加科思 Jacobio

加科思藥業集團有限公司

JACOBIO PHARMACEUTICALS GROUP CO., LTD.

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1167

2025 ANNUAL REPORT

Content

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Dr. Yinxiang WANG (王印祥) *(Chairman)*
Ms. Xiaojie WANG (王曉潔)
Ms. Yunyan HU (胡雲雁)

Non-executive Director

Dr. Te-li CHEN (陳德禮)

Independent Non-executive Directors

Dr. Ruilin SONG (宋瑞霖)
Dr. Ge WU (吳革)
Dr. Bai LU (魯白)

AUDIT COMMITTEE

Dr. Bai LU (魯白) *(Chairman)*
Dr. Te-li CHEN (陳德禮)
Dr. Ge WU (吳革)

REMUNERATION COMMITTEE

Dr. Ruilin SONG (宋瑞霖) *(Chairman)*
Ms. Xiaojie WANG (王曉潔)
Dr. Ge WU (吳革)
Dr. Bai LU (魯白)
Dr. Te-li CHEN (陳德禮)

NOMINATION COMMITTEE

Dr. Yinxiang WANG (王印祥) *(Chairman)*
Ms. Yunyan HU (胡雲雁)
(appointed with effect from March 19, 2025)
Dr. Te-li CHEN (陳德禮)
(resigned with effect from March 19, 2025)
Dr. Ruilin SONG (宋瑞霖)
Dr. Ge WU (吳革)
Dr. Bai LU (魯白)

JOINT COMPANY SECRETARIES

Ms. Qing XUE (薛青)
Mr. Ming Fai CHUNG (鍾明輝)

AUTHORISED REPRESENTATIVES

Ms. Xiaojie WANG (王曉潔)
Mr. Ming Fai CHUNG (鍾明輝)

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants and Registered Public Interest Entity Auditor
35/F, One Pacific Place
88 Queensway
Central, Hong Kong

COMPLIANCE ADVISOR

Somerley Capital Limited
20th Floor, China Building
29 Queen's Road Central
Central, Hong Kong

REGISTERED OFFICE

Walkers Corporate Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9008
Cayman Islands

CORPORATE HEADQUARTERS

Building 8, No.105 Jinghai 3rd Road
Beijing Economic-Technological Development Area
Beijing
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40/F, Dah Sing Financial Centre
248 Queen's Road East
Wanchai
Hong Kong

Corporate Information

PRINCIPAL SHARE REGISTRAR

Walkers Corporate Limited
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Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

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

LEGAL ADVISERS

As to Hong Kong and United States laws:
Cooley HK
35/F, Two Exchange Square
8 Connaught Place
Central
Hong Kong

PRINCIPAL BANKERS

In Hong Kong
Bank of China (Hong Kong) Limited
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1 Garden Road
Central
Hong Kong

In the United States
Bank of America
41 Beacon Street
Framingham
MA 01701
USA

In the PRC
Agricultural Bank of China Beijing Branch
No. 88 Kechuang Street 6th
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Beijing
PRC

WEBSITE

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STOCK CODE

1167

Chairman's Statement

Dear Shareholders,

The year 2025 marks a pivotal moment of transition for Jacobio. Reflecting on the past decade since our founding, we have remained committed to innovation at the source, with a focused and sustained effort on core oncogenic drivers. From early technology accumulation to entering a harvest phase today, we are more convinced than ever that building a globally competitive innovative biotech company requires long-term commitment and the ability to navigate cycles with discipline.

Over the past year, our core pipeline has made significant progress. Our pan-KRAS inhibitor, one of our most representative internally discovered programs, has advanced steadily in clinical development, demonstrating encouraging signals in both safety and preliminary efficacy, while also receiving recognition and support from regulatory authorities. Its potential in high unmet medical need areas such as pancreatic cancer is increasingly evident. We believe that Jacobio's KRAS portfolio has the potential to serve as a cornerstone in advancing the Company into the first tier of global innovative biotech companies.

At the same time, our forward-looking investment in the functional payload xADC platform has entered an accelerated development phase. Compared with traditional ADCs, we have implemented systematic innovations in payload mechanisms and platform versatility, establishing a differentiated technology foundation. As multiple programs progress into clinical stages, we expect the xADC platform to continuously generate innovative assets in the coming years and to form our second growth engine.

On the operational front, we have continued to optimize resource allocation, enhance R&D efficiency, and focus investment on key programs. Based on current pipeline progress and disciplined cost management, the Company expects to achieve profitability in 2026. This milestone will not only represent a financial inflection point, but also mark Jacobio's transition from an investment phase to a return phase.

We fully recognize that the path of innovative drug development is never smooth. Ten years is only a milestone along the journey, and the road ahead will continue to require patience and resilience. We will remain committed to patient needs, grounded in science, and driven by a global vision to deliver long-term value to our shareholders.

Thank you for your continued trust and support.

Sincerely,
Dr. Yinxiang Wang
Chairman and Chief Executive Officer

Financial Highlights

FINANCIAL HIGHLIGHTS

Revenue

We recorded revenue of RMB53.5 million for the year ended December 31, 2025, which was attributable to the License-Out Agreement.

Research and Development Expenses

Our research and development expenses decreased by RMB141.6 million or 42.9% from RMB330.2 million for the year ended December 31, 2024 to RMB188.6 million for the year ended December 31, 2025, primarily due to the absence of large-scale pivotal trial clinical costs, including clinical trial drug supplies, during the Reporting Period. Pivotal trials of 艾瑞凯® (glesirasib, KRAS G12C) and sitneprotafib (JAB-3312, SHP2) are managed and fully funded by Allist under the License-Out Agreement while our key clinical programs of JAB-23E73 are currently in phase I stage. This structure significantly reduces our financial burden, allowing greater focus on advancing our Pan-KRAS and ADC pipelines.

Administrative Expenses

Our administrative expenses decreased by RMB8.7 million or 20.2% from RMB43.1 million for the year ended December 31, 2024 to RMB34.4 million for the year ended December 31, 2025, driven by a decrease in employee benefits expenses, stringent controls on discretionary incidental expenditures and enhanced operational efficiency across administrative functions.

Loss for the Year

As a result of the above factors, the loss for the year decreased from RMB155.7 million for the year ended December 31, 2024 to RMB146.0 million for the year ended December 31, 2025.

Business Highlights

BUSINESS HIGHLIGHTS

During the Reporting Period, our Group continued advancing our drug pipeline and business operations, including the following milestones and achievements:

Progress of Core Pipeline Products

- ***艾瑞凯® (glecirasib, KRAS G12C) and sitneprotafib (JAB-3312, SHP2)***

  NSCLC

  ≥2L NSCLC – The complete dataset of glecirasib in ≥2L NSCLC was published in Nature Medicine in January 2025. The market approval of glecirasib monotherapy in ≥2L NSCLC was granted by the NMPA in patients with NSCLC harboring KRAS G12C mutations who have received at least one prior systemic therapy in May 2025. Glecirasib was successfully prescribed to the first patient within the same month and was then selected on the National Reimbursement Drug List in December 2025.

  1L NSCLC – The registrational phase III trial of glecirasib in combination with sitneprotafib for the first-line treatment of NSCLC is ongoing in China. The study patient population has been expanded from tumor PD-L1 expression level with <1% to < 50%, significantly expanding the addressable unmet medical need. This study is conducted by Allist, our collaboration partner. The results of the phase I/II trial of glecirasib in combination with sitneprotafib were published in The Lancet Respiratory Medicine (Impact Factor of 32.8) in December 2025.

  Multi-Tumors Basket

  A pivotal phase II single-arm multi-tumors (including pancreatic cancer, biliary tract cancer, gastric cancer, small bowel cancer, appendiceal cancer, etc.) basket study is currently ongoing in China.

  CRC

  The clinical trial results on the efficacy and safety of glecirasib as monotherapy and in combination with cetuximab in patients with locally advanced or metastatic KRAS G12C-mutated CRC, who had experienced disease progression after at least one prior line of standard therapy or were intolerant to standard treatment have been formally published in the prestigious medical journal, the Lancet Gastroenterology & Hepatology (latest impact factor: 38.6), in December 2025.

