藥捷安康（南京）科技股份有限公司
TransThera Sciences (Nanjing), Inc.

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

STOCK CODE : 2617

2025
ANNUAL REPORT

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors
Dr. Frank Wu (吳永謙) *(Chairman)*
Mr. Wu Di (吳笛)

Non-Executive Directors
Ms. Jia Zhongxin (賈中新)
Dr. Yi Hua (易華) *(resigned on 31 March 2026)*

Independent Non-Executive Directors
Ms. Chui Hoi Yam (徐海音)
Ms. Zheng Zhelan (鄭哲蘭)
Mr. Li Shu Pai (李書湃)

SUPERVISORS

Ms. Zhao Weili (趙衛麗)
Mr. Mei Jianghua (梅江華)
Ms. Pang Yajing (龐亞京)

BOARD COMMITTEES

Audit Committee
Mr. Li Shu Pai (李書湃) *(Chairman)*
Ms. Zheng Zhelan (鄭哲蘭)
Ms. Jia Zhongxin (賈中新)

Remuneration and Appraisal Committee
Ms. Zheng Zhelan (鄭哲蘭) *(Chairlady)*
Ms. Chui Hoi Yam (徐海音)
Ms. Jia Zhongxin (賈中新)

Nomination Committee
Ms. Chui Hoi Yam (徐海音) *(Chairlady)*
Ms. Zheng Zhelan (鄭哲蘭)
Dr. Frank Wu (吳永謙)

Strategy Committee
Dr. Frank Wu (吳永謙) *(Chairman)*
Ms. Chui Hoi Yam (徐海音)
Ms. Jia Zhongxin (賈中新)

JOINT COMPANY SECRETARIES

Ms. Feng Jie (馮潔)
Ms. Wong Tik (黃荻)

H SHARE REGISTRAR

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17/F, Far East Finance Centre
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Hong Kong

AUTHORIZED REPRESENTATIVES

Mr. Wu Di (吳笛)
Ms. Wong Tik (黃荻)

REGISTERED OFFICE

Floor 3, Building 9, Accelerator Phase 2 Biotech and Pharmaceutical Valley, Jiangbei New Area, Nanjing
Jiangsu Province
PRC

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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Biotech and Pharmaceutical Valley
Jiangbei New Area, Nanjing
Jiangsu Province
PRC

CORPORATE INFORMATION

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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18 Harbour Road,
Wanchai,
Hong Kong

PRINCIPAL BANKS

Bank of China
Bank of Nanjing

LEGAL ADVISORS

As to Hong Kong and U.S. laws:
O'Melveny & Myers

As to PRC laws:
Jia Yuan Law Offices

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor
27/F, One Taikoo Place
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COMPLIANCE ADVISER

Central China International Capital Limited

COMPANY'S WEBSITE

www.transthera.com

STOCK CODE

2617

CHAIRMAN'S STATEMENT

Dear Shareholders,

As we bid farewell to the past year and embrace the new, we are poised to make history in the next chapter. By 2025, TransThera has been committed to ploughing its resources into the field of life and health for nine consecutive years, which is also a crucial year for us to anchor our direction and break through with innovation amidst the changing industrial landscape. Faced with the continuing adjustments in the global political and economic landscape, we have always maintained our original aspiration of "solving unmet clinical needs through technological innovation". By strategically positioning our business operations through the lens of globalization, we have firmly grasped the two core engines of "innovation" and "going global" amidst industry differentiation and adjustment, presenting an annual report of TransThera with practical work and perseverance.

As the year draws to a close, we are grateful and pleased to introduce you to our business developments in 2025 and our planning and outlook for 2026.

I. OUR SUCCESSFUL LISTING ON THE HKEX TAPS INTO A GLOBAL CAPITAL PLATFORM

On 23 June 2025, TransThera was officially listed on the Main Board of The Stock Exchange of Hong Kong Limited, representing a development milestone in the Company's history and signifying our entry into a new phase of strategic positioning in the capital markets. The Company's H-share offering received wide recognition and active response from the global capital market, fully demonstrating the market's firm confidence in the value of the Company's innovative pipeline and its potential for global development. The listing in Hong Kong also provides solid support for the Company to continue its commitment to innovative drugs and accelerate its global pace.

II. NDA FOR CORE PRODUCT TINENGOTINIB ACCELERATES OUR COMMERCIAL POSITIONING

Innovation is the core vitality of a biotechnology company, while clinical value means the bedrock of innovation. In 2025, the Company's core product, Tinengotinib, achieved breakthrough in our global clinical advancement. Our solid clinical data successfully enabled us to receive triple qualification endorsements from China, the U.S., and Europe, and our research results were published at top international medical conferences such as AACR, ASCO, and ESMO, receiving high-level attention and recognition from the global clinical academic community. During the Reporting Period, the registrational clinical trial data of Tinengotinib targeting the patient population with drug-resistant cholangiocarcinoma was granted "Priority Review Designation" by the CDE in China. The Company has submitted a New Drug Application (NDA) which has been accepted, and the product will shortly become the first to achieve the commercialization stage in China; meanwhile, the international multi-center Phase III clinical trial in the field of cholangiocarcinoma is also progressing steadily. At the same time, we are actively expanding the indication boundaries of our core product, continuing exploration in large indication areas such as prostate cancer, breast cancer, and liver cancer. The entry of multiple pipelines into Phase II clinical stage has helped us build a diversified product indication matrix, laying a solid foundation for the market expansion and value amplification of blockbuster varieties.

III. DEEPENING INTERNATIONAL COOPERATION ON BUSINESS DEVELOPMENT HIGHLIGHTS OUR STRENGTH IN INNOVATIVE VALUE

Driven by globalization, it has been inevitable for domestic innovative pharmaceutical enterprises to promote innovative achievements to the world and achieve global value resonance. In November 2025, we entered into a strategic collaboration with Neurocrine Biosciences in the U.S. involving a potential total value of US$881.5 million. This collaboration represents the first international collaboration breakthrough for a Chinese enterprise in the field of the NLRP3 target, and further becomes another milestone in the implementation of the Company's globalization strategy. This collaboration fully validates the Company's original R&D capabilities and pipeline value. While being highly recognized by the international market, we will leverage the partner's global R&D and commercialization network to accelerate the promotion of innovative achievements to benefit global patients, injecting strong momentum into the Company's globalization efforts.

IV. A ROBUST AND TIERED PIPELINE STRATEGICALLY POSITIONS US TO ACHIEVE SUSTAINABLE GROWTH MOMENTUM

Continuous pipeline iteration and its strategic positioning represent the core safeguards for the Company to maintain its long-term competitiveness. As of the end of 2025, we have 6 products that have entered the clinical stage, forming a comprehensive and layered pipeline covering multiple therapeutic areas such as oncology and autoimmune diseases. In addition to our core product Tinengotinib, we advance forward with our R&D work in respect of multiple product candidates in an orderly manner. Furthermore, we are also actively promoting the project initiation and preclinical R&D of new molecules, focusing on unmet clinical needs, while continuing to strengthen the Company's differentiated competitive advantage in the small molecule field to reserve sufficient momentum for future performance growth.

FUTURE AND OUTLOOK

Looking into 2026, TransThera will enter a pivotal year for commercial transformation, as well as a critical period for deepening our positioning in the pipeline and ploughing resources into the globalization efforts. Taking the market launch of Tinengotinib as our core goal, we will accelerate the advancement of various clinical enrollments and the formation of the commercialization team, and strive to realize the grand vision of commercializing the core product and benefiting patients as soon as possible. At the same time, we will focus on differentiated fields to continue to strengthen our pipeline R&D efforts. On one hand, we will accelerate the clinical trial process of other potential indications for the core product to broaden the target patient population. On the other hand, we will continue to upgrade the preclinical and clinical research systems, and strengthen the exploration and iteration of new molecules, building a solid foundation for our differentiated competition. In addition, we will also continue to deepen our globalization strategy and actively expand our global collaboration network. We firmly believe that only by adhering to a clinical value-oriented approach, entrenching ourselves in original innovation, and embracing global collaboration can we achieve steady and long-term progress amidst the fierce industry competition, providing patients with higher quality, more effective, and safer treatment solutions, and empowering TransThera to make contributions to the cause of human health.

Finally, I would like to express my sincere gratitude to all shareholders for your trust and support, and extend my appreciation to our partners for standing alongside us in pursuit of our shared vision. I would also like to thank all colleagues for their dedication and perseverance. Looking ahead, TransThera will continue to advance with resolve, stay true to its founding mission, and drive long-term growth through innovation, while living up to the call of the era and every expectation, working together to shape a new future for life sciences and human health.

BUSINESS REVIEW

Overview

TransThera Sciences (Nanjing), Inc. is a clinical demand-oriented, new drug application (NDA) stage innovative pharmaceutical company focusing on discovering and developing innovative small molecule therapies for oncology, inflammatory and cardiometabolic diseases. Our mission is to deliver innovative and differentiated treatment solutions to patients worldwide, with original technology as the driving force behind our business development. Leveraging our fully-integrated in-house R&D system, the Company's primary pipeline included six clinical stage product candidates and multiple preclinical stage product candidates as of 31 December 2025. The Company will continue to develop global first-in-class small molecule drugs with significant clinical value and strategic significance to meet urgent clinical needs and bring new hope to more patients.

Our Pipeline

The following chart illustrates the Company's clinical stage research pipeline products as of 31 December 2025:

Classification	Drug Candidate	Target/ Mechanism	Indication (Lines of Treatment)	Mono/ Combo	Development Stage	Commercial Rights[1]
Oncology	Tinengotinib ★ TT-00420	Unique MTK (FGFR/VEGFR/ JAK/Aurora)	CCA[2]	Mono	NDA was accepted on 19 December 2025 → NMPA[3]	Global[11]
				Mono	Confirmatory Phase III trial ongoing → NMPA[4]	
				Mono	Registrational Phase III trial ongoing → MRCT[5]	
			mCRPC[6]	Mono	Phase Ib/II trial completed → FDA, NMPA	
				Combo (NHT)	[IIT] Phase II trial ongoing → FDA[7]	
			HER2-breast cancer	Mono	Phase Ib/II trial completed → FDA, NMPA	
				Combo (Fulvestrant)	Phase II trial ongoing → NMPA[8]	
			HCC	Combo (Cadonilimab or Ivonescimab)	Phase II trial ongoing → NMPA[9]	
			Biliary tract cancer[10]	Combo (Immunotherapy)	Phase Ib/II trial completed → NMPA	
			Pan-FGFR solid tumor	Mono	Phase Ib/II trial completed → FDA, NMPA	
	TT-00973	AXL/FLT3	Solid tumor	Mono	Phase I trial completed → NMPA	Global
	TT-01488	Reversible BTK	CLL/MCL/WM	Mono	Phase I trial ongoing → NMPA	Global
Non-oncology	TT-01688	S1P1	UC	Mono	Phase I trial completed → NMPA	Greater China[12]
			AD	Mono	Phase II trial completed → NMPA	
	TT-00920	PDE9	HF	Mono	Phase I trial completed → FDA, NMPA	Global
	TT-01025	VAP-1	NASH	Mono	Phase I trial completed → FDA, NMPA	Global

★ Core Product

Abbreviations: MRCT=Multi-regional clinical trial; NHT=novel hormone therapies; HER2-breast cancer=human epidermal growth factor receptor 2 negative breast cancer; CLL=chronic lymphocytic leukemia; MCL=mantle-cell lymphoma; WM=waldenström's macroglobulinemia; NASH=nonalcoholic steatohepatitis.

Notes:

1. Except for TT-01688, which was in-licensed from LG Chem, we independently developed all the other pipeline products.
2. Tinengotinib was included in the List of Products for Priority Review (優先審評品種名單) by the NMPA in December 2025, with the proposed indication of cholangiocarcinoma (CCA); was granted Breakthrough Therapy Designation for CCA from the NMPA in July 2023; and received Fast-Track Designations for CCA from the FDA in August 2021, and Orphan Drug Designation from the FDA in November 2019.
3. Tinengotinib's new drug application for the cholangiocarcinoma (CCA) indication was submitted to and accepted by the NMPA in December 2025.
4. We are currently conducting a confirmatory Phase III clinical trial of Tinengotinib monotherapy for the treatment of CCA in China.
5. We are currently conducting a registrational Phase III multi-regional clinical trial of Tinengotinib monotherapy for the treatment of CCA across the U.S., South Korea, United Kingdom, the EU and Taiwan of the PRC.
6. Tinengotinib received Fast-Track Designations for metastatic castration-resistant prostate cancer (mCRPC) from the FDA in June 2025.
7. An investigator-initiated trial ("IIT") of Tinengotinib in combination with NHT for the treatment of mCRPC has been initiated in the U.S. in August 2024.
8. We are currently conducting a Phase II clinical trial of Tinengotinib in combination with fulvestrant for the treatment of HR+/HER2-breast cancer in China.
9. A Phase II clinical trial of Tinengotinib in combination with Cadonilimab or Ivonescimab for the treatment of hepatocellular carcinoma is being jointly developed with Akeso, Inc. ("Akeso").
10. Tinengotinib was granted Orphan Drug Designation by the EMA for the treatment of biliary tract carcinoma (BTC).
11. We plan to start with the commercialization of Tinengotinib for FGFR inhibitor relapsed or refractory CCA in China. Then, we plan to promote the launch of the drug in the U.S. and the EU, covering the same indication.
12. We in-licensed exclusive rights from LG Chem to use, develop, manufacture, commercialize and otherwise exploit TT-01688 in Greater China.

Oncology Pipeline

Tinengotinib (Multi-Targeted Tyrosine Kinase Inhibitor)

The Company's core product, Tinengotinib (English name: Tinengotinib, R&D code: TT-00420), is a spectrum selective multi-kinase inhibitor, self-developed by the Company with global intellectual property rights, primarily targeting three key pathways (namely, FGFR/VEGFR, JAK and Aurora kinases). Through the thorough exploration and research into the foundational mechanisms of correlation between biological science and target diseases, our scientific team discovers this molecule and continues to explore and expand its potential indications, including cholangiocarcinoma (CCA), prostate cancer, breast cancer (BC), hepatocellular carcinoma (HCC), biliary tract carcinoma (BTC), and pan-FGFR solid tumors.

Tinengotinib was granted Breakthrough Therapy Designation by the National Medical Products Administration (NMPA) for the treatment of cholangiocarcinoma and was included in the List of Products for Priority Review; In addition, it was granted Fast-Track Designations (FTD) for the treatment of CCA and metastatic castration-resistant prostate cancer (mCRPC) and Orphan Drug Designation (ODD) for the treatment of CCA by the FDA. In addition, it was also granted Orphan Drug Designation by the EMA for the treatment of biliary tract carcinoma. The clinical data of Tinengotinib has been published or presented at major international medical conferences such as the American Society of Clinical Oncology, the European Society of Medical Oncology, the San Antonio Breast Cancer Symposium, and American Association for Cancer Research, and has been selected for oral presentation sessions multiple times. The following progress or milestones have been achieved during the entire year of 2025:

- In January 2025, we delivered a poster presentation on the overall survival results and biomarker correlation analysis data from a Phase II study of Tinengotinib in patients with advanced/metastatic cholangiocarcinoma at the 2025 American Society of Clinical Oncology Gastrointestinal Cancers Symposium (ASCO GI).
- In February 2025, we delivered a poster presentation on the Phase Ib/II study protocol of Tinengotinib in combination with androgen receptor pathway inhibitors (ARPI) for metastatic castration-resistant prostate cancer at the 2025 American Society of Clinical Oncology Genitourinary Cancers Symposium (ASCO GU).
- In March 2025, we entered into a strategic collaboration with Akeso to jointly advance an open-label, multicenter Phase II clinical study of Tinengotinib, in combination with the Cadonilimab (PD-1/CTLA-4) or Ivonescimab (PD-1/VEGF), for the treatment of advanced hepatocellular carcinoma, and the clinical protocol has obtained implied clinical license from the National Medical Products Administration of China.
- In April 2025, we presented the latest research results of Tinengotinib monotherapy for advanced solid tumors at the 2025 American Association for Cancer Research (AACR) conference.
- In April 2025, the translational medicine results of Tinengotinib for FGFR inhibitor-resistant cholangiocarcinoma were published in the Annals of Oncology.
- In April 2025, the Company published preclinical data on Tinengotinib for small cell lung cancer in the journal called Cancer Science.
- In June 2025, Tinengotinib was granted the fast track designation by the U.S. FDA for the treatment of metastatic castration-resistant prostate cancer.
- In September 2025, the first patient was dosed in the open-label, multicenter Phase II clinical study of Tinengotinib in combination with Akeso's Cadonilimab and Ivonescimab, respectively, for the treatment of advanced hepatocellular carcinoma.
- In September 2025, the Phase II clinical trial of Tinengotinib in combination with fulvestrant for the treatment of previously treated hormone receptor-positive (HR+) and human epidermal growth factor receptor 2-negative or low expression (HER2-) relapsed or metastatic breast cancer received the implied clinical license from the National Medical Products Administration of China.
- In October 2025, the Company presented the latest pooled study data of Tinengotinib for the cholangiocarcinoma indication at the 2025 European Society for Medical Oncology (ESMO) annual conference.

- In December 2025, Tinengotinib tablets were included in the List of Products for Priority Review by the Center for Drug Evaluation (CDE) of the National Medical Products Administration (NMPA) of China, with the proposed indication for the treatment of adults with unresectable advanced or metastatic cholangiocarcinoma who have received at least one prior systemic treatment and FGFR inhibitor treatment.
- In December 2025, we published the results of the exploratory Phase II clinical trial of Tinengotinib for cholangiocarcinoma conducted in the United States in The Lancet Gastroenterology and Hepatology.
- In December 2025, the new drug application for Tinengotinib tablets was accepted by the Center for Drug Evaluation of the National Medical Products Administration of China, with the proposed indication for the treatment of adults with unresectable advanced or metastatic cholangiocarcinoma who have received at least one prior systemic treatment and FGFR inhibitor treatment.

Cholangiocarcinoma (CCA)

Tinengotinib is the world's first and only investigational drug that has entered the NDA stage for the treatment of CCA patients who have received at least one prior systemic treatment and FGFR inhibitor treatment. This product's NDA has been submitted and accepted in China, and it is currently undergoing an international multi-center Phase III clinical trial across the U.S., South Korea, United Kingdom, the EU and Taiwan, the PRC. The Company expects that Tinengotinib will be commercialized first in China upon obtaining the conditional marketing approval in China, followed by subsequent commercialization in other regions globally.

In January 2025, the Company delivered a poster presentation on the overall survival results and biomarker correlation analysis data from a Phase II study of Tinengotinib in patients with advanced/metastatic cholangiocarcinoma (CCA) at the ASCO GI (Abstract 608). The data showed that in FGFR2 fusion-positive CCA patients who had previously failed chemotherapy and FGFR inhibitor treatments, the median overall survival with Tinengotinib treatment reached 18 months. This clinical result further supported Tinengotinib's potential for application in FGFR inhibitor-treated populations.

In April 2025, the Company delivered a poster presentation on the clinical and biomarker correlation analysis data of Tinengotinib in metastatic cholangiocarcinoma patients who had failed FGFR inhibitor treatment at the AACR conference (Abstract 825). The data showed that two FGFR fusion-positive CCA patients, who had progressed after prior chemotherapy and FGFR inhibitor treatment, both achieved partial remission (maximum tumor reduction of 41.6% and 48.6% respectively) after receiving Tinengotinib 12 mg QD treatment, accompanied by a significant decrease or disappearance of resistance-related FGFR2 kinase domain mutation frequencies. This clinical result suggests that Tinengotinib has the potential to overcome acquired FGFR inhibitor resistance.

In April 2025, the Company published preclinical data on Tinengotinib for FGFR-inhibitor-treated resistant cholangiocarcinoma in the Annals of Oncology. In the article, a model characterizing the biological mechanisms of acquired resistance was constructed through multi-modal analysis, providing a basis for the rational design of next-generation FGFR inhibitors. Novel FGFR inhibitors should be small molecules with high affinity and able to bind to the active form of FGFR. The article disclosed for the first time the co-crystal structure of Tinengotinib with the FGFR2 kinase domain, demonstrating its unique binding model; simultaneously, kinetic studies showed that Tinengotinib has higher affinity compared to first-generation FGFR inhibitors. In addition, the study also verified its activity against clinically acquired FGFR2 resistance mutations both in vitro and in vivo, and proved its clinical efficacy through case reports. These data indicate that Tinengotinib is a second-generation FGFR inhibitor that meets all the aforementioned criteria.

In October 2025, the Company presented the pooled study data of Tinengotinib, the Core Product, for the cholangiocarcinoma indication at the 2025 ESMO annual conference. This presentation summarized the data from 110 advanced CCA patients as of 16 October 2024, of which 59.1% of patients had received ≥3 lines of prior anti-tumor treatment, and more than 46% of patients had received FGFR inhibitor treatment. Among the 55 CCA patients with FGFR2 alterations, the mPFS was 7.26 months, and the mOS was 15.93 months. Among the 35 CCA patients who had received systemic treatment and FGFR inhibitor treatment, the mPFS was 6.01 months, and the mOS was 17.05 months. The study also showed that Tinengotinib was well tolerated and its safety was controllable.

In December 2025, Tinengotinib tablets were approved by the Center for Drug Evaluation of the National Medical Products Administration of China to be included in the List of Products for Priority Review, with the proposed indication for the treatment of adults with unresectable advanced or metastatic cholangiocarcinoma who have received at least one prior systemic treatment and FGFR inhibitor treatment.

In December 2025, the Company published the results of the exploratory Phase II clinical trial of Tinengotinib for cholangiocarcinoma conducted in the United States in The Lancet Gastroenterology and Hepatology. In a multicenter, open-label Phase II trial (NCT04919642), patients with FGFR2 fusion-positive CCA who had either primary resistance or developed acquired resistance to prior FGFR inhibitor therapy were enrolled in four cohorts, along with patients harboring other FGFR alterations or FGFR wild-type tumors. The results showed that Tinengotinib demonstrated clinical activity in patients with FGFR2 fusion-positive CCA with acquired FGFR inhibitor resistance, as well as in those with other FGFR-altered subtypes.

In December 2025, the new drug application for Tinengotinib tablets has been accepted by the Center for Drug Evaluation of the National Medical Products Administration of China. It is intended for the treatment of adults with unresectable advanced or metastatic cholangiocarcinoma who have received at least one prior systemic treatment and FGFR inhibitor treatment.

As of 31 December 2025, the new drug application for the CCA indication has been submitted and accepted for this product in China; simultaneously, this product is undergoing an international multicenter Phase III clinical trial in other global regions, with patient enrollment expected to be completed in 2026.

Metastatic castration-resistant prostate cancer (mCRPC)

Tinengotinib is also the world's first and only investigational drug that simultaneously inhibits the FGFR/JAK pathway with clinical evidence in the treatment of mCRPC. Currently, NHT (novel hormone therapy), has been established as the standard of care for mCRPC patients. However, resistance will usually inevitably develop after a period of novel hormone therapy treatment. Recent academic discoveries have identified that activation of FGFR and JAK pathways will stimulate the cell state transformation from androgen sensitive cancer cells to neuroendocrine cancer cells and cause drug resistance. Simultaneous inhibition of FGFR and JAK pathways would be able to reverse the cell state transformation, or lineage reprogramming, back to androgen sensitive cancer cells and re-sensitize to NHT therapy. In a pooled analysis of patients in the U.S. and China, Tinengotinib monotherapy has shown encouraging antitumor efficacy in heavily pre-treated mCRPC patients. According to our Phase I/II clinical trials of Tinengotinib monotherapy in 22 efficacy-evaluable heavily pre-treated mCRPC patients, the preliminary efficacy observed in 13 patients with measurable lesions was promising, showing an ORR of 46% (6/13) and a DCR of 85% (11/13). 43% patients had prostate-specific antigen reduction of more than 50%. The median imaging assessment PFS was 5.6 months (N=22). The results have been published at 2024 ASCO GU annual conference.

