
| "R&D" | research and development |
| "Remuneration and Appraisal Committee" | the remuneration and appraisal committee of the Board |
| "Reporting Period" | the year ended December 31, 2025 |
| "Ribo Australia" | Ribo (Australia) Life Science Pty. Ltd., a limited liability company incorporated in Australia on June 28, 2021, which is a wholly-owned subsidiary of our Company |
| "Ribo HK" | Ribo (Hong Kong) Life Science Limited (瑞博(香港)生物技術有限公司), a limited company incorporated in Hong Kong on July 22, 2013, which is a wholly-owned subsidiary of our Company |

# DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

| | |
|---|---|
| "Ribocure AB" | Ribocure Pharmaceuticals AB, a limited liability company incorporated in Sweden on February 18, 2022 and a non-wholly owned subsidiary of the Company |
| "Ribocure AB Share Incentive Scheme" | the share incentive scheme adopted by our subsidiary Ribocure AB on January 5, 2023, as amended from time to time |
| "RMB" or "Renminbi" | Renminbi, the lawful currency of the PRC |
| "SFO" | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time |
| "Shandong Ribotek" | Ribotek Biopharmaceuticals (Shandong) Co., Ltd. (瑞博泰克(山東)生物醫藥科技有限公司), a limited liability company established in the PRC on July 25, 2025, which is a wholly-owned subsidiary of our Company |
| "Share(s)" | ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, comprising Unlisted Shares and H Shares |
| "Shareholder(s)" | holder(s) of our Share(s) |
| "Shenzhen Ribotek" | Ribotek Biopharmaceuticals (Shenzhen) Co., Ltd. (瑞博生物製藥(深圳)有限公司), a limited liability company established in the PRC on May 29, 2025, which is a wholly-owned subsidiary of our Company |
| "Single Largest Group of Shareholders" | refers to Dr. LIANG, Dr. ZHANG, Kunshan Ruikong, Kunshan Ruiman, Ms. MO Hua, Prof. XI Zhen, Prof. ZHANG Lihe, Kunshan Ruiji and Kunshan Ruixing, details of which are set out in the section headed "Relationship with our Single Largest Group of Shareholders" in the Prospectus |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited |
| "Strategy Committee" | the strategy committee of the Board |
| "subsidiary(ies)" | has the meaning ascribed thereto under the Listing Rules |
| "substantial shareholder(s)" | has the meaning ascribed thereto under the Listing Rules |

# DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

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|---|---|
| "Supervisor(s)" | the supervisor(s) of our Company |
| "Supervisory Committee" | the supervisory committee of our Company |
| "treasury share(s)" | has the meaning ascribed thereto under the Listing Rules |
| "U.S. dollars," "US$" or "USD" | United States dollars, the lawful currency of the United States |
| "United States" or "U.S." | the United States of America, its territories, its possessions and all areas subject to its jurisdiction |
| "Unlisted Share(s)" | ordinary share(s) issued by our Company, with a nominal value of RMB1.00 each, which is/are not listed on any stock exchange |
| "VAT" | value added tax |
| "%" | per cent |

# CORPORATE INFORMATION

## DIRECTORS

### EXECUTIVE DIRECTORS

Dr. LIANG Zicai (梁子才) *(Chairman of the Board and Chief Executive Officer)*
Dr. GAN Liming (甘黎明)
Dr. ZHANG Hongyan (張鴻雁)

### NON-EXECUTIVE DIRECTORS

Dr. QI Fei (戚飛)
Mr. LI Dongfang (李東方)
Mr. LI Yuhui (李宇輝)

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. YU Xuefeng (宇學峰)
Mr. MA Chaosong (馬朝松)
Mr. WANG Ruiping (王瑞平)

## SUPERVISORS

Ms. WANG Fan (王番)
Mr. WANG Lijie (王立傑)
Mr. ZHANG Ning (張寧)

## JOINT COMPANY SECRETARIES

Mr. ZHANG Su (張甦)
Mr. CHUNG Ming Fai (鍾明輝) *(Fellow of the Hong Kong Institute of Certified Public Accountants and a member of CPA Australia)*

## AUTHORIZED REPRESENTATIVES

Dr. LIANG Zicai (梁子才)
Mr. ZHANG Su (張甦)

## AUDIT COMMITTEE

Mr. MA Chaosong (馬朝松) *(Chairperson)*
Mr. WANG Ruiping (王瑞平)
Dr. YU Xuefeng (宇學峰)

## REMUNERATION AND APPRAISAL COMMITTEE

Mr. WANG Ruiping (王瑞平) *(Chairperson)*
Dr. LIANG Zicai (梁子才)
Dr. YU Xuefeng (宇學峰)

## NOMINATION COMMITTEE

Dr. YU Xuefeng (宇學峰) *(Chairperson)*
Dr. ZHANG Hongyan (張鴻雁)
Mr. MA Chaosong (馬朝松)

## STRATEGY COMMITTEE

Dr. LIANG Zicai (梁子才) *(Chairperson)*
Dr. GAN Liming (甘黎明)
Mr. WANG Ruiping (王瑞平)
Mr. LI Dongfang (李東方)
Dr. QI Fei (戚飛)
Mr. LI Yuhui (李宇輝)

## HEAD OFFICE, REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 168 Yuanfeng Road
Yushan Town
Kunshan City
Jiangsu Province
PRC

# CORPORATE INFORMATION

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40/F, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

## H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

## COMPANY'S WEBSITE

www.ribolia.com

## PRINCIPAL BANK

China CITIC Bank, Kunshan Sub-Branch
Room 101, 501-508 and 601-604
Building 1
Huijin Fortune Plaza
No. 258 Dengyun Road
Yushan Town
Kunshan City
Jiangsu Province
PRC

## LEGAL CONSULTANT

Kirkland & Ellis
26/F, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

## AUDITOR

Ernst & Young
*Certified Public Accountants and Registered Public Interest Entity Auditor*
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

## COMPLIANCE ADVISER

Soochow Securities International Capital Limited
Level 17, Three Pacific Place
1 Queen's Road East
Hong Kong

## STOCK CODE

6938

# CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board, I would like to express my sincere gratitude for the trust and support you have given to Ribolife.

2025 marks the year in which the economic situation emerges from the capital winter, and is also a year of comprehensive breakthroughs for the Company's business. Over the past year, we achieved further success across multiple dimensions, including pipeline progress, oligonucleotide technology research and business development (BD) partnership. The phase 2 clinical trial for our core pipeline candidate, vortosiran (RBD4059), was basically completed, further strengthening its globally leading momentum; approval was granted and the trial initiated for the phase 2 clinical trial of our key pipeline candidate, RBD5044, in China; the phase 2 clinical trial for RBD7022, a product licensed to Qilu Pharmaceutical, was basically completed, and the phase 3 clinical trial is about to be initiated; and the Company achieved significant breakthroughs in extra-hepatic delivery, including to the kidneys, myocardium and adipose tissue. The Company finalized a US$4.4 billion external licensing with Madrigal, a global leader in the R&D of fatty liver drugs; positive progress was made in the research of small interfering RNA ("**siRNA**") drugs targeting novel fatty liver targets, conducted in collaboration with Boehringer Ingelheim; and on January 9, 2026, the Company completed its Listing on the Stock Exchange, raising the gross proceeds of HK$2.1 billion. These business developments are the positive outcomes of the Company's differentiated pipeline strategy, engineering breakthroughs in extra-hepatic delivery technology and international strategy, laying a solid foundation for our development objectives in the next stage.

## CONSOLIDATING THE LEADING POSITION IN THE INDUSTRY THROUGH THE DIFFERENTIATED PRODUCT PIPELINE LAYOUT

The Company has established a diversified product portfolio covering chronic diseases such as cardiovascular, metabolic, renal and hepatic diseases. Among these, our Core Product, vortosiran (RBD4059), which is the most advanced oligonucleotide drug targeting coagulation factor XI ("**FXI**") globally, has completed phase 2a trial in Europe. Phase 1 clinical trial data disclosed in 2025 demonstrated that vortosiran achieved an FXI activity inhibition rate exceeding 90% and maintained a clinically significant level of FXI inhibition for up to six months or longer, highlighting its significant potential for improving medication compliance in chronic anticoagulation. Another drug, RBD5044, which targets apolipoprotein C-III ("**APOC3**") and has best-in-class potential, is currently progressing through a phase 2 trial in Europe. Furthermore, it received approval for clinical trials in China in January 2026, with the relevant trial commencing in February of the same year. Phase 3 clinical trial in China for RBD7022 (QLC7401), a drug targeting Proprotein Convertase Subtilisin/Kexin Type 9 ("**PCSK9**"), is about to be initiated by our partner, Qilu Pharmaceutical, marking our first in-house pipeline to enter phase 3 trial. The hepatitis D virus ("**HDV**")-targeting drug, RBD1016, has been granted Orphan Drug Designation by the EMA. In addition, we will strategically advance the further development of several other proprietary pipeline candidates, continuously enriching and expanding our differentiated pipeline portfolio.

Currently, our oligonucleotide drug portfolio ranks at the forefront globally. The strong platform advantage provides a solid foundation for the Company to continue delivering innovative oligonucleotide pipeline with the potential for being both first-in-class and best-in-class.

# CHAIRMAN'S STATEMENT

## EXPLORING THE EXTRA-HEPATIC FIELD DRIVEN BY AN INNOVATIVE CORE, AND LEADING TECHNOLOGICAL ITERATION

Following the advancement of seven projects to the clinical development stage via our liver-targeting RiboGalSTAR™ technology platform, which has become one of the most efficient GalNAc platforms globally, we also achieved several positive developments in our research in extra-hepatic field in 2025. The Company's proprietary RiboPepSTAR™ delivery system obtained excellent preclinical data in extra-hepatic tissues such as the kidneys, heart and adipose tissue, with our first kidney-targeting drug having advanced to the preclinical research stage. The breakthroughs in extra-hepatic delivery technology for the specific delivery technology for multiple important organs signify that after several years of planning, the Company has transformed the extra-hepatic delivery from a scientific issue into an engineering issue, laying the foundation for the establishment of more targeted systems. In addition to extra-hepatic delivery technology, our multi-target siRNA technology platform demonstrated in research data the ability to simultaneously silence two or more disease-causing genes using a single molecule. Building on our increasingly mature extra-hepatic targeting and multi-target technology platform, we are paving the way for First-in-Class and Best-in-Class therapies, covering major disease areas such as kidney disease, cardiovascular disease and metabolic disorders, thereby highlighting Ribolife's leading position in the field of oligonucleotide drug and technology R&D.

## EXPANDING OUR GLOBAL FOOTPRINT, AND TAKING STRATEGIC PARTNERSHIP TO NEW HEIGHTS

Through strategic collaboration with leading domestic and international pharmaceutical companies, the value of the Company's technology platform and pipeline has been consistently validated by the market. In 2025, the Company reached a R&D milestone in its collaborations with Boehringer Ingelheim and Qilu Pharmaceutical, respectively, and received the relevant payments, with the collaborations progressing well. In February 2026, the Company entered into a strategic collaboration with Madrigal, the world's first company to launch a drug for MASH, with a potential total transaction value exceeding US$4.4 billion. The collaboration will involve the joint development of six innovative siRNA therapies for MASH, based on Ribolife's proprietary liver-targeting RiboGalSTAR™ platform. The Company's robust R&D capabilities have once again been recognized by the international industry leaders.

By combining our partners' extensive experience in clinical development with Ribolife's efficient oligonucleotide drug R&D system, we will generate powerful synergies that will help us accelerate the development of oligonucleotide drug and bring benefits to patients worldwide as soon as possible.

# CHAIRMAN'S STATEMENT

## ENHANCING THE SPEED AND SCOPE OF VALUE REALIZATION BY STABLE OPERATION

During the Reporting Period, the Company focused on platform-driven innovation and global expansion, continuing to advance the R&D and business strategy, thereby achieving steady operational growth. In 2025, the Company generated revenue of RMB148.5 million, representing a year-on-year increase of 4.1%, primarily derived from collaboration and licensing income, reflecting the continued realization of the value of our proprietary R&D platform; cash and cash equivalents on hand increased from RMB167.9 million as of the end of 2024 to RMB406.7 million; at the same time, R&D expenses amounted to approximately RMB280.5 million, remaining largely unchanged from 2024, reflecting the Company's firm commitment to long-term, innovation-driven sustainable development.

## FUTURE PROSPECTS: MOVING TOWARDS THE RANKS OF GLOBAL LEADERS IN INNOVATIVE DRUGS

Across the global pharmaceutical industry, oligonucleotide drugs are revolutionizing clinical treatment options at an unprecedented pace. As a global leader in this field, the Company has entered a critical phase of transitioning from technological accumulation to value realization. We will actively engage in global competition, accelerate the realization of value from our Core Product and pipeline, and continue to consolidate and deepen our leading position. In 2026, in line with our strategic plan, we will accelerate the global development and commercialization of our leading drug candidates, focusing on achieving new milestones for our Core Product vortosiran and key product RBD5044 as soon as possible, while actively expanding into new disease areas and indications. We will drive our first extra-hepatic product into the clinical phase at full speed, and deepen the global commercialization strategy to expedite product marketing and fully realize the value of assets.

We firmly believe that, with the significant advantages in durability, precision and safety, siRNA will lead the future landscape of drug therapy. Based on profound technological accumulation, a leading pipeline layout and a clear globalization strategy, Ribolife has the capability to consolidate and expand its leading edge in the global competition landscape of oligonucleotide drug, achieving robust and sustainable development.

Thank you once again for your interest in and support to Ribolife. Moving forward, the Company will continue to prioritize patient needs, with technological innovation as the core driving force, enhance our global competitiveness and create long-term value to benefit our Shareholders and society.

**Dr. LIANG Zicai**
*Chairman of the Board, Executive Director and Chief Executive Officer*

# FINANCIAL HIGHLIGHTS

A summary of the results and of the assets and liabilities of the Group for the last three financial years, as extracted from the audited financial information and financial statements is set out below:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

| | For the year ended December 31, | | |
|---|---|---|---|
| | **2025** | 2024 | 2023 |
| | **RMB'000** | RMB'000 | RMB'000 |
| Revenue | **148,510** | 142,627 | 44 |
| Gross profit | **135,034** | 130,724 | 20 |
| R&D expenses | **(280,461)** | (280,370) | (315,763) |
| Administrative expenses | **(118,404)** | (92,506) | (81,113) |
| Loss before tax | **(284,556)** | (257,047) | (437,148) |
| Loss for the year | **(288,454)** | (281,492) | (437,296) |
| Loss attributable to owners of the parent | **(278,059)** | (270,151) | (428,349) |
| Loss per share – Basic and diluted (in RMB) | **(2.11)** | (2.10) | (3.34) |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | As of December 31, | | |
|---|---|---|---|
| | **2025** | 2024 | 2023 |
| | **RMB'000** | RMB'000 | RMB'000 |
| Non-current assets | **322,759** | 381,565 | 406,773 |
| Current assets | **517,050** | 269,293 | 309,475 |
| Total assets | **839,809** | 650,858 | 716,248 |
| Non-current liabilities | **211,627** | 347,619 | 272,674 |
| Current liabilities | **601,408** | 414,306 | 327,851 |
| Total liabilities | **813,035** | 761,925 | 600,525 |
| Total equity/(deficits) | **26,774** | (111,067) | 115,723 |

*Note:*

The Company was listed on the Main Board of the Stock Exchange on January 9, 2026. The Company published financial information since 2023 in the Prospectus, and therefore the above table sets out the financial highlights for the three accounting years since 2023.

# PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

## EXECUTIVE DIRECTORS

**Dr. LIANG Zicai (梁子才)**, aged 61, is our founder, chairman of the Board, executive Director, and chief executive officer. Dr. LIANG is the spouse of Dr. ZHANG. Dr. LIANG has served as the chairman of the Board since the establishment of our Company on January 18, 2007, and has been the chief executive officer since September 1, 2017. He was redesignated as an executive Director on March 18, 2025. Dr. LIANG has held key positions in six subsidiaries within our Group, including (i) the chairman of the board of directors at Kunshan RiboCure since 2012, (ii) the sole director at Ribo HK since 2013, (iii) a director at Beijing RiboCure since 2016, (iv) a director at Ribo Australia since 2021, (v) a director at Ribocure AB since 2022, and (vi) the chairman of the board of directors of Azemidite since 2023. Dr. LIANG is mainly responsible for the corporate strategy, technological innovation and fundraising of our Group.

Dr. LIANG has accumulated over 35 years of robust experience in biological science, management and R&D of the biotechnology and pharmaceutical industries. Dr. LIANG worked at the Institute of Molecular Medicine of Peking University (北京大學分子醫學研究所) from January 2006 to August 2017, holding positions including a director of research lab, professor, doctoral supervisor and tenured professor, successively, and during the same period, he also concurrently served as a director of the education committee and a deputy director of the academic committee of the same institute and a member of the degree committee of life science of Peking University. From 2017 to 2020, he took a long-term leave of absence to pursue entrepreneurial activities.

Dr. LIANG held several part-time positions across biotechnology companies, educational institutions and research organizations, including, (i) a director of Lepton Pharmaceuticals Inc. in Israel from June 2021 to March 2023; (ii) a guest professor at School of Pharmaceutical Sciences of Peking University (北京大學藥學院) from November 2019 to November 2021; (iii) an independent director of Berry Genomics Co., Ltd. (成都市貝瑞和康基因技術股份有限公司, previously known as 成都天興儀表股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000710), from August 2017 to July 2020; (iv) a director of Suzhou Wenqu Biological Microsystem Co., Ltd. (蘇州文曲生物微系統有限公司) from January 2013 to April 2019; (v) a director of Kunshan Wenqu Biological Microsystem Co., Ltd. (昆山文曲生物微系統有限公司) from March 2011 to March 2017; (vi) a deputy director at Nucleic Acid Society of the Chinese Society of Biochemistry and Molecular Biology (中國生物化學與分子生物學學會核糖核酸專業委員會) from November 2012 to October 2020; (vii) a director of Kunshan Institute of Industrial Technology Small Nucleic Acid Biotechnology Research Institute Co., Ltd. (昆山市工業技術研究院小核酸生物技術研究所有限責任公司) from July 2009 to September 2017; (viii) a committee member of Technology Committee of Jiangsu (Kunshan) Institute of Industrial Technology (江蘇省（昆山）工業技術研究院) from November 2010 to November 2015; and (ix) a professor at Chinese National Human Genome Center, Beijing (國家人類基因組北方研究中心) from October 2002 to December 2005.

Currently, Dr. LIANG has also held positions outside out Group, including (i) a director at Etta Biotech Co., Ltd. (蘇州壹達生物科技有限公司) since November 2014, a company specialized in the development of cytology application solutions and hardware, and (ii) the chairman of the Jiangsu Innovation Alliance of the siRNA Industry (江蘇省小核酸產業創新聯盟) since January 2010.

# PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Dr. LIANG received his bachelor's degree in zoology and his master's degree in entomology from Nankai University (南開大學) in the PRC in July 1985 and June 1988, respectively. He further obtained his doctor's degree in physiological mycology from Uppsala University in Sweden in October 1995. After that, he served as a research fellow at the Department of Molecular Biophysics and Biochemistry at Yale University in the United States until November 1998. Dr. LIANG garnered a multitude of prestigious awards and recognitions throughout the years, such as the "Leading Talent of the Double Innovation Team in Jiangsu Province" (江蘇省雙創團隊領軍人才) by the Jiangsu Provincial Department of Science and Technology (江蘇省科學技術廳) in September 2010.

**Dr. GAN Liming (甘黎明)**, aged 56, is our executive Director, co-chief executive officer and global R&D president. He joined our Group on January 1, 2022 and served as the global R&D president and chief medical officer of the Company from January 2022 to July 2023. He has been a Director, the co-chief executive officer, the global R&D president and the chief medical officer of our Company since July 14, 2023 and was redesignated as an executive Director on March 18, 2025. He ceased to serve as the chief medical officer of our Company on March 25, 2026. He has been an executive director and chief executive officer of Ribocure AB since February 2022. Dr. GAN is mainly responsible for the overall R&D strategy, R&D operation, pipeline development and oversees business development activities of our Group.

Dr. GAN has more than 20 years of pharmaceutical experience in AstraZeneca AB in Sweden, a subsidiary of AstraZeneca Plc, a company listed on the London Stock Exchange (ticker symbol: AZN) and NASDAQ Global Market (ticker symbol: AZN) and held various positions including (i) the vice president of global R&D from April 2019 to December 2021, (ii) the executive head of the department of biomedical sciences for heart failure from January 2019 to April 2019, (iii) a global chief scientist from June 2018 to April 2019, (iv) a senior director physician from August 2013 to April 2019, (v) a translational science director from September 2011 to July 2013, (vi) the head of disease area pipeline from October 2007 to February 2011 and (vii) a principal scientist in the vascular biology team from March 2001 to September 2007.

Dr. GAN obtained his bachelor's degree in medicine from University of Gothenburg in Sweden in June 1997, and his Ph.D. in cardiovascular research and clinical physiology from University of Gothenburg in Sweden in September 2000. He obtained his medical license from Sahlgrenska University Hospital in September 2000. Since 2008, he has held an adjunct professorship in translational science and drug development at University of Gothenburg in Sweden.

**Dr. ZHANG Hongyan (張鴻雁)**, aged 59, is our executive Director and president. Dr. ZHANG is the spouse of Dr. LIANG. Dr. ZHANG joined our Group on January 18, 2007. She has served as a Director since April 2007 and served as a president from April 2007 to July 2020. She was then appointed as an executive deputy president from July 2020 to June 2021. Since June 2021, she has served as a president of our Company. Dr. ZHANG was redesignated as an executive Director on March 18, 2025. Dr. ZHANG has also held positions in seven subsidiaries within our Group, including (i) a president at Kunshan RiboCure since October 2012, (ii) a director and president at Beijing RiboCure since August 2015, (iii) a director at Azemidite from August 2017 to February 2021 (reappointed as a director at Azemidite in June 2021 and has been holding the position since then), and the chairman of the board of directors at Azemidite from June 2021 to July 2023, (iv) a director at Ribo Australia since June 2021, (v) a director at Ribocure AB since February 2022, (vi) a director of Shandong Ribotek since July 2025 and (vii) a director of Shenzhen Ribotek since May 2025. Dr. ZHANG is mainly responsible for the overall corporate operation of our Group.

Dr. ZHANG had extensive experience in the area of biotechnology and life sciences, including serving as (i) a director at Tianjin PharmaTide Co. Ltd. (天津法爾瑪製藥有限公司) from April 2021 to July 2023 and (ii) a researcher at the Karolinska Institutet in Sweden since 1999.

# PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Dr. ZHANG received her bachelor's degree in zoology from Nankai University in the PRC in July 1988. She then achieved her doctor's degree in animal physiology from Uppsala University in Sweden in June 1996. Following that, she served as a research fellow at the Department of Molecular Biophysics and Biochemistry at Yale University in the United States until November 1998. Dr. ZHANG received the title of a core member of "Double Innovation Team in Jiangsu Province" (江蘇省雙創團隊核心成員) from the Jiangsu Provincial Department of Science and Technology (江蘇省科學技術廳) in 2010 and the Skapa Diploma from the Swedish foundation Stiftelsen Skapa in 2003.

## NON-EXECUTIVE DIRECTORS

**Dr. QI Fei (戚飛)**, aged 43, is a non-executive Director. He was appointed as a Director on July 20, 2021 and was redesignated as a non-executive Director on March 18, 2025. He is mainly responsible for providing guidance and advice on the corporate and business strategies of our Group.

From October 2007 to March 2010, Dr. QI served as a research assistant at University of California, Los Angeles. He worked as a senior researcher at COFCO Nutrition and Health Research Institute Co., Ltd. (中糧營養健康研究院有限公司) from February 2011 to September 2014. From June 2018 to July 2022, he served as a supervisor of Qingdao BAHEAL Pharmaceutical Co., Ltd. (青島百洋醫藥股份有限公司), a company listed on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 301015). From March 2019 to December 2021, he served as a director of Hangzhou Oriomics Biotechnology Co., Ltd. (杭州翱鋭生物科技有限公司). He also served as a general manager and executive director at Suzhou Hangzheng Biotechnology Co., Ltd. (蘇州航正生物技術有限公司) from July 2021 to September 2023. He worked as a director at Baiyang Intelligent Technology Group Co., Ltd. (百洋智能科技集團股份有限公司) from December 2021 to November 2023. From February 2022 to November 2023, he served as a director at Qingdao Yifuzhen Network Technology Co., Ltd. (青島易複診網絡科技有限公司).

Currently, he holds several positions outside our Group, including (i) an executive director at Legend Capital Management Co., Ltd. (君聯資本管理股份有限公司), a company focused on investment and asset management, since April 2021, where he served as a director, vice president, and investment manager from December 2014 to April 2021, (ii) a director at Shanghai Fuai Management Consulting Co., Ltd. (上海芙艾管理諮詢有限公司), a company focused on medical aesthetics investment, since November 2018, (iii) a director at Beijing Genskey Technology Co., Ltd. (北京金匙基因科技有限公司), a company specialized in gene technology diagnostic and therapeutic services for infectious diseases, since April 2019, (iv) a director at Suzhou Liangyihui Network Technology Co., Ltd. (蘇州良醫匯網絡科技有限公司), a company specialized in biopharmaceutical information consulting, since June 2019, (v) a director at Sophmind Technology (Beijing) Co., Ltd. (同心智醫科技(北京)有限公司(previously known as Tongxin Medical Union (Beijing) Technology Co., Ltd. (同心醫聯(北京)科技有限公司)), a company focused on health consulting, since June 2019, (vi) a director at Beijing JoeKai Biotechnology Co., Ltd. (北京卓凱生物技術有限公司), a company focused on the R&D of drugs for mental disorders, since January 2021, (vii) a director at Beijing Egg Yolk Technology Co., Ltd. (北京蛋黃科技有限公司), a company specialized in science and technology promotion services, since June 2021, (viii) a director at Shanghai Leapstack Data Technology Co., Ltd. (上海棧略數據技術有限公司), a company focused on insurance technology services, since January 2022, (ix) a director at Chengdu Ling Tai Ke Biotechnology Co., Ltd. (成都凌泰氪生物技術有限公司), a company specialized in biological genetic technology, since August 2023, (x) a director at Chengdu Zhenyu Biomedicine Technology Co., Ltd. (成都臻愈生物醫藥科技有限公司), a company specialized in biological genetic technology, since September 2023, (xi) a director at Nuwacell Biotechnology Co., Ltd. (安徽中盛溯源生物科技有限公司), a company specialized in cell therapy, since August 13, 2025 and (xii) a director at Nantong Fengxun Biotechnology Co., Ltd. (南通鋒尋生物科技有限公司), a company specialized in biological genetic technology, since September 2025.

# PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Dr. QI obtained his bachelor's degree in biotechnology and his Ph.D. in molecular cell biology at Peking University (北京大學) in the PRC in June 2004 and December 2010, respectively.

**Mr. LI Dongfang (李東方)**, aged 38, is a non-executive Director. Mr. LI was appointed as a Director on October 18, 2018 and was redesignated as a non-executive Director on March 18, 2025. He has also served as a director at Beijing RiboCure since January 2019. He is mainly responsible for providing guidance and advice on the corporate and business strategies of our Group.

Mr. LI's professional journey commenced at Goldman Sachs (Asia) L.L.C. (高盛(亞洲)有限責任公司) where he served as an equity analyst in the global investment research division from August 2011 to February 2015.

Currently, Mr. LI also holds positions at various companies, including:

| Period of service | Employer | Position |
|---|---|---|
| Since August 2015 | SDICFUND Management Co., Ltd. (國投創新投資管理有限公司), a company focused on investment and asset management | Executive director, investment team |
| Since June 2019 | EpimAb Biotherapeutics, Inc. (岸邁生物有限公司), a company focused on the R&D of bispecific antibody technology and products | Non-executive director |
| Since May 2022 | Zylox-Tonbridge Medical Technology Co., Ltd. (歸創通橋醫療科技股份有限公司), a company specialized in the manufacturing of medical devices such as neurointerventional and peripheral interventional devices, and listed on the Stock Exchange (stock code: 2190) | Non-executive director |
| Since January 2023 | Hipro Biotechnology Co., Ltd. (石家莊禾柏生物技術股份有限公司), a company focused on the manufacturing of in vitro diagnostic device reagent | Non-executive director |
| Since May 2023 | Beijing Shuimu Dongfang Medical Technology Co., Ltd. (北京水木東方醫用機器人技術創新中心有限公司), a company focused on the development and manufacturing of medical device | Non-executive director |
| Since July 2024 | Hainan Simcere Zaiming Pharmaceutical Co., Ltd. (海南先聲再明醫藥股份有限公司), a company specialized in the development and commercialization of anti-tumor innovative drugs | Non-executive director |
| Since October 2025 | Tinavi Medical Technologies Co., Ltd. (北京天智航醫療科技股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688277) and specialized in medical robot | Director |

# PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

In addition, from February 2022 to June 2025, Mr. Li served as a non-executive director of Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd. (四川科倫博泰生物醫藥股份有限公司), a company specialized in R&D, manufacturing and commercialization of novel drugs and listed on the Stock Exchange (stock code: 6990).

Mr. LI obtained his bachelor's degree in electronic commerce and master's degree in finance from University of International Business and Economics (對外經濟貿易大學) in the PRC in July 2009 and July 2011, respectively. In July 2024, he obtained another master's degree in public health from Tsinghua University in the PRC. He has been a Chartered Financial Analyst (註冊金融分析師) since August 2015.

**Mr. LI Yuhui (李宇輝)**, aged 56, is a non-executive Director. Mr. LI was appointed as a Director on November 8, 2019 and was redesignated as a non-executive Director on March 18, 2025. He has also served as a director at Beijing RiboCure since December 2019. He is mainly responsible for providing guidance and advice on the corporate and business strategies of our Group.

Mr. LI has over 25 years of extensive professional investment banking management experience and investment experience, encompassing roles across various companies. From 1997 to 2000, he served at J&A Securities Co., Ltd. (君安證券有限責任公司) before serving at Guotai Junan Securities Co., Ltd. (國泰君安證券股份有限公司), a company dually listed on the Stock Exchange (stock code: 2611) and the Shanghai Stock Exchange (stock code: 601211).

Currently, Mr. LI has held several positions in multiple companies, including (i) a founding managing partner and the chairman of the board of directors at Shanghai Panlin Asset Management Co., Ltd. (上海磐霖資產管理有限公司), a company focused on investment and asset management, since February 2010, (ii) a director at Zhixinhaozheng (Shanghai) Life Science Co., Ltd. (智新浩正(上海)醫藥科技有限公司), a company focused on the in vitro regeneration of human tissues and organs, since January 2023, (iii) a director at Hangzhou DNano MetaBio Technology Co., LTD. (杭州迪納元昇生物科技有限公司), a company specialized in the field of nucleic acid nanocarrier design, since October 2023, (iv) a director at Ruiyun (Shenzhen) Cold Chain Logistics Technology Co., Ltd. (瑞雲(深圳)冷鏈物流科技有限公司), a cold chain technology logistics platform company, since July 2020, and (v) a director at Easy-Logic Technology Holding Cayman Limited, a company focused on the semiconductor design software, since November 2023. From June 2020 to May 2025, he served as a director at ZiYun (Shanghai) Internet of Things Technology Co., Ltd. (錙雲(上海)物聯網科技有限公司), a company focused on the digital solutions for discrete manufacturing.

Mr. LI obtained his bachelor's degree in mechanical engineering from Huazhong University of Science and Technology (華中科技大學) in the PRC in July 1991. He further obtained his master's degree in finance from Southwestern University of Finance and Economics (西南財經大學) in the PRC in July 1997. In July 2016, Mr. LI obtained his executive master of business administration degree at Tsinghua University in the PRC. He has been pursuing his doctor degree in applied finance at University of Geneva in Switzerland since September 2018. Mr. LI was awarded the "TOP100 Forbes China Best Venture Capitalists" (福布斯中國最佳創投人TOP100) by Forbes China from 2017 to 2024 consecutively, the "Prominent Technology Investor" (傑出科技投資人) by China Business News (第一財經) in 2024, and "Annual Healthcare Excellence Investor" (年度醫療健康卓越投資家) by VCBeat (動脈網) in 2024.

# PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

## INDEPENDENT NON-EXECUTIVE DIRECTORS

**Dr. YU Xuefeng (宇學峰)**, aged 62, is an independent non-executive Director. Dr. YU joined our Company as an independent Director on July 16, 2020 and was redesignated as an independent non-executive Director on March 18, 2025. He is mainly responsible for providing independent advice and judgment to our Board.

Prior to joining our Group, Dr. YU's career spun various roles in the field of microbiology and biotechnology. From July 1988 to June 1991, he served as a lecturer at the Microbiology Department of Nankai University (南開大學) in the PRC. From October 1996 to May 1998, he worked as a scientist at IBEX Technologies Inc, a company listed on the Toronto Stock Exchange Venture Exchange (ticker symbol: IBT). Subsequently, from May 1998 to April 2010, he held several positions successively at Sanofi Pasteur Limited, including a product development scientist, director of the Canadian division of bacterial vaccine development and global director of bacterial vaccine development. Since January 2009, he has served as the chairman of the board of directors, chief executive officer, and general manager of CanSino Biologics Inc. (康希諾生物股份公司), a company focused on the development, manufacturing and commercialization of vaccines and listed on the Shanghai Stock Exchange (stock code: 688185), the Stock Exchange (stock code: 06185) and the OTC Pink Open Market (ticker symbol: CASBF).

Dr. YU obtained his bachelor's degree in biology and master's degree in microbiology from Nankai University in the PRC in July 1985 and June 1988, respectively. He obtained his Ph.D. in microbiology from McGill University in Canada in June 1998. He has been honored with multiple awards and recognitions, including (i) a scientific and technological innovation and entrepreneurship talent in the Innovative Talents Promotion Program (創新人才推進計劃科技創新創業人才) of the Ministry of Science and Technology of the PRC (中華人民共和國科學技術部) in April 2013 and (ii) the "Specially-invited Experts" in Tianjin City (天津市特聘專家) by the Tianjin Talent Work Leading Group (天津市人才工作領導小組) in February 2010.

**Mr. MA Chaosong (馬朝松)**, aged 53, is an independent non-executive Director. Mr. MA joined our Company as an independent Director on July 16, 2020 and was redesignated as an independent non-executive Director on March 18, 2025. He is mainly responsible for providing independent advice and judgment to our Board.

Mr. MA has accumulated more than 25 years of professional experience, encompassing a diverse range of positions in various organizations. He served as a partner at Zhongchengxin Certified Public Accountants Co., Ltd. (中誠信會計師事務所有限責任公司) from October 1999 to October 2015. He also worked as a project manager at Zhong Ce Accounting Firm (中測會計師事務所) from September 1997 to September 1999. From January 2009 to April 2009, he served as a general manager at Beijing Zhiyuxing Management Consulting Co., Ltd. (北京知與行管理諮詢有限公司). From January 2014 to August 2018, he worked as a director at Xidi International Group Limited. (曦地國際集團有限公司) (previously known as Beijing Zhongjian International Development Co., Ltd. (中建國際發展股份有限公司) before January 2014 and Xidi International Group Co., Ltd. (曦地國際集團股份有限公司) from January 2014 to August 2018). Mr. MA also held the position of independent director in several companies, including (i) China National Complete Plant Import & Export Group Corporation Limited (中成進出口股份有限公司) from May 2011 to April 2017, a company listed on the Shenzhen Stock Exchange (stock code: 000151), (ii) Beijing WKW Automotive Parts Co., Ltd. (北京威卡威汽車零部件股份有限公

# PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

司) from January 2014 to June 2020, a company listed on the Shenzhen Stock Exchange (stock code: 002662), (iii) Client-Service International Inc. (北京科藍軟件系統股份有限公司) from December 2013 to October 2021, a company listed on the ChiNext Market of Shenzhen Stock Exchange (stock code: 300663), (iv) Beijing Navigation Control Technology Co., Ltd. (北京理工導航控制科技股份有限公司) from May 2020 to October 2020, a company listed on the Shanghai Stock Exchange STAR Market (stock code: 688282), (v) China Nuclear Industry Construction Corporation Limited (中國核工業建設股份有限公司) from November 2018 to December 2024, a company listed on the Shanghai Stock Exchange (stock code: 601611) and (vi) Lingyun Industrial Corporation Limited (凌雲工業股份有限公司) from May 2020 to May 2025, a company focused on manufacturing of automotive parts and components and listed on the Shanghai Stock Exchange (stock code: 600480).

Currently, he holds diverse roles across multiple companies. Since September 2000, he has served as the chairman of the board of directors at Beijing Xin Li Heng Tax Agency Co., Ltd., (北京信利恒税務師事務所有限責任公司). Additionally, since November 2015, Mr. MA has served as a partner at Jonten Certified Public Accountants LLP (中天運會計師事務所(特殊普通合夥)). Since October 2021, he has served as a supervisor at Beijing Aimedeye Information Consulting Co., Ltd. (北京艾美地耶信息諮詢有限公司). Mr. MA also holds the position of independent director in several companies, including (i) Zonkin Technology Co., Ltd. (中勁科技股份有限公司) since June 2022, a company focused on software development and information technology, (ii) Huibaichuan Fund Management Co., Ltd. (匯百川基金管理有限公司) since March 2023, (iii) Unigroup Guoxin Microelectronics Co., Ltd. (紫光國芯微電子股份有限公司) since August 2023, a company listed on the Shenzhen Stock Exchange (stock code: 002049), and (iv) Joyware Electronics Co., Ltd. (杭州中威電子股份有限公司) since February 2026, a company listed on the Shenzhen Stock Exchange (stock code: 300270) .

In July 1994, Mr. MA obtained his bachelor's degree in accounting from Renmin University of China (中國人民大學) in the PRC. Subsequently, in July 1997, he obtained his master's degree in accounting at the Research Institute of Fiscal Science, Ministry of Finance of the PRC (中國財政部財政科學研究所). He has been a Certified Public Accountant of China (中國註冊會計師) since September 1999, a Certified Public Valuer in China (中國註冊資產評估師) since May 2000, a Senior Accountant (高級會計師) since January 2006 and a Registered Tax Agent (中國註冊税務師) since May 2012.

# PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

**Mr. WANG Ruiping (王瑞平)**, aged 63, is an independent non-executive Director. Mr. WANG was appointed as an independent non-executive Director on March 18, 2025 with effect from May 15, 2025. He is mainly responsible for providing independent advice to our Board.

Currently, Mr. WANG is the founder and has served as a co-chairman of DABANC HOLDING LIMITED, a company specialized in high-tech and renewal energy investment since April 2019. He has also served as a founder managing partner of TDR Capital International Ltd. since January 2006.

Mr. WANG obtained his bachelor's degree and his master's degree in economics at Nankai University (南開大學) in the PRC in June 1983 and June 1986, respectively. From 2017 to 2018, he served as a professional fellow in technology innovation and entrepreneurship in Columbia University in the United States.

## SUPERVISORS

**Ms. WANG Fan (王番)**, aged 43, is our chairperson of the Supervisory Committee and deputy director of administration. Ms. WANG joined our Group on April 4, 2007, initially serving as an office assistant from April 2007 to May 2010. Subsequently, from June 2010 to December 2015, she worked as a human resources and administration manager in our Company, and from January 2016 to March 2018, she served as an administration manager in our Company. From April 2018 to May 2023, she was promoted as a senior administration manager, and then she has served as a deputy director of administration since May 2023 in our Group. She has served as our chairperson of the Supervisory Committee since October 27, 2020. She is mainly responsible for supervising our Board and senior management.

Ms. WANG served as a researcher at the pharmaceutical factory of Harbin Pharmaceutical Group Co., Ltd. (哈藥集團股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600664), from July 2006 to March 2007.

Ms. WANG obtained her bachelor's degree in pharmaceutical engineering from Sichuan University (四川大學) in the PRC in July 2006.

**Mr. WANG Lijie (王立傑)**, aged 44, was appointed as a Supervisor since July 16, 2020. He is mainly responsible for supervising our Board and senior managements.

Mr. WANG possessed a varied professional background encompassing the legal field. He worked as a lawyer at Shanghai Allbright Law Offices (上海市錦天城律師事務所) from April 2014 to March 2015. Prior to that, he served as a legal assistant at the Shanghai office of Beijing Dentons Law Offices, LLP (北京大成律師事務所上海分所) from June 2010 to April 2014.

# PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Since March 2015, he has served as a director of innovation business at Shanghai Chuangyuan (InnoSpring) Tech Development Inc. (上海創源科技發展有限公司), where he has also served as a vice president and a director since January 2018 and July 2024, respectively. Currently, Mr. WANG holds supervisory roles and directorships across various companies as follows.

| Period of service | Employer | Position |
|---|---|---|
| Since May 2015 | Kunshan Chuangyuan Technology Park Management Co., Ltd. (昆山創源科技園管理有限公司) | Supervisor |
| Since November 2021 | Beijing Liying Digital Intelligent Technology Co., Ltd. (北京力贏數字智能科技有限公司) | Director |
| Since November 2021 | Shanghai Yunhu Intelligent Technology Co., Ltd. (上海雲壺智能科技有限公司) | Director |
| Since February 2022 | Chuangyuan Advanced (Beijing) Manufacturing Technology Development Co., Ltd. (創源先進(北京)製造科技發展有限公司) | Director and manager |
| Since March 2023 | Nantong Yuanfu Entrepreneurship Service Co., Ltd. (南通源賦創業服務有限公司) | Supervisor |
| Since January 2024 | Nantong Chuangyuan Technology Park Development Co., Ltd. (南通創源科技園發展有限公司) | Supervisor |
| Since February 2024 | Shanghai Chuangyuanyuan Investment Management Co., Ltd. (上海創源垣投資管理有限公司) | Legal representative and executive director |
| From September 2024 to November 2025 | Shanghai Tsingding Technology Co., Ltd. (深圳市青鼎裝備有限公司) | Director |
| Since November 2025 | | Supervisor |

Mr. WANG obtained his bachelor's degree and master's degree in law from Tsinghua University (清華大學) in July 2004 and July 2007, respectively. He obtained the Legal Professional Qualification Certificate of the PRC in March 2012.

**Mr. ZHANG Ning (張寧)**, aged 36, was appointed as a Supervisor since July 16, 2020. He successively served as a cashier and administrative staff, accountant supervisor and financial manager at our Company since joining our Company in June 2014. He was promoted to a senior financial manager of our Company since April 2024. He is mainly responsible for supervising our Board and senior management.

# PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Mr. ZHANG started his career at BrightGene Bio-Medical Technology Co., Ltd. (博瑞生物醫藥(蘇州)股份有限公司), a company listed on the Shanghai Stock Exchange STAR Market (stock code: 688166) from July 2012 to September 2012. He worked at Yageo Electron Component (Suzhou) Co., Ltd. (國巨電子(蘇州)有限公司) from October 2012 to June 2013. Following this, from June 2013 to April 2014, he served at Whole Easy Internet Technology Co., Ltd. (眾應互聯科技股份有限公司) (previously known as Kunshan Jinli Surface Material Application Technology Co., (昆山金利表面材料科技股份有限公司)), a company formerly listed on the Shenzhen Stock Exchange (stock code: 002464) and delisted on June 28, 2022.

In June 2012, he obtained his bachelor's degree in applied chemistry at Yancheng Institute of Technology (鹽城工學院) in the PRC. In January 2023, Mr. ZHANG obtained his master of business administration degree from Shanghai University of Finance and Economics (上海財經大學) in the PRC. In March 2019, he obtained the Certified Public Accountant (註冊會計師) Certificate in the PRC.

## SENIOR MANAGEMENT

**Dr. LIANG Zicai (梁子才)**, aged 61, is our founder, chairman of the Board, executive Director and chief executive officer. For his biography, see "— Executive Directors — Dr. LIANG Zicai (梁子才)" in this section.

**Dr. GAN Liming (甘黎明)**, aged 56, is an executive Director, co-chief executive officer and global R&D president of our Company. For his biography, see "— Executive Directors — Dr. GAN Liming (甘黎明)" in this section.

**Dr. ZHANG Hongyan (張鴻雁)**, aged 59, is the executive Director and president of our Company. For her biography, see "— Executive Directors — Dr. ZHANG Hongyan (張鴻雁)" in this section.

**Dr. TONG Cheng (童成)**, aged 61, is the executive vice president of our Company. He joined our Group on April 25, 2016. From April 2016 to March 2022, he worked as a senior vice president in our Company. He has served as an executive vice president of our Company since March 2022. He has also served as a director of Beijing RiboCure since December 2019. Dr. TONG is mainly responsible for ensuring the implementation of R&D strategy and goal achievement including CMC management of our Group.

From June 1988 to September 1992, Dr. TONG served as a teaching staff at Lanzhou University (蘭州大學). From September 1992 to September 1997, he studied in chemistry graduate program and obtained a Ph.D. degree at Georgia Institute of Technology. From October 1997 to March 2000, he served as a senior scientist at CytRx Corporation, a company listed on Nasdaq (ticker symbol: CYTR). From April 2000 to July 2001, he served as a research scientist at Solvay Pharmaceuticals, Inc. From August 2001 to April 2016, he worked at Pfizer Inc., a company listed on NYSE (ticker symbol: PFE), with his last position as a senior director.

Dr. TONG also held several positions in pharmaceutical industry organization. From January 2015 to December 2015, he served as the chairman of the APEC Asia-Pacific Council of the International Society for Pharmaceutical Engineering (ISPE) (國際製藥工程學會) and prior to that, he served as the chairman and board member of the China branch of the same organization from January 2013 to December 2014.

Dr. TONG obtained his bachelor's degree in petrochemistry from Lanzhou University (蘭州大學) in the PRC in July 1985, followed by his master's degree in analytical chemistry from the same institution in June 1988. Subsequently, he obtained his Ph.D. in chemistry at the Georgia Institute of Technology in the United States in September 1997.

# PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

**Dr. GAO Shan (高山)**, aged 60, is a senior vice president and the chief scientific officer of our Company. He joined our Company on January 1, 2013 and served as a vice president from January 2013 to April 2020. He has worked as a senior vice president and chief scientific officer of our Company since April 2020 and April 2022, respectively. He is mainly responsible for the technology innovation, discovery pharmacology and translation science of our Group.

From July 1990 to August 1993, he served as a resident physician at Tianjin Medical University Stomatological Hospital (天津醫科大學口腔醫院) and worked as an attending physician in the same institution from October 1994 to August 1998, with his last position being an associate chief physician, associate professor, and deputy director of the center laboratory from September 1998 to November 2001. From November 2000 to November 2001, he served as a visiting scholar at the Dental School of the University of Copenhagen in Denmark. From January 2004 to December 2009, he served as a postdoctoral researcher and an assistant professor at the Institute of Molecular Biology and Nanoscience Research Center (分子生物學研究所和納米研究中心) of Aarhus University in Denmark and served as a senior researcher and associate professor in the same institution from January 2010 to December 2012. Dr. GAO worked as a visiting professor at Central South University (中南大學) in the PRC from October 2009 to September 2014. He has also worked as an associate editor of Journal of Oral Pathology & Medicine since October 2015. Since September 2018, he has served as a visiting professor in Hebei Medical University (河北醫科大學).

Dr. GAO obtained his bachelor's degree in stomatology at Hebei Medical University (河北醫科大學) (previously known as Hebei Medical College (河北醫學院)) in the PRC in July 1987. He obtained his master's degree in stomatology at Xiangya School of Medicine, Central South University (中南大學湘雅醫學院), formerly known as Hunan Medical University (湖南醫科大學) in the PRC in July 1990. He obtained his doctor's degree in health sciences at the University of Copenhagen in Denmark in May 2004.

**Mr. ZHANG Su (張甦)**, aged 48, is our chief financial officer, secretary of the Board and joint company secretary of our Company. He joined our Company on December 1, 2024 and has been secretary of the Board and chief financial officer since February 2025 and April 2025, respectively. He was also appointed as one of the joint company secretaries of our Company with effect from December 17, 2025. He is mainly responsible for the overall financial management and Board affairs of our Group.

Mr. ZHANG has more than 20 years of experiences in the finance industry. Mr. ZHANG started his career as an associate at PricewaterhouseCoopers, Shanghai in July 2000 and later served as a senior associate until November 2004. He served as a credit analyst at Standard Chartered Bank, Shanghai from December 2004 to July 2005. In December 2006, he joined Exane BNP Paribas UK as an equity analyst. Mr. ZHANG then joined Standard Chartered Bank Hong Kong in June 2013 and served as an equity analyst covering emerging healthcare companies until February 2015. From April 2015 to December 2016, he was a research analyst of healthcare equities at BNP Paribas, Hong Kong. Mr. ZHANG then served as a director of the equity research department covering healthcare sector at China Merchant Securities (Hong Kong) Co., Ltd until August 2019. From August 2019 to November 2021, he served as the chief financial officer at Ascentage Pharma Group International (亞盛醫藥), a company listed on the Stock Exchange (stock code: 6855). From November 2021 to November 2024, he worked as the chief financial officer at Wuhan Neurophth Biotechnology Limited Company (武漢紐福斯生物科技有限公司).

Mr. ZHANG obtained a bachelor's degree in economics in international business from Fudan University in July 2000. He also received a master's degree in business administration from HEC School of Management in September 2007 and a master's degree of science in accounting and finance from the London School of Economics and Political Science in July 2007.

# PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

**Dr. Anders Gabrielsen**, aged 59, was appointed as the chief medical officer of our Company on March 25, 2026. He joined our Group in 2023 and has served as vice president and head of global clinical development. He is mainly responsible for the overall clinical development, medical affairs and regulatory compliance of our Company.

Dr. Gabrielsen is a seasoned physician-scientist with over 20 years of experience in cardiovascular, renal, and metabolic therapeutics. Dr. Gabrielsen obtained his M.D. from the University of Copenhagen in Denmark in 1994, completed clinical rotations, clinical cardiovascular research, and a visiting Marie Curie postdoctoral research fellowship in myocardial gene expression at the Karolinska Institute, and was subsequently awarded a Doctor of Medical Sciences (DMSc) in 2003 at the University of Copenhagen. From 2003 to 2011, he trained and practiced as a cardiologist and internist at the Karolinska Institute and Karolinska University Hospital in Sweden, specializing in heart failure. Prior to joining our Company, from 2011 to 2023, Dr. Gabrielsen served as a physician-scientist in clinical development and medical affairs at leading multinational corporations including Bayer AG, Novartis AG, and AstraZeneca PLC, where he played key lead and executive roles in core clinical and medical teams covering all aspects of cardiology and internal medicine, with a focus on translational and clinical cardiovascular science and medical implementation.

**Dr. John Taylor**, aged 56, was appointed as the chief business officer of our Company on March 25, 2026. He joined our Group in 2023 and has served as vice president and head of global business development. He is mainly responsible for the overall business development, in-licensing and out-licensing collaborations and strategic investments of our Company.

With over 20 years of experience in the global biopharmaceutical industry, Dr. Taylor brings deep expertise spanning from foundational scientific research to corporate business development. Dr. Taylor obtained his Ph.D. in Biochemistry from the University of Bristol in the United Kingdom in 1991, with a focus on DNA-protein recognition. From 1991 to 1993, he subsequently conducted research on DNA mismatch repair at Duke University in the United States. From 1993 to 2003, Dr. Taylor served at global R&D in Pfizer Inc., responsible for innovative R&D and leading projects. From 2004 to 2023, Dr. Taylor held various positions at AstraZeneca PLC, including head of biology, respiratory and inflammation from 2004 to 2011, and leadership roles in search and evaluation and transaction execution in business development from 2011 to 2023.

Save as disclosed above, none of our Directors, Supervisors and senior management is related to other Directors, Supervisors and senior management.

# JOINT COMPANY SECRETARIES

**Mr. ZHANG Su (張甦)** was appointed as one of the joint company secretaries of our Company with effect from December 17, 2025. For details of his biography, see "— Senior management — Mr. ZHANG Su (張甦)" above.

**Mr. CHUNG Ming Fai (鍾明輝)** was appointed as one of our joint company secretaries of our Company with effect from December 17, 2025.

Mr. CHUNG is a senior vice president of SWCS Corporate Services Group (Hong Kong) Limited and has over 20 years of experience in corporate secretary, mergers and acquisitions, financial reporting and auditing. Mr. CHUNG is currently a fellow of the Hong Kong Institute of Certified Public Accountants and a member of CPA Australia.

Mr. CHUNG obtained his bachelor's degree in commerce from the Australian National University in Australia.

# PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

## CHANGES TO DIRECTORS' AND SUPERVISORS' INFORMATION

In February 2026, Mr. MA Chaosong (馬朝松) was appointed as an independent director of Joyware Electronics Co., Ltd. (杭州中威電子股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300270) .

On March 25, 2026, Dr. GAN Liming (甘黎明) ceased to serve as the chief medical officer of the Company. For more details, please refer to the announcement of the Company dated March 25, 2026.