- ***JAB-23E73 (pan-KRAS)***

  The phase I daily dose-escalation trial has been completed in China while the twice daily dosing schedule is being explored. No DLT has been observed in the study. As the data cutoff date January 15, 2026, a total of 42 patients has been enrolled to the trial in China. 11.9% (5/42) experienced Grade 3 treatment-related adverse events (TRAEs). No grade 4-5 TRAEs were seen. No Grade 3 or higher AEs of nausea, vomiting and diarrhea were observed. In the predicted efficacious range (≥ 160mg daily dose), among 13 evaluable pancreatic cancer patients, objective response rate (ORR, confirmed and unconfirmed) is 38.5% (5/13). Two out of 13 patients were in the second line setting. Based on the preliminary results from the phase I trial in China, JAB-23E73 has demonstrated an acceptable safety profile and encouraging preliminary anti-tumor activities. The phase I trial in the U.S. is ongoing with the first patient enrolled in July 2025.

  The IND for the phase Ib/III clinical trial of JAB-23E73 in combination with nab-paclitaxel and gemcitabine for the first-line treatment of KRAS-mutant pancreatic ductal adenocarcinoma was approved by the CDE on February 10, 2026.

Business Highlights

The Company and AstraZeneca AB have entered into a licence and collaboration agreement to develop and commercialize Pan-KRAS inhibitor JAB-23E73. Pursuant to the Licence and Collaboration Agreement and subject to its terms and conditions thereof, Beijing Jacobio is entitled to receive an upfront payment of US$100 million from AstraZeneca and is eligible to receive additional milestone payments upon the achievement of certain development, regulatory and commercial milestones, with the total potential consideration amounting to up to US$1,915 million. In addition, upon the successful commercialization of the Licensed Products, Beijing Jacobio will be entitled to receive tiered royalties calculated based on the net sales of the Licensed Products. For details, please refer to the announcement of the Company dated December 21, 2025. The Company is currently discussing with AstraZeneca regarding more combination trials.

Progress of Other Key Selected Programs

- ***JAB-30355 (p53 Y220C)***

  The phase I daily dose-escalation trial in China and the U.S. have been completed while the dose optimization phase is currently being planned. Positive efficacy signals have been observed in patients with p53 Y200C mutant, some of whom are concurrently with RAS mutations. As the second p53 Y220C reactivator globally and the first to initiate a U.S./China global trial, the phase I trial results of JAB-30355 will provide a solid foundation for the continued clinical development and registration strategy of p53 Y220C mutated solid tumor and hematologic malignancy.

- ***JAB-8263 (BET)***

  The phase I dose-escalation trial for JAB-8263 in solid tumors and hematologic malignancy was completed in the U.S. and China, respectively. The RP2D of JAB-8263 was 0.3 mg QD, approximately 100-fold lower than the dose of the most advanced drug in the same class (Pelabresib). The safety profile was manageable, with lower reported rates of anemia and gastrointestinal AE compared with published data for Pelabresib. The dose expansion of JAB-8263 in MF is ongoing. Furthermore, based on robust preclinical data and a favorable clinical safety data, JAB-8263 is being explored in the autoimmune disease, positioning it among the early entrant in BET inhibitors development in this area.

- ***JAB-2485 (Aurora kinase A)***

  The phase I/IIa dose escalation trial of JAB-2485 has been completed in the U.S. and China. RP2D for monotherapy was determined. The multiple combination trial is in preparation.

Our iADC Programs

JAB-BX467, our HER2-STING iADC clinical candidate, was nominated with an IND submission planned in the second half of 2026. In pre-clinical studies, JAB-BX467 demonstrates favorable in vitro stability and induces significantly lower peripheral IL-6 levels compared with other competitors. Low dose administration persistently eradicated tumor growth in a cold-tumor model and elicited a strong immune memory effect upon tumor rechallenge.

Other Events

- Beijing Jacobio, Jacoray and an industry partner entered into a capital increase agreement while Beijing Jacobio, Jacoray, Shanxi Haisong Management Consulting Partnership (Limited Partnership) (山西海松管理諮询合伙企业(有限合伙)) ("**Shanxi Haisong**") and the Industry Partner entered into an equity transfer agreement. For details, see the announcement of the Company dated October 15, 2025.

Management Discussion and Analysis

OVERVIEW

We are an innovation-driven clinical-stage biopharmaceutical company dedicated to developing breakthrough cancer therapies for patients worldwide. Our forward-looking R&D strategy focuses on key oncology signaling pathways. Leveraging our internally established allosteric inhibitor platform, targeted antibody-drug conjugate (tADC) platform, and immune-conjugated antibody drug (iADC) platform, we have built a differentiated and globally competitive product pipeline aimed at tackling historically "undruggable" targets and expanding therapeutic boundaries.

In the field of KRAS targeting, we have achieved deep and diversified coverage through our multi-technology platform strategy, establishing one of the industry's most comprehensive pipelines in this area. Our allosteric inhibitor platform has yielded 艾瑞凯® (glesirasib, KRAS G12C), a KRAS G12C inhibitor for second-line non-small cell lung cancer, which is already commercially available in China. Additionally, an oral small-molecule pan-KRAS inhibitor JAB-23E73 discovered internally is currently undergoing clinical development in both China and the U.S. Simultaneously, leveraging our proprietary tADC platform, we are advancing next-generation KRAS-targeted therapeutics designed to overcome drug resistance and address a broader patient population. Notably, our EGFR-KRAS G12D tADC candidate is nearing IND submission readiness. Through this multi-platform approach spanning from approved therapies to novel modalities, we are solidifying our position as a leader with one of the deepest and most diversified KRAS portfolios globally.

Addressing a major unmet need in cancer immunotherapy–where approximately 70% of patients show limited response to PD-1/PD-L1 inhibitors–we have developed novel STING agonists via our iADC platform. This class of therapeutics is designed to convert immunologically "cold" tumors into "hot" ones by activating immune responses within the tumor microenvironment, thereby offering new treatment options for immunotherapy-insensitive patients and potentially creating synergistic effects with existing therapies.

We continue to enhance the iteration and integration of our technology platforms, exploring multiple drug modalities including ADCs to provide novel solutions for refractory cancers. The company adheres to an open innovation strategy, actively pursuing strategic collaborations with leading global pharmaceutical partners to jointly accelerate the international development and commercialization of our pipeline assets. Our goal is to maximize their clinical value and market potential, creating sustainable value for patients and shareholders alike.

OUR PRODUCTS AND PRODUCT PIPELINE

In the past years, by leveraging our proprietary technologies and know-how in drug discovery and development, we have discovered and developed an innovative pipeline of drug candidates, including seven assets at the clinical stage, three assets at IND-approved stage, and several others at the IND enabling stage. These drug candidates, which address undruggable targets with a particular focus on RAS signaling, have broad applicability across various tumor types and have demonstrated potential for use in combination therapies.

The following charts summarize our product pipeline, the development status of each clinical candidate and xADC platform candidate candidates as at the date of this report.

Management Discussion and Analysis

Clinical Pipeline

Target	Asset	Indications	IND	Phase I	Phase II	Phase III
SHP2/KRAS G12C	JAB-3312/Glecirasib	1L NSCLC				pivotal trial
KRAS G12C	Glecirasib	2L NSCLC			Marketed	
		2L Multi-tumors basket			pivotal trial	
		CRC			pivotal trial	
pan-KRAS	JAB-23E73**	Solid tumor		CN/US		
		1L PDAC		Ph Ib/III		
P53 Y220C	JAB-30355	Solid tumor		CN/US		
BET	AB-8263	Solid tumor and hematologic malignancy		CN/US		
Aurora A	JAB-2485	Solid tumor		CN/US		

xADC Platform Pipeline

Payload	Target	Asset	Indications	Lead optimization	IND
STINGa Payload	HER2-STINGa iADC	JAB-BX467 (iADC)	Solid tumor	2026 H2 IND	
	Other antibody-drug conjugates	-	-		
KRAS G12Di payload	EGFR-KRAS G12Di tADC	JAB-BX600 (tADC)	Solid tumor	2026 H2 IND	
	Other antibody-drug conjugates	-	-		
其他Payload	Undisclosed	JAB-BX700 (tADC)	Solid tumor		

Management Discussion and Analysis

BUSINESS REVIEW

Our Clinical Stage Drug Products

We have made tremendous progress in clinical development of our assets in 2025. Among all clinical-stage candidates,艾瑞凯® (glesirasib, KRAS G12C), our lead asset, received NMPA approval and was launched in May 2025.