In February 2025, the Company delivered a poster presentation on the Phase Ib/II study protocol of Tinengotinib in combination with androgen receptor pathway inhibitors (ARPI) for mCRPC at the 2025 ASCO GU. This trial is designed in two stages. The first stage investigates the safety and tolerability of Tinengotinib in combination with enzalutamide or abiraterone to determine the recommended Phase II dose (RP2D). Based on the first stage, the second stage will further investigate the safety and efficacy of the combination.

In April 2025, the Company delivered a poster presentation on preclinical data regarding Tinengotinib for mCRPC at the 2025 AACR. In in vitro experiments, Tinengotinib showed efficacy against various prostate cancer cell lines, including enzalutamide-sensitive, enzalutamide-resistant, androgen receptor positive/negative (AR+/-), and neuroendocrine prostate cancer-like (NEPC like) cell lines. As a multi-target kinase inhibitor with a unique combination of kinase profiles, Tinengotinib has the potential to address drug resistance issues in prostate cancer. At the same time, this study suggests that future treatment strategies combining Tinengotinib with ARPIs can be explored.

In June 2025, Tinengotinib was granted the fast track designation by the U.S. FDA for the treatment of metastatic castration-resistant prostate cancer (mCRPC).

As of 31 December 2025, the Tinengotinib monotherapy for the mCRPC indication has completed its Phase II clinical trial. The Phase Ib/II or Phase II clinical trials of Tinengotinib in combination with novel hormone therapies have been approved in both the U.S. and China. The Phase Ib/II clinical trial in the U.S., targeting mCRPC patients who have developed resistance to prior novel hormone therapy treatment, has been initiated, and the Phase Ib trial is currently completed, with the Phase II expansion trial ongoing. Clinical preparation for the Phase II combination regimen will also be further advanced in China.

Breast cancer (BC)

The efficacy of Tinengotinib has also been observed in heavily pre-treated hormone receptor-positive (HR+)/human epidermal growth factor receptor 2-negative or low expression (HER2-) breast cancer patients and triple-negative breast cancer (TNBC) patients. According to a pooled analysis of breast cancer patients in the U.S. and China, Tinengotinib monotherapy demonstrated an ORR of 50% (8/16) and a DCR of 88% (14/16) in patients who were originally diagnosed as HR+/HER2-. Notably, among the 16 patients, five transformed TNBC patients reached 60% ORR (3/5) and 100% DCR (5/5).

In September 2025, the Phase II clinical trial of Tinengotinib in combination with Fulvestrant for the treatment of previously treated hormone receptor positive (HR+) and human epidermal growth factor receptor 2 negative or low expression (HER2-) relapsed or metastatic breast cancer received the implied clinical license from the National Medical Products Administration of China. We will fully advance the clinical research.

Hepatocellular carcinoma (HCC)

Preclinical data indicated that Tinengotinib demonstrated encouraging antitumor activity against hepatocellular carcinoma. Cadonilimab or Ivonescimab in combination with Tinengotinib is expected to achieve multifaceted tumor control through dual immune remodeling of the tumor microenvironment and an innovative mechanism targeting HCC, overcoming the resistance of existing targeted therapy and immunotherapy combinations. This approach holds potential as a first-line treatment for advanced HCC in patients who are unsuitable for curative surgical resection or local therapy, or who have experienced disease progression after surgical resection or local therapy.

In March 2025, the Company announced that it had entered into a strategic collaboration with Akeso to jointly advance an open-label, multicenter Phase II clinical study of Tinengotinib, in combination with either Cadonilimab or Ivonescimab, for the treatment of advanced hepatocellular carcinoma (HCC). The clinical trial protocol for this collaboration has obtained the implied clinical license from the National Medical Products Administration of China.

In September 2025, the first patient was dosed in the open-label, multicenter Phase II clinical study of Tinengotinib in combination with Akeso's Cadonilimab and Ivonescimab, respectively, for the treatment of advanced hepatocellular carcinoma (HCC).

Biliary tract cancer (BTC)

Preclinical data demonstrated Tinengotinib was capable of modulating tumor microenvironment, indicating its potential to enhance the efficacy of immunotherapy. A completed Phase Ib/II clinical trial showed that, among 28 efficacy-evaluable CCA patients treated with Tinengotinib plus atezolizumab, the ORR and the DCR were 25.0% (7/28) and 75.0% (21/28), respectively. The combination therapy was well tolerated. These encouraging data suggested Tinengotinib's potential in combination therapy with immunotherapies.

Pan-FGFR solid tumor

Tinengotinib has unique binding mode to FGFR1/2/3 kinase proteins, enabling it to be potent to key mutations within FGFR1/2/3 kinase domains. This differentiated feature made the product bring good clinical responses to a variety of solid tumor patients with FGFR1/2/3 alterations, especially point mutations. In a pooled retrospective analysis, 51 patients with documented or detected FGFR1/2/3 mutations and measurable target lesions have been treated with Tinengotinib and demonstrated an ORR of 33% and a DCR of 88%. The median PFS reached 6.9 months.

Other indications exploration

In April 2025, the Company published preclinical data on Tinengotinib for small cell lung cancer in the journal called Cancer Science. The data used for the article showed that Tinengotinib can regulate the proliferation, apoptosis, migration, cell cycle, and angiogenesis of SCLC cells, with particularly significant effects on small cell lung cancer (SCLC-N) with highly expressing NeuroD1. Mechanistic studies indicated that c-Myc expression may be a key factor influencing the effect of Tinengotinib in SCLC-N. This study provides preclinical data support for Tinengotinib as a promising SCLC therapeutic agent (whether used alone or in combination with chemotherapy).

TT-00973 (AXL/FLT3 Inhibitor)

TT-00973 is an internally discovered and developed, potent AXL/FLT3 inhibitor. AXL kinase is a key player in survival, metastasis, and drug resistance in cancer, aberrant activation of AXL signaling is associated with poor prognosis in many types of cancers. AXL represents a promising therapeutic target in cancer treatment, both as single treatment and in combination with other therapies. TT-00973 is potent in abrogating AXL activation in tumor cells, and demonstrates effective antitumor activity in murine xenograft models with AXL overexpression. The product received the IND approval from the NMPA in August 2022.

In June 2025, the Company presented the results of the Phase I study of TT-00973 as a highly selective and potent AXL inhibitor in patients with advanced solid tumors in the form of a poster presentation at the 2025 ASCO.

As of 31 December 2025, the Company has completed the Phase I clinical trial, in which TT-00973 was observed to be well tolerated and achieved partial responses in some patients with solid tumors. Based on internal preclinical data, we plan to initiate new clinical trials in specific populations.

TT-01488 (Non-Covalent Reversible BTK Inhibitor)

TT-01488 is an internally developed, non-covalent, reversible BTK inhibitor to overcome acquired resistance developed from treatment with marketed covalent BTK inhibitors in various types of relapsed or refractory hematological malignancies. In a head-to-head kinase panel screening, in addition to its higher potency, TT-01488 demonstrated low affinity to EGFR and Tec, indicating its potential to have fewer off-target side effects and thus a better safety profile. In the lymphocytic xenograft models, TT-01488 showed encouraging antitumor effect. We received the IND approval from the FDA and the NMPA in January 2022 and April 2022, respectively.

In December 2025, the Company presented the preliminary efficacy and safety data of the novel, non-covalent, reversible BTK inhibitor TT-01488 for the treatment of patients with relapsed or refractory mantle cell lymphoma at the 2025 American Society of Hematology (ASH) Annual Meeting.

As of 31 December 2025, we are conducting a Phase I clinical study of TT-01488 for B-cell lymphoma in China. We will strategically plan to initiate new clinical trials based on Phase I data and market opportunities.

Non-oncology Pipeline Products

TT-01688 (S1P1 Inhibitor)

TT-01688 is an in-licensed, highly selective oral S1P1 modulator currently in clinical stage, with the potential to treat various inflammatory diseases. It has high activity against S1P1 with negligible effect on S1P2 and S1P3 as well as GIRK, which is associated with potential cardiovascular adverse reactions. Its tolerability and PK/PD profiles have been demonstrated in the Phase I clinical trial. Although not a head-to-head study, in the Phase I clinical trial, the biological efficacy of TT-01688 is equal to or better than that of ozanimod and etrasimod, TT-01688 is well-tolerated with all the adverse events ("AEs") being mild or moderate in severity in the Phase I clinical trial in healthy adult subjects.

As of 31 December 2025, we completed a Phase Ib clinical trial of TT-01688 for the treatment of UC (ulcerative colitis) in China in July 2024, and in January 2025, we completed the Phase II clinical trial of TT-01688 for the treatment of AD (atopic dermatitis) in China.

TT-00920 (PDE9 Inhibitor)

TT-00920 is an internally discovered and developed, highly selective oral PDE9 inhibitor, targeting chronic heart failure. Preclinical studies have shown that TT-00920 restored cardiac NP/cGMP signaling, significantly enhanced cardiac function, and reversed ventricular remodeling in heart failure. In addition, compared to monotherapy, TT-00920 in combination with valsartan (an angiotensin receptor antagonist) demonstrated encouraging efficacy, suggesting that TT-00920 may synergize with existing treatments for heart failure. TT-00920 also exhibited low central nervous system (CNS) exposure and high cardiac distribution in the preclinical study, favoring the treatment of heart failure and avoiding CNS adverse reactions.

As of 31 December 2025, in the completed Phase I trials in healthy subjects in China and the U.S., TT-00920 was observed to be well tolerated, and demonstrated favorable pharmacokinetic properties and anticipated biomarker changes.

TT-01025 (Irreversible VAP-1 Inhibitor)

TT-01025 is an internally discovered and developed, irreversible VAP-1 inhibitor, intended as an oral treatment for NASH. VAP-1 is a novel clinical target for anti-inflammation. In head-to-head comparisons in preclinical studies, the results showed that TT-01025 has very low brain penetration with no significant CNS MAO-B inhibition at 100 μM, suggesting the risk of such drug interactions in TT-01025 is minimal.

In April 2022, we completed the Phase I clinical trial of TT-01025 in the U.S. The Phase I study in healthy subjects completed in China suggested that TT-01025 was safe and well-tolerated at a single dose of up to 300 mg and multiple doses of up to 100 mg. As of 31 December 2025, there was no VAP-1 inhibitor either approved by the FDA or the NMPA, but among four VAP-1 inhibitors at clinical stage globally, only three were for the treatment of NASH, and TT-01025 stood out as the only VAP-1 inhibitor that was in clinical trial in China.

Business Development (BD)

In November 2025, the Company entered into a royalty bearing patent assignment and research collaboration agreement with Neurocrine Biosciences to develop NLRP3 inhibitors for multiple diseases. According to the agreement, Neurocrine is granted an exclusive right in ex-Greater China region to develop, manufacture, and commercialize NLRP3 inhibitors from TransThera's NLRP3 portfolio, and the Company has rights to develop, manufacture and commercialize the NLRP3 portfolio in Greater China region (Mainland, HK, Taiwan, Macao). Under the agreement, the Company will be entitled to an upfront payment and, depending on the development and commercialization progress of Neurocrine, the Company may receive further milestone payments associated with research and development milestones and sales milestones, providing the agreement with a total potential value of up to US$881.5 million. The agreement further includes a research collaboration between the parties to further broaden NLRP3 technology.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that the relevant products will ultimately be successfully developed and marketed.

Business Prospects and Outlook

As a company oriented towards "addressing unmet clinical needs", we will accelerate commercialization preparation and the advancement of indications for our core products. We expect to obtain NDA approval in China in 2026 for Tinengotinib for the treatment of adults with unresectable advanced or metastatic cholangiocarcinoma who have received at least one prior systemic treatment and FGFR inhibitor treatment, and will fully advance the overseas registrational Phase III clinical trial and domestic confirmatory Phase III clinical trial for the cholangiocarcinoma indication. Simultaneously, we will further advance the Phase II clinical trials of Tinengotinib combination regimens for the treatment of prostate cancer, breast cancer, and hepatocellular carcinoma. For other pipelines, we expect to conduct more exploratory studies on TT-00973 (AXL/FLT3) and TT-01488 (BTK inhibitor) based on early preclinical and clinical data.

Based on the commercialization plan for Tinengotinib, we have currently commenced the preparation for the marketing team. We plan to establish a commercialization team in 2026 that can precisely cover potential markets, laying the foundation for Tinengotinib to benefit a wide range of patients in the clinical setting.

For the oncology pipeline, we will continue to focus on Tinengotinib as the core and advance the "T-shaped" strategy: horizontally by exploring targets synergistic with its scientific mechanism, and vertically by broadening the scope of indications based on its primary mechanisms. For the non-oncology segment, we will continue to develop global first-in-class and best-in-class preclinical molecules towards inflammation and metabolic directions to support early-to-mid stage international collaborations.

To realize the global commercial layout of our clinical pipeline, we will also further enhance the capabilities of our external collaboration team, continuously monitor and actively explore strategic partners with value-added benefits, expand our strategic layout in various overseas countries through cooperation, and seek more win-win collaboration opportunities globally.

FINANCIAL REVIEW

Analysis of the Key Items of Our Results of Operations

Other Income and Gains

Our other income and gains decreased by 48.6% from RMB17.9 million for the year ended 31 December 2024 to RMB9.2 million for the year ended 31 December 2025. Such decrease was primarily attributable to a decrease of RMB5.0 million in interest income from bank deposits and wealth management products, as well as a decrease of RMB3.7 million in government grants compared with the same period last year.

Research and Development Costs

Our research and development costs increased by 1% from RMB244 million for the year ended 31 December 2024 to RMB246.8 million for the year ended 31 December 2025, remaining relatively stable with slight increase, primarily because the Company focused on the research and development of core products and key technologies, optimized resource allocation, and continuously enhanced product competitiveness. Currently, various product pipelines are progressing smoothly and reaching expected milestones. During the Reporting Period, Tinengotinib was included in the List of Products for Priority Review by the CDE of China. The Company has submitted the new drug application and it has been accepted, and the product is about to enter the commercialization stage in China first; while the international multi-center Phase III clinical trial in the field of CCA is also steadily progressing.

The following table sets forth a breakdown of our research and developments expenses for the periods:

	2025 RMB'000	2024 RMB'000
Trial and testing expenses	169,139	179,735
Staff costs	57,648	51,850
Depreciation and amortization expenses	3,575	3,867
Materials consumed	7,153	2,940
Others	9,245	5,612
	246,760	244,004

Administrative Expenses

Our administrative expenses increased by 15% from RMB47.7 million for the year ended 31 December 2024 to RMB54.8 million for the year ended 31 December 2025, primarily due to the Company's successful listing of H shares on 23 June 2025, resulting in an increase in listing expenses and professional service fees.

Analysis of Key Items of Financial Position

Property, Plant and Equipment

Our property, plant and equipment primarily consisted of lab equipment, construction in progress, leasehold improvements, motor vehicles and electronic equipment. Our property, plant and equipment decreased by 19% from RMB9.4 million as of 31 December 2024 to RMB7.6 million as of 31 December 2025, primarily due to normal depreciation of fixed assets.

Other Non-current Assets

Our other non-current assets mainly represented deductible input VAT, as well as deposits and guarantees for office leases and land use rights. Our other non-current assets increased by 38% from RMB14.9 million as of 31 December 2024 to RMB20.6 million as of 31 December 2025, primarily due to an increase in deductible input VAT that could not be received or deducted within one year.

Cash and Cash Equivalents

Our cash and cash equivalents decreased by 27% from RMB569.5 million as of 31 December 2024 to RMB415.4 million as of 31 December 2025, primarily due to purchases of research and development services and operating expenses.

Trade Payables

Our trade payables increased by 28% from RMB81.2 million as of 31 December 2024 to RMB104.1 million as of 31 December 2025, primarily driven by the progress of our research and development activities.

Share Capital

Our share capital increased by 4.0% from RMB381.6 million as of 31 December 2024 to RMB396.9 million as of 31 December 2025, primarily due to the Company's public offering of 15,281,000 Shares at an issue price of HK$13.15 per Share and a nominal value of RMB1 per Share upon its listing on the Main Board of The Stock Exchange of Hong Kong Limited on 23 June 2025.

Liquidity and Financial Resources

Our cash is primarily used for the purchase of research and development services and operating expenses. We monitor and maintain a level of cash and cash equivalents deemed adequate to finance our operations and mitigate the effects of fluctuations in cash flows. Going forward, we believe our liquidity requirements will be satisfied by using funds from a combination of cash from operations, bank balances and cash, unutilized banking facilities and financing. As of 31 December 2025, our cash and cash equivalents and time deposits in total amounted to RMB489.1 million.

Gearing Ratio

As at 31 December 2025, the Group's gearing ratio was approximately 31.11% (31 December 2024: approximately 19.92%), which was calculated by dividing the total liabilities by total equity.

Debt-to-Asset Ratio

The debt-to-asset ratio is calculated by dividing total liabilities by total assets and multiplying by 100%. As at 31 December 2025, our debt-to-asset ratio was 23.7% (31 December 2024: 16.6%).

Significant Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

During the Reporting Period, the Group did not make any material acquisitions and disposals of subsidiaries, associates and joint ventures.

Exposure to Foreign Exchange

Our financial statements are presented in RMB. As certain transactions are denominated in foreign currencies, the Group is exposed to certain transactional currency risks. We currently do not have a foreign exchange hedging policy. However, our management monitors foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arise. The Group did not have significant foreign exchange exposure from its operations as of 31 December 2025.

Bank Loans and Other Borrowings

As at 31 December 2025, we did not have any bank loans or other forms of borrowings.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the section headed "Future Plans and Use of Proceeds" of the Prospectus, the Group did not have any plan for material investments and capital assets as of the date of this report.

SIGNIFICANT INVESTMENT

As at 31 December 2025, the Group did not have any significant investment.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have any significant contingent liabilities.

PLEDGE OF ASSETS BY THE GROUP

As at 31 December 2025, we did not have any pledged assets.

OTHER INFORMATION

USE OF NET PROCEEDS FROM LISTING

The H shares of the Company were listed on the Main Board of the Stock Exchange on 23 June 2025. The net proceeds received from the Global Offering (after deducting the estimated underwriting commissions and other fees and expenses payable by the Company in connection with Global Offering) was approximately HK$161.3 million.

The following table sets forth the planned use and actual use of the net proceeds from the Global Offering as of 31 December 2025:

		Percentage of net proceeds from the Global Offering	Net proceeds from the Global Offering	Utilized amount from the Listing Date to 31 December 2025	Unutilized amount as of 31 December 2025	Expected timeline of full utilization[1]
				(HK$ million)		
(a)	Funding the ongoing multiregional registrational Phase III clinical trial of our core product, Tinengotinib, monotherapy for the treatment of cholangiocarcinoma, of which in:					
	(i) Europe	42%	68.5	19.8	48.7	By 31 December 2027
	(ii) the United States	26%	41.2	11.8	29.4	By 31 December 2027
	(iii) South Korea	8%	13.1	3.8	9.3	By 31 December 2027
	(iv) Taiwan	8%	12.4	3.8	8.6	By 31 December 2027
	(v) the United Kingdom	6%	10.1	3.0	7.1	By 31 December 2027
(b)	Working capital and other general corporate purposes	10%	16.1	0	16.1	By 31 December 2027
Total		100%	161.3	42.2	119.1	

Note:

(1) The expected timeline for fully utilizing the unutilized amount disclosed above is based on the best estimates made by the Board pursuant to the latest information up to the date of this report.

EMPLOYEES AND REMUNERATION POLICIES

To maintain the quality, knowledge and skill levels of our workforce, we provide continuing education and training programs, including internal and external training, for our employees to improve their technical, professional or management skills. We also provide trainings programs to our employees from time to time to ensure their awareness and compliance with our policies and procedures in various aspects. As of 31 December 2025, our employees consisted of 123 members in total, including 119 employees in Nanjing, China. The following table sets forth a breakdown of our employees by function as of 31 December 2025:

Function	Number of employees as of 31 December 2025	Percentage
Research & development	93	75.61%
General and administrative	30	24.39%
Total	123	100.00%

The total employee benefit expenses during the Reporting Period was RMB68.03 million, with remunerations and benefits are determined based on market rates, government policies and individual performance. The number of employees of the Group varies from time to time depending on need. The remuneration package of the Group's employees includes salary, bonus and equity incentives, which are generally determined by their qualifications, industry experience, position and performance. We have materially complied with the PRC law to make contributions to statutory employee benefit plans (including pension insurance, medical insurance, work-related injury insurance, unemployment insurance, maternity insurance and housing funds) at a certain percentage of our employees' salaries, including bonus up to a maximum amount specified by the local government during the Reporting Period.

DIRECTORS

Executive Directors

Dr. Frank Wu (吳永謙), previously known as Wu Yong-qian, aged 62, is the chairman of the Board, executive Director and chief executive officer of our Company. He joined our Company on 10 June 2016 and has been participating in the daily operations of our Company since then. Dr. Wu has been the chairman of the Board since 18 November 2016. Dr. Wu is primarily responsible for the overall strategic planning, business direction and operational management. Dr. Wu has more than 28 years of experience in the biopharmaceutical industry.

Prior to joining our Company, Dr. Wu joined Sihuan Pharmaceutical Holdings Group Ltd.(四環醫藥控股集團有限公司), a comprehensive pharmaceutical company engaged in R&D, manufacture and sales of medicine listed on the Main Board of the Hong Kong Stock Exchange (stock code: 0460) ("Sihuan Pharmaceutical") in 2011. Dr. Wu served as the senior vice president of project management of Shandong Xuanzhu Biopharmaceutical Co., Ltd. (山東軒竹醫藥科技有限公司) ("Shandong Xuanzhu Biopharmaceutical"), a wholly owned subsidiary of Sihuan Pharmaceutical, from January 2011 to December 2012, and as the general manager Shandong Xuanzhu Biopharmaceutical from January 2013 to May 2016, where he was primarily responsible for the overall management and operations of the company. He was the chief scientific officer of Sihuan Pharmaceutical from 2014 to 2015. He also worked for five years at Boehringer Ingelheim Pharmaceuticals Inc., where he was responsible for the research projects in immunology and cardiovascular drug. Moreover, he was employed by Guilford Pharmaceuticals, Inc. from November 1996 to June 2005.

Dr. Wu has been granted several certificates and recognitions in the industry and the community. He was a member of prestigious American Chemistry Society Division of Medicinal Chemistry long range planning committee from 2008 to 2010. He was appointed as an editor of Chinese Journal of New Drugs (中國新藥雜誌) in 2014 and an editor of Progress in Pharmaceutical Sciences (藥學進展) in 2020. He was a member of the first session (years 2015-2019) of the "Drug Development Committee" of the China Pharmaceutical Innovation and Research Development Association (中國醫藥創新促進會). He was a visiting professor at the School of Pharmacy of Sun Yat-sen University (中山大學) from May 2014 to May 2017.

Dr. Wu obtained his bachelor's degree in chemistry from Nanjing University (南京大學) in the PRC in July 1985. He further obtained his doctor's degree in philosophy from Wayne State University in the U.S. in May 1993 and was appointed as a postdoctoral fellow in the biochemistry department from Brandeis University in the U.S. from January 1994 to December 1995.

Mr. Wu Di (吳笛), aged 46, is the executive Director, president and financial controller of our Company. He joined the Company on 13 January 2017, and has been responsible for the financial operation and management as well as strategy and business development of our Company since then. He was appointed as an executive Director on 16 March 2020. Mr. Wu has more than 19 years of experience in the biopharmaceutical industry.

Prior to joining our Company, Mr. Wu was the business development director of Shandong Xuanzhu Biopharmaceutical, a pharmaceutical R&D company, and he was responsible for the international business development from January 2015 to January 2017. And before that, he was also employed as a regular full-time employee at Boehringer Ingelheim Pharmaceuticals Inc., a company primarily engaged in a U.S. corporation principally engaged in scientific research in order to develop and market ethical pharmaceuticals until January 2015.

Mr. Wu obtained his bachelor's degree in science from the Peking University (北京大學) in the PRC in July 2001. He further obtained his master's degree in science from the University of Nebraska in the U.S. in July 2005. He also obtained another master's degree in business administration in the New York University in the U.S. in September 2015.