Save as disclosed in this section, the Directors and Supervisors confirm that no information is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

### OVERVIEW

Founded in 2007, we are a clinical-stage biopharmaceutical company specializing in the R&D of oligonucleotide therapeutics, with a primary focus on siRNA drugs. Leveraging our proprietary delivery technologies and integrated R&D capabilities, we aim to address significant unmet medical needs in cardiovascular, metabolic, renal and liver diseases. The discovery and advancement of oligonucleotide therapeutics have transformed the way we treat diseases, offering a precise and potent approach, including by targeting inaccessible proteins inside cells and disease pathways that were previously considered undruggable. In particular, by harnessing the power of RNA interference, siRNA therapeutics have demonstrated differentiated advantages, with enhanced specificity, potency and duration of effect, favorable safety profile, as well as increased development speed and success rate due to its enhanced technological modularity.

Through nearly two decades of dedicated research, we have built integrated proprietary technology platforms tailored to oligonucleotide therapeutics, supported by a robust intellectual property portfolio in RNA interference (RNAi) technology worldwide. These platforms encompass the entire drug development cycle, from drug design, delivery, modification to chemistry, manufacturing, and controls ("**CMC**") and manufacturing, serving as a solid foundation for our potential first – and best-in-class oligonucleotide therapeutics. We are one of the few players worldwide with proprietary and clinically validated N-acetyl galactosamine ("**GalNAc**") delivery technology. This technology, based on the specific delivery of siRNA drugs, has enhanced therapeutic efficacy and improved safety, and is revolutionizing the therapeutic paradigm of innovative drugs. Our liver-targeted RiboGalSTAR™ delivery technology, the cornerstone of numerous pipeline assets, addresses a critical challenge in siRNA therapeutics: efficient and specific delivery. GalNAc-siRNA conjugates derived from the RiboGalSTAR™ platform selectively bind to asialoglycoprotein receptors ("**ASGPRs**"), which are abundantly expressed on the surfaces of liver cells, providing high liver-targeting specificity.

RiboGalSTAR™ is the first and only China-developed RNAi technology platform out-licensed to a global Multinational Corporation (MNC). In addition to hepatic delivery technologies, we are actively developing extra-hepatic delivery platforms, including RiboOncoSTAR™ and RiboPepSTAR™, to expand the application of siRNA therapeutics to solid tumors, kidney diseases, central nervous system disorders, as well as cardiac, adipose and muscle diseases.

# MANAGEMENT DISCUSSION AND ANALYSIS

We are at the forefront of oligonucleotide drug innovation focused on cardiovascular, metabolic, renal and liver diseases, as well as other therapeutic areas. These key therapeutic areas represent areas of significant global medical burden with limited treatment options and involve underlying pathogenic mechanisms that are aligned with the targeting capabilities of our technology platforms. Leveraging our RiboGalSTAR™ platform equipped with proprietary and clinically validated GalNAc delivery technology, we have consistently advanced siRNA programs in-house from discovery through clinical development across cardiovascular, metabolic, renal and liver diseases.

We are committed to bringing our oligonucleotide therapeutics to patients worldwide. As such, we have established globally integrated drug development capabilities to do so with quality and efficiency. Led by a core scientific team with over 20 years of experience and insights in the development of oligonucleotide drugs and other therapeutics, we have obtained investigational new drug application ("**IND**")/clinical trial application ("**CTA**") approvals from regulatory authorities in key global markets, while delivering efficient timelines in advancing candidates from target selection to trial initiation. We are advancing multiple clinical trials across the globe, including Europe, China and Australia, leveraging the regulatory pathways of different jurisdictions to accelerate drug development. We have strategically assembled overseas development teams and established a dedicated clinical trial center in Europe, enabling us to efficiently and rapidly advance our drugs through clinical trials while adhering to the highest international standards. By leveraging our global network, cutting-edge facilities, and unparalleled expertise, we are poised to revolutionize the oligonucleotide therapeutics landscape and bring life-changing treatments to patients worldwide.

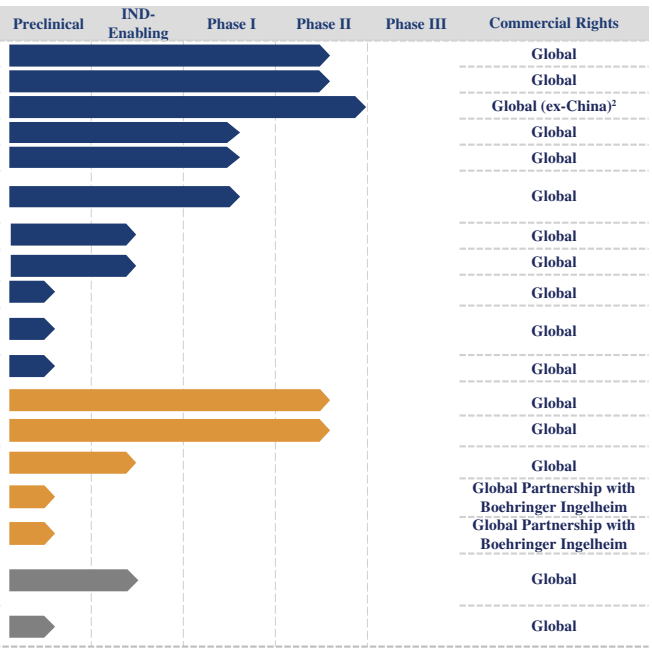
Global MNCs have established a strategic footprint in siRNA drugs through partnerships and collaboration with leading biotech companies. The dynamic investment landscape signifies market confidence in an increasingly mature and validated therapeutic modality, as well as accelerated industry growth going forward. In addition to the two collaborations with Boehringer Ingelheim and Qilu Pharmaceutical in December 2023, we reached another strategic collaboration with Madrigal in February 2026 with potential total deal value of US$4.4 billion. These partnerships are recognition of our technology platforms and pipeline and successful representations of our strategy to extend our clinical and commercial reach globally and in China. These collaborations are also in full alignment with our company strategy in terms of focusing on late-stage development of our Core Product, and extra-hepatic delivery technology platforms while maximizing values of our well-validated RiboGalSTAR™ platform.

# MANAGEMENT DISCUSSION AND ANALYSIS

## OUR PIPELINE

The pipeline chart below summarizes the development status of our clinical-stage drug candidates and selected preclinical assets. All drug candidates listed in this pipeline chart were discovered internally, demonstrating our strong innovation capabilities and platform-driven research model. Leveraging our RiboGalSTAR™ platform equipped with proprietary and clinically validated GalNAc delivery technology, we have consistently advanced siRNA programs in-house from discovery through clinical development across cardiovascular, metabolic, renal and liver diseases. Our pipeline focuses primarily on cardiovascular, metabolic, renal and liver diseases, where RNA interference technologies can provide differentiated therapeutic advantages.

| Therapeutic Area | Compound | Target | Indication | Technology Platform | Commercial Rights |
|---|---|---|---|---|---|
| Cardiovascular, Metabolic and Renal Diseases | RBD4059 | FXI | Thrombotic Diseases | RiboGalSTAR™ | Global |
| | RBD5044 | APOC3 | Hypertriglyceridemia | RiboGalSTAR™ | Global |
| | RBD7022 | PCSK9 | Hypercholesterolemia | RiboGalSTAR™ | Global (ex-China)[2] |
| | RBD7007 | C5 | Renal Diseases[3] | RiboGalSTAR™ | Global |
| | RBD2080 | C3 | Renal Diseases[3] | RiboGalSTAR™ | Global |
| | RBD1119 | Thrombosis-related Factor | Thrombotic Diseases | RiboGalSTAR™ | Global |
| | RBD3103 | Anti-renal Injury | Renal Diseases | RiboPepSTAR™ | Global |
| | SR122 | Dual Targets | Dyslipidemia | RiboGalSTAR™ | Global |
| | SR126 | Dual Targets | Dyslipidemia | RiboGalSTAR™ | Global |
| | RBD6096 | Thrombosis-related Factor | Thrombotic Diseases | RiboGalSTAR™ | Global |
| | SR118 | Undisclosed | Metabolic Diseases | RiboPepSTAR™ | Global |
| Liver Diseases | RBD1016 | HBV-X | CHB | RiboGalSTAR™ | Global |
| | | | CHD | RiboGalSTAR™ | Global |
| | RBD3133 | Undisclosed | Weight Loss | RiboGalSTAR™ | Global |
| | SR111 | Undisclosed | MASH[1] | RiboGalSTAR™ | Global Partnership with Boehringer Ingelheim |
| | SR112/SR113 | Undisclosed | MASH[1] | RiboGalSTAR™ | Global Partnership with Boehringer Ingelheim |
| Other Therapeutic Areas | RBD8088 | Conjugated Anti-tumor Agent | Glioma | RiboOncoSTAR™ | Global |
| | SR131 | CNS | CNS Diseases | RiboPepSTAR™ | Global |




*Notes:*

1. MASH: Metabolic Dysfunction-associated Steatohepatitis; HAE: Hereditary Angioedema; NAION: Non-Arteritic Anterior Ischemic Optic Neuropathy.

2. In December 2023, we granted Qilu Pharmaceutical exclusive rights to develop, manufacture, and commercialize RBD7022 in mainland China, Hong Kong, and Macau. Subject to regulatory communications and emerging clinical data, we plan to initiate clinical trials in the EU to evaluate RBD7022 in combination with our other siRNA drug candidates targeting dyslipidemia.

# MANAGEMENT DISCUSSION AND ANALYSIS

3. RBD7007 and RBD2080 are also under investigation as a potential treatment for autoimmune diseases.

4. As of the Latest Practicable Date, we have completed a phase 2a trial for vortosiran (RBD4059) for coronary artery disease in Sweden.

5. RBD5044's CTA to the EMA for phase 2 trial was approved in October 2024. This phase 2 trial was initiated in Sweden in January 2025 in patients with mixed dyslipidemia, with last patient in the third quarter of 2026. The phase 2 trial in China was launched in February 2026.

6. We have completed RBD1016's phase 2 global multiregional clinical trial ("**MRCT**") for treating chronic hepatitis B ("**CHB**"), with the last patient's final visit achieved in October 2025, and are currently finalizing data analysis for this trial. Subject to regulatory communications and emerging clinical data, we plan to advance RBD1016's clinical development in China in collaboration with external partners to actively investigate its therapeutic potential, including in combination regimens with other hepatitis B therapies such as vaccines.

7. RBD1016's phase 2a trial for treating chronic hepatitis D ("**CHD**") was commenced in Sweden in August 2024 and is expected to be completed by the end of 2026.

To date, we have advanced seven in-house discovered siRNA drug candidates into the clinical stage, positioning us among global leaders in oligonucleotide development. Beyond our clinical pipeline, we maintain over 20 preclinical programs that we aim to advance into clinical development.

## OUR CORE PRODUCT, RBD4059 (VORTOSIRAN), FIRST CLINICAL-STAGE SIRNA DRUG GLOBALLY THAT TARGETS THROMBOTIC DISEASES

Vortosiran is the world's first clinical-stage siRNA drug that targets thrombotic diseases. As of the Latest Practicable Date, no FXI-targeting siRNA drug had been approved globally for the treatment of thrombotic diseases, vortosiran represents a novel approach to managing such indication, utilizing our proprietary RiboGalSTAR™ liver-targeting platform. Thrombotic diseases have emerged as one of the leading causes of death worldwide, claiming over 10 million lives each year. Current standard-of-care anticoagulants, including warfarin, heparin, and direct oral anticoagulants ("**DOACs**"), face significant limitation as they expose patients to potentially serious bleeding risks. Vortosiran addresses this challenge by combining the advantages of FXI targeting with siRNA drug technology, offering significant safety benefits while maintaining strong efficacy.

Based on clinical and preclinical evidence, vortosiran has demonstrated FXI inhibition levels that could meet efficacy thresholds across a broad range of indications, while substantially reducing bleeding risks associated with conventional anticoagulants. Furthermore, the long-acting nature of siRNA therapeutics offers the potential for significantly improved patient compliance, positioning vortosiran as an optimal treatment option for a broad range of thrombotic disease patients.

We completed vortosiran's phase 1 trial in Australia in healthy subjects in October 2024. We obtained the EMA's CTA approval in May 2024, pursuant to which we initiated vortosiran's phase 2a clinical trial in Sweden in August 2024. As of the Latest Practicable Date, the phase 2a trial in Sweden has been completed, and the phase 2b CTA has been submitted to EMA for stroke prevention in atrial fibrillation (SPAF).

# MANAGEMENT DISCUSSION AND ANALYSIS

At the 2025 ESC Congress, we presented clinical deep-phenotyping study data supporting vortosiran's novel mechanism. Based on the findings in the high-risk coronary artery disease patients undergoing percutaneous coronary intervention, we showed that high FXI levels were associated with endothelial dysfunction following the index event, which is a hallmark of cardiovascular risks. These observational findings suggest that FXI silencing may deliver additional disease modification cardiovascular benefits beyond its potent antithrombotic effect.

We have published our phase 1 data from the first-in-human study of vortosiran on Blood Advances in February 2026. The results show a robust, dose-dependent, and durable suppression of FXI activity exceeding 90%. Moreover, vortosiran maintains sustained clinically meaningful FXI inhibition for up to six months or longer, underscoring its potential to meaningfully improve treatment adherence in chronic anticoagulation.

In terms of pharmacological effects, both FXI antigen and FXI activity exhibited similar sustained dose-dependent reductions. The mean maximum percentage change from baseline in FXI activity across the five groups was as follows: the response rates in the 50 mg, 150 mg, 400 mg, and 600 mg dose groups were 67.5%, 81.0%, 85.8%, and 91.6%, respectively. This effect persisted until day 169, demonstrating sustained efficacy. At day 169, the reductions in activity were 45.3%, 62.3%, 74.3%, and 83.5%, respectively.

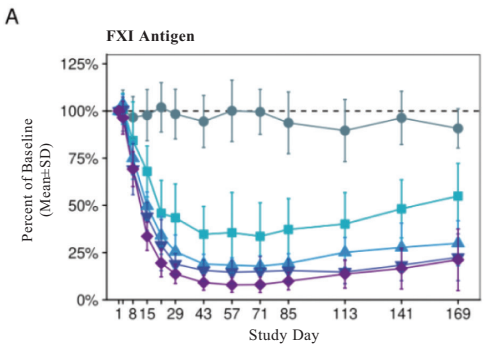



Figure A: Mean (±SD) of Percentage Change from Baseline of FXI Antigen

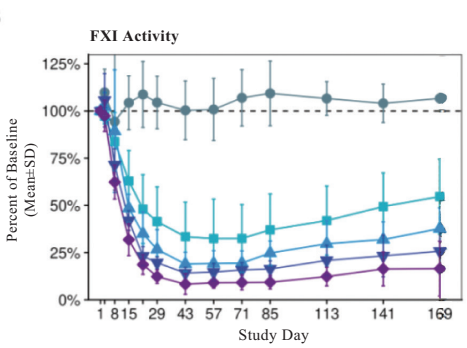



Figure B: Mean (±SD) of Percentage Change of FXI Activity

**VORTOSIRAN MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.**

# MANAGEMENT DISCUSSION AND ANALYSIS

## RBD5044 — A POTENTIAL BEST-IN-CLASS APOC3-TARGETING SIRNA FOR HTG

RBD5044 is the second siRNA globally to enter clinical development that targets APOC3, a protein that plays a critical role in lipid metabolism. Current treatments for hypertriglyceridemia ("**HTG**") are limited by modest efficacy, daily dosing requirements, and significant side effects such as hepatotoxicity, myopathy, gastrointestinal disturbances and pancreatitis risk. To date, no APOC3-targeting therapeutic has been approved for the treatment of HTG globally.

RBD5044 is uniquely designed to combine APOC3 inhibition with siRNA's long-lasting effects, potentially transforming treatment in this significant disease area. In preclinical studies, RBD5044 has demonstrated competitive triglyceride-lowering efficacy while achieving superior APOC3 protein suppression, the latter suggesting enhanced and more sustained triglyceride control. RBD5044's mechanistic advantage has translated into clinical benefits. We presented results from RBD5044's phase 1 clinical trial in healthy subjects in Australia at the 2025 ESC Congress, which demonstrated its potential and long-acting efficacy. RBD5044's safety data from its phase 1 trial showed a favorable safety profile. A single injection of RBD5044 led to a substantial reduction of APOC3 of up to ca 84% and accompanied by a triglycerides ("**TG**") reduction of up to ca 70%, which remained below 50% of baseline at six-month follow-up. Additionally, participants showed an overall improved lipid profile, including markedly reduced remnant cholesterol (up to 70%) and ApoB (up to 20%), alongside a significant increase in high-density lipoprotein ("**HDL**") (up to 40%). RBD5044 allows for low-frequency dosing at least every three months, which significantly enhances patient adherence to the treatment regimen.

Strategically, RBD5044 complements our broader dyslipidemia portfolio, enabling potential combination approaches that could deliver enhanced lipid control. This supports the potential of RBD5044 as both a monotherapy and a backbone for combination strategies.

We completed RBD5044's phase 1 trial in Australia in October 2024. In the same month, we obtained the phase 2 clinical trial approval from EMA, supported by interim blinded safety and pharmacokinetics ("**PK**") data in the phase 1 clinical trial in Australia as of June 30, 2024. This phase 2 trial is currently ongoing in Sweden in patients with mixed dyslipidemia. In January 2026, we received IND approval from the NMPA to initiate a phase 2 clinical trial for RBD5044. The site initiation occurred in February 2026.

**RBD5044 MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.**

# MANAGEMENT DISCUSSION AND ANALYSIS

## RBD7022 — A PCSK9 TARGETING SIRNA FOR HYPERCHOLESTEROLEMIA

RBD7022 is the second PCSK9-targeting siRNA to enter clinical development globally, employing advanced RNA interference technology to precisely regulate cholesterol metabolism. Through specific inhibition of PCSK9 expression in the liver, RBD7022 increases low-density lipoprotein ("**LDL**") receptor (LDL-R) density on liver cells, enhancing the body's natural ability to clear LDL cholesterol from circulation. Compared to PCSK9-targeting monoclonal antibody inhibitors that need to be injected every 2-4 weeks, the siRNA approach offers extended dosing intervals and improved compliance.

In preclinical studies, RBD7022 achieved similar low-density lipoprotein cholesterol ("**LDL-C**") reductions compared to inclisiran, the only PCSK9-targeting siRNA drug approved to date. We presented results from RBD7022's phase 1 clinical trial in China at the 2025 ESC Congress, which further demonstrated RBD7022's robust and long-lasting effects, including LDL-C reduction comparable to inclisiran, with the potential for a dosing frequency of once every six months. Using PCSK9 levels as a marker of target engagement, RBD7022 demonstrated a maximal reduction of up to ca 75% in patients with and without statin background therapy, maintaining this level of suppression at six-month follow-up.

In December 2023, we granted Qilu Pharmaceutical exclusive rights to develop, manufacture, and commercialize RBD7022 in mainland China, Hong Kong, and Macau. Our strategic partnership with Qilu Pharmaceutical accelerates RBD7022's path to market both in China and globally. By combining our innovative siRNA technology with Qilu Pharmaceutical's clinical development and commercial capabilities, this collaboration enhances our ability to deliver this therapeutic option to patients worldwide.

The phase 1 trial of RBD7022 was commenced in May 2023 and completed in March 2025. According to RBD7022 License and Collaboration Agreement, Qilu Pharmaceutical is responsible for conducting the subsequent clinical trials in the PRC. As of the Latest Practicable Date, the PRC phase 2 clinical trial has completed last patient last dose (LPLD), and the phase 3 clinical trial (Registration ID: NCT07441317) is about to be initiated in China by Qilu Pharmaceutical.

**RBD7022 MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.**

## RBD7007 AND RBD2080 — TARGETING KEY PROTEINS IN THE COMPLEMENT PATHWAY TO TREAT RENAL AND AUTOIMMUNE DISEASES

We are developing siRNA drugs targeting key proteins in the complement pathway to treat renal and autoimmune diseases. The complement system plays a critical role in mediating inflammation and fibrosis through three distinct activation pathways: the Classical, Lectin, and Alternative pathways. These pathways converge through shared enzymatic amplification mechanisms, ultimately driving downstream signaling. A key regulatory node involves the formation of C3/C5 convertases, which are multiprotein complexes that activate central complement components.

# MANAGEMENT DISCUSSION AND ANALYSIS

Our GalNAc-conjugated siRNA candidates RBD7007 and RBD2080 are engineered to specifically target complement proteins in liver cells — the primary site of their production. This approach effectively reduces the levels of these complement proteins at their source and in circulation.

RBD7007 demonstrated encouraging preclinical evidence supporting its clinical development. A single subcutaneous dose of RBD7007 in cynomolgus monkeys and humanized (hC5) mice showed potent and sustained suppression of circulating C5 protein levels and liver C5 messenger RNA ("**mRNA**") expression, with strong PK/pharmacodynamics ("**PD**") correlation.

We obtained the CTA approval from the EMA in September 2024 to initiate RBD7007's phase 1 clinical trial. For RBD2080, we received the Therapeutic Goods Administration ("**TGA**")'s acknowledgment of our clinical trial notification in February 2025.

**RBD7007 AND RBD2080 MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.**

## RBD1016 — AN SIRNA CANDIDATE FOR CHB AND CHD IN GLOBAL CLINICAL DEVELOPMENT

RBD1016 is one of the most advanced siRNA drugs in terms of global clinical development progress for patients with chronic hepatitis B virus ("**HBV**") infection, including those with HDV co-infection. RBD1016, with its potent and durable effect on hepatitis B surface antigen ("**HBsAg**"), is positioned as a backbone therapy in future combination approaches to achieve functional cure of CHB, and a differentiated siRNA candidate for CHD. As of the Latest Practicable Date, there were no siRNA drugs approved for treating CHB or CHD globally.

RBD1016's phase 1 results showed sustained HBsAg reduction following single administration, with dose-dependent response and favorable safety and tolerability profile. With CTA approval from the EMA and IND approval from the NMPA received in May 2023 and October 2024, respectively, we are actively exploring RBD1016's potential as a next-generation CHB treatment to achieve functional cure in the disease. In October 2025, the EMA granted Orphan Drug Designation to RBD1016 for the treatment of HDV infection.

Furthermore, RBD1016's design and mechanism position it as a potential treatment for CHD with superior safety and efficacy compared to existing treatments.

Standard treatments as a monotherapy cannot achieve functional cure of CHB and/or CHD in most patients, largely due to their inability to reduce HBsAg. Notably, clinical trial data demonstrate RBD1016's consistent ability to reduce HBsAg levels below 100 IU/mL — a clinically significant threshold required for immune system activation. This potent monotherapy activity, combined with RBD1016's unique mechanism of action to reduce the level of HBsAg by targeting its mRNA, positions it as an ideal foundation for combination strategies with other agents that leverage different antiviral mechanisms of actions, such as interferons, potentially creating synergistic effects that could lead to functional cure and hence capturing a significant market opportunity in the treatment of CHB and CHD.

We have completed RBD1016's phase 2 global MRCT for treating CHB in Sweden and Hong Kong, and are currently finalizing data analysis. We received IND approval from the NMPA in October 2024, which enables us to potentially expand RBD1016's clinical trials for CHB into China. We are also exploring the therapeutic potential of RBD1016 for treating CHD and commenced a phase 2a trial in Sweden in August 2024, with trial completion expected by the end of 2026.

**RBD1016 MAY NOT ULTIMATELY BE SUCCESSFULLY DEVELOPED AND COMMERCIALIZED.**

# MANAGEMENT DISCUSSION AND ANALYSIS

## OTHER THERAPEUTIC AREAS

We are developing drug candidates for inflammatory diseases based on our RiboGalSTAR™ delivery technology. We currently have over 20 other preclinical assets in our pipeline, including multiple siRNA candidates derived from RiboPepSTAR™, our proprietary platform being developed to target extra-hepatic organs and tissues like the kidney, central nervous system ("**CNS**"), and metabolic tissues such as adipocytes and muscles. Meanwhile, we have one drug candidate in IND-enabling studies for the treatment of glioma, leveraging RiboOncoSTAR™, our proprietary oncology-focused technology platform.

## OUR TECHNOLOGY PLATFORMS

We have established proprietary technology platforms that encompass all key aspects of oligonucleotide drug development, from drug delivery, chemical modification, multi-target drug design, to model-informed drug development and manufacturing. This integrated and scalable approach is validated by our pipeline of oligonucleotide drug candidates, and continues to drive innovation and efficiency in our drug development process.

### Drug Delivery Technology Platforms

We are among a select group of oligonucleotide drug developers worldwide with proprietary, clinically validated liver-targeted GalNAc delivery technology. Building on this foundation, we are developing a comprehensive suite of delivery technologies targeting additional critical organs and tissues beyond the liver, including solid tumors, kidney, CNS and metabolic tissues such as adipocytes and muscles. This balanced approach broadens our therapeutic reach and solidifies our position in advanced siRNA delivery systems, setting us apart in the rapidly evolving field of siRNA therapeutics.

*1. Hepatic Targeting Platform – RiboGalSTAR™*

Our pioneering, liver-targeting RiboGalSTAR™ platform offers competitive targeting, specificity and efficiency. To date, RiboGalSTAR™ has advanced seven programs into clinical development across cardiovascular, metabolic, renal and liver diseases, marking it as one of the most productive GalNAc platforms globally. It continues to be applied in the development of new targets and indications, including in our strategic partnership with Boehringer Ingelheim and Madrigal respectively to explore multiple novel targets in MASH.

# MANAGEMENT DISCUSSION AND ANALYSIS

RiboGalSTAR™ is equipped with a unique delivery technology for delivering siRNA drugs for various targets and indications with origin in the liver. This technology addresses a critical challenge in siRNA therapeutics: efficient and specific delivery. Through over a decade of independent research, we have secured patent rights in key jurisdictions including China, Europe and the U.S. By carrying siRNA drugs directly to liver cells, RiboGalSTAR™ can specifically modulate target genes while minimizing unwanted side effects. As a versatile platform, RiboGalSTAR™ can be paired with different siRNA sequences that address distinct disease pathways and has been instrumental to the development of several siRNA drugs targeting various liver-related conditions, including seven clinical-stage candidates (namely, RBD4059, RBD5044, RBD1016, RBD7022, RBD7007, RBD2080, and RBD1119). We have also assembled a strong pipeline of preclinical assets utilizing the RiboGalSTAR™ platform, with three to four candidates expected to enter clinical stage by the end of 2027.

### *2. Extra-hepatic Targeting Platform*

RiboOncoSTAR™

Extra-hepatic delivery represents the next frontier in oligonucleotide therapeutics. We are developing RiboOncoSTAR™, a leading tumor-targeted platform utilizing oligonucleotide conjugate delivery technology, to support our development of multiple potentially first-in-class cancer treatments. This platform enables specific targeted delivery to solid tumors. In preclinical studies, RiboOncoSTAR™ has shown superior anti-tumor effects and safety profiles in selected cancer types, for example in glioma, compared to standard-of-care treatments. These attributes position RiboOncoSTAR™ as a globally leading technology in tumor-targeted oligonucleotide delivery.

Leveraging the RiboOncoSTAR™ platform, we plan to extend our tumor-targeted research beyond glioma to explore therapeutic potential of our drug candidates in other cancer types, such as pancreatic cancer and other solid tumors. This expansion will potentially encompass a variety of treatment and diagnostic modalities, including targeted chemotherapies, targeted radiopharmaceuticals, and other next-generation targeted therapies, demonstrating the adaptability and significant potential of the RiboOncoSTAR™ platform.

RiboPepSTAR™

Beyond tumor targeting, we are delivering our siRNA drug candidates to multiple critical organs and tissues with our RiboPepSTAR™ platform. The platform has generated superior efficacy in kidney and CNS delivery compared to existing therapies across multiple disease models, placing us at the forefront of global oligonucleotide research among leading drug developers.

In ASN Kidney Week December 2025, we presented a poster showcasing the kidney-targeted delivery of siRNA using RiboPepSTAR™ peptide conjugate, the preclinical data demonstrated proximal tubular specific uptake cross-species from rodents to non-human primates ("**NHP**") with a knock-down efficiency of up to 80%. Also, physiological Proof of Concept has been shown in a rodent model of type 2 diabetes, demonstrating profound kidney specific knock-down of the target gene involved.

We also showcased the latest data of our cardiac, adipose tissue targeting delivery of siRNA using RiboPepSTAR™ in RNA Leaders Conference in March 2026: a cardiac targeting conjugate resulted in sustained knockdown in heart using a mouse model, minimal effects were observed in muscle and negligible activity in liver and kidney, confirming strong cardiac specificity; in NHPs, current delivery enabled potent and selective adipose targeting with 96% knockdown. Together, these results underscore RiboPepSTAR™'s potential to unlock siRNA-based therapies for renal, cardiac and metabolic diseases.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Chemical Modification Platform for Enhanced Stability

Our expertise in chemical modification complements our delivery technologies as a core competitive advantage. Chemical modifications are essential for developing effective oligonucleotide therapeutics, protecting nucleic acids from degradation while minimizing off-target effects and immunogenicity. Our proprietary RSC (Ribo Stabilization Chemistry) platform systematically optimizes siRNA molecules through iterative design. This platform based approach can be universally applied to enhance siRNA candidates in four key ways: resisting breakdown in the body, working more efficiently, providing longer-lasting action, and improving safety for patients.

## Multi-target Drug Design Platform

While most siRNA drugs are designed with only one target, our multi-target siRNA drug platform enables a single drug molecule to interfere with two or more targets simultaneously, achieving a synergistic therapeutic effect by allowing combinations of two or more targets in varying ratios, offering a technological advantage.

## siRNA Sequence Design and Screening Platform

We have developed software dedicated to designing oligonucleotide drug sequences, capable of analyzing predefined parameters such as off-target gene identification, cross-species comparison and homology assessment to quickly select high-quality siRNA sequences with optimal specificity and activity. Additionally, our high-throughput screening platform for oligonucleotide compounds rapidly generates lead candidates.

## Model-informed Drug Development (MIDD) Platform

By leveraging modeling and simulation techniques, we quantitatively analyze drug characteristics and disease-related data, gaining a deeper understanding of siRNA mechanisms and improving predictability at each stage of drug development.

## Oligonucleotide-tailored CMC Platform

We have developed a scalable CMC system, leveraging over a decade of experience in the synthesis and analysis of various complex oligonucleotide compounds, including siRNA, antisense oligonucleotide ("**ASO**"), long-chain aptamers, and aptamer-conjugates. This platform, focused on drug substance processes and impurity control, is equipped with pilot-scale capabilities that sufficiently support our preclinical research, including good laboratory practice ("**GLP**") toxicology studies, and early-stage clinical development. We have also built a robust good manufacturing practice ("**GMP**") quality management system, becoming the first siRNA drug developer in China to pass the qualified person (QP) audits of the EU, striving to ensure compliance with global clinical development standards. Our CMC and quality management system allows us to meet the speed, quality, and cost-effectiveness demands while advancing a deep and expanding pipeline, laying a solid foundation for the development of innovative, affordable drugs for a broad patient population.

# MANAGEMENT DISCUSSION AND ANALYSIS

## R&D

We believe R&D is critical to our future growth and our ability to remain competitive in the global biopharmaceutical market. Our in-house R&D capabilities, built on our clinically validated proprietary technology platforms, give us control and visibility over our R&D process, and enable us to ensure the quality and efficiency of our drug development programs.

We have established a robust drug R&D engine that drives deliveries at all stages of our innovation processes, from drug discovery, preclinical, translational science, CMC to clinical development. Our clinical development strategy reflects established industry practices of conducting trials in jurisdictions that offer efficient regulatory pathways while generating data that is accepted by major health authorities including the EMA, FDA and China's Center for Drug Evaluation ("**CDE**") of NMPA.

Our R&D activities were primarily conducted in China and Sweden. In China, we have established two R&D centers in Beijing and Suzhou, the former is home to our proprietary technology platforms and research laboratories equipped with advanced equipment to support our drug discovery, preclinical and clinical research needs, the latter center mainly houses our medical chemistry, CMC development and manufacturing team, and is the first siRNA drug facility in China to pass the qualified person (QP) audits of the EU.

We also conduct R&D activities in Sweden through Ribocure AB, where an international Clinical Trial Unit ("**CTU**"), Ribocure Clinic, was set up in Mölndal, Sweden to specialize in the execution of phase 2 clinical trials across cardiovascular, liver, lung, renal and other disease areas. Ribocure Clinic has obtained the approval from the Swedish Medicines Agency to conduct clinical studies. Currently, Ribocure AB conducts all our ongoing clinical studies in Europe, including two ongoing phase 2 trials run independently by our CTU currently with the capacity to enroll over 100 patients.

Notably, our R&D leadership has extensive prior experience in oligonucleotide therapeutics research and a demonstrated track record contributing to the advancement of this emerging therapeutic modality. As of December 31, 2025, our in-house R&D team consisted of 268 members, primarily located in PRC and Sweden. Approximately 32.8% and 13.4% of these R&D team members held master and doctoral degrees, respectively, mainly in pharmaceutical science, biology, chemistry, and medicine.

We have established strong relationships with renowned experts in our focus R&D areas worldwide. Our scientific advisory board comprises of seven world-class experts in the fields of cardiovascular, liver and renal diseases with presence spanning China, the U.S., Sweden, France and the Netherlands. The scientific advisory board plays an instrumental role in both our early pipeline development and the advancement of clinical projects and global collaborations. Leveraging our strong R&D capabilities and robust R&D team, we were awarded the High-tech Enterprise Certificate in November 2025.

## LICENSE AND COLLABORATION ARRANGEMENTS

We have established, and will continue to pursue, strategic partnerships to accelerate the development of our pipeline across key global markets, expand our global clinical development capabilities, and fuel our future innovation and long-term growth.

Since our inception, we have entered into several licensing and collaboration deals with Boehringer Ingelheim and Qilu Pharmaceutical, respectively, with over US$2.1 billion in total deal value. By the end of the Reporting Period, we have

# MANAGEMENT DISCUSSION AND ANALYSIS

achieved two development milestones in Boehringer Ingelheim deal and one in Qilu Pharmaceutical deal. In February 2026, we entered into a new worldwide licensing agreement with Madrigal for six pre-clinical siRNA programs for the treatment of MASH. Under such agreement, we have granted Madrigal an exclusive global license to develop, manufacture, and commercialize several siRNA assets. We will receive an upfront payment of US$60 million and cumulative payments could reach US$4.4 billion if certain development, regulatory and commercial milestones are achieved, as well as potential royalties on net sales.

## INTELLECTUAL PROPERTIES

We are committed to the development and protection of our intellectual properties. Our future success depends significantly on our ability to obtain and maintain strong patent coverage, as well as our ability to secure other forms of intellectual property and proprietary rights protection, including protection of key technologies, inventions, and trade secrets that are important to our drug pipeline and technology platform. Equally important is our capacity to defend and enforce these patents, preserve the confidentiality of our trade secrets, and ensure our freedom to operate without infringing upon, misappropriating, or otherwise violating the valid and enforceable intellectual property rights held by third parties.

We have a global portfolio of patents to protect our drug candidates and technologies. As of the end of the Reporting Period, we owned 255 patents, including 62 issued patents in China, 65 issued patents in Europe, 18 issued patents in the U.S., 110 issued patents in other jurisdictions, as well as 218 patent applications, including 77 in China, 17 in Europe, 19 in the U.S., 22 under the Patent Cooperation Treaty (PCT), and 83 in other jurisdictions.

## MANUFACTURING

To date, our manufacturing activities are primarily limited to supporting our drug development process. We have established one cGMP-compliant manufacturing facility in Kunshan, Jiangsu province, China, and adhere to the requirements under the cGMP standards and other applicable regulations and guidelines in China, Europe, the U.S. and other relevant jurisdictions in our drug manufacturing process. We currently have GMP-compliant manufacturing line with an annual capacity of around 5kg of drug substance, which can fully support our current clinical development plan, and is one of the few oligonucleotide drug substance manufacturing facilities in China that have passed the qualified person (QP) audits of the EU.

In addition, our manufacturing facility in Tianjin, China, operated through our subsidiary Azemidite, is responsible for the production of phosphoramidite and nucleoside products, the key components in the synthesis of nucleotide strands. This facility, commenced bulk manufacturing in March 2025, is designed to support our clinical development programs and future marketed products while also generating revenue through external commercial sales.

We currently outsource certain manufacturing activities, primarily the formulation production, to industry recognized CDMOs in China, as we believe it is cost-effective and efficient to engage contract development and manufacturing organizations ("**CDMO**") for certain manufacturing activities and enables us to focus on, and allocate our resources to, the discovery and clinical development of our candidates. When selecting CDMOs we consider several factors, including manufacturing capacity, qualifications, geographic location, track record, adherence to applicable regulations and standards, as well as compatibility with our R&D priorities. We conduct quality assurance audit programs to monitor and evaluate the services of our CDMOs.

# MANAGEMENT DISCUSSION AND ANALYSIS

## SUPPLY CHAIN

Our suppliers primarily consisted of (i) contract research organizations ("**CRO**") and CDMOs, and (ii) suppliers of raw materials and consumables for our drug development.

The services provided by our CROs under our supervision generally include site management, patient recruitment and data management for our clinical trials, as well as preclinical and clinical laboratory testing and other specialized tasks aligned with our needs. We have established standard operating procedures for CRO management, setting out stringent protocols for CRO selection, audits, laboratory management, and process supervision. We select CROs based on various factors, such as professional qualifications, research experience in relevant fields, service quality and efficiency, regulatory inspection history, industry reputation, and pricing. We have continually strengthened our ability to exercise oversight and maintain quality control over the work performed by our CROs. We also engaged industry-recognized CDMOs to supplement our in-house capacity so as to enhance efficiency and reduce operational costs.

We have established stable relationships with qualified raw material suppliers which we believe have sufficient capacity to meet our demands. To monitor the quality of raw materials supplies, we implemented a standardized operating system, setting out the procedures and guidelines for the procurement of raw materials, quality control inspection, warehousing, testing, and storage.

## COMMERCIALIZATION

As of the Latest Practicable Date, we had not obtained marketing approval for any drug candidates, nor had we generated any revenue from product sales.

Although our drug candidates have yet to be commercialized, we are actively contemplating the establishment of our commercial infrastructure and capabilities. Anticipating commercialization of our clinical-stage assets in the next few years, we plan to adopt a two-pronged approach:

In-House Capabilities. We will incrementally build our own commercialization capabilities to provide flexibility, optimize resource allocation, and better adapt to evolving market dynamics. We plan to gradually establish our in-house sales and marketing teams composed of experienced professionals covering key therapeutic areas. Our in-house sale force will focus on our sales and marketing activities in China.

External Partnerships. We will continue to pursue a flexible collaborative strategy, which we believe will allow us to rapidly deliver our innovative drugs to the patients in need by leveraging the expertise and capabilities of external partners. This approach also enables us to concentrate on our core capabilities to develop next-generation therapies, while efficiently bringing our drug candidates to the global market as they approach commercialization, utilizing our collaborators' extensive networks and expertise worldwide.

Looking forward, we will continue to refine our commercialization strategy in line with the progress of our clinical programs, regulatory developments and market conditions, with a view to establishing an efficient and sustainable commercialization model.

# MANAGEMENT DISCUSSION AND ANALYSIS

## EMPLOYEES AND REMUNERATION

As of December 31, 2025, the Group had a total of 407 full-time employees (as of December 31, 2024: 411 full-time employees), of which 65.8% were R&D staff, 9.6% were manufacturing staff, and 24.6% were general and administrative staff. The total remuneration cost incurred by the Group was RMB212.8 million for the year ended December 31, 2025, and RMB189.9 million for the year December 31, 2024. The increase in remuneration cost was primarily attributable to the higher bonus payments and the increased social security contributions in 2025 with the improvement of external markets and business environment.

We enter into employment agreements with our employees that cover matters such as wages, benefits, intellectual property assignment clause and grounds for termination. The remuneration package of our employees primarily includes salary, bonus and share-based compensation, which are generally determined by their qualifications, performance review, and seniority. We also enter into standard confidentiality and non-competition agreements with our employees. We recruit our employees primarily through online recruitment, campus recruitment and headhunter referral. We conduct new employee training, as well as tailored training programs for employees in different positions in accordance with internal policy and procedures.

The Company has adopted the Employee Incentive Scheme, the Pre-IPO Share Option Scheme and Ribocure AB Share Incentive Scheme to provide incentives for the eligible participants. For further details, please refer to the section headed "Share Incentive Schemes" in Appendix VII to the Prospectus.

## SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not make or hold any significant investments on a standalone basis as of December 31, 2025 (including any investment in an investee company with a value of 5% or more of the Group's total assets as of December 31, 2025). The Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

## FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus and further explained in section headed "Use of Proceeds from the Global Offering" below, the Group had no future plans for material investments or capital assets as of the Latest Practicable Date.

## IMPORTANT EVENTS AFTER THE REPORTING PERIOD

On January 9, 2026, the Company's H Shares were listed on the Main Board of the Stock Exchange, where 31,610,400 H Shares (taking into account the full exercise of the offer size adjustment option and before any exercise of the over-allotment option) were issued and subscribed at an offer price of HK$57.97 per H Share by way of initial public offering to Hong Kong and overseas investors. Net proceeds from these issues amounted to approximately HK$1,701.80 million.

# MANAGEMENT DISCUSSION AND ANALYSIS

On February 10, 2026, the over-allotment option described in the Prospectus was fully exercised, in respect of an aggregate of 4,741,400 H Shares, representing approximately 15% of the total number of H Shares initially available under the Global Offering before any exercise of the over-allotment option (taking into account the full exercise of the offer size adjustment option). The 4,741,400 H Shares were issued and allotted by the Company at HK$57.97 per H Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027%, the Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%). The additional net proceeds from the full exercise of the over-allotment option amounted to approximately HK$262.47 million.

On February 11, 2026, the Company and its subsidiary, Ribocure AB entered into an exclusive worldwide licensing agreement with Madrigal for six pre-clinical siRNA programs for the treatment of MASH. For details, please refer to the announcement of the Company dated February 11, 2026.

Save as disclosed in this annual report, there were no important events affecting the Group occurred since the end of the Reporting Period and up to the Latest Practicable Date.

## FUTURE DEVELOPMENT

As a transformative therapy in modern pharmaceuticals, the oligonucleotide drug is sweeping across the global biopharmaceutical industry at an unprecedented pace of development. As a global leading pioneer in oligonucleotide therapeutics, we will seize the historic developmental opportunity to accelerate the development of our Core Product and other pipeline drug candidates, actively expand our targeted oligonucleotide extra-hepatic delivery technology platform, meanwhile pursue sustainable growth through global business development and strategic partnerships to maximize the commercial value of our drug candidates. Specifically, we intend to maintain and expand our leading strength through the following development strategies:

### 1) Accelerate the global development and commercialization of our leading drug candidates

Leveraging our global clinical development and regulatory capabilities, we will rapidly advance a portfolio of drug candidates with global leading advantages into clinical development at the earliest opportunity. Among them, the phase 2a clinical trial of our Core Product vortosiran in Sweden has been completed, with trial results to be published at the European Society of Cardiology (ESC) 2026, and the next phase of its clinical trials will be promptly initiated to further explore additional indications. RBD7022 (QLC7401) will be our first proprietary product to enter phase 3 clinical trials, and relevant clinical trials will be initiated in China by our partner Qilu Pharmaceutical as soon as possible. We will also expedite the initiation of the phase 2 multicenter clinical trials of RBD5044 in China and Sweden. In addition, we will strategically advance the further development of several other proprietary pipeline candidates, continuously enriching and expanding our differentiated pipeline portfolio;

# MANAGEMENT DISCUSSION AND ANALYSIS

## 2) Actively expand our extra-hepatic delivery platform and accelerate the translation of platform achievements

Leveraging our liver-targeted RiboGalSTAR™ delivery platform, we have developed seven clinical-stage drug candidates and plan to advance two to four programs into clinical stages each year. Meanwhile, we have made significant progress in targeting other organs and tissues, including the RiboPepSTAR™ platform for targeted kidney and central nervous system, and the RiboOncoSTAR™ platform for targeted tumors. We will rapidly advance our differentiated extra-hepatic oligonucleotide drug candidates into clinical development, to address previously undruggable disease targets, and further unlock the vast potential of oligonucleotide drug in extra-hepatic treatment areas;

## 3) Implement a comprehensive global commercialization strategy to advance the sustainable development of the Company

We have established strategic collaborations in the field of MASH with several international pharmaceutical companies for our liver-targeted RiboGalSTAR™ platform. Going forward, we will strengthen our international business development team, enhance our commercialization capabilities, further unlock the value of our delivery platforms, maximize the utilization of our resources and leverage synergies with our partners to capture market opportunities and improve returns. Concurrently, for our pipeline products, we will continue to pursue a dual-pronged strategy by actively seeking partnerships with global MNCs or leading domestic biopharmaceutical companies, accelerating product development while fully realizing product value and achieving commercialization at the earliest opportunity; and

## 4) Continue to advance our global expansion and build a world-leading biopharmaceutical company

With strong foundations established in China and Europe, we have built an efficient global R&D system. Led by our senior management team with extensive multinational pharmaceutical experience, we will continue to refine and enhance our globalization strategy. We will also continue to recruit both domestically and internationally talents with extensive experience in oligonucleotide drug discovery, clinical development, CMC, commercialization and management at multinational company. Meanwhile, our scientific innovation capabilities will be further strengthened through collaboration with world-renowned experts on our scientific advisory board. We expect to become a global leading biopharmaceutical company at the earliest opportunity and accelerate the delivery of innovative oligonucleotide therapies to patients worldwide.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

### OVERVIEW

The following discussion is based on, and should be read in conjunction with, the financial information and the notes included elsewhere in this annual report.

### REVENUE

During the Reporting Period, our revenue was mainly generated from collaboration revenue. For the year ended December 31, 2025, the Group recorded revenue of RMB148.5 million, representing an increase of 4.1% compared to RMB142.6 million for the year ended December 31, 2024, primarily attributable to the increase in revenue generated from the collaboration and license agreement with Boehringer Ingelheim ("**BI Collaboration**") and from the sale of nucleoside monomers-related products by Azemidite.

### COST OF SALES

During the Reporting Period, our cost of sales was related to inventories sold and collaboration service provided. Our cost of sales increased by 13.2% from RMB11.9 million for the year ended December 31, 2024 to RMB13.5 million for the year ended December 31, 2025, primarily due to the increase in the revenue from the sale of nucleoside monomers-related products by Azemidite.

### GROSS PROFIT AND GROSS PROFIT MARGIN

Our gross profit increased by 3.3% from RMB130.7 million for the year ended December 31, 2024 to RMB135.0 million for the year ended December 31, 2025, and the gross profit margin decreased by 0.8 percentage points from 91.7% for the year ended December 31, 2024 to 90.9% for the year ended December 31, 2025, which is mainly because the gross profit margin of nucleoside monomers-related products sold by Azemidite is lower than that of the Group's collaboration service.

### OTHER INCOME AND GAINS

For the year ended December 31, 2025, we recorded RMB16.2 million in other income and gains, compared to RMB21.7 million for the year ended December 31, 2024, primarily due to the decrease in one-off government grants received during 2025 and the decrease in foreign exchange gains.

# MANAGEMENT DISCUSSION AND ANALYSIS

## R&D EXPENSES

Our R&D expenses remained stable, from RMB280.4 million for the year ended December 31, 2024 to RMB280.5 million for the year ended December 31, 2025. The following table provides information regarding the breakdown of the R&D expenses of the Company for the years indicated:

| | For the year ended December 31, | |
|---|---|---|
| | **2025** | 2024 |
| | **RMB'000** | RMB'000 |
| Staff costs | **134,756** | 128,060 |
| Clinical trial and technical service expenses | **71,931** | 66,882 |
| Depreciation and amortization | **33,345** | 34,325 |
| Reagents and consumables | **20,687** | 26,932 |
| Share-based compensation | **9,452** | 7,910 |
| Patent advisory fee | **1,992** | 6,239 |
| Others | **8,298** | 10,022 |
| **Total** | **280,461** | 280,370 |

## SELLING AND DISTRIBUTION EXPENSES

Our selling and distribution expenses increased by 7.8% from RMB1.0 million for the year ended December 31, 2024 to RMB1.1 million for the year ended December 31, 2025, primarily attributable to the increased participation in industry exhibitions during 2025.

## ADMINISTRATIVE EXPENSES

Our administrative expenses increased by 28.0% from RMB92.5 million for the year ended December 31, 2024 to RMB118.4 million for the year ended December 31, 2025, primarily attributable to the higher listing expenses and the increased professional and consulting service fees incurred in connection with the Group's Listing.

## OTHER EXPENSES

Our other expenses decreased from RMB15.1 million for the year ended December 31, 2024 to RMB14.4 million for the year ended December 31, 2025, primarily due to the decrease in inventory write-downs recognized by Azemidite.

## FINANCE COSTS

Our finance costs increased from RMB20.4 million for the year ended December 31, 2024 to RMB21.4 million for the year ended December 31, 2025, primarily attributable to the higher interest expenses on borrowings.

# MANAGEMENT DISCUSSION AND ANALYSIS

## INCOME TAX EXPENSE

Our income tax expense decreased from RMB24.4 million for the year ended December 31, 2024 to RMB3.9 million for the year ended December 31, 2025, primary attributable to the decrease in withholding tax in relation to the BI Collaboration.

## LOSS FOR THE YEAR

As a result of the foregoing, we incurred losses of RMB288.5 million and RMB281.5 million for the years ended December 31, 2025 and 2024, respectively.

## PROPERTY, PLANT AND EQUIPMENT

Our property, plant and equipment primarily consisted of buildings for offices and manufacturing facility, R&D equipment, leasehold improvements as well as office equipment. Our property, plant and equipment decreased from RMB203.2 million as of December 31, 2024 to RMB177.9 million as of December 31, 2025, primarily due to the adjustment to previously estimated construction costs for buildings after the settlement of outstanding construction payments, and depreciation charges during the year.

## INVENTORIES

Our inventories primarily consisted of raw materials, work-in-progress, and finished goods related to our drug candidates. Our inventories increased from RMB42.7 million as of December 31, 2024 to RMB54.9 million as of December 31, 2025, which was primarily attributable to the increase in contract fulfilment costs related to the R&D services under the BI Collaboration.

## TRADE AND BILLS RECEIVABLES

Our trade and bills receivables primarily consisted of receivables from sales of products. Our trade and bills receivables increased from RMB3.5 million as of December 31, 2024 to RMB5.5 million as of December 31, 2025, primarily attributable to the increased sales of materials, which led to higher trade receivables and bills receivables.

## PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

Our prepayments, other receivables and other assets primarily consisted of (i) value-added tax recoverable in relation to our domestic input value-added tax credit refund, (ii) recoverable withholding tax representing the portion of income tax withheld in excess of the applicable treaty rate that can be refunded later, (iii) prepayments to suppliers in our R&D activities, (iv) export tax refund, (v) listing expense, and (vi) other receivables. Our prepayments, other receivables and other assets increased from RMB39.5 million as of December 31, 2024 to RMB49.9 million as of December 31, 2025, primarily attributable to the increase in value-added tax recoverable and higher listing expense during the year.

# MANAGEMENT DISCUSSION AND ANALYSIS

## TRADE PAYABLES

Our trade payables primarily consisted of payables in relation to our R&D activities and business operation. Our trade payables decreased from RMB24.2 million as of December 31, 2024 to RMB11.6 million as of December 31, 2025, primarily due to the quicker settlement of outstanding clinical trial and technical service expenses payable.

## OTHER PAYABLES AND ACCRUALS

Our other payables and accruals primarily consisted of (i) redemption liabilities, which is the financial obligation arising from the non-controlling shareholders of Azemidite having the right, as stipulated in the shareholders' agreement, to demand us to redeem its share capital at the original investment cost plus an agreed-upon interest rate, (ii) staff salaries, bonuses and welfare payables, (iii) government grants payable, primarily representing government grants received that are recognized as liabilities until the conditions are fulfilled, (iv) payables for purchase of property, plant and equipment, and (v) other tax payable, representing tax payable other than corporate income tax.

Our other payables and accruals increased from RMB150.8 million as of December 31, 2024 to RMB152.7 million as of December 31, 2025, primarily due to the increase in redemption liabilities for Azemidite, partially offset by the decrease in advance investment payment by a shareholder (which was converted into share capital and capital reserve).

## INTEREST-BEARING BANK AND OTHER BORROWINGS

Our interest-bearing bank and other borrowings were RMB398.9 million and RMB522.4 million as of December 31, 2024 and 2025, respectively.

## CAPITAL EXPENDITURES

Our capital expenditures amounted to RMB2.6 million during the Reporting Period (RMB8.5 million during 2024), which were used for the purchase of R&D equipment.