- **艾瑞凯® (Glecirasib, KRAS G12C)**

  Glecirasib is a potent, selective and orally available small molecule targeting KRAS G12C mutant protein, and it has demonstrated promising pre-clinical antitumor activity either as a single agent or in combination with other anti-cancer drugs, such as SHP2 inhibitor and anti-EGFR antibody. Based on our internal head-to-head pre-clinical animal studies, glecirasib has shown favorable safety, tolerability and PK profiles in comparison with Amgen's and Mirati's KRAS G12C inhibitors (which were internally synthesized based on published molecular structures).

  During the Reporting Period and up to the date of this report, we have achieved the following progress and milestones:

  - **NSCLC**

    ≥2L NSCLC: Monotherapy in China

    The first indication for glecirasib in ≥2L NSCLC was approved in May 2025 and it was selected to be on the National Reimbursement Drug List in December 2025. Our business partner, Allist, has been actively promoted and expanded the sales and marketing in the last half year, and achieving solid sales performance in the second half of 2025. The approval of glecirasib is based on a pivotal phase II clinical trial conducted in China, with full data published in Nature Medicine (impact factor 58.7). Based on the positive results from the pivotal phase II single-arm study, in patients with NSCLC treated with glecirasib monotherapy in the second-line or later setting, glecirasib demonstrated an objective response rate (ORR) of 49.6%, a disease control rate (DCR) of 86.3%, a median progression-free survival (PFS) of 8.2 months, and a median overall survival (OS) of 17.5 months in previously treated patients with KRAS G12C-mutated advanced NSCLC. Safety data indicates that glecirasib has a favorable safety profile, particularly with gastrointestinal tolerability among approved KRAS G12C inhibitors.

    1L NSCLC: Combination Therapy with Sitneprotafib in China

    1L NSCLC – The registrational phase III trial of glecirasib in combination with sitneprotafib for the first-line treatment of NSCLC is ongoing in China. The study patient population has been expanded from tumor PD-L1 expression level with <1% to < 50%, significantly expanding the addressable unmet medical need.

    The phase I/IIa clinical study results of glecirasib in combination with sitneprotafib have been published in The Lancet Respiratory Medicine, a top-tier medical journal with an impact factor of 32.8 in December 2025. The open-label phase 1/2a study, conducted in China, enrolled 171 patients with KRAS G12C–mutated NSCLC, including 102 previously untreated patients. The results showed that the combination achieved a 71% objective response rate (ORR) and 12.2 months median progression-free survival (mPFS) in the first-line population, outperforming many other first-line KRAS G12C treatment regimens. Compared with the current first-line standard of care (immunotherapy plus chemotherapy), this chemotherapy-free alternative regimen has demonstrated strong competitiveness.

Management Discussion and Analysis

Multi-Tumors Basket

A phase II single-arm pivotal trial for PDAC was approved by the CDE in July 2023. We further expanded other trials to multi-tumors basket (including pancreatic cancer, biliary tract cancer, gastric cancer, small bowel cancer, appendiceal cancer, etc.), which was approved by the CDE in August 2024 based on encouraging updated data. In the meantime, glecirasib received ODD for pancreatic cancer from the U.S. FDA in April 2024 and EMA in October 2024. The BTD for pancreatic cancer was granted by the CDE in August 2023. No KRAS inhibitors have been approved for multi-tumors basket patients globally.

- **CRC**

Monotherapy and Combination Therapy with anti-EGFR Antibody Cetuximab in China

The phase III pivotal trial design of glecirasib monotherapy and glecirasib in combination with cetuximab in≥3L CRC patients with KRAS G12C mutation was approved by the CDE in May 2024.

In January 2025, the updated data on glecirasib monotherapy and in combination with cetuximab treating KRAS G12C mutated advanced colorectal cancer were presented in poster form at the 2025 American Society of Clinical Oncology Gastrointestinal Cancer Symposium Annual Meeting (ASCO GI). For glecirasib monotherapy in CRC, the confirmed ORR and DCR were 22.7% (10/44) and 86.4% (38/44), respectively. The median DoR was 4.4 months (95%CI: 4.2, 9.7), median PFS was 5.6 months (95%CI: 4.1, 7.0), and median OS was 16.0 months (95%CI: 8.8, 26.3). For the glecirasib in combination with cetuximab cohort, the confirmed ORR and DCR were 50% (23/46) and 87.0% (40/46), respectively. The median DoR was 5.1 months (95%CI: 4.1, 6.9), median PFS was 6.9 months (95%CI: 5.4-6.9), and median OS was 19.3 months (95%CI: 13.1, NE). Glecirasib in combination with cetuximab demonstrated better efficacy compared with glecirasib monotherapy in advanced KRAS G12C mutated advanced CRC, while maintaining a favorable safety profile. The full study result have been formally published in the prestigious medical journal, the Lancet Gastroenterology & Hepatology (latest impact factor: 38.6) in December 2025.

Monotherapy and Combination Global Study

The phase I dose escalation for glecirasib global study was completed in August 2022, and the phase II dose expansion portion was initiated in September 2022. The clinical trial has been completed and clinical responses were comparable to those observed in Chinese patients.

We will continue to proactively communicate with regulatory authorities in the respective major markets and pursue opportunities for expedited track of regulatory approval or designations with preferential treatment, such as breakthrough therapies and orphan drugs. In addition, we have been exploring the potential synergistic combinations by working with value-adding collaborators, and to maximize the clinical and commercial value of our drug candidates on a global scale.

Management Discussion and Analysis

o License-out with Allist for Glecirasib and Sitneprotafib

On August 30, 2024, we entered into the License-Out Agreement with Allist. The Company retains all its rights to glecirasib and sitneprotafib outside of the Greater China, where it can continue to pursue research and development for these two drugs. For details, please refer to the announcement of the Company dated August 30, 2024. We own the ex-China development right and is seeking advice from the U.S. FDA for the registration path.

In May 2025, we received approval for glecirasib to be launched on the market from the NMPA. The approved indication is for patients with NSCLC harboring KRAS G12C mutations who have received at least one prior systemic therapy. This approval triggers a milestone payment of RMB50 million from Allist. For details, please refer to the announcement of the Company dated May 22, 2025.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that 艾瑞凯® (glecirasib, KRAS G12C) will ultimately be successfully developed and marketed by the Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

- ***Sitneprotafib (JAB-3312, SHP2)***

  Sitneprotafib is a clinical-stage, oral allosteric SHP2 inhibitor for the potential treatment of cancers driven by RAS signaling pathway and immune checkpoint pathway. SHP2 inhibitor plays a major role in circumventing resistance when combined with inhibitors of various oncogenic drivers. We believe SHP2 inhibition is a promising novel therapeutic approach for multiple cancer types. The current issued patents and published patent applications have already provided a broad scope of protection for SHP2 inhibitors, as the established players in this field have built a wall of patents that is hard for any newcomers to circumvent and therefore enlarge our first-mover advantages in the market.

  Sitneprotafib is a second generation SHP2 inhibitor and the most potent SHP2 inhibitor of its class. In pre-clinical studies, the IC_{50} for sitneprotafib in cell proliferation was 0.7-3.0 nM. In clinical studies, recommend dose for the registrational phase III clinical trial is 2 mg QD intermittent. Preclinical research results of sitneprotafib were published as a peer-reviewed article in the Journal of Medicinal Chemistry. The translational study results of sitneprotafib have been published in Clinical Cancer Research (Impact Factor: 10.4) in May 2025. This is a comprehensive report of non-clinical and clinical data on sitneprotafib combinations, including detailed preclinical findings and representative patient cases with agents targeting the RTK/RAS/MAPK pathway and PD-1 blockade. Sitneprotafib showed significant synergy with multiple therapies, notably enhancing the anti-tumor activity of the KRAS G12C inhibitor glecirasib in both treatment-naive and resistant models. The Company is also discussing the global phase III trial design with the U.S. FDA.

  Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that sitneprotafib (JAB-3312, SHP2) will ultimately be successfully developed and marketed by the Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

Management Discussion and Analysis

- ***JAB-23E73(pan-KRAS)***

  KRAS mutations occur in approximately 2.7 million patients worldwide, with reported prevalence exceeding 90% PDAC, up to 50% CRC, and up to 30% NSCLC. JAB-23E73 is a novel, first-in class, orally bioavailable pan-KRAS inhibitor. It can potently inhibit the activity of multiple KRAS mutants in both RAS (ON) and RAS (OFF) states at single digit nano molar and sub nano molar level, including KRAS G12X (G12D, G12V, G12R, G12S and G12A), G13D and Q61H, with high selectivity over HRAS and NRAS. JAB-23E73 has a significant anti-tumor effect in cancer cell lines with various KRAS mutations or amplification of KRAS wild-type and has no inhibitory effect on KRAS-independent cells, indicating a favorable therapeutic window. JAB-23E73 has exhibited favorable oral bioavailability both in rodent and non–rodent species. JAB-23E73 also has showed an excellent anti-tumor effect in multiple KRAS mutant tumor xenografts.

o Phase I Trial

The phase I trial of daily dose-escalation phase has been completed in China, and twice daily dosing schedule is being explored. No dose-limiting toxicity (DLT) has been observed in the study. The first patient enrollment in the phase I trial in U.S. was achieved in July 2025. Based on the preliminary results from the phase I trial in China, JAB-23E73 has demonstrated an acceptable safety profile and encouraging preliminary anti-tumor activities. As of the data cutoff date of January 15, 2026, a total of 42 patients have enrolled in the phase I study in China. No DLT was observed. No new safety concern has been identified. Five (11.9%) experienced Grade 3 treatment-related adverse events (TRAEs). No grade 4-5 TRAE reported. JAB-23E73 has a well manageable safety profile, including nausea 38.1% (16/42), vomiting 23.8% (10/42) and diarrhea 52.4% (22/42) without any grade 3 events. JAB-23E73 has shown a differentiated safety profile compared with Daraxonrasib (H/N/K RAS inhibitor). JAB-23E73 has low incidence of rash (14.3% all grade 1-2, no grade 3) and mucositis (4.8% all grade 1-2, no grade 3). Among the 13 evaluable PDAC patients received JAB-23E73 within the predicted efficacious range (≥160mg daily dose), objective response rate (ORR) was observed in 38.5% (5/13) and disease control rate (DCR) was 84.6% (11/13). ORR includes confirmed response and unconfirmed response. Two out of 13 patients were in the second line setting.

The phase I trial in the U.S. is ongoing. No DLT was observed. These early data further support the global development potential of this asset and lay a solid foundation for further clinical advancement.

The IND for the phase Ib/III clinical trial of JAB-23E73 in combination with nab-paclitaxel and gemcitabine for the first-line treatment of KRAS-mutant pancreatic ductal adenocarcinoma was approved by the CDE on February 10, 2026. The Company is currently discussing with AstraZeneca regarding more combination trials.

Management Discussion and Analysis

o Collaboration with AstraZeneca

Beijing Jacobio and AstraZeneca AB entered into the Licence and Collaboration Agreement to develop and commercialize pan-KRAS inhibitor JAB23E73. Pursuant to the Licence and Collaboration Agreement, AstraZeneca will be granted an exclusive license to research, develop, register, manufacture and commercialize JAB-23E73 on a worldwide basis except for the PRC (excluding Hong Kong Special Administrative Region, the Macau Special Administrative Region, and Taiwan), and shall be responsible for all costs and activities associated with its further development and commercialization in accordance with the Licence and Collaboration Agreement. For details, see the announcement of the Company dated December 21, 2025. The Company will work closely with AstraZeneca on the development of JAB23E73. The does expansion study in China of JAB-23E73 is planned to be complete and the RP2D is expected to be recommended in the second quarter of 2026.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that JAB-23E73 will ultimately be successfully developed and marketed by the Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

- ***JAB-30355 (p53 Y220C)***

  JAB-30355 is a potent and orally bioavailable small molecule p53 reactivator for the treatment of patients with locally advanced or metastatic solid tumors harboring p53 Y220C mutation.

  JAB-30355 has shown very high binding affinity to p53 Y220C mutant proteins and can maximally restore the proper folding and functionality of misfolded p53 Y220C upon binding, trigger apoptosis in vitro. When applying in vivo, tumor regression was achieved in multiple CDX and PDX models harboring p53 Y220C mutation, such as ovarian cancer, pancreatic cancer, gastric/esophageal cancer, breast cancer, lung cancer, etc. The synergistic effects were found when combined with chemotherapy or other agents which indicate a wide combinational potential of JAB-30355. Good crystalline solubility across physiologic conditions and favorable PK properties across were observed.

  The phase I daily dose-escalation in China and the U.S. have been completed, and dose optimization is currently being planned. Positive efficacy signals have been observed in patients with p53 Y200C mutant, some with concurrent RAS mutations. As the second p53 Y220C reactivator globally and the first to initiate a U.S./China global trial, our phase I trial results will provide the solid foundation for the continued clinical development and registration strategy of p53 Y220C mutated solid tumor and hematologic malignancy.

  Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that JAB-30355 will ultimately be successfully developed and marketed by the Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

Management Discussion and Analysis

- ***JAB-8263 (BET)***

JAB-8263 is an innovative, selective and potent small molecule inhibitor of BET family proteins, which plays a key role in tumorigenesis by controlling the expression of oncogenes such as c-MYC. JAB-8263 is the most potent BET inhibitor in the clinical stage globally which binds to BRD2, BRD3, BRD4, and BRDT with biochemical IC_{50} ranging from 0.20 to 0.99 nM. Pre-clinical studies showed that JAB-8263 can maintain 80-90% inhibition of c-MYC for more than 48 hours when given at a very low dose. We are evaluating JAB-8263 for the treatment of various solid tumors and hematological malignancies. To date, JAB-8263 has demonstrated favorable safety and tolerability compared with other BET inhibitors under clinical development.

The dose escalation for JAB-8263 in solid tumors and hematologic malignancy were completed in the U.S. and China, respectively. The RP2D of JAB-8263 was 0.3 mg QD, approximately 100-fold lower the dose than the most advanced drug in the same class drug (Pelabresib). The safety profile was manageable, with lower reported rates of anemia and gastrointestinal AE compared with published data for Pelabresib. As data cut-off of 24-Dec-2025, 82%(19/23) MF patients had spleen shrinkage and 35% (8/23) patients were treated more than one year. 80%(20/25) patients achieved 50% reduction of total severity score(TSS50). The dose expansion of JAB-8263 in MF is ongoing. Furthermore, based on the robust preclinical data and a favorable clinical safety data, JAB-8263 is being explored in the autoimmune disease, positioning it among the early entrant in BET inhibitors development in this area.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that JAB-8263 will ultimately be successfully developed and marketed by the Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

- ***JAB-2485 (Aurora kinase A)***

JAB-2485 can inhibit Aurora kinase A activity, induce apoptosis and inhibit tumor growth. Aurora kinase A inhibition may potentially benefit patients with RB loss tumors, such as SCLC and TNBC. JAB-2485 is one of the top two orally bioavailable small molecules in clinical stage which selectively inhibit Aurora kinase A over Aurora kinases B and C. Pre-clinical studies showed that JAB-2485 features a 1500-fold selectivity on Aurora kinase A over Aurora kinases B and C. JAB-2485 induces minimal myelosuppression and displays favorable PK properties. As at the date of this report, there is no commercialized Aurora kinase A inhibitor globally.

The phase I/IIa dose escalation has been completed in the U.S and China global trial in 2025. RP2D for monotherapy was determined. The multiple combination trial is in preparation.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that JAB-2485 will ultimately be successfully developed and marketed by the Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

Management Discussion and Analysis

- ***JAB-BX102 (CD73)***

  JAB-BX102 is a humanized monoclonal antibody against CD73, a key protein involved in the adenosine pathway. JAB-BX102 binds to a unique N terminal epitope of CD73 and directly inhibits CD73 enzymatic activity with sub-nanomolar IC_{50}. JAB-BX102 induces strong internalization and achieves fast elimination of cellular CD73. A combination of JAB-BX102 with ICI such as anti-PD-(L)1 antibodies can result in a synergistic antitumor effect. JAB-BX102 is our first large molecule program that entered into clinical stage.