Non-executive Directors

Ms. Jia Zhongxin (賈中新), aged 66, is a non-executive Director of our Company. She was appointed as non-executive Director on 11 September 2018, and has been serving as the strategic consultant of our Company since 11 September 2018 and was primarily responsible for providing guidance on corporate strategy and governance to our Company. Ms. Jia has profound experience in the biopharmaceutical industry.

Prior to joining our Company, Ms. Jia was the chief operating officer of Sihuan Pharmaceutical, and she was responsible for the research and development, manufacturing and marketing of the group from December 2007 to June 2017. She has held various managerial positions in several companies. Between January 2006 and November 2007, Ms. Jia headed the biomedical department of China Baoan Group Co., Ltd. (中國寶安集團股份有限公司) and was also chairwoman of Shenzhen Daphne Pharmaceutical Co., Ltd. (深圳大佛藥業有限公司). Prior to that, she was the general manager of Wuhan Ma Ying Long Pharmaceutical Co., Ltd.(武漢馬應龍醫藥有限公司) and chairman of Wuhan Ma Ying Long Chained Pharmacies Co., Ltd. (武漢馬應龍大藥房連鎖股份有限公司) from November 2002 to December 2005.

Ms. Jia obtained a Bachelor in medicinal chemistry in 1982 from the Medical Department of Peking University (北京大學) (formerly known as Beijing Medicine College, Beijing Medical University (北京醫科大學－北京醫學院)) and a Master in Business Administration from the University of South Australia in 2004 through remote learning.

Ms. Jia obtained the registered qualification certificate of licensed pharmacist (執業藥師資格證書) approved and authorized by Ministry of Personnel and State Drug Administration of the PRC in September 2000. She was awarded the title of senior engineer (高級工程師) approved and authorized by Shandong Pharmaceutical Engineering Technical Post Senior Evaluation Committee (山東省醫藥工程技術職務高級評審委員會) in December 1993. She was awarded the title of senior engineer of pharmaceutical research (藥研高級工程師) approved and authorized by Personnel Department of Guangdong Province (廣東省人事廳) in June 2002.

Dr. Yi Hua (易華), aged 51, was a non-executive Director of our Company. He was appointed as non-executive Director on 16 March 2020. He was primarily responsible for the corporate strategy and governance. Dr. Yi has profound experience in the biopharmaceutical industry. He resigned as the non-executive Director on 31 March 2026.

Beginning in April 2017, he was with SDIC Fund Management (Shanghai) Co., Ltd. (國投創新投資管理(上海)有限公司), a stated-owned professional private equity management organization where he currently serves as a managing director and he is responsible for equity investments. Dr. Yi also served as a director of HMT (Xiamen) New Technical Materials Co.,Ltd. (華懋(廈門)新材料科技股份有限公司(HMT)) from November 2020 to November 2023, a company listed on the Shanghai Stock Exchange (stock code: 603306). In addition, Dr. Yi has been appointed as an independent non-executive director of CF PharmTech, Inc. (a company listed on the main board of the Stock Exchange; stock code: 2652) since December 2021.

Prior to joining our Company, Dr. Yi was the investment manager at CoStone Asset Management Co., Ltd. (基石資產管理股份有限公司), an investment firm in China, and he was responsible for equity investments from October 2014 to April 2017.

Dr. Yi obtained his doctor's degree in analytical chemistry from the East China Normal University (華東師範大學) in the PRC in July 2005. He conducted post-doctoral research at ENS Cachan (currently known as Ecole normale superieure Paris-Saclay) in France in September 2009.

Independent Non-executive Directors

Ms. Chui Hoi Yam (徐海音), aged 58, is an independent non-executive Director of our Company. She was appointed as independent non-executive Director since 17 October 2022. She is primarily responsible for supervising and providing independent opinion to our Board. Ms. Chui has accumulated more than 20 years of experience in corporate management.

Prior to joining our Company, Ms. Chui has been serving as an independent non-executive director of Everest Medicines Limited (雲頂新耀有限公司), a biotech company and listed on the Main Board of the Stock Exchange (stock code: 1952) since January 2023. She served as an independent non-executive director of China biotech services holdings limited (中國生物科技服務控股有限公司), a biotech company and listed on the GEM Board of the Stock Exchange (stock code: 8037) from December 2022 to June 2024. Ms. Chui served as a director and general manager of Hapharm Group Co., Ltd. (哈藥集團股份有限公司) from March 2019 to May 2022, a company principally engaged in pharmaceutical manufacturing and listed on the Shanghai Stock Exchange (stock code: 600664), and she was responsible for the overall management. She served as a president of Novartis China from March 2012 to March 2016, an international biotechnology company, and she was responsible for the overall management. Ms. Chui also served as a senior vice president of China Hewlett-Packard Co., Ltd (中國惠普有限公司) from March 2010 to March 2012, an international high-technology company. In addition, She served as a senior director (高級總監) of Pfizer Investments Ltd. (輝瑞投資有限公司) from November 2004 to March 2010, a subsidiary of Pfizer Inc., and she was responsible for department's overall management. In addition, Ms. Chui has been a chairwoman of the board of Neuma Biology Ltd. (靈知生物技術(蘇州)有限公司) since November 2023. She also has been appointed as an independent non-executive director of Abbisko Cayman Limited (a company listed on the main board of the Stock Exchange, stock code: 2256) since February 2025.

Ms. Chui obtained her bachelor's degree of economics from Peking University (北京大學) in the PRC in July 1990. She further obtain her master's degree of finance from Peking University (北京大學) in the PRC in July 2001.

Ms. Zheng Zhelan (鄭哲蘭), aged 56, is an independent non-executive Director of our Company. She was appointed as independent non-executive Director since 17 October 2022. She is primarily responsible for supervising and providing independent opinion to our Board. Ms. Zheng has accumulated more than 27 years of experience in legal industry.

Prior to joining our Company, Ms. Zheng has been serving as a partner of Grandall Law Firm (Shanghai) (國浩律師(上海)事務所) since November 2016, and she is responsible for the overall management of the law firm. She also served as an associate of Grandall Law Firm (Nanjing) (國浩律師(南京)事務所), and she was responsible for capital markets related works law firm. In addition, she also served as an associate of Nanjing Yonghe Law Firm (南京永和律師事務所) from November 1997 to November 1999.

In addition, she also has extensive experience in government agencies and social organizations, including: (i) a member of the Ethics Committee of Nanjing High-tech Hospital (南京市高新醫院倫理委員會委員) since March 2018; (ii) a member of the Ethics Review Committee of Nanjing Jiangbei New Area Medical Association (南京江北新區醫學會倫理審查委員會委員) since July 2021; and (iii) a member of the Committee of Nanjing Drum Tower Hospital (南京鼓樓醫院倫理委員會委員) since December 2023.

Ms. Zheng obtained her bachelor's degree of economics law from Nanjing University (南京大學) in the PRC in July 1991. She further obtain her master's degree in law from Nanjing University (南京大學) in the PRC in July 2002.

Mr. Li Shu Pai (李書湃), former name Lee Shu Paai (李書湃), aged 49, is an independent non-executive Director of our Company. He was appointed as independent non-executive Director since 17 June 2021. He is primarily responsible for supervising and providing independent opinion to our Board. Mr. Li has accumulated more than 20 years of experience in finance, investment, and accounting.

Prior to joining our Company, Mr. Li served as the chief financial officer and company secretary of Meilleure Health International Industry Group Limited from July 2019 to December 2025, a company principally engaged in the healthcare-related business, trading business, property-related business and equity investment business and listed on the Main Board of the Stock Exchange (stock code: 2327). Mr. Li was the independent non-executive Director of Comtec Solar Systems Group Limited from February to March 2021, a company principally engaged in design, development, manufacturing and marketing of solar wafers and listed on the Main Board of the Stock Exchange (stock code: 0712). Mr. Li was the chief financial officer and company secretary of Perfectech International Holdings Limited (威發國際集團有限公司) and was mainly responsible for the financial management, compliance and risk management of the Group, and he undertook the duties of secretary and relevant duty thereof, reporting to the director of the group from December 2016 to September 2018, a company principally engaged in manufacture and sales of toy products and listed on the Main Board of the Stock Exchange (stock code: 0765). Mr. Li served as the chief financial officer and joint company secretary of Chutian Dragon Corporation Limited (楚天龍股份有限公司) and was mainly responsible for account, finance, investor relationship, company secretary and corporate governance from July 2015 to December 2016, a company principally engaged in integrated smart card solution provider and data management. Mr. Li was appointed as the chief financial officer of R2 Games Co., Limited (深圳燦和兄弟網絡科技有限公司) and was mainly responsible for account, finance, internal control, investor relationships and corporate governance from August 2014 to June 2015, a company principally engaged in online game operator and the wholly-owned subsidiary of Beijing Can Brother Technologies Co., Ltd., a company quoted on National Equities Exchange and Quotations (stock code: 430052). Mr. Li served as the deputy chief financial officer of Beijing Tong Ren Tang Chinese Medicine Co., Ltd and was mainly responsible for handling investor relations, finance, compliance and corporate governance from September 2011 to December 2013, a company principally engaged in traditional Chinese medicine and listed on the Main Board of the Stock Exchange (stock code: 3613). Mr. Li served as an associate of BNP Paribas Capital (Asia Pacific) Limited from July 2010 to August 2011. Mr. Li served as an associate of Corporate Finance Department of BOCI Asia Limited from August 2007 to July 2009. Mr. Li joined PricewaterhouseCoopers from September 2001 to October 2006, initially as an associate and was promoted several times, and was later promoted to manager from October 2006 to August 2007. In addition, Mr. Li has been appointed as an independent non-executive director of Beijing Haizhi Technology Group Co., Ltd. (a company listed on the main board of the Stock Exchange, stock code: 2706) since February 2026.

Mr. Li obtained his bachelor's degree of business administration in accountancy from City University of Hong Kong in November 2001. Mr. Li obtained his master's degree in business administration from The Hong Kong University of Science and Technology in June 2014.

Mr. Li was admitted as a Certified Public Accountant and a fellow of the Hong Kong Institute of Certified Public Accountants in October 2004 and February 2012, respectively. Mr. Li was also admitted as a member and a fellow of Association of Chartered Certified Accountants in July 2012 and July 2017, respectively.

SUPERVISORS

Ms. Zhao Weili (趙衛麗), aged 44, is an employee representative, the Chairwoman of Supervisory Board. She joined our Company as the deputy director of Intellectual Property Department in 17 April 2017. She was primarily responsible for the overall management of patent related work until April 2020 when she was promoted to the director of the department and since April 2020, she has been primarily responsible for the overall management of intellectual property rights. She also serves as the Chairman of our Supervisory Board since 17 June 2021, and is primarily responsible for monitoring of the financial affairs of our Company, supervising the performance of our Directors and members of senior management and performing other supervisory duties as a Supervisor.

Prior to joining our Company, Ms. Zhao worked as a member of the patent affairs department of Shandong Xuanzhu Biopharmaceutical from January 2008 to June 2012, a pharmaceutical R&D company, and designated as the head of the patent affairs department from July 2012 to March 2017, mainly responsible for domestic and foreign patent drafting, filing and granting. In addition, she was also responsible for the strategic layout of product patents.

Ms. Zhao received a bachelor's degree in Chinese pharmacology in July 2006 and a master's degree in pharmaceutical chemistry in June 2018 from Shandong University of Traditional Chinese Medicine (山東中醫藥大學) in the PRC. She also received a master degree of business administration in November 2023 from Maastricht School of management in Netherlands.

Ms. Zhao obtained the patent attorney qualification certificate (專利代理人資格) from the National Intellectual Property Administration in January 2013.

Mr. Mei Jianghua (梅江華), aged 47, is a shareholders' representative Supervisor. He was appointed as a Supervisor of our Company on 16 March 2020 and is primarily responsible for monitoring of the financial affairs of our Company, supervising the performance of our Directors and members of senior management and performing other supervisory duties as a Supervisor.

Prior to joining our Company, Mr. Mei has been serving as investment director of Shanghai Grandyangtze Capital Co., Ltd. (上海長江國弘投資管理有限公司) since May 2012, an equity investment company, and was responsible for investment in the medical industry. He also worked in Kaishi Changjiang Investment Management Ltd., (凱石長江投資管理有限公司) from March 2011 to May 2012. He also worked in Roche China Development Co., Ltd. (羅氏研發(中國)有限公司) from December 2004 to August 2010, a drug development company. He worked in Shanghai Institute of Materia Medica, Chinese academy of Sciences (中國科學院上海藥物研究所) from September 2003 to December 2004, a scientific research organization.

Mr. Mei obtained his bachelor's degree in chemistry in June 2000 and a master's degree in chemistry in March 2003 from Zhejiang University (浙江大學) in the PRC. He also obtained another master's degree in business administration in March 2015 from Shanghai Jiao Tong University (上海交通大學) in the PRC.

Ms. Pang Yajing (龐亞京), aged 40, is a shareholders' representative Supervisor. She has joined our Company as the head of quality assurance department since 14 September 2018, was appointed as a supervisor of our Company on 16 July 2021. She is primarily responsible for monitoring of the financial affairs of our Company, supervising the performance of our Directors and members of senior management and performing other supervisory duties as a Supervisor.

Prior to joining our Company, Ms. Pang worked at Shandong Xuanzhu Biopharmaceutical from July 2011 to September 2018, a pharmaceutical R&D company, with her last position as the head of quality assurance department, where she was responsible for the daily management of the quality assurance department.

Ms. Pang obtained her bachelor's degree in pharmacy from Hebei University (河北大學) in the PRC in July 2008. She obtained her master's degree in pharmacognostics from the Shandong University of Traditional Chinese Medicine (山東中醫藥大學) in the PRC in July 2011. She also obtained the qualification of engineer in new drug development approved by Jinan Human Resources and Social Security Bureau (濟南市人力資源和社會保障局) in August 2015.

SENIOR MANAGEMENT

Dr. Fan Jing (樊菁), aged 61, serves as the Chief Medical Officer of the Company and Chief Operating Officer of TransThera Sciences (US) Inc., one of its subsidiaries. Dr. Fan joined the Company on 1 November 2022. She is primarily responsible for global clinical research and development, regulatory affairs, and the operations of the US subsidiary.

Prior to joining the Company, Dr. Fan served as a Lead Clinical Scientist of GlaxoSmithKline, a global pharmaceutical company from September 1999 to September 2005, where she led multiple phase I-IV clinical development programs involving small molecule targeted therapies. From October 2005 to December 2007, she served as an Associated Director at Bristol-Myers Squibb, a global pharmaceutical company, where she was responsible for clinical development for registration-directed phase III studies and Phase I study. Dr. Fan served as a Director at Array Biopharma, a global biotechnology company, from March 2008 to September 2008, overseeing clinical development strategy and execution. From October 2008 to June 2013, she served as a Director of Elsai Co., Ltd., a global pharmaceutical company, where she led phase I-III Oncology clinical development programs. From July 2013 to October 2017, Dr. Fan served as a Senior Global Clinical Program Leader at Boehringer-Ingelheim, a global science-led pharmaceutical company, responsible for global clinical programs. From November 2017 to August 2019, she served as a Global Clinical Lead at AstraZeneca, a global pharmaceutical company, leading development strategy and clinical development plans for Immuno-Oncology programs. Dr.Fan also managed a group of physicians and scientists. Dr. Fan also served as a Vice President of Clinical Development at Blueprint Medicine, a global biotechnology company, and was in charge of clinical development. In addition, she also served as a Chief Clinical Officer at NeoImmuneTech, Inc, a global biopharmaceutical company, and was in charge of clinical development, clinical operations, pharmacovigilance and biostatistics.

Dr. Fan obtained a Bachelor of Medicine degree from Jiangxi Medical College (now Nanchang University Jiangxi Medical College) in the PRC in July 1985 and a Master's degree in Biophysics and Physiology from Sun Yat-sen University of Medical Sciences (now Sun Yat-sen University) in the PRC in July 1991. Dr. Fan completed postdoctoral training at Georgetown University School of Medicine in the United States from September 1993 to September 1997.

Ms. Cui Songxi (崔松喜), aged 54, is the vice president of operations of our Company. Ms. Cui joined our Company in 1 July 2020 and has been redesignated as vice president of operations since 2 August 2021. She is responsible for human resources, governmental and administrative management, IT, property control and EHS (environment, health and safety).

Prior to joining our Company, Ms. Cui was appointed by Nanjing Economic Development for New and High Technology Co., Ltd. (南京高新技術經濟開發總公司) (currently known as Nanjing Jiangbei New District Industrial Investment Group Co., Ltd. (南京江北新區產業投資集團有限公司)) as the deputy manager of the merchants department of the company in March 2007, and was re-designated as the deputy director of investment promotion department of the company in March 2012, re-designated as the deputy director of the investment promotion bureau of Nanjing Hi-Tech Zone Administrative Committee (南京高新區投資促進局) in July 2016, re-designated as the deputy director or the Economic Development bureau of Nanjing Municipal Jiangbei New Area Administrative Committee (南京江北新區管委會經濟發展局) in June 2017 and until June 2020 with her last position as the deputy chief of the Management Office of Jiangbei New Area Industrial Technology Research and Innovation Park (江北新區產業技術研創園管理辦公室). She also worked at Nanjing Putian Wangzhi Communication Co., Ltd (南京普天王芝通信有限公司), a CDMA cell phone production company from December 2001 to September 2003. She worked at Nanjing Sharp Electronics Co., Ltd (南京夏普電子有限公司), an electronics production company from April 2000 to November 2001. She worked at Jinling Heren Real Estate Development Co., Ltd. (金陵和仁房地產開發有限公司), a real estate company from May 1996 to December 1998. She also worked at Nanyu Glass Co., Ltd (南宇玻璃有限公司), a float glass production company from January 1995 to September 1995.

Ms. Cui obtained her undergraduate certificate of graduation in Chinese from Yanbian University (延邊大學) in the PRC in June 1994. She completed the basic Japanese language course at Tokyo Riverside School in September 1998. She obtained her master's degree in economics from Tokyo Metropolitan University in Japan in October 2000.

In addition, Ms. Cui obtained the certificate of Level-1 Japanese-Language Proficiency in February 1999.

Dr. Peng Peng (彭鵬), aged 52, has joined our Company since 14 November 2016. Dr. Peng has been redesignated as the vice president of project management since 17 June 2021. He is responsible for company project management, DMPK R&D and oncology pipeline development.

Prior to joining our Company, Dr. Peng served as an executive director of biology department in Shandong Xuanzhu Biopharmaceutical from April 2011 to November 2016, a pharmaceutical R&D company, and was responsible for the overall operations and management of the department. He also worked at Crown Bioscience Technology (Beijing) (中美冠科生物技術(北京)有限公司) from May 2009 to April 2011, a global contract research organization (CRO) providing discovery, preclinical and translational platforms and services to advance oncology and immuno-oncology with his last position as an associate director where he was primarily responsible for the protein science and antibody technology.

Dr. Peng obtained his bachelor's degree in science in July 1996 and a master's degree in molecular biology in July 1999 from the China Agricultural University (中國農業大學) in the PRC. He also obtained his doctor's degree in molecular cellular and developmental biology from the University of Michigan in the U.S. in August 2005.

Dr. Peng obtained the qualification of professorate senior engineer approved by the department of Human Resources and Social Security of Jiangsu Province (江蘇省人力資源和社會保障廳) since November 2018.

Dr. Sheng Zejuan (盛澤娟), aged 51, is the vice president of biology of our Company. Dr. Sheng joined our Company on 9 October 2017. She is responsible for biology and pharmacology R&D and non-oncology pipeline development. She has more than 15 years of experience in the biopharmaceutical industry.

Prior to joining our Company, Dr. Sheng served as a senior director of biology in Shandong Xuanzhu Biopharmaceutical from March 2015 to September 2017, a pharmaceutical R&D company. Dr. Sheng also served as a senior research associate in Genentech Inc. from May 2008 to March 2015, a biotechnology company where she was primarily responsible for research in neuroscience.

Dr. Sheng obtained her graduation certificate of undergraduate degree in microbiology from Wuhan University (武漢大學) in the PRC in July 1994. She obtained her master's degree in science from Fudan University (復旦大學) in the PRC in July 1997. She also obtained her doctor's degree in molecular and cell biology from University of California, Berkeley in the U.S. in December 2007.

Ms. Feng Jie (馮潔), aged 40, is the vice president, secretary of the Board and the joint company secretary of our Company. Ms. Feng joined our Company on 1 July 2021 and has been redesignated as the company secretary since 2 August 2021. She is responsible for investor relation management, financing and corporate governance of our Company. Prior to joining our Company, Ms. Feng served as a joint company secretary of Simcere Pharmaceutical Group Limited (先聲藥業集團有限公司), a pharmaceutical company listed on the Main Board of the Stock Exchange (stock code: 2096), she worked there from July 2010 to June 2021.

Ms. Feng obtained both her bachelor's degree in engineering from the National Life Science and Technology Talent Training Base (國家生命科學與技術人才培養基地) and a master' degree in social and administrative pharmacy from China Pharmaceutical University (中國藥科大學) in the PRC in July 2008 and in June 2010, respectively. She obtained another master's degree in corporate governance from the Hong Kong Metropolitan University in August 2018.

She was admitted as an associate of The Hong Kong Chartered Governance Institute, an associate of the Chartered Governance Institute in November 2018. She obtained the qualification certificate of Secretary of the Board by the Shanghai Stock Exchange.

Dr. Sun Caixia (孫彩霞), aged 43, is the clinical executive director of our Company. Dr. Sun joined our Company on 1 June 2020 and has been redesignated as the clinical executive director since 2 August 2021. She is responsible for clinical trial management and team building. She has more than 15 years of experience in the biopharmaceutical industry.

Prior to joining our Company, she joined Suzhou Yabao Pharmaceutical R&D Co., Ltd. (蘇州亞寶藥物研發有限公司), a new drug research company held by Yabao Pharmaceutical Group Co., Ltd. (亞寶藥業集團股份有限公司) (a company listed on Shanghai Stock Exchange with the stock code: 600351), and was designated as the director of clinical research in March 2018, where she was responsible for clinical development until May 2020. She worked as the director of medical marketing of Jiangsu Wanbang Biopharmaceuticals Marketing Co., Ltd. (江蘇萬邦醫藥營銷有限公司), a subsidiary of Shanghai Fosun Pharmaceutical (Group) Co., Ltd. (上海復星醫藥(集團)股份有限公司) (a company listed on the Main Board of the Stock Exchange with stock code: 2196 and Shanghai Stock Exchange with stock code: 600196), and was responsible for the medical marketing department from February 2014 to January 2017. She worked at Jiangsu Simcere Pharmaceutical R&D Co., Ltd. (江蘇先聲藥物研究有限公司), a new drug research company held by Simcere Pharmaceutical Group Limited (先聲藥業集團有限公司) (a company listed on the Main Board of the Stock Exchange with the stock code: 2096) from June 2010 to December 2013.

Dr. Sun obtained her doctor's degree in internal medicine from Nanjing University (南京大學) in the PRC in June 2010.

Ms. Wong Tik (黃荻), is the joint company secretary of our Company. Ms. Wong has over 25 years of experience in accounting and corporate secretarial field. Ms. Wong has worked and acted as the company secretary for a number of companies listed on the Stock Exchange. Ms. Wong is currently the head of the Listed Company Secretary Services Department of GIL (HK) Limited, a professional corporate secretarial services provider that our Company has engaged for our Company secretarial services.

Ms. Wong obtained the Honours Diploma in Accounting from Hong Kong Shue Yan College in Hong Kong in 1995 and is a member of the Hong Kong Institute of Certified Public Accountants.