## CAPITAL COMMITMENTS

As of December 31, 2025, the Group's capital commitments amounted to RMB8.5 million (as of December 31, 2024: RMB0.4 million), which were mainly related to the contracted but unpaid amounts for plant and machinery.

## CONTINGENT LIABILITIES

As of December 31, 2025, we did not have any material contingent liabilities.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FOREIGN EXCHANGE EXPOSURE

During the Reporting Period, our major businesses are carried out in the Chinese mainland and Sweden, and most of the transactions are conducted in Renminbi and U.S. dollars. Most of our assets and liabilities are denominated in Renminbi. The Group has cash at bank in foreign currencies, which exposes the Group to foreign exchange risk. The Group does not use any derivative contracts to hedge against foreign exchange risk. The Group manages its foreign exchange risk by closely monitoring the movement of foreign exchange rates and will take prudent measures to minimize the currency translation risk.

## CAPITAL MANAGEMENT

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize Shareholders' value. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to Shareholders, return capital to Shareholders or issue new Shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended December 31, 2025 and December 31, 2024.

## LIQUIDITY AND FINANCIAL RESOURCES

Our cash and cash equivalents increased from RMB167.9 million as of December 31, 2024 to RMB406.7 million as of December 31, 2025, primarily attributable to the proceeds from the Group's equity financing in 2025.

During the Reporting Period, we primarily financed our operations through equity and debt financing, as well as revenue from our licensing and collaboration arrangements. We expect to continue to incur significant expenses for the foreseeable future as we advance our drug candidates, which will be funded by a combination of our cash on hand, cash flow from our license and collaboration arrangements, bank borrowings, and proceeds from the Global Offering. We follow a set of funding and treasury policies to manage our capital resources and mitigate potential risks. We will closely monitor our liquidity position and maintain an adequate level of cash and bank balances to finance our operations and mitigate the impact of cash flow fluctuations. We will continue to concentrate our resources on the development of the Core Product while exercising disciplined control over other expenses to manage operating cash outflows. The Board would also consider various funding sources depending on our funding needs to ensure that the financial resources have been used in the most cost-effective and efficient way to meet our financial obligations. The Board reviews and evaluates our funding and treasury policy from time to time to ensure its adequacy and effectiveness.

During the Reporting Period, we did not have any financial instruments for hedging purposes.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BORROWINGS AND GEARING RATIO

Our Group's total borrowings as of December 31, 2025 were RMB522.4 million (as of December 31, 2024: RMB398.9 million) which were denominated in RMB and bearing interest at fixed interest rates ranging from 2.5% to 4.5% per annum, which was mainly attributable to the borrowings for R&D and working capital purposes. As of December 31, 2025, the gearing ratio of our Group (gearing ratio equals total interest-bearing borrowings and lease liabilities divided by total interest-bearing borrowings, lease liabilities and total equity attributable to owners of the parent at the end of the year, multiplied by 100%) decreased to 120.6%, compared to 134.6% as of December 31, 2024.

## NET CURRENT LIABILITIES

The Group's net current liabilities as of December 31, 2025 were RMB84.4 million, as compared to the net current liabilities of RMB145.0 million as of December 31, 2024. Such decrease was mainly attributable to the increase in cash and cash equivalents from equity financing.

## PLEDGED ASSET

As of December 31, 2025, the Group's secured bank borrowings of RMB110.9 million (as of December 31, 2024: RMB124.8 million) were secured by certain property, plant and equipment and right-of use assets with carrying amounts of RMB104.6 million (as of December 31, 2024: RMB117.0 million) and RMB41.6 million (as of December 31, 2024: RMB42.5 million), respectively.

# DIRECTORS' REPORT

The Board is pleased to present this report of Directors together with the consolidated financial statements of the Group for the year ended December 31, 2025.

## BOARD OF DIRECTORS

The Board currently comprises three executive Directors, three non-executive Directors and three independent non-executive Directors.

The Directors during the year ended December 31, 2025 and up to the date of this annual report are:

### EXECUTIVE DIRECTORS

Dr. LIANG Zicai (梁子才) *(Chairman of the Board and Chief Executive Officer)*
Dr. GAN Liming (甘黎明)
Dr. ZHANG Hongyan (張鴻雁)

### NON-EXECUTIVE DIRECTORS

Dr. QI Fei (戚飛)
Mr. LI Dongfang (李東方)
Mr. LI Yuhui (李宇輝)

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. YU Xuefeng (宇學峰)
Mr. MA Chaosong (馬朝松)
Mr. WANG Ruiping (王瑞平)

## SUPERVISORY COMMITTEE

The Supervisors during the year ended December 31, 2025 and up to the date of this annual report are:

Ms. WANG Fan (王番)
Mr. WANG Lijie (王立傑)
Mr. ZHANG Ning (張寧)

# DIRECTORS' REPORT

## DIRECTORS' AND SUPERVISORS' BIOGRAPHICAL DETAILS

Details of Directors and Supervisors are set out in "Profiles of Directors, Supervisors and Senior Management" of this annual report. Up to the date of this annual report, the updated information has been disclosed in the section headed "Profiles of Directors, Supervisors and Senior Management" pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules.

## GENERAL INFORMATION

The Company was incorporated in the PRC with limited liability on January 18, 2007 and converted into a joint stock company with limited liability on August 14, 2020. The Company's H Shares were listed on the Main Board of the Stock Exchange on January 9, 2026.

## PRINCIPAL ACTIVITIES

We are a biopharmaceutical company engaged in oligonucleotide R&D, with a focus on siRNA therapeutics. We began our journey in 2007 as one of the pioneers in this field, with a mission to spearhead the development of these novel therapeutics to revolutionize the treatment of diseases with unmet needs, including cardiovascular, metabolic, renal and liver diseases. Through our dedicated efforts, we aim to redefine patient care and improve the lives of millions affected by these debilitating conditions.

There have been no significant changes in the nature of the Group's principal business from the Listing Date to the date of this annual report. For details of the principal business of the Company's principal subsidiaries, please refer to note 1 to the consolidated financial statements.

## RESULTS

The results of the Group for the year ended December 31, 2025 are set out in the consolidated statement of profit or loss on page 179 of this annual report.

# DIRECTORS' REPORT

## BUSINESS REVIEW

A fair review of the business of the Group as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), including an analysis of the Group's financial performance and an indication of likely future developments in the Group's business is set out in the sections headed "Chairman's Statement", "Financial Highlights" and "Management Discussion and Analysis" in this annual report. These discussions form part of this annual report. Events affecting the Company that have occurred since the end of the financial year is set out in the section headed "Important Events after the Reporting Period" in this annual report. The discussion of the Company's key relationships with its employees, suppliers and others that have a significant impact on the Company is set out in the section headed "Relationships with Key Stakeholders" in this annual report.

## PRINCIPAL RISKS AND UNCERTAINTIES

The following list is a summary of certain principal risks and uncertainties faced by the Group, some of which are beyond its control:

- We face intense competition and rapid technological change, and the possibility that our competitors may develop therapies that are similar, more advanced, or more effective than ours, which may adversely affect our financial condition and our ability to successfully commercialize our drug candidates, and may also potentially limit our market size;

- Our business and prospects depend substantially on the success of our drug candidates, most of which (including our Core Product) have not yet advanced to late-stage clinical trials and whose efficacy and potential side effects have not been fully evaluated. If we are unable to successfully complete clinical development, obtain regulatory approvals or achieve commercialization for our drug candidates, or if we experience significant delays or cost overruns in doing any of the foregoing, our business and prospects could be materially and adversely affected;

- Clinical development involves a lengthy and expensive process with uncertain outcomes, and results of earlier studies and trials may not be predictive of future trial results;

- All material aspects of the research, development, manufacturing and commercialization of biopharmaceutical products are heavily regulated. Any failure to comply with relevant laws, regulations and industry standards or any adverse actions by the regulatory authorities against us could negatively impact our reputation and our business, financial condition, results of operations and prospects;

- The regulatory approval processes of the EMA, NMPA, FDA and other comparable regulatory authorities are time-consuming and uncertain. If we are unable to obtain without undue delay any regulatory approvals for our drug candidates in our targeted markets, our business may be subject to actual or perceived harm;

# DIRECTORS' REPORT

- We have incurred significant net losses since inception. We anticipate that we will continue to incur net losses and may fail to achieve or maintain profitability in the future;
- We incurred net liabilities, net current liabilities and net operating cash outflows during the Reporting Period, which may continue into the foreseeable future and expose us to liquidity risk;
- We may need to obtain substantial additional financing to fund our operations and expansion, and if we fail to do so, we may be unable to complete the development and commercialization of our drug candidates;
- We have entered into collaboration and license agreements with third parties in the development, manufacturing and commercialization of drug candidates, and may seek and enter into additional partnerships in the future. We may fail to identify suitable business partners or may not realize the benefits of such partnerships as expected;
- We rely on third parties to monitor, support and/or conduct clinical trials and preclinical studies of our drug candidates. If these third parties fail to comply with the applicable regulatory requirements, procedures or contractual duties in line with agreed protocols, we may not be able to obtain regulatory approval for, or commercialize, our drug candidates, and our business could be materially affected;
- If we are unable to obtain and maintain adequate patent and other intellectual property protection for our drug candidates, or if the scope of such intellectual property rights obtained is not sufficiently broad, third parties could develop and commercialize products and technologies similar or identical to ours and compete directly against us, and our ability to successfully commercialize our drug candidates may be adversely affected;
- The future commercial success of our drug candidates will depend on the degree of their market acceptance among physicians, patients and others in the medical community; and
- Our future success depends on our ability to attract, retain and motivate senior management, qualified medical professionals and scientific employees.

However, the above is not an exhaustive list. Investors are advised to make their own judgment or consult their own investment advisors before making any investment in the Shares.

The Company considers that risk management is essential to the efficient and effective operation of the Group. The Company's management assists the Board in assessing significant internal and external risks arising from the Group's business, including operational risks, financial risks, regulatory risks, etc., and actively establishes appropriate risk management and internal control mechanisms and incorporates them into daily operational management.

# DIRECTORS' REPORT

## ENVIRONMENTAL POLICIES AND PERFORMANCE

We believe our long-term success rests on our ability to make positive impact on the society. As we continue to bring innovative oligonucleotide therapeutics to patients in China and worldwide, we strive to build a sustainable ecosystem comprised of our employees, business partners, physicians, and patient groups.

We are subject to various health, work safety and environmental laws and regulations and our operations are regularly inspected by local government authorities. During the Reporting Period and up to the date of this annual report, we had been in compliance with health, work safety and environmental laws and regulations applicable to our operations in all material respects in the jurisdictions where we operate, including the PRC, the EU and Australia, and had not been subject to any material claims, fines or other penalties due to non-compliance with health, work safety or environmental regulations that would materially and adversely affect our business, financial condition or results of operations.

A comprehensive review on the Company's environmental policies and performance during the year of 2025 is provided in the "2025 Environmental, Social and Governance Report" from page 113 to page 173 of this annual report.

## COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

As far as the Board and management are aware, the Group has complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. For the year ended December 31, 2025, there was no material breach of, or non-compliance with, applicable laws and regulations by the Group.

## EMPLOYEES AND REMUNERATION POLICIES

As of December 31, 2025, the Group had a total of 407 full-time employees (as of December 31, 2024: 411 full-time employees).

The number of employees employed by the Group varies from time to time depending on need. The remuneration package of our employees primarily includes salary, bonus and share-based compensation, which are generally determined by their qualifications, performance review, and seniority. The Company makes contributions to social insurance and housing provident funds as required by the PRC laws and regulations.

The Company has adopted the Employee Incentive Scheme, the Pre-IPO Share Option Scheme and Ribocure AB Share Incentive Scheme to provide incentives for the eligible participants. Please refer to the section headed "Share Incentive Schemes" in this annual report for further details. For the year ended December 31, 2025, the Group did not experience any material labor disputes or strikes that may have a material and adverse effect on our business, financial condition or results of operations, or any difficulty in recruiting employees.

# DIRECTORS' REPORT

## MAJOR SUPPLIERS

For the year ended December 31, 2025, purchases from the Group's five largest suppliers amounted to RMB27.5 million (2024: RMB45.4 million), accounting for approximately 26.1% (2024: 45.4%) of the Group's total purchases for the same year. The Group's purchases from the largest supplier for the year ended December 31, 2025 amounted to RMB13.3 million (2024: RMB20.2 million), accounting for approximately 12.6% (2024: 20.2%) of the Group's total purchases for the same year.

To the best knowledge of the Company, none of the Directors, their respective close associates, or any Shareholder who owns more than 5% of the Company's issued capital, has any interest in any of the Group's five largest suppliers.

For the year ended December 31, 2025, the Group did not experience any significant disputes with its suppliers.

## MAJOR CUSTOMERS

For the year ended December 31, 2025, revenue generated from the Group's five largest customers amounted to RMB146.7 million (2024: RMB142.5 million), accounting for approximately 98.8% (2024: 99.9%) of the Group's total revenue for the same year. The Group's revenue generated from the largest customer for the year ended December 31, 2025 amounted to RMB105.1 million (2024: RMB101.0 million), accounting for approximately 70.8% (2024: 70.8%) of the Group's total revenue for the same year.

To the best knowledge of the Company, none of the Directors, their respective close associates, or any Shareholders who owns more than 5% of the Company's issued capital, has any interest in any of the Group's five largest customers.

For the year ended December 31, 2025, the Group did not experience any significant disputes with its major customers that had a material adverse impact on its business or financial performance.

# DIRECTORS' REPORT

## RELATIONSHIPS WITH KEY STAKEHOLDERS

The Group recognizes that various stakeholders including customers, suppliers, employees, Shareholders and other business associates are key to Group's success. The Group strives to achieve corporate sustainability through engaging, collaborating, and cultivating strong relationships with them.

### EMPLOYEES

The Company builds its success on employees' dedication and commitment. Our Company is committed to providing as much opportunities as possible for employees' skills enhancement and career development. We aim at cultivating talents in the long run, encouraging employees to realize their full potential and to keep pace with growth of the Company. Details of employees of the Company during the Reporting Period are set out in the "2025 Environmental, Social and Governance Report" from page 113 to page 173 of this annual report.

### CUSTOMERS AND SUPPLIERS

During the Reporting Period, our revenue was primarily derived from our license and collaboration agreements with our business partners, and our suppliers primarily consisted of (i) CROs and CDMOs, and (ii) suppliers of raw materials and consumables for our drug development. The raw materials procured for our drug candidates primarily include monomers, anhydrous acetonitrile and toluene. We have established stable relationships with qualified suppliers for raw materials, which we believe have sufficient capacity to meet our demands. Nevertheless, we believe that adequate alternative sources for such supplies exist. To monitor the quality of supplies, we implemented a standardized operating system, setting out the procedures and guidelines for the procurement of raw materials, quality control inspection, warehousing, testing, and storage. During the Reporting Period, we did not experience any material shortage or delays in the supply of raw materials.

The Group values long standing relationships with its customers and suppliers. The Group aims at delivering high quality products to its customers and developing mutual trust and enhancing communication and commitment between the Group and its suppliers to maintain sustainable growth.

### SHAREHOLDERS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Company's business performance and strategies. Apart from transparent and timely disclosure of corporate information in accordance with the Listing Rules, the Company has kept effective communication with Shareholders through the Company's website, WeChat platform, Shareholder's hotline, and IR mailbox. Senior managements are also glad to welcome the Shareholders for on-site visit and have one-on-one meetings with them to share the information which they are concerned and enable them to make rational investment decisions.

# DIRECTORS' REPORT

## FINANCIAL SUMMARY

A summary of the audited consolidated results and the assets and liabilities of the Group for the last three financial years, as extracted from the audited consolidated financial statements, is set out on page 14 of this annual report. This summary does not form part of the audited consolidated financial statements.

## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the relevant laws of the PRC that would oblige the Company to offer new Shares on a pro rata basis to existing Shareholders.

## TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company's securities.

## SUBSIDIARIES

Particulars of the Company's major subsidiaries are set out in note 1 to the consolidated financial statements.

## PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group for the year ended December 31, 2025 are set out in note 13 to the consolidated financial statements.

## SHARE CAPITAL AND SHARES ISSUED

Details of movements in the share capital of the Company for the year ended December 31, 2025 are set out in note 27 to the consolidated financial statements.

## DONATION

For the year ended December 31, 2025, the Group made charitable donations of RMB2.7 million.

## DEBENTURE ISSUED

The Group did not issue any debenture for the year ended December 31, 2025.

# DIRECTORS' REPORT

## EQUITY-LINKED AGREEMENTS

Save as disclosed in this annual report, no equity-linked agreements that will or may result in the Company issuing Shares or that require the Company to enter into any agreements that will or may result in the Company issuing Shares were entered into by the Company during or subsisted at the end of the year ended December 31, 2025.

## DIVIDENDS

The Board did not recommend the distribution of a final dividend for the year ended December 31, 2025. The Board is not aware of any Shareholders having waived or agreed to waive any dividend.

## PERMITTED INDEMNITY

The Company has maintained Directors' liability insurance to protect the Directors against any potential losses arising from his/her actual or alleged misconduct. A permitted indemnity provision (as defined in the Companies Ordinance) has been in force since the Listing Date and up to the date of this annual report for the benefit of the Directors and Supervisors.

## DISTRIBUTABLE RESERVES

As of December 31, 2025, the Company did not have any distributable reserves.

Details of movements in the reserves of the Group and the Company during the year ended December 31, 2025 are set out in the consolidated statement of changes in equity on pages 183 to 184 and in note 28 to the consolidated financial statements, respectively.

## BANK LOANS AND OTHER BORROWINGS

Details of the bank borrowings of the Group as of December 31, 2025 are set out in note 24 to the financial statements.

## CONVERTIBLE BONDS

As of the date of this annual report, the Company has not issued any convertible bonds.

## DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

Details of Directors' and Supervisors' service contracts are set out in "Appointment, Re-election and Removal of Directors and Supervisors" section of the Corporate Governance Report.

# DIRECTORS' REPORT

## DIRECTORS' AND SUPERVISORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

None of the Directors or Supervisors nor any entity connected with the Directors or Supervisors had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party subsisting during or at the end of the year ended December 31, 2025.

## DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the Reporting Period, none of the Directors have any interests in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group and requires disclosure under Rule 8.10 of the Listing Rules.

From time to time our non-executive Directors may serve on the boards of both private and public companies within the broader healthcare and biopharmaceutical industries. However, as these non-executive Directors are not members of our executive management team, we do not believe that their interests in such companies as directors would render us incapable of carrying on our business independently from the other companies in which these non-executive Directors may hold directorships from time to time.

## MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed for the year ended December 31, 2025.

## PENSION SCHEME

The Group participates in the national pension scheme as defined by the laws of the countries in which it operates. In particular, the employees of the Group in mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The subsidiary of the Group located in Sweden makes defined contributions to the public pension system and occupational pension scheme in Sweden. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme and the public pension system and occupational pension scheme.

During the Reporting Period, the Group did not use any forfeited contributions to reduce the current level of contributions. Details of the pension scheme of the Group are set out in note 6 to the consolidated financial statements.

# DIRECTORS' REPORT

## DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As the Company's H Shares were listed on January 9, 2026, Divisions 7 and 8 of Part XV of the SFO and Section 352 of the SFO were not applicable to the Directors, Supervisors or chief executive of the Company as of December 31, 2025.

As at the date of this annual report, the interests or short positions of the Directors, Supervisors and chief executive in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or (ii) to be entered into the register required to be kept by the Company pursuant to Section 352 of the SFO, or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

### (A) LONG POSITION IN THE SHARES OF THE COMPANY

| Name of Director, Supervisor or chief executive | Position | Nature of interest | Number and class of Shares held | Approximate percentage of shareholding in the total issued Shares[1] |
|---|---|---|---|---|
| Dr. LIANG[2][3][4][5] | Chairman of the Board, executive Director and chief executive officer | Beneficial owner; interest of spouse; interest held jointly with other persons; interest in controlled corporations | 40,194,267 H Shares | 23.57% |
| Dr. ZHANG[2][4][6][7] | Executive Director and president | Beneficial owner; interest of spouse; interest held jointly with other persons; interest in controlled corporations | 40,194,267 H Shares | 23.57% |
| Dr. GAN Liming (甘黎明)[8] | Executive Director, co-chief executive officer and global R&D president | Beneficial owner | 623,987 H Shares | 0.37% |
| Mr. LI Yuhui (李宇辉)[9] | Non-executive Director | Interest in controlled corporations | 8,978,569 H Shares | 5.26% |

# DIRECTORS' REPORT

*Notes:*

(1) The calculation is based on the total number of 170,554,910 H Shares in issue as of the date of this annual report.

(2) Dr. LIANG and Dr. ZHANG are the spouse of each other and is deemed to be interested in the Shares beneficially owned by each other under the SFO.

(3) As of the date of this annual report, Dr. LIANG, Ms. MO Hua, Prof. XI Zhen, Prof. ZHANG Lihe, Kunshan Ruiman, Kunshan Ruiji and Kunshan Ruikong directly held 14,546,306 Shares, 3,037,458 Shares, 2,847,150 Shares, 1,898,100 Shares, 5,539,551 Shares, 1,428,498 Shares and 10,842,204 Shares, respectively.

(4) On March 8, 2017, Dr. LIANG, Ms. MO Hua, Prof. XI Zhen, Prof. ZHANG Lihe, Kunshan Ruiman, Kunshan Ruiji and Kunshan Ruikong entered into an acting-in-concert undertaking which was further amended by a supplemental agreement entered into by the Concert Parties (as defined below) other than Kunshan Ruixing on October 1, 2020 to formally record the acting-in-concert arrangements (the "**Concert Party Arrangement**"). Even though Kunshan Ruixing did not enter into any acting-in-concert undertaking or agreement with the other Concert Parties, it shall be deemed to be a Concert Party under the Concert Party Arrangement, as Kunshan Ruixing was the general partner of Kunshan Ruiman and Dr. LIANG was the general partner of Kunshan Ruixing. Pursuant to the Concert Party Arrangement, Dr. LIANG, Dr. ZHANG, Kunshan Ruikong, Kunshan Ruiman, Ms. MO Hua, Prof. XI Zhen, Prof. ZHANG Lihe, Kunshan Ruiji and Kunshan Ruixing (collectively, the "**Concert Parties**") have been acting in concert.

For details of the Concert Party Arrangement, please see the section headed "History and Corporate Structure — Acting-in-Concert" in the Prospectus. By virtue of the SFO, each of the Concert Parties are deemed to be interested in the Shares held by each other.

(5) As of the date of this annual report, Kunshan Ruixing was the general partner of Kunshan Ruiman and Dr. LIANG was the general partner of Kunshan Ruixing. Therefore, each of Dr. LIANG and Kunshan Ruixing is deemed to be interested in the Shares held by Kunshan Ruiman under the SFO. The general partner of Kunshan Ruiji is Dr. LIANG and therefore, Dr. LIANG is deemed to be interested in the Shares held by Kunshan Ruiji under the SFO.

(6) As of the date of this annual report, Kunshan Ruikong, a limited partnership established in the PRC, was held as to 44.4% by Dr. ZHANG, being its general partner. Therefore, Dr. ZHANG is deemed to be interested in the Shares held by Kunshan Ruikong under the SFO.

(7) On February 8, 2025, Dr. ZHANG was granted options by our Company to subscribe for 55,000 H Shares under the Pre-IPO Share Option Scheme. For more details, please refer to the section headed "Share Incentive Schemes" of this annual report.

(8) On February 8, 2025, Dr. GAN Liming (甘黎明) was granted options by our Company to subscribe for 623,987 H Shares under the Pre-IPO Share Option Scheme. For more details, please refer to the section headed "Share Incentive Schemes" of this annual report.

# DIRECTORS' REPORT

(9) Shanghai Panlong Venture Investment Partnership (Limited Partnership) (上海磐隴創業投資合夥企業(有限合夥)) ("**Panlong Investment**") is a limited partnership established in the PRC, whose general partner is Shanghai Panlin Management Consulting Co., Ltd. (上海磐霖管理諮詢有限公司) ("**Panlin Consulting**"). Panlin Consulting is wholly owned by Shanghai Panlin Asset Management Co., Ltd. (上海磐霖資產管理有限公司) ("**Shanghai Panlin**"). Shanghai Panlin is the general manager of each of Ningbo Panlin Qianyuan Venture Capital Partnership (Limited Partnership) (寧波磐霖仟源創業投資合夥企業(有限合夥)) ("**Panlin Qianyuan**"), Hangzhou Panlin Xukang Venture Capital Partnership (Limited Partnership) (杭州磐霖旭康創業投資合夥企業(有限合夥)) ("**Panlin Xukang**"), Jiaxing Panlin Guangci Venture Capital Partnership (Limited Partnership) (嘉興磐霖廣慈創業投資合夥企業(有限合夥)) ("**Panlin Guangci**"), Jiaxing Panlin Yuesheng Venture Capital Partnership (Limited Partnership) (嘉興磐霖悦生創業投資合夥企業(有限合夥)) ("**Panlin Yuesheng**") and Qingdao Panlin Hongyu Venture Capital Partnership (Limited Partnership) (青島磐霖鴻裕創業投資企業(有限合夥)) ("**Panlin Hongyu**") (collectively and together with Panlong Investment, "**Panlin**"). As of the date of this annual report, Panlong Investment, Panlin Qianyuan, Panlin Xukang, Panlin Guangci, Panlin Yuesheng and Panlin Hongyu held 817,455 Shares, 4,380,906 Shares, 1,175,724 Shares, 1,004,334 Shares, 817,455 Shares and 782,695 Shares, and Shanghai Panlin was held as to 46.00% by Mr. LI Yuhui (李宇輝). Therefore, each of Mr. LI Yuhui (李宇輝) and Shanghai Panlin is deemed to be interested in the Shares held by Panlin under the SFO.

(10) All the above Shares are held in long position.

## (B) LONG POSITION IN THE SHARES OF ASSOCIATED CORPORATION OF THE COMPANY

| Name of associated corporation | Name of Director, Supervisor or chief executive | Position | Nature of interest | Number of shares held in the associated association | Approximate percentage of shareholding in the total issued share capital of the associated corporation |
|---|---|---|---|---|---|
| Ribocure AB[1] | Dr. GAN Liming (甘黎明) | Executive Director, co-chief executive officer and global R&D president | Beneficial owner | 124,875 | 6.61% |
| | | | Interest in controlled corporation[1] | 178,125 | 9.43% |

# DIRECTORS' REPORT

*Notes:*

(1) Ribocure AB is a subsidiary of the Company and therefore an associated corporation of the Company. As of the date of this annual report, Ribocure AB had a total of 1,889,139 issued shares.

(2) Adstella Holding AB held 178,125 shares of Ribocure AB directly which represents approximately 9.43% equity interests in Ribocure AB. Adstella Holding AB is owned by Dr. GAN Liming (甘黎明) as to 34.67%. Therefore, Dr. GAN Liming is deemed to be interested in the shares of Ribocure AB held by Adstella Holding AB under the SFO.

Adstella Holding AB is a company established for the purpose of implementing the Ribocure AB Share Incentive Scheme. Pursuant to the deed of voting proxy dated April 17, 2025 executed by Adstella Holding AB in favor of our Company, our Company shall be entitled to, as the attorney of Adstella Holding AB, to exercise the voting rights attached the shares of Ribocure AB held by Adstella Holding AB at the Company's sole direction. For details, see the section headed "Appendix VII — Statutory and General Information — D. Share Incentive Schemes — 3. Ribocure AB Share Incentive Scheme" to the Prospectus.

(3) All the above Shares are held in long position.

Save as disclosed above, as at the date of this annual report, so far as the Directors are aware, none of the Directors, Supervisors or the chief executive of the Company had or were deemed to have any interest or short position in any Shares or underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which was required (i) to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO; (ii) to be recorded in the register required to be kept by the Company under Section 352 of the SFO; or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

# DIRECTORS' REPORT

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As the Company's H Shares were listed on January 9, 2026, Divisions 2 and 3 of Part XV of the SFO and Section 336 of the SFO were not applicable to the substantial Shareholders of the Company as of December 31, 2025.

As at the date of this annual report, the interests of relevant persons (other than a Director, Supervisor or the chief executive of the Company) who had interests or short positions in the Shares or the underlying Shares, which were required to be notified under Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept by the Company under Section 336 of the SFO, were as follows:

### LONG POSITION IN THE SHARES OF THE COMPANY

| Name of Shareholder | Nature of interest | Number and class of Shares held | Approximate percentage of shareholding in the total share capital of the Company[1] |
|---|---|---|---|
| Kunshan Ruiman[2][3] | Beneficial owner; interest held jointly with other persons | 40,194,267 H Shares | 23.57% |
| Kunshan Ruixing[2][3] | Interest in controlled corporations; interest held jointly with other persons | 40,194,267 H Shares | 23.57% |
| Kunshan Ruiji[2][3] | Beneficial owner; interest held jointly with other persons | 40,194,267 H Shares | 23.57% |
| Kunshan Ruikong[2][3][4] | Beneficial owner; interest held jointly with other persons | 40,194,267 H Shares | 23.57% |
| Ms. MO Hua[2][3][5] | Beneficial owner; interest held jointly with other persons | 40,194,267 H Shares | 23.57% |
| | Interest of spouse | 382,268 H Shares | 0.22% |
| Prof. XI Zhen[2][3] | Beneficial owner; interest held jointly with other persons | 40,194,267 H Shares | 23.57% |
| Prof. ZHANG Lihe[2][3] | Beneficial owner; interest held jointly with other persons | 40,194,267 H Shares | 23.57% |

# DIRECTORS' REPORT

| Name of Shareholder | Nature of interest | Number and class of Shares held | Approximate percentage of shareholding in the total share capital of the Company[1] |
|---|---|---|---|
| Future Industry Investment Fund (Limited Partnership) (先進製造產業投資基金（有限合夥)) ("**FIIF**")[6] | Beneficial owner | 11,430,002 H Shares | 6.70% |
| Wise Vigour Limited ("**Wise Vigour**")[7] | Beneficial owner | 8,714,881 H Shares | 5.11% |
| LC Healthcare Continued Fund I, L.P.[7] | Interest in controlled corporations | 8,714,881 H Shares | 5.11% |
| LC Fund GP Limited[7] | Interest in controlled corporations | 8,714,881 H Shares | 5.11% |
| Union Season Holdings Limited ("**Union Season**")[7] | Interest in controlled corporations | 8,714,881 H Shares | 5.11% |
| Legend Capital Co., Ltd.（君聯資本管理股份有限公司）("**Legend Capital**")[7] | Interest in controlled corporations | 8,714,881 H Shares | 5.11% |
| Beijing Juncheng Hezhong Investment Management Partnership Enterprises (Limited Partnership)（北京君誠合眾投資管理合夥企業（有限合夥）) ("**Juncheng Hezhong**")[7] | Interest in controlled corporations | 8,714,881 H Shares | 5.11% |
| Beijing Junqi Jiarui Business Management Limited（北京君祺嘉睿企業管理有限公司）("**Junqi Jiarui**")[7] | Interest in controlled corporations | 8,714,881 H Shares | 5.11% |
| CHEN Hao（陳浩）[7] | Interest in controlled corporations | 8,714,881 H Shares | 5.11% |
| Shanghai Panlin[8] | Interest in controlled corporations | 8,978,569 H Shares | 5.26% |

# DIRECTORS' REPORT

*Notes:*

(1) Calculated based on the aggregate number of 170,554,910 H Shares in issue as of the date of this annual report.

(2) As of the date of this annual report, Dr. LIANG, Ms. MO Hua, Prof. XI Zhen, Prof. ZHANG Lihe, Kunshan Ruiman, Kunshan Ruiji and Kunshan Ruikong directly held 14,546,306 Shares, 3,037,458 Shares, 2,847,150 Shares, 1,898,100 Shares, 5,539,551 Shares, 1,428,498 Shares and 10,842,204 Shares, respectively.

(3) On March 8, 2017, Dr. LIANG, Ms. MO Hua, Prof. XI Zhen, Prof. ZHANG Lihe, Kunshan Ruiman, Kunshan Ruiji and Kunshan Ruikong entered into an acting-in-concert undertaking which was further amended by a supplemental agreement entered into by the Concert Parties other than Kunshan Ruixing on October 1, 2020 to formally record the acting-in-concert arrangements. Even though Kunshan Ruixing did not enter into any acting-in-concert undertaking or agreement with the other Concert Parties, it shall be deemed to be a Concert Party under the Concert Party Arrangement, as Kunshan Ruixing was the general partner of Kunshan Ruiman and Dr. LIANG was the general partner of Kunshan Ruixing. Pursuant to the Concert Party Arrangement, Dr. LIANG, Dr. ZHANG, Kunshan Ruikong, Kunshan Ruiman, Ms. MO Hua, Prof. XI Zhen, Prof. ZHANG Lihe, Kunshan Ruiji and Kunshan Ruixing have been acting in concert.

For details of the Concert Party Arrangement, please see the section headed "History and Corporate Structure — Acting-in-Concert" in the Prospectus. By virtue of the SFO, each of the Concert Parties are deemed to be interested in the Shares held by each other.

(4) As of the date of this annual report, Kunshan Ruikong, a limited partnership established in the PRC, was held as to 44.4% by Dr. ZHANG, being its general partner. Therefore, Dr. ZHANG is deemed to be interested in the Shares held by Kunshan Ruikong under the SFO.

(5) As of the date of this annual report, Shanghai Chuang Yuan Yuan Investment Management Co. Ltd. (上海創源垣投資管理有限公司) ("**Shanghai Chuangyuanyuan**"), was ultimately controlled by LIU Wanfeng (劉萬楓), the spouse of Ms. MO Hua. Therefore, Ms. MO Hua is deemed to be interested in the Shares held by Shanghai Chuangyuanyuan under the SFO.

# DIRECTORS' REPORT

(6) FIIF, a limited partnership established in the PRC, is managed by its general partner, SDICFUND Management Co., Ltd. (國投創新投資管理有限公司) ("**SDICFUND**"). SDICFUND is 40% owned by China State Investment High-Tech Industrial Investment Co., Ltd. (中國國投高新產業投資有限公司), which in turn is controlled by State Development and Investment Corporation (國家開發投資集團有限公司), a state-owned enterprise. As such, under the SFO, each of State Development and Investment Corporation, China State Investment High-Tech Industrial Investment Co., Ltd. and SDICFUND is deemed to be interested in Shares held by FIIF.

(7) As of the date of this annual report, Wise Vigour, a company incorporated in Hong Kong, was held by LC Healthcare Continued Fund I, L.P. and LC Continued Fund IV, L.P., each an Independent Third Party, as to 92.6% and 7.4%, respectively. The general partner of each of LC Healthcare Continued Fund I, L.P. and LC Continued Fund IV, L.P. is LC Fund GP Limited, an Independent Third Party, which is in turn wholly owned by Union Season. Union Season is wholly owned by Legend Capital, which is in turn owned by Juncheng Hezhong as to 80%. Junqi Jiarui, as the general partner of Juncheng Hezhong, was held by CHEN Hao, ZHU Linan (朱立南), WANG Nengguang (王能光) and LI Jiaqing (李家慶), each an Independent Third Party as to 40%, 20%, 20% and 20%, respectively. Therefore, each of LC Healthcare Continued Fund I, L.P., LC Fund GP Limited, Union Season, Legend Capital, Juncheng Hezhong, Junqi Jiarui and CHEN Hao is deemed to be interested in the Shares held by Wise Vigour under the SFO.

(8) Panlong Investment is a limited partnership established in the PRC, whose general partner is Panlin Consulting. Panlin Consulting is wholly owned by Shanghai Panlin. Shanghai Panlin is the general manager of each of Panlin Qianyuan, Panlin Xukang, Panlin Guangci, Panlin Yuesheng and Panlin Hongyu. As of the date of this annual report, Panlong Investment, Panlin Qianyuan, Panlin Xukang, Panlin Guangci, Panlin Yuesheng and Panlin Hongyu held 817,455 Shares, 4,380,906 Shares, 1,175,724 Shares, 1,004,334 Shares, 817,455 Shares and 782,695 Shares, and Shanghai Panlin was held as to 46.00% by Mr. LI Yuhui (李宇輝). Therefore, each of Mr. LI Yuhui (李宇輝) and Shanghai Panlin is deemed to be interested in the Shares held by Panlin under the SFO.

(9) All the above Shares are held in long position.

Saved as disclosed above, as at the date of this annual report, so far as the Directors are aware, no other person (not being a Director, Supervisor or chief executive of the Company) had or was deemed to have any interest or short position in any Shares or underlying Shares of the Company which was required to be notified under Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

# DIRECTORS' REPORT

## SHARE INCENTIVE SCHEMES

### EMPLOYEE INCENTIVE SCHEME

The Employee Incentive Scheme was adopted on May 20, 2020. Kunshan Ruiman, Kunshan Ruijing, Kunshan Ruixing, Kunshan Ruixiang, Kunshan Ruilang and Kunshan Ruizhuo were established as the Employee Incentive Platforms for the purpose of the implementation of the Employee Incentive Scheme. As of the date of this annual report, Kunshan Ruijing, Kunshan Ruixing, Kunshan Ruixiang, Kunshan Ruilang and Kunshan Ruizhuo, through Kunshan Ruiman, held 5,539,551 Shares in aggregate, representing 3.25% of the registered share capital of our Company.

The Employee Incentive Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as it does not involve the grant of Shares or the grant of options by our Company to subscribe for the Shares under the Employee Incentive Scheme upon the Listing. Given the underlying Shares under the Employee Incentive Scheme have already been issued to Employee Incentive Platforms, there was no dilution effect to the issued Shares upon the Listing.

Details of Employee Incentive Scheme were disclosed in "Appendix VII — Statutory and General Information — D. Share Incentive Schemes — 1. Employee Incentive Scheme" to the Prospectus.

### PRE-IPO SHARE OPTION SCHEME

The Pre-IPO Share Option Scheme was adopted on December 10, 2024. The following is a summary of the principal terms of the Pre-IPO Share Option Scheme.

#### (a) Purpose

The purposes of the Pre-IPO Share Option Scheme are to motivate our management team and key employees, while attracting and integrating talents, enhance our technological R&D capabilities and ensure the realization of our development strategy and operational goals.

#### (b) Administration

The Pre-IPO Share Option Scheme's approval, alteration and termination are subject to the general meeting of the Company. The Board is authorized for the implementation of the Pre-IPO Share Option Scheme.

# DIRECTORS' REPORT

## (c) Eligibility

The eligible participants of the Pre-IPO Share Option Scheme include Directors and senior management, key employees and consultants of the Group ("**Eligible Participant**").

Each Eligible Participant under the Pre-IPO Share Option Scheme should have signed an employment contract or service contract with the Company or any of the subsidiaries of the Company at the Grant Date (as defined below).

## (d) Grantees

There are 25 Eligible Participants under the Pre-IPO Share Option Scheme, including two Directors, three senior management members (other than Directors), 19 key employees and one consultant of our Group at the Grant Date (as defined below).

## (e) Maximum number of Shares and maximum entitlement of each participant

The total number of options granted under the Pre-IPO Share Option Scheme is 2,113,987 options, accounting for 1.24% of the Company's total issued share capital as at the date of this annual report. Each option entitles the Eligible Participants to purchase one H Share.

Where any grant of options to a participant would result in the Shares issued and to be issued in respect of all options granted to such person (excluding any options lapsed in accordance with the terms of the Pre-IPO Share Option Scheme) in the 12-month period up to and including the Grant Date representing in aggregate over 1% of the relevant class of Shares of the Company in issue (excluding treasury shares) (the "**1% individual limit**"), such grant must be separately approved by Shareholders of the Company in general meeting with such participant and his/her close associates (or associates if the participant is a connected person) abstaining from voting.

## (f) Type of Shares

The underlying Shares under the Pre-IPO Share Option Scheme are the H Shares to be issued to the Eligible Participants by the Company upon Listing. The Company will not grant any option under the Pre-IPO Share Option Scheme after Listing.

## (g) Grant Date

The date of grant of all options under the Pre-IPO Share Option Scheme is February 8, 2025 (the "**Grant Date**").

# DIRECTORS' REPORT

## (h) Validity period

The validity period of the Pre-IPO Share Option Scheme begins from the Grant Date and ends on the date when the options granted to the Eligible Participants are fully exercised or canceled, not exceeding the earliest of: (1) 60 months from the Listing; (2) ten years from the Grant Date; and (3) any other duration specified by laws and regulations.

## (i) Vesting schedule

The vesting schedule for options granted to each Eligible Participant under the Pre-IPO Share Option Scheme is in the following manner:

1. 50% of options granted to each Eligible Participant shall be vested from the first trading day following 24 months after the Listing Date to the last trading day within 36 months from the Listing Date (the "**First Vesting Tranche**"); and

2. 50% of options granted to each Eligible Participant shall be vested from the first trading day following 36 months after the Listing Date to the last trading day within 48 months from the Listing Date (the "**Second Vesting Tranche**").

The actual amount of options to be vested under the Pre-IPO Share Option Scheme is subject to the achievement of certain performance targets of the relevant Eligible Participants as further described below.

## (j) Performance targets and vesting conditions

The Company will assess and score the performance of the Eligible Participants for each assessment year. The assessment results for each year are divided into five grades: S, A, B, C, and D with reference to the Company's annual performance assessment implementation plan.

Regarding the First Vesting Tranche, starting from the year 2024 up to and including the year preceding the first vesting date of options under the First Vesting Tranche, for Eligible Participants with an annual assessment result of (i) B or above, they can exercise the full number of options; or (ii) C or below, options granted will be cancelled by the Company.

Regarding the Second Vesting Tranche, in the year preceding the first vesting date of options under the Second Vesting Tranche, for Eligible Participants with an assessment result of (i) B or above, they can exercise the full number of options or (ii) C or below, options granted will be cancelled by the Company.

## (k) Exercise period

The options granted under the Pre-IPO Share Option Scheme can be exercised after vesting on any trading day but no later than the last trading day within the 48 months after the Listing Date.

# DIRECTORS' REPORT

## (l) Grant price and exercise price

There is no grant price of option under the Pre-IPO Share Option Scheme.

The exercise price of the option under the Pre-IPO Share Option Scheme is RMB3.7 per Share.

## (m) Basis of determination of the exercise price

The exercise price of the options granted under the Pre-IPO Share Option Scheme is determined based on, among others, the incentive strength, the impact of share-based payment expenses on the Company, the impact on the Company's cash flow, the dilution of existing Shareholders' Shares, the construction of the management team, the Company's growth, and the team's ability to contribute capital, in order to ensure the effectiveness of the Pre-IPO Share Option Scheme and achieve the desired incentive effect.

## (n) Lock-up periods and restrictions

The Shares issued to the Eligible Participants from exercise of options under the Pre-IPO Share Option Scheme shall be subject to a lock-up period of 12 months from the date of exercise of such options.

## (o) Transferability

The options granted to the Eligible Participants and the underlying Shares issued from exercise of options shall not be transferred, pledged, or used to repay debts prior to the exercise and during the lock-up period.

## (p) Capital restructuring

During the period from the adoption of the Pre-IPO Share Option Scheme until the exercise of their respective options by the Eligible Participants, if the Company engages in capital reserve transfers to increase its share capital, declaration and distribution of dividends, capital splits or consolidations, issuance of additional shares and other activities resulting the change of share capital of the Company, the number of options granted to the Eligible Participants will be adjusted accordingly.

## (q) Adjustment on the options granted to Eligible Participants

There are several circumstances set out in the Pre-IPO Share Option Scheme which will result in the adjustment (including, among others, forfeiture and lapse) of options granted to Eligible Participants, including the position change, termination of employment, departure due to incapacity or decease, violations of laws, misconduct and other non-compliance of Eligible Participants and other circumstances the Board considers appropriate.

# DIRECTORS' REPORT

## (r) Outstanding share options granted under the Pre-IPO Share Option Scheme

As of the date of this annual report, the number of underlying Shares pursuant to the outstanding options granted under the Pre-IPO Share Option Scheme amounted to 2,113,987 Shares, representing approximately 1.24% of the issued Shares.

As at the date of this annual report, the remaining life of the Pre-IPO Share Option Scheme is approximately four years and nine months.

Below is a list of the grantees under the Pre-IPO Share Option Scheme. No further options shall be granted under the Pre-IPO Share Option Scheme upon the Listing. As of the date of this annual report, 2,113,987 Shares are available for issue underlying options under the Pre-IPO Share Option Scheme, representing approximately 1.24% of the total number of Shares in issue as of the same date.

| | | | | | | | Number of Shares underlying the outstanding options | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Name | Position in our Group | Grant Date | Vesting period | Exercise period | Exercise price per Share (RMB) | Number of Shares underlying the outstanding options as at January 1, 2025 | Granted during the Reporting Period | Exercised during the Reporting Period | Cancelled during the Reporting Period | Lapsed during the Reporting Period | Number of Shares underlying the outstanding options as at December 31, 2025 | Weighted average closing price of the Shares immediately before the exercise date | Approximate % of issued Shares as of the date of this annual report |
| ***Directors*** | | | | | | | | | | | | | |
| Dr. GAN Liming (甘黎明) | Executive Director, co-chief executive officer and global R&D president | February 8, 2025 | Note 1 | Note 2 | 3.7 | – | 623,987 | – | – | – | 623,987 | N/A | 0.37% |
| Dr. ZHANG | Executive Director and president | February 8, 2025 | Note 1 | Note 2 | 3.7 | – | 55,000 | – | – | – | 55,000 | N/A | 0.03% |
| **Subtotal** | | | | | | **–** | **678,987** | **–** | **–** | **–** | **678,987** | | **0.40%** |
| ***Senior management (other than Directors)*** | | | | | | | | | | | | | |
| Dr. TONG Cheng (童成) | Executive vice president | February 8, 2025 | Note 1 | Note 2 | 3.7 | – | 70,000 | – | – | – | 70,000 | N/A | 0.04% |
| Dr. GAO Shan (高山) | Senior vice president and chief scientific officer | February 8, 2025 | Note 1 | Note 2 | 3.7 | – | 60,000 | – | – | – | 60,000 | N/A | 0.04% |
| Mr. ZHANG Su (張甦) | Chief financial officer, secretary of the Board and joint company secretary | February 8, 2025 | Note 1 | Note 2 | 3.7 | – | 300,000 | – | – | – | 300,000 | N/A | 0.18% |
| **Subtotal** | | | | | | **–** | **430,000** | **–** | **–** | **–** | **430,000** | | **0.25%** |

# DIRECTORS' REPORT

| Name | Position in our Group | Grant Date | Vesting period | Exercise period | Exercise price per Share (RMB) | Number of Shares underlying the outstanding options as at January 1, 2025 | Number of Shares underlying the outstanding options: Granted during the Reporting Period | Exercised during the Reporting Period | Cancelled during the Reporting Period | Lapsed during the Reporting Period | Number of Shares underlying the outstanding options as at December 31, 2025 | Weighted average closing price of the Shares immediately before the exercise date | Approximate % of issued Shares as of the date of this annual report |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 19 other employees | – | February 8, 2025 | Note 1 | Note 2 | 3.7 | – | 805,000 | – | – | – | 805,000 | N/A | 0.47% |
| ***Consultant*** | | | | | | | | | | | | | |
| LI Yifan | – | February 8, 2025 | Note 1 | Note 2 | 3.7 | – | 200,000 | – | – | – | 200,000 | N/A | 0.12% |
| **Total** | | | | | | **–** | **2,113,987** | **–** | **–** | **–** | **2,113,987** | | **1.24%** |

*Notes:*

(1) For the vesting period under the Pre-IPO Share Option Scheme, please refer to the paragraph (i) above.

(2) The options granted under the Pre-IPO Share Option Scheme can be exercised after vesting on any trading day but no later than the last trading day within the 48 months after the Listing Date.

(3) For the performance targets under the Pre-IPO Share Option Scheme, please refer to the paragraph (j) above.

(4) Details of the fair value of the options at the Grant Date and the accounting standard and policy adopted are set out in note 29 and note 2 to the consolidated financial statements.

(5) The Grant Date of such options is prior to the Listing Date.

The number of Shares that may be issued in respect of options and awards (if applicable) granted under all schemes of the Company during the Reporting Period divided by weighted average number of Shares in issue (excluding treasury shares) is not available given the Company's H Shares were listed on the Main Board of the Stock Exchange on January 9, 2026.

# DIRECTORS' REPORT

## RIBOCURE AB SHARE INCENTIVE SCHEME

Ribocure AB Share Incentive Scheme was adopted by our subsidiary Ribocure AB on January 5, 2023. The terms of the Ribocure AB Share Incentive Scheme are not subject to the provisions of Chapter 17 of the Listing Rules as Ribocure AB is not a principal subsidiary of the Company under Rule 17.14 of the Listing Rules.

Details of Ribocure AB Share Incentive Scheme were disclosed in "Appendix VII — Statutory and General Information — D. Share Incentive Schemes — 3. Ribocure AB Share Incentive Scheme" to the Prospectus.

## DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this annual report, at no time for the year ended December 31, 2025 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors and Supervisors to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate; and none of the Directors and Supervisors, or any of their spouse or children under the age of 18, had any right to subscribe for equity or debt securities of the Company or any other body corporate, or had exercised any such right.

## EMOLUMENT POLICY AND REMUNERATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

In compliance with Rule 3.25 of the Listing Rules and the CG Code, the Company has established the Remuneration and Appraisal Committee to formulate remuneration policies. The remuneration of the Directors, Supervisors and senior management is determined and recommended based on salaries paid by comparable companies, time commitment, level of responsibilities, employment elsewhere in our Group and desirability of performance-based remuneration. The Directors, Supervisors and senior management are eligible participants of the applicable share incentive plans.

The Company has adopted the Employee Incentive Scheme, the Pre-IPO Share Option Scheme and Ribocure AB Share Incentive Scheme to provide incentives for certain employees. Please refer to the section headed "Share Incentive Schemes" in this annual report for further details.

Details of the remuneration of the Directors, Supervisors, senior management and the five highest paid individuals are set out in note 8 and note 9 to the consolidated financial statements, respectively.

During the Reporting Period, no remuneration was paid by our Company to, or receivable by, our Directors, Supervisors or the five highest paid individuals as an inducement to join or upon joining our Company or as compensation for loss of office in connection with the management positions of our Company or any of our subsidiaries.

During the Reporting Period, none of our Directors or Supervisors waived any remuneration. Save as disclosed above, during the Reporting Period, no other amounts shall be paid or payable by us or any of our subsidiaries to our Directors, Supervisors or the five highest paid individuals.

# DIRECTORS' REPORT

## RELATED-PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

Details of the Group's related-party transactions during the Reporting Period are set out in note 34 to the consolidated financial statements. For the year ended December 31, 2025, there was no related party transaction or continuing related party transaction which constitutes disclosable connected transaction or disclosable continuing connected transaction under Chapter 14A of the Listing Rules and is required to be disclosed in this annual report.

## CONTRACT OF SIGNIFICANCE WITH SINGLE LARGEST GROUP OF SHAREHOLDERS

Save as otherwise disclosed in this annual report, during the Reporting Period, (i) no contract of significance was entered into by, and/or subsisted between the Company or any of its subsidiaries with the Single Largest Group of Shareholders or any of their subsidiaries; and (ii) there was no contract of significance in relation to the provision of services by the Single Largest Group of Shareholders or any of their subsidiaries to the Group.

## PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

As the Company's H Shares were not listed on the Stock Exchange as of December 31, 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including any sale of treasury shares (as defined under the Listing Rules)) during the year ended December 31, 2025. As of December 31, 2025, the Company did not hold any treasury shares (as defined under the Listing Rules).

## MATERIAL LITIGATION

The Company was not involved in any material litigation or arbitration during the Reporting Period which could have a material and adverse effect on our financial condition or results of operations. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group since the Listing Date and up to the date of this annual report which could have a material and adverse effect on our financial condition or results of operations.

# DIRECTORS' REPORT

## CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

The Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

## CORPORATE GOVERNANCE

Particulars of the Company's corporate governance practices are set out in the section headed "Corporate Governance Report" of this annual report.

## USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Company's H Shares were listed on the Main Board of the Stock Exchange on January 9, 2026 with a total of 31,610,400 H Shares issued at a price of HK$57.97 per H Share. On February 10, 2026, the Company issued 4,741,400 H Shares at a price of HK$57.97 per H Share following the full exercise of the over-allotment option. The Company received net proceeds (after deducting underwriting commissions, fees and estimated expenses payable by the Company in connection with the Global Offering) from the Global Offering (including the full exercise of the over-allotment option) of approximately HK$1,964.3 million. There has been no change in the intended use of the net proceeds as set out in the Prospectus under the section headed "Future Plans and Use of Proceeds". Since the Listing Date and up to the date of this annual report, the Company has not utilized any part of the net proceeds. The net proceeds will be utilized in the same manner, proportion and expected timeframe as set out in the Prospectus.