  We initiated the phase I/IIa dose escalation trial for JAB-BX102 in patients with advanced solid tumors in September 2022. The dose escalation portion of the study has been completed, and the RP2D dose of JAB-BX102 has been determined.

  Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that JAB-BX102 will ultimately be successfully developed and marketed by the Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

Pre-clinical Stage Drug Candidate

- ***Our Self-Developed Next-Generation xADC Platform (tADC + iADC)***

  Leveraging our deep expertise in small-molecule targeting and tumor immunology, we have independently developed a next-generation xADC platform centered around innovative non-toxin payloads. This platform encompasses two core technology systems: tADC (targeted inhibitor-drug conjugates) and iADC (immune activator-drug conjugates). By overcoming the inherent limitations of traditional small molecules and conventional toxin-based ADCs, we aim to provide first-in-class treatment options for KRAS-mutant tumors and immunologically "cold" tumors. Multiple drug candidates have already advanced to the clinical candidate stage, with global clinical trial applications planned for the second half of 2026. The platform is highly expandable, enabling the flexible combination of diverse payloads with tumor-associated antibodies to rapidly generate a pipeline of drug candidates targeting a broad range of targets and indications.

  Compared to traditional small-molecule inhibitors, our xADC platform significantly enhances drug accumulation in tumor tissue through antibody-mediated precision delivery, reducing drug-drug interactions and systemic exposure. It overcomes common pharmacokinetic challenges, off-target toxicity, and bioavailability limitations associated with small molecules, while achieving higher efficacy and an improved safety window. In contrast to conventional toxin-based ADCs, our xADC platform employs non-cytotoxic, mechanistically specific small-molecule inhibitors or agonists as payloads. This approach avoids the systemic toxicities commonly seen with toxin-based ADCs–such as myelosuppression, hepatotoxicity, and neurotoxicity–making it suitable for long-term dosing. tADC achieves synergistic effects through dual mechanisms by combining antibodies with small-molecule payloads targeting oncogenic driver pathways, overcoming compensatory resistance, and supporting combination with standard-of-care therapies like chemotherapy and immunotherapy, offering first-line treatment potential. iADC, on the other hand, utilizes small-molecule immune agonists as unique payloads to locally activate innate immunity within the tumor microenvironment, converting "cold" tumors into "hot" tumors, promoting immune cell infiltration, and establishing immune memory. This enables potent combinations with immune checkpoint inhibitors, offering new first-line treatment hope for the broad population of patients unresponsive to immunotherapy.

Management Discussion and Analysis

Our next-generation xADC platform redefines the ADC development paradigm, characterized by high potency, high targeting precision, high safety, and high expandability. The company is developing a proprietary XDC platform (xADC) that integrates tumor-targeting moieties, optimized linker systems, and diverse functional payloads. We have established comprehensive IP coverage around its core conjugation strategies, linker technologies, and related innovative payloads. This platform represents both a strategic extension of our two core areas – KRAS targeting and tumor immunology – and a commitment to delivering more effective and safer precision treatment options for solid tumor patients worldwide.

- ***Our KRAS tADC Programs***

In the realm of oncological therapeutics, the development of small-molecule inhibitors targeting KRAS G12D has burgeoned, with multiple candidates advancing into clinical trials. However, the clinical resistance against small-molecule inhibitors warrants new modality of KRAS inhibition. In a groundbreaking departure from conventional approaches, we have conjugated a highly potent small-molecule KRAS G12D inhibitor JAB-22000 to antibodies, thereby creating novel KRAS G12D tADC programs. This innovative strategy facilitates the targeted delivery of the KRAS G12D inhibitor to tumors expressing tumor-associated antigens, effectively circumventing the limitations associated with PK challenges by the direct administration of KRAS G12D inhibitor.

Preliminary preclinical studies have demonstrated that this KRAS G12D tADC induced significant tumor regression while maintaining an exemplary pharmacokinetic profile and favorable safety margins. This ADC platform is currently being leveraged to develop a multitude of projects, wherein the KRAS G12D inhibitor is conjugated to various antibodies, thereby enabling comprehensive coverage of KRAS G12D-mutant tumors, including NSCLC, CRC and PDAC.

Looking ahead, our KRAS tADC platform is poised for expansion to encompass pan-KRAS inhibitors, targeting a broader spectrum of KRAS mutations such as G12V and G13D. Anticipated as a next-generation KRAS inhibition strategy, KRAS tADCs are expected to surpass existing small-molecule drugs in terms of efficacy, resistance and therapeutic breadth. Our pioneering efforts in the development of KRAS tADCs position us at the vanguard of this transformative field, heralding a promising future for the Company in the domain of KRAS-targeted therapies.

The convergence of high potency, selective targeting, and superior pharmacokinetics in our KRAS tADC ADC platform epitomizes a paradigm shift in the treatment of KRAS-mutant cancers. By harnessing the synergistic potential of antibody-mediated delivery and potent small-molecule inhibition, we are not only addressing the current limitations of KRAS-targeted therapies but also paving the way for a new era of precision oncology. Our relentless pursuit of innovation and excellence in this arena underscores our commitment to revolutionizing cancer treatment and improving patient outcomes.

Management Discussion and Analysis

- **KRAS G12D tADC programs**

Using the highly potent KRAS G12D inhibitor JAB-22000 as payload, we are developing KRAS G12D tADC JAB-BX600 that targets EGFR to deliver KRAS G12D inhibitor for the treatment of KRAS G12D-mutated cancer. JAB-BX600 utilizes an EGFR antibody for targeted delivery, concurrently harnessing the synergistic effects of both the EGFR antibody and the KRAS inhibitor. It effectively suppresses feedback activation of EGFR induced by KRAS inhibitor monotherapy, thereby overcoming compensatory drug resistance. JAB BX600 can bind to EGFR with high affinity leading to highly efficient endocytosis of payload KRAS G12D inhibitor. In pre-clinical studies, JAB-BX600 exhibited superior in vitro inhibitory effect on cancer cell proliferation with IC_{50} of 10-50 pM, in vivo studies, JAB-BX600 potently induced tumor regression in a variety of KRAS G12D-mutated cancer models including CRC and PDAC CDX and PDX models with well tolerability. Preliminary data indicated favorable PK property and plasma stability. Other TAAs are under development as well. EGFR-KRAS G12D tADC JAB-BX600 was nominated, with an IND submission planned in the second half of 2026.

- **Other undisclosed ADC programs**

Based on the know-how in developing KRAS G12D tADC, there are multiple undisclosed ADC candidates currently under active development within our R&D pipeline.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that our KRAS tADC programs will ultimately be successfully developed and marketed by the Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

- ***Our iADC Programs***

ICIs have dramatically changed the landscape of cancer treatment. However, ICI response rates remain modest with only a minority of patients deriving clinical benefits. A major factor involved in non-responsive to current ICIs is the lack of T cell infiltration into tumor, characterizing the so-called “cold tumor”. By conjugating our STING agonist (payload) with different TAA-targeting antibodies, we can target deliver STING agonists into tumor cells, which enhances antitumor immunity and turns PD-1 unresponsive cold tumors into PD-1 responsive hot tumors.

A growing body of ADCs is currently in clinical development, some of which had been approved by the U.S. FDA and the CDE, verifying the concept of “magic bullet”. However, these conventional ADCs, which use toxins as payloads, have demonstrated obvious toxicity because the toxin molecules can be delivered to the normal tissues. These safety concerns limit the application of conventional ADCs.

We have leveraged our strength in small molecule drug discovery and development in designing innovative payloads and built our iADC platform. Our novel iADC programs using STING agonist as payload have the potential to address the challenges of both low response rate in current ICI therapy and toxicities caused by conventional ADCs.

Management Discussion and Analysis

- ***STING-iADC Programs – Unique Payload to Support Multiple iADC Programs***

  Recent efforts have been focused on identifying targets that could be used to treat PD-1 non-responsive patients. One of such novel targets is STING, an endoplasmic protein that turn "cold" tumor to "hot". STING agonism epitomizes a paradigm shift in cancer therapeutics, harnessing the innate biological machinery of tumor cells to orchestrate a multifaceted antitumor response to address PD-1 non-responder. There are already multiple projects in the clinical stage evaluating the efficacy and safety of either intratumoral injection or systemic administration of STING agonist. Although such approaches have shown therapeutic benefits, including potent antitumor activity, the therapeutic window was limited by immune-related toxicity, such as cytokine release syndrome.