2025 WORK REPORT OF THE SUPERVISORY COMMITTEE

In 2025, the Supervisors of TransThera Sciences (Nanjing), Inc. strictly complied with the Company Law of the People's Republic of China, the Articles of Association of TransThera Sciences (Nanjing), Inc., the Rules of Procedure of the Supervisory Committee of TransThera Sciences (Nanjing), Inc. and other laws, regulations and relevant provisions, conscientiously performed their duties, exercised their powers in accordance with the law, supervised the performance of duties by the Company and its Directors and senior management, and promoted the standardized operation of the Company. The report on the work of the Supervisory Committee for 2025 is as follows:

I. MEETINGS OF THE SUPERVISORY COMMITTEE IN 2025

In 2025, the 11th meeting of the first session of the Supervisory Committee and the 1st meeting of the second session of the Supervisory Committee were held to review the Company's financial matters, internal control, connected transactions and other matters. The specific proposals considered were mainly as follows:

Session	Topic No.	Proposals of Meeting
The 11th meeting of the first session of the Supervisory Committee 6 June 2025	1	Proposal on the 2024 Work Report of the Supervisory Committee of the Company
	2	Proposal on the 2024 Financial Final Accounts Report of the Company
	3	Proposal on the 2025 Financial Budget Report of the Company
	4	Proposal on the 2024 Profit Distribution Plan of the Company
	5	Proposal on the Internal Control Evaluation Report of the Company
	6	Proposal on the Projected Daily Connected Transactions of the Company for 2025
	7	Proposal on the Company's Uncovered Losses Amounting to One-third of Its Total Paid-up Capital
	8	Proposal on the Report on Remuneration of the Supervisors for 2024 and the Remuneration Plan for the Supervisors for 2025
	9	Proposal on the Re-election of the Supervisory Committee and the Nomination of Candidates for Non-employee Representative Supervisors of the Second Session of the Supervisory Committee
The 1st meeting of the second session of the Supervisory Committee 25 August 2025	1	Proposal on the Unaudited Condensed Consolidated Financial Statements and Draft Results Announcement of the Company and Its Subsidiaries for the Six Months Ended 30 June 2025
	2	Proposal on the Draft Interim Report of the Company and Its Subsidiaries for the Six Months Ended 30 June 2025

II. SUPERVISORY OPINIONS OF THE SUPERVISORY COMMITTEE ON RELEVANT MATTERS OF THE COMPANY

(1) Standardized Operation of the Company

During the reporting period, the Supervisory Committee, in accordance with the requirements of relevant national laws and regulations, supervised and restrained the business conduct of the Company. The Supervisory Committee attended the meetings of the Board of Directors of the Company in accordance with the regulations, supervised the major decision-making procedures of the Board of Directors of the Company, and actively expressed opinions during the review process to ensure the legal and compliant operation of the Company. It strictly supervised the performance of duties by the Directors and senior management. During the reporting period, the Board of Directors of the Company operated in a standardized manner, and the decision-making procedures for major matters were scientific, reasonable, lawful and effective. The Board of Directors and senior management of the Company were loyal to their duties and diligent in performing their duties in the Company, and no violations of laws, regulations, the Articles of Association or any conduct detrimental to the interests of the Company and its Shareholders were found.

(2) Financial Position of the Company

During the reporting period, the Supervisory Committee monitored the Company's financial position and carefully reviewed the Company's financial reports. The Supervisory Committee is of the opinion that the Company has strengthened its financial management and accounting practices in accordance with the Accounting Law of the People's Republic of China, the Accounting Standards for Business Enterprises and other relevant regulations, strictly implemented its internal control systems, maintained a relatively sound internal control system, operated its finances in a standardized manner, and maintained a healthy financial position.

(3) Corporate Governance

The Supervisory Committee supervised the governance structure of the Company and promoted the improvement of the Company's management mechanism to enhance decision-making efficiency and transparency. Through strengthening internal control and risk management, we effectively reduced the Company's operating risks and ensured the sustainable and stable development of the Company.

III. WORK PLAN FOR THE NEXT YEAR

The Supervisory Committee will continue its efforts to strengthen its supervisory functions and better perform its duties. We will further improve the quality and efficiency of the work of the Supervisory Committee, enhance the level of supervision and decision-making of the Supervisory Committee, actively guide the Company in fulfilling its social responsibilities, and promote sustainable development, so as to make greater contributions to the maximization of the Company's interests and the enhancement of its Shareholders' interests.

IV. DISSOLUTION OF THE SUPERVISORY COMMITTEE

In order to adapt to the newly revised Company Law of the People's Republic of China, further optimize the corporate governance structure and in accordance with the Company Law of the People's Republic of China, the Guidelines on the Articles of Association of Listed Companies (《上市公司章程指引》) and other relevant laws and regulations, rules and other regulatory documents, the Company proposes to dissolve the Supervisory Committee and abolish the Rules of Procedure of the Supervisory Committee of the Company. The powers and functions of the Supervisory Committee shall be exercised by the Audit Committee, and the provisions involving the Supervisory Committee and supervisors in various rules and regulations of the Company shall no longer apply.

The proposed dissolution of the Supervisory Committee is subject to the consideration and approval by the Shareholders at the forthcoming annual general meeting of the Company.

The Supervisory Committee

31 March 2026

CORPORATE GOVERNANCE REPORT

CORPORATE CULTURE

The Company believes that a strong and healthy corporate culture is essential to achieving long-term sustainable development and continuous creation of value for shareholders. In assuming primary responsibility for leading the corporate culture, the Board will strive to align the Company's core values, mission and vision, and strategic objectives, and promote the effective implementation of cultural values throughout its business activities under its effective governance.

As the highest body responsible for promoting its corporate culture, the Board conducts regular review and evaluation of the effectiveness of cultural development to ensure its alignment with the Company's long-term development goals. The members of the Board shall lead by example and uphold the codes of conduct for integrity, accountability, and performance, thereby setting the standard for the management and all employees. The Company has established a comprehensive Employee Handbook, providing a framework for professional standards, codes of conduct, and a diverse and inclusive culture, and all employees are required to complete relevant training upon onboarding.

Guided by its core values of "Integrity, Accountability and Productivity", the Company strictly complies with the laws and regulations of China and other jurisdictions in which it operates, and has formulated and continuously refined internal management policies covering the full lifecycle of recruitment, remuneration, performance, and resignation. In adherence to the principles of fair competition and merit-based selection, the Company has established standardized procedures in areas such as remuneration and benefits, attendance and leave, equal opportunity, and anti-discrimination to ensure procedural integrity and equitable outcomes, subject to regular internal audits and compliance reviews.

The Board considers talent as the cornerstone of sustainable competitive advantage. We are committed to continuous investment in our employees by offering diversified training programmes, opportunities for cross-departmental experience, and access to cutting-edge knowledge, thereby supporting their skills enhancement and career advancement and fostering the symbiotic growth of human capital and corporate value.

The Board will continue to oversee the effectiveness of the implementation of corporate culture, ensuring that it will effectively support the achievement of the Company's long-term strategic objectives and create sustainable value for all stakeholders.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to achieving high standards of corporate governance. The corporate governance principles of the Company are to implement effective internal control measures and enhance the transparency and accountability of the Board to all Shareholders.

Under paragraph C.2.1 of Part 2 of the Corporate Governance Code, the roles of chairman and chief executive should be separated and not be performed by the same individual. Dr. Wu is the chairman of our Board and chief executive officer of our Company. He has over 27 years of science and leadership experience in biopharmaceutical companies. Dr. Wu is in charge of overall strategic planning and decision-making, execution, operation and management of our Company. While this will constitute a deviation from code provision C.2.1 of the Corporate Governance Code, our Board considers that vesting the roles of both chairman of the Board and chief executive officer all in Dr. Wu has the benefit of ensuring consistent leadership and more effective and efficient overall strategic planning of our Company. The balance of power and authority is ensured by the operation of our Board, which comprises experienced and diverse individuals. Our Board currently comprises two executive Directors, two non-executive Directors and three independent non-executive Directors. Therefore, our Board possesses an independent element in its composition.

Save as disclosed above, our Company has complied with all code provisions under the Corporate Governance Code from the Listing Date to 31 December 2025. The Company will continue to regularly review and monitor its corporate governance practices to ensure its compliance with the CG Code.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the corporate governance duties set out in code provision A.2.1 of the CG Code, namely:

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

(ii) to review and monitor the training and continuous professional development of Directors and senior management;

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

(iv) to develop, review and monitor the code of conduct and compliance manual (including in relation to securities trading) applicable to employees and Directors; and

(v) to review the Company's compliance with the CG Code and disclosure in the corporate governance report in the Company's annual report.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code on terms no less exacting than the required standard of dealings set out in Appendix C3 to the Listing Rules and the Directors are reminded of their obligations under the Model Code on a regular basis.

Upon specific enquiry made with all the Directors, all the Directors have confirmed to the Company that they have fully complied with the required standard set out in the Model Code during the period from the Listing Date and up to 31 December 2025.

BOARD OF DIRECTORS

As at 31 December 2025, the Board comprised two executive Directors, namely Dr. Frank Wu and Mr. Wu Di, two non-executive Directors, namely, Ms. Jia Zhongxin and Dr. Yi (resigned as the non-executive Director on 31 March 2026), and three independent non-executive Directors, namely, Ms. Chui Hoi Yam, Ms. Zheng Zhelan and Mr. Li Shu Pai. Dr. Frank Wu is the chairman of the Board.

Details of background and qualifications of all Directors as at the date of this report are set out in the section headed "Biographies of Directors, Supervisors and Senior Management" in this report.

The Board is responsible for and has the general power over the management and operation of our business, including determining our business strategies and investment plans, implementing resolutions passed at our Shareholders' general meetings, and exercising other powers, functions and duties as conferred by the Articles of Association. The Board also assumes the responsibilities for exercising other powers, functions and duties in accordance with the Articles of Association, and all applicable laws and regulations, including the Listing Rules.

The overall management of the Company's business is vested in the Board which assumes the responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. The Board delegates the authority and responsibility for implementing day-to-day operations, business strategies and management of the Group's business to the executive Director and senior management of the Group.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

All non-executive Directors and independent non-executive Directors are appointed for a specific term of three years.

Pursuant to the Articles of Association, Directors shall be subject to election at the Company's general meetings with a term of office of three years and may be re-elected. The Company has implemented a set of effective procedures for the appointment of new Directors. The Nomination Committee shall, in accordance with provisions of the relevant laws and regulations and the Articles of Association, take into account the practical situations of the Company, consider the selection criteria, selection procedures and terms of office of the Directors, and record and submit the resolutions to the Board for approval. All newly nominated Directors are subject to election and approval at general meetings.

Each of the Directors has been re-elected for a term of three years at the annual general meeting of the Company held on 4 August 2025.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The role of the independent non-executive Directors is to provide independent and objective opinions to the Board, giving adequate control and balances for the Group to protect the overall interests of the Shareholders and the Group. They serve actively on the Board and Board Committees to provide their independent and objective views.

In compliance with Rules 3.10(1) and 3.10A of the Listing Rules, the Company has appointed three independent non-executive Directors, representing more than one-third of the Board. One of the independent non-executive Directors has the appropriate professional qualifications in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

Each independent non-executive Director has submitted an annual confirmation in writing of his independence to the Company pursuant to Rule 3.13 of the Listing Rules. Based on the contents of such confirmations and upon the recommendations of the Nomination Committee, the Board considers that all independent non-executive Directors are independent and free of any relationship that could materially interfere with the exercise of their independent judgement.

DIRECTORS' AND OFFICERS' INSURANCE

The Company has arranged appropriate insurance cover in respect of potential legal actions against its Directors and officers.

DIRECTORS' CONTINUOUS TRAINING AND PROFESSIONAL DEVELOPMENT

All Directors are aware of their responsibilities to the Shareholders and have exercised their duties with care, skill and diligence, in pursuit of the development of the Group. Every newly appointed Director receives an induction to ensure that he/she has a proper understanding of the business and operations of the Group and that he/she is fully aware of his/her duties and responsibilities as a director under applicable rules and requirements.

In compliance with the code provision C.1.4 of the CG Code and to ensure compliance and enhance the awareness of good corporate governance practices. During 2025, continuous professional development training was provided to Directors on the following areas and topics:

Areas	Topics/Learning Materials	Mode of Training
Board and directors' duties	1. Guidance Materials for Listed Issuers (Consolidated) *(HKEX)*	Reading Materials
	2. Continuing Obligations (Online Course) *(HKEX)*	Online Learning
Listing Rules and Hong Kong law compliance	1. 2025 Listing Rules Amendments – Seminar on New Board and Corporate Governance Requirements *(GUANTAO & CHOW SOLICITORS AND NOTARIES)*	External – Seminar
	2. Listing Regulation and Enforcement Newsletter *(HKEX)*	Reading Materials
Corporate governance and ESG	1. Corporate Governance Guide for Boards and Directors *(HKEX)*	Reading Materials
	2. The Transformative Role of AI in Enhancing ESG Efforts: A Perspective for Boards in Hong Kong and Asia *(The Hong Kong Institute of Directors)*	Reading Materials
	3. HKEX ESG Academy seminar – Developing Climate Strategies Amid Uncertainty: Scenario Planning and Analysis *(HKEX)*	Online Learning
Risk Management & Internal Controls	Optimising Board Meetings for Effective Governance *(The Hong Kong Institute of Directors)*	Reading Materials
Industry and business updates	Interpretation of 2025 Anti-Corruption Regulatory Policies in the Pharmaceutical Industry	Internal Training

Based on the details so provided, the continuous professional development training undertaken by the Directors during the year is summarised as follows:

	Areas					
Directors	Board and directors' duties	Listing Rules and Hong Kong law compliance	Corporate governance and ESG	Risk management and internal controls	Industry and business updates	Approximate number of hours of CPD training completed in 2025
Dr. Frank Wu	√	√	√	√	√	10 hours
Mr. Wu Di	√	√	√	√	√	10 hours
Ms. Jia Zhongxin	√	√	√	√	√	10 hours
Dr. Yi Hua	√	√	√	√	√	10 hours
Ms. Chui Hoi Yam	√	√	√	√	√	10 hours
Ms. Zheng Zhelan	√	√	√	√	√	10 hours
Mr. Li Shu Pai	√	√	√	√	√	10 hours

BOARD COMMITTEES

The Board is supported by a number of the Board Committees, including the Audit Committee, Nomination Committee, Remuneration and Appraisal Committee and Strategy Committee. Each Board Committee has its defined and written terms of reference approved by the Board covering its duties, powers and functions. The terms of reference of the Audit Committee, Nomination Committee, Remuneration and Appraisal Committee and Strategy Committee are available on the Company's website and the Stock Exchange's website.

All Board Committees are provided with sufficient resources to discharge their duties, including access to management or professional advice if considered necessary.

Audit Committee

The Company established an audit committee in compliance with Rule 3.21 of the Listing Rules. Written terms of reference in compliance with Rule 3.22 of the Listing Rules and code provision D.3.3 of the CG Code have been adopted. The primary duties of the Audit Committee are mainly to (i) make recommendations to the Board on the appointment, re-appointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal; (ii) to review and monitor the integrity of the Company's financial statements, annual reports and accounts and interim reports, the significant financial reporting judgements contained therein, and (iii) to oversee financial reporting system, risk management and internal control systems of the Company. As of 31 December 2025, the Audit Committee consists of three members, namely Mr. Li Shu Pai, Ms. Jia Zhongxin and Ms. Zheng Zhelan. Mr. Li Shu Pai, who has appropriate professional qualifications and experience in accounting matters, is the chairperson of the audit committee.

The audit committee held 4 meetings during the year, and the key works done by the Audit Committee included:

- reviewing the accounting principles and practices adopted by the Group;
- reviewing the interim results of the Group and recommending the same to the Board for approval;
- reviewing the re-appointment and remuneration of external auditor; and
- reviewing of the annual audit plan of external auditor for the year ended 31 December 2025.

Nomination Committee

The Company established a nomination committee in compliance with Rule 3.27A of the Listing Rules. Written terms of reference in compliance with code provision B.3.1 of the CG Code have been adopted. The primary duties of the Nomination Committee include, among others, (a) reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the corporate strategy; (b) identifying individuals suitably qualified to become members of the Board and selecting or making recommendations to the Board on the selection of individuals nominated for directorships; (c) assessing the independence of the independent non-executive Directors; (d) making recommendations to the Board on the appointment and succession planning for the Directors; and (e) reviewing the Board Diversity Policy concerning the diversity of the Board and the measurable objectives that the Board has adopted for implementing the policy and to make the relevant disclosure on the progress of achieving those objectives in the corporate governance report of the Company. As of 31 December 2025, the nomination committee of the Company consists of three members, namely Ms. Chui Hoi Yam, Dr. Frank Wu and Ms. Zheng Zhelan. Ms. Chui Hoi Yam is the chairperson of the nomination committee.

The Nomination Committee held one meeting during the year, and the key works done by the Nomination Committee included reviewing and making recommendations to the Board on the re-election of retiring Directors.

Remuneration and Appraisal Committee

The Company established a remuneration and appraisal committee in compliance with Rule 3.25 of the Listing Rules. Written terms of reference in compliance with Rule 3.26 of the Listing Rules and code provision E.1.2 of the CG Code have been adopted. The primary duties of the Remuneration and Appraisal Committee are mainly to make recommendation to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group, review remuneration proposals of the management with reference to the Board's corporate goals and objectives, assess the performance of executive Directors, and ensure that none of the Directors or any of his/her associates is involved in deciding his/her own remuneration. As of 31 December 2025, the Remuneration and Appraisal Committee of the Company consists of three members, namely Ms. Zheng Zhelan, Ms. Jia Zhongxin and Ms. Chui Hoi Yam. Ms. Zheng Zhelan is the chairperson of the Remuneration and Appraisal Committee.

The Remuneration and Appraisal Committee is authorised by the Board to determine, subject to approval by the Board, the remuneration payable to executive Directors and members of senior management, the emolument policies and the basis for determining such emoluments. No Director or any of his/her associates was involved in deciding his/her own remuneration.

During the year, the Remuneration and Appraisal Committee held one meeting. The key works done by the Remuneration and Appraisal Committee included:

- reviewing and making recommendation on policy and structure for Directors' and senior management's remuneration;
- reviewing and approving the management's remuneration proposals with reference to the corporate goals and objectives of the Board; and
- reviewing and determining on the remuneration packages of individual executive Directors and senior management.

The details of the annual remuneration of the senior management by band for the year ended 31 December 2025 is as follows:

	Number of senior management
Nil to HK$2,000,000	0
HK$2,000,001 to HK$3,000,000	1
HK$3,000,001 to HK$4,000,000	3
HK$4,000,001 to HK$5,000,000	0
HK$5,000,001 to HK$6,000,000	2
HK$6,000,001 to HK$7,000,000	1
HK$7,000,001 to HK$8,000,000	1

Strategy Committee

The Strategy Committee was established with terms of reference and comprises Dr. Frank Wu, Ms. Chui Hoi Yam and Ms. Jia Zhongxin with Dr. Frank Wu serving as the chairperson.

During the year, the Strategy Committee held one meeting. The key works done by the Strategy Committee included researching and making recommendations on our long-term development strategies and major investment decisions.

The primary duties of the Strategy committee are to research and make recommendations on our long-term development strategies and major investment decisions.

BOARD OF SUPERVISORS

The Board of Supervisors consists of three members. The employee representative supervisor, Ms. Zhao Weili, was elected by employees, and the other two shareholder representative supervisors, Mr. Mei Jianghua and Ms. Pang Yajing were elected by the shareholders of the Company. Each of the Supervisors has entered into a service contract with the Company for an initial term of three years. The two shareholder representative Supervisors have been re-elected for a term of three years at the annual general meeting of the Company held on 4 August 2025. While the employee representative Supervisor has been re-elected for a term of three years on 10 June 2025. The functions and duties of the Board of Supervisors include, but are not limited to: reviewing and verifying financial reports and, if in doubt, appointing certified public accountants and practicing auditors to re-examine the Company's financial information; investigate when an unusual operation situation of the Company is discontinued; supervising the performance of the Directors and senior management members, and monitoring whether they had acted in violation of the laws, regulations and Articles of Association in the performance of their duties; requesting the Directors and senior management members to rectify actions which are detrimental to the Company's interests; and exercising other rights given to them under the Articles of Association.

The Company proposes to dissolve the Supervisory Committee and abolish the Rules of Procedure of the Supervisory Committee of the Company. The proposed dissolution of the Supervisory Committee is subject to the consideration and approval by the Shareholders at the forthcoming annual general meeting of the Company.

BOARD MEETINGS AND ATTENDANCE RECORD OF DIRECTORS

Code provision C.5.1 of the CG Code states that at least four regular board meetings should be held each year at approximately quarterly intervals with active participation of a majority of directors, either in person or through other electronic means of communication. During the Year, the Board held 7 meetings, and 1 Shareholders' meeting was held (being the annual general meeting of the Company held on 4 August 2025). The Directors' attendance records in respect of meetings held during the year are shown as follows:

	Attendance Record of Meetings held during the Year					
Name of Director	Board	Audit Committee	Remuneration and Appraisal Committee	Nomination Committee	Strategy Committee	Annual General Meeting
Number of total meetings	7	4	1	1	1	1
Dr. Frank Wu	7/7	N/A	N/A	1/1	1/1	1/1
Mr. Wu Di	7/7	N/A	N/A	N/A	N/A	1/1
Ms. Jia Zhongxin	7/7	4/4	1/1	N/A	1/1	1/1
Dr. Yi Hua	7/7	N/A	N/A	N/A	N/A	1/1
Ms. Chui Hoi Yam	7/7	N/A	1/1	1/1	1/1	1/1
Ms. Zheng Zhelan	7/7	4/4	1/1	1/1	N/A	1/1
Mr. Li Shu Pai	7/7	4/4	N/A	N/A	N/A	1/1

AUDITOR'S REMUNERATION

Ernst & Young has been appointed as the external auditor of the Company. In 2025, fee payable to Ernst & Young for the annual audit services was RMB1.68 million; and RMB0.3 million for the non-audit services of interim review for the year ended 31 December 2025.

JOINT COMPANY SECRETARIES

Ms. Feng Jie and Ms. Wong Tik have been appointed as the Joint Company Secretaries of the Company. For the biographical details of Ms. Feng and Ms. Wong, please see the section headed "Biographies of Directors, Supervisors and Senior Management" of this annual report.

Ms. Feng is the primary contact person at our Company for Ms. Wong and cooperates and communicates with Ms. Wong on the Company's corporate governance matters.

For the year ended 31 December 2025, each of Ms. Feng and Ms. Wong has taken not less than 15 hours of relevant professional training in compliance with the requirements of Rule 3.29 of the Listing Rules.

DIRECTORS' AND AUDITOR'S RESPONSIBILITY FOR ACCOUNTS

The Directors acknowledge their responsibility for the preparation of the consolidated financial statements of the Group for the Year, which give a true and fair view of the financial position and performance of the Group on a going concern basis.

Statements of Directors' responsibilities, for preparing the consolidated financial statements of the Group and external auditor's reporting responsibilities are set out in the Independent Auditor's Report in this report.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors acknowledges its responsibility for the risk management and internal control systems of the Group and is responsible for continuously reviewing the effectiveness of such systems (at least annually). The risk management and internal control measures are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss. During the Reporting Period, with the assistance of the Audit Committee, the Board of Directors reviewed the effectiveness of the risk management and internal control systems of the Group (including all material controls such as financial, compliance and operational controls, as well as the risk management mechanism), and concluded that the relevant systems are effective and adequate, and no material areas of concern were identified during the review. During the Reporting Period, no material changes were made to the internal control system.

The Board, with the assistance of the Audit Committee, has also reviewed and was satisfied with the adequacy of the Company's resources, qualifications and experience of the staff, the training courses and the related budgets in accounting, internal review and financial reporting functions.

Our Board of Directors is responsible 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 systems. The Company has also formed a risk prevention and control organization internally to assist the Board of Directors in leading the management to design, implement and monitor the risk management and internal control systems.

The development of the risk management and internal control systems of the Company follows the following principles, features and processes:

Risk Management

We recognize that risk management is critical to the success of our business operation. Key operational risks faced by us include changes in the regulatory environment of China and the global biopharmaceutical market, our ability to research, develop, manufacture and commercialize our drug candidates, and our ability to compete with other biopharmaceutical companies. We also face various market risks as well as other risks and uncertainties after our drug candidates are approved for marketing.