The following table sets forth a summary of the intended use of net proceeds and their expected timeline of full utilization. Since the Company was listed on January 9, 2026, details of the utilization of net proceeds from the Global Offering was not available during the Reporting Period.

| Item | Approximate % of total net proceeds | Net proceeds from the Global Offering (HK$ million) | Expected timeline of full utilization of the unutilized proceeds |
|---|---|---|---|
| **R&D of our Core Product, RBD4059** | **37.4** | **734.6** | **By 2029** |
| (a) Ongoing and planned clinical trials of RBD4059, including its ongoing phase 2a trial in Sweden for patients with high-risk coronary artery disease, planned phase 2b trials and global phase 3 trial, among others | 35.0 | 687.5 | By 2029 |

# DIRECTORS' REPORT

| Item | | Approximate % of total net proceeds | Net proceeds from the Global Offering (HK$ million) | Expected timeline of full utilization of the unutilized proceeds |
|---|---|---|---|---|
| (b) | Funding the CMC and process development activities of RBD4059 | 2.4 | 47.1 | By 2029 |
| **R&D of RBD5044** | | **19.6** | **385.0** | **By 2029** |
| (a) | Ongoing and planned clinical trials of RBD5044, including its ongoing phase 2 trial in Sweden for patients with mixed dyslipidemia and global phase 3 trial, among others | 16.8 | 330.0 | By 2029 |
| (b) | Funding the CMC and process development activities of RBD5044 | 2.8 | 55.0 | By 2029 |
| **R&D of RBD1016** | | **15.9** | **312.3** | **By 2029** |
| (a) | Ongoing and planned clinical trials of RBD1016 for the treatment of CHB, including its phase 2 global MRCT in Sweden and Hong Kong and global phase 3 trial, among others | 11.7 | 229.8 | By 2029 |
| (b) | Ongoing and planned clinical trials of RBD1016 for the treatment of CHD, including the ongoing phase 2a trial in Sweden and global phase 3 trial, among others | 2.4 | 47.1 | By 2029 |
| (c) | Funding the CMC and process development activities of RBD1016 | 1.8 | 35.4 | By 2029 |

# DIRECTORS' REPORT

| Item | Approximate % of total net proceeds | Net proceeds from the Global Offering (HK$ million) | Expected timeline of full utilization of the unutilized proceeds |
|---|---|---|---|
| **Funding the R&D of our IND-enabling pipeline assets, including (i) SR122, a dual-target, lipid-lowering siRNA candidate for dyslipidemia; and (ii) RBD8088, a conjugated anti-tumor agent for glioma** | **10.1** | **198.4** | **By 2029** |
| **Advancing our preclinical assets which have not yet entered the IND-enabling stage and enhancing our technology platforms** | **8.9** | **174.8** | **By 2029** |
| **Working capital and other general corporate purposes** | **8.1** | **159.2** | **By 2029** |
| **Total** | **100.0** | **1,964.3** | |

The expected timeline for utilizing the net proceeds from the Global Offering is based on the best estimation of future market conditions made by the Company and subject to changes in accordance with our actual business operation.

## PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as of the date of this annual report, the Company has maintained the minimum prescribed percentage of public float under the Listing Rules since the Listing Date and up to the date of this annual report.

## AUDITOR

The financial statements for the year ended December 31, 2025 have been audited by Ernst & Young, which will retire at the conclusion of the AGM and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Ernst & Young as the auditor of the Company is to be proposed at the AGM.

There has been no change in the auditor of the Company since the Listing Date.

# DIRECTORS' REPORT

## IMPORTANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in the section headed "Management Discussion and Analysis — Important Events after the Reporting Period", there were no important events affecting the Group occurred since the end of the Reporting Period and up to the date of this annual report.

## AGM

The AGM will be held on Tuesday, June 9, 2026. The circular (including notice of the AGM) will be published on the respective websites of the Stock Exchange and the Company and despatched (if applicable) to the Shareholders (who have requested for printed copies) in due course.

## CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the holders of H Shares who are entitled to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, June 4, 2026 to Tuesday, June 9, 2026, both days inclusive, during which period no transfer of H Shares will be registered. In order to qualify for attending and voting at the AGM, all transfer documents accompanied by the relevant share certificates should be lodged for registration with Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, June 3, 2026. The record date to determine the eligibility of the Shareholders to attend and vote at the AGM would be Tuesday, June 9, 2026.

By Order of the Board
**Suzhou Ribo Life Science Co., Ltd.**
**LIANG Zicai**
*Chairman*

March 25, 2026

# SUPERVISORS' REPORT

## REPORT OF THE SUPERVISORS

With the joint efforts of all Supervisors of the Company, in accordance with the laws and regulations such as the PRC Company Law and the provisions of the Articles of Association and the Rules of Procedures for the Supervisory Committee, the Supervisory Committee, in the spirit of being responsible to all Shareholders, conscientiously performed the duties and powers granted by relevant laws and regulations, actively and effectively carried out the work, supervised the compliance of the operation of the Company and the performance of duties by Directors and senior management of the Company, and safeguarded the legitimate rights and interests of the Company as well as its Shareholders.

The work of the Supervisory Committee in 2025 and the work plan for 2026 are hereby reported as follows:

## WORK OF THE SUPERVISORY COMMITTEE

In 2025, the Supervisory Committee convened and held three meetings of the Supervisory Committee pursuant to the laws. The notice, convening and voting procedures for the meetings were in compliance with the requirements of the PRC Company Law and other laws and regulations as well as the Articles of Association and the Rules of Procedures for the Supervisory Committee. The work of the Supervisory Committee mainly included:

1. attending Shareholders' meetings of the Company to understand the operation of the Shareholders' meetings;

2. attending the meetings of the Board to understand the operation of the Board;

3. reviewing the financial reports of the Company and the audit reports submitted by the Company's auditors; and

4. supervising the conduct of Directors and senior management of the Company in performing their duties to the Company.

# SUPERVISORS' REPORT

## OPINIONS ON THE SUPERVISORY COMMITTEE DURING THE REPORTING PERIOD

### (I) COMPLIANCE OF THE OPERATION

The members of the Board and senior management of the Company operated in strict compliance with the relevant provisions of the PRC Company Law and the Articles of Association, diligently and responsibly performed their duties with a scientific and reasonable decision-making process, earnestly implemented each resolution of the Shareholders' general meetings, and they were not aware of any illegal acts or actions against the interests of the Company.

### (II) FINANCIAL POSITION OF THE COMPANY

The Supervisory Committee reviewed and agreed with the audited consolidated financial statements for the year ended December 31, 2025, and believed that the financial statements of the Company have given an objective and true view of the financial position and the operating results of the Company and is free of false representations, misleading statements and material omissions.

### (III) INTERNAL CONTROL

Based on the relevant regulations of the PRC Company Law and the Articles of Association together with its actual condition, the Company has established a comprehensive internal management and internal control system, which ensures the normal operation of the Company. The Company has established a comprehensive internal control mechanism and an internal audit department with sufficient staff to ensure full and effective implementation and supervision of the Company.

### (IV) INTEGRITY AND SELF-DISCIPLINE

The Directors and senior management of the Company strictly regulated themselves to abide by the laws and regulations with honesty and self-discipline, and no illegal acts due to personal interests were found.

# SUPERVISORS' REPORT

## WORK PLAN FOR 2026

Due to adjustments in the corporate governance structure, the Company intends to abolish the Supervisory Committee in 2026, with the statutory duties of the Supervisory Committee to be exercised by the Audit Committee. The Company's Supervisory Committee will continue to properly perform its duties in accordance with laws and regulations, and the Company's rules and regulations before its dissolution.

By Order of the Supervisory Committee
**Suzhou Ribo Life Science Co., Ltd.**
**WANG Fan**
*Chairperson of the Supervisory Committee*

March 25, 2026

# CORPORATE GOVERNANCE REPORT

The Board is pleased to present the Corporate Governance Report in the Group's annual report for the year ended December 31, 2025.

## CORPORATE GOVERNANCE CULTURE AND VALUE

The Company is committed to ensuring that its affairs are conducted in accordance with high ethical standards. This reflects its belief that, in the achievement of its long-term objectives, it is imperative to act with probity, transparency and accountability. By so acting, the Company believes that Shareholder wealth will be maximised in the long term and that its employees, those with whom it does business and the communities in which it operates will all benefit.

## CORPORATE GOVERNANCE PRACTICES

The Board is committed to achieving high corporate governance standards.

The Board believes that high corporate governance standards are essential in providing a framework for the Company to safeguard the interests of Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions of the CG Code as the basis for the corporate governance practices of the Company.

As the Company's H Shares had not been listed on the Stock Exchange as of December 31, 2025, the CG Code was not applicable to the Company during the Reporting Period. The Board is of the view that the Company has complied with all code provisions as set out in Part 2 of the CG Code from the Listing Date to the date of this annual report, except for deviation from the code provision C.2.1 of the CG Code concerning the separation of the roles of chairman and chief executive officer as disclosed in the section headed "Chairman and Chief Executive Officer" below.

# CORPORATE GOVERNANCE REPORT

The Board will periodically review and enhance its corporate governance practices to ensure that the Company continues to meet the requirements of the CG Code. The Board is responsible for performing the functions set out in code provision A.2.1 of the CG Code, and in this regard, the Board has performed the following duties during the period from the Listing Date up to the date of this annual report:

(a) develop and review the Company's policies and practices on corporate governance;

(b) review and monitor the training and continuous professional development of the Directors, Supervisors and senior management of the Company;

(c) review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

(d) develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Directors and employees of the Company; and

(e) review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

## COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code as its own code of conduct regarding the transactions of securities of the Company by its Directors, Supervisors and the relevant employees who would likely possess inside information of the Company.

As the Company's H Shares had not been listed on the Stock Exchange as of December 31, 2025, the Model Code was not applicable to the Company during the Reporting Period. However, specific enquiry has been made to all the Directors and Supervisors and all of them have confirmed that they have complied with the Model Code from the Listing Date and up to the date of this annual report. In addition, the Company is not aware of any non-compliance of the Model Code by the employees of the Company who are likely to be in possession of inside information of the Company during the period from the Listing Date to the date of this annual report.

# CORPORATE GOVERNANCE REPORT

## BOARD OF DIRECTORS

The Company is headed by an effective Board which assumes responsibility for its leadership and control and is collectively responsible for promoting the Company's success by directing and supervising the Company's affairs. Directors take decisions objectively in the best interests of the Company.

The Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business and regularly reviews the contribution required from a Director to perform his/her responsibilities to the Company and whether the Director is spending sufficient time performing them that are commensurate with their role and the Board responsibilities. The Board includes a balanced composition of executive Directors, non-executive Directors (including independent non-executive Directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

The Directors have agreed to disclose to the Company in a timely manner for any changes of the number and nature of offices held in public companies or organizations and other significant commitments, as well as the identity of such public companies or organizations and an indication of the time involved, as required by the code provision under the CG Code.

## BOARD COMPOSITION

Since the Listing Date and at the date of this annual report, the Board comprises the following Directors:

### Executive Directors

Dr. LIANG Zicai (梁子才) *(Chairman of the Board and Chief Executive Officer)*
Dr. GAN Liming (甘黎明)
Dr. ZHANG Hongyan (張鴻雁)

### Non-executive Directors

Dr. QI Fei (戚飛)
Mr. LI Dongfang (李東方)
Mr. LI Yuhui (李宇輝)

### Independent Non-executive Directors

Dr. YU Xuefeng (宇學峰)
Mr. MA Chaosong (馬朝松)
Mr. WANG Ruiping (王瑞平)

Each of our Directors has confirmed that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on March 12, 2025, and (ii) understood his or her obligations as a director of a listed issuer under the Listing Rules.

# CORPORATE GOVERNANCE REPORT

The biographical details of the Directors are set out in the section headed "Profiles of Directors, Supervisors and Senior Management" in this annual report. Dr. LIANG and Dr. ZHANG are the spouse of each other. Save as disclosed above, there were no relationships (including financial, business, family or other material or relevant relationships) among the Directors, Supervisors or members of the senior management of the Company.

## BOARD MEETINGS AND DIRECTORS' ATTENDANCE RECORDS

Board meetings should be held at least four times a year, roughly once a quarter, involving active participation, either in person or through electronic means of communication, of a majority of Directors. Notices of not less than 14 days are given for all regular Board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for regular Board meetings.

For other Board meetings, reasonable notice has to be given generally. For other committee meetings, a notice shall be given as prescribed in the terms of reference prior to the meeting. Minutes of meetings are kept by the company secretary of the Company with copies circulated to all Directors for information and records.

As the Company's H Shares were listed on the Stock Exchange on January 9, 2026, the code provisions in relation to the number of Board meetings and Board committees meetings held during the Reporting Period set out in the CG Code were not applicable to the Company during the year ended December 31, 2025. During the period from the Listing Date and up to the date of this annual report, the Board convened two Board meetings and did not hold any general meeting. The attendance of the individual Directors at Board meetings of the Company is set out below:

| Name of Directors | Number of attendance/ meeting(s) held Board meeting(s) |
|---|---|
| ***Executive Directors*** | |
| Dr. LIANG Zicai (梁子才) | 2/2 |
| Dr. GAN Liming (甘黎明) | 2/2 |
| Dr. ZHANG Hongyan (張鴻雁) | 2/2 |
| ***Non-executive Directors*** | |
| Dr. QI Fei (戚飛) | 2/2 |
| Mr. LI Dongfang (李東方) | 2/2 |
| Mr. LI Yuhui (李宇輝) | 2/2 |
| ***Independent Non-executive Directors*** | |
| Dr. YU Xuefeng (宇學峰) | 1/2[(1)] |
| Mr. MA Chaosong (馬朝松) | 1/2[(1)] |
| Mr. WANG Ruiping (王瑞平) | 2/2 |

*Note:*

(1) The above attendance only includes meetings attended by the relevant Director. Attendance by another Director acting as the representative is not counted as that Director's own attendance. Dr. YU Xuefeng (宇學峰) and Mr. MA Chaosong (馬朝松) appointed Mr. WANG Ruiping (王瑞平) as their representative to attend and vote at one meeting of the Board on their behalf.

# CORPORATE GOVERNANCE REPORT

During the period from the Listing Date up to the date of this annual report, the chairman of the Board had also held one meeting with the independent non-executive Directors without the presence of other Directors.

## RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Board should assume responsibility for leadership and control of the Company, and is collectively responsible for directing and supervising the Company's affairs.

The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. The independent non-executive Directors are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgement on corporate actions and operations.

All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them.

The Board is responsible for and in possession of the general powers for our business management and operation, including determining our business strategies and investment plans, implementing resolution(s) passed at the general meeting, and exercising other powers, functions and duties granted by the Articles of Association. The Board is also responsible for exercising other powers, functions and duties pursuant to the Articles of Association and all applicable laws and regulations, including the Listing Rules. The Board had granted the powers and duties in respect of the Group's daily management and operation to the senior management of the Group, and the management assume responsibilities for the operation of the Group to the Board. The delegated functions and responsibilities are periodically reviewed by the Board. Approval has to be obtained from the Board prior to any significant transactions entered into by the management.

The Company has arranged appropriate insurance coverage on Directors' and officers' liabilities in respect of legal actions taken against Directors and senior management arising out of corporate activities. The insurance coverage would be reviewed on an annual basis.

# CORPORATE GOVERNANCE REPORT

## CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision C.2.1 of the CG Code states that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

The roles of chairman and chief executive officer of our Company are currently performed by Dr. LIANG. In view of Dr. LIANG's substantial contribution to our Group since our establishment and his extensive experience, we consider that having Dr. LIANG acting as both our chairman and chief executive officer will provide strong and consistent leadership to our Group and facilitate the efficient execution of our business strategies. We consider it appropriate and beneficial to our business development and prospects that Dr. LIANG continues to act as both our chairman and chief executive officer, and therefore currently do not propose to separate the functions of chairman and chief executive officer. While this would constitute a deviation from the code provision C.2.1 of Part 2 of the CG Code, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of our Company, given that: (i) there are sufficient checks and balances in the Board, as a decision to be made by our Board requires approval by at least a majority of our Directors, and our Board comprises three independent non-executive Directors, which is in compliance with the requirement under the Listing Rules; (ii) Dr. LIANG and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that he acts for the benefit and in the best interests of our Company and will make decisions for our Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of our Company. Moreover, the overall strategic and other key business, financial, and operational policies of our Group are made collectively after thorough discussion at both Board and senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether the separation of the roles of chairman and chief executive officer is necessary.

## INDEPENDENT NON-EXECUTIVE DIRECTORS

During the period from the Listing Date up to the date of this annual report, the Board has met the requirements of Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one possessing appropriate professional qualifications or accounting or related financial management expertise. The Company has also complied with Rule 3.10A of the Listing Rules, which relates to the appointment of independent non-executive Directors representing one-third of the Board.

The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his/her independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

# CORPORATE GOVERNANCE REPORT

## BOARD INDEPENDENCE EVALUATION

The Board has implemented mechanism to ensure independent views and input are available to the Board. The implementation and effectiveness of such mechanism was reviewed on an annual basis. The Board considers that such mechanism has been implemented properly and effectively from the Listing Date to the date of this annual report. The mechanism is summarized as below:

### Composition

The Board ensures the appointment of at least three independent non-executive Directors and at least one-third of its members being independent non-executive Directors (or such higher threshold as may be required by the Listing Rules from time to time), with at least one independent non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise. Further, independent non-executive Directors will be appointed to the Board committees as required under the Listing Rules and as far as practicable to ensure independent views are available.

### Independent Assessment in Nomination Practices

Pursuant to the Articles of Association, the terms of reference and rules of procedure for the Nomination Committee, and the procedures for Shareholders to nominate a person for election as a Director, the Company has nomination policy for election of Directors. Such policy, devising the criteria and procedures of selection and performance evaluation, provides guidance to the Board on nomination and appointment of Directors (including the independent non-executive Directors) of the Company. The Nomination Committee strictly adheres to the nomination policy with regard to the nomination and appointment of independent non-executive Directors, and is mandated to assess annually the independence of independent non-executive Directors to ensure they can continually exercise independent judgment. The Board believes that the defined selection process is good for corporate governance in serving the Board continuity and appropriate leadership at Board level, enhancing Board effectiveness and diversity, and ensuring independent views and input are available to the Board.

### Board Decision Making

The Directors (including independent non-executive Directors), upon reasonable request, may seek independent professional advice at the Company's expense, to assist the performance of their duties. A Director who has a material interest in a contract, transaction or arrangement shall not vote or be counted in the quorum on any Board resolution approving the same.

# CORPORATE GOVERNANCE REPORT

## APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS AND SUPERVISORS

Under the Articles of Association, Directors are elected or replaced at a general meeting and may be removed from office by an ordinary resolution at the general meeting before the expiration of the term of office of any Director (including an executive Director), provided that such removal shall be without prejudice to any claim for damages that such Director may have under any contract. A Director shall hold office for a term of three years and shall be eligible for re-election upon expiration of his/her term of office. A Director may not be dismissed at the general meeting without any cause before the expiration of his/her term of office. The Company may remove any Director from office before the expiration of his/her term of office by way of an ordinary resolution at the general meeting, subject to compliance with the provisions of relevant laws and administrative regulations.

The term of office of a Director shall commence from the date of taking the position until the expiration of the term of office of the current session of the Board. Where a re-election fails to be carried out in a timely manner upon the expiration of the term of office of a Director, such Director shall continue to perform his/her duties as a Director in accordance with laws, administrative regulations, departmental rules, the Listing Rules, other securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association until the newly elected director assumes the office.

Any person appointed by the Board as a Director to fill a casual vacancy on the Board or as an addition to the Board shall hold office only until the first annual general meeting after appointment and shall then be eligible for re-election.

The term of office of the Supervisors shall be three years for each session. Supervisors are eligible for re-election upon expiry of their term of office.

If a Supervisor's term of office expires without timely re-election, or if a Supervisor resigns during his/her term of office resulting in the number of Supervisors on the Supervisory Committee falling below the minimum number prescribed by laws, the original Supervisor shall still perform his/her duties as a Supervisor in accordance with laws, administrative regulations and the provisions of the Articles of Association until the re-elected Supervisor assumes office.

Each of the Directors and Supervisors has entered into a service contract or an appointment letter with the Company. Save as disclosed above, the Company has not entered, and does not propose to enter, into any service contracts or appointment letters with any of the Directors or Supervisors in their respective capacities as Directors or Supervisors (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

# CORPORATE GOVERNANCE REPORT

## CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that they remain informed and relevant for their contribution to the Board. The Company has updated all Directors on any material changes in the Listing Rules and corporate governance practices from time to time.

Every newly appointed Director will receive formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally-facilitated briefings for Directors would be arranged and reading material on relevant topics would be provided to Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expenses.

During the year ended December 31, 2025 and prior to the Listing, all Directors have participated in continuous professional development by attending training courses or external seminars to develop and refresh their knowledge and skills in relation to their contribution to the Board. The training received by the Directors for the year ended December 31, 2025 and up to the date of this annual report is summarized below:

| Directors | Type of training received |
|---|---|
| ***Executive Directors*** | |
| Dr. LIANG Zicai (梁子才) | ✓ |
| Dr. GAN Liming (甘黎明) | ✓ |
| Dr. ZHANG Hongyan (張鴻雁) | ✓ |
| ***Non-executive Directors*** | |
| Dr. QI Fei (戚飛) | ✓ |
| Mr. LI Dongfang (李東方) | ✓ |
| Mr. LI Yuhui (李宇輝) | ✓ |
| ***Independent Non-executive Directors*** | |
| Dr. YU Xuefeng (宇學峰) | ✓ |
| Mr. MA Chaosong (馬朝松) | ✓ |
| Mr. WANG Ruiping (王瑞平) | ✓ |

*Note:*

(1) Attended training/seminar/conference arranged by the Company or other external parties or read relevant materials

# CORPORATE GOVERNANCE REPORT

## BOARD COMMITTEES

The Board has established four committees, namely, the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee and the Strategy Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with specific written terms of reference which deal clearly with their authority and duties. The terms of reference of the Board committees are posted on the Company's website and the Stock Exchange's website and are available to Shareholders upon request.

## AUDIT COMMITTEE

We have established an Audit Committee in compliance with Rule 3.21 of the Listing Rules and the CG Code. The primary duties of the Audit Committee are to (i) review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards; (ii) monitor the integrity of the financial statements, annual reports and accounts, half-year reports and quarterly reports (if any) of the Company, and review significant financial reporting judgments contained in them; (iii) review the financial control, internal control and risk management system of the Company; (iv) discuss the risk management and internal control system with the management to ensure that the management has performed its duty to have an effective risk management and internal control system; (v) monitor the internal audit system of the Company, to ensure that the internal audit system is adequately resourced and has appropriate standing within the Company, and review and monitor the effectiveness of the internal audit system; (vi) facilitate communication between the internal audit department and the external auditor so as to coordinate their work; (vii) verify the list of connected persons of the Company, conduct an overall audit of all connected transactions and regular review of connected transactions of the Company; and (viii) assess and identify the environmental, social and governance risks of the Company, and to ensure the establishment of an appropriate and effective control system for environmental, social and governance risks and internal control system.

The Audit Committee comprises three independent non-executive Directors, namely, Mr. MA Chaosong (馬朝松), Dr. YU Xuefeng (宇學峰) and Mr. WANG Ruiping (王瑞平). Mr. MA Chaosong (馬朝松) is the chairperson of the Audit Committee. He holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

During the period from the Listing Date and up to the date of this annual report, the Audit Committee held one meeting to, amongst others:

- review the annual results of the Group for the year ended December 31, 2025; and
- review the Group's financial reporting and budget reports, operational and compliance controls, risk management and internal control systems, the effectiveness of the Company's internal audit function, the re-appointment of the external auditor and arrangements to enable employees to raise concerns about possible irregularities, and the proposed cancellation of the Supervisory Committee.

# CORPORATE GOVERNANCE REPORT

The Audit Committee has reviewed the audited financial results of the Group for the year ended December 31, 2025, and has discussed with the management the accounting principles and practices adopted by the Group and its internal controls and financial reporting matters.

During the period from the Listing Date and up to the date of this annual report, the attendance records for the Audit Committee meeting are set out below:

| Name of members of the Audit Committee | Number of attendance/meeting(s) held |
|---|---|
| Mr. MA Chaosong (馬朝松) *(Chairperson)* | 1/1 |
| Dr. YU Xuefeng (宇學峰) | 1/1 |
| Mr. WANG Ruiping (王瑞平) | 1/1 |

## REMUNERATION AND APPRAISAL COMMITTEE

We have established a Remuneration and Appraisal Committee in compliance with Rule 3.25 of the Listing Rules and the CG Code. The primary duties of the Remuneration and Appraisal Committee are to (i) make recommendations to the Board regarding the overall remuneration policy and structure for Directors and senior management and on the establishment of formal and transparent procedures for developing the remuneration policy; (ii) review and approve the remuneration proposals for management members with reference to the corporate goals and objectives formulated by the Board; (iii) make recommendations to the Board on the remuneration packages of individual executive Directors and senior management or to determine, with delegated responsibility from the Board, the remuneration packages of individual executive Directors and senior management; (iv) make recommendations to the Board on the remuneration of non-executive Directors; (v) consider the remuneration paid by comparable companies, time commitment and responsibilities and other employment conditions in the Company and its subsidiaries; (vi) review and approve the compensation payable to executive Directors and senior management for their loss or termination of office or appointment, ensuring that such compensation is consistent with contractual terms and is otherwise fair and reasonable; (vii) review and approve the compensation arrangements relating to dismissal or removal of Directors due to misconduct, ensuring that such arrangements are consistent with contractual terms and are otherwise fair and reasonable; and (viii) review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

The Remuneration and Appraisal Committee comprises one executive Director and two independent non-executive Directors, namely, Mr. WANG Ruiping (王瑞平), Dr. LIANG and Dr. YU Xuefeng (宇學峰). Mr. WANG Ruiping (王瑞平) is the chairperson of the Remuneration and Appraisal Committee.

During the period from the Listing Date and up to the date of this annual report, the Remuneration and Appraisal Committee held one meeting to, amongst others:

- make recommendations to the Board on the emoluments of Directors and senior management;
- review the arrangement of Directors' and officers' liability insurance; and
- review the proposed adoption of the H share option scheme and the H share incentive scheme of the Company.

# CORPORATE GOVERNANCE REPORT

During the period from the Listing Date and up to the date of this annual report, the attendance records for the Remuneration and Appraisal Committee meeting are set out below:

| Name of members of the Remuneration and Appraisal Committee | Number of attendance/meeting(s) held |
|---|---|
| Mr. WANG Ruiping (王瑞平) *(Chairperson)* | 1/1 |
| Dr. LIANG Zicai (梁子才) | 1/1 |
| Dr. YU Xuefeng (宇學峰) | 1/1 |

Details of the emoluments of the Directors, Supervisors and five highest paid individuals of the Group are set out in note 8 and note 9 to the consolidated financial statements of this annual report. The remuneration payable to members of senior management by band for the year ended December 31, 2025 is set out below:

| Remuneration band (HK$) | Number of employees |
|---|---|
| Nil to 2,500,000 | – |
| 2,500,001 to 3,000,000 | – |
| 3,000,001 to 3,500,000 | 2 |
| 3,500,001 to 4,000,000 | 1 |
| 4,000,001 to 4,500,000 | 1 |
| 6,000,001 to 6,500,000 | 1 |
| 14,500,001 to 15,000,000 | 1 |

The Company's remuneration policy is to ensure that the remuneration offered to employees, including Directors, Supervisors and senior management, is based on skill, knowledge, responsibilities and involvement in the Company's affairs. The remuneration packages of executive Directors are also determined with reference to the Company's performance and profitability, the prevailing market conditions and the performance or contribution of each Director. The Directors, Supervisors and senior management members who receive remuneration from the Company are paid in forms of fees, salaries, bonuses, allowances, benefits in kind, pension scheme contributions and share-based payments. When reviewing and determining the specific remuneration packages for our Directors, Supervisors and members of the senior management of our Company, the Shareholders' meetings and the Board take into account factors such as salaries paid by comparable companies, time commitment, level of responsibilities, employment elsewhere in our Group and desirability of performance-based remuneration. As required by the relevant PRC laws and regulations, our Company also participates in various defined contribution plans organized by relevant provincial and municipal government authorities and welfare schemes for employees of our Company, including medical insurance, injury insurance, unemployment insurance, pension insurance, maternity insurance and housing provident fund.

# CORPORATE GOVERNANCE REPORT

## NOMINATION COMMITTEE

We have established a Nomination Committee in compliance with Rule 3.27A of the Listing Rules and the CG Code. The primary duties of the Nomination Committee are to (i) review the structure, size, composition and relevant qualifications (including skills, knowledge, expertise and experience) of the Board at least annually, assist the Board in preparing the Board skills matrix, and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; (ii) identify individuals suitably qualified to become members of the Board (including whether the individuals can bring views, perspectives, skills, and experience to the Board, and whether the individuals can contribute to the diversity of the Board members), and make recommendations to the Board on the selection of individuals nominated for directorships; (iii) review the independence of the independent non-executive Directors of the Company; (iv) assess the number of directorships in other listed companies held by candidates for independent non-executive Directors of the Company; (v) develop and maintain a policy for the nomination of the Directors, which includes the nomination procedures and the procedures and criteria adopted by the Nomination Committee to identify, select and recommend candidates for directorship during the year, and periodically review and disclose the policy and progress made towards achieving the objectives set in the nomination policy in the Corporate Governance Report of the Company; (vi) develop and maintain a policy concerning the diversity of the Board and employees, and periodically review and disclose the diversity policy or a summary of the policy in the Corporate Governance Report of the Company; (vii) make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular, the chairman of the Board and the chief executive officer; and (viii) support the Company in regularly evaluating the performance of the Board.

The Nomination Committee comprises one executive Director and two independent non-executive Directors, namely, Dr. YU Xuefeng (宇學峰), Dr. ZHANG and Mr. MA Chaosong (馬朝松). Dr. YU Xuefeng (宇學峰) is the chairperson of the Nomination Committee.

In assessing the Board composition, the Nomination Committee would take into account various aspects as well as factors concerning Board diversity as set out in the Company's Board diversity policy. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's relevant criteria as set out in the Director nomination policy that are necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

During the period from the Listing Date and up to the date of this annual report, the Nomination Committee held one meeting to, amongst others:

- discuss the independence of independent non-executive Directors;
- review the structure, size, composition and diversity of the Board; and
- review the proposed appointment of the chief medical officer and the chief business officer of the Company.

# CORPORATE GOVERNANCE REPORT

During the period from the Listing Date and up to the date of this annual report, the attendance records for the Nomination Committee meeting are set out below:

| Name of members of the Nomination Committee | Number of attendance/meeting(s) held |
|---|---|
| Dr. YU Xuefeng (宇學峰) *(Chairperson)* | 1/1 |
| Dr. ZHANG Hongyan (張鴻雁) | 1/1 |
| Mr. MA Chaosong (馬朝松) | 1/1 |

## STRATEGY COMMITTEE

We have established a Strategy Committee in compliance with the Article of Association. The primary duties of the Strategy Committee are to (i) conduct research and make recommendations on the long-term development strategic plan of the Company; (ii) conduct research and make recommendations on major investment and financing plans that require approval by the Board; (iii) conduct research and make recommendations on major capital operations and asset management projects that require approval by the Board; and (iv) review the implementation of the above matters.

The Strategy Committee comprises two executive Directors, three non-executive Directors and one independent non-executive Director, namely Dr. LIANG, Dr. GAN Liming (甘黎明), Dr. QI Fei (戚飛), Mr. LI Dongfang (李東方), Mr. LI Yuhui (李宇輝) and Mr. WANG Ruiping (王瑞平). Dr. LIANG is the chairperson of the Strategy Committee.

During the period from the Listing Date and up to the date of this annual report, no meeting of the Strategy Committee was held.

# CORPORATE GOVERNANCE REPORT

## BOARD DIVERSITY POLICY

Our Board has adopted a Board diversity policy (the "**Board Diversity Policy**") which sets out the approach to achieve diversity on our Board. Our Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in supporting the attainment of our Company's strategic objectives and sustainable development. Our Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to talent, skills, gender, age, cultural and educational background, ethnicity, professional experience, independence, knowledge and length of service. We will select potential Board candidates based on merit and their potential contribution to our Board while taking into consideration our own business model and specific needs from time to time. All Board appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regard to the benefits of diversity on our Board.

Our Board has a balanced mix of knowledge, skills and experience. They completed studies in various majors including but without limitation to: (i) zoology, animal physiology, entomology, biology, microbiology, physiological mycology, molecular cell biology, medicine, clinical physiology, cardiovascular research and public health, all falling under the field of medical and life sciences; (ii) finance, applied finance, accounting, electronic commerce, and business administration, all falling under the field of finance and business; and (iii) economics. We have three independent non-executive Directors who have different industry backgrounds. Furthermore, our Directors are of a wide range of age, from 38 to 63 years old. Taking into account our business model and specific needs as well as the presence of one female Director out of a total of nine Board members, we consider that the composition of our Board satisfies our Board Diversity Policy.

The current Board composition is analyzed as follows based on the measurable objectives:

**Gender**
Male: 8 Directors
Female: 1 Director

**Age group**
31-40: 1 Director
41-50: 1 Directors
51-60: 4 Directors
61-70: 3 Directors

**Position**
Executive Directors: 3 Directors
Non-executive Directors: 3 Directors
Independent Non-executive Directors: 3 Directors

**Business experience**
Experience relevant to the Company's business: 5 Directors
Finance and business: 3 Directors
Economics: 1 Director

# CORPORATE GOVERNANCE REPORT

We recognize the particular importance of gender diversity on our Board. We have taken and will continue to take steps to promote and enhance gender diversity at all levels of our Company, including but without limitation at our Board and senior management levels. Our Board Diversity Policy provides that our Board shall take opportunities when selecting and making recommendations on suitable candidates for Board appointments with the aim of increasing the proportion of female members over time. In particular, taking into account the business needs of our Group and changing circumstances that may affect our business plans, we will actively identify and select several female individuals with a diverse range of skills, experience and knowledge in different fields from time to time, and maintain a list of such female individuals who possess qualities to become our Board members, which will be periodically reviewed by our Nomination Committee in order to develop a pipeline of potential successors to our Board and promote gender diversity. Additionally, female representatives of our investors are also considered as potential candidates for Board appointments. We will also ensure that there is gender diversity when recruiting staff at the mid- to senior- levels so that we have a pipeline of female senior management and potential successors to our Board going forward. We plan to offer well-rounded trainings to female employees whom we consider have the requisite experience, skills and knowledge of our operation and business, on topics including but not limited to business operation, management, accounting and finance, and legal compliance. We are of the view that such strategies will provide our Board with ample opportunities to identify capable female employees to be nominated as Directors in the future, fulfilling our aim to develop a pipeline of female candidates to achieve greater gender diversity in our Board in the long run. We believe that such a merit-based selection process with reference to our diversity policy and the nature of our business will be in the best interests of our Company and our Shareholders as a whole. It is our objective to maintain an appropriate balance of gender diversity with reference to the stakeholders' expectations and international and local recommended best practices.

Our Nomination Committee is responsible for ensuring the diversity of our Board members. Our Nomination Committee will review our Board Diversity Policy and its implementation annually to monitor its continued effectiveness and we will disclose the implementation of our Board Diversity Policy, including any measurable objectives set for implementing the Board Diversity Policy and the progress on achieving these objectives, in our Corporate Governance Report on an annual basis.

## GENDER DIVERSITY

The Company values gender diversity across all levels of the Group. The following table sets out the gender ratio in the workforce of the Group, including the Board and the senior management as of December 31, 2025:

| | Female | Male |
|---|---|---|
| **Board** | 11.11% (1) | 88.89% (8) |
| **Senior management** | 12.50% (1) | 87.50% (7) |
| **Overall workforce** | 47.67% (194) | 52.33% (213) |

As of December 31, 2025, the gender ratio in the workforce (including senior management) was approximately 213 males to 194 females. The Board considers that the current gender ratio reflects a gender balance in our employee structure. During the Reporting Period, there were no unfavorable factors or circumstances that made it more challenging or impractical to achieve gender diversity in the workforce, including the Board, senior management and other employees. Going forward, the Company will continue to monitor and evaluate the diversity policy and adopt measurable objectives from time to time to ensure continued effectiveness and the Company's diversity policy and the gender balance in our employee structure.

# CORPORATE GOVERNANCE REPORT

## DIRECTOR NOMINATION POLICY

The Nomination Committee is mainly responsible for formulating standards and procedures for identifying and selecting candidates for Directors and senior management of the Company, assessing their performance and providing recommendations.

Pursuant to the Articles of Association, the terms of reference and rules of procedure for the Nomination Committee, and the procedures for Shareholders to nominate a person for election as a Director, the Company has adopted a Director nomination policy (the "**Director Nomination Policy**") which sets out the selection criteria and nomination process and the Board succession planning considerations in relation to nomination and appointment of Directors of the Company and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The nomination process set out in the Director Nomination Policy is as follows:

(i) the Nomination Committee shall actively communicate with the relevant departments of the Company to study the demand of the Company for new Directors and senior management and to formulate written materials thereon;

(ii) the Nomination Committee may extensively identify candidates for Directors and senior management within the Company and its majority-owned enterprises or investees as well as in the labor market;

(iii) the Nomination Committee shall collect information about the occupation, educational background, professional titles, detailed information in relation to the work experience and all concurrent positions of the preliminary candidates, and formulate written materials thereon;

(iv) a nominee shall not be deemed as a candidate for Director or senior management unless his/her consent for nomination is obtained;

(v) the Nomination Committee shall convene a committee meeting to conduct a qualification review on the candidates in accordance with the criteria for Directors and senior management;

(vi) the Nomination Committee shall submit to the Board its recommendations and relevant information on the candidates for the new Directors and senior management prior to the election of new Directors and appointment of new senior management; and

(vii) the Nomination Committee shall carry out other follow-up work according to the decision and feedback from the Board.

Where appropriate, the Board should make recommendation to Shareholders in respect of the proposed election of Director at the general meeting.

Where the Board proposes a resolution to elect or re-elect a candidate as Director at the general meeting, the relevant information of the candidate will be disclosed in the circular to Shareholders and/or explanatory statement accompanying the notice of the relevant general meeting in accordance with the Listing Rules and/or applicable laws and regulations.

Shareholders severally or jointly holding more than one percent of the Shares of the Company have the right to submit written proposals on nomination of Directors to the Board ten days before the Shareholders' meeting.

The Nomination Committee will review the Director Nomination Policy, as appropriate, to ensure its effectiveness.

# CORPORATE GOVERNANCE REPORT

## CORPORATE GOVERNANCE FUNCTION

The Board is responsible for determining the corporate governance policy of the Company performing the functions set out in code provision A.2.1 of Part 2 of the CG Code.

The Board reviewed the Company's corporate governance policies and practices, training and continuous professional development of the Directors, Supervisors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the Company's compliance with the CG Code, the Company's code of conduct applicable to its employees, Directors and Supervisors, and disclosure in its Corporate Governance Report during the Reporting Period.

## RISK MANAGEMENT AND INTERNAL CONTROL

The Company's risk management and internal control systems have been developed with the following principles, features and processes:

### RISK MANAGEMENT

We recognize that risk management is critical to the success of our business operations. The key operational risks we face include, among others, changes in the general market conditions and the regulatory environment of the PRC and global biopharmaceutical markets, our ability to develop, manufacture and commercialize our drug candidates, and our ability to compete with other biopharmaceutical companies. We also encounter diverse market risks. In particular, we are exposed to interest rate, foreign currency, credit and liquidity risks that arise in the normal course of our business.

To address these challenges, we have implemented a comprehensive set of risk management policies that establish a framework to identify, assess, evaluate, and continuously monitor the key risks associated with our strategic objectives. Risks identified by our management will be analyzed based on likelihood and impact, and will then be properly followed up, mitigated, and rectified by our Group after reported to our Board. Our Directors oversee the implementation of these risk management policies.

To monitor the ongoing implementation of risk management policies and corporate governance measures, we have adopted, among other things, the following risk management measures.

- Our Board will continue to oversee and manage the overall risks associated with our business operations, including (i) reviewing and approving our risk management policy to ensure that it is consistent with our corporate objectives; (ii) reviewing and approving annual working plan and annual report of our corporate risk management; (iii) monitoring the most significant risks associated with our business operation and evaluating our management's handling of such risks; (iv) assessing our corporate risk in the light of our corporate risk tolerance; and (v) ascertaining the appropriate application of our risk management framework across our Group.

# CORPORATE GOVERNANCE REPORT

- Our finance, legal, human resources and other relevant departments will be responsible for (i) developing our risk management policy and reviewing major risk management issues within our Company; (ii) creating the annual risk management plan and report; (iii) offering guidance on our risk management approach to relevant departments and supervising the implementation of our risk management policy; (iv) reviewing reports on key risks from relevant departments and providing feedback; and (v) conducting education and training related to risk management.

- Our finance, legal, human resources and other relevant departments will be responsible for implementing our risk management policy and carrying out our day-to-day risk management practice. To standardize risk management across our Group and establish a common level of transparency and performance, these departments will (i) gather information about risks related to their operations or functions; (ii) conduct risk assessments, which include identifying, prioritizing, measuring, and categorizing all key risks that could potentially impact their objectives; (iii) continuously monitor key risks related to their operations or functions; (iv) implement appropriate risk responses as needed; (v) develop and maintain mechanisms to facilitate the application of our risk management framework; and (vi) promptly report any material risks to relevant departments.

## INTERNAL CONTROL

Our Board is responsible for establishing our internal control system and reviewing its effectiveness. During the year ended December 31, 2025, we regularly reviewed and enhanced our internal control system. Below is a summary of the internal control policies, measures and procedures we have implemented.

- We have implemented a range of measures and procedures covering various aspects of our business operations, including related party transactions, risk management, intellectual property protection, occupational health and safety, contract management, and information systems. As part of our employee training program, we regularly provide training on these measures and procedures to our staff.

- Our Directors, who are responsible for overseeing the corporate governance of our Group, will, with assistance from our legal advisers, periodically review our compliance status with all relevant laws and regulations.

- We have established an Audit Committee which (i) makes recommendations to our Directors on the appointment and removal of external auditors; and (ii) reviews the financial statements and renders advice in respect of financial reporting as well as oversees internal control procedures of our Group.

- We have engaged Soochow Securities International Capital Limited as our compliance adviser to provide advice to our Directors and management team until the end of the first fiscal year after the Listing regarding matters relating to the Listing Rules. Our compliance adviser is expected to ensure our use of funding complies with the section headed "Future Plans and Use of Proceeds" in the Prospectus, as well as to provide support and advice regarding requirements of relevant regulatory authorities in a timely fashion.

The Board acknowledges its responsibility for the risk management and internal control systems and for reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control mechanisms.

# CORPORATE GOVERNANCE REPORT

The Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems.

The Company has developed an Information Disclosure Management System to ensure that all material undisclosed information is disclosed to the market through designated channels in a timely manner through standardized procedures. Under the system, the Company is required to disclose to the public any inside information as soon as reasonably practicable after it becomes aware of it or is likely to create a false market. From the Listing Date and up to the date of this annual report, the Company has disclosed information in strict compliance with the requirements of the laws and regulations including the Listing Rules without any false statements, misleading statements or material omissions, to ensure investors will be able to receive the disclosed information fairly, timely and effectively.

All divisions/departments conducted internal control assessment regularly to identify risks that potentially impact the business of the Group and various aspects, including key operational and financial processes, regulatory compliance and information security. Self-evaluation has been conducted annually to confirm that control policies are properly complied with by each division/department.

The management has reported to the Audit Committee on the effectiveness of the risk management and internal control systems for the year ended December 31, 2025.

The internal audit department is responsible for performing independent reviews of the adequacy and effectiveness of the risk management and internal control systems. The internal audit department examined key issues in relation to the accounting practices and all material controls and provided its findings and recommendations for improvement to the Audit Committee. For the year ended December 31, 2025 and up to the date of this annual report, the Board was not aware of any material defect in the internal control of the Group.

The Board, as supported by the Audit Committee as well as the management report and the internal audit findings, conducted an annual review of the risk management and internal control systems, including the financial, operational and compliance controls, for the year ended December 31, 2025, and considered that such systems are effective and adequate. The annual review also covered the financial reporting and internal audit function and staff qualifications, experiences and relevant resources.

The Company has in place the Whistleblowing Policy and system for employees of the Company and those who deal with the Company to raise concerns, in confidence and anonymity, with the Audit Committee about possible improprieties in any matters related to the Company.

To uphold our business reputation and ethical standards, we have incorporated anti-corruption and anti-bribery requirements into our internal policies and systems. These requirements are designed to prevent and prohibit any form of corruption or bribery, ensuring that our employees adhere to high standards of integrity and transparency in all business activities. We maintain a zero-tolerance approach to corruption and bribery and strictly enforce internal controls to enhance employees' legal awareness and ethical principles. Our relevant internal policies include provisions that strictly prohibit employees from engaging in any form of bribery or corruptive conduct, including giving or receiving bribes, kickbacks, or other improper benefits in connection with government relations and commercial activities. We have established secure and confidential effective reporting channels to encourage employees and business partners to report or file complaints about any suspected corruption or bribery.

# CORPORATE GOVERNANCE REPORT

## DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements with the support of the accounting and finance team.

The Directors have prepared the financial statements in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board. Appropriate accounting policies have also been used and applied consistently except the adoption of revised standards, amendments to standards and interpretation.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. The financial statements of the Company are prepared on a going concern basis, the Directors are of the view that they give a true and fair view of the financial position, performance and cash flow of the Group for the year ended December 31, 2025, and the disclosure of other financial information and report therein complies with relevant legal requirements.

A statement from the external auditors of the Company about their reporting responsibilities for the financial statements is set forth in the Independent Auditor's Report in this annual report.

## AUDITOR'S REMUNERATION

An analysis of the remuneration paid/payable to the external auditor of the Company, Ernst & Young in respect of audit services and non-audit services for the year ended December 31, 2025 is set out below:

| **Service category** | **Fees paid/payable RMB'000** |
|---|---|
| Audit services | 1,880 |
| Non-audit services | 265 |
| – Tax services | 81 |
| – ESG services | 184 |
| **Total** | **2,145** |

# CORPORATE GOVERNANCE REPORT

## JOINT COMPANY SECRETARIES

Mr. ZHANG Su (張甦), who is also the chief financial officer and secretary of the Board of the Company, was appointed as the joint company secretary with effect from December 17, 2025. For Mr. ZHANG's biography, please see in the section headed "Profiles of Directors, Supervisors and Senior Management" of this annual report.

The Company has also appointed, externally, Mr. CHUNG Ming Fai (鍾明輝) as the joint company secretary with effect from December 17, 2025. For details of Mr. CHUNG's biography, please see in the section headed "Profiles of Directors, Supervisors and Senior Management" of this annual report. Mr. CHUNG's primary contact with the Company is Mr. ZHANG Su (張甦), the joint company secretary of the Company.

The Company was not listed on the Stock Exchange for the year ended December 31, 2025. The joint company secretaries of the Company will receive no less than 15 hours of relevant professional training annually pursuant to the requirements of Rule 3.29 of the Listing Rules.

All Directors may have access to the advice and services of the joint company secretaries on corporate governance and routine Board matters.

## SHAREHOLDERS' RIGHTS

### CONVENING AN EXTRAORDINARY GENERAL MEETING

In accordance with Article 45 of the Articles of Association, Shareholders who individually or collectively hold 10% or more of the Shares of the Company shall have the right to request the Board to convene an extraordinary general meeting and shall submit the request in writing to the Board. The Board and the Supervisory Committee shall, in accordance with the provisions of laws, administrative regulations, the Listing Rules and the Articles of Association, provide written feedback to the Shareholders on whether it agrees or disagrees with the convening of the extraordinary general meeting within ten days after receiving the request. If the Board agrees to convene an extraordinary general meeting, it shall issue a notice to convene the general meeting within five days after a resolution of the Board is made, and any changes to the original request in the notice shall be subject to the consent of the relevant Shareholders. If the Board does not agree to convene an extraordinary general meeting or fails to provide feedback within ten days after receiving the request, Shareholders who individually or collectively hold 10% or more of the Shares of the Company shall have the right to propose to the Supervisory Committee that an extraordinary general meeting be convened and shall submit their request in writing to the Supervisory Committee. If the Supervisory Committee agrees to convene an extraordinary general meeting, it shall issue a notice to convene the meeting within five days of receipt of the request, and any changes to the original request in the notice shall be subject to the consent of the relevant Shareholders. If the Supervisory Committee fails to issue the notice of general meeting within the prescribed period, it shall be deemed that the Supervisory Committee would not summon and preside over the general meeting, and Shareholders who individually or collectively hold 10% or more of the Shares of the Company for 90 or more consecutive days may convene and preside over the meeting on their own initiative. The total shareholding percentage of the Shareholders convening the general meeting shall not be less than 10% prior to the announcement of the poll results of the general meeting.

# CORPORATE GOVERNANCE REPORT

## PUTTING FORWARD PROPOSALS AT GENERAL MEETINGS

Pursuant to Article 51 of the Articles of Association, Shareholder(s) individually or collectively holding 1% or more of the Company's Shares may submit interim proposals in writing to the convener 10 days before the general meeting. The convener shall issue a supplementary notice of the general meeting within 2 days after receiving such proposals, specifying the content of the interim proposals and submitting such interim proposals to the general meeting for consideration. However, interim proposals violating laws, administrative regulations, or the Articles of Association, or beyond the scope of powers and functions of the general meeting, shall be excluded.

## PUTTING FORWARD ENQUIRIES TO THE BOARD

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

## CONTACT DETAILS

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: No. 168 Yuanfeng Road, Yushan Town, Kunshan City, Jiangsu Province, PRC (For the attention of the joint company secretaries)
Email: ir@ribolia.com

For the avoidance of doubt, Shareholders must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address, and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

# COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavors to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. At the annual general meeting, Directors (or their delegates as appropriate) are available to meet Shareholders and answer their enquiries.

To safeguard Shareholder interests and rights, separate resolution should be proposed for each substantially separate issue at general meetings, including the election of individual Director. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

# CORPORATE GOVERNANCE REPORT

## SHAREHOLDERS' COMMUNICATION POLICY

The Company adopts a Shareholders' communication policy (the "**Shareholders' Communication Policy**") to ensure that the Shareholders and, where appropriate, the general investing public, have timely access to comprehensive, identical and understandable information about the Company (including its financial performance, strategic objectives and plans, significant developments, governance and risk profile), so that Shareholders can exercise their rights in an informed manner on the one hand, and to enhance communication between Shareholders and investing public and the Company on the other.

The Company maintains a policy of open communication and communicates information to Shareholders and investors through a variety of channels. These include (i) the publication of interim and annual reports and/or dispatching circulars, notices, and other announcements; (ii) the annual general meeting or extraordinary general meeting providing a forum for Shareholders to raise comments and exchange views with the Board; (iii) updated and key information of the Group available on the Company's website (www.ribolia.com) and the Stock Exchange's website (www.hkexnews.hk); (iv) the Company's website offering communication channel between the Company and its stakeholders; (v) the Company's H Share Registrar in Hong Kong serving the Shareholders in respect of all share registration matters; and (vi) various activities such as briefing sessions, roadshows, media interviews and marketing activities for investors, to facilitate communication and exchange of views between the Company and Shareholders and investors.

Shareholders may at any time direct enquiries, request for the Company's information to the extent such information is publicly available, and provide comments and suggestions to the office of the Board. Such questions, requests and comments may be sent by mail to the Company's principal place of business in Hong Kong (Attention: Company Secretary, 40/F, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong). In order to facilitate timely and effective communication and exchange, Shareholders are encouraged to provide their contact details, in particular email addresses, to the Company's H Share Registrar.

The Board is responsible for maintaining ongoing communication with Shareholders and regularly reviewing the Shareholders' Communication Policy to ensure its effectiveness. Having considered the implementation and outcome of the Shareholder communication channels of the Group and the practices of other listed companies, the Company confirmed its effectiveness during the period from the Listing Date and up to the date of this annual report.

# CORPORATE GOVERNANCE REPORT

## AMENDMENTS TO CONSTITUTIONAL DOCUMENTS

The Company has not made any amendments to its Articles of Association from the Listing Date to the date of this annual report. The latest version of the Articles of Association is posted on the websites of the Company and the Stock Exchange.