  By specifically delivering potent STING agonist into TAA-expressing tumor cells, rationally designed iADC could boost the antitumor efficacy locally and avoid the risk of systemic immune-related adverse effects. STING iADC exert their influence by eliciting the production of type I interferons within tumor cells, a class of cytokines renowned for their ability to directly impede tumor proliferation and induce programmed cell death. This intrinsic induction of interferon production transforms the tumor microenvironment into a hostile landscape for malignant cells. By exploiting the tumor's own cellular pathways, STING agonists achieve a precise and localized antitumor effect, thereby circumventing the systemic repercussions often associated with broader immune interventions. Furthermore, STING iADC catalyzes the synthesis of CXCL10, a pivotal chemokine that orchestrates the migration of immune cells to the tumor site. This chemotactic signal is instrumental in converting immunologically inert, or "cold" tumors–typically refractory to PD-1 blockade into "hot" tumors that are more amenable to immune-mediated eradication. The localized generation of CXCL10 ensures a targeted recruitment of immune effectors, enhancing the therapeutic efficacy of existing immunotherapies while maintaining a favorable safety profile. This nuanced approach not only amplifies the antitumor response but also mitigates the risk of systemic immune-related adverse events, underscoring the sophistication of STING iADC as a therapeutic modality. In essence, STING iADCs operate through a dual-pronged mechanism: they provoke tumor cells to produce type I interferons, leading to direct tumor suppression and apoptosis, and they engender CXCL10, which facilitates the recruitment of immune cells to the tumor milieu, thereby facilitating PD-1 efficacy. This elegant strategy highlights the transformative potential of STING agonists in oncology, leveraging the tumor's intrinsic biology to achieve a potent and localized antitumor effect, while redefining the landscape of cancer immunotherapy.

Management Discussion and Analysis

By conjugating our proprietary STING agonist (payload) with different TAA-targeting antibodies, we are developing a series of iADC programs. Clinical candidate of HER2 STING iADC has been nominated in the second half of 2024, as JAB-BX467. We plan to submit its IND application in 2026. For iADC, high plasma stability is very important to reduce the releasing of payload before it reaches the target site (on target, off-tumor toxicity). Our iADC molecules have shown greatly improved plasma stability compared with the competitor, which would broaden the therapeutic window and improve safety in future use. In pre-clinical studies, JAB-BX467 barely released free payload (less than 2%) after incubation in the plasma for seven days. The release of IL-6, a major mediator of cytokine release syndrome, was significantly less by JAB-BX467 compared with the competitor. More importantly, monotherapy administration of low-dose JAB-BX467 was effective enough to eradicate tumor growth (complete response, CR) in the hHER2-EMT 6 syngeneic cold-tumor model, with strong immune memory effect after tumor rechallenge. Further intratumoral analysis revealed that JAB-BX467 elicited significant infiltration of immune cells into cold tumor, supporting the concept of localized immune priming by iADC and endorsing the combination of iADC with PD-1 blockade to treat cold tumor. We are developing other TAAs-targeting iADCs as well. JAB-BX467 was nominated, with an IND submission planned in the second half of 2026.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that our iADC Platforms and JAB-BX467 will ultimately be successfully developed and marketed by the Company. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

CORPORATE DEVELOPMENT

We have a solid patent portfolio to protect our drug candidates and technologies. As of December 31, 2025, we owned 380 valid patents or patent applications that are filed globally, of which 146 patents have been issued or allowed in major markets globally.

FUTURE AND OUTLOOK

We are a front runner in selecting, discovering and developing potential first-in-class therapies with innovative mechanisms for oncology treatment. By continuing to strengthen our drug discovery platform and to advance our pipeline, we expect to obtain global market leadership with a number of transformative therapies and expect to benefit cancer patients significantly. In addition, we also plan to add world-class manufacturing and commercialization capabilities to our integrated discovery and development platform as we achieve clinical progress and anticipate regulatory approvals.

Management Discussion and Analysis

In the near term, we plan to focus on pursuing the following significant opportunities:

- **Develop, commercialize and expand our pipeline in two promising fields, i.e., KRAS, iADC**

  In the field of KRAS-target therapy:

  KRAS is one of the most well-known proto-oncogenes and has been traditionally thought undruggable for decades. We have an established track record of successfully designing innovative therapies targeting allosteric binding sites of "undruggable" targets. Based on our cutting-edge allosteric inhibitor platform, we have developed a diversified portfolio in KRAS pathway, including 艾瑞凯® (glecirasib, KRAS G12C), JAB-23E73 (pan-KRAS) and JAB-22000 (KRAS G12D) to directly target different forms of KRAS. We also developed sitneprotafib to target SHP2 which is an upstream KRAS and involved in adaptive resistance to KRAS inhibitors.

  In addition to small-molecule KRAS inhibitors, we are also developing ADC using highly potent KRAS inhibitors as payloads such as KRAS G12D inhibitor JAB-22000. The KRAS tADC strategy may greatly improve clinical efficacy while keeping good PK property and tolerability. We are developing KRAS G12D tADC JAB-BX600 that targets EGFR using the KRAS G12D inhibitor as a payload.

  We have established a formidable competitive moat in the field of KRAS inhibitors through its robust patent portfolio, which not only outnumbers those of its competitors (pan-KRASi priority documents: Jacobio 80+ vs competitors 10+) but also predates them significantly (pan-KRASi earliest priority date: Jacobio 2021 vs competitors 2022). This strategic foresight in intellectual property management has positioned Jacobio as a frontrunner in the KRAS inhibitor domain, effectively securing a first-mover advantage that is critical in the highly competitive pharmaceutical industry. Our extensive patent filings encompass a wide array of innovations related to KRAS inhibition, including novel compound structures, proprietary synthesis methods, and unique therapeutic applications. By securing these patents early and in large numbers, we have effectively staked our claim in this lucrative and scientifically promising area, creating a barrier to entry that is difficult for competitors to overcome. This preemptive IP strategy not only safeguards our proprietary technologies but also deters potential infringers, thereby reinforcing its market dominance. Moreover, the early filing dates of our patents provide the company with a temporal advantage, ensuring that its innovations are protected for the maximum duration possible under patent law. This temporal edge is crucial in the pharmaceutical sector, where the development timeline from discovery to market can be protracted, and the exclusivity granted by patents is a key determinant of commercial success. In conclusion, our strategic accumulation of a vast and early-filed patent portfolio in the KRAS inhibitor field has created a significant competitive moat. This IP-driven advantage not only secures the company's current market position but also provides a strong foundation for future growth and innovation. As the pharmaceutical landscape continues to evolve, our foresight in patent strategy will undoubtedly remain a cornerstone of its sustained success.

  We intend to pursue the development of our frontier KRAS portfolio designed to address tumors where few treatment options exist with significant unmet medical needs in the global market, including NSCLC, PDAC, CRC and other solid tumors with KRAS mutations, in both single agent and rational combination therapies.

Management Discussion and Analysis

In the field of iADC immuno-oncology:

Immuno-oncology is a validated and promising field of cancer drug discovery, and we are developing a number of iADC programs, small molecules and monoclonal antibodies against novel immuno-oncology targets.

Our novel iADC programs using unique payloads have the potential to address the challenges of both low response rate in current ICI therapy and toxicities caused by conventional ADC. Our iADC molecules have shown greatly improved plasma stability compared with the competitor which would broaden the therapeutic window and improve safety in future use. Our iADC projects can also be used in combination with PD-(L)1 antibodies.

- **Advance our allosteric inhibitor technology platform and iADC platform in parallel**

  We believe that R&D is key to driving our therapeutic strategy and maintaining our competitiveness in the biopharmaceutical industry. With this belief, we are committed to further strengthening and advancing our R&D platforms to continuously fuel innovation.

  Our years of extensive research efforts focused on allosteric inhibitors and extensive know-how and experience accumulated in this process enable us to build a proprietary technology platform for the discovery and optimization of allosteric modulators.