We have adopted a set of risk management policies which set out a risk management framework to identify, assess, evaluate and monitor key risks associated with our strategic objectives on an ongoing basis. The risks identified by the management are analyzed based on the likelihood and impact, and will be properly followed up, mitigated and rectified by the Group, and reported to the Board of Directors.

As of 31 December 2025, to monitor the continuous implementation of our risk management policies and corporate governance measures, we have adopted, among other things, the following risk management measures:

1. The Board of Directors is responsible for supervising the implementation of our risk management policies and reviewing its effectiveness.

   Our Board of Directors is responsible for overseeing and managing the overall risks associated with our business operation, including (i) reviewing and approving our risk management policies to ensure that it is consistent with our corporate objectives; (ii) reviewing and approving the annual work plan and annual report on risk management of the Company; (iii) monitoring the most significant risks associated with our business operation and our management's handling of such risks; (iv) reviewing our corporate risk in light of our corporate risk tolerance; and (v) monitoring and ensuring the appropriate application of our risk management framework across our Group.

2. Our internal audit department is led by the Audit Committee and is responsible for (i) formulating our risk management policy and reviewing major risk management issues of our Company; (ii) formulating the annual work plan and annual report on risk management; (iii) providing guidance on our risk management approach to the relevant departments in our Group and supervising the implementation of our risk management policies by the relevant departments; (iv) reviewing the relevant departments' reporting on key risks and providing feedback; and (v) providing education and training related to risk management.

3. The relevant departments in our Group (including but not limited to the finance department, the legal department and the human resources department) are responsible for implementing our risk management policy and carrying out our day-to-day risk management practice. The relevant departments have performed the following functions and will continue to: (i) gather information about the risks relating to their operation or function; (ii) conduct risk assessments, which include the identification, prioritization, measurement and categorization of all key risks that could potentially affect their objectives; (iii) continuously monitor the key risks relating to their operation or function; (iv) implement appropriate risk responses where necessary; (v) develop and maintain an appropriate mechanism to facilitate the application of our risk management framework; and (vi) timely report to the internal audit department upon discovery of material risks.

We consider that our Directors and members of our senior management possess the necessary knowledge and experience in providing good corporate governance oversight in connection with risk management and internal control.

Internal Control

Our Board of Directors is responsible for establishing and ensuring effective internal controls. The internal control policies of our Group set out a framework to identify, assess and monitor key risks associated with its strategic objectives on an ongoing basis. Our Group has adopted various measures and procedures regarding each aspect of our business operation, such as related party transactions, risk management, anti-corruption, protection of intellectual property, environmental protection, and occupational health and safety. As part of our employee training program, we provide periodic training on these measures and procedures to our employees, and provide training on such measures and procedures to new employees. Our Company also constantly monitors the implementation of those measures and procedures, reports the identified weaknesses to our management, Audit Committee and Board of Directors, and follows up on rectification measures.

(1) Internal Control Organization and Management System

1. 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, and oversees internal control procedures of our Group.

2. We have engaged Central China International Capital Limited as our compliance advisor to provide advice and training to our Directors and management team in respect of matters relating to the Listing Rules until the end of the first full financial year commencing after the Listing Date.

3. All departments of the Group conduct internal control assessments regularly to identify risks that may affect the business of the Group, including various aspects such as key operations, financial processes, regulatory compliance and information security.

4. Our management coordinates with the heads of various departments to evaluate the likelihood of occurrence of risks, formulate governance plans, monitor the progress of risk management, and report all material findings and the effectiveness of the system to the Audit Committee and the Board of Directors.

5. Our Company has established relevant systems for risk management and internal control, together with relevant policies and procedures that we consider appropriate for our business operation. We periodically review the relevant laws and regulations, and revise our internal policies to ensure compliance with the latest applicable laws and regulations.

We believe that our Directors and members of our senior management possess the necessary knowledge and experience in providing good corporate governance oversight in connection with risk management and internal control.

(2) Effectiveness of Internal Control

The management has reported to the Board of Directors and the Audit Committee on the status of risk management and internal control for the year ended 31 December 2025. Our Company has obtained effective control in aspects such as financial management, R&D of drug candidates, anti-corruption and anti-bribery, insider dealing and information disclosure, and no material changes have occurred in such systems. Our Company has received confirmation from the management and the Audit Committee regarding the effectiveness of such systems.

Below is a summary of several important aspects of internal control during the Reporting Period.

1. Anti-corruption and Anti-bribery Control

Our Company has formulated management systems for anti-bribery, anti-corruption, anti-fraud and anti-money laundering to prevent corruptive and bribery practices within our Company. Our Company has established an open internal reporting channel for employees of our Company to report any suspicious corruptive and bribery practices, which will be investigated and handled by the relevant working group. All reported matters and their handling will be summarized and submitted to the Audit Committee. Up to the end of the Reporting Period, our Company has not had any non-compliance cases in relation to bribery and corruption.

We plan to maintain strict anti-corruption policies among our sales personnel and distributors in our future sales and marketing activities. We will also strive to ensure that our sales and marketing personnel will comply with the applicable promotion and advertisement requirements in the future.

2. Insider Dealing and Information Disclosure Control

Our Company has formulated information disclosure policies to provide general guidelines for our Directors, senior management and relevant employees of our Company in handling confidential data, monitoring data disclosure and responding to enquiries. Our Company has implemented control procedures to ensure that unauthorized access to and use of inside information are strictly prohibited. Our Company has formulated management systems for identifying, handling and disseminating inside information to prevent improper handling of the inside information of our Group.

(3) Continuous Improvement

In respect of the issues identified in internal control, we will continuously improve and enhance the management level of our internal control.

COMMUNICATION WITH SHAREHOLDERS AND SHAREHOLDERS' RIGHTS

The Company aims to, via its corporate governance structure, enable all Shareholders an equal opportunity to exercise their rights in an informed manner and allow all Shareholders to engage actively with the Company. Under the Company's Articles of Association, the shareholder communication policy and other relevant internal procedures of the Company, the Shareholders enjoy, among others, the following rights:

(i) Participation at general meetings

The general meetings of the Company provide an opportunity for direct communication between the Board and the Shareholders. The Company encourages the participation of the Shareholders through annual general meetings and other general meetings where the Shareholders meet and exchange views with the Board, and to exercise their right to vote at meetings. The Company shall arrange notices of meetings and circulars containing details on proposed resolutions to be sent to the Shareholders no less than 21 days before the annual general meeting and no less than 15 days before other general meetings. At general meetings, separate resolutions are proposed on each substantial issue, including the election of individual Directors.

(ii) Enquiries and proposals to the Board

The Company encourages Shareholders to attend Shareholders' meetings and make proposals by either directly raising questions on both operational and governance matters to the Board and Board Committees at the general meetings or providing written notice of such proposals for the attention of the Company Secretary at the principal place of business of the Company in Hong Kong situated at Room 6706, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.

(iii) Convening extraordinary general meetings

Shareholders individually or collectively holding more than 10% of the Company's shares have the right to propose to the Board to convene an extraordinary general meeting in writing. The Board shall provide feedback within 10 days after receiving the request, and a notice of convening the extraordinary general meeting shall be issued within 5 days after the resolution of the Board is made. If the Board does not agree to the above request, or fails to give feedback within 10 days, such shareholders shall have the right to make the same request to the Supervisory Committee to convene an extraordinary general meeting in writing. If the Supervisory Committee agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days upon receipt of the request. If the Supervisory Committee fails to issue a notice of the general meeting within the prescribed time limit, such shareholders individually or collectively holding more than 10% of the shares of the Company for more than 90 consecutive days may convene and preside over the extraordinary general meeting on their own.

(iv) Procedures for putting forward proposals at a general meeting

Any Shareholders' general meeting or meeting of the Board, Supervisory Committee convened by the Company and shareholders who individually or collectively hold more than 1% of the Company's shares shall have the right to make proposals to the Company within 10 days before the date of the Shareholders' general meeting. The convener shall issue a supplemental notice of the general meeting within 2 days after receiving the interim proposal in order to publicize it.

Shareholder Inquiry

Shareholders who intend to put forward their enquiries about the Company to the Board may put enquiries to the Office of the Board of the Company through the following channels:

(i) by mail to the Company's registered office in the PRC at floor 3, Building 9, Accelerator Phase 2 Biotech and Pharmaceutical Valley, Jiangbei New Area, Nanjing Jiangsu Province, PRC or to the Company's principal place of business in Hong Kong at Room 6706, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong

(ii) by telephone at (86) 025-58216209; or

(iii) by email: IR@transtherabio.com

The Company highly values the view and comment by the Shareholders' and relevant stakeholders to the Company and would invite the Shareholders' and relevant stakeholders to communicate with the Company by employing the abovementioned means. In view of the above shareholders' communication means and measures adopted by the Company, the Board is of the view that the shareholders' communication policy implemented during the year was sufficient and effective.

NOMINATION POLICY

The Board has approved and adopted the nomination policy which sets out the principles guiding the nomination committee to identify and evaluate a candidate for nomination to the Board for appointment or to the Shareholders of the Company for election as a director of the Company. The policy contains a number of factors to which the nomination committee has to adhere when considering nominations. These factors include the candidate's skills and experience, diversity perspectives set out in the Board diversity policy, the candidate's time commitment and integrity, and the independence criteria under Rule 3.13 of the Listing Rules if the candidate is proposed to be appointed as an independent non-executive Director. The policy also lays down the following nomination procedures: the nomination committee (a) will take appropriate measures to identify and evaluate a candidate; (b) may consider a candidate recommended or offered for nomination by a Shareholder of the Company; and (c) will, on making the recommendation, submit the candidate's personal profile to the Board for consideration.

BOARD DIVERSITY POLICY

The Board adopted the Board Diversity Policy to enhance the effectiveness of our Board and to maintain a high standard of corporate governance. Pursuant to the Board Diversity Policy, in reviewing and assessing suitable candidates to serve as a Director, the nomination committee of our Company will consider a range of diversity perspectives with reference to our Company's business model and specific needs, including but not limited to gender, age, language, cultural and educational background, professional qualifications, skills, knowledge, industry and regional experience and/or length of service.

The Board and the Nomination Committee had reviewed the structure, size and composition of the Board with reference to the Board Diversity Policy. The current Board composition reflects diverse mix of various experience, capabilities, skills and expertise. The Company considers that the current composition of the Board, is characterised by diversity, whether considered in terms of gender, age, length of service, professional background and skills. The current Directors possess a wealth of experience and expertise in various areas, including, but not limited to, real estate, financial and asset management and technology investments and management.

The Directors have a balanced mixed of knowledge and skills, including but not limited to overall business management, finance and accounting, research and development, and investment. They obtained degrees in various majors including biotechnology, engineering, chemistry, economics, law, clinical studies, etc.

Furthermore, as at 31 December 2025, our Board has a relatively wide range of ages, ranging from 45 years old to 65 years old and consists of 4 male members and 3 female members.

All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. The ultimate decision will be based on merit and contribution that the selected candidates may bring to the Board.

The Board considered that the diversity of the Board has been achieved during the Year and will continue reviewing the implementation and effectiveness of the Board diversity policy on an annual basis.

Our Company also intends to promote gender diversity when recruiting staff at the mid to senior level. We believe that such 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.

As at 31 December 2025, the gender ratio in the workforce of the Group (including Management) was 0.6:1, male to female.

MECHANISM ENSURING SUFFICIENT INDEPENDENCE VIEWS TO THE BOARD

The Company recognises that Board independence is key to good corporate governance. As part of the established governance framework, the Group has in place effective mechanisms that underpin a strong independent Board and that independent views and input from Directors are conveyed to the Board. To facilitate attendance and participation at Board and other Board committee meetings, the Company plans meeting schedules with remote facilities for attendance. The Board process, ranging from agenda setting, provision of information and focus on constructive debates and discussions, facilitates effective and active participation by all independent non-executive Directors. The Company has also established channels through formal and informal means whereby independent non-executive Directors can express their views in an open and candid manner, and in a confidential manner, should circumstances require; these include periodic interaction with management and other Board Members including the Chairman outside the boardroom and seeking independent professional advice. The Board has reviewed the effectiveness of the board independence mechanism annually and considered such mechanism is effective.

DIVIDEND POLICY

No dividend has been paid or declared by our Company during the year.

As the Company is currently not profitable, there is no dividend available for declaration or payment. Any declaration and payment as well as the amount of dividends will be subject to Articles of Association and the PRC Company Law. The declaration and payment of any dividends in the future will be determined by our Board, in its discretion, and will depend on a number of factors, including our earnings, capital requirements, overall financial condition and contractual restrictions. Our Shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution.

In accordance with PRC law, any future net profit must first be applied to offset the historically accumulated losses of the Company. Subsequently, an allocation of 10% of the net profit is required to be made to the statutory common reserve fund until such fund exceeds 50% of the registered capital. Consequently, dividends may only be declared after (i) all historically accumulated losses have been offset, and (ii) sufficient net profit has been allocated to the statutory common reserve fund as stipulated. Given the accumulated losses incurred during the year, no dividend has been paid or declared by our Company during the year.

INVESTOR RELATIONS

The Company establishes different communication channels with investors to update them with the latest business development and financial performance including the publication of interim and annual reports, the publishing and posting of notices, announcements and circulars on the websites of the Stock Exchange and the Company in order to maintain a high level of transparency. The Company has the information on the address, telephone and email for taking enquiries and for receiving information requests from Shareholders. The Board has reviewed the effectiveness of the shareholders' communication policy and considered that these channels allow us to receive feedback from the Shareholders.

CONSTITUTIONAL DOCUMENTS

Pursuant to Rule 13.90 of the Listing Rules, the Company has published its memorandum of association and the Articles on the respective websites of the Stock Exchange and the Company. No amendments were made to the constitutional documents of the Company during the period from Listing Date to 31 December 2025.

REPORT OF THE DIRECTORS

The Directors are pleased to present this report together with the audited consolidated financial statements of the Group for the year.

PRINCIPAL PLACE OF BUSINESS

The Company was incorporated in the PRC and has its principal place of business in Hong Kong at Room 6706, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong. The Group's registered office and its principal place of business in the PRC are located at floor 3, Building 9, Accelerator Phase 2 Biotech and Pharmaceutical Valley, Jiangbei New Area, Nanjing Jiangsu Province, PRC.

PRINCIPAL ACTIVITIES

The principal activities of the Group are research and development of pharmaceutical products. The principal activities and other particulars of the Company's subsidiaries are set out in note 1 to the consolidated financial statements.

BUSINESS REVIEW AND OTHER DISCLOSURE

The business review of the Group for the year ended 31 December 2025 is set out in the sections headed "Chairman's Statement", "Financial Summary", "Management Discussion and Analysis" of this report and the paragraphs below.

The Group complies with the requirements under the Companies Ordinance, the Listing Rules and the SFO for the disclosure of information and corporate governance. Important events affecting the Group are provided under the paragraph headed "Events After The Reporting Period" in the section headed "Report of the Directors" of this report.

KEY RISK FACTORS

The Group's operations involve certain risks and uncertainties, some of which are beyond the Group's control. A summary of the key risks and uncertainties faced by the Group is set out below:

- The Group's business and financial prospects depend substantially on the success of its clinical and pre-clinical stage drug candidates, and the Group's ability to identify additional drug candidates, complete clinical development, obtain regulatory approval or achieve commercialization.
- The process of clinical drug development is lengthy, expensive and uncertain in its outcome, and results of earlier studies and trials may not be predictive of final trial results.
- If the drug candidates fail to demonstrate safety and efficacy to the satisfaction of regulatory authorities or do not generate other positive results, the Group may incur additional costs or experience delays in completing development and commercialization, or may ultimately be unable to complete them.
- Major aspects of the research and development, manufacture and commercialization of the Group's drug candidates are subject to intensive regulation. If the Group fails to obtain the required regulatory approvals, or if there are delays in obtaining such approvals, the Group will be unable to commercialize its drug candidates and its ability to generate revenue will be materially impaired.

- The Group has no track record and limited experience in product commercialization. If the Group fails to build or maintain adequate sales and marketing capabilities, either on its own or through third parties, it may be unable to successfully establish or increase market awareness of its future products, or effectively sell such products, which would have a material impact on the Group's ability to generate product sales revenue.
- The industry in which the Group operates is highly competitive. Other companies may discover, develop or commercialize competing products earlier or more successfully than the Group, or develop drug candidates or therapies that are safer, more effective, better promoted or less expensive, or obtain regulatory approval or enter the market earlier. Consequently, the Group's drug candidates may not achieve expected sales or may lose competitiveness.
- If the Group or its licensors fail to obtain and maintain adequate patent and other intellectual property protection for the drug candidates globally, or if the scope of the intellectual property obtained is not sufficiently broad, third parties may develop and commercialize products and technologies similar or identical to those of the Group and compete directly with the Group, which would have a material adverse effect on the Group's ability to successfully develop and commercialize any drug candidates or technologies.
- The Group's drug candidates partially rely on intellectual property licensed from third parties. Any termination of such licenses or disruption of the business relationship between the Group and the licensors could result in the Group suffering monetary losses or losing significant rights, thereby harming the business.
- The Group has entered into collaborations with partners in the past and may form or seek other collaborations, strategic alliances or licensing arrangements in the future. The Group may not be able to realize all or any part of the expected benefits of such alliances or arrangements.
- The Group has incurred significant net losses since its inception and expects to continue to record losses for the foreseeable future, and may not achieve profitability.
- The Group may need to obtain substantial additional financing to meet its operating needs and capital expenditures. If the Group fails to obtain sufficient financing when needed, or at all, the Group may have to delay, scale back or eliminate research programs, development activities and commercialization efforts for some or all of its drug candidates.
- The Group's drug candidates, if approved, may not achieve the market acceptance among physicians, patients, third-party payers and others in the medical community that is necessary for their commercial success.
- The Group's business may be affected if the market opportunities for its drug candidates are smaller than expected, or if the approvals obtained define the patient population more narrowly than expected.
- If any key member of the Group's senior management team leaves, or if the Group fails to attract and retain highly skilled scientific research personnel, clinical and other qualified employees, the Group's business may be adversely affected.

KEY RELATIONSHIP WITH STAKEHOLDERS

As a pre-profit innovative pharmaceutical enterprise, R&D and sustainable development are our core focus. Employees, Shareholders and suppliers are our core partners for corporate development, building a stable and mutually beneficial key relationship with whom is an important support to promote pipeline R&D and enhance our core competitiveness.

Employees

As at 31 December 2025, we had 123 employees, of which 119 were located in Nanjing, China. Employees are the core cornerstone of our innovative development. We focus on core positions such as R&D, establish competitive incentive systems and career development paths, safeguard the legitimate rights and interests of employees, strengthen professional training and technical empowerment, and consolidate the synergy between scientific research and operations. Respecting the value of employees, we build an open and collaborative working atmosphere, stimulate innovation vitality, provide employees with a career platform to fully unleash their potential, and also reserve core talents for long-term development.

Shareholders

Shareholders are an important support for our continuous operation. We fully respect the rights and interests of Shareholders, disclose key information such as R&D progress and financial position in a timely manner, safeguard Shareholders' rights to know and participate, and publish information through general meetings, corporate announcements, interim reports and annual reports. We proactively convey our corporate R&D strategies and growth potential to strive for the long-term trust and support from Shareholders, realizing the mutual growth of our enterprise and Shareholders.

Suppliers

Suppliers are an important guarantee for the quality of R&D. When establishing our supplier system, we screen suppliers with compliance qualifications and core capabilities, establish long-term and stable cooperative relationships, strictly control the quality standards of raw materials and R&D services, and guarantee the continuity of R&D and innovation. Upholding the concept of mutual benefit and win-win results, we strengthen communication and collaboration to provide reliable support for our enterprise pipeline R&D and clinical advancement, assisting our enterprise to focus on its core innovative business.

Customers

During the Year, the Group had no commercialized product and therefore had no customers.

MAJOR SUPPLIERS

The Group's five largest suppliers collectively accounted for approximately 56.16% (2024: 60.90%) of its total purchases for the Year and its largest supplier accounted for approximately 23.31% (2024: 37.65%) of its total purchases for the Year.

MAJOR CUSTOMERS

During the Year, the Group had no commercialized product and therefore had no customers.

None of the Directors and their respective close associates (within the meaning of the Listing Rules) or any holder of Shares who, to the knowledge of the Directors, owns more than 5% of the issued Shares has any interest in any of the five largest suppliers of the Group during the Period.

FINANCIAL SUMMARY

The Company's shares were listed on the Stock Exchange on 23 June 2025. A summary of the published results and of the assets and liabilities of the Group for the latest three financial years is set out on page 136 of this report. This summary does not form part of the audited consolidated financial statements.

FINANCIAL STATEMENTS

The results of the Group for the year and the state of the Company's and the Group's affairs as at that date are set out in the consolidated financial statements on pages 71 to 135 of this report.

A discussion and analysis of the Group's performance during the year and material factors underlying its results and financial position are set out in the Management Discussion and Analysis section of this annual report.

FIXED ASSETS

Details of movements in fixed assets of the Group during the year ended 31 December 2025 are set out in note 14 to the consolidated financial statements.

RESERVES AND DISTRIBUTABLE RESERVES

Details of movements in reserves of the Company during the year are set out in note 22 to the consolidated financial statements.

As at 31 December 2025, the Company had no distributable reserves (2024: nil).

DIVIDEND

The Directors do not recommend a final dividend for the year ended 31 December 2025 (2024: nil).

TAX REDUCTION AND EXEMPTION (FOR H SHAREHOLDERS)

The Company is not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the H Shares. If the Shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or exercising of any rights in relation to the H Shares, they are advised to consult their professional advisers.

CLOSURE OF REGISTER OF MEMBERS

In order to ascertain the identity of the Shareholders who are entitled to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 15 June 2026 to Thursday, 18 June 2026, both dates inclusive, the period during which no transfer of shares will be registered. The holders of shares whose names appear on the register of members of the Company on Thursday, 18 June 2026 will be entitled to attend and vote at the Annual General Meeting. In order to be qualified to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the H Share Registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for H Shareholders), or the Company's head office in the PRC at floor 3, Building 9, Accelerator Phase 2 Biotech and Pharmaceutical Valley, Jiangbei New Area, Nanjing Jiangsu Province, PRC (for Domestic Shareholders) no later than 4:30 p.m. on 12 June 2026.

BORROWINGS

As at 31 December 2025, the Group had no borrowing (2024: nil).

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 21 to the consolidated financial statements.

SUFFICIENCY OF PUBLIC FLOAT

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

PRE-EMPTIVE RIGHTS

Pursuant to the Articles of Association and the laws of the PRC, the Company is not subject to any pre-emptive rights requiring it to propose new issues to its existing shareholders in proportion to their shareholdings.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor its subsidiary had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) on the Stock Exchange during the period from the Listing Date to 31 December 2025. During the year, the Company did not hold or sell any treasury shares.

EVENTS AFTER THE REPORTING PERIOD

On 13 January 2026, the Company entered into a placing agreement with a placing agent whereby the Company conditionally agreed to place, through the placing agent, on a best effort basis, up to 2,100,000 new shares of the Company to not less than six independent placees at the placing price of HK$92.85 per share (the "Placing"). The Placing was completed on 20 January 2026. Further details of the Placing were set out in the announcements of the Company dated 14 January 2026 and 20 January 2026.

Save as disclosed above and in this report, there were no other significant events of the Group has occurred after 31 December 2025 and up to date of this report.

EQUITY-LINKED AGREEMENTS

Save as disclosed in this annual report, no equity-linked agreements were entered into during the year ended 31 December 2025.

DIRECTORS

The Directors during the year ended 31 December 2025 and as at the date of this report are:

Executive Directors:

Dr. Frank Wu

Mr. Wu Di

Non-executive Directors:

Ms. Jia Zhongxin

Dr. Yi Hua (resigned on 31 March 2026)

Independent non-executive Directors:

Ms. Chui Hoi Yam

Ms. Zheng Zhelan

Mr. Li Shu Pai

SUPERVISORS

The Supervisors during the year ended 31 December 2025 and as at the date of this report are:

Ms. Zhao Weili

Mr. Mei Jianghua

Ms. Pang Yajing

BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Biographical details of Directors, supervisors and senior management of the Company are set out on pages 21 to 30 of this annual report.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Directors, an annual confirmation of their independence pursuant to Rule 3.13 of the Listing Rules and considers that all of the independent non-executive Directors are independent of the Company.

SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

We enter into service contracts with each of our Directors and Supervisors in relation to, among other things, (i) compliance with relevant laws and regulations; (ii) compliance with the Articles of Association; and (iii) arbitration clauses.

The terms of the Directors and Supervisors do not exceed three years and will expire upon conclusion of general meeting at which a new session of the Board and/or Board of Supervisors are elected. The appointments are always subject to the provisions of retirement and rotation of directors under the Articles of Association.

Save as disclosed above, none of our Directors or Supervisors has entered, or has proposed to enter, a service contract with any member of the Group (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

REMUNERATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Pursuant to Rule 3.25 of the Listing Rules and the CG Code, the Company has established the Remuneration Committee to formulate remuneration policies. The remuneration of the Directors, Supervisors and senior management is determined and recommended based on their experience, qualification, position and seniority.

Details of the remuneration of the Directors and supervisors of the Company are set out in note 9 to the consolidated financial statements.

Details of the remuneration of the five highest paid employees are set out in note 10 to the consolidated financial statements.

None of the Directors or Supervisors have waived or agreed to waive any remuneration and there were no emoluments paid by the Group to any of the Directors or the five highest paid individuals as an inducement to join, or upon joining the Group, or as compensation for loss of office, and no consideration was paid by the Group to any third parties for making available Directors' services.

EMPLOYEE INCENTIVE SCHEME

The Company had the employee incentive schemes ("Employee Incentive Schemes") approved and adopted by our Shareholders' meeting on 16 March 2017 ("2017 Scheme"), 7 January 2021 ("2021 Scheme") and 28 February 2023 ("2023 Scheme"), respectively and as amended from time to time (collectively, the "Schemes"). The terms of the Employee Incentive Schemes are not subject to the provisions of Chapter 17 of the Listing Rules as the Employee Incentive Schemes does not involve the grant of options or awards by our Company after the Listing. Given the underlying Shares under the Employee Incentive Schemes had already been issued, there will not be any dilution effect to the issued Shares upon the vesting of the awards under the Employee Incentive Schemes. As at the date of the Report, the awards under the Employee Incentive Schemes have been fully granted and vested and all grantees have paid their respective amount of subscription price. In addition, the underlying Shares under the Employee Incentive Schemes had already been issued, no new Shares will be issued pursuant to the Schemes. For the details of the Employee Incentive Platforms, please refer to the section headed "History, Development and Corporate Structure – Employee Incentive Schemes" of the Prospectus.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or subsisted during the year ended 31 December 2025.

INDEMNITY OF DIRECTORS

The Company has maintained appropriate directors and officers liability insurance and such indemnity provisions for the benefit of the Directors is currently in force and was in force throughout the year ended 31 December 2025.

DONATIONS

For the year ended 31 December 2025, the Group made charitable donations of approximately RMB124,000 (2024: RMB138,000).

UPDATE ON INFORMATION OF DIRECTORS AND SUPERVISORS

Dr. Yi Hua, the non-executive Director, has been appointed as a non-executive director of CF PharmTech, Inc. (a company listed on the main board of the Stock Exchange on 8 October 2025, stock code: 2652) since 3 December 2021.

Mr. Li Shu Pai, the independent non-executive Director, has been appointed as an independent non-executive director of Beijing Haizhi Technology Group. Co., Ltd. (a company listed on the main board of the Stock Exchange, stock code: 2706) since 13 February 2026. He has resigned as the company secretary of Meilleure Health International Industry Group Limited (a company listed on the main board of the Stock Exchange, stock code: 2327) on 31 December 2025.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As at 31 December 2025, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meanings of Part XV of the SFO, Chapter 571 of the Laws of Hong Kong) which were (a) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO); or (b) required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name of Director	Nature of Interest	Description of Shares	Number of Shares[1]	Approximate percentage of interest in the Unlisted Shares/H Shares (as appropriate)[2]	Approximate percentage of interest in the Company[2]
Dr. Frank Wu	Beneficial owner	H Shares	47,847,024 (L)	15.86	32.97
	Interest in controlled corporations[3]	H Shares	32,750,773 (L)	10.86	
		Unlisted Shares	50,259,832 (L)	52.78	

Notes:

(1) The letter "L" denotes the person's long position in the Shares.

(2) The calculation is based on the total number of 95,230,960 Unlisted Shares and 301,666,673 H Shares in issue as at 31 December 2025.

(3) Dr. Wu is the general partner of Nanjing Yipu and Nanjing Jiminrui and is responsible for the management of Nanjing Yipu and Nanjing Jiminrui. As such, Dr. Wu is deemed to be interested in the 54,726,152 Shares held by Nanjing Yipu and 28,284,453 Shares held by Nanjing Jiminrui under the SFO.

Save as disclosed above and to the best knowledge of the Directors, as at 31 December 2025, none of the Directors or the chief executive of the Company had any interests and/or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were (a) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO); or (b) required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

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

So far as is known to the Directors, as at 31 December 2025, the following corporations/persons (other than the Directors or the chief executives of the Company) had interest or short position in Shares or underlying Shares which fell to be disclosed to the Company and the Stock Exchange under the provision of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of Shareholder	Nature of Interest	Description of Shares	Number of Shares[1]	Approximate percentage of interest in the Unlisted Shares/H Shares (as appropriate)[2]	Approximate percentage of interest in the Company[2]
Genecare Development Limited ("Genecare Development")[3]	Beneficial owner	H Shares	27,610,879 (L)	9.15	6.96
Morningside Venture (I) Investments Limited[3]	Interest in controlled corporations	H Shares	27,610,879 (L)	9.15	6.96
Morningside Bio-Ventures Limited[3]	Interest in controlled corporations	H Shares	27,610,879 (L)	9.15	6.96
Morningside Holdings (Asia) Limited[3]	Interest in controlled corporations	H Shares	27,610,879 (L)	9.15	6.96
FIIF II[4]	Beneficial owner	H Shares	24,274,756 (L)	8.05	6.12
CS Capital Co., Ltd. (國投招商投資管理有限公司)[4]	Interest in controlled corporations	H Shares	24,274,756 (L)	8.05	6.12
PharmaBlock Sciences (Nanjing), Inc. ("PharmaBlock")	Beneficial owner	H Shares	22,107,247 (L)	7.33	5.57
CPE Investment (Hong Kong) 2021 Limited ("CPE Investment")[5]	Beneficial owner	Unlisted Shares	21,521,091 (L)	22.60	5.42
Cayenne Private Enterprise IV Limited ("Cayenne Private")[5]	Interest in controlled corporations	Unlisted Shares	21,521,091 (L)	22.60	5.42
CPEChina Fund IV, L.P. ("CPEChina")[5]	Interest in controlled corporations	Unlisted Shares	21,521,091 (L)	22.60	5.42
CPE Funds IV Limited ("CPE Funds IV")[5]	Interest in controlled corporations	Unlisted Shares	21,521,091 (L)	22.60	5.42
CPE Management International Limited ("CPE Management")[5]	Interest in controlled corporations	Unlisted Shares	21,521,091 (L)	22.60	5.42
CPE Management International II Limited ("CPE Management II")[5]	Interest in controlled corporations	Unlisted Shares	21,521,091 (L)	22.60	5.42

Name of Shareholder	Nature of Interest	Description of Shares	Number of Shares[1]	Approximate percentage of interest in the Unlisted Shares/H Shares (as appropriate)[2]	Approximate percentage of interest in the Company[2]
GP Healthcare Capital Co., Ltd. (上海金浦醫療健康股權投資基金管理有限公司)[6]	Interest in controlled corporations	H Shares	17,153,860 (L)	5.69	4.32
SDIC Venture Capital Co., Ltd (國投創業投資管理有限公司)[7]	Interest in controlled corporations	H Shares	21,680,081 (L)	7.19	5.46
China Structural Reform Fund Corporation Limited	Beneficial owner	H Shares	16,140,817 (L)	5.35	4.07
Shanghai Guoxin Investment Development Co., Ltd (上海國鑫投資發展有限公司) ("Shanghai Guoxin")[8]	Beneficial owner	Unlisted Shares	8,314,088 (L)	8.73	2.09
Shanghai State-owned Assets Management Co., Ltd. (上海國有資產經營有限公司) ("Shanghai State-owned Asset")[8]	Interest in controlled corporations	Unlisted Shares	8,314,088 (L)	8.73	2.09
Shanghai International Group Co., Ltd. (上海國際集團有限公司) ("Shanghai International")[8]	Interest in controlled corporations	Unlisted Shares	8,314,088 (L)	8.73	2.09

Notes:

(1) The letter "L" denotes the person's long position in the Shares.

(2) The calculation is based on the total number of 95,230,960 Unlisted Shares and 301,666,673 H Shares in issue upon completion of the Global Offering.

(3) The sole shareholder of Genecare Development was Morningside Venture (I) Investments Limited which was wholly owned by Morningside Bio-Ventures Limited. Morningside Bio-Ventures Limited was wholly owned by Morningside Holdings (Asia) Limited, a member of Morningside group ultimately owned by a family trust established by Madam Chan Tan Ching Fen. As such, each of Morningside Venture (I) Investments Limited, Morningside Bio-Ventures Limited and Morningside Holdings (Asia) Limited was deemed to be interested in the Shares in which Genecare Development was interested under the SFO.

(4) CS Capital Co., Ltd. (國投招商投資管理有限公司) is the general partner of FIIF II and is responsible for its management. As such, it is deemed to be interested in the 24,274,756 Shares held by FIIF II under the SFO.

(5) CPE Investment is wholly owned by Cayenne Private which is controlled by CPEChina whose general partner is CPE Funds IV. CPE Funds IV is wholly owned by CPE Management, which is a wholly-owned subsidiary of CPE Management II. As such, each of Cayenne Private, CPEChina, CPE Funds IV, CPE Management and CPE Management II is deemed to be interested in the 21,521,091 Shares held by CPE Investment under the SFO.

(6) GP Healthcare Capital Co., Ltd. (上海金浦醫療健康股權投資基金管理有限公司) is the general partner of Shanghai GP Healthcare Equity Investment Enterprise (Limited Partnership) (上海金浦醫療健康股權投資合夥企業(有限合夥)) ("GP Healthcare Capital Phase II") and Shanghai GP Healthcare Phase III Venture Capital Fund Partnership (Limited Partnership) (上海金浦健康三期創業投資基金合夥企業(有限合夥)) ("GP Healthcare Capital Phase III"). As such, it is deemed to be interested in the 14,463,724 Shares held by GP Healthcare Capital Phase II and the 2,690,136 Shares held by GP Healthcare Capital Phase III.

(7) SDIC Venture Capital Co., Ltd (國投創業投資管理有限公司) is the general partner of SDIC (Ningbo) Scientific and Technological Achievement Transformation Venture Capital Fund Partnership (Limited Partnership) (國投(寧波)科技成果轉化創業投資基金合夥企業(有限合夥)) ("SDICVC Ningbo Fund") and holds 91% interest in SDIC (Guangdong) Venture Capital Management Co., Ltd (國投(廣東) 創業投資管理有限公司), which in turn is the general partner of SDIC (Guangdong) Scientific and Technological Achievement Transformation Venture Capital Fund Partnership (Limited Partnership) (國投(廣東)科技成果轉化創業投資基金合夥企業(有限合夥)) ("SDIC Greater Bay Area Fund"). As such, it is deemed to be interested in the 10,114,466 Shares held by SDICVC Ningbo Fund and the 11,565,615 Shares held by SDIC Greater Bay Area Fund.

(8) Shanghai Guoxin is wholly owned by Shanghai State-owned Asset. Shanghai State-owned Asset is wholly owned by Shanghai International, which in turn is wholly owned by Shanghai State-owned Assets Supervision and Administration Commission (上海市國有資產監督管理委員會). As such, each of Shanghai State-owned Asset and Shanghai International is deemed to be interested in the 8,314,088 Shares held by Shanghai Guoxin.

Save as disclosed above and to the best knowledge of the Directors, as at 31 December 2025, no person (other than the Directors or chief executive of the Company) had registered an interest or a short position in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

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

No transaction, arrangement or contract of significance in relation to the business of the Group to which the Company, or any of its holding company, subsidiaries or fellow subsidiaries was a party, and in which a Director or supervisor of the Company or his/her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2025.

CONTRACTS OF SIGNIFICANCE

During the year ended 31 December 2025, there had been no contract of significance between the Company or any of its subsidiaries and a Controlling Shareholder, nor any contract of significance for the provision of services to the Company or any of its subsidiaries by a Controlling Shareholder or any of its subsidiaries.

COMPETING BUSINESS

None of the Directors, the Supervisors or the controlling Shareholders and their respective close associates has an interest in a business which competes or may compete with the business of the Company.

ARRANGEMENT FOR DIRECTORS AND SUPERVISORS TO PURCHASE SHARES OR DEBENTURES

At no time during the year ended 31 December 2025 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or Supervisors or their respective spouses or minor children, or were such rights exercised by them, or was the Company or its holding company a party to any arrangements to enable the Directors or Supervisors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of the Company or any other body corporate.

RETIREMENT SCHEMES

The Group participates in defined contribution retirement benefit schemes organised by the PRC municipal and provincial government authorities for the Group's eligible employees in the PRC.

The employees of the Group are required to participate in a central pension scheme (the "Defined Contribution Schemes") operated by the local municipal government. The Group was required to contribute a certain percentage, which was pre determined by the local municipal government, of the sum of basic salary and allowance of employees to the Central Pension Scheme. The contributions by the Group for the Defined Contribution Schemes are charged to the statement of profit or loss as they become payable in accordance with the relevant rules of the respective schemes.

The Group's contributions to the Defined Contribution Schemes vest fully and immediately with the employees. Accordingly, (i) for each of the two years ended 31 December 2023 and 31 December 2024, there was no forfeiture of contributions under the Defined Contribution Schemes; and (ii) there were no forfeited contributions available for the Group to reduce its existing level of contributions to the Defined Contribution Schemes as at 31 December 2024 and 31 December 2025.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company's principal corporate governance practices are set out in the Corporate Governance Report of this report.

RELATED PARTY TRANSACTIONS

Details of related party transactions during the year are set out in note 26 to the consolidated financial statements and these transactions do not fall under the definition of connected transaction or continuing connected transaction under Chapter 14A of the Listing Rules.

The Company confirmed that it has complied with the disclosure requirements in accordance with applicable Hong Kong Financial Reporting Standards and the Listing Rules.

CONNECTED TRANSACTIONS

There was no transactions which constituted non-exempted connected transaction(s) or continuing connected transaction(s) under Chapter 14A of the Listing Rules of the Company during the year.

SIGNIFICANT LEGAL PROCEEDINGS

For the year ended 31 December 2025, the Company was not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company.

AUDIT COMMITTEE

The audit committee of the Board has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, financial reporting systems, risk management and internal control systems, and has reviewed the Group's consolidated financial results for the year ended 31 December 2025.

AUDITOR

The consolidated financial statements for the year have been audited by Ernst & Young, who shall retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Ernst & Young as auditor of the Company is to be proposed at the AGM.

ENVIRONMENTAL POLICIES

Environmental protection is not only the responsibility of our business, but the responsibility of each of us. The Group initiates and strives to minimize its environmental impact by using water saving facilities, saving electricity and encouraging recycle of office supplies and other materials. The Group also operates in strict compliance with the relevant environmental regulations and rules and possess all necessary permission and approval from the PRC regulators. The Group also has environment policies to reduce emission, raise efficiency use of resources and reduce pollution.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are carried out by the Company's subsidiaries in the PRC while the Company itself is listed on the Hong Kong Stock Exchange. Our operations are regulated by Hong Kong and PRC laws. During the year and up to the date of this report, the Group has complied with the relevant laws and regulations that have significant impact to the Group in the PRC and Hong Kong. In particular, as the Group's business involves manufacturing, the Group's operations are regulated by environmental protection laws and regulations in the PRC. During the year, the Group did not have any material non-compliance with such laws and regulations.

INDEPENDENT AUDITOR'S REPORT

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To the shareholders of TransThera Sciences (Nanjing), Inc.
(Established in the People's Republic of China with limited liability)

OPINION

We have audited the consolidated financial statements of TransThera Sciences (Nanjing), Inc. (the "Company") and its subsidiaries (the "Group") set out on pages 71 to 135, 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.

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
Measurement of research and development costs	
The Group incurred significant research and development ("R&D") costs of approximately RMB246,761,000 as disclosed in the consolidated statement of profit or loss for the year ended 31 December 2025. A large portion of the Group's R&D costs comprised service fees paid to contract research organisations ("CROs") and clinical trial centres, mainly hospitals (collectively referred to as the "Outsourced Service Providers"). The R&D activities with these Outsourced Service Providers are documented in detailed agreements and are typically performed over an extended period. The expenses for R&D activities with these Outsourced Service Providers are charged to profit or loss based on the progress of the research and development projects. We identified the measurement of research and development costs as a key audit matter due to the significant amount of R&D costs in the consolidated financial statements and the risk of not recording R&D costs in the appropriate financial reporting period. Related disclosures are included in notes 2.4 and 3 to the financial statements.	The following procedures were performed to address the identified key audit matter: – We obtained an understanding of key controls in relation to the measurement of the R&D costs including service fees paid to Outsourced Service Providers; – We performed analytical procedures for R&D expenses by projects; – We reviewed the contracts entered into with the Outsourced Service Providers, on a sampling basis, and evaluated the completion status of R&D projects based on inquiries with project managers, and inspection of supporting documents and external progress reports from the Outsourced Service Providers;

KEY AUDIT MATTERS (Continued)

Key audit matter	How our audit addressed the key audit matter
Measurement of research and development costs	
	– We sent confirmations to the Outsourced Service Providers on a sampling basis, and performed alternative procedures for non-replied items; – We evaluated the method adopted by the management in setting up the calculation basis for outsourcing R&D costs and re-calculating the accrued outsourcing R&D costs using the management's method; – We performed cut off procedures, to determine whether these costs were recorded in the appropriate reporting period; – We also reviewed and assessed the Group's disclosures of R&D.

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.

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.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- 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.

- 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 Ho Wai Ling (practising certificate number: P05274).

Ernst & Young
Certified Public Accountants
Hong Kong
31 March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

YEAR ENDED 31 DECEMBER 2025

	Notes	2025 RMB'000	2024 RMB'000
REVENUE		–	–
Cost of sales		–	–
Gross profit		–	–
Other income	5	6,271	7,232
Other gains	5	2,951	10,678
Other expenses	6	(3,527)	(548)
Research and development costs		(246,761)	(244,004)
Administrative expenses		(54,777)	(47,737)
Impairment losses on financial assets		–	(30)
Finance costs	8	(121)	(201)
LOSS BEFORE TAX	7	(295,964)	(274,610)
Income tax expenses	11	–	–
LOSS FOR THE YEAR AND ATTRIBUTABLE TO OWNERS OF THE COMPANY		(295,964)	(274,610)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted (RMB)	13	(0.76)	(0.72)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2025

	2025 RMB'000	2024 RMB'000
LOSS FOR THE YEAR	(295,964)	(274,610)
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(284)	76
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	(284)	76
TOTAL COMPREHENSIVE LOSS FOR THE YEAR AND ATTRIBUTABLE TO OWNERS OF THE COMPANY	(296,248)	(274,534)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2025

	Notes	31 December 2025 RMB'000	31 December 2024 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	14	7,631	9,441
Intangible assets	15	425	711
Right-of-use assets	16	16,392	19,332
Prepayments, other receivables and other assets	17	20,604	14,866
Total non-current assets		45,052	44,350
CURRENT ASSETS			
Inventories		212	173
Prepayments, other receivables and other assets	17	11,506	12,545
Financial assets at fair value through profit or loss	18	–	3,027
Time deposits with original maturity over three months	19	73,729	–
Cash and cash equivalents	19	415,408	569,506
Total current assets		500,855	585,251
CURRENT LIABILITIES			
Trade payables	20	104,104	81,243
Other payables and accruals	20	23,781	18,955
Lease liabilities	16	1,646	3,163
Total current liabilities		129,531	103,361
NET CURRENT ASSETS		371,324	481,890
TOTAL ASSETS LESS CURRENT LIABILITIES		416,376	526,240

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2025

	Notes	31 December 2025 RMB'000	31 December 2024 RMB'000
NON-CURRENT LIABILITIES			
Lease liabilities	16	–	1,207
Total non-current liabilities		–	1,207
NET ASSETS		416,376	525,033
EQUITY			
Share capital	21	396,898	381,617
Reserves	22	19,478	143,416
TOTAL EQUITY		416,376	525,033

Frank Wu
Director

Wu Di
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2025

Year ended 31 December 2024

	Notes	Share capital RMB'000 (note 21)	Other reserves* RMB'000 (note 22)	Foreign currency translation reserve* RMB'000 (note 22)	Accumulated losses* RMB'000	Total RMB'000
At 1 January 2024		381,617	1,526,206	(4)	(1,124,641)	783,178
Loss for the year		–	–	–	(274,610)	(274,610)
Exchange differences on translation of foreign operations		–	–	76	–	76
Total comprehensive loss for the year		–	–	76	(274,610)	(274,534)
Equity-settled share-based transactions	23	–	16,389	–	–	16,389
At 31 December 2024		381,617	1,542,595	72	(1,399,251)	525,033

Year ended 31 December 2025

	Notes	Share capital RMB'000 (note 21)	Other reserves* RMB'000 (note 22)	Foreign currency translation reserve* RMB'000 (note 22)	Accumulated losses* RMB'000	Total RMB'000
At 1 January 2025		381,617	1,542,595	72	(1,399,251)	525,033
Loss for the year		–	–	–	(295,964)	(295,964)
Exchange differences on translation of foreign operations		–	–	(284)	–	(284)
Total comprehensive loss for the year		–	–	(284)	(295,964)	(296,248)
Issue of shares from initial public offering	21	15,281	157,252	–	–	172,533
Equity-settled share-based transactions	23	–	15,058	–	–	15,058
At 31 December 2025		396,898	1,714,905	(212)	(1,695,215)	416,376

* These reserve accounts comprise the consolidated reserves of RMB19,478,000 (2024: RMB143,416,000) in the consolidated statement of financial position.

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		(295,964)	(274,610)
Adjustments for:			
Finance costs	8	121	201
Bank interest income	5	(4,907)	(2,171)
Depreciation of property, plant and equipment	14	1,967	2,919
Depreciation of right-of-use assets	16	2,774	3,247
Amortisation of intangible assets	15	286	271
Equity-settled share-based payments	23	15,058	16,389
Loss on disposal of property, plant and equipment	6	1	1
Impairment losses on financial assets		–	30
Fair value gain on financial assets at fair value through profit or loss	5	(2,951)	(10,678)
Foreign exchange differences, net		1,320	(435)
Increase in inventories		(39)	(13)
Increase in prepayments, other receivables and other assets		(1,756)	(9,077)
Increase in trade payables		22,861	2,667
Increase/(decrease) in other payables and accruals		4,811	(2,094)
Cash used in operations		(256,418)	(273,353)
Interest received		2,907	2,171
Net cash flows used in operating activities		(253,511)	(271,182)

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		(164)	(773)
Purchases of financial assets at fair value through profit or loss		(578,490)	(1,420,330)
Placement of short-term bank deposits		(154,244)	–
Proceeds from maturity of financial assets at fair value through profit or loss		584,467	1,769,523
Proceeds from maturity of short-term bank deposits		80,433	–
Disposal of property, plant and equipment		–	1
Net cash flows (used in)/from investing activities		(67,998)	348,421
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	21	172,199	–
Lease payments	16	(2,679)	(3,235)
Payments of listing expense		(525)	(1,636)
Net cash flows (used in)/from financing activities		168,995	(4,871)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(152,514)	72,368
Cash and cash equivalents at beginning of year		569,506	496,629
Effect of foreign exchange rate changes, net		(1,584)	509
CASH AND CASH EQUIVALENTS AT END OF YEAR	19	415,408	569,506
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	19	489,137	569,506
Less: Time deposits	19	(73,729)	–
Cash and cash equivalents as stated in the consolidated statement of cash flows and the consolidated statement of financial position	19	415,408	569,506

1. CORPORATE AND GROUP INFORMATION

TransThera Sciences (Nanjing), Inc. (the "Company") was established in Nanjing, Jiangsu Province, the People's Republic of China (the "PRC") on 15 April 2014 as a limited liability company. The Company was converted into a joint stock company with limited liability in July 2021 and its name was changed from Nanjing TransThera Biosciences Co., Ltd. (南京藥捷安康生物科技有限公司) to TransThera Sciences (Nanjing), Inc. (藥捷安康(南京)科技股份有限公司). The registered office of the Company is located at floor 3, Building 9, Accelerator Phase 2 Biotech and Pharmaceutical Valley, Jiangbei New Area, Nanjing Jiangsu Province, PRC.