On March 25, 2026, the Board announced that, in order to (i) bring the Articles of Association in line with the latest regulatory requirements in relation to holding hybrid general meetings, providing electronic voting and the relevant amendments made to the Listing Rules; and (ii) in light of the latest regulatory requirements of the PRC Company Law, the Guidelines for Articles of Association of Listed Companies and Rules for General Meetings of Listed Companies issued by the CSRC and other laws and regulations which require, among other things, listed PRC companies to cancel the supervisory committee and further enhance the corporate governance, based on the actual situation of the Company, it has considered and approved, among others, the amendments to the Articles of Association, the procedural rules of the general meeting of the Company and the procedural rules of the Board, subject to the consideration and approval by the Shareholders as special resolutions at the forthcoming AGM. A circular containing, among others, details of the resolutions on the proposed amendments to the Articles of Association together with the notice of the AGM will be published on the websites of HKEXnews (www.hkexnews.hk) and the Company (www.ribolia.com) and will be despatched to Shareholders (if applicable) in accordance with the requirements of the Listing Rules in due course.

## DIVIDEND POLICY

The Articles of Association provides that the Company may distribute dividends in cash, Shares, or other methods permitted by law. The Company does not have any pre-determined dividend payout ratio. Depending on the financial conditions of the Company and the Group and the conditions and factors as set out in the dividend policy, dividends may be proposed and/or declared by the Board during a financial year and any final dividend for a financial year will be subject to the Shareholders' approval.

## INVESTMENT POLICY

### 1. Investment Policy and Objectives

The Company's investment policy aims to set guidelines for the parameters, responsibilities, and controls for the investment of working capital and surplus cash of the Company, and to preserve and grow its assets while exploring strategic opportunities that align with its corporate strategy and principal business operations. The purpose of these investments is to generate long-term value, maintain sufficient liquidity for operational needs, and foster potential synergies with other enterprises to support future growth.

The Company will manage the aggregate portfolios to ensure the safety and preservation of capital through low-risk bank deposits, savings accounts, or similar financial products, while aligning portfolio maturities and durations with anticipated liquidity requirements and working capital needs.

# CORPORATE GOVERNANCE REPORT

All eligible investments will be held in Renminbi, Hong Kong dollars, U.S. dollars, Euros or Swedish Krona, have readily ascertainable market value and be readily marketable or capable of withdrawal, redemption or liquidation by the Company. In order to minimize risk, bank depository investments and saving accounts will be held spread over different financial institutions in Asia, the U.S. or Europe. The maximum effective maturity of any issue or security of the portfolio is 24 months. No more than 25% of the portfolio will be invested with any one issuer.

The scope of the Company's investments may include, but is not limited to, the following primary asset classes:

- **Listed Equities**: The Company may invest in equity securities listed on recognized stock exchanges. Such investments are selected based on prudent financial analysis, taking into account factors including the issuer's financial position, industry outlook, valuation level and market liquidity. Listed equity investments are generally made for capital appreciation and return enhancement purposes, and are subject to the Company's overall risk management framework and concentration limits. The Company does not engage in short-term speculative trading activities.

- **Unlisted Equities**: The Company may, on a selective basis, invest in equity interests of private companies. Such investments are typically assessed from a long-term value perspective and are subject to comprehensive due diligence, including evaluation of the target's business model, financial condition, management background and potential exit mechanisms. Any unlisted equity investment must align with the Company's risk tolerance and strategic considerations and is subject to internal approval procedures.

- **Bonds**: The Company may invest in fixed-income securities, including government and corporate bonds. All bond investments must carry at least one credit rating of "A" or above from Moody's, Standard & Poor's or Fitch at the commencement of the fixed interest term. In evaluating bond investments, the Company considers credit quality, maturity profile, interest rate exposure and market liquidity. The effective maturity of any issue or security held in the portfolio will not exceed the maximum limit prescribed under the Company's investment policy.

- **Low-risk Wealth Management Products**: The Company may invest in low-risk wealth management products, including but not limited to bank structured deposits, fixed-income products and money market funds. Such investments are primarily undertaken to enhance capital efficiency and manage short-term liquidity requirements. The Company selects products with relatively low risk levels, transparent underlying assets and sufficient liquidity, and ensures that such investments comply with the Company's established risk limits and concentration thresholds.

While the above categories represent the primary focus of the Company's investment activities, the Company retains the flexibility to explore other investments such as trust products and financial derivatives, each of which may be subject to appropriate due diligence and internal review procedures, depending on the nature, size and risk profile of the investment, and will be conducted in accordance with the Company's internal management processes.

The investment strategy is closely aligned with the Company's corporate strategy, focusing on assets that complement its principal businesses and strategic priorities. The Company's approach combines long-term investments, which target sustainable growth and strategic collaboration, with short-term investments, which aim to maintain liquidity and capture immediate market opportunities.

# CORPORATE GOVERNANCE REPORT

## 2. Risk Management and Control Measures

The intent of the investment policy is to manage the portfolio to minimize risk and generate an acceptable risk adjusted return. The Company will mitigate the effects of credit risk by monitoring the portfolio and credit markets to respond appropriately to a significant reduction in credit rating of any issuer or depository. The Company has established a robust risk management framework to safeguard its investments and ensure a balance between risk and return.

*Defined Risk Limits and Metrics:*

The Company assesses risks such as liquidity, valuation, regulatory, and foreign exchange risks. It utilizes measurable metrics such as portfolio concentration, credit ratings, and market exposure to evaluate and mitigate these risks. Diversification across asset classes, sectors, and geographies is employed to reduce overall portfolio risk.

- **Liquidity Buffer**: The Company structures the maturity profile of its investment portfolio with reference to its anticipated working capital requirements and cash flow forecasts. An appropriate proportion of highly liquid assets is maintained to ensure that the Company is able to meet its operational and financial obligations as they fall due. The Company continuously monitors its liquidity position and may adjust its portfolio allocation in response to changes in funding needs.

- **Credit Risk**: Credit risk is managed through minimum credit rating requirements and diversification measures. All bond investments must meet the prescribed minimum credit rating criteria. The Company also monitors the ongoing credit quality of issuers and counterparties. In the event of material adverse changes in credit conditions, the Company will assess and take appropriate actions, which may include reducing or disposing of the relevant exposure.

- **Counterparty Risk**: Before entering into any investment transaction, the Company conducts due diligence on counterparties, including assessment of their regulatory status, credit standing, financial stability and market reputation. Transactions are conducted only with financial institutions that meet the Company's internal risk standards. The Company also manages counterparty exposure through diversification to avoid over-reliance on any single institution, and the finance department reviews counterparty exposure levels on a periodic basis.

- **Other Risks**: The Company also considers other relevant risks, including interest rate risk, foreign exchange risk, valuation risk and regulatory risk. Through portfolio diversification, maturity control and ongoing market monitoring, the Company seeks to mitigate the potential impact of such risks on its overall financial position. Where necessary, adjustments to the portfolio will be made to maintain alignment with the Company's risk appetite and investment objectives.

Investments are reviewed on a regular basis, and at least annually, based on key performance indicators, such as return on investment (ROI), risk-adjusted returns, and contribution to corporate strategy. The finance department under the supervision of the chief financial officer of the Company evaluates the financial status and operational performance of all investment portfolios, providing periodic updates to the senior management and, the Board (where appropriate).

The Company continuously monitors its investments by tracking market developments, regulatory changes, and macroeconomic conditions. Regular reviews are conducted to ensure the portfolio remains aligned with the Company's objectives and risk tolerance.

# CORPORATE GOVERNANCE REPORT

## 3. Approval and Oversight Mechanisms

The Board is responsible for approving the investment policy and any material amendments thereto, and for overseeing the overall investment framework of the Company. The Company has established an internal governance structure for its investment activities, under which responsibilities are appropriately allocated among the management to ensure effective oversight, flexibility and timely decision-making.

- *Roles and Authority of the Management*

  The Company's investment activities are primarily managed by the finance department under the supervision of the chief financial officer. The finance department is responsible for the execution of day-to-day investment activities, including implementation of investment strategies, monitoring of investment positions and preparation of investment proposals.

  The chief financial officer is responsible for reviewing investment proposals, assessing associated risks and returns, and making recommendations, as well as overseeing the ongoing management of the investment portfolio and ensuring compliance with the Company's investment policy.

  The chief executive officer of the Company is responsible for approving investment decisions in accordance with the Company's internal management processes. The chief financial officer reports to the chief executive officer in respect of investment matters.

  The Board retains ultimate oversight over the Company's investment activities and will review and approve matters that are material in nature or otherwise required to be approved by the Board under applicable laws, regulations or the Listing Rules.

- *Approval Process:*

  The chief financial officer is responsible for reviewing investment proposals and making recommendations. Investment decisions are approved by the chief executive officer. Investments that are material in size, involve new types of instruments, or fall within the scope of Chapter 14 or Chapter 14A of the Listing Rules shall be escalated to the Board and, where applicable, the Shareholders for approval. External professional advice may be sought where necessary.

# CORPORATE GOVERNANCE REPORT

- *Monitoring and Reporting:*

  The Company monitors its investment portfolio on an ongoing basis. The finance department, under the supervision of the chief financial officer, is responsible for tracking investment performance, market developments and risk exposure, and for ensuring that the portfolio remains aligned with the Company's investment objectives and risk tolerance.

  The Company conducts periodic reviews of its investment portfolio and provides updates to the senior management and, where appropriate, to the Board. Such reviews may be adjusted having regard to market conditions and the nature of the investments.

By maintaining a clear approval and oversight mechanism, the Company ensures its investment decisions are well-governed, strategically aligned, and consistent with regulatory and corporate governance requirements. A review of the sufficiency of the investment policy will be conducted by the Board as deemed necessary, and at least annually, to ensure that it remains consistent with the overall objectives of the Company. Any modifications or amendments to the investment policy must be in written form.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## ABOUT THIS REPORT

This report aims to disclose to all stakeholders the work undertaken and the achievements made by Suzhou Ribo Life Science Co., Ltd. (hereinafter referred to as "Ribo Life Science", "the Company" or "we") in 2025 concerning environmental, social and governance (hereinafter "ESG") aspects. The report is prepared in accordance with the Appendix C2 Environmental, Social and Governance Reporting Code (hereinafter "the ESG Reporting Code") under the Main Board Listing Rules of the Stock Exchange of Hong Kong Limited (HKEX) and follows the principles of "Materiality", "Quantitative", "Balance" and "Consistency" as set out therein.

(1) **Materiality:** The Company conducted a materiality assessment of ESG topics, inviting internal and external stakeholders to participate in the identification, assessment, and prioritization of relevant topics. The process and results of this materiality assessment are presented in this report. The Board of Directors has reviewed the outcomes of the ESG topics materiality assessment.

(2) **Quantitative:** This report discloses the Company's relevant quantitative data in the environmental and social spheres and explains the standards and methods adopted for statistics and calculation.

(3) **Balance:** This report objectively discloses both positive and negative information to ensure balanced content.

(4) **Consistency:** The data disclosed in this report uses statistical methods and scopes consistent with previous years to ensure comparability of the report's content.

The Reporting Period for the content of this report is from 1 January to 31 December 2025, with some data tracing back to previous years. The data disclosed in this report is primarily sourced from the Company's statistical reports and relevant documentation. The Company affirms that this report contains no false records or misleading statements and is responsible for the authenticity, accuracy, and completeness of its content.

Unless otherwise stated, and based on the principle of materiality, the scope of disclosure for this report encompasses the Company and its subsidiaries, aligning with the scope of the annual report.

This report is published alongside the Company's Annual Report. The content concerning corporate governance is recommended to be read with the Corporate Governance Report section contained within the Annual Report.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## BOARD STATEMENT

The Company highly recognises the importance of social responsibility and environmental, social and governance (ESG) matters for its long-term and stable operation, and is committed to seeking coordinated development among economic, social, and environmental responsibilities. The Company's Board of Directors attaches great importance to ESG management. As the highest responsible and decision-making body for the Company's ESG affairs, the Board bears the ultimate responsibility for ESG strategy formulation and oversight.

The Board has fully integrated environmental, social and governance (ESG) matters into the Company's governance structure. It is responsible for formulating the ESG strategic plan, establishing development objectives, improving the management framework, systemically identifying and assessing related risks and opportunities, and regularly conducting comprehensive reviews of ESG performance. The Company has established an ESG Committee, which is responsible for formulating and reviewing the Company's ESG policies, setting ESG objectives, and coordinating the specific implementation of the ESG strategy. When setting ESG objectives, the Committee comprehensively considers historical performance, current regulatory requirements, industry benchmarks, and internationally recognised standards. It regularly conducts internal reviews, performs in-depth analysis of macro policy trends, and maintains ongoing communication with stakeholders. On this basis, the Committee systematically identifies and assesses ESG-related topics and risks and regularly reports on its work progress and outcomes to the Board and senior management, thereby clarifying governance priorities and management strategies to continuously enhance the execution efficacy and management level of ESG work.

In 2025, the Board was deeply involved in the identification and confirmation of material ESG topics. Through the systematic assessment and regular reporting of dedicated working groups, the Board maintained comprehensive oversight of the progress of all key tasks, including stakeholder engagement, ESG project advancement, and information disclosure, ensuring the Company's ESG practices align with stakeholder expectations and strategic objectives. The Company consistently places the core concerns of its stakeholders in a position of high importance, continuously improves its ESG management system, and effectively drives the enhancement of corporate sustainable development capabilities.

This report aims to provide a detailed and objective disclosure of the Company's progress and achievements in environmental, social and governance matter during 2025, in accordance with the principles of materiality, quantitative, balance, and consistency for ESG indicators. This report was reviewed and approved by the Board of Directors on 25 March 2026.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## CORPORATE CULTURE

Ribo Life Science is committed to the ongoing development of its corporate culture system, aiming to establish cultural values as the cornerstone of the Company's success and the guiding spirit for our relentless pursuit of excellence. Our corporate culture development centres on spiritual culture as its core, uses behavioural culture as the bridge, and manifests through material culture, thereby integrating and internalising these cultural concepts into the conscious actions of our employees.

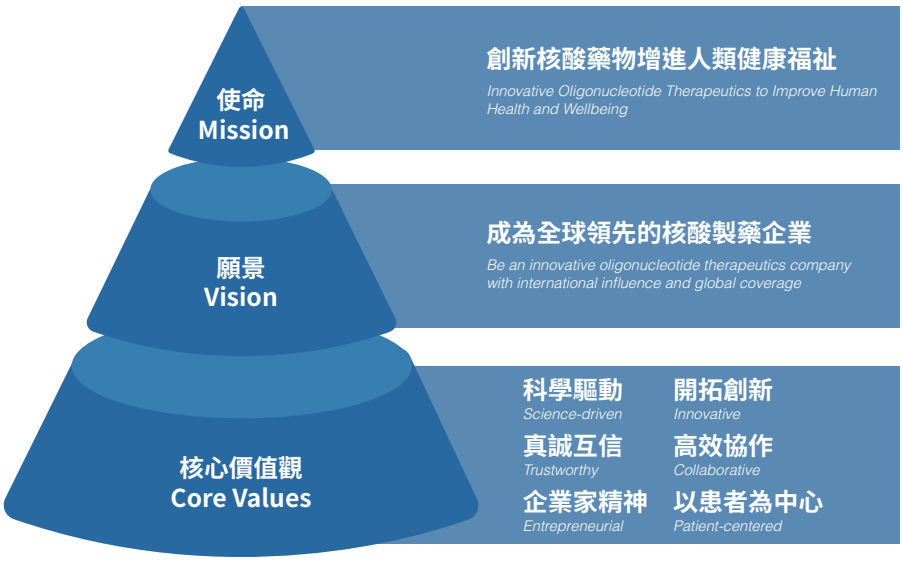



**Figure: Ribo Life Science's Corporate Culture**

The Company continuously advances the dissemination and deep integration of its corporate culture. We ensure the alignment of our value orientation with behavioural standards by fully embedding cultural concepts into our institutional framework. This is complemented by regular, systematic training programmes and team-building activities, which serve to continually deepen employees' cultural understanding, foster consensus on shared values, and drive collaborative development.

We have established multi-dimensional platforms for cultural communication. Utilising physical display walls and the compiled Corporate Culture Handbook, we comprehensively present and interpret the Company's core value propositions. The corporate anthem, My Ribo, which we created and promote widely, strengthens emotional connection and shared purpose through artistic expression. Simultaneously, we have innovatively launched the "Ribo Administration" official account and introduced the brand mascot "Peng Peng" (朋朋) to communicate our service philosophy in a more relatable and engaging manner, cultivating a positive and dynamic organisational atmosphere. Furthermore, the Company has implemented a sustained interactive and incentive-driven cultural mechanism. Through platforms such as the corporate news centre, OA portal, and video channels, we communicate company developments and showcase team spirit in a timely and transparent fashion, conducting systematic reviews post-activities for continuous optimisation. Additionally, anchored in our six core values, the Company organises an annual "Culture Ambassador" recognition programme. By highlighting exemplary models and commending those who best embody our cultural values, we ensure the corporate culture is perpetuated and evolves through ongoing engagement and positive reinforcement.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## ACTIVELY RESPONDING TO THE SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (SDGs) form the core of the UN's 2030 Agenda for Sustainable Development. They aim to address developmental challenges across social, economic, and environmental dimensions in an integrated manner from 2015 to 2030, propelling the global sustainable development agenda. We actively respond to national and global calls for sustainable development, are committed to advancing the implementation of the UN SDGs, and deeply integrate the concept of sustainable development into our daily operations and strategic decision-making.

| Dimension | SDGs Response | Our Actions |
|---|---|---|
| Robust Operation |  | • Enhance our integrity framework to ensure clean and transparent corporate operations.<br>• Continuously optimise corporate governance capabilities, consistently improve the internal management system, and ensure compliant and stable operations. |
| Innovation Guarantee |  | • Accelerate breakthroughs and the application of results in key scientific research projects, providing solid scientific and technological support for achieving high-quality development.<br>• Building upon core competitive advantage of innovative drugs, continuously expand disease research areas, and dedicate ourselves to providing more innovative treatment options for patients worldwide.<br>• Adhere strictly to R&D ethics, upholding ethical and scientific standards for animal welfare protection throughout the entire R&D process to effectively safeguard the welfare of laboratory animals. |
| Product Responsibility |  | • Strengthen source control during product design and process development phases, enhancing production stability and resource utilisation efficiency to mitigate potential environmental and quality risks at the source.<br>• Establish a quality and compliance management system covering R&D, production, and the supply chain, improving product safety and production transparency, and promoting a more responsible production and operational model. |

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

| Dimension | SDGs Response | Our Actions |
|---|---|---|
| Collaborative Advancement |  | • Foster cooperative and mutually beneficial partnerships, promoting supply chain stability and continuity by establishing efficient communication platforms.<br>• Actively participate in industry collaboration and exchanges, empowering the high-quality development of the domestic pharmaceutical sector with practical measures. |
| People-Centric Approach |  | • Equip with modern office facilities and organise a variety of staff activities to help employees achieve a better work-life balance.<br>• Resolutely implement employment policies promoting gender equality, eliminate all forms of discrimination regardless of nationality, gender, race, or cultural background, ensuring every employee receives fair treatment and respect.<br>• Design attractive compensation, incentive mechanisms, and talent development and training programmes to stimulate employees' potential and creativity. |
| Green Operations |  | • Actively respond to the national "Dual Carbon Goals" (peaking carbon emissions by 2030 and achieving carbon neutrality by 2060), committing to optimising the company's energy consumption structure, expanding the use of new energy, and actively undertaking energy conservation and consumption reduction initiatives.<br>• By reducing carbon emissions and improving energy utilisation efficiency, we strive to mitigate the impacts of climate change and contribute to building a green, low-carbon society. |

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## SUSTAINABLE DEVELOPMENT MANAGEMENT

Ribo Life Science adheres to the concept of sustainable development, attaches great importance to ESG governance, continuously strengthens the Board of Directors' involvement in ESG matters, and consistently enhances ESG governance capabilities and performance. Concurrently, the Company actively engages in stakeholder communication, accurately identifies and integrates stakeholder demands and concerns, providing a basis for the future direction of ESG initiatives.

### ESG Governance

The Company continuously optimises its ESG governance structure and has established policies and procedures designed to systematically advance the management of social, health, safety production, and environmental matters. We have established a core framework for managing environmental, social, and governance (ESG) affairs, ensuring ESG principles are fully integrated into daily business operations and strategic decision-making processes through clear delineation of responsibilities and execution pathways.

**Table: Ribo Life Science ESG Management Measures**

| |
|---|
| • Establish a clear ESG governance structure and institutional framework with defined responsibilities. |
| • Identify key stakeholders and establish effective channels for communication with them on ESG matters. |
| • Manage ESG risks and develop related mitigation measures. |
| • Set and continuously monitor ESG performance indicators. In the future, the Company will continue to proactively identify and assess material and potential ESG risks that may impact on the Company's business, strategy, and financial performance, in accordance with the recommendations of the ESG Reporting Code. We will systematically incorporate ESG topics into business planning, strategy formulation, and financial decision-making processes. |

The Board of Directors is responsible for overseeing the Company's compliance with environmental, social, and governance (ESG) related laws and regulations. The Company has established an Environmental, Social and Governance Committee, who shares with the Board the responsibility for formulating and reviewing ESG policies, as well as setting and reviewing ESG objectives. The ESG Committee maintains close collaboration with various functional departments to ensure the effective implementation of ESG-related matters and policies. It also continuously assesses and addresses emerging ESG issues, thereby keeping the Company's practices aligned with evolving regulatory requirements, stakeholder expectations, and industry standards.

The ESG Committee convenes meetings semi-annually to review ESG performance against established objectives and to evaluate emerging risks. ESG performance is continuously monitored through key performance indicators, and any significant deviations are promptly reported to the relevant departments responsible for remedial action. When setting ESG objectives, the Company comprehensively considers historical performance benchmarks, applicable regulatory provisions, peer benchmarking levels, and internationally recognised standards.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Stakeholder Engagement

The Company regularly communicates with various stakeholders through multiple channels to systematically gather their expectations and feedback regarding the Company's environmental, social, and governance performance. Stakeholders encompass shareholders and investors, government and regulatory authorities, business partners, customers, employees, suppliers, the media and public. During the Reporting Period, the Company paid attention and responded to stakeholders' concerns in its daily operations and decision-making processes, taking timely and targeted measures to address their reasonable expectations.

| Stakeholder | Key ESG Concerns | Primary Communication Channels |
|---|---|---|
| Government and regulatory authorities | Product Responsibility<br>Innovation and R&D<br>Data Security and Privacy Protection<br>Corporate Governance<br>Compliance Operation | Written Documents or Reports<br>Company Website<br>On-site Meetings |
| Shareholders and investors | Product Responsibility<br>Risk Management and Internal Control<br>Compliance Operation<br>Business Ethics and Anti-corruption | General Meetings<br>Periodic Reports<br>Results Announcements<br>Investor Briefings<br>Company Website<br>Investor Relations Email |
| Customers | Emissions Management<br>Product Responsibility<br>Innovation and R&D<br>Compliance Operation<br>Business Ethics and Anti-corruption | Periodic Reports<br>Customer Service Hotline and Email<br>Daily Operations and Interactions |
| Employees | Innovation and R&D<br>Intellectual Property Protection<br>Health and Safety<br>Employee Welfare and Diversity<br>Employee Development and Training | Internal Announcements/Emails/Office Systems<br>Internal Communication Meetings<br>Training Programmes<br>Team-building Activities<br>Daily Communication and Feedback |

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

| Stakeholder | Key ESG Concerns | Primary Communication Channels |
|---|---|---|
| Business partners | Business Ethics and Anti-corruption<br>Compliance Operation<br>Supply Chain Management<br>Industry Collaboration and Development | Supplier Evaluation and Assessment<br>Public Tendering for Suppliers<br>Industry Cooperation Agreements<br>Regular Meetings and Exchanges |
| Media and public | Intellectual Property Protection<br>Animal Welfare<br>Product Responsibility | Official Website<br>Press Conferences<br>Exchange Meetings |

## Materiality Assessment

The Company consistently regards the identification, determination, and management of material topics as a crucial link in ensuring the effective allocation of corporate resources and sustainable development. The Company has a robust process for identifying and determining material ESG topics, accurately pinpointing those with significant impact on the environment, society, and corporate governance, thereby providing a basis for strategic decision-making.

To assess the materiality of ESG topics more comprehensively, the Company conducted in-depth internal analysis and extensively solicited opinions from key stakeholders including major shareholders, government regulatory bodies, employees, customers, and suppliers. This culminated in the identification and formation of the 2025 Materiality Matrix. This matrix encompasses 19 topics in total, of which 12 were assessed as highly important. These are: Product Responsibility, Compliance Operation, Intellectual Property Protection, Business Ethics and Anti-corruption, Innovation and R&D, Data Security and Privacy Protection, Risk Management and Internal Control, Health and Safety, Corporate Governance, Labour Standards, Emissions Management, and Compliant Employment. This report will focus its disclosure on these material topics.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

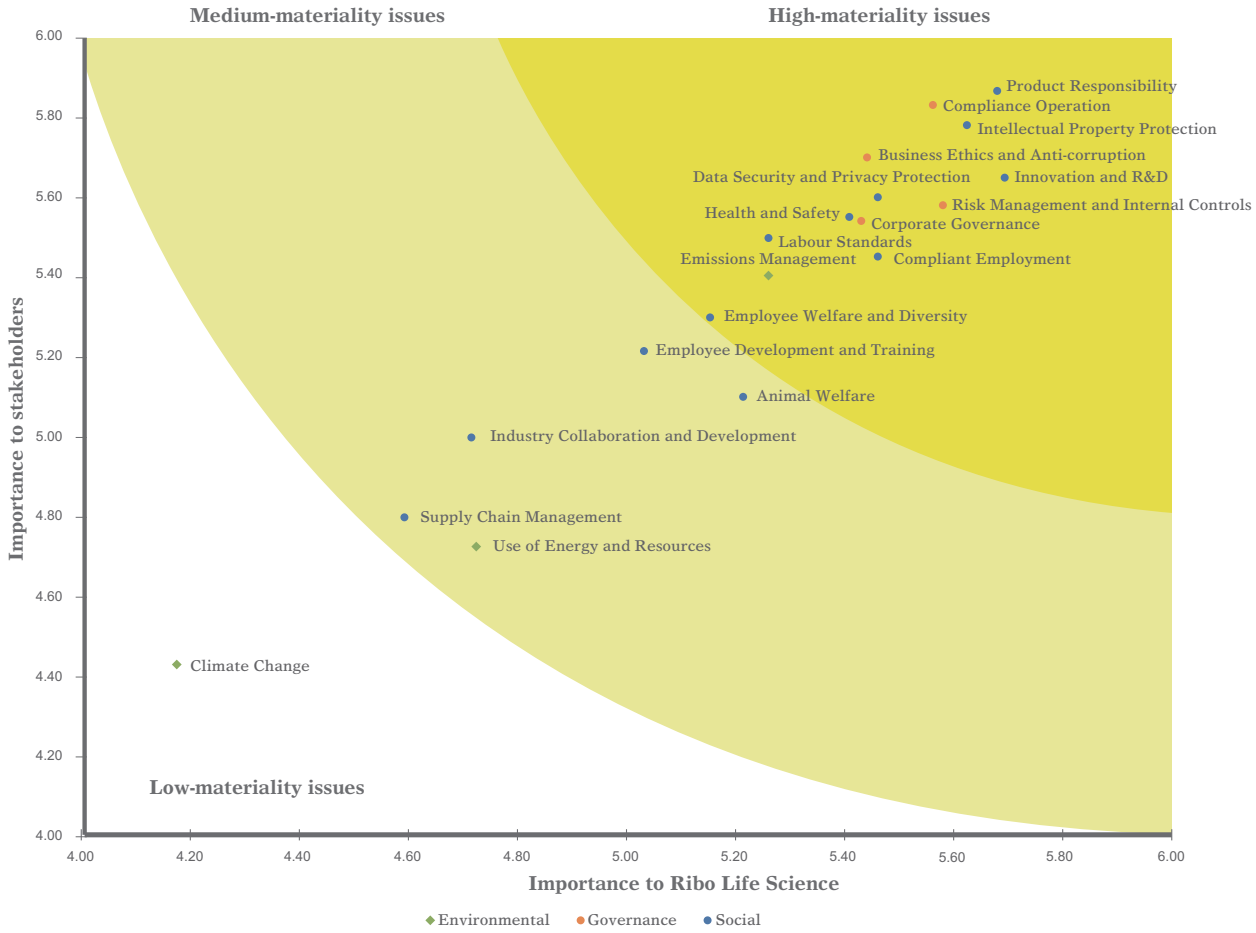



**Figure: Ribo Life Science 2025 Materiality Matrix**

## 1. ROBUST OPERATION

Ribo Life Science has always adhered to the concept of compliance operation, has been committed to creating a clean and honest business environment, and has continuously strengthened the supervision of business ethics. We integrate business ethics and risk management into our development strategy and daily operations, with the Board of Directors serving as the highest body responsible for management. We have established a comprehensive management system covering anti-corruption, fair competition, internal control, and risk management, committed to creating long-term value for stakeholders with high standards of business ethics and stable operational mechanisms.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 1.1 BUSINESS ETHICS

Ribo Life Science strictly abides by the Anti-Money Laundering Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China and relevant laws and regulations on business ethics of the country and region where the business is located, upholds the values of "sincerity and mutual trust, entrepreneurial spirit", formulates internal system documents such as the Anti-Corruption and Anti Bribery Management Measures, the Anti Money Laundering and Economic Sanctions Management System, and the Conflict of Interest Management System, etc., clarifying compliance requirements in areas such as anti-corruption, anti-fraud, anti-money laundering, and conflict of interest. Effective disciplinary and preventive measures have been established. At the same time, relevant policies and procedures such as the Employee Handbook, the External Affairs Management System, the Procurement Management System, the Internal Control System Compilation, and the Internal Audit Implementation Rules have clarified employee behaviour, workflow, inspection and supervision procedures to avoid corruption and bribery.

The Company has a zero-tolerance attitude towards any form of corruption, bribery and unfair competition, and requires all employees to follow the principles of fairness and integrity in business activities and maintain a healthy market competition order. The Company creates an open and transparent working atmosphere through perfect system construction, strict audit supervision, smooth reporting channels and normalized compliance promotion, ensuring that business activities in all operating areas comply with laws, regulations and ethical standards. In 2025, the Company did not have any cases of violation of business ethics or corruption, litigation or administrative penalties involving unfair competition or monopolistic behaviour.

### Business Ethics Management

The Company attaches great importance to clean procurement and includes anti-corruption compliance clauses in the agreements signed with partner and suppliers such as equipment, materials and R&D technology, clarifying the standards for anti-corruption and business ethics related performance. We incorporate the rationality of procurement decisions, the standardization of contract signing, and the fairness of supplier selection into the scope of audit and internal control evaluation to promote the implementation of third-party compliance.

### Business Ethics Training and Promotion

The Company continues to strengthen the construction of a culture of integrity and self-discipline, incorporating the code of business ethics and systems into the mandatory courses for new employee training. All new employees shall receive training on the code of conduct and requirements for clean work in the Employee Handbook upon entry, to ensure that they understand the basic compliance standards of the Company. In addition, The Company requires employees to sign the Integrity Commitment Letter, promising to consciously resist commercial bribery and not accept any form of financial gifts or benefits transmission activities, with a 100% signing rate. In 2025, the Company conducted online training for directors, supervisors and senior management personnel, mainly covering director responsibilities, insider information, related party transactions, anti-corruption requirements, etc., to ensure that the management fully understands and complies with the commercial ethics standards of the listed company.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Reporting and Investigation System

The Company has established a safe, confidential and effective reporting mechanism to encourage employees and business partners to report any suspected violations, and to strictly protect whistleblowers. In the Measures for the Administration of Anti-Corruption and Anti Bribery, we clearly stipulate that the identity information of the whistleblower shall be strictly kept confidential, and the whistleblower's identity shall not be disclosed to any unrelated personnel without the consent of the whistleblower. Threats, intimidation, and retaliation against whistleblowers will be dealt with seriously, and those who constitute crimes will be held criminally responsible in accordance with the law. In addition, the Company has established a standardized reporting and investigation procedure to ensure that each report is properly handled, and has established a reporting channel: Email Audit@ribolia.com, Tel: 0512-55173125.

# 1.2 INTERNAL CONTROL AND RISK MANAGEMENT

A sound internal control and risk management system is the guarantee for the long-term stable operation of the enterprise. The Company actively constructs and continuously optimizes the internal control and risk management mechanism to ensure the sustainable development of the enterprise.

## Internal Control

Ribo Life Science has established an internal control system covering the entire Company, formulated documents such as the Compilation of Internal Control System, made clear provisions on internal environment, control measures and supervision and inspection methods, covering 20 key areas such as finance, procurement, assets, human resources, information systems, etc., clarified the control nodes, responsibilities and authorities, and operation standards of each process, and ensured that business activities have rules to follow. The Company has established a management structure covering the Board of Directors – Internal Audit Department – Functional Departments. The management has established a two-way communication mechanism for internal control management through regular meetings such as weekly and monthly meetings, and hired independent internal control consultants to carry out relevant management audits to continuously improve the closed-loop management of internal control.

## Table: Ribo Life Science Internal Control Management Structure

| Level | Responsibilities |
|---|---|
| Board of Directors | • Take ultimate responsibility for the internal control system, approve major internal control systems, and supervise the implementation of risk management policies. |
| Internal audit department | • Responsible for supervising the compliance and legality of behaviours of all systems of the Company, conducting special audits and annual internal control evaluations. |
| Functional department | • Responsible for implementing internal control measures within the department, identifying and reporting control deficiencies. |
| All employees | • Follow internal control requirements in daily work and promptly report any abnormal situations discovered. |

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In 2025, the Company systematically carried out annual internal control evaluation and special audit covering key business areas, and verified the rationality and effectiveness of control measures design and execution through methods such as walkthrough testing and random sampling, and reviewed and evaluated business links such as procurement, budgeting, human resources and information systems. The Company promptly records the identified control deficiencies, continuously follows on rectification progress, verifies the rectification results, and ensures that the deficiencies are effectively corrected.

## Risk Management

Ribo Life Science attaches great importance to the various risks faced in the operation process. We continuously strengthen internal management and control to improve our risk response capabilities and promote sustainable development. We have established a risk management framework led by the Board of Directors and coordinated at multiple levels. The Board of Directors bears ultimate responsibility for the effectiveness of the risk management system, is responsible for approving risk management strategies, and oversees the response and rectification of major risks. The risks identified by the management will be analyzed based on the likelihood and impact, and properly followed up, mitigated, and rectified after reporting to the Board of Directors.

In 2025, the Company continuously improved the risk management system, updated internal documents such as the Risk Control Management System, and established a normalized risk identification and evaluation mechanism. The Company regularly carries out ESG risk identification and assessment work, implements control measures for relevant major risks, and formulates targeted strategies to reduce the potential impact on the operation and sustainable development.

In terms of awareness cultivation and capacity building, the Company integrates risk management concepts into corporate culture through multi-level training activities. In 2025, the risk management training program covered key areas such as compliance, R&D management, and information security, continuously improving employees' risk awareness and response capabilities.

# 2. INNOVATION GUARANTEE

Ribo Life Science regards innovation as the core driving force for high-quality development, adheres to the research and development orientation of "patient-centered", and continues to deeply cultivate the field of oligonucleotide drug research and development. The Company has built a systematic innovation guarantee mechanism around R&D innovation, patient protection and intellectual property protection, providing a solid foundation for achieving technological breakthroughs and leading industrial innovation.

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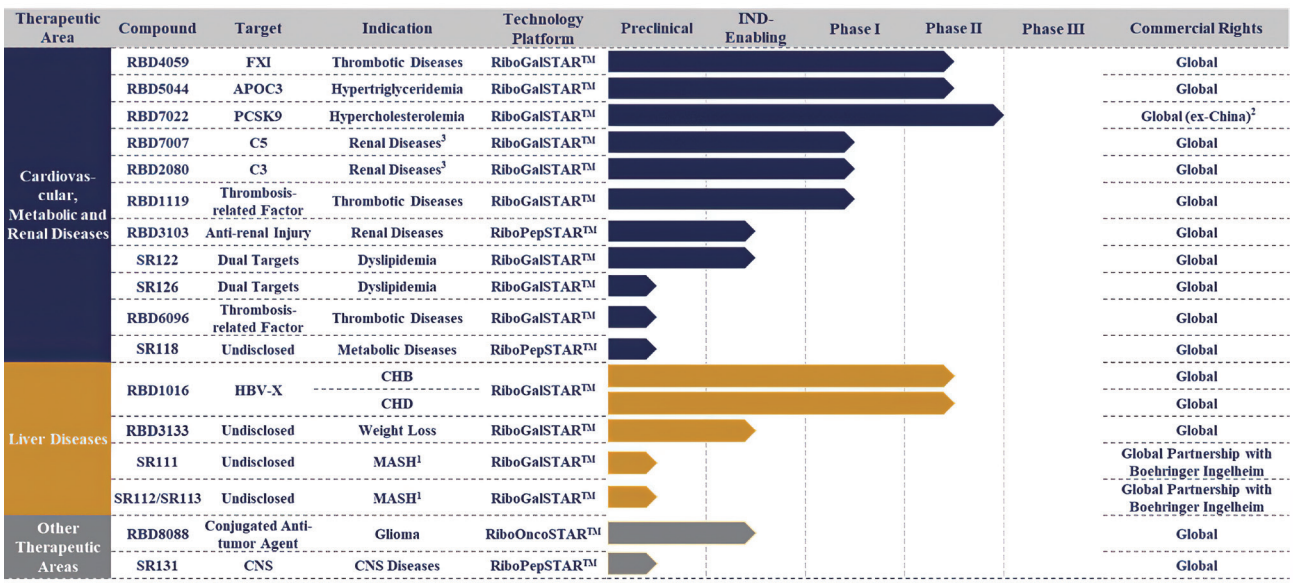
## 2.1 R&D INNOVATION

Ribo Life Science continues to improve its global R&D layout, promote R&D innovation based on clinical needs, strengthen the construction of technology platforms and pipeline echelon planning, and enhance the clinical transformation ability of innovative achievements. In 2025, the Company invested RMB280.46 million in research and development, accounting for approximately 189% of the revenue.

### R&D Layout

The Company focuses on the core competitive advantages of innovative drugs, continuously promotes the allocation of global R&D resources and breakthroughs in key technical fields, and constructs a value-oriented innovation and R&D pathway. The Company has established a research project system covering key fields such as cardiovascular, metabolic, kidney and liver diseases, and continuously expands to tumour and inflammatory diseases, and is committed to providing innovative treatment options for patients worldwide. At present, multiple investigational drugs developed by the Company have obtained clinical trial approvals from regulatory authorities including the NMPA (China), the DoH (Hong Kong), the TGA (Australia) and the EMA (Europe), laying a solid foundation for the internationalization of R&D activities. As of the end of the Reporting Period, the Company has seven self-developed products in clinical stages, four of which have advanced to Phase II clinical trials.




*Notes:*

1. MASH: Metabolic Dysfunction-associated Steatohepatitis; HAE: Hereditary Angioedema; NAION: Non- Arteritic Anterior Ischemic Optic Neuropathy.
2. In December 2023, we granted Qilu Pharmaceutical Co., Ltd. ("Qilu Pharmaceutical") exclusive rights to develop, manufacture, and commercialize RBD7022 in mainland China, Hong Kong, and Macau.
3. RBD7007 and RBD2080 are also under investigation as a potential treatment for autoimmune diseases.

**Figure: The latest R&D pipeline by Ribo Life Science**

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## R&D Team Building

The Company places high priority on building a high-calibre R&D talent team. It continuously empowers innovation through a multi-tiered incentive mechanism and a systematic training system, providing a solid talent guarantee for the pioneering innovation of the Company's oligonucleotide drugs. The Company has established a Scientific Advisory Committee, bringing together multiple global scientific experts to provide professional guidance for siRNA pipeline target screening, clinical development strategy and translational medicine research, and continuously strengthen the global R&D competitive advantage of the Company. As of the end of the Reporting Period, the R&D team of the Company has exceeded 268 people, including master's and doctoral talents exceeding 46.2%.

In 2025, The Company further refined the R&D incentive mechanism, strengthened the long-term value orientation and innovation contribution drive, and focused on motivating key technological breakthroughs and core achievements output throughout the entire life cycle of R&D projects. The Company has established and implemented relevant reward systems, closely linked R&D achievements and project contributions with individual and team performance, and fulfilled corresponding rewards based on assessment results to enhance the enthusiasm of R&D personnel to participate in innovation.

At the same time, the Company continued to promote the recruitment of high-end R&D talent and the integration of technical resources, optimized the layout of innovation pipelines, and incorporated the execution quality and management contribution of R&D projects in relevant management assessments. By fostering an open innovation cooperation model, the Company continuously improved the quality and development efficiency of R&D project initiation. Through the enhancement of project management and development of R&D collaboration mechanisms, the Company further advanced the level of R&D management systematization and digitization, continually enhanced the Company's innovation and development capabilities.

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## R&D Center Establishment

The Company has established a global integrated drug R&D system, continuously promoted collaborative innovation around key links such as target selection, translational research and clinical development, and strengthened cutting-edge technology collaboration capability through global R&D team layout. The Company has established multiple R&D centers in Beijing, Suzhou and Europe to accelerate drug development by integrating global innovation resources and utilizing different regional regulatory pathways. The Company established Ribocure Pharmaceuticals AB (hereinafter referred to as "Ribocure") in Gothenburg, Sweden, as an international R&D center. Serving as a key platform for global clinical development and business expansion, Ribocure is equipped with professional R&D team, biological laboratory and Phase II clinical trial support facilities to continuously promote the international R&D and application of oligonucleotid innovative therapy.

**Image: Ribo Life Science Laboratory Environment**

## Innovation achievements

The Company adheres to clinical value orientation and continues to build innovative product pipelines with differentiated competitive advantages. During the Reporting Period, the Company made significant progress in multiple drug products under research, multiple projects entered the critical clinical research stage, the global R&D pipeline steadily advanced, and the ability to translate innovation into outcomes was further strengthened.

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As of the end of the Reporting Period, the Company has seven self-developed drug assets in clinical stage, four of which have entered Phase II clinical research stage, and more than 20 preclinical research projects. Since the beginning of 2025, the Company has made multiple advancements in the research and development of oligonucleotide drugs and technologies, including the completion of administration to all patients for its core product vortosiran (RBD4059) in a Phase IIa study in Sweden, receipt of implicit approval in China for a Phase II clinical trial of RBD5044. and orphan drug designation from the European Medicines Agency (EMA) for RBD1016. At the same time, key progress has also been made in the extrahepatic delivery technology platform. The Company's international competitiveness in major therapeutic areas such as thrombotic diseases, dyslipidemia, and chronic liver disease, as well as in oligonucleotid R&D technology, was further enhanced.

**Case: RBD5044 Obtained Implied License for Phase II Clinical Trials in China**

On January 22, 2026, the Company's independently developed siRNA drug RBD5044 targeting ApoC3 was granted the implied license of Phase II clinical trial by the National Medical Products Administration (NMPA) for the treatment of hypertriglyceridemia.

**Case: RBD1016 Granted EMA Orphan Drug Designation, Accelerating Progress to Address Unmet Needs in Hepatitis Delta Treatment**

On October 24, 2025, the Company's self-developed small interfering RNA (siRNA) drug candidate, RBD1016, was officially granted Orphan Drug Designation (ODD) by the European Medicines Agency (EMA) for the treatment of hepatitis D virus ("HDV") infection.

**Case: Key Progress in Extrahepatic Delivery Technology**

In December 2025, the Company announced a significant research achievement at the American Society of Nephrology Kidney Week: achieving kidney-specific targeted delivery of siRNA through its proprietary RiboPepSTAR™ conjugation technology. This study further validates the technological advantage of Ribo Life Science's kidney targeting platform, which can precisely silence target genes in specific cell types of the kidney, opening a new path for the treatment of chronic kidney disease ("CKD").

**Case: Core Product Vortosiran Completed Patient Enrollment and Administration in Phase IIa Clinical Trial in Sweden**

In April 2025, the Company's core product, vortosiran (RBD4059), the world's first and the most advanced siRNA drug targeting FXI, completed patient enrollment in the Phase IIa clinical trial. As of now, the product has been administered in all subjects and is currently in a safe follow-up period.

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## 2.2 PATIENT PROTECTION

Ribo Life Science consistently prioritizes the life and health of patients and subjects, establishing a comprehensive safeguard mechanism that covers the entire process from R&D to clinical stages. Through ethics review and risk monitoring measures, the Company ensures that all R&D activities are conducted under the principles of safety, compliance, and respect for life.

### Clinical Research

Ribo Life Science strictly adheres to domestic and international ethical standards and legal requirements, including the Good Clinical Practice and the Declaration of Helsinki and continuously refines the multi-tier clinical research governance system. The Company has established a clinical research review and decision-making mechanism, in which the Clinical Review Committee (CRC)[1] is responsible for reviewing clinical development plans, research protocols, and related documents. The CRC provides professional guidance on experimental design, medical and scientific validity, risk management, and resource allocation efficiency, and evaluates and makes decisions on the safety and appropriateness of First-in-Human (FIH)[2] study protocols, ensuring that all clinical research activities comply with both internal company policies and regulatory standards.

All clinical research projects of the Company must obtain approval from the Independent Ethics Committee/Institutional Review Board (IEC/IRB)[3] prior to initiation. The Company strictly implements the informed consent procedures for subjects, fully safeguarding their right to be informed and their autonomy in making decisions, and has established a standardized withdrawal mechanism. At the same time, the Company continuously optimizes the recruitment process and enrollment criteria, strengthens protection of subjects' personal information and privacy, ensures that clinical research is conducted in a scientific, standardized, and transparent manner, effectively safeguards the legitimate rights and interests of subjects, and consistently enhances the quality and credibility of clinical research.

### Animal Welfare

The Company strictly complies with relevant laws and regulations such as Regulations on the Management of Experimental Animals, has obtained the License for the Use of Experimental Animals, and adheres to the "3Rs"[4] principles (Replacement, Reduction, Refinement) with reference to international animal welfare standards. The Company has established an Institutional Animal Care and Use Committee (IACUC)[5] to conduct ethical review and supervision of the entire process of animal experimentation, ensuring that all related research activities meet ethical standards and regulatory requirements.

1 CRC: Clinical Review Committee, which conducts systematic reviews of the scientific nature, quality, and progress of clinical trials through regular meetings.

2 FIH: First-in-Human Clinical Trial.

3 IEC/IRB: Independent Ethics Committee/Institutional Review Board, which ensures that research involving human subjects complies with scientific and ethical standards through independent review.

4 3R principle: Refers to replacement, reduction, and refinement. This principle emphasizes the ethical responsibility of avoiding or reducing animal use as much as possible in scientific research and has become the core basis for international ethical review, regulatory approval, and certification of research institutions in animal experiments.

5 IACUC: The Institutional Animal Care and Use Committee ensure a balance between scientific necessity and ethical compliance in animal experiments through institutionalized supervision.

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In R&D practice, the Company enhances the replacement capacity of in vitro studies and the success rate of in vivo experiments by applying technological approaches such as 3D cell model[6], iPSC-derived organoids[7], and drug structure prediction models. Through the optimization of Biomarker Detection Methods[8] and the refinement of experimental protocol design, the Company reduces redundant experiments and unnecessary animal use. In 2025, with the support of new technological tools, the Company reduced its experimental animal usage by approximately 2,000 compared to the previous year, continuously improving experimental efficiency and resource utilization.

The Company has established a regular animal ethics training mechanism, conducts regular thematic training on regulations and ethics, and organizes awareness campaigns and industry exchange activities to continuously promote the effective implementation of animal welfare principles in scientific research practices.

**Case: Specialized Training in Laboratory Animal Welfare and Ethical Compliance**

To continuously strengthen laboratory animal welfare and ethical management, the Company organized a systematic thematic training session. The event invited experts from the Chinese Association for Laboratory Animal Welfare and Ethics to provide in-depth interpretations of domestic and international ethical guidelines and regulatory requirements. Additionally, the Company's Internal Animal Care and Use Committee Secretary and Chief Veterinarian team conducted practical training on standardized laboratory animal operations, welfare technology implementation, and recent work progress, providing solid support for the compliance and sustainability of scientific research.


**Figure: Specialized Training in Laboratory Animal Welfare and Ethical Compliance**

6 3D cell model: Refers to a cell experimental system cultured under three-dimensional conditions, which can more realistically simulate the microenvironment and function of human tissue. This model has significant potential in enhancing the predictive value of preclinical research and reducing dependence on animal experiments, and has been widely applied in drug discovery, toxicity assessment, and disease mechanism research.

7 iPSC-derived organoids: Refers to a miniature organ model cultivated by inducing pluripotent stem cell (iPSC) differentiation. This technology provides a highly biomimetic and customizable experimental platform for disease research, drug testing, and regenerative medicine by simulating the development and pathological status of human organs, helping to reduce reliance on traditional animal models.

8 Biomarker Detection Methods: Refers to the technical systems for qualitative or quantitative analysis of specific biomarkers (objective indicators reflecting biological processes, pathological status, or therapeutic responses).

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**Case: "International Experimental Animal Day" Series Activities**

In April 2025, Ribo Life Science launched the World Laboratory Animal Day campaign themed "Revere Life, Honor Welfare Commitments." Through in-depth presentations, the activity promoted animal ethics and experimental standards, and the Company's management team led a joint signature pledge, guiding all employees to internalize the principle of "respecting life and treating laboratory animals with care" as a core scientific research responsibility.

**Image: "International Experimental Animal Day" Event**

## 2.3 INTELLECTUAL PROPERTY PROTECTION

Ribo Life Science consistently regards intellectual property as the core competitive element of enterprise innovation and development. The Company has established a systematic intellectual property management system covering patented technologies, technical know-how and trademark management. Through a model that integrates regulatory frameworks, risk prevention, and talent incentives, the Company continuously builds a solid foundation for its innovative achievements.

The Company integrates intellectual property management throughout the entire R&D innovation process, establishing a closed-loop management mechanism that spans from the formation of R&D results and patent application for rights establishment to the application of technological achievements. The Company has formulated and implemented internal regulations such as the Patent Management Regulations, the Technical Know-how Management Regulations, and the Invention and Creation Reward Measures, standardizing the processes for patent portfolio development, technical confidentiality, and results incentivization, thereby promoting the synergistic development of R&D innovation and intellectual property protection.

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In terms of global collaboration and external management, when signing agreements with partners such as CRO[9] and CDMO[10], the Company clearly stipulates terms regarding intellectual property ownership, confidentiality obligations, and publication rights to safeguard core technology security. Meanwhile, the Company has established an intellectual property risk monitoring mechanism, through which the IP management department collaborates with R&D and commercial units to continuously track industry technology trends, strengthening early warning and rapid response capabilities against infringement risks. In 2025, the Company did not experience any significant intellectual property infringement incidents.

In terms of innovation incentives and awareness cultivation, the Company promotes the effective connection between technology research and development and patent layout through patent reward mechanism and cross departmental IP coordination mechanism, and continues to carry out professional training and industry exchange activities on intellectual property to enhance the awareness of intellectual property protection of all employees and promote the transformation of intellectual property management to strategic support mode.

**Case: Ribo Life Science Attends Global Biotechnology and Pharmaceutical Patent (China) Summit**

In June 2025, the Company was invited to attend the Global Biotechnology and Pharmaceutical Patent (China) Summit in Shanghai. The event provided a platform for discussions with industry peers on intellectual property management in biopharmaceutical enterprises, the patent linkage system, patent portfolio strategies, and the management of technical know-how in pharmaceutical companies. These engagements have contributed to the establishment of a more robust intellectual property management system for the Company, enabling IP management to empower its strategic development.

## Table: Intellectual Property Application and Authorization of Ribo Life Science

| Type | | Accumulated quantity in 2025 |
|---|---|---|
| Number of patent applications | China | 77 |
| | Europe | 17 |
| | U.S.A | 19 |
| | Other regions | 105 |
| Number of patents granted | China | 62 |
| | Europe | 65 |
| | U.S.A | 18 |
| | Other regions | 110 |
| Number of trademark registrations | | 153 |
| Number of copyright registrations | | 4 |
| Number of domain name registrations | | 13 |

9 CRO: Contract Research Organization, an outsourcing organization that provides professional research services to the companies in pharmaceutical, biotechnology and medical devices through contract.

10 CDMO: Contract Development and Manufacturing Organization (CDMO) is an organization that provides pharmaceutical and biotechnology companies with full process or phased outsourcing services from process research and development, clinical sample production to commercial scale production.

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## 3. PRODUCT RESPONSIBILITY

Ribo Life Science consistently adheres to the quality policy of "Pursuing Excellence, Leading with Innovation; Thinking Critically, Striving for Perfection; Practicing with Perseverance, Achieving Quality." The Company has established a systematic quality management system covering R&D, production, analysis, storage, and clinical research, thereby reinforcing the security of R&D data integrity and safeguarding the personal privacy of clinical patients.