  Meanwhile, by leveraging our expertise in developing small molecule drugs, we have identified unique STING agonist molecules that are suitable to be used as a payload and developed our iADC candidates.

- **Capture global market opportunities and expand to compelling area of research through collaboration**

  We intend to find the most suitable and resourceful partners for collaboration to expand our footprint of global development and the commercialization of our drug candidates. We will continue exploring partnerships around the world to look for compelling areas of research that have been primarily out of reach for many of the world's patients.

  Cautionary Statement under Rule 18A.08(3) of the Listing Rules: Our Company cannot guarantee that it will be able to successfully develop or ultimately market our Core Products. Shareholders and potential investors are advised to exercise caution when dealing in our Shares.

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue

	Year ended December 31,			
	2025		2024	
	RMB'000	***%***	*RMB'000*	*%*
Revenue from the License-Out Agreement and related services agreements	**53,525**	100	155,708	100

For the year ended December 31, 2025 and 2024, our Group recorded revenue of RMB53.5 million and RMB155.7 million, respectively, which are in connection with the License-Out Agreement and related clinical trial data management and statistical analysis services agreements.

Cost of Revenue

	Year ended December 31,			
	2025		2024	
	RMB'000	***%***	*RMB'000*	*%*
Cost of Revenue	**593**	100	–	–

For the year ended December 31, 2024, no cost of revenue was recognized. For the year ended December 31, 2025, we recorded cost of revenue of RMB0.6 million, mainly related to clinical trial data management and statistical analysis services agreements entered with Allist.

Gross Profit

	Year ended December 31,			
	2025		2024	
	RMB'000	***%***	*RMB'000*	*%*
Revenue from the License-Out Agreement and related services agreements	**52,932**	100	155,708	100

As a result of the foregoing, our gross profit decreased from RMB155.7 million for the year ended December 31, 2024 to RMB52.9 million for the year ended December 31, 2025.

Other Income

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Government grants	**3,844**	14,324

Our other income decreased from RMB14.3 million for the year ended December 31, 2024 to RMB3.8 million for the year ended December 31, 2025, which was attributable to the decrease of government grants.

Management Discussion and Analysis

Other Gains – Net

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Net foreign exchange (losses)/gains	**(16,242)**	12,192
Fair value changes on financial assets at FVTPL	**2,002**	–
Fair value losses on long-term investments measured at fair value through profit or loss	**(2,902)**	(18)
Gain on disposal of investment in a subsidiary	**19,167**	–
Net losses on disposal of property, plant and equipment	**–**	(137)
Loss on remeasurement of redemption liability	**–**	(957)
Gain on modification of leases	**–**	3,933
Others	**(4)**	10
Total	**2,021**	15,023

We recorded net losses for the year ended December 31, 2025 primarily attributable to combined impact of the increase in net foreign exchange losses and the increase in gain on disposal of investment in a subsidiary.

Our net foreign exchange losses reflect fluctuations in the exchange rates between the RMB and the USD and between the RMB and the HKD. Our net foreign exchange losses increased by RMB28.4 million from net foreign exchange gains of RMB12.2 million for the year ended December 31, 2024 to net foreign exchange losses of RMB16.2 million for the year ended December 31, 2025, which was mainly attributable to foreign exchange losses in connection with bank balances dominated in USD and HKD and the depreciation of the USD and the HKD against the RMB for the year ended December 31, 2025 compared to the appreciation of the USD and the HKD against the RMB for that of 2024. Our business is mainly operated in the PRC, and most of our Group's transactions are settled in RMB. Since our inception, we have financed our business principally through equity financings and bank borrowings, with related proceeds denominated in USD, HKD and RMB. We converted a portion of those proceeds in USD and HKD to RMB with the remaining amounts reserved for additional conversions to RMB as needed.

Future commercial transactions or assets and liabilities denominated in USD and HKD may expose us to currency exchange risk.

We have managed our foreign exchange risk by closely reviewing the movement of the foreign currency rates and would consider hedging against foreign exchange exposure should the need arise.

The gain on disposal of investment in a subsidiary represents the transaction entered with Shanxi Haisong to dispose 80% equity interest in Jacoray.

The fair value changes on structured deposits were attributable to our investment in capital protected structured deposits with five major commercial banks in Chinese Mainland during the twelve months ended December 31, 2025.

Management Discussion and Analysis

Research and Development Expenses

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Outsourcing service fee	**38,628**	154,165
Employee benefits expenses	**112,395**	126,998
Raw material and consumables used	**6,899**	14,610
Depreciation and amortization	**18,702**	21,891
Others	**11,962**	12,513
Total	**188,586**	330,177

Our research and development expenses decreased by RMB141.6 million from RMB330.2 million for the year ended December 31, 2024 to RMB188.6 million for the year ended December 31, 2025, primarily due to the decrease in outsourcing service fees, employee benefits expenses and raw material and consumables used. Such a decrease in research and development expenses resulted from (i) RMB115.5 million decrease in outsourcing service fees and RMB7.7 million decrease in raw material and consumables used with the absence of large-scale pivotal trial clinical costs, including clinical trial drug supplies, during the year ended December 31, 2025. Pivotal trials of glesirasib and sitneprotafib are managed and fully funded by Allist under the License-Out Agreement while our key clinical programs of JAB-23E73 are currently in phase I stage. This structure significantly reduces our financial burden, allowing greater focus on advancing our Pan-KRAS and ADC pipelines; and (ii) RMB14.6 million decrease in employee benefits expenses primarily due to the decrease of the number of our R&D employees.

Administrative Expenses

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Employee benefits expenses	**21,891**	26,528
Professional services expenses	**3,529**	3,137
Depreciation and amortization	**4,104**	4,567
Others	**4,903**	8,819
Total	**34,427**	43,051

Our administrative expenses decreased by RMB8.7 million from RMB43.1 million for the year ended December 31, 2024 to RMB34.4 million for the year ended December 31, 2025, driven by decrease in employee benefits expenses due to the decrease of the number of our administrative employees, stringent controls on discretionary incidental expenditures and enhanced operational efficiency across administrative functions.

Management Discussion and Analysis

Finance Income and Finance Expenses

Our finance income primarily represents our interest income from term deposits. Our finance expenses primarily consist of interest costs on lease liabilities, redemption liabilities and interest costs on borrowings.

Our finance income decreased by RMB9.2 million from RMB40.9 million for the year ended December 31, 2024 to RMB31.7 million for the year ended December 31, 2025, which was mainly attributable to (i) decreased average interest rate of time deposit during the year of 2025 compared to that of 2024; and (ii) decreased average bank balances in line with our business progress.

Our finance expenses increased by RMB4.5 million from RMB8.4 million for the year ended December 31, 2024 to RMB12.9 million for the year ended December 31, 2025, due to an increase in the average balance of bank borrowings.

Indebtedness

We had interest-bearing bank borrowings of approximately RMB72.1 million and RMB94.8 million as of December 31, 2024 and 2025, respectively, which primarily consist of unsecured bank loan used to support our operation.

Income Tax Expense

We recognized no income tax expenses for the years ended December 31, 2025 and 2024.

Non-IFRS Measure

To supplement the consolidated financial statements, which are presented in accordance with the IFRS Accounting Standards ("**IFRS**"), our Company also uses adjusted loss for the Reporting Period and other adjusted figures as additional financial measures, which are not required by, or presented in accordance with, the IFRS. Our Company believes that these adjusted measures provide useful information to shareholders and potential investors in understanding and evaluating our Group's consolidated results of operations in the same manner as they help our Company's management.

Adjusted loss for the Reporting Period represents the loss for the Reporting Period excluding the effect of certain noncash items and one-time events, namely the fair value losses in financial instruments with preferred shares, listing expenses, share-based payment expenses, fair value gains in derivative financial instruments arising from the commitment of investments and fair value gains in long-term investments measured at fair value through profit or loss. The term adjusted loss for the Reporting Period is not defined under the IFRS. The use of this non-IFRS measure has limitations as an analytical tool, and should not consider it in isolation from, or as substitute for analysis of, our Group's results of operations or financial condition as reported under IFRS. Our Company's presentation of such adjusted figure may not be comparable to a similarly titled measure presented by other companies. However, our Company believes that this and other non-IFRS measures are reflections of our Group's normal operating results by eliminating potential impacts of items that the management do not consider to be indicative of our Group's operating performance, and thus, facilitate comparisons of operating performance from period to period and company to company to the extent applicable.