During the year, the Company and its subsidiaries (together, the "Group") were principally engaged in the research and development of pharmaceutical products.

The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited on 23 June 2025.

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

Name	Place and date of incorporation and place of operations	Nominal value of registered share capital/issued ordinary shares	Percentage of equity interest attributable to the Company		Principal activities
			Direct	Indirect	
TransThera Sciences (HK) Limited	Hong Kong 18 August 2022	HKD10,000	100%	–	Investment holding
TransThera Sciences (US) Inc.	Delaware, United States of America 19 September 2022	USD5,000	–	100%	Research and development of pharmaceutical products

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. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations) as issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements 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 Company 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 foreign currency translation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in the statement of 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.

2. ACCOUNTING POLICIES (Continued)

2.1 BASIS OF PREPARATION (Continued)

Going concern basis

As of 31 December 2025, the Group's accumulative losses was RMB1,695,215,000, which was mainly due to the research and development activities, and the Group's net current assets and net assets totalled RMB371,324,000 and RMB416,376,000, respectively. The directors believe that the Group will have sufficient resources to satisfy its future working capital requirements. Accordingly, the directors consider that it is appropriate that the consolidated financial statements are prepared on a going concern basis.

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 Group has considered the guidance in these illustrative examples and the amendments are not expected to have any significant impact on the Group's financial statements.

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 Electricitys*[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

2. ACCOUNTING POLICIES (Continued)

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS (Continued)

Further information about those IFRS Accounting Standards that are expected to be applicable to the Group is described below.

IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from IAS 1 with limited changes, 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 disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in IAS 1 are moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as IAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of IFRS 18, limited, but widely applicable, amendments are made to IAS 7 *Statement of Cash Flows*, IAS 33 *Earnings per Share* and IAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other IFRS Accounting Standards, IFRS 18 and the consequential amendments to other IFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of IFRS 18 on the presentation and disclosure of the Group's financial statements.

IFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS Accounting Standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10 *Consolidated Financial Statements*, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with IFRS Accounting Standards. IFRS 19 was amended in 2025 to (i) remove disclosure objectives from IFRS 19; (ii) reduce the disclosure requirements relating to supplier finance arrangements and a specific class of financial liabilities; and (iii) replace disclosure requirements relating to management-defined performance measures with a cross-reference to IFRS 18 for entities that use these measures. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply IFRS 19 and its amendments. Some of the Company's subsidiaries are considering the application of IFRS 19 and its amendments in their specified financial statements.

2. ACCOUNTING POLICIES (Continued)

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS (Continued)

Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. The amendments relating to the own-use exception shall be applied retrospectively. Prior periods are not required to be restated and can only be restated without the use of hindsight. The amendments relating to the hedge accounting shall be applied prospectively to new hedging relationships designated on or after the date of the initial application. Earlier application is permitted. The amendments to IFRS 9 and IFRS 7 shall be applied at the same time. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the IASB. However, the amendments are available for adoption now.

2. ACCOUNTING POLICIES (Continued)

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS (Continued)

Amendments to IAS 21 *Translation to a Hyperinflationary Presentation Currency* require the translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. The amendments also require an entity whose functional currency and presentation currency are the currency of a hyperinflationary economy to restate the comparative amounts of a foreign operation whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with paragraph 34 of IAS 29 *Financial Reporting in Hyperinflationary Economies*, to the foreign operation's comparative figures. The amendments introduce certain additional disclosures. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Annual improvements to IFRS Accounting Standards – Volume 11 set out amendments to IFRS 1, IFRS 7 (and the accompanying *Guidance on implementing IFRS 7*), IFRS 9, IFRS 10 and IAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- IFRS 7 *Financial instruments: Disclosures:* The amendments have updated certain wording in paragraph B38 of IFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing IFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the *Guidance on implementing IFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- IFRS 9 *Financial Instruments:* The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 of IFRS 9 and recognise any resulting gain or loss in profit or loss. However, the amendments do not address how a lessee distinguishes between a lease modification as defined in IFRS 16 and an extinguishment of a lease liability in accordance with IFRS 9. In addition, the amendments have updated certain wording in paragraph 5.1.3 of IFRS 9 and Appendix A of IFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- IFRS 10 *Consolidated Financial Statements*: The amendments clarify that the relationship described in paragraph B74 of IFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of IFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- IAS 7 Statement of Cash Flows: The amendments replace the term "cost method" with "at cost" in paragraph 37 of IAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

2. ACCOUNTING POLICIES (Continued)

2.4 MATERIAL ACCOUNTING POLICIES

Fair value measurement

The Group measures its financial assets 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.

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.

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 the statement of 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 the statement of profit or loss in the period in which it arises.

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

2. ACCOUNTING POLICIES (Continued)

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Related parties (Continued)

(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.

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 the statement of 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:

Lab equipment	18%
Electronic equipment	30%
Motor vehicles	18%
Leasehold improvements	Shorter of the remaining lease terms and estimated useful lives

2. ACCOUNTING POLICIES (Continued)

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

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 each financial year end.

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 the statement 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 represents a building under construction, which 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.

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. The principal annual rate used for this purpose is as follows:

Software	20%

Research and development costs

All research costs are charged to the statement of 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.

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 any accumulated depreciation and any 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 terms and the estimated useful lives of the assets as follows:

Office buildings	3 years
Land-use rights	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.

2. ACCOUNTING POLICIES (Continued)

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Leases (Continued)

Group as a lessee (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 lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in 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 office buildings (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 of 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.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

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 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 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.

2. ACCOUNTING POLICIES (Continued)

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Initial recognition and measurement (Continued)

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.

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 the statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

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.

2. ACCOUNTING POLICIES (Continued)

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Derecognition of financial assets (Continued)

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.

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.

2. ACCOUNTING POLICIES (Continued)

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

General approach (Continued)

The Group considers a financial asset in default when contractual payments are 90 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.

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 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 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.

2. ACCOUNTING POLICIES (Continued)

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as 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 and other payables and lease liabilities.

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 the statement of 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 the statement of profit or loss.

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 the statement of 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.

2. ACCOUNTING POLICIES (Continued)

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis. 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.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside the statement of profit or loss is recognised outside the statement of 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 the 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 the 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.

2. ACCOUNTING POLICIES (Continued)

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Income tax (Continued)

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.

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 the 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.

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.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

The Company entered into a licensing arrangement with a customer, under which the Company grants a licence of the drug formula to the customer, including the right to produce and sell products based on the drug formula in predetermined areas during the commercialisation stage. While the Company and the customer will conduct clinical trials in the predetermined areas respectively, the Company is obligated to provide certain clinical trial support services to the customer. Such clinical trial support services include helping with the preparation of the investigational new drug application plan and filing to the regulatory authorities, providing regular updates to the customer regarding the Company's development and the manufacture of licensed compounds and licensed products in the Company's territory, etc.

The Company considered that the grant of the licence of the drug formula and the clinical trial support services are separate performance obligations since they are distinct from each other according to the contract.

The performance obligation for the licence is satisfied at the point in time when the Company provides the customer with a right to use the formula as it exists at the point in time at which the licence is granted, since the Company considered that it would not undertake activities that significantly affect the drug formula and the licensing contract only provides the customer with a right to use the drug formula.

2. ACCOUNTING POLICIES (Continued)

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

The performance obligation for providing clinical trial support services is satisfied over the period of development as the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs. Progress is measured by the passage of time with respect to the total estimated time for the development.

The Company is entitled to an upfront payment and various milestone payments during the development stage and sale-based royalties during the commercialisation stage. Most of the consideration entitled by the Company is variable consideration and the Company estimates such variable consideration based on the most likely amount. As the majority of the consideration is highly susceptible to factors outside the Company's influence, the variable consideration is constrained until uncertainties associated with the variable consideration is subsequently resolved. At the end of each reporting period, the Company re-evaluates the probability of achievement of all milestones subject to constraint and, if necessary, adjusts its estimate of the overall transaction price. Any such adjustments are recorded on a cumulative catch-up basis, which would affect revenues and earnings in the period of adjustment. Consideration is allocated to the two performance obligations based on the stand-alone selling prices which consider the pricing by competitors for similar products or services as well as the costs and margins.

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).

Share-based payments

The Company operates 2017, 2021 and 2023 share incentive plans 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 in exchange for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees 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 specific models, further details of which are given in note 23.

2. ACCOUNTING POLICIES (Continued)

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Share-based payments (Continued)

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 the statement of 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 awards 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.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

2. ACCOUNTING POLICIES (Continued)

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Other employee benefits

Pension schemes

The Company is required to participate in a central pension scheme operated by the local municipal government. The Company is required to contribute a certain percentage of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

The Group's subsidiary in the United States has a defined contribution plan where participating employees may contribute to the plan 1% to 99% of their eligible annual compensation as defined in the plan, up to the Internal Revenue Service contribution (the "IRS contribution") limit of USD23,000 for the year ended 31 December 2024 and USD23,500 for the year ended 31 December 2025. Individuals who are aged 50 or over at the end of the calendar year can make annual catch-up contributions of up to USD7,000 for the year ended 31 December 2024 and USD7,500 for the year ended 31 December 2025. The Group's subsidiary in the United States makes a matching contribution equal to 6% of eligible participants' compensation, limited to the amount of their elective deferral contributions.

Foreign currencies

The consolidated 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 the statement of 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.

2. ACCOUNTING POLICIES (Continued)

2.4 MATERIAL ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

The functional currencies of the overseas subsidiaries are the United States dollar ("USD"). 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 foreign currency translation 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.

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:

Research and development costs

All research costs are charged to the statement of 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. Determining the amounts of development costs to be capitalised requires the use of judgements and estimation. The Group currently expenses all the milestone and upfront payments under the drug license-in agreements.

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.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Share-based payments

The Company has set up the share incentive plans for the Company's directors and the Group's employees.

Estimating the fair value of share-based payment transactions requires the determination of the most appropriate valuation model, which depends on the terms and conditions of the share incentive plans. This estimate also requires the determination of the most appropriate inputs to the valuation model including volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating the fair value of share-based payment transactions are disclosed in note 23.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use 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.

At the end of the reporting period, no indication of impairment for non-financial assets was identified by the Group.

4. OPERATING SEGMENT INFORMATION

Operating segment information

For management purposes, the Group has only one reportable operating segment, which is the development of innovative medicines. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

Since almost all of the Group's non-current assets were located in the Chinese mainland, no geographical segment information is presented in accordance with IFRS 8 *Operating Segments.*

5. OTHER INCOME AND OTHER GAINS

An analysis of other income and other gains is as follows:

	2025 RMB'000	2024 RMB'000
Other income		
Government grants*	1,356	5,061
Bank interest income	4,907	2,171
Others	8	–
Total	6,271	7,232
Other gains		
Fair value gain on financial assets at fair value through profit or loss	2,951	10,678
Total	2,951	10,678

* The government grants mainly represent the subsidies received from the local governments for the purpose of compensation for expenses incurred on research and clinical trial activities and there are no unfulfilled conditions or contingencies relating to these grants.

6. OTHER EXPENSES

An analysis of other expenses is as follows:

	2025 RMB'000	2024 RMB'000
Other expenses		
Donations	124	138
Loss on disposal of property, plant and equipment	1	1
Others	–	11
Foreign exchange loss, net	3,402	398
Total	3,527	548

7. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Notes	2025 RMB'000	2024 RMB'000
Depreciation of property, plant and equipment	14	1,967	2,919
Depreciation of right-of-use assets	16 (a)	2,774	3,247
Amortisation of intangible assets	15	286	271
Lease payments not included in the measurement of lease liabilities		84	94
Auditor's remuneration*		1,100	151
Fair value gain on financial assets at fair value through profit or loss	5	(2,951)	(10,678)
Professional fees**		10,716	2,493
Listing expenses		9,880	17,121
Employee benefit expense (excluding directors', supervisors' and chief executive's remuneration (note 9)):			
– Salaries, allowances and benefits in kind		52,164	43,082
– Pension scheme contributions (defined contribution scheme)		6,078	7,066
– Share-based payments		10,382	11,536
Foreign exchange losses, net	6	3,402	398
Impairment losses on financial assets		–	30
Government grants	5	(1,356)	(5,061)
Bank interest income	5	(4,907)	(2,171)
Loss on disposal of property, plant and equipment	6	1	1

* Auditor's remuneration represents expenses in relation to annual report audit and annual statutory audit.

** Professional fees represent the fees for hiring legal advisers, reporting accountants and other professional service providers in relation to fees incurred for business, tax and legal consultation in the ordinary course of business.

8. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 RMB'000	2024 RMB'000
Interest on lease liabilities	121	201

9. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors', supervisors' and chief executive's remuneration for the year is as follows:

	2025 RMB'000	2024 RMB'000
Fees	896	896
Other emoluments:		
Salaries, bonuses, allowances and benefits in kind	8,394	5,055
Pension scheme contributions	504	1,340
Share-based payments	4,676	4,853
Total	14,470	12,144

(a) Independent non-executive directors

	2025 RMB'000	2024 RMB'000
Li Shupai	224	224
Chui Hoi Yam	224	224
Zheng Zhelan	224	224
Total	672	672

9. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

(b) Executive directors, non-executive directors and supervisors

2024	Fees RMB'000	Salaries, bonuses, allowances and benefits in kind RMB'000	Pension scheme contributions RMB'000	Share-based payments RMB'000	Total RMB'000
Executive directors:					
Frank Wu*	–	2,442	1,202	–	3,644
Wu Di	–	1,645	46	3,403	5,094
	–	4,087	1,248	3,403	8,738
Non-executive directors:					
Jia Zhongxin	224	–	–	298	522
Yi Hua	–	–	–	–	–
	224	–	–	298	522
Supervisors:					
Mei Jianghua	–	–	–	–	–
Zhao Weili	–	536	46	677	1,259
Pang Yajing	–	432	46	475	953
	–	968	92	1,152	2,212
Total	224	5,055	1,340	4,853	11,472

9. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

(b) Executive directors, non-executive directors and supervisors (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 RMB'000
Executive directors:					
Frank Wu*	–	4,637	360	–	4,997
Wu Di	–	2,563	48	3,386	5,997
	–	7,200	408	3,386	10,994
Non-executive directors:					
Jia Zhongxin	224	–	–	267	491
Yi Hua	–	–	–	–	–
	224	–	–	267	491
Supervisors:					
Mei Jianghua	–	–	–	–	–
Zhao Weili	–	671	48	609	1,328
Pang Yajing	–	523	48	414	985
	–	1,194	96	1,023	2,313
Total	224	8,394	504	4,676	13,798

Certain directors were granted share-based benefits in respect of their services to the Group, further details of which are set out in note 23. There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

* Frank Wu was appointed as an executive director of the Company on 10 May 2016. Frank Wu is also the chief executive officer of the Company and his remuneration disclosed above included the services rendered by him as the chief executive.

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two directors (2024: two directors), details of whose remuneration are included in note 9. Details of the remuneration 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, allowances and benefits in kind	9,378	6,289
Pension scheme contributions	1,990	2,866
Share-based payments	3,614	4,147
Total	14,982	13,302

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

	2025	2024
HKD1,000,001 to HKD1,500,000	–	–
HKD1,500,001 to HKD2,000,000	–	–
HKD2,000,001 to HKD2,500,000	–	–
HKD2,500,001 to HKD3,000,000	–	–
HKD3,000,001 to HKD3,500,000	–	1
HKD3,500,001 to HKD4,000,000	1	–
HKD4,000,001 to HKD4,500,000	–	–
HKD4,500,001 to HKD5,000,000	–	1
HKD5,000,001 to HKD5,500,000	1	–
HKD5,500,001 to HKD6,000,000	–	–
HKD6,000,001 to HKD6,500,000	–	–
HKD6,500,001 to HKD7,000,000	–	1
HKD7,000,001 to HKD7,500,000	–	–
HKD7,500,001 to HKD8,000,000	1	–
Total	3	3

11. INCOME TAX

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/or operate.

Chinese mainland

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the estimated tax rate of the Group is 25% during the year. No Chinese mainland income tax was provided for as the Company was in a loss position and had no estimated assessable profits.

Hong Kong

The subsidiary incorporated in Hong Kong is subject to income tax at the rate of 16.5% on any estimated assessable profits arising in Hong Kong during the year. No Hong Kong profits tax was provided for as the Group did not have any assessable profits arising in Hong Kong during the year.

The United States

The subsidiary incorporated in the United States ("US") is subject to the federal statutory income tax at the rate of 21% and subject to the corporate income tax of the State of Delaware at the rate of 8.7% on any estimated assessable profits arising in the US during the year. No US profits tax was provided for as the Group did not have any assessable profits arising in the US during the year.

A reconciliation of the tax credit applicable to loss before tax at the statutory rate for the jurisdiction in which the Company and its subsidiaries are domiciled and/or operate to the tax expense at the effective tax rate is as follows:

	2025 RMB'000	2024 RMB'000
Loss before tax	(295,964)	(274,610)
Tax at the statutory tax rate (25%)	(73,991)	(68,653)
Effect of different tax rates enacted by local authorities	(695)	(857)
Additional deductible allowance for qualified research and development costs	(42,458)	(38,802)
Expenses not deductible for tax	4,327	4,609
Tax losses not recognised	108,808	100,687
Deductible temporary differences not recognised	4,009	3,016
Tax at the effective tax rate	–	–

11. INCOME TAX (Continued)

The Group has accumulated tax losses arising in the Chinese mainland of RMB2,036,557,000 as at 31 December 2025 (31 December 2024: RMB1,631,735,000), that will expire in one to five years for offsetting against future taxable profits of the Group. The Group also has accumulated tax losses arising in Hong Kong and the US of RMB50,605,000 as at 31 December 2025 (31 December 2024: RMB35,663,000), that will be carried forward indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The deferred tax assets and the deferred tax liabilities arising from lease contracts of the same subsidiary have been offset in the statement of financial position for presentation purposes. Except for the deferred tax assets that have been offset, the Group has deductible temporary differences for which deferred tax assets are not recognised of RMB66,326,000 as at 31 December 2025 (31 December 2024: RMB62,504,000).

Deferred tax assets have not been recognised in respect of these losses and deductible temporary differences as they have arisen in the Company and its subsidiaries that have been loss-making for some time, and it is not considered probable that taxable profits in the foreseeable future will be available against which the tax losses and the deductible temporary differences can be utilised.

12. DIVIDENDS

No dividends have been paid or declared by the Company during the year.

13. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amount for the year ended 31 December 2025 is based on the loss for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares outstanding during the year.

	2025	2024
Loss		
Loss attributable to ordinary equity holders of the parent, used in the basic loss per share calculation (RMB'000)	(295,964)	(274,610)

	Numbers of shares	
	2025	2024
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic loss per share calculation	389,654,858	381,616,633
Loss per share (basic) (RMB)	(0.76)	(0.72)

The Company had no potentially dilutive ordinary shares in issue during the years ended 31 December 2024 and 2025.

14. PROPERTY, PLANT AND EQUIPMENT

	Lab equipment RMB'000	Electronic equipment RMB'000	Motor vehicles RMB'000	Leasehold improvements RMB'000	Construction in progress RMB'000	Total RMB'000
At 31 December 2025						
At 1 January 2025:						
Cost	25,043	2,655	1,125	5,677	3,524	38,024
Accumulated depreciation	(19,770)	(2,187)	(953)	(5,673)	–	(28,583)
Net carrying amount	5,273	468	172	4	3,524	9,441
At 1 January 2025,						
Net of accumulated depreciation	5,273	468	172	4	3,524	9,441
Additions	9	129	–	–	20	158
Disposals	–	(1)	–	–	–	(1)
Depreciation provided during the year	(1,723)	(181)	(59)	(4)	–	(1,967)
At 31 December 2025,						
Net of accumulated depreciation	3,559	415	113	–	3,544	7,631
At 31 December 2025:						
Cost	25,052	2,771	1,125	5,677	3,544	38,169
Accumulated depreciation	(21,493)	(2,356)	(1,012)	(5,677)	–	(30,538)
Net carrying amount	3,559	415	113	–	3,544	7,631

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Lab equipment RMB'000	Electronic equipment RMB'000	Motor vehicles RMB'000	Leasehold improvements RMB'000	Construction in progress RMB'000	Total RMB'000
At 31 December 2024						
At 1 January 2024:						
Cost	25,020	2,581	1,125	5,677	2,900	37,303
Accumulated depreciation	(17,306)	(1,830)	(887)	(5,641)	–	(25,664)
Net carrying amount	7,714	751	238	36	2,900	11,639
At 1 January 2024,						
Net of accumulated depreciation	7,714	751	238	36	2,900	11,639
Additions	23	75	–	–	624	722
Disposals	–	(1)	–	–	–	(1)
Depreciation provided during the year	(2,464)	(357)	(66)	(32)	–	(2,919)
At 31 December 2024,						
Net of accumulated depreciation	5,273	468	172	4	3,524	9,441
At 31 December 2024:						
Cost	25,043	2,655	1,125	5,677	3,524	38,024
Accumulated depreciation	(19,770)	(2,187)	(953)	(5,673)	–	(28,583)
Net carrying amount	5,273	468	172	4	3,524	9,441

As at 31 December 2025, there were no pledged property, plant and equipment.

15. INTANGIBLE ASSETS

	Software RMB'000
At 31 December 2025	
At 1 January 2025:	
Cost	1,615
Accumulated amortisation	(904)
Net carrying amount	711
At 1 January 2025, net of accumulated amortisation	711
Additions	–
Amortisation provided during the year	(286)
At 31 December 2025, net of accumulated amortisation	425
At 31 December 2025:	
Cost	1,615
Accumulated amortisation	(1,190)
Net carrying amount	425

15. INTANGIBLE ASSETS (Continued)

	Software RMB'000
At 31 December 2024	
At 1 January 2024:	
Cost	1,615
Accumulated amortisation	(633)
Net carrying amount	982
At 1 January 2024, net of accumulated amortisation	982
Additions	–
Amortisation provided during the year	(271)
At 31 December 2024, net of accumulated amortisation	711
At 31 December 2024:	
Cost	1,615
Accumulated amortisation	(904)
Net carrying amount	711

As at 31 December 2025, there were no pledged intangible assets.