### 3.1 QUALITY MANAGEMENT

Ribo Life Science consistently places product quality and patient safety at the core of its operations. Centering on the three pillars of "System Assurance, Process Control, and Culture Leadership," the Company has established a systematic and standardized quality management framework. The Company continuously refines its quality management system, strengthens its ability to control quality across the entire process, and fosters the integration of quality awareness into organizational culture and daily operations. This has cultivated a quality management ecosystem characterized by full participation and continuous improvement, ensuring that the entire pharmaceutical R&D and production process remains compliant, controllable, and traceable.

#### Quality Management System

To ensure the compliance and effectiveness of the quality management system, the Company continuously improves its quality management system development. It strictly adheres to regulations and international standards related to pharmaceutical production quality management and comprehensively implements applicable cGXP[11] management standards for each declared country or region. In 2025, the Company continued to conduct internal and external quality audits. Ribo Life Science completed 1 internal audit, 1 EU QP on-site audit, and the annual surveillance audit for ISO 9001:2015 quality system certification.

11 cGXP: It is a collective term for the current series of mandatory quality management standards in the drug lifecycle, covering GCP (Good Clinical Practice for Drug Trials), GLP (Good Laboratory Practice for Non-clinical Drug Studies), GMP (Good Manufacturing Practice for Drug Production), etc., ensuring that the quality of drugs is controllable, data is reliable, and meets registration requirements at all stages of the entire lifecycle.

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Azemidite completed 1 internal audit, 6 customer audits, and the audit for ISO 9001:2015 quality system certification, maintaining the ongoing effectiveness of its quality system.


此为证书 CN15/20890 译本

SGS

苏州瑞博生物技术股份有限公司

ISO 9001:2015

所涉及的活动范围覆盖

核酸药物的临床前研发活动，包括用于临床前研究阶段核酸药物样品的制备


ZERTIFIKAT ◆ CERTIFICATE ◆ 認證證書 ◆ СЕРТИФИКАТ ◆ CERTIFICADO ◆ CERTIFICAT

CERTIFICATE

The Certification Body
of TÜV SÜD Asia Pacific TÜV SÜD Group
certifies that

Azemidite Biopharm Co., Ltd.

No. 03, Xinzhang Road, West Zone of Tianjin Economic and Technological Development Area, Tianjin City, P.R. China
Post Code: 300457
Unified social credit code / Organization code: 91370684MA3FF3NM28
has established and applies
a Quality Management System for

R&D and Manufacture of Nucleosides, Phosphoramidites and Oligo support; Technology Development and Application of Enzyme

An audit was performed, Report No. 7482452332.
Proof has been furnished that the requirements according to

ISO 9001:2015

are fulfilled. The certificate is valid from 2026-06-27 until 2026-07-03.
Date of Initial Certification: 2023-07-04
Certificate Registration No.: TUV100 03 4901
2024-06-28

Information about this certificate can be inquired at the official website of Certification and Accreditation Administration of the People's Republic of China (www.cnca.gov.cn)

The certified organization shall undergo and pass the regular surveillance audit to maintain the validity of this certificate

Certification Body
of TÜV SÜD Asia Pacific
TÜV SÜD Group

**Figure: Ribo Life Science and Azemidite ISO 9001 Quality Management System Certification**

In line with the characteristics of its R&D stage, the Company has established an internal quality management institutional framework aligned with the product development process, covering all key links of GMP management and ensuring that nonclinical samples and clinical research drugs meet the requirements of the Company's quality management system and relevant regulations.

In terms of organizational structure, the Company has established a well-defined quality management framework to ensure the standardized operation of production and quality management activities. An independent quality management department has been set up to undertake responsibilities including system development, management of quality system operations, internal audits, and compliance supervision. Department heads oversee the execution of quality management tasks and implement quality assurance and quality control requirements, enabling full-process quality management across key stages such as research and development, procurement, production, and delivery. The quality management department regularly convenes quality management review meetings and monthly quality meetings to report on the operation of the quality management system and improvement progress to management and relevant business units, forming a continuous improvement management loop and further enhancing the overall quality management level.

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In addition, in accordance with the Quality Policy and Objectives Management Procedure (SMP02002), the Company sets and evaluates annual quality objectives each year, covering indicators such as material qualification rate, product qualification rate, and recall rate. The results are incorporated into the performance evaluation system. In 2025, all quality objectives were achieved, and no major quality or safety incidents or significant compliance penalties related to product quality occurred.

## Full Process Quality Management

Ribo Life Science has established a systematic quality management system covering R&D and production around the entire life cycle of drugs. Based on the management concept of risk management, it continuously enhances its capabilities to ensure product quality and safety.

**R&D Quality.** The Company continuously improves its R&D management system. In accordance with the Quality Process Monitoring Management Procedure, routine supervision is conducted over R&D laboratories, production workshops, and medicinal chemistry and process development laboratories to ensure that R&D activities are carried out strictly in accordance with standard operating procedures.

In 2025, the Company further strengthened its quality management system for oligonucleotide drug R&D, ensuring the standardization of research activities and data reliability. External quality oversight was reinforced through measures such as GMP self-inspections and audits of suppliers and contract manufacturers. In addition, cross-departmental training and regular quality management meetings were organized to enhance organizational coordination and quality awareness. Through institutionalized management and continuous improvement mechanisms, the Company continues to strengthen its R&D quality governance capabilities, providing assurance for the safety, efficacy, and compliance of its products.

**Production Quality.** The Company strictly complies with relevant laws, regulations, and industry standards on pharmaceutical manufacturing quality management, and continuously strengthens quality control throughout the entire production process. In accordance with the Quality Policy and Objectives Management Procedure (SMP02002), the Company implements annual management and evaluation of quality objectives. In 2025, the material release qualification rate reached 100%. A total of eight batches of active pharmaceutical ingredient (API) production, from toxicology batches to clinical batches, were completed, with a 100% qualification rate. During the Reporting Period, no production-related quality or safety incidents occurred.

Azemidite has established systematic quality risk prevention and control mechanism covering the entire pharmaceutical production process. It formulated and implemented the Quality Risk Management Procedure (SMP-QA009), integrating risk control across key stages including material procurement, production processes, and testing management. Through supplier quality assessments, incoming material inspections, and in-process quality control of intermediates, it continuously mitigates quality risks within the supply chain. In addition, it conducts regular inspections of production and testing environments and performs dynamic risk assessments focusing on material management, equipment operation, and process stability, ensuring that potential quality issues can be promptly identified and effectively controlled.

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**Quality Control.** The Company continues to strengthen the development of production equipment and testing capabilities. In 2025, the Company introduced advanced production and testing equipment and strictly implemented equipment maintenance, calibration, and validation management to ensure the stable operation of critical equipment. At the same time, the Company standardized material quality management processes and strengthened supplier qualification assessments and quality screening to ensure that incoming materials met production requirements. Through full-process management systems covering material requisition, issuance, and return to storage, the Company ensures the traceability of production materials. In addition, the Company continuously improves sampling and testing management practices and strengthens quality control over raw materials, excipients, intermediates, and finished products to ensure the authenticity and accuracy of testing data, thereby further enhancing the overall level of production quality management.

**Pharmacovigilance.** The Company has established a pharmacovigilance management system aligned with its current stage of research and development in accordance with the Good Pharmacovigilance Practice (GVP) requirements. This system aims to continuously safeguard the safety of subjects and support compliance with safety management requirements set by domestic and international regulatory authorities throughout the product development lifecycle. The Company has developed a relatively comprehensive pharmacovigilance documentation framework and implemented an international pharmacovigilance database. During clinical development, pharmacovigilance activities are carried out strictly in accordance with standard operating procedures, including individual case processing, preparation and submission of periodic safety reports, reference safety information management, unblinding management in blinded trials, signal detection, and risk management.

In 2025, in response to business development and international regulatory submission requirements, the Company completed the adaptive update of 11 pharmacovigilance SOPs and conducted related training, further enhancing the standardization and executability of pharmacovigilance management. Pharmacovigilance activities carried out in accordance with these SOPs were generally in line with the requirements of regulatory authorities such as the CDE and EMA. Meanwhile, the Company continuously monitors updates in pharmacovigilance regulations both domestically and internationally and organizes timely regulatory briefings and training. In 2025, a total of five pharmacovigilance regulatory training sessions were conducted, further strengthening employees' compliance awareness and professional capabilities, and providing strong support for safety monitoring and risk management in the Company's R&D projects.

## Quality Culture Construction

The Company continues to build a corporate culture centered on quality, integrating quality principles into the entire process of daily operations and production management to foster a quality management atmosphere with full employee participation. In 2025, the Company established a systematic product quality training mechanism and organized a total of 43 multi-level specialized quality training sessions, focusing on key quality management areas such as label management, supplier management, and validation systems, with 566 attendances.

The Company implemented the quality training program through cross-departmental collaboration. Training content covered areas including quality management systems, production process monitoring, data standardization management, and risk control. These training sessions were delivered to multiple functional departments, including R&D, production, quality assurance, quality control, warehousing, procurement, human resources, and general administration, achieving near full-position coverage of quality management training. This approach helped employees gain a deeper understanding of the Company's quality requirements and enhanced overall quality management awareness. During the Reporting Period, all training assessment results met the required standards, providing strong support for the establishment and continuous improvement of the Company's quality management system.

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Senior management attaches great importance to quality management and has incorporated quality objectives into the performance evaluation system. Through internal communications, thematic meetings, and case reviews, the Company continuously strengthens risk awareness.

## 3.2 DATA SECURITY

The Company attaches great importance to information security and data compliance management, regarding data security as a critical foundation for stable corporate operations and the protection of patient rights and interests. The Company has established a systematic information security management framework centered on policy development, technical protection, continuous monitoring, and culture building, continuously enhancing its data security governance capabilities and risk prevention and control capacity.

### Information Security Management

The Company has formulated and implemented internal policies such as the Information Security Management Policy, the Data Security Management Procedure, the Information Confidentiality Management Procedure, and the IT Information Security Incident Management Policy. These policies define management requirements including data classification and grading, access control, incident response, and accountability tracing, ensuring that information security is governed by clear rules and responsibilities. The Company's office automation system has obtained the Classified Protection of Cybersecurity 2.0 Level II certification, and its information systems have undergone IT audits and internal control evaluation audits conducted by third-party institutions, continuously verifying their compliance and effectiveness.

To ensure the effective implementation of information security management, the Company has established an information security governance structure led by senior management, with the information technology department taking primary responsibility and all employees participating. This structure forms a coordinated governance mechanism with clearly defined responsibilities at different levels.

### Table: Ribo Life Science Information Security Management Architecture

| | | |
|---|---|---|
| Management Level | General manager | Coordinate information security strategy and resource allocation |
| Executive Management Level | IT Director | Responsible for information security management |
| Technical Operation Level | Senior Information Security Engineer | Responsible for specific execution and technical implementation |

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The Company has established an integrated "Cloud–Network–Endpoint" information security protection framework, ensuring data security and business continuity through real-time security monitoring, dual data backup mechanisms, and regular disaster recovery drills. At the same time, the Company strengthens security protection across data transmission, storage, and access processes by adopting encrypted transmission protocols and deploying information security protection systems to prevent risks of data leakage and tampering. During the Reporting Period, the Company continuously conducted security alert handling, threat intelligence analysis, third-party vulnerability scanning, and closed-loop remediation. In addition, phishing email simulations and company-wide information security training were organized. In 2025, the Company achieved full coverage of information security training for all employees, with all participants passing the required assessments. No major cybersecurity incidents occurred during the Reporting Period.


网络安全等级保护
备案证明

依据《中华人民共和国网络安全法》和《信息安全等级保护管理办法》的有关规定，苏州锐博生物技术有限公司单位的：

第2级 办公自动化 系统

予以备案。

证书编号：3205010690001-25001

中华人民共和国公安部监制

**Figure: Classified Protection of Cybersecurity 2.0 Level II certification**

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

**Case: Enhancing Cybersecurity Awareness Through Phishing Email Drills**

In September 2025, the Company conducted a company-wide phishing email drill, sending a total of 291 simulated phishing emails to employees. The exercise aimed to test employees' ability to identify suspicious emails and their awareness of emergency response procedures. Results showed that many employees successfully detected the phishing emails and promptly reported them to the IT department, demonstrating a significant improvement in overall security awareness and a continued enhancement of risk identification capabilities. Through this drill, the Company further identified weak points in its information security management and conducted targeted reminders and reinforced training to address these areas.

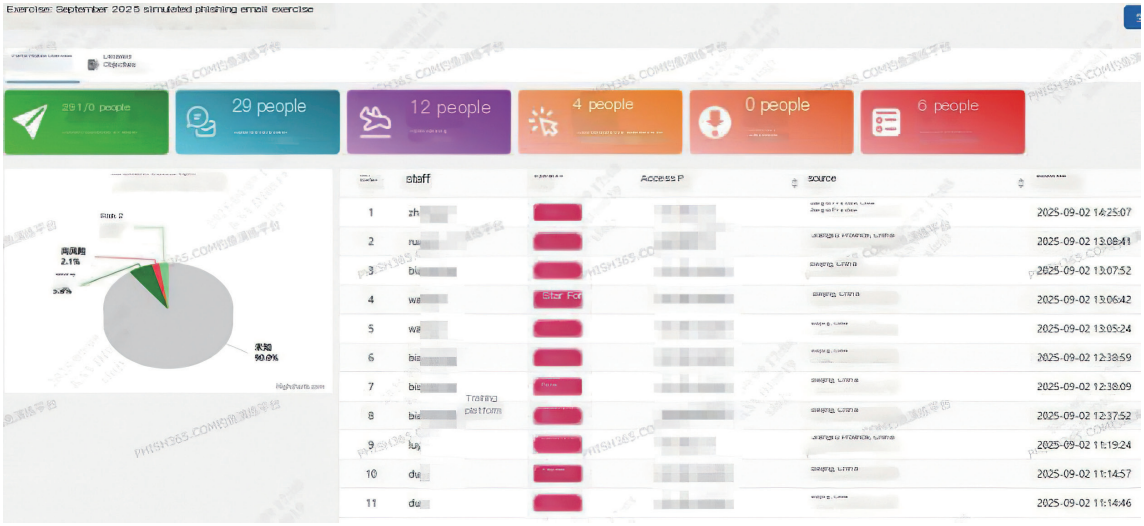



**Figure: Simulation of phishing email drill results**

## Protection of Subjects Privacy

The Company strictly complies with applicable personal information protection and data security laws and regulations in the regions where it operates, ensuring the privacy and data security of subjects in clinical studies and daily operations. The Company continuously improves its personal information protection mechanisms and strengthens technical and management capabilities to ensure that all information processing activities throughout the entire process meet legal, regulatory, and ethical requirements.

The Company conducts data collection and processing in accordance with the principles of legality, legitimacy, and necessity, obtaining only the information required for business and research purposes. Data processing purposes and methods are clearly communicated through privacy statements and data usage notices, ensuring that relevant information is processed with proper authorization. During clinical research, subject data is anonymized and coded to protect patient privacy, and access security and traceability are reinforced through hierarchical permission controls and access log retention. In 2025, no incidents involving the leakage of any patient privacy information occurred.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 4. COLLABORATIVE ADVANCEMENT

Ribo Life Science fosters strategic collaboration within its supply chain. Through technological innovation and process optimization, the Company has built a sustainable supply chain system that covers the entire lifecycle from research and development to production and distribution. At the level of industry development, we promote the deep integration of industry, academia, and research with an open attitude, contributing to the high-quality development of the industry, and allowing innovative achievements to benefit a wider range of patients.

### 4.1 SUPPLY CHAIN MANAGEMENT

Ribo Life Science is committed to building a sustainable supply chain system, continuously deepening the optimization of supply chain lifecycle management, strengthening the management and control of supply chain risks, establishing a stable and sustainable strategic partnership with high-quality suppliers, and making positive contributions to the construction of global pharmaceutical and healthcare value chains.

To monitor supply quality, we implement a standardized operational system that includes procedures and guidelines for raw material procurement, quality control inspection, warehousing, testing, and storage. In 2025, we revised the relevant content of the supplier management system in the SMP13001 General Procurement Management Regulations, adjusting the scope of assessment from unified assessment based on material category classification to universal standards for all category suppliers. At the same time, we optimized the assessment cycle from quarterly assessment to semiannual comprehensive assessment.

#### Supplier Lifecycle Management

We have established an end-to-end supplier lifecycle management process. Supplier information and assessment records are archived online to achieve electronic traceability, and we continuously optimize the supplier management structure to support the Company’s governance of quality and supply chain matters.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Table: Ribo Life Science Supplier Management Process

| | |
|---|---|
| **Qualification and Introduction** | Suppliers must pass the development and evaluation process, and the procurement department submits qualification documents via the OA system. After approval (approval from the Quality Department is required for services related to regulatory declarations) and synchronization to the SAP system, cooperation can be introduced. |
| **Assessment and Evaluation** | Assess suppliers of materials and services on an annual basis. The procurement department organizes relevant departments such as quality, technology, and other demand departments to fill out the Supplier Stage Assessment Form (General) and the Supplier Stage Assessment Form (Service), and provide feedback on the results and track improvements.<br>• Scope and frequency of evaluation: The evaluation covers all categories of qualified suppliers and prioritizes management based on the purchase amount. For materials, a semiannual evaluation will be conducted on the top ten suppliers with purchasing amounts. For the service category, an annual comprehensive performance evaluation is conducted on all qualified suppliers to ensure a combination of management coverage and key focus.<br>• Evaluation content and standards: The evaluation adopts a quantitative multi-dimensional comprehensive evaluation model, with core indicators including quality, delivery time, service, and price, and performance is quantified through scores.<br>• Evaluation executor: The evaluation is led by a cross departmental team within the Company, with the procurement department as the lead department, in conjunction with related departments such as the quality department, logistics and warehousing department, and technical department, to jointly score based on daily cooperation data and facts, ensuring the objectivity and comprehensiveness of the evaluation.<br>• Evaluation result: Based on the annual comprehensive score, we scientifically divide suppliers into four levels: ABCD (A level for 85-100 points, B level for 75-84 points, C level for 60-74 points, and D level for those below 60 points). For A level, we can consider increasing the procurement proportion and deepening strategic cooperation. In 2025, 85% of the Company's top ten suppliers in various cooperation categories were rated as A level. |

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

**Grading and elimination** A clear supplier grading and elimination mechanism has been established, and the elimination process has been initiated for D-level suppliers, while simultaneously developing backup suppliers to ensure supply chain security and business continuity. In the early stages of practical operation, we focused more on dynamic management of suppliers through daily communication, meetings, and performance data, and initiated alternative resource development processes for suppliers who could not match our needs. In 2025, no suppliers were eliminated.

## Table: Ribo Life Science Supplier Data

| Indicator | Unit | 2025 data |
|---|---|---|
| Total number of suppliers | supplier | 620 |
| Number of suppliers in mainland China | supplier | 412 |
| Number of suppliers in Hong Kong, Macao, and Taiwan | supplier | 3 |
| Number of overseas suppliers | supplier | 205 |

## Supply Chain Risk Management

For supply chain risk identification, the Company focuses on key risk areas through regular review and special analysis, and constructs a full cycle response mechanism. In response to compliance and qualification risks, we focus on verifying the validity of supplier qualifications and certificates to ensure timely updates of archives. We continuously optimize the supplier pool through performance evaluation and review in response to operational and delivery risks. We promote the construction of backup suppliers or alternative technical solutions for single source or highly dependent critical materials. We also clarify the rights, responsibilities, and breach of contract responsibilities of both parties in the agreement, purchase transportation insurance for the main imported materials, and lock in supplier prices and discounts through framework agreements and MSA. In 2025, the Company completed the dynamic verification of GMP material supplier qualifications, ensuring 100% compliance coverage. The Company will continue to strengthen its end-to-end supply chain risk management, building a resilient supply chain that safeguards business operations.

## Supplier ESG Management

The Company recognises the importance of sustainable supply chain construction and has incorporated ESG considerations into the long-term development plan of supplier management.

As our sustainable procurement practices, we regard product quality as the core of supply chain sustainability. In this year, the Company implemented rigorous qualification reviews for new suppliers and conducted periodic evaluations of existing suppliers. As a result, about 154 suppliers have obtained management system certifications including ISO 9001 and ISO 14001. These efforts have effectively enhanced the overall quality performance of our supply chain, laying a solid foundation for comprehensive sustainability management.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Company attaches great importance to the collaborative improvement of supplier capabilities, and has established a supplier quality management mechanism with daily collaboration, performance evaluation, on-site audit and normalized communication and interaction as the core. In the operation of the mechanism, we pay attention to the quality promotion and anti-corruption awareness cultivation of suppliers, and promote the mutual improvement of cooperation quality and compliance level. The Company always regards integrity as the cornerstone of supply chain cooperation, strictly follows the highest standard of business ethics, and clearly takes the general business norms as the bottom line and the legal provisions stipulated in the contract as rigid constraints in anti-corruption requirements, and clearly regulates the behaviour of both parties.

## 4.2 PROMOTING INDUSTRY DEVELOPMENT

The Company empowers the pharmaceutical industry with high-quality development through practical measures. Through deepening cooperation with enterprises, universities and research institutions in multiple fields, we actively participate in global and domestic pharmaceutical policy advocacy, trend discussion and market exchange. We utilize our industry influence to accelerate drug research and development, commercialization, and the enhancement of patient accessibility. In 2025, the Company was recognized as a "National High-tech Enterprise" and awarded the title of "Jiangsu Province Specialized, Refined, Distinctive, and Innovative Small and Medium-sized Enterprise", and was listed on the "Top 100 Future Medical and Pharmaceutical Enterprises" for three consecutive years.

### Academic Exchange

The Company actively participates in academic exchanges and helps to improve the technical level and product quality of the industry. We will continue to be active in the academic exchange stage, share innovative achievements with an open attitude, deepen industry cooperation, and work together with all parties to promote high-quality development in the pharmaceutical field.

**Case: The Company Appears at Global Science Day in Boehringer Ingelheim**

In May 2025, the Company was invited to participate in Boehringer Ingelheim (BI)'s global Science Day event in China. As the only external agency representative, our expert delivered a comprehensive presentation on the end-to-end process of siRNA drug development and the Company's technology strategy for extrahepatic delivery. This engagement significantly enhanced BI's understanding of our Chinese team's technical capabilities. The event laid a solid foundation for deepening siRNA technology collaboration between the two parties and has helped expand the Company's international partnership network.

**Case: Presenting Cardiovascular Drug Data at the European Society of Cardiology**

In September 2025, the Company presented clinical data from four cardiovascular drug candidates at the ESC Congress 2025: Phase I of RBD5044 (targeting ApoC3) showed that a single administration can reduce TG by 70%, and the safety is good. Phase I of RBD7022 (targeting PCSK9) has been confirmed to have a significant effect in reducing LDL-c. Phase II of the world's leading FXI targeted oligonucleotide drug vortosiran (RBD4059) was underway, and observational studies suggest that high FXI is associated with cardiovascular risk. The data supports the potential of multiple drugs to become the "best in class" and provide new therapies for patients with dyslipidemia, thrombosis, and coronary heart disease.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

**Case: Announcing Renal-Targeted Delivery Technology at ASN Kidney Week**

In November 2025, the Company announced its independently developed RiboPepSTAR™ renal-targeted delivery technology at ASN Kidney Week. Renal-targeted delivery technology achieves precise delivery of siRNA in specific kidney cells (such as proximal tubules) through coupling design, with high gene silencing efficiency in animal experiments and improved indicators of diabetic nephropathy models. This technology provides a new treatment direction for over 850 million chronic kidney disease patients worldwide, and is expected to promote the development of precision kidney disease therapies.

## Industry Cooperation

Deepening global strategic cooperation serves as the Company's key pathway to accelerate growth and expand the global reach of breakthrough therapies. Relying on the advantages of the entire oligonucleotid industry chain, we grasp the cycle of the industry from technical validation to clinical realization and commercialization acceleration, integrate and improve technology platforms and enrich product pipelines, actively connect with global partners, and promote common development. During the Reporting Period, multiple collaborative projects progressed, demonstrating the Company's good practice of industry partnership.

**Case: The Company Collaborates with Madrigal Pharmaceuticals, Inc.**

On February 11, 2026, we reached a global exclusive license agreement with Madrigal Pharmaceuticals, Inc., which will be based on our self-developed liver targeted RiboGalSTAR™ Platform, jointly developing six innovative siRNA therapies for metabolic dysfunction related steatohepatitis (MASH).

**Case: Cooperation between the Company and Qilu Pharmaceutical**

In December 2023, we signed a license and cooperation agreement with Qilu Pharmaceutical Co., Ltd., granting Qilu Pharmaceutical RBD7022 several patents and proprietary technologies related to the development, production, and commercialization rights in mainland China, Hong Kong, and Macau.

In May 2025, Qilu Pharmaceutical completed the enrollment of a total of 204 patients in the Phase II clinical study of RBD7022, preparing to initiate the Phase III clinical trial in China.

**Case: The Company Collaborates with Boehringer Ingelheim**

In December 2023, we entered into a collaboration and license agreement with Boehringer Ingelheim. Under this agreement, we applied our proprietary RiboGalSTAR™ platform to develop compounds against multiple targets. We also granted Boehringer Ingelheim a worldwide license to relevant patents and know-how for the developed compounds.

In April 2025, we reached the second milestone for the first target, and in the future, we will continue to actively promote development work for subsequent targets.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 5. PEOPLE-CENTRIC APPROACH

Ribo Life Science regards talent as the core driving force for corporate development, earnestly safeguarding the lawful rights and interests of employees and providing market-competitive remuneration and benefits. The Company builds a platform for growth and development for every employee, fostering a healthy, safe, and equitable working environment to achieve mutual empowerment between talent and enterprise.

### 5.1 EMPLOYEE RECRUITMENT

Ribo Life Science strictly adheres to the laws and regulations of its operating locations and internal policies, promotes diversity, equity, and inclusion (DEI), and cultivates a positive, healthy, compliant, orderly, and dynamic workplace ecosystem.

#### Compliant Employment

The Company strictly conducts recruitment activities in accordance with relevant laws and regulations, including the Labor Law of the People's Republic of China and the Labor Contract Law of the People's Republic of China, alongside internal systems such as the Employee Handbook and the Annual Talent Development and Recruitment Plan, ensuring that the employee hiring process is lawful, compliant, fair, and transparent. In 2025, to robustly support the comprehensive upgrade of the R&D strategy, the Company made systematic arrangements for its talent initiatives. We focused primarily on attracting core leading talents for key positions within the R&D system, as well as continuously strengthening key professional capabilities in clinical and regulatory affairs. The Company has actively broadened recruitment channels and has now established a multi-dimensional talent acquisition system. This system encompasses strategic partnerships with elite headhunters, specialized overseas recruitment programs, targeted outreach at international academic conferences, and an internal employee referral program with incentives.

**Case: Specialized High-Caliber R&D Talent Introduction Program of Ribo Life Science**

To strengthen the R&D foundation and reinforce core competitiveness, we organized and implemented the "Specialized High-Caliber R&D Talent Introduction Program". By forging deep strategic collaboration with leading headhunting firms in the industry, we successfully attracted several senior research talents with extensive research experience from top overseas academic institutions and enterprises. This Program has significantly enhanced the innovative R&D capabilities of our technological platforms, providing solid talent assurance and intellectual support for achieving key technological breakthroughs, fully realizing the clinical value of projects, and enhancing global market competitiveness.

As of December 31, 2025, the total number of Company employees was 407, including 14 part-time consultants and other personnel.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Table: Ribo Life Science Employment Data

| Indicator | | Unit | 2025 |
|---|---|---|---|
| Number of employees by gender | Male | person | 213 |
| | Female | person | 194 |
| Number of employees by age | 30 and below | person | 113 |
| | 31 to 50 | person | 261 |
| | Over 50 | person | 33 |
| Number of employees by rank | Managerial Staff | person | 15 |
| | Mid-level Staff | person | 84 |
| | Junior Staff | person | 308 |
| Number of employees by region | Mainland China | person | 368 |
| | Sweden | person | 39 |

## Table: Ribo Life Science Employee Turnover Rate Data

| Indicator | | Unit | 2025 |
|---|---|---|---|
| Employee Turnover Rate | | % | 10.8 |
| Turnover rate by gender | Male | % | 14.1 |
| | Female | % | 7.2 |
| Turnover rate by age | 30 and below | % | 15 |
| | 31 to 50 | % | 8.8 |
| | Over 50 | % | 12.1 |
| Turnover rate by rank | Managerial Staff | % | 6.7 |
| | Mid-level Staff | % | 11.9 |
| | Junior Staff | % | 10.7 |
| Turnover rate by region | Mainland China | % | 11.7 |
| | Sweden | % | 2.6 |

## Employee Rights Protection

The Company places high importance on the protection of employee rights and is committed to integrating respect for human rights and the fulfilment of corporate responsibilities into daily operations. We strictly adhere to laws and regulations, clearly define various forms of discrimination and harassment, establish comprehensive channels for complaints and reporting, and set up standardized investigation and handling mechanisms. We are dedicated to fostering a fair, safe, respectful, and healthy working environment. We strictly comply with the principles of fairness, justice, and transparency, resolutely prohibiting employment discrimination based on gender, age, ethnicity, religious belief, marital or maternity status, among other factors. Simultaneously, we strictly implement national regulations concerning working hours, overtime arrangements, and leave systems, safeguarding employees' rights and interests, and thereby fostering a standardized, harmonious, and sustainable employment environment.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

We strictly prohibit any form of forced labor and the employment of child labor. We solemnly commit that no differential treatment will be given at any stage of employment or career development based on an employee's gender, ethnicity, race, nationality, religious belief, disability, marital status, sexual orientation, or any other legally protected characteristic.

The Company comprehensively advances the implementation of the principles of equal employment and equal pay for equal work. We emphasize the protection of female employees' rights, legally implementing maternity leave, nursing breaks, and providing rest and care on Women's Day. We improve care mechanisms and optimize the working environment to effectively support the career development and work-life balance of female employees. During the Reporting Period, the Company maintained a balanced gender ratio, with female employees constituting approximately 50% of the workforce. The proportion of female managers at various management levels also was maintained at reasonable proportions. No incidents of child labor, forced labor, discrimination, or harassment occurred during the Reporting Period.

### Table: Employee Diversity Indicators

| | | | |
|---|---|---|---|
| Female ratio in management | Mid-to-senior management | % | 44.8 |
| | Board of Directors | % | 11.11 |

## 5.2 TALENT DEVELOPMENT

Ribo Life Science consistently regards its employees as its most valuable asset and is committed to building a comprehensive talent development system. While continuously optimizing the compensation structure, the Company focuses on creating a diversified and systematic training and growth platform to support employees in achieving their career aspirations and personal value.

### Employee Promotion

Based on employees' career development needs and the Company's operational realities, and in accordance with the internal Post Qualification Management System, the Company has established a dual-track career level system comprising management and professional tracks. This system clearly defines the progression pathways and procedures for each track. By detailing the criteria for each level and the corresponding promotion channels within its institutional framework, the Company provides clear guidance for employees' career development. We encourage employees to independently choose their development path based on their individual growth needs and professional characteristics, and to actively participate in internal promotion mechanisms.

The Company has established a talent standard and management mechanism centred on job qualifications. This aims to provide a scientific basis for assessing employees' job competency and serves as the foundation for human resource management activities such as employee promotions, salary adjustments, talent selection, and development, thereby promoting standardized and regulated operations.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Table: Ribo Life Science Talent Promotion Tracks

| Track Type | Development Focus |
|---|---|
| Management Track | Focuses on developing high-potential individuals with broad managerial and cross-departmental collaborative skills. |
| Professional Track | Focuses on cultivating experts with deep professional knowledge and technical capabilities for vertical career advancement. |

The Company continuously improves its talent promotion and development system, building a platform for employees' career progression and personal growth. We have launched a specialised development programme for senior researchers, engaged external professional instructors, and organised multiple workshops on OKR implementation for management personnel. To address the specific needs of certain R&D departments, we have implemented talent review and succession planning initiatives. Furthermore, we actively support employees' learning and development. In addition to general and professional training, we continue to support eligible employees in participating in further education programmes such as doctoral and postdoctoral studies, providing diverse pathways for talent development.

## Remuneration and Performance

To foster harmonious and stable labour relations, Ribo Life Science has formulated and implemented a series of internal rules and regulations, including the Remuneration and Benefits Accounting Rules, the Expatriate Employee Benefits Management Measures, and the Performance Management Procedures. The Company is committed to providing employees with fair and competitive market remuneration. We continuously advance the standardisation of our remuneration system to ensure a reasonable structure and effective incentives. We make full statutory contributions for employees to the social insurance and housing fund schemes (commonly known as the "Five Social Insurances and One Housing Fund"), provide commercial supplementary medical insurance, and organise annual health check-ups, fully implementing all statutory benefits. This aims to fully recognise and reward employees' contributions and value, thereby enhancing staff motivation and strengthening the Company's talent appeal.

To comprehensively implement remuneration incentives and performance management, the Company continuously strengthens its internal incentive mechanisms to ensure their effective execution. In 2025, we steadily advanced the employee share incentive plan, granting share incentives to several key employees to enhance the sense of belonging and stability among key talents. The Company organised recognition activities, awarding corresponding bonus incentives to outstanding individuals and teams for the year. The Company has established a full cycle annual performance management process and is progressively introducing the OKR (Objectives and Key Results) management concept to strengthen the alignment of work with strategic objectives.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Table: Annual Performance Management Cycle

| Phase | Implementation Measures |
|---|---|
| Start of Year | Set annual objectives based on strategic alignment. |
| Mid-Year | Review and calibrate objectives. |
| Year-End | Conduct performance appraisals and award corresponding bonus incentives to outstanding individuals and teams; conduct feedback interviews and develop individualised coaching plans for employees requiring improvement. |

## Employee Training

Ribo Life Science has established a diversified training system to comprehensively support employees' continuous growth. The Company has formulated and improved the Training Management Procedures, clearly defining the requirements and standards for various types of training, and systematically advancing training activities. The Company continuously assists employees in enhancing their work skills and personal capabilities and regularly evaluates training effectiveness to continuously optimize the talent development mechanism.

The Company has built a three-tier standard training system covering company-wide, departmental, and position-specific levels, delivering various types of training including professional skills, general competencies, and management development. At the beginning of each year, the Human Resources Department collaborates with various departments to formulate an annual training plan, with designated personnel tracking implementation and evaluation. We have established stratified and categorised special development mechanisms, including new employee onboarding training, high-potential talent programmes, leadership development projects for management personnel, and providing external academic exchange support for key positions, systematically enhancing the capabilities of our talent pool. Additionally, we introduce and adapt advanced management tools and practices to continuously drive improvements in management efficiency. In 2025, the Company achieved a 100% training coverage rate.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

**Case: Skyward Initiative – Senior Researcher Talent Development**

In 2025, the Company implemented the "Skyward Initiative" – a key R&D personnel development programme. Through executive participation, cross-departmental collaboration, and real-business-driven approaches, this project systematically enhanced the comprehensive capabilities of critical R&D personnel. This initiative not only strengthened team building talent but also provided continuous support for improving R&D efficiency, promoting collaborative innovation, and maintaining talent stability.

**Figure: Skyward Initiative Phase I Project**

## Table: Ribo Life Science Employee Training Data

| Indicator | | Unit | 2025 |
|---|---|---|---|
| Percentage of employees trained by gender | Male | % | 100 |
| | Female | % | 100 |
| Percentage of employees trained by rank | Managerial Staff | % | 100 |
| | Mid-level Staff | % | 100 |
| | Junior Staff | % | 100 |
| Average training hours per employee by gender | Male | hours | 18 |
| | Female | hours | 16.4 |
| Average training hours per employee by rank | Managerial Staff | hours | 10 |
| | Mid-level Staff | hours | 18 |
| | Junior Staff | hours | 17.4 |

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 5.3 EMPLOYEE WELLBEING

Upholding the core value of sincere mutual trust, Ribo Life Science actively fosters an equal and inclusive working environment. We have established diversified employee communication mechanisms to promptly listen to employee feedback, and continuously optimise and enrich staff activities, effectively enhancing employees' sense of belonging and organisational vitality.

### Employee Communication

As a global enterprise, Ribo Life Science consistently respects and values the diverse cultural backgrounds and individual differences of its employees. By building an equal and unimpeded communication environment and establishing a multi-layered employee communication mechanism, we actively listen to employees' voices, promptly respond to reasonable demands, and ensure all employees can participate equally in the company's development. Employees from diverse backgrounds work harmoniously at Ribo Life Science, collectively driving the dissemination of corporate culture and the implementation of strategy, strengthening team cohesion, and effectively improving overall operational efficiency.

### Employee Benefits

The Company continuously improves its non-salary benefits system, systematically building a comprehensive employee care system encompassing health and wellness, welfare support, and work-life balance. Through diversified benefit programmes and employee care activities, delivered in ways that closely align with employee needs, we provide support and care to each member.

### Table: Ribo Life Science Benefits and Care Programmes

- Provide employees with various benefits including paid annual leave, additional welfare leaves, and paid sick leave, supporting employees in achieving a reasonable balance between work and life;
- Offer corresponding congratulatory gifts for significant life events such as marriage and childbirth and distribute welfare items during traditional holidays;
- Provide related benefits and organise activities such as healthy diet lectures and sessions on preventing neck and shoulder ailments to address the specific needs of female employees.

To strengthen cohesion among employees and stimulate team innovation, the Company actively organises various staff activities to further enhance team cohesion. During the Reporting Period, we organised diverse team-building activities, further promoting interaction and emotional exchange among employees.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

**Case: Thematic Exchange Meetings**

Ribo Life Science regularly organises thematic exchange meetings for employees. Through careful planning to ensure deep participation from all staff and employing formats such as group discussions and practical experience sharing, these meetings foster an interactive and motivating atmosphere, effectively stimulating innovative thinking and teamwork. Activities encompass new employee forums, communication workshops, and knowledge competitions, significantly promoting employee interaction, team cohesion, and collaborative improvement.


**Figure: Thematic Exchange Meeting Event**

**Case: Employee Birthday Celebrations**

The Company integrates employee care into daily management by regularly organising birthday celebrations. Through thoughtfully planned celebratory activities, interactive segments, and customised gifts, these events convey organisational care, effectively enhancing employees' sense of belonging and team cohesion.



**Figure: Employee Birthday Celebration Event**

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 5.4 HEALTH AND SAFETY

Upholding the principle of "Safety First, Prevention Foremost, Comprehensive Management, and Continuous Improvement", Ribo Life Science continuously enhances its occupational health management and control system. We strictly implement uniform safety standards at all operating locations, regularly conduct the identification, assessment, prevention, and control of health and safety risks, and earnestly safeguard the safety and health of all employees and related parties.

### Production Safety Management

The Company strictly complies with laws and regulations such as the Production Safety Law of the People's Republic of China. We have formulated a series of internal rules and regulations, including the Hazardous Chemicals Safety Management System, the Work Safety Responsibility Management System, and the Safety Risk Identification and Control System. The Company has established a Safety and Occupational Health Management Committee (hereinafter referred to as the "Safety Committee"), led by the primary safety officer with the Safety Director and heads of various departments as members. The Company is equipped with trained/certified dedicated safety management personnel and occupational health administrators specifically responsible for the daily supervision and management of workplace safety and occupational health. Azemidite is certified to the ISO 45001:2018 Occupational Health and Safety Management System, ensuring alignment of health and safety management with international standards.

ZERTIFIKAT ◆ CERTIFICATE ◆ 認證證書 ◆ СЕРТИФИКАТ ◆ CERTIFICADO ◆ CERTIFICAT

TÜV SÜD

CERTIFICATE

The Certification Body
of TÜV SÜD Asia Pacific TÜV SÜD Group
certifies that

Azemidite Biopharm Co., Ltd.
No. 03, Xinzhang Road, West Zone of Tianjin Economic and
Technological Development Area, Tianjin City, P.R. China
Post Code: 300457

has established and applies
an Occupational Health and Safety Management System for

R&D and Manufacture of Nucleosides, Phosphoramidites and Oligo
support; Technology Development and Application of Enzyme

An audit was performed, Report No. 7482452332.
Proof has been furnished that the requirements according to

ISO 45001:2018

are fulfilled. The certificate is valid from 2024-06-27 until 2027-06-26.
Date of Initial Certification: 2024-06-27
Certificate Registration No.: TUV106 03 4901
2024-06-28

Certification Body
of TUV SUD Asia Pacific
TÜV SÜD Group

JAS-ANZ IAF

**Figure: ISO 45001 Occupational Health and Safety Management System**

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Company fully recognises the potential risks chemical substances pose to employee health. In research, development, and production, we strictly adhere to national regulations and implement standardized management throughout the entire process of hazardous chemicals procurement, storage, usage, and disposal. To ensure production safety, we continuously enhance our occupational health management level. We have established workplace safety objectives, including zero fatalities and serious injuries (including traffic liability incidents), zero major fire (explosion) accidents, and a 100% rectification rate for identified hazards. We are committed to providing a safe and healthy working environment for our employees. As of the end of the Reporting Period, the Company's total safety investment was RMB1.1633 million with premiums of RMB35,300 paid for work safety liability insurance.

## Risk Identification and Hazard Investigation

To further improve the Company's work safety management level, we have formulated and implemented a Dual-Prevention Mechanism management system. This system explicitly requires conducting at least one systematic risk identification annually and subsequently compiling a standardized risk control register. This register details the risk level, corresponding control measures, directly responsible person, and the four-tier responsibility system for each risk point. Responsible persons at the four levels perform inspections by scanning QR codes and record their fulfilment of duties via the information system of the emergency management department, achieving closed-loop management and information traceability for the entire risk control process from risk identification, inspection, and rectification to verification. This ensures various risks remain under effective and continuous control. The Company has equipped emergency supply cabinets in the plant area, covering key risk zones such as production workshops, storage areas, and waste treatment facilities. These are checked and confirmed monthly by designated personnel to ensure the availability of emergency supplies.

Following the Hidden Hazard Investigation and Management System, the Company systematically organizes specialized inspections for hazardous chemicals, checks on exhaust gas treatment facilities, as well as seasonal and pre-holiday safety inspections. The results of risk identification are incorporated into the focus of daily hazard investigations to systematically identify various production safety hazards. Identified safety hazards are required to be rectified within set deadlines, with follow-up reviews and assessments conducted on the rectification outcomes. Concurrently, the Company has established and maintains multiple clear reporting channels, encouraging all employees to proactively report potential hazards and submit suggestions for improvement. The Company provides timely rewards to individuals who actively report hazards or offer valid suggestions.

## Table: Ribo Life Science Employee Safety Performance

| Indicator | Unit | 2025 Data |
|---|---|---|
| Number of work-related fatalities in the past three years | persons | 0 |
| Working Days Lost Due to Injury | days | 157 |

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Occupational Health

Ribo Life Science strictly adheres to laws and regulations such as the Labor Law of the People's Republic of China, the Law of the People's Republic of China on Prevention and Control of Occupational Diseases, and the Regulation on Labor Security Supervision. In accordance with the Company's Occupational Health Management System, we provide a series of welfare initiatives to care for employee health, offering comprehensive protection. During the Reporting Period, the Company conducted occupational health examinations for employees in positions with occupational hazards. No cases of occupational disease occurred. The annual investment in specialized occupational health examinations was RMB56,500.

## Table: Company Occupational Health Safeguard Measures

- **Health and Safety Facilities:** Based on the requirements of the dedicated occupational disease prevention facility design documents, the Company has installed standardized facilities in relevant work areas, such as emergency showers/eye-wash stations, toxic/flammable gas alarm devices, and emergency ventilation systems. Dedicated personnel are assigned for regular inspection and maintenance to ensure the facilities remain intact and functional;

- **Provision of Personal Protective Equipment (PPE):** Comprehensive safety protective equipment is provided to employees exposed to hazards, including respirators, face shields, heat-resistant gloves, acid-alkali resistant gloves, safety goggles, insulated shoes, and safety helmets;

- **Establishment of Occupational Health Records:** Occupational health records are established for all employees exposed to occupational disease hazards, systematically documenting employees' basic information, history of exposure to occupational hazards, and results of occupational health examinations, managed under a unified filing system;

- **Conducting Occupational Health Examinations:** We organize and arrange pre-employment, in-service, and pre-departure occupational health examinations for employees exposed to occupational disease hazards. Examination results are promptly and truthfully communicated to the employees themselves. Additionally, the Company conducts annual health check-ups for all employees and implements specialized occupational health examinations for high-risk positions.

## Safety Culture Development

The Company continuously advances the development of its safety culture, systematically integrating safety concepts into the entire process of production and operational management. Aligned with business realities, the Company regularly organizes specialized safety knowledge training, promoting safety experience and culture through multiple formats and channels. This actively fosters a cultural atmosphere that values safety, encouraging a positive situation where all employees pay attention to, participate in, and practice safety, thereby continuously strengthening staff safety awareness and on-site risk prevention capabilities. As of the end of the Reporting Period, we had planned and delivered 29 health and safety training sessions, totalling approximately 196 hours, with about 1,532 attendances. Training was conducted via online delivery and assessment, combined with offline on-site observations, ultimately achieving a 100% safety participation rate and assessment pass rate for all employees.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Table: Company Safety Training Formats

| | |
|---|---|
| New Employees | Implement three-level safety induction (company, department, and position-specific) to ensure they promptly understand the Company's safety rules, regulations, and operational procedures. |
| All Employees | Conduct regular comprehensive safety training covering emergency response, accident prevention, occupational health, and other relevant topics. |

**Case: Emergency Drill and Firefighting Equipment Usage Training**

To further strengthen company-wide safety awareness and fortify corporate safety defences, we strictly followed the annual emergency drill plan to organise a full-site emergency evacuation drill and specialised training on the use of positive pressure breathing apparatus. This activity aimed to guide all employees in maintaining constant vigilance regarding safety, ensuring that alarm bells ring perpetually and precautions are taken before incidents occur. Through practical drills and hands-on training, the risk identification capabilities, preventive awareness, and emergency response skills of all staff were effectively enhanced.

**Figure: Emergency Drill Training Session**

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

**Case: Dual-Prevention Mechanism Training**

In October 2025, the Company organised specialised training on the Dual-Prevention Mechanism. Focusing on the two cores of risk control and hazard management, the training combined case studies and systematic explanations of regulations to help employees master key steps such as risk identification, assessment reporting, and the rectification closed-loop, driving the mechanism's effective implementation. The training further reinforced the safety responsibility of all personnel and improved capabilities in risk prevention and hazard management.

**Figure: Conducting Dual-Prevention Mechanism Training**

## 6. GREEN OPERATION

Against the backdrop of growing global health demands and increasing ecological constraints, Ribo Life Science has established a comprehensive environmental governance system. It focuses on four pillars: environmental management, resource utilization, pollutant prevention and control, and addressing climate change. Through measures such as process optimization, clean energy substitution, and waste-utilisation, we deeply integrate green operation into every link of research and development and production, and practice sustainable commitment with a scientific and rigorous attitude.

### 6.1 ENVIRONMENTAL MANAGEMENT

Ribo Life Science strictly follows the environmental management laws and regulations such as the Environmental Protection Law of the People's Republic of China and the Environmental Impact Assessment Law of the People's Republic of China, establishes and continuously improves the environmental management system, formulates a series of policy documents such as the Environmental Protection Management System and the Environmental Monitoring and Measurement Management Procedure, clarifies the environmental management responsibilities, and continuously strengthens the environmental management defense line.

The Company, guided by scientific management and technological improvement, promotes comprehensive deepening of green operation, and improves resource efficiency and environmental performance through energy-saving and emission reduction measures. In 2025, the Company invested RMB721,100 in environmental protection. The Company has not been fined or administratively punished for environmental protection this year, and there have been no major environmental emergencies.

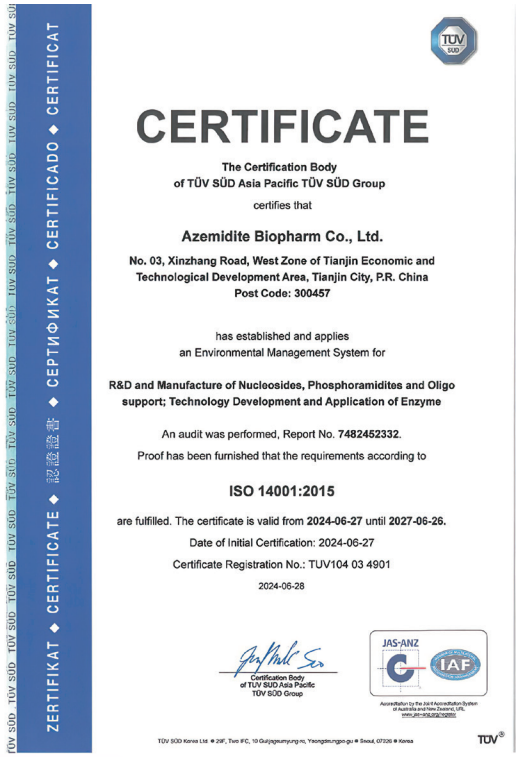
# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Environmental Management Structure

Under the leadership of the Company's senior management responsible for safety, the Safety Director and the Manager of Safety and Environmental Protection Department constitute the managerial core that oversees EHS affairs, drives the development and coordinated implementation of the management system. The Directors and Managers of all departments, lead the team to implement EHS measures, carry out routine inspections and implement corrective actions to ensure closed-loop management. This structure achieves the full process integration from leadership coordination to grassroots execution, effectively ensuring the robust operation of the EHS management system.

## Environmental Audit

In 2025, the Company underwent a total of 4 on-site inspections by the government authorities and appointed environmental experts, which focused primarily on hazardous waste management and temporary storage facilities. The Company was found to be in full compliance with all applicable environmental requirements, which have been effectively implemented. An internal environmental audit mechanism has also been established, integrating regular audits on environmental performance and energy consumption into the annual internal audit cycle. In 2025, Azemidite obtained the ISO 14001:2015 Environmental Management System Certification and completed its annual internal surveillance audit in the same year.



ZERTIFIKAT ◆ CERTIFICATE ◆ 認證證書 ◆ СЕРТИФИКАТ ◆ CERTIFICADO ◆ CERTIFICAT

TÜV SÜD

CERTIFICATE

The Certification Body
of TÜV SÜD Asia Pacific TÜV SÜD Group
certifies that

Azemidite Biopharm Co., Ltd.
No. 03, Xinzhang Road, West Zone of Tianjin Economic and Technological Development Area, Tianjin City, P.R. China
Post Code: 300457

has established and applies
an Environmental Management System for

R&D and Manufacture of Nucleosides, Phosphoramidites and Oligo support; Technology Development and Application of Enzyme

An audit was performed, Report No. 7482452332.
Proof has been furnished that the requirements according to

ISO 14001:2015

are fulfilled. The certificate is valid from 2024-06-27 until 2027-06-26.
Date of Initial Certification: 2024-06-27
Certificate Registration No.: TUV104 03 4901
2024-06-28

Certification Body
of TÜV SÜD Asia Pacific
TÜV SÜD Group

JAS-ANZ IAF

TÜV SÜD Korea Ltd. ● 20F, Two IFC, 10 Gukjegeumyung-ro, Yeongdeungpo-gu ● Seoul, 07326 ● Korea

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**Figure: ISO 14001 Environmental Management System Certification**

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Environmental Risk Control

The Company integrates environmental risk prevention and control throughout the entire operation lifecycle, systematically mitigating risks through the triple mechanism of "Source Prevention, Process Control, and Emergency Response". In terms of source prevention, all kinds of new projects strictly implements the environmental impact assessment (EIA) system. The Company ensures the completion of EIA preparation, approval, and acceptance as required, thereby identifying potential environmental risks and implementing preventive measures at the project planning stage. In process control, the Company strictly monitors the discharge indicators of wastewater and air pollutants regularly in accordance with the requirements of EIA. In 2025, a total of 69 environmental monitoring exercises was carried out, and all test results were qualified. In emergency response, the Company has established an environmental emergency plan, which defines response procedures and responsibility assignments for various potential incidents, enhancing staff capabilities in risk identification and emergency handling and strengthening the defense for environmental safety in the Company..

**Case: Hazardous Waste Leakage Emergency Drill**

In 2025, the Company conducted a dedicated hazardous waste leak response drill. A specialized training course on standardized management of hazardous waste was organized synchronously, with a total of 99 participants. The completion rate of the assessment was 100%.

**Figure: Emergency drill site for hazardous waste leakage**

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

**Case: Specialized Emergency Drill for Environmental Protection Equipment Accidents**

In December 2025, Azemidite organized a specialized emergency drill for environmental equipment failure. The exercise drew 10 participants, and was designed to enhance internal coordination, problem-solving capabilities, and familiarize all relevant emergency departments, units and personnel with their assigned roles and procedures as outlined in the emergency plan.

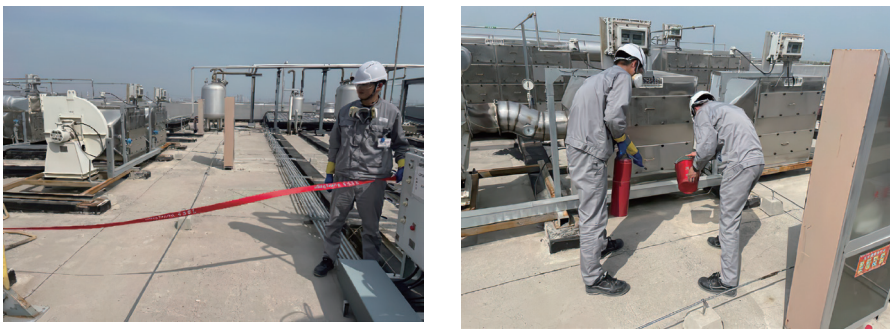

**Figure: Specialized emergency drill site for environmental protection equipment accidents**

## Environmental Training

The Company prioritizes cultivating environmental management awareness and competency. All new employees receive mandatory training covering production environmental knowledge, environmental facilities, and energy conservation. In 2025, the Company conducted specialized training on hazardous waste and chemical management. These programs are designed to help employees internalize environmental responsibility as a daily routine, form an atmosphere where everyone is aware and committed to their environmental duties and enhance their sensitivity and responsiveness to environmental risks, thereby embedding the "Green Operations" philosophy into the corporate culture.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 6.2 RESOURCE UTILIZATION

The Company pays attention to to enhancing resource efficiency and implementing energy-saving technological upgrades. Aiming to reduce consumption and improve efficiency, and guided by the principles of optimal and circular utilization, it translates meticulous management of "every kilowatt and every drop" into concrete practices that lower costs and demonstrate environmental responsibility. This secures a solid resource foundation for green operations.

### Energy Management

The Company strictly complies with laws and regulations including the Energy Conservation Law of the People's Republic of China. We have established internal management systems such as the Energy Resource Management Procedure and the Clean Production Management Procedure, adhering to an energy policy of conservation, emission reduction, and green development. The Company actively explores strategies to reduce energy consumption and promotes conservation in daily operations. This includes encouraging the use of energy-efficient office equipment and ensuring that air conditioners and other electrical devices are powered off when not in use. In 2025, the Company revised its Energy and Resource Management Procedure, with a focus on strengthening energy measurement, establishing a robust energy statistics system, standardizing consumption record-keeping, conducting regular analysis of these records, and overseeing all departments' economical and rational use of resources.

In 2025, the Company set a goal of saving RMB300,000 in steam costs By implementing technological upgrades to reduce heat loss in the steam pipe network and improve steam utilization, the goal was achieved.

**Case: Energy Conservation in Air Compressor of the Compressed Air System**

Two air compressors are configured for the Company's compressed air system, adopting a one-duty, one-standby operation mode. Daily supply for production and labs is primarily handled by a variable-frequency (VFD) air compressor, which runs 24/7 to maximize its energy-saving advantage of VFD technology. A fixed-frequency air compressor is kept on standby for emergency use only. This practice ensures supply stability, saves energy, lowers noise, thereby contributing directly to the Company's energy-saving goals.

### Table: Ribo Life Science Energy Usage

| Indicator | Unit | 2025 data |
|---|---|---|
| Gasoline | Litre | 3,530.00 |
| Diesel oil | Litre | 60.00 |
| Natural gas | Cubic metre | 57,575.55 |
| Purchased electricity | kWh | 6,934,202.00 |
| Purchased heat | KJ | 148,642,320.00 |
| Comprehensive energy consumption in total | tce | 941.48 |
| Comprehensive energy consumption density | tce/RMB 10,000 revenue | 0.06 |

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Water Resources Management

The Company prioritizes water conservation and strictly complies with applicable laws and regulations, including the Water Law of the People's Republic of China, in all its operating locations. We are committed to continuously enhancing water use efficiency and have incorporated this principle into our operational philosophy, formulating corresponding rules and regulations based on the operational situation. The Company has faced no significant challenges in securing an adequate water supply. We rely primarily on the municipal water network, which reliably meets the daily needs of our offices, laboratories, and production facilities. We proactively implement water-saving initiatives through both technological upgrades and management enhancements, effectively reducing waste. These efforts contribute positively to the sustainability of our green operations and the conservation of regional water ecosystems.

## Table: Ribo Life Science Water Use Performance

| Indicator | Unit | 2025 |
|---|---|---|
| Water consumption | Ton | 44,108.00 |
| Water consumption density | Ton/RMB 10,000 revenue | 2.97 |

## Green Office Practices

Ribo Life Science embeds deeply green office into daily work of employees. By advancing office digital transformation, optimizing resource recycling allocation, and implementing precise energy controls, the Company encourages employees to jointly adopt a simple and moderate working style, creating various low-carbon office environments.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Table: Green Office Measures

| | |
|---|---|
| Office Digital Transformation | • Replaced physical seals with electronic ones across multiple approval scenarios, advancing paperless management;<br>• Established a "Five-Seal Synergy" electronic seal system, deploying 5 e-seals across the headquarters and two core subsidiaries to digitalize key business approvals from Group to subsidiaries;<br>• Integrated into the OA system for contracts and administrative documents and other scenario, eliminating the inefficient "print-stamp-scan-mail" process;<br>• Reduced seal-processing time from 1-2 days to 1-4 hours, boosting efficiency and satisfaction, cutting paper use, and lowering logistics-related carbon emissions. |
| Resource Recycling Allocation | • Deployed "Stationery Recycle Bins" in offices to collect unused items like folders and paper clips for reuse under a "claim-instead-of-buy" model, reducing procurement and waste disposal costs.<br>• Placed "Reuse Paper Bins" in printing areas to collect non-confidential single-sided paper for drafts and notes, maximizing paper utility and reducing consumption at source. |
| Precise Energy Controls | • Hardware Upgrade: Retrofitted all office lighting with high-performance LED energy-saving fixtures.<br>• Behavioural Guidelines: Implemented a "Last Person Out" policy, requiring staff to power off area-specific AC, lights, and shared devices upon departure, supported by energy-saving reminders at switches. |

We will further institutionalize green office principles, deepening their practice and broadening their application. Our goal is to empower all employees transition to practitioners of sustainability, generating bottom-up impetus for the realization of the "Dual Carbon" vision.

## Table: Performance of Other Resource Use by Ribo Life Science

| Indicator | Unit | 2025 data |
|---|---|---|
| Total usage of packaging materials[12] | Ton | 3.04 |

12 This data is collected from Azemidite.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 6.3 POLLUTANT PREVENTION AND CONTROL

The Company complies with all relevant laws and regulations, including the Law of the People's Republic of China on the Prevention and Control of Air Pollution, the Law of the People's Republic of China on the Prevention and Control of Water Pollution, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes, and the Law of the People's Republic of China on the Prevention and Control of Noise Pollution. This commitment is operationalized through the strict implementation of internal control procedures – such as the Wastewater Management Procedure, the Waste Gas Management Procedure, the Solid Waste Management Procedure, the Noise Control Procedure, and the Operating Regulations for the Inbound and Outbound Handling of Hazardous Waste, supported by rigid internal emission standards, ensuring that all wastewater, air emissions, waste, and noise discharges fully comply with stipulated standards, achieving the dual goals of 100% compliant discharge and 100% compliant disposal of hazardous waste, thereby fulfilling our commitment to green production in practice.

Waste from our operations is categorized into three streams: hazardous waste (e.g., various waste liquids), general solid waste, and industrial wastewater. All waste liquids are managed as hazardous waste: they are properly collected and transferred to licensed third-party entities for disposal. We also conduct ongoing specialized training on hazardous waste to enhance employee awareness, aiming to reduce unnecessary waste and pollution at source. The volume of general solid waste, primarily non-hazardous solid waste from office, R&D, and production activities, is relatively small, and it is all disposed of in accordance with regulations. Industrial wastewater, generated during production and laboratory processes, is treated in our internal facilities to meet standards before being discharged to the park's central wastewater treatment plant for further processing, ensuring that the final effluent is compliant. All waste streams are managed in strict accordance with legal requirements, with a focus on source reduction and control for hazardous waste, and on compliant disposal and discharge for general solid waste and industrial wastewater, comprehensively reducing environmental risks. Through systematic management, we are committed to reducing the potential environmental impact of waste and practicing the concept of circular economy.

Operational noise primarily originates from production equipment in the workshop. We implement noise reduction source by installing soundproofing facilities around this equipment and conduct regular noise monitoring at the site boundary to ensure noise emissions comply with national standards, contributing to a quiet and harmonious production and living environment for both employees and the surrounding community. In 2025, we provided targeted training for personnel involved in hazardous waste collection and maintained a 100% compliance rate for hazardous waste disposal.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### Table: Ribo Life Science Pollutant Emission Performance in 2025

| Indicator | Unit | 2025 data |
|---|---|---|
| Waste gas | | |
| Total gas emissions | Cubic metre | 623,514,120.00 |
| Gas emission intensity | Cubic meter/RMB 10,000 revenue | 41,984.66 |
| Volatile organic compound (VOC) emissions | Ton | 1.40 |
| Waste water | | |
| Total wastewater discharge | Ton | 11,922.89 |
| Wastewater discharge intensity | Ton/RMB 10,000 revenue | 0.80 |
| COD emissions | Ton | 0.78 |
| Ammonia nitrogen emissions | Ton | 0.11 |
| Total nitrogen emissions | Ton | 0.29 |
| Waste | | |
| Total discharge of general solid waste | Ton | 42.76 |
| Discharge density of general solid waste | Kilogram/RMB 10,000 revenue | 2.88 |
| Total discharge of hazardous waste | Ton | 703.36 |
| Discharge density of hazardous waste | Kilogram/RMB 10,000 revenue | 47.36 |

## 6.4 CLIMATE CHANGE

Climate change is now a key concern for all stakeholders. The Company not only strictly complies with relevant policies of the operation area, but also actively responds to climate change by referring to the guidelines of the Task Force on Climate-related Financial Disclosure (TCFD). We are exploring and implementing strategies to mitigate, adapt to, and efficiently address climate change, thereby enhancing our overall climate resilience.

### Governance

To effectively respond to climate change, the Company has established a three-level governance structure composed of the Board of Directors, ESG Committee and various business departments to ensure the identification, management and response actions of climate related risks and opportunities are effectively integrated from top to bottom.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Table: Ribo Life Science Climate Change Governance Framework

| | | |
|---|---|---|
| Governance Level | Board of Directors | Responsible for approving climate strategies, monitoring key risks, and regularly reviewing progress in response. |
| Management Level | ESG Committee | Responsible for specific planning and coordination of climate action, organization of risk assessment and information disclosure. |
| Execution Level | Business Departments | Responsible for implementing relevant measures based on actual operations, promoting the integration of climate management into daily processes, and forming a systematic response capability. |

## Strategy

The Company integrates both the impacts and opportunities arising from climate change into its corporate strategy. We actively monitor physical risks, such as extreme weather and global warming, as well as transition risks including government regulations, market competition, and brand and reputation. Corresponding mitigation measures are embedded into daily operations and business decision-making to bolster climate resilience. Concurrently, we remain attentive to market change and the potential impacts and market opportunities brought from brand development, proactively capitalizing on the growing trend of green consumption. We are continuously exploring ways to promote environmentally preferable products and service models within the biopharmaceutical sector. Our efforts are focused on reducing the operational carbon footprint and leveraging business innovation to drive sustainable development, thereby contributing actively to the global response to climate change.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Table: Identification and Response of Climate Change Related Risks and Opportunities

| Risk category | Risk factors | | Impact time range | Risk description | Financial impact | Response measures |
|---|---|---|---|---|---|---|
| Physical risks | Acute risk | Frequent occurrence of extreme weather | Short to medium term | Affected by global-warming, various countries suffer from varying degrees of climate instability. Especially in coastal areas, climate factors such as heavy rain and typhoons have an impact on operations. | The business interruption caused by heavy rain and typhoon will lead to a decrease in revenue. Investing a certain amount of funds and manpower to adapt to and prevent climate change in advance, resulting in increased operational costs. | Strengthen disaster resistance standards for production/ warehousing facilities, establish multi regional supply chain backups, dynamically monitor meteorological warnings, develop emergency plans for extreme scenarios, and ensure the stable supply of key materials. |
| | Chronic risk | global warming | Short to medium term | The production workshop has strict requirements for temperature, and various equipment and facilities have the risk of overheating under elevated temperatures. As temperatures rise, the Company will need to increase its energy consumption to maintain the required normal temperature and ensure uninterrupted production operations. | The shutdown of production lines and equipment maintenance caused by high temperatures will lead to an increase in operating costs and a decrease in production line efficiency, resulting in a decrease in revenue. | Optimize the operational energy consumption structure, promote renewable energy substitution, and pay attention to disease prevention and control needs in extreme environments such as high temperatures. |

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

| Risk category | Risk factors | Impact time range | Risk description | Financial impact | Response measures |
|---|---|---|---|---|---|
| Transformation risks | Increase greenhouse gas emission pricing | Medium to Long Term | Governments worldwide are progressively developing and improving carbon trading management system and supporting policies on carbon pricing. This trend is expected to raise the overall cost of greenhouse gas emissions, which in turn will drive up prices for fuels and electricity. As carbon markets expand to cover more sectors, companies are likely to face mandatory inclusion, increasing the compliance burden on their operations. | The Company has not yet been included in the carbon market, resulting in no financial impact for the current period. If it is included in the carbon trading market in the future, it will lead to an increase in the overall compliance operating costs of the Company. | Promote the transformation of clean production technology and reduce carbon emissions in production processes. |
| | Requirements and supervision of existing products and services | Medium to Long Term | The 14th Five-Year Plan for the Development of the Pharmaceutical Industry outlines clear national requirements and guidance for the sector. It mandates the establishment of a green industrial system, the enhancement of green manufacturing capabilities, and the implementation of carbon emission reduction initiatives within the pharmaceutical industry. | The Company's upgrading equipment and energy-saving technology will increase operating costs. | Organize regulatory dynamics in advance, optimize product lifecycle environmental design (such as green raw materials and low-carbon packaging), and strengthen compliance assessment. |
| Opportunities | Resource opportunities | Medium to Long Term | More digital transformation equipment resources will enhance the production capacity of products. | Improve production capacity and increase business revenue. | Focus on the sustainable utilization of biological resources and enhance the digital capabilities of production lines. |
| | Opportunities for energy efficiency improvement | Medium to Long Term | Under the dual carbon goal, the country's strong promotion of new energy and the establishment of a carbon market bring opportunities for changes in the energy use structure. | Promote the use of clean energy, improve energy efficiency, and reduce operating costs. | Build clean energy (such as photovoltaic + energy storage), develop energy-saving processes to reduce production energy consumption. |

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Risk management

The Company has incorporated climate change response into the Company's overall risk management system. A closed-loop management process of "risk assessment risk response monitoring and review" has been established, integrating the identification, response, and monitoring of climate risks into daily operations, continuously improving adaptability and response capabilities to climate change.

## Table: The Company Climate Risk Management Process

| | |
|---|---|
| **Risk assessment** | • Risk identification: Identify potential uncertainties caused by climate change in various business processes and form a preliminary risk list.<br>• Risk analysis: Analyze the risks listed on the list, evaluate their impact and likelihood of occurrence, and based on this, classify the risk level and determine priority ranking.<br>• Risk assessment: Based on the comprehensive risk analysis results, the overall climate change risk assessment report of the Company shall be formed, and the key risk areas shall be clarified. |
| **Risk response** | • Strategy formulation and execution: Based on the risk assessment, formulate the overall response strategy at the Company level. Each business and functional department formulates and implements specific response plans based on this.<br>• Process report: Each business and functional department regularly reports on the progress and status of implementing risk response measures. |
| **Monitoring and Review** | • Regularly review and evaluate the overall implementation of climate change risk management.<br>• Summarize the effectiveness and shortcomings, and propose improvement suggestions to achieve continuous optimization and improvement of management processes. |

## Metrics and Targets

The Company monitors greenhouse gas (GHG) emissions as a key metric in assessing climate impact and is continuously strengthening its efforts to reduce them. This involves lowering both energy consumption and associated carbon emissions across our operations. Our operational GHG emissions comprise Scope 1 and Scope 2 emissions. Scope 1 (direct) emissions include greenhouse gas emissions from our sources, such as production facilities and other stationary combustion units. Scope 2 (indirect) emissions are primarily greenhouse gas emissions resulting from our use of purchased electricity. To ensure that our carbon targets are both scientifically grounded and practical, we plan to progressively establish tailored carbon reduction goals and corresponding energy-saving initiatives aligned with our development requirement.

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Table: Greenhouse gas emissions from Ribo Life Science

| Indicator | Unit | 2025 data |
|---|---|---|
| Scope 1 Greenhouse gas emissions | $tCO_2e$ | 133.69 |
| Scope 2 Greenhouse gas emissions | $tCO_2e$ | 3,737.24 |
| Total greenhouse gas emissions | $tCO_2e$ | 3,870.94 |
| Greenhouse gas emission intensity | $tCO_2e$/RMB 10,000 revenue | 0.26 |
| Scope 3 Greenhouse gas emissions – Fuel- and energy-related activities | $tCO_2e$ | 379.23 |
| Scope 3 Greenhouse gas emissions – Business travel | $tCO_2e$ | 145.88 |

# APPENDIX

## HKEX ESG INDEX

| Environmental, Social, and Governance Indicators | | | Disclosure Section |
|---|---|---|---|
| Environmental | A1: Emissions | General Disclosure: Information on<br>(a) the policies; and<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer<br>relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. | Pollutant Prevention and Control |
| | | A1.1 The types of emissions and respective emissions data. | Pollutant Prevention and Control |
| | | A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). | Pollutant Prevention and Control |
| | | A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). | Pollutant Prevention and Control |
| | | A1.5 Description of emission target(s) set and steps taken to achieve them. | Pollutant Prevention and Control |
| | | A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them. | Pollutant Prevention and Control |

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

| Environmental, Social, and Governance Indicators | | | Disclosure Section |
|---|---|---|---|
| | A2: Use of Resources | General Disclosure: Information on Policies on the efficient use of resources, including energy, water and other raw materials. | Resource Utilization |
| | | A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). | Resource Utilization |
| | | A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility). | Resource Utilization |
| | | A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them. | Resource Utilization |
| | | A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them. | Resource Utilization |
| | | A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. | Resource Utilization |
| | A3: The Environment and Natural Resources | General Disclosure: Information on Policies on minimising the issuer's significant impacts on the environment and natural resources. | Environmental Management |
| | | A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. | Environmental Management |
| Social | B1: Employment | General Disclosure: Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. | Employee Recruitment |
| | | B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region. | Employee Recruitment |
| | | B1.2 Employee turnover rate by gender, age group and geographical region. | Employee Recruitment |
| | B2: Health and Safety | General Disclosure: Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. | Health and Safety |

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

| Environmental, Social, and Governance Indicators | | Disclosure Section |
|---|---|---|
| | B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. | Health and Safety |
| | B2.2 Lost days due to work injury. | Health and Safety |
| | B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored. | Health and Safety |
| B3: Development and Training | General Disclosure: Information on<br>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. | Talent Development |
| | B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management). | Talent Development |
| | B3.2 The average training hours completed per employee by gender and employee category. | Talent Development |
| B4: Labour Standards | General Disclosure: Information on<br>(a) the policies; and<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer<br>relating to preventing child and forced labour. | Employee Recruitment |
| | B4.1 Description of measures to review employment practices to avoid child and forced labour. | Employee Recruitment |
| | B4.2 Description of steps taken to eliminate such practices when discovered. | Employee Recruitment |
| B5: Supply Chain Management | General Disclosure: Information on<br>Policies on managing environmental and social risks of the supply chain. | Supply Chain Management |
| | B5.1 Number of suppliers by geographical region. | Supply Chain Management |
| | B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored. | Supply Chain Management |
| | B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. | Supply Chain Management |
| | B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. | Supply Chain Management |

# 2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

| Environmental, Social, and Governance Indicators | | Disclosure Section |
|---|---|---|
| B6: Product Responsibility | General Disclosure: Information on<br>(a) the policies; and<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer<br>relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. | Data Security |
| | B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons. | Quality Management |
| | B6.2 Number of products and service related complaints received and how they are dealt with. | Not applicable |
| | B6.3 Description of practices relating to observing and protecting intellectual property rights. | Intellectual Property Protection |
| | B6.4 Description of quality assurance process and recall procedures. | Quality Management |
| | B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored. | Data Security |
| B7: Anti-corruption | General Disclosure: Information on<br>(a) the policies; and<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer<br>relating to bribery, extortion, fraud and money laundering. | Business Ethics |
| | B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. | Business Ethics |
| | B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored. | Business Ethics |
| | B7.3 Description of anti-corruption training provided to directors and staff. | Business Ethics |
| B8: Community Investment | General Disclosure: Information on<br>Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. | In the future, the Company will actively participate in community communication activities and disclose in subsequent ESG reports. |
| | B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). | |
| | B8.2 Resources contributed (e.g. money or time) to the focus area. | |

# INDEPENDENT AUDITOR'S REPORT

Ernst & Young
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

安永會計師事務所
香港鰂魚涌英皇道 979號
太古坊一座27樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

**To the shareholders of Suzhou Ribo Life Science Co., Ltd.**
(Established in the People's Republic of China with limited liability)

## OPINION

We have audited the consolidated financial statements of Suzhou Ribo Life Science Co., Ltd. (the "Company") and its subsidiaries (the "Group") set out on pages 179 to 264, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| ***Recognition of research and development expenses***<br>The Group recognised research and development ("R&D") expenses of approximately RMB280,461,000 in the consolidated statement of profit or loss for the year ended 31 December 2025, which mainly consisted of staff costs, clinical and technical service fees.<br><br>The research and development activities are the Group's major activities. We identified the recognition of R&D expenses as a key audit matter due to its significant amount and risk of not being appropriately measured and not being properly recognised in the appropriate financial reporting periods.<br><br>The accounting policy relating to R&D expenses is disclosed in note 2.4 to the financial statements. | 1) We obtained an understanding and evaluated the design of the key internal controls related to the R&D process, and performed tests to assess the effectiveness of internal control implementation during the reporting period;<br><br>2) We performed analytical procedures on R&D expenses and inquired management about the reasons for periodical fluctuations in R&D expenses;<br><br>3) For staff costs, we checked the staff costs recognised in each pipelines by recalculating the allocation results based on the internal staff working hours records;<br><br>4) For clinical and technical service fees, we reviewed the contract with clinical and technical service suppliers and examined the completion status by checking R&D progress acknowledgement on a sample basis;<br><br>5) We performed detailed testing of R&D expenses by reviewing the relevant supporting documents and obtained confirmations from outsourced service suppliers;<br><br>6) We performed cut-off testing on R&D expenses recognised before and after the balance reporting date to assess whether R&D expenses have been recorded in the appropriate period. |

# INDEPENDENT AUDITOR'S REPORT

## OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

# INDEPENDENT AUDITOR'S REPORT

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

# INDEPENDENT AUDITOR'S REPORT

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ip Hing Lam (practising certificate number: P06562).

*Ernst & Young*
Certified Public Accountants
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

25 March 2026

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

| | Notes | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|---|
| REVENUE | 5 | **148,510** | 142,627 |
| Cost of sales | | **(13,476)** | (11,903) |
| Gross profit | | **135,034** | 130,724 |
| Other income and gains | 5 | **16,219** | 21,686 |
| Research and development expenses | | **(280,461)** | (280,370) |
| Selling and distribution expenses | | **(1,055)** | (979) |
| Administrative expenses | | **(118,404)** | (92,506) |
| Impairment losses on financial assets, net | | **(88)** | (82) |
| Other expenses | | **(14,362)** | (15,122) |
| Finance costs | 7 | **(21,439)** | (20,398) |
| LOSS BEFORE TAX | 6 | **(284,556)** | (257,047) |
| Income tax expense | 10 | **(3,898)** | (24,445) |
| LOSS FOR THE YEAR | | **(288,454)** | (281,492) |
| Attributable to: | | | |
| Owners of the parent | | **(278,059)** | (270,151) |
| Non-controlling interests | | **(10,395)** | (11,341) |
| | | **(288,454)** | (281,492) |
| **LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT** | | | |
| Basic and diluted loss for the year (RMB) | 12 | **(2.11)** | (2.10) |

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

| | 2025<br>RMB'000 | 2024<br>RMB'000 |
|---|---|---|
| LOSS FOR THE YEAR | **(288,454)** | (281,492) |
| OTHER COMPREHENSIVE INCOME | | |
| Other comprehensive income that may be reclassified to profit or loss in subsequent periods: | | |
| Exchange differences: | | |
| Exchange differences arising on translation of foreign operations | **(636)** | (3,546) |
| OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX | **(636)** | (3,546) |
| **TOTAL COMPREHENSIVE INCOME FOR THE YEAR** | **(289,090)** | (285,038) |
| Attributable to: | | |
| Owners of the parent | **(280,183)** | (273,175) |
| Non-controlling interests | **(8,907)** | (11,863) |
| | **(289,090)** | (285,038) |

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

| | Notes | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|---|
| **NON-CURRENT ASSETS** | | | |
| Property, plant and equipment | 13 | **177,862** | 203,168 |
| Right-of-use assets | 14(a) | **67,173** | 72,934 |
| Intangible assets | 15 | **76,834** | 92,474 |
| Other non-current assets | 16 | **–** | 12,195 |
| Cash and bank balances | 20 | **890** | 794 |
| **Total non-current assets** | | **322,759** | 381,565 |
| **CURRENT ASSETS** | | | |
| Inventories | 17 | **54,929** | 42,723 |
| Trade and bills receivables | 18 | **5,458** | 3,467 |
| Prepayments, other receivables and other assets | 19 | **49,917** | 39,479 |
| Cash and bank balances | 20 | **406,746** | 183,624 |
| **Total current assets** | | **517,050** | 269,293 |
| **CURRENT LIABILITIES** | | | |
| Trade payables | 21 | **11,625** | 24,225 |
| Other payables and accruals | 22 | **138,966** | 87,482 |
| Contract liabilities | 23 | **64,294** | 67,124 |
| Interest-bearing bank and other borrowings | 24 | **373,033** | 226,612 |
| Lease liabilities | 14(b) | **12,055** | 7,626 |
| Tax payable | | **1,435** | 1,237 |
| **Total current liabilities** | | **601,408** | 414,306 |
| **NET CURRENT LIABILITIES** | | **(84,358)** | (145,013) |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | **238,401** | 236,552 |

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

| | Notes | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|---|
| **NON-CURRENT LIABILITIES** | | | |
| Contract liabilities | 23 | – | 64,294 |
| Interest-bearing bank and other borrowings | 24 | 149,381 | 172,281 |
| Lease liabilities | 14(b) | 15,601 | 22,363 |
| Deferred income | 25 | 32,881 | 25,402 |
| Other payables and accruals | 22 | 13,764 | 63,279 |
| **Total non-current liabilities** | | 211,627 | 347,619 |
| **Net assets/(liabilities)** | | 26,774 | (111,067) |
| **EQUITY** | | | |
| Share capital | 27 | 134,203 | 129,610 |
| Reserves | 28 | (228,141) | (239,970) |
| **Deficits attributable to owners of the parent** | | (93,938) | (110,360) |
| Non-controlling interests | | 120,712 | (707) |
| **Total equity/(deficits)** | | 26,774 | (111,067) |

**Liang Zicai**
Director

**Zhang Hongyan**
Director

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

| | Attributable to owners of the parent | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Share capital RMB'000 (note 27) | Share premium and other reserve* RMB'000 (note 28) | Share-based payments* RMB'000 (note 29) | Exchange fluctuation reserve* RMB'000 | Accumulated losses* RMB'000 | Total RMB'000 | Non-controlling interests RMB'000 | Total (deficits)/ equity RMB'000 |
| **As at 1 January 2025** | 129,610 | 1,282,751 | – | (883) | (1,521,838) | (110,360) | (707) | (111,067) |
| Loss for the year | – | – | – | – | (278,059) | (278,059) | (10,395) | (288,454) |
| Other comprehensive income for the year: | | | | | | | | |
| Exchange differences on translation of foreign operations | – | – | – | (2,124) | – | (2,124) | 1,488 | (636) |
| Total comprehensive income for the year | – | – | – | (2,124) | (278,059) | (280,183) | (8,907) | (289,090) |
| Issue of shares | 4,593 | 167,127 | – | – | – | 171,720 | – | 171,720 |
| Share-based payments (note 29) | – | – | 18,781 | – | – | 18,781 | – | 18,781 |
| Capital contribution from a non-controlling shareholder | – | 109,511 | – | – | – | 109,511 | 126,919 | 236,430 |
| Capital contribution from non-controlling shareholders of a subsidiary with redemption right | – | (3,407) | – | – | – | (3,407) | 3,407 | – |
| Transfer of vested shares under restricted share incentive plan | – | 1,361 | (1,361) | – | – | – | – | – |
| **As at 31 December 2025** | 134,203 | 1,557,343 | 17,420 | (3,007) | (1,799,897) | (93,938) | 120,712 | 26,774 |

* These reserve accounts comprise the consolidated negative reserves of RMB228,141,000 (2024: RMB239,970,000) in the consolidated statement of financial position.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

| | Attributable to owners of the parent | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Share capital RMB'000 (note 27) | Share premium and other reserve* RMB'000 (note 28) | Share-based payments* RMB'000 (note 29) | Exchange fluctuation reserve* RMB'000 | Accumulated losses* RMB'000 | Total RMB'000 | Non-controlling interests RMB'000 | Total equity/ (deficits) RMB'000 |
| **As at 1 January 2024** | 128,386 | 1,046,062 | 180,200 | 2,141 | (1,251,687) | 105,102 | 10,621 | 115,723 |
| Loss for the year | – | – | – | – | (270,151) | (270,151) | (11,341) | (281,492) |
| Other comprehensive income for the year: | | | | | | | | |
| Exchange differences on translation of foreign operations | – | – | – | (3,024) | – | (3,024) | (522) | (3,546) |
| Total comprehensive income for the year | – | – | – | (3,024) | (270,151) | (273,175) | (11,863) | (285,038) |
| Issue of shares | 1,224 | 44,555 | – | – | – | 45,779 | – | 45,779 |
| Share-based payments (note 29) | – | – | 12,425 | – | – | 12,425 | – | 12,425 |
| Capital contribution from a non-controlling shareholder | – | (491) | – | – | – | (491) | 535 | 44 |
| Transfer of vested shares under restricted share incentive plan | – | 192,625 | (192,625) | – | – | – | – | – |
| **As at 31 December 2024** | 129,610 | 1,282,751 | – | (883) | (1,521,838) | (110,360) | (707) | (111,067) |

# CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

| | Notes | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Loss before tax | | **(284,556)** | (257,047) |
| Adjustments for: | | | |
| Depreciation of property, plant and equipment | 6 | **22,513** | 23,715 |
| Depreciation of right-of-use assets | 6 | **9,843** | 8,893 |
| Amortisation of other intangible assets | 6 | **15,640** | 15,833 |
| Loss on disposal of items of property, plant and equipment | 6 | **12** | – |
| Impairment losses on financial assets, net | | **88** | 82 |
| Interest income | 5 | **(2,244)** | (2,516) |
| Impairment of inventories | 6 | **13,309** | 15,072 |
| Deferred income recognised in profit or loss | 5 | **(1,767)** | (1,337) |
| Finance costs | 7 | **21,439** | 20,398 |
| Equity-settled share-based payment expenses | 29 | **18,781** | 12,425 |
| Foreign exchange loss/(gain), net | 5 | **910** | (2,353) |
| | | **(186,032)** | (166,835) |
| Increase in inventories | | **(25,515)** | (12,191) |
| Increase in trade and bills receivables | | **(2,031)** | (3,532) |
| (Increase)/decrease in prepayments, other receivables and other assets | | **(10,486)** | 13,430 |
| (Decrease)/increase in trade payables | | **(12,600)** | 960 |
| Increase in other payables and accruals | | **12,529** | 7,595 |
| Decrease/(increase) in non-current assets | | **12,195** | (12,195) |
| (Decrease)/increase in contract liabilities | | **(67,124)** | 131,418 |
| Cash used in operations | | **(279,064)** | (41,350) |
| Interest received | | **2,074** | 3,839 |
| Income tax paid | | **(3,700)** | (23,208) |
| Net cash flows used in operating activities | | **(280,690)** | (60,719) |

# CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

| | Notes | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|---|
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchases of items of property, plant and equipment | | (9,886) | (23,316) |
| Proceeds from disposal of items of property, plant and equipment | | – | 116 |
| Purchases of intangible assets | | – | (58) |
| Receipt of government grants for property, plant and equipment | | 9,246 | 2,594 |
| Placement of bank deposits with original maturity of more than three months when acquired | | (189,200) | – |
| Withdrawal of bank deposits with original maturity of more than three months when acquired | | 189,200 | – |
| Interest received from bank deposits with original maturity of more than three months when acquired | | 927 | – |
| Net cash flows generated from/(used in) investing activities | | 287 | (20,664) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| New interest-bearing bank loans | | 447,465 | 224,547 |
| Repayments of interest-bearing bank loans and other borrowings | | (323,675) | (206,318) |
| Capital contribution from non-controlling shareholders | | 249,930 | 44 |
| Repayment of lease liabilities | 14(b) | (7,725) | (9,495) |
| Proceeds from issue of shares | | 156,720 | 45,779 |
| Advance from investors | | – | 15,000 |
| Interest paid for interest-bearing bank and other borrowings | | (15,680) | (15,088) |
| Decrease/(increase) in restricted cash | | 15,000 | (15,000) |
| Increase in restricted lease deposit | | – | (13) |
| Net cash flows generated from financing activities | | 522,035 | 39,456 |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | | 241,632 | (41,927) |
| Cash and cash equivalents at beginning of year | | 167,867 | 210,273 |
| Effect of foreign exchange rate changes, net | | (2,753) | (479) |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | | 406,746 | 167,867 |
| ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS | | | |
| Cash and bank balances | 20 | 407,636 | 184,418 |
| Less: Restricted cash | | 890 | 15,794 |
| Interest receivable on bank deposits | | – | 757 |
| Cash and cash equivalents as stated in the statement of cash flows | | 406,746 | 167,867 |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 1. CORPORATE INFORMATION

Suzhou Ribo Life Science Co., Ltd. (the "Company") was registered in the People's Republic of China (the "PRC") on 18 January 2007 as a limited liability company. The registered office of the Company is located at No.168 Yuanfeng Road, Kunshan, Jiangsu, the PRC. The Company completed its initial public offering and was listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock code: HK6938) on 9 January 2026.

The Company and its subsidiaries (the "Group") were dedicated to the discovery, research and development of RNAi technologies and innovative oligonucleotide therapeutics, with a main focus on siRNA drugs for the treatment of liver diseases, cardiovascular diseases, metabolic diseases, and cancer.

The particulars of the principal subsidiaries are as follows:

| Name | Place and date of incorporation/ registration and place of operations | Issued ordinary/ registered share capital | Percentage of equity attributable to the Company | | Principal activities |
|---|---|---|---|---|---|
| | | | Direct | Indirect | |
| Azemidite Biopharm Co., Ltd.* 天津興博潤生物製藥有限公司 | PRC/ Chinese mainland 23 August 2017 | RMB25,064,765 | 62.24% | – | Pharmaceutical research and development ("R&D") and production |
| Ribo (Hong Kong) Life Science Limited 瑞博(香港)生物技術有限公司 | Hong Kong 22 July 2013 | US$1 | 100.00% | – | No substantial operation |
| Ribocure Pharmaceuticals AB (c) | Sweden 18 February 2022 | SEK1,889,139 | 50.29% | – | Pharmaceutical R&D services |
| Beijing RiboCure Pharmaceutical Co., Ltd.* 北京瑞博開拓醫藥科技有限公司 | PRC/ Chinese mainland 6 August 2015 | RMB30,000,000 | 100.00% | – | Pharmaceutical R&D services |
| Ribo (Australia) Life Science Pty Ltd. | Australia 28 June 2021 | AUD9,367,217.65 | 100.00% | – | Pharmaceutical R&D services |
| Kunshan RiboCure Pharmaceutical Science and Technology Co., Ltd.* 昆山瑞博居爾醫藥科技有限公司 | PRC/Chinese mainland 16 October 2012 | RMB7,572,935 | 100.00% | – | Pharmaceutical R&D services |
| Ribo Biopharmaceutical (Shenzhen) Co., Ltd.* 瑞博生物製藥(深圳)有限公司 | PRC/Chinese mainland 29 May 2025 | RMB15,000,000 | 100.00% | – | Pharmaceutical R&D services |
| Ribo Taike (Shang Dong) Biological Pharmaceutical Co., Ltd.* 瑞博泰克(山東)生物醫藥科技有限公司 | PRC/Chinese mainland 25 July 2025 | RMB100,000,000 | 100.00% | – | Pharmaceutical R&D services |

* These companies are limited liability companies established in the PRC. The English names of the PRC companies above represent management's best efforts in translating the Chinese names of these companies as no English names have been registered.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES

### 2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations as issued by the International Accounting Standards Board (the "IASB"), and International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

The Group recorded an accumulated losses of RMB1,799,897,000 and net current liabilities of RMB84,358,000 as at 31 December 2025 due to the pre-revenue stage of its new drug research and development business. Despite having recorded net current liabilities and incurred recurring losses from operations, the financial information has been prepared on a going concern basis.

Subsequent to 31 December 2025, the Company's H Shares were listed on the Main Board of the Stock Exchange on 9 January 2026 with a total of 31,610,400 H Shares issued at a price of HK$57.97 per H Share and the Company issued 4,741,400 H Shares at a price of HK$57.97 per H Share following the full exercise of the over-allotment option on 10 February 2026. The Company received net proceeds (after deducting underwriting commissions, fees and estimated expenses payable by the Company in connection with the Global Offering) from the Global Offering (including the full exercise of the over-allotment option) of approximately HK$1,964.3 million. The net proceeds indicates that the Group would have sufficient working capital to meet its present obligations, taking into account the financial resources available to the Group for the next twelve months from 31 December 2025.

Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the financial statements on a going concern basis.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.1 BASIS OF PREPARATION (CONTINUED)

#### Basis of consolidation

The consolidated financial statements include the financial information of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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 described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to IAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

In addition, the IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions.

The application of these amended IFRS Accounting Standards in the reporting period has had no material impact on the Group's financial performance and position for the current and prior periods and/or on the disclosures set out in these annual consolidated financial statements.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

| | |
|---|---|
| IFRS 18 | *Presentation and Disclosure in Financial Statements*[2] |
| IFRS 19 and its amendments | *Subsidiaries without Public Accountability: Disclosures*[2] |
| Amendments to IFRS 9 and IFRS 7 | *Amendments to the Classification and Measurement of Financial Instruments*[1] |
| Amendments to IFRS 9 and IFRS 7 | *Contracts Referencing Nature-dependent Electricity*[1] |
| Amendments to IFRS 10 and IAS 28 | *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3] |
| Amendments to IAS 21 | *Translation to a Hyperinflationary Presentation Currency*[2] |
| *Annual Improvements to IFRS Accounting Standards – Volume 11* | Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7[1] |

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

2 Effective for annual/reporting periods beginning on or after 1 January 2027

3 No mandatory effective date yet determined but available for adoption

The Group is in the process of making an assessment of the impact of these new and amended IFRS Accounting Standards upon initial application. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosure of management-defined performance measures in a note and introduces new requirements for aggregation and disaggregation of financial information. The new requirements are expected to impact the Group's presentation of the statement of profit or loss and disclosures of the Group's financial performance. So far, the Group considers that these new and amended IFRS Accounting Standards are unlikely to have a material impact on the Group's results of operations and financial position.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

# 2. ACCOUNTING POLICIES (CONTINUED)

## 2.4 MATERIAL ACCOUNTING POLICIES

### Fair value measurement

The Group measures certain financial instruments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

| | |
|---|---|
| Office equipment | 18.00%-31.67% |
| Motor vehicles | 22.50%-23.75% |
| Buildings | 5.00% |
| R&D equipment | 9.00%-31.67% |
| Leasehold improvements | Over the shorter of the lease terms and 33.33% |

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at the end of each reporting period.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

*Software*

Purchased software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 5 to 10 years.

*Patents and know-how*

Patents and know-how are initially recorded at cost and are amortised on a straight-line basis over their useful lives of 10 years. 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.

*Research and development costs*

All research and development expenses are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is 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, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

*Group as a lessee*

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

| | |
|---|---|
| Office premises and buildings | 2 to 5 years |
| Leasehold land | 50 years |

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Leases (Continued)

*Group as a lessee (Continued)*

(b) Lease liabilities (Continued)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., a change to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of any machinery and equipment (that is those 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 leases of low-value assets to leases of office equipment that is considered to be low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Investments and other financial assets

*Initial recognition and measurement*

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade and bills receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade and bills receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Investments and other financial assets (Continued)

*Subsequent measurement*

The subsequent measurement of financial assets depends on their classification as follows:

*Financial assets at amortised cost (debt instruments)*

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

#### Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

# 2. ACCOUNTING POLICIES (CONTINUED)

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

*General approach*

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Impairment of financial assets (Continued)

*General approach (Continued)*

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade and bills receivables and contract assets which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

*Simplified approach*

For trade and bills receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Financial liabilities

*Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, other payables and accruals, lease liabilities and interest-bearing bank and other borrowings.

*Subsequent measurement*

The subsequent measurement of financial liabilities depends on their classification as follows:

*Financial liabilities at amortised cost (trade and other payables, and borrowings)*

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

#### Redemption liabilities

For the redeemable ordinary shares issued by the subsidiary of the Company as detailed in note 22, financial liabilities are recognised based on the net present value of the redemption amount and debited in equity. Changes of the net present value during the reporting period were recognised in profit or loss. When the redemption rights related to the redeemable ordinary shares are terminated, the redemption liabilities on ordinary shares are extinguished and credited to equity.

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average method and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

#### Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Income tax (Continued)

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 profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Revenue recognition

*Revenue from contracts with customers*

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(a) Collaboration revenue

In determining the appropriate amount of revenue to be recognised as the Group fulfils its obligations under each of the collaboration agreements, the management of the Company performs the five-step model under IFRS 15. The collaboration arrangements may contain more than one unit of account, or performance obligation, including grants of licences to intellectual property rights (the "Licences"), agreements to provide research and development services and other deliverables. As part of the accounting for these arrangements, the Company must develop assumptions that require judgement to determine the stand-alone selling price for each performance obligation identified in the contract. The collaboration arrangements typically do not include a right of return for any deliverable. In general, the consideration allocated to each performance obligation is recognised when the obligation is satisfied either by delivering a good or rendering a service, limited to the consideration that is not constrained. Non-refundable payments received before all of the relevant criteria for revenue recognition are satisfied are recorded as contract liabilities.

(b) Product revenue

Revenue from products is recognised when control of the products is transferred, being when the products are delivered to the customers, and the customers have accepted the products in accordance with the sales contracts, or the Group has objective evidence that all criteria for acceptance have been satisfied.

(c) Research and development services

The portion of the transaction price allocated to research and development service performance obligations is deferred and recognised as collaboration revenue at the point in time when the research and development services are completed and confirmed by customers.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Revenue recognition (Continued)

*Revenue from contracts with customers (Continued)*

(d) Licensing-out of intellectual property

Upfront non-refundable payments for licensing the Company's intellectual property are evaluated to determine if they are distinct from the other performance obligations identified in the arrangements. For the licences determined to be distinct, the Group recognises revenues from non-refundable up-front fees allocated to the licences at the point in time, when the licences are transferred to the licensee and the licensee is able to use and benefit from the licences.

(e) Royalties

For arrangements that include sales-based royalties, including milestone payments based on the level of sales and the licences that are deemed to be the predominant items to which the royalties relate, the Group recognises revenue at the later of (i) when the related sales occur, and (ii) when the performance obligation to which some or all of the royalties have been allocated is satisfied (or partially satisfied).

*Other income*

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

#### Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Share-based payments

The Group operates an award interests arrangement ("Award Interests Arrangement") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees for share grants is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model or based on the transaction prices observed in third-party transactions during the nearest period, further details are given in note 29 to the financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where grants include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

# 2. ACCOUNTING POLICIES (CONTINUED)

## 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Other employee benefits

*Pension scheme*

The Group participates in the national pension scheme as defined by the laws of the countries in which it operates. In particular, the employees of the Group in the Chinese mainland are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The subsidiary of the Group located in Sweden makes defined contributions to the public pension system and occupational pension scheme in Sweden. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme and the public pension system and occupational pension scheme.

### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

### Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Foreign currencies

These financial statements are presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than the RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in the statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of subsidiaries operating outside the Chinese mainland are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of subsidiaries operating outside the Chinese mainland which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

### JUDGEMENTS

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

#### Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

*(a) Identifying performance obligation under contracts*

A good or service that is promised to a customer is distinct if both of the following criteria are met: (a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer; and (b) the entity's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract.

In assessing whether a licence is distinct from the other promises, the Group considers factors such as the research, development, manufacturing and commercialisation capabilities of the customer and the availability of the associated expertise in the general marketplace. In addition, the Group considers whether the customer can benefit from a licence for its intended purpose without the receipt of the remaining promises by considering whether the value of the licence is dependent on the unsatisfied promises, whether there are other vendors that could provide the remaining promises, and whether it is separately identifiable from the remaining promises.

*(b) Determining the timing of satisfaction of the collaboration services*

The revenue is recognised over time if the customer simultaneously receives and consumes the benefits provided by the Group. The fact that another entity would not need to re-perform the services that the Group has provided to date demonstrates that the customer simultaneously receives and consumes the benefits of the Group's performance as it performs.

The revenue is recognised at the point of time if the customers cannot control the service or consume the benefit and have no enforceable obligation to pay for the service provided to date.

# 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

## ESTIMATION UNCERTAINTY

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

### Variable consideration

For licensing contracts that contain variable consideration, the Group estimates the amount of consideration to which it will be entitled using the most likely amount, which better predicts the amount of consideration to which the Group will be entitled. 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.

### Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present values of those cash flows.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 4. OPERATING SEGMENT INFORMATION

### OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their products and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

### GEOGRAPHICAL INFORMATION

Since nearly all of the Group's non-current assets were located in the Chinese mainland during the reporting period, no geographical segment information in accordance with IFRS 8 *Operating Segments* is presented.

### INFORMATION ABOUT MAJOR CUSTOMERS

Revenue for the year ended 31 December 2025, amounting to approximately RMB105,143,000 and RMB33,740,000 (2024: RMB100,953,000 and RMB41,326,000), respectively, was derived from two single customers.

## 5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

| | 2025<br>RMB'000 | 2024<br>RMB'000 |
|---|---|---|
| Revenue from contracts with customers | **148,510** | 142,627 |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 5. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

### (A) DISAGGREGATED REVENUE INFORMATION

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| **Types of revenue** | | |
| Collaboration revenue | **138,253** | 134,069 |
| Others | **10,257** | 8,558 |
| Total | **148,510** | 142,627 |
| **Geographical markets** | | |
| Overseas | **105,408** | 101,050 |
| Chinese mainland | **43,102** | 41,577 |
| Total | **148,510** | 142,627 |
| **Timing of revenue recognition** | | |
| Products transferred at a point in time | **10,257** | 8,558 |
| Services transferred at a point in time | **73,959** | 71,490 |
| Services transferred over time | **64,294** | 62,579 |
| Total | **148,510** | 142,627 |

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Revenue recognised that was included in contract liabilities at the beginning of the year: | | |
| Rights to access intellectual property | **67,124** | – |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 5. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

### (B) PERFORMANCE OBLIGATIONS

#### Rights to access intellectual property during the research term

The performance obligation is satisfied over time as the rights to use the intellectual property services are rendered.

#### Research and development services

The performance obligation of research and development services is satisfied at the point when the control of the research and development services is transferred to the customer and the customer is able to consume and benefit from the services. The payment is generally settled within 30 days after the issue of invoice to the customer.

#### Technology transfer

The performance obligation is satisfied upon completion of delivery and acceptance by the customer.

#### Licensing-out of intellectual property

The performance obligation is satisfied upon the know-how is transferred to the licensee and the licensee is able to use and benefit from the licences.

#### Product revenue

The performance obligation is satisfied upon delivery of the products and payment is generally due within 15 to 30 days from delivery, except for new customers, where payment in advance is normally required.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

| | **2025 RMB'000** | 2024 RMB'000 |
|---|---|---|
| **Amounts expected to be recognised as revenue:** | | |
| Within one year | **64,294** | 67,124 |
| After one year | **–** | 64,294 |
| Total | **64,294** | 131,418 |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 5. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

### (B) PERFORMANCE OBLIGATIONS (CONTINUED)

#### Product revenue (Continued)

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to construction services, of which the performance obligations are to be satisfied within two years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

An analysis of other income and gains is as follows:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Other income | | |
| Government grants* | | |
| – income | **12,207** | 15,463 |
| – assets | **1,767** | 1,337 |
| Bank interest income | **2,244** | 2,516 |
| Others | **1** | 17 |
| Total other income | **16,219** | 19,333 |
| Gains | | |
| Foreign exchange differences, net | **–** | 2,353 |
| Total other income and gains | **16,219** | 21,686 |

* The government grants mainly represent subsidies received from the local governments for the purpose of compensation for expenses spent on research and development activities and construction of assets of the Group.

There was no unfulfilled condition or contingency relating to the government grants.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

| | Notes | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|---|
| Cost of inventories sold* | | **10,615** | 5,432 |
| Cost of services provided* | | **2,861** | 6,471 |
| Depreciation of items of property, plant and equipment | 13 | **22,513** | 23,715 |
| Depreciation of right-of-use assets | 14(a) | **9,843** | 8,893 |
| Amortisation of other intangible assets | 15 | **15,640** | 15,833 |
| Research and development expenses** | | **280,461** | 280,370 |
| Listing expenses | | **23,193** | 12,483 |
| Loss on disposal of items of property, plant and equipment**** | | **12** | – |
| Lease payments not included in the measurement of lease liabilities | 14(c) | **3,255** | 1,979 |
| Auditor's remuneration | | **1,880** | – |
| Employee benefit expense*** (including directors', supervisors' and chief executive's remuneration (note 8): | | | |
| Wages and salaries | | **163,535** | 148,365 |
| Pension scheme contributions | | **24,480** | 22,935 |
| Staff welfare expenses | | **5,988** | 6,156 |
| Share-based payments | | **18,781** | 12,425 |
| Total | | **212,784** | 189,881 |
| Foreign exchange differences, net | 5 | **910** | (2,353) |
| Write-down of inventories to net realisable value**** | | **13,309** | 15,072 |
| Impairment of trade and bills receivables | 18 | **40** | 71 |
| Impairment of financial assets included in prepayments, other receivables and other assets | 19 | **48** | 11 |
| Interest on other payables | 7 | **4,669** | 4,118 |

* Cost of sales in the consolidated statement of profit or loss includes expenses relating to depreciation of property, plant and equipment, depreciation of right-of-use assets, amortisation of intangible assets and employee benefit expense, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

** Research and development expenses include expenses relating to depreciation of property, plant and equipment, depreciation of right-of-use assets, amortisation of intangible assets and employee benefit expense, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

*** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

**** Loss on disposal of items of property, plant and equipment and impairment of inventories are included in other expenses.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 7. FINANCE COSTS

An analysis of finance costs is as follows:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Interest on bank and other borrowings | 15,411 | 14,760 |
| Interest on lease liabilities (note 14) | 1,359 | 1,520 |
| Interest on other payables (note 22) | 4,669 | 4,118 |
| Total | 21,439 | 20,398 |

## 8. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors', supervisors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Fees | 355 | 360 |
| Other emoluments: | | |
| Salaries, bonuses, allowances and benefits in kind | 13,432 | 10,978 |
| Pension scheme contributions | 1,618 | 794 |
| Share-based payment expenses | 6,137 | 4,920 |
| Subtotal | 21,187 | 16,692 |
| Total | 21,542 | 17,052 |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 8. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)

| 2025 | Fees RMB'000 | Salaries, bonuses, allowances and benefits in kind RMB'000 | Pension scheme contributions RMB'000 | Share-based payments* RMB'000 | Total remuneration RMB'000 |
|---|---|---|---|---|---|
| **Chief executive:** | | | | | |
| Dr. Liang Zicai (a) | – | 3,084 | – | – | 3,084 |
| **Executive directors:** | | | | | |
| Dr. Zhang Hongyan (b) | – | 2,863 | – | 497 | 3,360 |
| Dr. Gan Liming (c) | – | 6,407 | 1,414 | 5,640 | 13,461 |
| Subtotal | – | 9,270 | 1,414 | 6,137 | 16,821 |
| **Non-executive directors:** | | | | | |
| Dr. Qi Fei (d) | – | – | – | – | – |
| Mr. Li Dongfang (e) | – | – | – | – | – |
| Mr. Li Yuhui (f) | – | – | – | – | – |
| Subtotal | – | – | – | – | – |
| **Independent non-executive directors:** | | | | | |
| Dr. Meng Kun (g) | 39 | – | – | – | 39 |
| Dr. Yu Xuefeng (h) | 120 | – | – | – | 120 |
| Mr. Ma Chaosong (h) | 120 | – | – | – | 120 |
| Mr. Wang Ruiping (k) | 76 | – | – | – | 76 |
| Subtotal | 355 | – | – | – | 355 |
| **Supervisors:** | | | | | |
| Ms. Wang Fan (i) | – | 556 | 104 | – | 660 |
| Mr. Zhang Ning (j) | – | 522 | 100 | – | 622 |
| Mr. Wang Lijie (j) | – | – | – | – | – |
| Subtotal | – | 1,078 | 204 | – | 1,282 |
| Total | 355 | 13,432 | 1,618 | 6,137 | 21,542 |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 8. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)

| 2024 | Fees RMB'000 | Salaries, bonuses, allowances and benefits in kind RMB'000 | Pension scheme contributions RMB'000 | Share-based payments* RMB'000 | Total remuneration RMB'000 |
|---|---|---|---|---|---|
| **Chief executive:** | | | | | |
| Dr. Liang Zicai (a) | – | 2,389 | – | 1,047 | 3,436 |
| **Executive directors:** | | | | | |
| Dr. Zhang Hongyan (b) | – | 2,335 | – | – | 2,335 |
| Dr. Gan Liming (c) | – | 5,302 | 702 | 3,711 | 9,715 |
| Subtotal | – | 7,637 | 702 | 3,711 | 12,050 |
| **Non-executive directors:** | | | | | |
| Dr. Qi Fei (d) | – | – | – | – | – |
| Mr. Li Dongfang (e) | – | – | – | – | – |
| Mr. Li Yuhui (f) | – | – | – | – | – |
| Subtotal | – | – | – | – | – |
| **Independent non-executive directors:** | | | | | |
| Dr. Meng Kun (g) | 120 | – | – | – | 120 |
| Dr. Yu Xuefeng (h) | 120 | – | – | – | 120 |
| Mr. Ma Chaosong (h) | 120 | – | – | – | 120 |
| Subtotal | 360 | – | – | – | 360 |
| **Supervisors:** | | | | | |
| Ms. Wang Fan (i) | – | 507 | 46 | 101 | 654 |
| Mr. Zhang Ning (j) | – | 445 | 46 | 61 | 552 |
| Mr. Wang Lijie (j) | – | – | – | – | – |
| Subtotal | – | 952 | 92 | 162 | 1,206 |
| Total | 360 | 10,978 | 794 | 4,920 | 17,052 |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 8. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S REMUNERATION (CONTINUED)

* The share-based payments recognised at the end of the reporting period were attributable to the restricted shares award and share options, which would be vested upon the fulfilment of the specified service conditions.