16. LEASES

Group as a lessee

The Group has lease contracts for office buildings used in its operations. Leases of office buildings generally have lease terms of 3 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	Office buildings RMB'000	Land-use rights RMB'000	Total RMB'000
At 31 December 2025			
At 1 January 2025	4,226	15,106	19,332
Additions	–	–	–
Lease modification	(166)	–	(166)
Depreciation charge	(2,492)	(282)	(2,774)
At 31 December 2025	1,568	14,824	16,392

	Office buildings RMB'000	Land-use rights RMB'000	Total RMB'000
At 31 December 2024			
At 1 January 2024	4,594	15,388	19,982
Additions	2,597	–	2,597
Depreciation charge	(2,965)	(282)	(3,247)
At 31 December 2024	4,226	15,106	19,332

16. LEASES (Continued)

Group as a lessee (Continued)

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the year are as follows:

	2025 RMB'000	2024 RMB'000
Carrying amount at 1 January	4,370	4,807
New leases	–	2,597
Lease modification	(166)	–
Accretion of interest recognised during the year	121	201
Payments	(2,679)	(3,235)
Carrying amount at 31 December	1,646	4,370
Analysed into:		
Current portion	1,646	3,163
Non-current portion	–	1,207

(c) The amounts recognised in the statement of profit or loss in relation to leases are as follows:

	2025 RMB'000	2024 RMB'000
Interest on lease liabilities	121	201
Depreciation charge of right-of-use assets	2,774	3,247
Expenses relating to low-value leases	64	65
Expenses relating to short-term leases	20	29
Total amounts recognised in profit or loss	2,979	3,542

17. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	2025 RMB'000	2024 RMB'000
Non-current:		
Deposits	2,680	2,750
Value-added tax recoverable	17,924	12,116
Total	20,604	14,866
Current:		
Accrued interest on bank deposits	1,856	–
Prepayments	8,943	8,456
Deposits	252	1,399
Other receivables	478	479
Deferred listing expenses	–	2,234
Allowance for the expected credit losses	(23)	(23)
Total	11,506	12,545

The financial assets included in the above balances relate to receivables for which there was no recent history of material default and past due amounts. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. As at the end of reporting period, the management of the Group assessed the allowance for the expected credit losses using the expected credit loss model.

The balances are unsecured and interest-free.

18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 RMB'000	2024 RMB'000
Wealth management products	–	3,027

At 31 December 2024, the financial assets at fair value through profit or loss represented wealth management products issued by banks and securities companies, with expected return rates of 2.55% per annum.

19. CASH AND CASH EQUIVALENTS

	2025 RMB'000	2024 RMB'000
Cash and cash equivalents	415,408	569,506
Time deposits with original maturity over three months	73,729	–
	489,137	569,506
Denominated in:		
RMB	357,399	563,170
USD	127,929	4,911
HKD	2,322	–
JPY	1,487	1,425

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 are deposited with creditworthy banks with no recent history of default.

The effective interest rates of time deposits with original maturity over three months ranged from 1.30% to 2.86% as of 31 December 2025.

20. TRADE AND OTHER PAYABLES

	2025 RMB'000	2024 RMB'000
Trade payables	104,104	81,243
Government grants*	6,400	6,400
Staff salaries, bonuses and welfare payables	16,337	7,550
Other tax payables	11	37
Accruals for listing expenses	157	4,487
Other payables	876	481
Total	127,885	100,198

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 one year	104,104	81,243

* Some government grants are received for capital expenditure incurred on the acquisition of lab equipment. When the conditions attached to the government grants are complied with, the amounts will be transferred to deferred income and amortised to the statement of profit or loss over the estimated useful lives of the respective assets.

Trade payables are non-interest-bearing and are normally settled within one year.

Other payables and accruals are unsecured, non-interest-bearing and repayable on demand.

21. SHARE CAPITAL

A summary of movements in the Company's share capital during the reporting period is as follows:

	Number of ordinary shares	Share capital RMB'000
At 1 January 2024	381,616,633	381,617
At 31 December 2024 and 1 January 2025	381,616,633	381,617
Shares issued upon the global offering (note a)	15,281,000	15,281
At 31 December 2025	396,897,633	396,898

Note:

(a) The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited on 23 June 2025, with a total of 15,281,000 shares publicly issued at the price of HKD13.15 per share. The total proceeds were HKD200,945,150 (equivalent to RMB183,567,000), and after deducting capitalised issuance expense of RMB11,034,000, the amount of RMB15,281,000 was included in share capital and RMB157,252,000 was included in share premium.

22. RESERVES

The amounts of the Group's reserves and the movements therein are presented in the consolidated statement of changes in equity on page 75 of the financial statements.

(a) Share premium

The share premium of the Group represents the difference between the par value of the shares issued and the consideration received.

(b) Share-based payment reserve

The share-based payment reserve represents the equity-settled equity awards.

(c) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of companies in the Group of which the functional currency is not RMB. The reserve is dealt with in accordance with the accounting policy set out in note 2.4.

22. RESERVES (Continued)

The Company

The amounts of the Company's reserves and the movements therein for the year are presented as follows:

Year ended 31 December 2024

	Other reserves RMB'000	Accumulated losses RMB'000	Total RMB'000
At 1 January 2024	1,526,206	(1,107,082)	419,124
Loss for the year	–	(256,506)	(256,506)
Total comprehensive income for the year	–	(256,506)	(256,506)
Equity-settled share-based transactions	16,389	–	16,389
At 31 December 2024	1,542,595	(1,363,588)	179,007

Year ended 31 December 2025

	Other reserves RMB'000	Accumulated losses RMB'000	Total RMB'000
At 1 January 2025	1,542,595	(1,363,588)	179,007
Loss for the year	–	(281,057)	(281,057)
Total comprehensive income for the year	–	(281,057)	(270,823)
Issue of shares from initial public offerings	157,252	–	157,252
Equity-settled share-based transactions	15,058	–	15,058
At 31 December 2025	1,714,905	(1,644,645)	70,260

23. SHARE-BASED PAYMENTS

Share incentive plans

A share incentive plan (the "2017 Share Incentive Plan") was approved by the shareholders of the Company on 16 March 2017 and became effective on the same day. Options under the 2017 Share Incentive Plan were granted to the employees who have contributed to the success of the Company through an incentive platform named Nanjing Yipu Bioscience Technology Partnership (Limited Partnership) (南京益鏷生物科技合夥企業(有限合夥)) ("Nanjing Yipu"). Upon vesting, employees will become limited partners of Nanjing Yipu and indirectly receive economic interest in the corresponding number of underlying shares of the Company held by Nanjing Yipu.

Subject to the terms and conditions as set out in the 2017 Share Incentive Plan, share options will vest in the portions of 20%, 20%, 20%, 20% and 20% on the first, second, third, fourth and fifth anniversaries of the grant dates of the options, respectively.

A new share incentive plan, which was approved by the shareholders of the Company on 7 January 2021, became effective on 1 March 2021 (the "2021 Share Incentive Plan", together with the 2017 Share Incentive Plan, the "Original Share Incentive Plan"). Options under the 2021 Share Incentive Plan were also granted to the employees through the incentive platform Nanjing Yipu.

Subject to the terms and conditions as set out in the 2021 Share Incentive Plan, share options would vest in the portions of 30%, 30% and 40% on the third, fourth and fifth anniversaries of the grant dates of the options, respectively.

The following options were outstanding under the Original Share Incentive Plan during the three-month period ended 31 March 2023:

	Number of options (a)	Weighted average exercise price RMB
At 31 December 2022 and 1 January 2023	6,792,460	3.081
Exercised during the period	1,415,455	1.890
Forfeited during the period	1,004,878	5.216
At 31 March 2023 (b)	**4,372,127**	**2.975**

(a) The number of options represents the corresponding number of underlying shares of the Company that employees would indirectly receive as the economic interests through Nanjing Yipu.

(b) At 31 March 2023 ("Replacement date"), all outstanding options granted under the Original Share Incentive Plan were replaced by restricted shares.

The exercise period of these options under the Original Share Incentive Plan is six years from the grant dates. As of 31 December 2022, the number of exercisable options was 1,557,247, and the exercisable period ranges from July 2018 to May 2027.

23. SHARE-BASED PAYMENTS (Continued)

Share incentive plans (Continued)

In March 2023, a share incentive plan (the "2023 Share Incentive Plan") was approved by the shareholders of the Company and became effective on 31 March 2023. The 2023 Share Incentive Plan is a replacement of the Original Share Incentive Plan.

Subject to the 2023 Share Incentive Plan, a total of 10,674,066 restricted shares were granted, of which 6,301,939 were newly granted to selected employees and 4,372,127 restricted shares were granted to replace the outstanding share options under the Original Share Incentive Plan. The eligible participants can obtain full rights to the shares while meeting the vesting condition which requires the employees to remain in service from the date of grant to the later of (1) five years since the grant date (the "Service Period") and (2) the end of a lock-up period which is determined by the regulations and review policies of securities regulators of the Company's listing location after successful IPO of the Company (the "Lock-up Period"). If an eligible participant's employment terminates during the vesting period, all unvested restricted shares as of the termination date will be forfeited. After taking into consideration the IPO date, the management determined that the vesting period of those restricted shares would be the Service Period.

The fair value of services received in return for a newly restricted share granted is measured by reference to the fair value of the restricted shares less the subscription price, which would be amortised over the Service Period. The fair value of the restricted shares is measured by reference to the Company's share price for the series D+ investors.

The Company accounted for 4,372,127 restricted shares to replace the outstanding share options under the Original Share Incentive Plan as a modification of the Original Share Incentive Plan. Since such modification increased the fair value of the equity instruments granted to the employees as of 31 March 2023, the Company continued to amortise the share-based expenses incurred before the replacement over the vesting period under the Original Share Incentive Plan, and the incremental fair value over the Service Period.

The following restricted shares were outstanding under the 2023 Share Incentive Plan during the year ended 31 December 2025:

	Number of restricted shares	Subscription price per share RMB
At 31 December 2024	9,866,397	1
Forfeited during the year	–	–
At 31 December 2025	9,866,397	1

23. SHARE-BASED PAYMENTS (Continued)

Share incentive plans (Continued)

The following table lists out the key inputs to calculate the fair value of the share options under the Original Share Incentive Plan as of 31 March 2023:

	31 March 2023 ("Replacement date")
Risk-free interest rate	2.28%-2.62%
Volatility	44.48%-49.60%
Dividend yield	0%
Equity price*	12.03

* The equity price of the Company was estimated using the share price in the series D+ Financing.

There are no cash settlement alternatives. The Group accounts for the share incentive plans as equity-settled plans. The Group recognised share-based payment expenses of RMB15,058,000 in the statement of profit or loss related to the above share incentive plans (the Original Share Incentive Plan and the 2023 Share Incentive Plan) during the year ended 31 December 2025 (2024: RMB16,389,000).

24. 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 lease modifications to right-of-use assets and lease liabilities of RMB166,000 and RMB166,000, respectively, in respect of lease arrangements for office buildings.

During the year ended 31 December 2024, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB2,597,000 and RMB2,597,000, respectively, in respect of lease arrangements for office buildings.

24. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Changes in liabilities arising from financing activities

	Lease liabilities RMB'000
At 1 January 2025	4,370
Changes from financing cash flows:	
Lease payments	(2,679)
Other changes:	
Accretion of interest recognised during the year	121
Lease modification	(166)
At 31 December 2025	1,646

	Lease liabilities RMB'000
At 1 January 2024	4,807
Changes from financing cash flows:	
Lease payments	(3,235)
Other changes:	
Accretion of interest recognised during the year	201
New lease	2,597
At 31 December 2024	4,370

(c) Total cash outflow for leases

The total cash outflow for leases included in the consolidated statement of cash flows is as follows:

	2025 RMB'000	2024 RMB'000
Within operating activities	84	94
Within financing activities	2,679	3,235
Total	2,763	3,329

25. COMMITMENTS

The Group had the following capital commitment at the end of the reporting period.

	2025 RMB'000	2024 RMB'000
Authorised, but not provided for:		
Construction project	2,418	2,418
Total	2,418	2,418

26. RELATED PARTY TRANSACTIONS

(a) Name and relationship of related party

Name	Relationship
PharmaBlock Sciences (Nanjing), Inc.	Shareholder of the Company

(b) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with a related party during the year:

	2025 RMB'000	2024 RMB'000
Purchases of goods and services		
PharmaBlock Sciences (Nanjing), Inc.	2,235	766

Note:

The pricing of goods and services was determined according to the published prices and conditions similar to those offered to the major customers of the supplier.

(c) Outstanding balance with a related party:

	31 December 2025 RMB'000	31 December 2024 RMB'000
Trade payable:		
Due to a shareholder:		
PharmaBlock Sciences (Nanjing), Inc.	–	1

As of 31 December 2024, the balance with PharmaBlock Sciences (Nanjing), Inc., which was trade in nature, represented the unsettled research and development expenses.

26. RELATED PARTY TRANSACTIONS (Continued)

(d) Compensation of key management personnel of the Group:

	2025 RMB'000	2024 RMB'000
Short term employee benefits	14,965	10,033
Post-employment benefits	2,133	3,005
Share-based payments	6,256	7,169
Total	23,354	20,207

Further details of directors', supervisors' and the chief executive's emoluments are included in note 9.

27. 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:

2025

Financial assets

	Financial assets at amortised cost RMB'000
Financial assets included in prepayments, other receivables and other assets	5,243
Time deposits with original maturity over three months	73,729
Cash and cash equivalents	415,408
Total	494,380

Financial liabilities

	Financial liabilities at amortised cost RMB'000
Trade payables	104,104
Financial liabilities included in other payables and accruals	876
Lease liabilities	1,646
Total	106,626

27. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: (continued)

2024

Financial assets

	Financial assets at fair value through profit or loss (mandatorily classified) RMB'000	Financial assets at amortised cost RMB'000	Total RMB'000
Financial assets included in prepayments, other receivables and other assets	–	4,605	4,605
Financial assets at fair value through profit or loss	3,027	–	3,027
Cash and cash equivalents	–	569,506	569,506
Total	3,027	574,111	577,138

Financial liabilities

	Financial liabilities at amortised cost RMB'000
Trade payables	81,243
Financial liabilities included in other payables and accruals	481
Lease liabilities	4,370
Total	86,094

28. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Fair values

Management has assessed that the fair values of financial assets included in prepayments, other receivables and other assets, cash and cash equivalents, trade payables and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments. The wealth management products which are classified as financial assets at fair value through profit or loss are valued by discounted cash flows using market rates that reflect the risk of the wealth management products. The fair values of the other non-current financial liabilities and non-current financial assets have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities, which approximate to their carrying amounts.

The Group's finance department is responsible for determining the policies and procedures for the fair value measurement of financial instruments. 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 directors of the Company review the results of the fair value measurement of financial instruments periodically for financial reporting.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Wealth management products	–	3,027	–	3,027

The Group did not have any financial assets measured at fair value as at 31 December 2025 and did not have any financial liabilities measured at fair value as at 31 December 2024 and 2025.

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2024: Nil).

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and bank balances and financial assets at fair value through profit or loss. 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 trade and other payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board of directors of the Company reviews and agrees policies for managing each of these risks and they are summarised below.

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from currencies other than the units' functional currencies.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in foreign currency exchange rate, with all other variables held constant, of the Group's loss before tax and the Group's equity.

	Decrease/ (increase) in rate of foreign currency %	Decrease/ (increase) in loss before tax RMB'000	Decrease/ (increase) in equity RMB'000
31 December 2025			
If RMB weakens against USD	5	4,119	4,119
If RMB strengthens against USD	(5)	(4,119)	(4,119)
31 December 2024			
If RMB weakens against USD	5	(2,583)	(2,583)
If RMB strengthens against USD	(5)	2,583	2,583

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group 's exposure to bad debts is not significant.

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (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 at the end of the reporting period. The amounts presented are gross carrying amounts for financial assets.

2025

	12-month ECLs Stage 1 RMB'000
Financial assets included in prepayments, other receivables and other assets	5,266
Cash and cash equivalents	415,408
Time deposits with original maturity over three months	73,729
Total	494,403

2024

	12-month ECLs Stage 1 RMB'000
Financial assets included in prepayments, other receivables and other assets	4,628
Cash and cash equivalents	569,506
Total	574,134

29. 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:

	At 31 December 2025				
	On demand RMB'000	Less than 6 months RMB'000	6 to less than 12 months RMB'000	1 to 5 years RMB'000	Total RMB'000
Trade payables	104,104	–	–	–	104,104
Financial liabilities included in other payables and accruals	876	–	–	–	876
Lease liabilities	483	777	421	–	1,681
Total	105,463	777	421	–	106,661

	At 31 December 2024				
	On demand RMB'000	Less than 6 months RMB'000	6 to less than 12 months RMB'000	1 to 5 years RMB'000	Total RMB'000
Trade payables	81,243	–	–	–	81,243
Financial liabilities included in other payables and accruals	481	–	–	–	481
Lease liabilities	1,389	1,412	483	1,242	4,526
Total	83,113	1,412	483	1,242	86,250

29. 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 owners' 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 owners, return capital to owners 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 years ended 31 December 2025 and 31 December 2024.

The Group monitors capital using a debt-to-asset ratio which is total liabilities divided by total assets. The debt-to-asset ratios as at the end of the reporting periods were as follows:

	2025 RMB'000	2024 RMB'000
Total liabilities	129,531	104,568
Total assets	545,907	629,601
Debt-to-asset ratio	23.73%	16.61%

30. EVENTS AFTER THE REPORTING PERIOD

On 13 January 2026, the Company entered into a placing agreement with a placing agent whereby the Company conditionally agreed to place, through the placing agent, on a best effort basis, up to 2,100,000 new shares of the Company to not less than six independent placees at the placing price of HK$92.85 per share (the "Placing"). The Placing was completed on 20 January 2026.

Save as disclosed above, there were no other significant events of the Group which has occurred after 31 December 2025 and up to date of this report.

31. 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	7,581	9,415
Intangible assets	425	711
Right-of-use assets	16,392	19,332
Investments in subsidiaries	61,032	39,567
Prepayments, other receivables and other assets	20,604	14,866
Total non-current assets	106,034	83,891
CURRENT ASSETS		
Inventories	212	173
Prepayments, other receivables and other assets	11,370	12,451
Financial assets at fair value through profit or loss	–	3,027
Time deposits with original maturity over three months	73,729	–
Cash and cash equivalents	404,798	565,327
Total current assets	490,109	580,978
CURRENT LIABILITIES		
Trade payables	103,965	81,243
Other payables and accruals	23,374	18,632
Lease liabilities	1,646	3,163
Total current liabilities	128,985	103,038

31. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

	2025 RMB'000	2024 RMB'000
NET CURRENT ASSETS	**361,124**	477,940
TOTAL ASSETS LESS CURRENT LIABILITIES	**467,158**	561,831
NON-CURRENT LIABILITIES		
Lease liabilities	**–**	1,207
Total non-current liabilities	**–**	1,207
NET ASSETS	**467,158**	560,624
EQUITY		
Share capital	**396,898**	381,617
Reserves	**70,260**	179,007
TOTAL EQUITY	**467,158**	560,624

32. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 31 March 2026.

FINANCIAL SUMMARY

	2025/12/31 RMB'000	2024/12/31 RMB'000	2023/12/31 RMB'000
REVENUE	0	0	1,181
Gross profit	0	0	1,181
PROFIT/(LOSS) BEFORE TAX	(295,964)	(274,610)	(343,394)
Income tax expense	0	0	0
PROFIT/(LOSS) FOR THE YEAR	(295,964)	(274,610)	(343,394)
PROFIT Attributable to Owners of the parent	(295,964)	(274,610)	(343,394)

	2025/12/31 RMB'000	2024/12/31 RMB'000	2023/12/31 RMB'000
Total assets	545,907	629,601	887,090
Total liabilities	129,531	104,568	103,912
Total equity	416,376	525,033	783,178
Cash and bank balance	489,137	569,506	496,629
NET CURRENT ASSETS	371,324	481,890	743,039
Total current assets	500,855	585,251	845,601

In this report, unless the context otherwise requires, the following expressions shall have the following meanings.

"Articles" or "Articles of Association"	the articles of association of the Company currently in force
"Audit Committee"	the audit committee of the Board
"Auditor"	Ernst & Young, the external auditor of the Company
"Board" or "Board of Directors"	the board of Directors of the Company
"Board Diversity Policy"	a board diversity policy of the Company
"CG Code" or "Corporate Governance Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China" or "the PRC"	the People's Republic of China, which only in the context of describing PRC rules, laws, regulations, regulatory authority, and any PRC entities or citizens under such rules, laws and regulations and other legal or tax matters in this report, excludes Taiwan, Hong Kong and the Macau Special Administrative Region of the People's Republic of China
"Company", "our Company" or "the Company"	TransThera Sciences (Nanjing), Inc. (藥捷安康(南京)科技股份有限公司), a joint stock company with limited liability incorporated in the PRC, the predecessor of which was Nanjing TransThera Biosciences Co., Ltd. (南京藥捷安康生物科技有限公司), a limited liability company established in the PRC on 15 April 2014, and if the context requires, include its predecessor
"Controlling Shareholder(s)"	Dr. Wu, Nanjing Yipu and Nanjing Jiminrui
"Core Product"	has the meaning ascribed to it in Chapter 18A of the Listing Rules and in this context, refers to our Core Product Tinengotinib
"Director(s)"	the director(s) of the Company
"Dr. Wu"	Dr. Frank WU (吳永謙), our executive Director, chief executive officer and the chairman of our Board
"EMA"	European Medicines Agency
"Employee Incentive Platforms"	Nanjing Yipu, Nanjing Yicheng and TT Therapeutics

"Employee Incentive Schemes"	the employee incentive schemes of our Company approved and adopted by our Board, a summary of the principal terms of which is set forth in "Appendix VI – Statutory and General Information – Further Information about our Directors, Supervisors and Substantial Shareholders – 5. Employee Incentive Schemes" in the Prospectus
"EU"	European Union
"FDA"	the U.S. Food and Drug Administration
"FIIF II"	Future Industry Investment Fund II (Limited Partnership) (先進製造產業投資基金二期(有限合夥)), a limited partnership established under the laws of the PRC on 18 June 2019 and one of our Pre-IPO Investors
"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., an independent market research and consulting company
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Greater China"	the PRC, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan of the PRC
"Group", "our Group", "our", "we" or "us"	the Company and all of its subsidiaries, or any one of them as the context may require
"H Share(s)"	overseas listed foreign ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and to be listed on the Hong Kong Stock Exchange
"H Shareholder(s)"	holder(s) of H Shares
"HKD" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKICPA"	Hong Kong Institute of Certified Public Accountants
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the People's Republic of China
"IFRS Accounting Standards"	International Financial Reporting Standards, International Accounting Standards (IASs) and Interpretations issued by the International Accounting Standards Board

"Independent Third Party(ies)"	any person(s) or entity(ies) who/which is not a connected person of the Company within the meaning of the Listing Rules
"LG Chem"	LG Chem, Ltd., a South Korean pharmaceutical company, engaged in the business of developing, manufacturing and commercializing pharmaceutical products, an Independent Third Party
"Listing"	listing of the H Shares on the Main Board of the Hong Kong Stock Exchange
"Listing Date"	23 June 2025, on which the H Shares are listed on the Main Board of the Hong Kong Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
"Main Board"	the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the GEM of the Hong Kong Stock Exchange
"Model Code"	a code of conduct adopted by the Company regarding securities transactions by Directors and employees of the Group on terms no less exacting than the required standard of dealings set out in Appendix C3 to the Listing Rules
"MSKCC"	Memorial Sloan Kettering Cancer Center
"Nanjing Jiminrui"	Nanjing Jiminrui Biotech Partnership (Limited Partnership) (南京吉旻瑞生物科技合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on 29 August 2016 and one of our Controlling Shareholders
"Nanjing Yipu"	Nanjing Yipu Bioscience Technology Partnership (Limited Partnership) (南京益鏷生物科技合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on 29 August 2016 and one of our Employee Incentive Platforms and our Controlling Shareholders
"NMPA"	the National Medical Products Administration of the PRC (國家藥品監督管理局), successor to the China Food and Drug Administration or CFDA (國家食品藥品監督管理總局)
"Nomination Committee"	the nomination committee of the Board

DEFINITIONS

"Period", "Reporting period" or "year"	for the year ended 31 December 2025
"Prospectus"	the prospectus of the Company dated 13 June 2025
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of the Board
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company, comprising Unlisted Share(s) and H Share(s)
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Strategy Committee"	the strategy committee of the Board
"Supervisor(s)"	the supervisor(s) of the Company
"Supervisory Committee"	the supervisory committee of the Company
"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
"%"	per cent.

By order of our Board
TransThera Sciences (Nanjing), Inc.
藥捷安康(南京)科技股份有限公司
Dr. Frank Wu
Chairman and Chief Executive Officer

Hong Kong, 31 March 2026

藥捷安康（南京）科技股份有限公司

TransThera Sciences (Nanjing), Inc.