There was no arrangement under which a director, a supervisor or the chief executive waived or agreed to waive any remuneration during the reporting period.

(a) Dr. Liang Zicai was appointed as a director in January 2007 and as the chief executive officer in September 2017.

(b) Dr. Zhang Hongyan was appointed as an executive director in April 2007.

(c) Dr. Gan Liming was appointed as an executive director in July 2023.

(d) Dr. Qi Fei was appointed as a non-executive director in July 2021.

(e) Mr. Li Dongfang was appointed as a non-executive director in October 2018.

(f) Mr. Li Yuhui was appointed as a non-executive director in November 2019.

(g) Dr. Meng Kun was appointed as an independent non-executive director in August 2022 and resigned in April 2025.

(h) Mr. Ma Chaosong and Dr. Yu Xuefeng were appointed as independent non-executive directors in July 2020.

(i) Ms. Wang Fan was appointed as a supervisor in October 2020.

(j) Mr. Zhang Ning and Mr. Wang Lijie was appointed as supervisors in July 2020.

(k) Mr. Wang Ruiping was appointed as an independent non-executive director in May 2025.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two directors (2024: one director and the chief executive), details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining three (2024: three) highest paid employees who are neither a director nor chief executive of the Company are as follows:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Salaries, bonuses, allowances and benefits in kind | **8,495** | 5,215 |
| Pension scheme contributions | **129** | 117 |
| Share-based payment expense | **3,887** | 2,761 |
| Total | **12,511** | 8,093 |

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

| | Number of employees | |
|---|---|---|
| | **2025** | 2024 |
| Nil to HK$2,500,000 | **–** | – |
| HK$2,500,001 to HK$3,000,000 | **–** | 2 |
| HK$3,000,001 to HK$3,500,000 | **1** | 1 |
| HK$3,500,001 to HK$4,000,000 | **–** | – |
| HK$4,000,001 to HK$4,500,000 | **1** | – |
| HK$4,500,001 to HK$5,000,000 | **–** | – |
| HK$5,000,001 to HK$5,500,000 | **–** | – |
| HK$5,500,001 to HK$6,000,000 | **–** | – |
| HK$6,000,001 to HK$6,500,000 | **1** | – |
| Total | **3** | 3 |

During the year and in prior years, restricted shares and share options were granted to the non-director and non-chief executive highest paid employees in respect of their services to the Group, further details of which are included in the disclosures in note 29 to the financial statements. The fair value of such restricted shares and share options, which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 10. INCOME TAX

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Current | | |
| Charge for the year | 3,898 | 24,445 |
| Deferred | – | – |
| Tax charge at the Group's effective rate | 3,898 | 24,445 |

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

### PRC CORPORATE INCOME TAX

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the EIT rate of the Group's PRC subsidiaries is 25%.

### HONG KONG PROFITS TAX

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the reporting period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

### AUSTRALIA INCOME TAX

The statutory rate of income tax for the subsidiary in Australia was 25% during the year.

### SWEDEN INCOME TAX

The statutory rate of income tax for the subsidiary in Sweden was 20.6% during the year.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 10. INCOME TAX (CONTINUED)

### WITHHOLDING TAX

In accordance with the Germany-China double taxation treaty, royalties and similar remunerations payable by German companies to PRC resident enterprises are subject to a withholding tax of 10%.

A reconciliation of the tax expense applicable to loss before tax at the statutory rate to the tax expense at the effective tax rate is as follows:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Loss before tax | **(284,556)** | (257,047) |
| Tax at the statutory tax rate (25%) | **(71,139)** | (64,262) |
| Overseas tax differences | **354** | (274) |
| Expenses not deductible for tax | **132** | 215 |
| Additional deductible allowance for qualified research and development expenses | **(52,262)** | (33,484) |
| Tax losses and deductible temporary differences not recognised | **122,915** | 99,093 |
| Effect of withholding tax on the revenue from an overseas customer | **3,898** | 23,157 |
| Tax charge at the Group's effective rate | **3,898** | 24,445 |

## 11. DIVIDENDS

No dividend was paid or declared by the Company during the reporting period.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 12. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 131,905,627 (2024: 128,629,769) outstanding during the year.

| | 2025<br>RMB'000 | 2024<br>RMB'000 |
|---|---|---|
| Loss: | | |
| Loss attributable to ordinary equity holders of the parent | **(278,059)** | (270,151) |

| | Number of shares | |
|---|---|---|
| | **2025** | 2024 |
| Shares: | | |
| Weighted average number of ordinary shares used in the basic loss per share calculation | **131,905,627** | 128,629,769 |
| Basic and diluted loss per share (RMB) | **(2.11)** | (2.10) |

No adjustment has been made to the basic loss per share amounts presented during both the current and prior years for a dilution as the Group had no potentially dilutive ordinary shares outstanding during both the current and prior years.

# 13. PROPERTY, PLANT AND EQUIPMENT

| | R&D equipment RMB'000 | Motor vehicles RMB'000 | Office equipment RMB'000 | Leasehold improvements RMB'000 | Buildings RMB'000 | Total RMB'000 |
|---|---|---|---|---|---|---|
| **31 December 2025** | | | | | | |
| At 1 January 2025: | | | | | | |
| Cost | 162,500 | 434 | 6,532 | 4,277 | 128,173 | 301,916 |
| Accumulated depreciation | (81,381) | (412) | (3,940) | (1,853) | (11,162) | (98,748) |
| Net carrying amount | 81,119 | 22 | 2,592 | 2,424 | 117,011 | 203,168 |
| At 1 January 2025, net of accumulated depreciation | 81,119 | 22 | 2,592 | 2,424 | 117,011 | 203,168 |
| Additions | 2,151 | – | 442 | – | – | 2,593 |
| Depreciation provided during the year | (14,739) | – | (919) | (855) | (6,000) | (22,513) |
| Disposals | (5) | – | (7) | – | – | (12) |
| Other decreases | – | – | – | – | (6,436) | (6,436) |
| Exchange realignment | 856 | – | 206 | – | – | 1,062 |
| At 31 December 2025, net of accumulated depreciation | 69,382 | 22 | 2,314 | 1,569 | 104,575 | 177,862 |
| At 31 December 2025: | | | | | | |
| Cost | 165,886 | 434 | 7,186 | 4,277 | 121,737 | 299,520 |
| Accumulated depreciation | (96,504) | (412) | (4,872) | (2,708) | (17,162) | (121,658) |
| Net carrying amount | 69,382 | 22 | 2,314 | 1,569 | 104,575 | 177,862 |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

| | R&D equipment RMB'000 | Motor vehicles RMB'000 | Office equipment RMB'000 | Leasehold improvements RMB'000 | Buildings RMB'000 | Total RMB'000 |
|---|---|---|---|---|---|---|
| **31 December 2024** | | | | | | |
| At 1 January 2024: | | | | | | |
| Cost | 155,563 | 434 | 5,973 | 4,277 | 128,173 | 294,420 |
| Accumulated depreciation | (65,644) | (395) | (3,143) | (998) | (5,074) | (75,254) |
| Net carrying amount | 89,919 | 39 | 2,830 | 3,279 | 123,099 | 219,166 |
| At 1 January 2024, net of accumulated depreciation | 89,919 | 39 | 2,830 | 3,279 | 123,099 | 219,166 |
| Additions | 7,737 | – | 734 | – | – | 8,471 |
| Depreciation provided during the year | (15,922) | (17) | (833) | (855) | (6,088) | (23,715) |
| Disposals | (116) | – | – | – | – | (116) |
| Exchange realignment | (499) | – | (139) | – | – | (638) |
| At 31 December 2024, net of accumulated depreciation | 81,119 | 22 | 2,592 | 2,424 | 117,011 | 203,168 |
| At 31 December 2024: | | | | | | |
| Cost | 162,500 | 434 | 6,532 | 4,277 | 128,173 | 301,916 |
| Accumulated depreciation | (81,381) | (412) | (3,940) | (1,853) | (11,162) | (98,748) |
| Net carrying amount | 81,119 | 22 | 2,592 | 2,424 | 117,011 | 203,168 |

At 31 December 2025, certain of the Group's buildings with an aggregate net carrying amount of approximately RMB104,575,000 (2024: RMB117,011,000) were pledged to secure bank borrowings granted to the Group (note 24).

# 14. LEASES

## THE GROUP AS A LESSEE

The Group has leasing contracts for office premises and buildings used in its operations. Lump sum payments were made upfront to acquire the leasehold land from the owners with lease periods of 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of office premises and buildings generally have lease terms between 2 and 5 years.

### (a) Right-of-use assets

The carrying amount of right-of-use assets and the movements during the year are as follows:

| | Leasehold land | Office premises and buildings | Total |
|---|---|---|---|
| | RMB'000 | RMB'000 | RMB'000 |
| As at 1 January 2024 | 43,445 | 34,176 | 77,621 |
| Additions | – | 4,140 | 4,140 |
| Depreciation charge | (913) | (7,980) | (8,893) |
| Exchange realignment | – | (770) | (770) |
| Lease modification | – | 836 | 836 |
| As at 31 December 2024 and 1 January 2025 | **42,532** | **30,402** | **72,934** |
| Additions | **–** | **2,139** | **2,139** |
| Depreciation charge | **(913)** | **(8,930)** | **(9,843)** |
| Exchange realignment | **–** | **1,657** | **1,657** |
| Lease modification | **–** | **286** | **286** |
| As at 31 December 2025 | **41,619** | **25,554** | **67,173** |

As at 31 December 2025, certain of the Group's leasehold land with an aggregate net carrying amount of approximately RMB41,619,000 (2024: RMB42,532,000) was pledged to secure bank borrowings granted to the Group (note 24).

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 14. LEASES (CONTINUED)

### THE GROUP AS A LESSEE (CONTINUED)

#### (b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Carrying amount at the beginning of the year | **29,989** | 33,747 |
| New leases | **2,139** | 4,140 |
| Accretion of interest recognised during the year | **1,359** | 1,520 |
| Lease modification | **286** | 836 |
| Payments | **(7,725)** | (9,495) |
| Exchange realignment | **1,608** | (759) |
| Carrying amount at the end of the year | **27,656** | 29,989 |
| Analysed into: | | |
| Current portion | **12,055** | 7,626 |
| Non-current portion | **15,601** | 22,363 |

The maturity analysis of lease liabilities is disclosed in note 37 to the financial statements.

#### (c) The amounts recognised in profit or loss in relation to leases are as follows:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Interest on lease liabilities | **1,359** | 1,520 |
| Depreciation charge of right-of-use assets | **9,843** | 8,893 |
| Expense relating to short-term leases (included in administrative expenses) | **3,255** | 1,979 |
| Total amount recognised in profit or loss | **14,457** | 12,392 |

The total cash outflow for leases is disclosed in note 31(c) to the financial statements.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 15. INTANGIBLE ASSETS

| | Patents and know-how RMB'000 | Software RMB'000 | Total RMB'000 |
|---|---|---|---|
| **31 December 2025** | | | |
| At 1 January 2025: | | | |
| Cost | **265,287** | **10,780** | **276,067** |
| Accumulated amortisation and impairment | **(175,795)** | **(7,798)** | **(183,593)** |
| Net carrying amount | **89,492** | **2,982** | **92,474** |
| Cost at 1 January 2025, net of accumulated amortisation and impairment | **89,492** | **2,982** | **92,474** |
| Amortisation provided during the year | **(15,125)** | **(515)** | **(15,640)** |
| At 31 December 2025 | **74,367** | **2,467** | **76,834** |
| At 31 December 2025: | | | |
| Cost | **265,287** | **10,780** | **276,067** |
| Accumulated amortisation and impairment | **(190,920)** | **(8,313)** | **(199,233)** |
| Net carrying amount | **74,367** | **2,467** | **76,834** |

| | Patents and know-how RMB'000 | Software RMB'000 | Total RMB'000 |
|---|---|---|---|
| **31 December 2024** | | | |
| At 1 January 2024: | | | |
| Cost | 265,287 | 11,561 | 276,848 |
| Accumulated amortisation and impairment | (160,669) | (7,762) | (168,431) |
| Net carrying amount | 104,618 | 3,799 | 108,417 |
| Cost at 1 January 2024, net of accumulated amortisation and impairment | 104,618 | 3,799 | 108,417 |
| Additions | – | 58 | 58 |
| Amortisation provided during the year | (15,126) | (707) | (15,833) |
| Disposals | – | (168) | (168) |
| At 31 December 2024 | 89,492 | 2,982 | 92,474 |
| At 31 December 2024: | | | |
| Cost | 265,287 | 10,780 | 276,067 |
| Accumulated amortisation and impairment | (175,795) | (7,798) | (183,593) |
| Net carrying amount | 89,492 | 2,982 | 92,474 |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 15. INTANGIBLE ASSETS (CONTINUED)

The Company acquired two pipelines through an asset acquisition, which were subsequently recorded as part of the Group's patents and know-how.

Intangible assets are tested for impairment based on the recoverable amount of the cash-generating unit ("CGU") to which the intangible asset is related. The appropriate CGU is at the product level. The impairment test was performed for each pipeline product by engaging an independent appraiser to estimate fair value less cost to sell as the recoverable amount of each pipeline product. The fair value was based on the multi-period excess earnings method and the Group estimated the forecast of profit for its pipeline products based on the timing of clinical development and regulatory approval, commercial ramp-up to reach expected peak revenue potential, and potential licensing-out upfront fee and the length of exclusivity for each pipeline product.

## 16. OTHER NON-CURRENT ASSETS

| | 2025<br>RMB'000 | 2024<br>RMB'000 |
|---|---|---|
| Recoverable withholding tax | – | 12,195 |

## 17. INVENTORIES

| | 2025<br>RMB'000 | 2024<br>RMB'000 |
|---|---|---|
| Raw materials | **29,073** | 45,433 |
| Work in process | **24,741** | 17,980 |
| Finished goods | **19,376** | 14,174 |
| Costs to fulfil a contract | **9,916** | 2,243 |
| Provision for impairment of inventories | **(28,177)** | (37,107) |
| Total | **54,929** | 42,723 |

For the year ended 31 December 2025, the impairment of inventories recognised in profit or loss amounted to RMB13,309,000 (2024: RMB15,072,000).

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 18. TRADE AND BILLS RECEIVABLES

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Trade and bills receivables | 5,569 | 3,538 |
| Impairment | (111) | (71) |
| Net carrying amount | 5,458 | 3,467 |

The Group's trading terms with its customers are mainly on credit, and the credit period is generally 15 to 30 days for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade and bills receivables are non-interest-bearing.

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Within 1 month | 4,775 | 3,375 |
| 1 to 3 months | 485 | 41 |
| Over 3 months | 198 | 51 |
| Total | 5,458 | 3,467 |

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| At beginning of year | 71 | – |
| Impairment losses, net | 40 | 71 |
| At end of year | 111 | 71 |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 18. TRADE AND BILLS RECEIVABLES (CONTINUED)

Set out below is the information about the credit risk exposure on the Group's trade and bills receivables using a provision matrix:

**As at 31 December 2025**

| | Within 1 month | 1 to 3 months | Over 3 months | Total |
|---|---|---|---|---|
| Expected credit loss rate | 2% | 2% | 2% | 2% |
| Gross carrying amount (RMB'000) | 4,872 | 495 | 202 | 5,569 |
| Expected credit losses (RMB'000) | 97 | 10 | 4 | 111 |

**As at 31 December 2024**

| | Within 1 month | 1 to 3 months | Over 3 months | Total |
|---|---|---|---|---|
| Expected credit loss rate | 2% | 2% | 2% | 2% |
| Gross carrying amount (RMB'000) | 3,444 | 42 | 52 | 3,538 |
| Expected credit losses (RMB'000) | 69 | 1 | 1 | 71 |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 19. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Prepayments | 5,802 | 5,254 |
| Export tax refund | – | 2,321 |
| Recoverable withholding tax | 2,450 | – |
| Deposits | 1,591 | 1,539 |
| Value-added tax recoverable | 27,278 | 15,731 |
| Listing expense | 9,550 | 1,408 |
| Other receivables | 4,243 | 14,175 |
| | 50,914 | 40,428 |
| Impairment allowance | (997) | (949) |
| Total | 49,917 | 39,479 |

In calculating the expected credit loss rate, the Group considers the historical loss rate and adjusts for forward-looking macroeconomic data. As at 31 December 2025, the loss allowance amounted to approximately RMB997,000 (2024: RMB949,000).

The movements in provision for impairment of other receivables are as follows:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| At beginning of year | 949 | 938 |
| Impairment losses, net | 48 | 11 |
| At end of year | 997 | 949 |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 20. CASH AND BANK BALANCES

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Current | | |
| Cash and cash equivalents | **406,746** | 167,867 |
| Restricted cash | **–** | 15,000 |
| Interest receivable on bank deposits | **–** | 757 |
| Subtotal | **406,746** | 183,624 |
| Non-current | | |
| Restricted cash | **890** | 794 |
| Total | **407,636** | 184,418 |
| Denominated in: | | |
| RMB | **164,741** | 153,678 |
| USD | **34,546** | 1,359 |
| EUR | **1,926** | 1 |
| AUD | **2,923** | 7,330 |
| SEK | **203,500** | 22,050 |
| Total | **407,636** | 184,418 |

The RMB is not freely convertible into other currencies, however, under the Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and restricted cash are deposited with creditworthy banks with no recent history of default.

As at 31 December 2024, restricted cash amounting to RMB15,000,000 classified as current included advance receipts from investors, which was subject to certain usage restrictions as agreed under the investment arrangement.

As at 31 December 2025, the Group placed an amount of RMB890,000 (2024: RMB794,000) as rental deposits.

## 21. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Within 1 month | 8,317 | 16,142 |
| 1 to 2 months | 1,967 | 4,728 |
| 2 to 3 months | 430 | 1,168 |
| Over 3 months | 911 | 2,187 |
| Total | 11,625 | 24,225 |

The trade payables are non-interest-bearing and are normally settled within 60 days.

## 22. OTHER PAYABLES AND ACCRUALS

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| **Current** | | |
| Payables for purchase of property, plant and equipment | 5,074 | 18,803 |
| Staff salaries, bonuses and welfare payables | 29,806 | 18,233 |
| Advance from investors | – | 15,000 |
| Government grants payable* | 14,692 | 13,892 |
| Other tax payable | 6,485 | 6,082 |
| Other payables | 14,024 | 11,917 |
| Amounts due to related parties (note 34) | – | 1,743 |
| Accrued expenses | 1,201 | 1,812 |
| Redemption liabilities** | 67,684 | – |
| Total | 138,966 | 87,482 |
| **Non-current** | | |
| Redemption liabilities** | 13,764 | 63,279 |

* Government grants payable will not be recognised in profit or loss until the criteria attached to the grants have been met.

** The non-controlling shareholder of Azemidite Biopharm Co., Ltd. ("Azemidite"), Tianjin Haihe Asymchem Biopharmaceutical Industry Innovation Investment L.P. has possessed since July 2026 the right to demand that the Group effectuates a redemption of its share capital.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 22. OTHER PAYABLES AND ACCRUALS (CONTINUED)

The non-controlling shareholders of Azemidite, Bohai Chuangfu Securities Investment Co., Ltd. ("Bohai Chuangfu") and Tianjin Zhongfu Runying Enterprise Management Consulting Partnership (Limited Partnership) ("Tianjin Zhongfu Runying") have possessed since 31 December 2030 the right to demand that the Group effectuates a redemption of its share capital under specific circumstances.

These redemption are to be calculated based on the original cost of the investment, inclusive of an agreed-upon interest rate. The implementation of these options are subject to the stipulations detailed in the shareholders' agreement.

Other payables classified as current are unsecured, non-interest-bearing and repayable on demand. The carrying amounts of financial liabilities included in other payables and accruals as at the end of the reporting period approximated to their fair values due to their short-term maturities.

## 23. CONTRACT LIABILITIES

| | 31 December 2025 RMB'000 | 31 December 2024 RMB'000 | 1 January 2024 RMB'000 |
|---|---|---|---|
| **Current** | | | |
| *Advances received from customers* | | | |
| Collaboration revenue | **64,294** | 67,124 | – |
| **Non-current** | | | |
| *Advances received from customers* | | | |
| Collaboration revenue | **–** | 64,294 | – |

Contract liabilities represented the obligations to provide services to customers from which the Group has received consideration. The increase in contract liabilities as of 31 December 2025 was mainly due to long-term advances received from a customer in relation to the provision of the right to access intellectual property. The decrease in contract liabilities as of 31 December 2025 was mainly due to the recognition of revenue from services provided to the customer.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 24. INTEREST-BEARING BANK AND OTHER BORROWINGS

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| | Effective interest rate (%) | Maturity | RMB'000 | Effective interest rate (%) | Maturity | RMB'000 |
| **Current** | | | | | | |
| Bank loans – unsecured | 2.50-4.50 | 2026 | 319,095 | 3.00-4.50 | 2025 | 186,258 |
| Bank loans – secured | 3.00-4.20 | 2026 | 53,938 | 3.60-4.20 | 2025 | 27,924 |
| Other borrowings – unsecured | – | – | – | 5.55 | on demand | 12,430 |
| Subtotal | | | 373,033 | | | 226,612 |
| **Non-current** | | | | | | |
| Bank loans – unsecured | 2.70-3.85 | 2027-2028 | 62,445 | 3.45-4.50 | 2026-2027 | 61,500 |
| Bank loans – secured | 3.50-4.20 | 2027-2030 | 86,936 | 3.85-4.20 | 2026-2030 | 110,781 |
| Subtotal | | | 149,381 | | | 172,281 |
| Total | | | 522,414 | | | 398,893 |

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Analysed into: | | |
| Bank loans and other borrowings repayable: | | |
| Within one year or on demand | 373,033 | 226,612 |
| In the second year | 70,284 | 73,345 |
| In the third to fifth years, inclusive | 79,097 | 86,517 |
| Beyond five years | – | 12,419 |
| Total | 522,414 | 398,893 |

As at 31 December 2025, the Group's secured bank borrowings of RMB110,901,000 (2024: RMB124,838,000) were secured by certain property, plant and equipment and right-of use assets with carrying amounts of RMB104,575,000 (2024: RMB117,011,000) and RMB41,619,000 (2024: RMB42,532,000), respectively, and the Group's secured bank borrowings of RMB29,973,000 (2024: RMB13,867,000) were secured by Tianjin SME Credit Financing Guarantee Co., Ltd.

All borrowings are denominated in RMB and are subject to a floating interest rate.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 25. DEFERRED INCOME

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Government grants | **32,881** | 25,402 |

The movements in deferred income during the year are as follows:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| At beginning of year | **25,402** | 24,145 |
| Grants received during the year | **9,246** | 2,594 |
| Credited to the statement of profit or loss during the year | **(1,767)** | (1,337) |
| At end of year | **32,881** | 25,402 |

## 26. DEFERRED TAX

The movements in deferred tax liabilities and assets during the year are as follows:

### DEFERRED TAX LIABILITIES

| | Right-of-use assets RMB'000 |
|---|---|
| As at 1 January 2024 | 8,544 |
| Deferred tax credited to the consolidated statement of profit or loss during the year | (751) |
| Exchange differences | (192) |
| Gross deferred tax liabilities at 31 December 2024 | 7,601 |
| As at 1 January 2025 | **7,601** |
| Deferred tax credited to the consolidated statement of profit or loss during the year | **(1,626)** |
| Exchange differences | **414** |
| Gross deferred tax liabilities at 31 December 2025 | **6,389** |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 26. DEFERRED TAX (CONTINUED)

### DEFERRED TAX ASSETS

| | Lease liabilities | Losses available for offsetting against future taxable profits | Total |
|---|---|---|---|
| | RMB'000 | RMB'000 | RMB'000 |
| As at 1 January 2024 | 8,437 | 107 | 8,544 |
| Deferred tax charged to the consolidated statement of profit or loss during the year | (748) | (3) | (751) |
| Exchange differences | (192) | – | (192) |
| Gross deferred tax assets at 31 December 2024 | 7,497 | 104 | 7,601 |
| As at 1 January 2025 | **7,497** | **104** | **7,601** |
| Deferred tax charged to the consolidated statement of profit or loss during the year | **(1,522)** | **(104)** | **(1,626)** |
| Exchange differences | **414** | **–** | **414** |
| Gross deferred tax assets at 31 December 2025 | **6,389** | **–** | **6,389** |

As at 31 December 2025, deferred tax assets have not been recognised in respect of tax losses of RMB2,051,411,000 (2024: RMB1,930,557,000) arising in the Chinese mainland, which would expire in one to five years for offsetting against future taxable profits.

As at 31 December 2025, deferred tax assets have not been recognised in respect of tax losses of RMB40,964,000 (2024: RMB29,239,000) arising in Australia, which would expire in one to twenty years for offsetting against future taxable profits.

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 26. DEFERRED TAX (CONTINUED)

### DEFERRED TAX ASSETS (CONTINUED)

#### Net deferred tax recognised in the consolidated statement of financial position

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Net deferred tax assets/liabilities | – | – |

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

## 27. SHARE CAPITAL

### SHARES

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Issued and fully paid: | | |
| 134,203,000 (2024: 129,610,000) ordinary shares | 134,203 | 129,610 |

A summary of movements in the Company's issued share capital during the year is as follows:

| | Notes | Number of shares in issue | Share capital RMB'000 |
|---|---|---|---|
| As at 1 January 2024 | | 128,385,641 | 128,386 |
| Issuance of ordinary shares | (a) | 1,224,464 | 1,224 |
| As at 31 December 2024 and 1 January 2025 | | 129,610,105 | 129,610 |
| Issuance of ordinary shares | (b) | 4,593,005 | 4,593 |
| As at 31 December 2025 | | 134,203,110 | 134,203 |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 27. SHARE CAPITAL (CONTINUED)

### SHARES (CONTINUED)

Notes:

(a) In August 2024, the Company entered into a share subscription agreement with Wenzhou Chouqin Borui Venture Investment L.P. ("Wenzhou Chouqin") and Hangzhou Panlin Xukang Venture Investment L.P. ("Panlin Xukang"). According to the agreement, the investors agreed to invest in the Company by subscribing for 1,224,464 shares at a total consideration of RMB45,779,000. As at 31 December 2024, the consideration was fully settled by these investors.

(b) In January 2025, the Company entered into a share subscription agreement with Yantai Muxin Biopharmaceutical Health Industry Development Partnership (Limited Partnership) ("Muxin Health") and Shenzhen Xinchuang Medical Private Equity Investment Fund Partnership (Limited Partnership) ("Shenzhen Xinchuang"). According to the agreement, the investors agreed to invest in the Company by subscribing for 534,940 shares at a total consideration of RMB20,000,000.

In June 2025, Jinan Mingxin Industrial Investment Fund Partnership (Limited Partnership) ("Jinan Mingxin"), Langma Ninety-Five (Shenzhen) Private Equity Venture Investment Fund Partnership (Limited Partnership) ("Langma Ninety-Five"), Langma Ninety-Six (Shenzhen) Private Equity Venture Investment Fund Partnership (Limited Partnership) ("Langma Ninety-Six"), MI Zhongye, Kunshan Hi-tech Venture Investment Co., Ltd. ("Kunshan Hi-tech Venture"), Kunshan Guoke Venture Capital Co., Ltd. ("Kunshan Guoke") and LI Xiaofen entered into share subscription agreements with the Company, pursuant to which these investors agreed to invest in the Company by subscribing for 4,058,065 shares at a total consideration of RMB151,720,479. As at 31 December 2025, the consideration was fully settled by these investors.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 28. RESERVES

### (A) GROUP

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity in the financial statements.

### (B) SHARE PREMIUM

The share premium of the Group represents the excess of the consideration received for subscription of the registered capital of the Company, the additional contribution made by the shareholders of the Company's subsidiaries and, in the case of an additional contribution made by the Company to a non-wholly-owned subsidiary, and the difference between the contribution and the shareholders' interests acquired.

## 29. SHARE-BASED PAYMENTS

### (A) RESTRICTED SHARE INCENTIVE PLAN

The Group approved and adopted a stock incentive scheme (the "Stock Incentive Plan") for certain employees of the Group ("Share Incentive Participants") in order to recognise the contributions of Share Incentive Participants to the growth and development of the Group, and incentivise them to further promote the development of the Group.

In order to implement the Stock Incentive Plan, Kunshan Ruiman Enterprise Management Consulting LP ("Kunshan Ruiman"), Kunshan Ruijing Enterprise Management Consulting LP ("Kunshan Ruijing"), Kunshan Ruixiang Enterprise Management Consulting LP ("Kunshan Ruixiang"), Kunshan Ruilang Enterprise Management Consulting LP ("Kunshan Ruilang"), Kunshan Ruixing Enterprise Management Consulting LP ("Kunshan Ruixing") and Kunshan Ruizhuo Enterprise Management Consulting LP ("Kunshan Ruizhuo") were established and designated as stock incentive platforms to hold the shares specially awarded to the eligible participants as the ultimate beneficial owners.

Pursuant to the board resolution on 20 May 2020, the board of directors of the Company awarded 1,846,517 restricted share units ("RSUs") of the Group as mentioned above to 69 incentive subjects.

| | Date of grant | Number of RSUs granted | Vesting price per share | Requisite service period |
|---|---|---|---|---|
| 1 | 2020/5/20 | 676,734 | RMB1.00 | – |
| 2 | 2020/5/20 | 178,783 | RMB1.00 | 4 years |
| 3 | 2020/5/20 | 991,000 | RMB8.60 | 4 years |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 29. SHARE-BASED PAYMENTS (CONTINUED)

### (A) RESTRICTED SHARE INCENTIVE PLAN (CONTINUED)

Share-based payment expenses recognised by the Group amounted to RMB1,361,000 for the year ended 31 December 2025 (2024: RMB12,425,000). The fair value of the shares was determined based on the transaction prices observed in third-party transactions during the nearest period.

The following RSUs were outstanding under the Stock Incentive Plan during the reporting period:

| | 2025 Number of RSUs | 2024 Number of RSUs |
|---|---|---|
| At the beginning of the year | – | 1,169,783 |
| Granted during the year | – | 6,000 |
| Vested during the year | – | (1,169,783) |
| Forfeited during the year | – | (6,000) |
| At the end of the year | – | – |

On 9 April 2025, the Company awarded 40,000 RSUs of the Group as mentioned above to one incentive object.

| Date of grant | Number of RSUs granted | Vesting price per share | Requisite service period |
|---|---|---|---|
| 2025/4/09 | 40,000 | RMB3.37 | – |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 29. SHARE-BASED PAYMENTS (CONTINUED)

### (B) SHARE OPTION SCHEME

The Company operates a share option scheme ("Option Scheme") for the purpose to recognise and acknowledge the contributions that the eligible participants of the Option Scheme had or may have made to the Company. Eligible participants of the Option Scheme include the Company's directors, including independent non-executive directors and other employees of the Group. The Option Scheme was adopted pursuant to the resolutions of the Company's shareholders passed on 8 February 2025 ("Adoption Date") and shall be valid and effective for a period which is not later than 10 years commencing on the Adoption Date or 60 months from the date of initial public offering ("IPO"), if earlier.

The maximum number of shares which may be issued upon exercise of all options to be granted under the Option Scheme and other share option schemes of the Company shall not in aggregate exceed 10% of the total number of shares in issue as at the listing date unless the Company obtains approval from its shareholders in general meetings and/or such other requirements prescribed under the Listing Rules and must not exceed 30% of the total number of shares in issue from time to time. The total number of shares issued and to be issued upon exercise of the options granted to each grantee (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of the Company's shares in issue, unless approval of the Company's shareholders in general meetings is obtained and/or such other requirements prescribed under the Listing Rules.

The period within which the shares must be taken up under an option shall be determined by the board at its absolute discretion and in any event, such period shall not be longer than 10 years from the date upon which any particular option is granted in accordance with the Option Scheme.

The exercise price of share options is determinable by the directors and is set at 10% of the transaction prices observed in third-party transactions during the nearest period.

On 8 February 2025, 2,174,000 options were granted to six directors and certain employees of the Company, entitling them to subscribe for a total of 2,174,000 shares at the exercise price of RMB3.7 per share. Among the options resolved to grant, one employee has not accepted his respective offer of 60,000 options.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 29. SHARE-BASED PAYMENTS (CONTINUED)

### (B) SHARE OPTION SCHEME (CONTINUED)

The following share options were outstanding under the Option Scheme during the year:

| | 2025 | |
|---|---|---|
| | Weighted average exercise price RMB per share | Number of options |
| At 1 January | | |
| Granted during the year | 3.7 | 2,114,000 |
| Forfeited during the year | 3.7 | (100,000) |
| At 31 December | 3.7 | 2,014,000 |

The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

| Number of options | Exercise price | Vesting date | Exercise period |
|---|---|---|---|
| 1,007,000 | RMB3.7 | 24 months after the date of IPO | 12 months from the date of vesting |
| 1,007,000 | RMB3.7 | 36 months after the date of IPO | 12 months from the date of vesting |
| 2,014,000 | | | |

The fair value of the share options at the date of grant was RMB71,583,000 (RMB33.86 each), of which the Group recognised a share option expense of RMB17,420,000 during the year ended 31 December 2025.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 29. SHARE-BASED PAYMENTS (CONTINUED)

### (B) SHARE OPTION SCHEME (CONTINUED)

The fair value of equity-settled share options granted during the year ended 31 December 2025 was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

| | 31 December 2025 |
|---|---|
| Dividend yield (%) | – |
| Expected volatility (%) | 37.79,39.24 |
| Historical volatility (%) | 37.79,39.24 |
| Risk-free interest rate (%) | 1.32,1.39 |
| Expected life of options (year) | 3.90,4.90 |
| Weighted average share price (RMB per share) | 37.39 |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 30. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiaries that have material non-controlling interests are set out below:

| | 2025 | 2024 |
|---|---|---|
| Percentage of equity interests held by non-controlling interests: | | |
| Azemidite Biopharm Co., Ltd. (Note) | **32.97%** | 29.41% |
| Ribocure Pharmaceuticals AB (Note) | **49.71%** | 24.18% |

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| (Loss)/profit for the year allocated to non-controlling interests: | | |
| Azemidite Biopharm Co., Ltd. | **(11,556)** | (12,099) |
| Ribocure Pharmaceuticals AB | **1,161** | 758 |
| Accumulated balances of non-controlling interests at the reporting date: | | |
| Azemidite Biopharm Co., Ltd. | **(10,162)** | (2,013) |
| Ribocure Pharmaceuticals AB | **130,874** | 1,306 |

Note: In June 2025, Ribocure Pharmaceuticals AB entered into a share subscription agreement with Erik Selin Fastigheter AB and Co Activate AB, pursuant to which Erik Selin Fastigheter AB and Co Activate AB subscribed for 616,862 and 19,277 shares in Ribocure AB at considerations of US$32,000,000 and US$1,000,000, respectively, which were settled on the same date. Upon such subscription, the shareholding of Ribocure AB held by the Company decreased from 75.82% to 50.29%.

In August 2025, Azemidite Biopharm Co., Ltd. entered into a Shareholders' Agreement on Capital Increase with Tianjin Qingyuanxing Enterprise Management Consulting L.P., Tianjin Qingyuanbo Enterprise Management Consulting L.P. and Tianjin Qingyuanrun Enterprise Management Consulting L.P., which stipulates that the rights of minority shareholders, including voting rights and rights to dividends, are only effective upon full payment of their subscribed capital. As of 31 December 2025, the minority shareholders have not completed the capital contribution. Therefore, they do not hold any rights in the consolidated financial statements. The non-controlling interest is measured based on the proportion of paid-up capital to the total paid-up capital.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 30. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (CONTINUED)

In September 2025, Azemidite Biopharm Co., Ltd. entered into a share subscription agreement with Bohai Chuangfu Securities Investment Co., Ltd and Tianjin Zhongfu Runying Enterprise Management Consulting Partnership (Limited Partnership), pursuant to which, Bohai Chuangfu Securities Investment Co., Ltd and Tianjin Zhongfu Runying Enterprise Management Consulting Partnership (Limited Partnership) subscribed for 868,795 and 304,078 shares in Azemidite Biopharm Co., Ltd. at considerations of RMB10,000,000 and RMB3,500,000, respectively, which were settled in September 2025 and November 2025, respectively. Upon such subscription, the shareholding of Azemidite Biopharm Co., Ltd. held by the Company decreased from 70.59% to 67.03%.

The following tables illustrate the summarised financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations:

| | Azemidite Biopharm Co., Ltd. RMB'000 | Ribocure Pharmaceuticals AB RMB'000 |
|---|---|---|
| **As at 31 December 2025** | | |
| Current assets | **35,790** | **302,896** |
| Non-current assets | **173,701** | **17,145** |
| Current liabilities | **188,179** | **49,236** |
| Non-current liabilities | **119,817** | **7,544** |

| | Azemidite Biopharm Co., Ltd. RMB'000 | Ribocure Pharmaceuticals AB RMB'000 |
|---|---|---|
| **As at 31 December 2024** | | |
| Current assets | 21,356 | 49,144 |
| Non-current assets | 190,384 | 19,161 |
| Current liabilities | 82,400 | 29,435 |
| Non-current liabilities | 199,463 | 8,895 |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 31. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

### (A) MAJOR NON-CASH TRANSACTIONS

During the year ended 31 December 2025, the Group had non-cash additions to right-of-use and lease liabilities of RMB2,139,000 (2024: RMB4,140,000), in respect of lease arrangements for buildings.

### (B) CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

| | Advance from an investor included in other payables and accruals<br>RMB'000 | Interest-bearing bank and other borrowings<br>RMB'000 | Lease liabilities<br>RMB'000 |
|---|---|---|---|
| At 1 January 2024 | – | 380,992 | 33,747 |
| Changes from financing cash flows | 15,000 | 3,141 | (9,495) |
| Interest expense | – | 14,760 | 1,520 |
| Lease modification | – | – | 836 |
| Exchange realignment | – | – | (759) |
| New leases | – | – | 4,140 |
| At 31 December 2024 and 1 January 2025 | **15,000** | **398,893** | **29,989** |
| Changes from financing cash flows | **–** | **108,110** | **(7,725)** |
| Recognised in share capital and reserves | **(15,000)** | **–** | **–** |
| Interest expense | **–** | **15,411** | **1,359** |
| Lease modification | **–** | **–** | **286** |
| Exchange realignment | **–** | **–** | **1,608** |
| New leases | **–** | **–** | **2,139** |
| At 31 December 2025 | **–** | **522,414** | **27,656** |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 31. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

### (C) TOTAL CASH OUTFLOW FOR LEASES

The total cash outflow for leases included in the statement of cash flows is as follows:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Within operating activities | **3,255** | 1,979 |
| Within financing activities | **7,725** | 9,508 |
| Total | **10,980** | 11,487 |

## 32. PLEDGE OF ASSETS

Details of the Group's interest-bearing borrowings, which are secured by the assets of the Group, are included in note 24 to the financial statements.

## 33. COMMITMENTS

The Group had the following contractual commitments at the end of the reporting period:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Plant and machinery | **8,494** | 437 |

# 34. RELATED PARTY TRANSACTIONS

(a) Related parties for the years ended 31 December 2025 and 2024 were as follows:

| Name | Relationship with the Company |
|---|---|
| Dr. Liang Zicai | A member of the Group's single largest group of shareholders |
| Dr. Zhang Hongyan | A member of the Group's single largest group of shareholders |
| Dr. Gan Liming | Executive director |
| Dr. Gao Shan | Senior management |
| Dr. Tong Cheng | Senior management |
| Mr. Zhang Su | Senior management |

(b) Outstanding balances with related parties of the Group:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Other payables and accruals: | | |
| Due to related parties: | | |
| Dr. Liang Zicai | – | 400 |
| Dr. Zhang Hongyan | – | 400 |
| Dr. Gan Liming | – | 17 |
| Dr. Gao Shan | – | 354 |
| Dr. Tong Cheng | – | 572 |
| Total | – | 1,743 |

The Group's balances due to the related parties are non-trade in nature, unsecured, non-interest-bearing and have no fixed terms of repayment.

(c) Compensation of key management personnel of the Group:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Salaries, bonuses, allowances and benefits in kind | 23,041 | 16,708 |
| Pension scheme contributions | 1,796 | 911 |
| Share-based payment expenses | 10,024 | 6,999 |
| Total | 34,861 | 24,618 |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 35. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

### FINANCIAL ASSETS

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Financial assets at amortised cost | | |
| Trade and bills receivables | **5,458** | 3,467 |
| Financial assets included in prepayments, deposits and other assets | **4,837** | 14,765 |
| Cash and bank balances | **407,636** | 184,418 |
| Total | **417,931** | 202,650 |

### FINANCIAL LIABILITIES

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| Financial liabilities at amortised cost | | |
| Trade payables | **11,625** | 24,225 |
| Financial liabilities included in other payables and accruals | **100,546** | 95,742 |
| Interest-bearing bank and other borrowings | **522,414** | 398,893 |
| Lease liabilities | **27,656** | 29,989 |
| Total | **662,241** | 548,849 |

# 36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments approximate to fair values.

Management has assessed that the fair values of cash and cash equivalents, trade and bills receivables, financial assets included in prepayments, other receivables and other assets, trade payables, the current portion of interest-bearing bank and other borrowings, financial liabilities included in other payables and accruals, and amounts due from/to subsidiaries approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of interest-bearing bank and other borrowings and restricted cash have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank and other borrowings as at 31 December 2025 and 2024 were assessed to be insignificant.

## FAIR VALUE HIERARCHY

The Group did not have any financial assets and liabilities measured at fair value during the year.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and cash equivalents and bank loans. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as other receivables and other payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

### INTEREST RATE RISK

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with a floating interest rate.

A 100 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 100 basis points higher and all other variables were held constant, the Group's loss before tax would have increased by approximately RMB1,109,000 (2024: RMB1,108,000) for the year ended 31 December 2025.

# 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

## FOREIGN CURRENCY RISK

The Group's major businesses are carried out in the Chinese mainland and Sweden and most of the transactions are conducted in RMB and USD. Most of the Group's assets and liabilities are denominated in RMB. The Group did not have material foreign currency risk during the year. As at 31 December 2025, the Group's assets and liabilities denominated in USD were mainly held by the Company and certain subsidiaries incorporated outside the Chinese mainland which had currencies other than RMB as their functional currencies. The Company and those subsidiaries incorporated outside the Chinese mainland also held bank balances denominated in RMB, from which foreign currency exposures arise.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the USD and RMB exchange rate, with all other variables held constant, of the Group's loss before tax.

| | **Increase/ (decrease) in USD/RMB rate** % | **Increase/ (decrease) in loss before tax** RMB'000 |
|---|---|---|
| 2025 | | |
| If the RMB weakens against the USD | **5** | **(1,727)** |
| If the RMB strengthens against the USD | **(5)** | **1,727** |
| 2024 | | |
| If the RMB weakens against the USD | 5 | (68) |
| If the RMB strengthens against the USD | (5) | 68 |

## CREDIT RISK

The Group trades only with recognised and creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### CREDIT RISK (CONTINUED)

#### Maximum exposure and year end staging

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year end staging classification as at 31 December. The amounts presented are gross carrying amounts for financial assets.

**31 December 2025**

| | 12-month ECLs | Lifetime ECLs | | | |
|---|---|---|---|---|---|
| | Stage 1 RMB'000 | Stage 2 RMB'000 | Stage 3 RMB'000 | Simplified approach RMB'000 | Total RMB'000 |
| Trade and bills receivables | – | – | – | 5,569 | 5,569 |
| Financial assets included in prepayments, other receivables and other assets | | | | | |
| – Normal* | 4,375 | 1,459 | – | – | 5,834 |
| Cash and bank balances | | | | | |
| – Not yet past due | 407,636 | – | – | – | 407,636 |
| Total | 412,011 | 1,459 | – | 5,569 | 419,039 |

# 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

## CREDIT RISK (CONTINUED)

### Maximum exposure and year end staging (Continued)

**31 December 2024**

| | 12-month ECLs | Lifetime ECLs | | | |
|---|---|---|---|---|---|
| | Stage 1 RMB'000 | Stage 2 RMB'000 | Stage 3 RMB'000 | Simplified approach RMB'000 | Total RMB'000 |
| Trade receivables | – | – | – | 3,538 | 3,538 |
| Financial assets included in prepayments, other receivables and other assets | | | | | |
| – Normal* | 3,514 | 12,200 | – | – | 15,714 |
| Cash and bank balances | | | | | |
| – Not yet past due | 184,418 | – | – | – | 184,418 |
| Total | 187,932 | 12,200 | – | 3,538 | 203,670 |

* The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

At the end of the reporting period, the Group had certain concentrations of credit risk as 43.89% (2024: 92.02%) and 93.00% (2024: 97.55%) of the Group's trade receivables were due from the Group's largest customer and the five largest customers, respectively.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### LIQUIDITY RISK

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the operations and mitigate the effects of fluctuations in cash flows.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

| | As at 31 December 2025 | | | |
|---|---|---|---|---|
| | Less than 1 year RMB'000 | 1 to 5 years RMB'000 | Over 5 years RMB'000 | Total RMB'000 |
| Trade payables | **11,625** | **–** | **–** | **11,625** |
| Financial liabilities included in other payables and accruals | **89,098** | **19,213** | **–** | **108,311** |
| Interest-bearing bank and other borrowings | **383,544** | **156,541** | **–** | **540,085** |
| Lease liabilities | **12,917** | **16,435** | **–** | **29,352** |
| Total | **497,184** | **192,189** | **–** | **689,373** |

| | As at 31 December 2024 | | | |
|---|---|---|---|---|
| | Less than 1 year RMB'000 | 1 to 5 years RMB'000 | Over 5 years RMB'000 | Total RMB'000 |
| Trade payables | 24,225 | – | – | 24,225 |
| Financial liabilities included in other payables and accruals | 32,463 | 70,000 | – | 102,463 |
| Interest-bearing bank and other borrowings | 236,595 | 171,511 | 12,581 | 420,687 |
| Lease liabilities | 9,027 | 24,398 | – | 33,425 |
| Total | 302,310 | 265,909 | 12,581 | 580,800 |

# 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

## CAPITAL MANAGEMENT

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 December 2025 and 31 December 2024.

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

| | 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|
| **NON-CURRENT ASSETS** | | |
| Property, plant and equipment | **39,212** | 47,716 |
| Right-of-use assets | **4,892** | 6,096 |
| Intangible assets | **2,464** | 2,977 |
| Investments in subsidiaries | **385,936** | 253,540 |
| Other non-current assets | **–** | 12,195 |
| Total non-current assets | **432,504** | 322,524 |
| **CURRENT ASSETS** | | |
| Inventories | **31,843** | 26,563 |
| Amounts due from subsidiaries | **53,843** | 28,431 |
| Loan from a subsidiary | **43,613** | 31,069 |
| Trade receivables | **–** | 3,190 |
| Prepayments, other receivables and other assets | **35,358** | 30,678 |
| Cash and bank balances | **125,317** | 147,944 |
| Total current assets | **289,974** | 267,875 |
| **CURRENT LIABILITIES** | | |
| Trade payables | **7,346** | 18,354 |
| Other payables and accruals | **33,222** | 41,679 |
| Amounts due to subsidiaries | **77,233** | 42,516 |
| Contract liabilities | **64,294** | 67,124 |
| Interest-bearing bank and other borrowings | **312,165** | 198,689 |
| Lease liabilities | **5,207** | 2,147 |
| Total current liabilities | **499,467** | 370,509 |
| **NET CURRENT LIABILITIES** | **(209,493)** | (102,634) |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | **223,011** | 219,890 |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

| | 2025<br>RMB'000 | 2024<br>RMB'000 |
|---|---|---|
| **NON-CURRENT LIABILITIES** | | |
| Interest-bearing bank and other borrowings | **62,445** | 61,500 |
| Lease liabilities | **1,971** | 4,094 |
| Contract liabilities | **–** | 64,294 |
| Total non-current liabilities | **64,416** | 129,888 |
| Net assets | **158,595** | 90,002 |
| **EQUITY** | | |
| Share capital | **134,203** | 129,610 |
| Reserves (note) | **24,392** | (39,608) |
| **Total equity** | **158,595** | 90,002 |

Note:

A summary of the Company's reserves is as follows:

| | Share premium and other reserve<br>RMB'000 | Share-based payments<br>RMB'000 | Accumulated losses<br>RMB'000 | Total<br>RMB'000 |
|---|---|---|---|---|
| Balance at 1 January 2024 | 1,070,528 | 180,200 | (1,121,797) | 128,931 |
| Total comprehensive income for the year | – | – | (225,519) | (225,519) |
| Issue of shares | 44,555 | – | – | 44,555 |
| Share-based payments | – | 12,425 | – | 12,425 |
| Transfer of vested shares under restricted share incentive plan | 192,625 | (192,625) | – | – |
| At 31 December 2024 and 1 January 2025 | **1,307,708** | **–** | **(1,347,316)** | **(39,608)** |
| Total comprehensive income for the year | **–** | **–** | **(121,908)** | **(121,908)** |
| Issue of shares | **167,127** | **–** | **–** | **167,127** |
| Share-based payments | **–** | **18,781** | **–** | **18,781** |
| Transfer of vested shares under restricted share incentive plan | **1,361** | **(1,361)** | **–** | **–** |
| At 31 December 2025 | **1,476,196** | **17,420** | **(1,469,224)** | **24,392** |

# NOTES TO FINANCIAL STATEMENTS

31 December 2025

## 39. EVENTS AFTER THE REPORTING PERIOD

### LISTING OF THE SHARES OF THE COMPANY

In connection with the listing of the shares of the Company on the Main Board of the Hong Kong Stock Exchange, 31,610,400 new ordinary shares (with the full exercise of the offer size adjustment option and before any exercise of the over-allotment option) with a nominal value of RMB1.0 each were issued at a price of HK$57.97 per ordinary share including share premium for a total cash consideration of HK$1,832,455,000, before deducting underwriting fees, commissions and related expenses. Dealing of the shares of the Company on the Main Board of the Hong Kong Stock Exchange commenced on 9 January 2026.

In February 2026, 4,741,400 shares were issued by the partial exercise of the over-allotment option at a price of HK$57.97 per ordinary share including share premium for a total cash consideration of HK$274,859,000, before deducting underwriting fees, commissions and related expenses.

## 40. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 25 March 2026.