Management Discussion and Analysis

The table below sets forth a reconciliation of the loss to adjusted loss during the years indicated:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Loss for the year	**(145,981)**	(155,709)
Added:		
Share-based payment expenses	**4,482**	9,964
Fair value losses in long-term investments measured at fair value through profit or loss	**2,902**	18
Adjusted loss for the year	**(138,597)**	(145,727)

The table below sets forth a reconciliation of the research and development expenses to adjusted research and development expenses during the years indicated:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Research and development expenses for the year	**(188,586)**	(330,177)
Added:		
Share-based payment expenses	**4,001**	8,989
Adjusted research and development expenses for the year	**(184,585)**	(321,188)

The table below sets forth a reconciliation of the administrative expenses to adjusted administrative expenses during the years indicated:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Administrative expenses for the year	**(34,427)**	(43,051)
Added:		
Share-based payment expenses	**481**	975
Adjusted administrative expenses for the year	**(33,946)**	(42,076)

Management Discussion and Analysis

Cash Flows

During the year ended December 31, 2025, net cash used in operating activities of our Group amounted to RMB211.0 million, representing an increase of RMB136.9 million compared to the net cash of RMB74.1 million used in operating activities during the year ended December 31, 2024. The increase was mainly due to the increase of settlement of trade payables for R&D services received.

During the year ended December 31, 2025, net cash used in investing activities of our Group amounted to RMB117.4 million, while we recorded net cash generated from investing activities of RMB256.2 million during the year ended December 31, 2024. The net cash used in investing activities of our Group was mainly due to the combined impact of (i) the net purchase of capital protected structured deposits with five major commercial banks in Chinese Mainland of RMB106.0 million during the year ended December 31, 2025 compared to that of nil during the year ended December 31, 2024, (ii) the increase in placement of bank deposits with original maturities of over 3 months of RMB36.9 million and decrease in withdrawal of bank deposits with original maturities of over 3 months and long-term bank deposits of RMB247.7 million when compare the year ended December 31, 2025 to that of 2024, and (iii) the increase in net cash inflow on disposal of a subsidiary of RMB114.5 million during the year ended December 31, 2025.

During the year ended December 31, 2025, net cash generated from financing activities of our Group amounted to RMB41.4 million, representing an increase of RMB20.1 million over the net cash generated from financing activities of RMB21.3 million during the year ended December 31, 2024. The increase was mainly due to (i) impact of the net proceeds of borrowings of RMB22.7 million during the year ended December 31, 2025 compared to the net repayment of borrowings of RMB1.6 million during the year ended December 31, 2024, and (ii) the increase in payments for repurchase of shares by RMB6.7 million when compare the year ended December 31, 2025 to that of 2024.

Significant Investments, Material Acquisitions and Disposals

During the year ended December 31, 2025, our Group did not have any significant investments or material acquisitions or disposals of subsidiaries, associates, and joint ventures.

Financial Assets at Fair Value through Profit or Loss

Our financial assets at fair value through profit or loss increased from nil as of December 31, 2024 to RMB162.0 million as of December 31, 2025, primarily due to an increase in purchase of structured deposit products of RMB160 million and the increase of contingent consideration recognized from the disposal of Jacoray. The structured deposit products included capital protected structured deposits from five major commercial banks in Chinese Mainland.

Liquidity, Capital Resources, Treasury Policies and Gearing Ratio

We expect our liquidity requirements will be satisfied by a combination of cash generated from operating activities, bank credits, funds raised from the capital markets from time to time and the net proceeds from the Global Offering.

During the Reporting Period, all of our borrowings were denominated in RMB. As at December 31, 2025, our total bank borrowings were RMB94.8 million, of which RMB29.9 million was with variable interest rate and the other RMB64.9 million was with fixed interest rate (December 31, 2024, RMB72.1 million). We currently have access to undrawn bank loan facilities of RMB405.8 million and do not have any plan for material additional equity financing. We will continue to evaluate potential financing opportunities based on our need for capital resources and market conditions.

Management Discussion and Analysis

As at December 31, 2025, our Group held cash and bank balances and investments in capital protected structure deposits of RMB1,133.7 million, as compared to cash and bank balances of RMB1,174.5 million as at December 31, 2024. Our primary uses of cash are to fund R&D efforts of new drug candidates, working capital and other general corporate purposes. Our cash and cash equivalents are held in USD, RMB and HKD.

Currently, our Group follows a set of funding and treasury policies to manage our capital resources and mitigate the potential risks involved.

As at December 31, 2025, our cash and cash equivalents were more than our total borrowings. Therefore, there was no net debt, and the gearing ratio calculated as net debt divided by equities is not applicable.

Lease Liabilities

IFRS 16 has been consistently applied to our Group's consolidated financial statements for the year ended December 31, 2024 and 2025. As at December 31, 2025, our lease liabilities amounted to RMB70.4 million.

Capital Commitments

As at December 31, 2025, our Group had no capital commitments contracted for but not yet provided.

As at December 31, 2024, our Group had capital commitments contracted for but not yet provided of RMB0.06 million, primarily in connection with contracts for purchase of property, plant and equipment.

Contingent Liabilities

As at December 31, 2025, our Group did not have any contingent liabilities. (2024: Nil).

Pledge of Assets

There was no pledge of our Group's assets as of December 31, 2025 (2024: Nil).

Foreign Exchange Exposure

Our financial statements are expressed in RMB, but certain of our cash and cash equivalents, time deposits, trade payables and other payables and accruals are denominated in foreign currencies and are exposed to foreign currency risk. Our management continuously monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Liquidity Risk

As of December 31, 2025 and 2024, we recorded net current assets of RMB927.5 million and RMB945.8 million, respectively. In the management of the liquidity risk, our Company monitors and maintains a level of cash and cash equivalents deemed adequate by its management to finance the operations and mitigate the effects of fluctuations in cash flows.

Management Discussion and Analysis

Employees and Remuneration Policies

As at December 31, 2025, our Group had 196 employees in total (2024: 257 employees). The total remuneration costs amounted to RMB134.9 million for the year ended December 31, 2025, as compared to RMB153.5 million for the year ended December 31, 2024. The decrease corresponded to the decrease in the number of employees.

In order to maintain the quality, knowledge and skill levels of our workforce, our Group provides continuing education and training programs, including internal and external training, for our employees to improve their technical, professional or management skills. Our Group also provides trainings programs to our employees from time to time to ensure their awareness and compliance with our policies and procedures in various aspects.

We provide various incentives and benefits for our employees. We offer competitive salaries, bonuses and share-based compensation to our employees, especially key employees. We have made contributions to social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds for our employees in accordance with applicable laws. We have also adopted the 2021 Stock Incentive Plan on August 31, 2021, which intends to attract and retain the best available personnel, to provide additional incentives to Employees and to promote the success of our Company's business. For more details of the 2021 Stock Incentive Plan, please refer to the announcements published on the websites of the Stock Exchange and the Company dated August 31, 2021 and October 8, 2021.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

Our Company has established an Audit Committee in compliance with Rules 3.21 and 3.22 of the Listing Rules and principle of D.3 of the CG Code, and has adopted written terms of reference. The Audit Committee consists of one non-executive Director, Dr. Te-li CHEN, and two independent non-executive Directors, Dr. Ge WU and Dr. Bai LU. The Audit Committee is currently chaired by Dr. Bai LU. Dr. Ge WU possesses appropriate professional qualifications.

The Audit Committee had reviewed together with the Company's management the accounting principles and policies adopted by the Group and discussed internal controls and financial reporting matters including a review of the audited consolidated financial statements of the Group for the year ended December 31, 2025.

Directors and Senior Management

DIRECTORS

Executive Directors

Dr. Yinxiang WANG（王印祥）， the founder of our Group, aged 61, has been a Director since June 1, 2018 and was re-designated as an executive Director and the Chairman of our Board on August 20, 2020. Dr.Wang has been serving as the chief executive officer of the Company since August 2019. Dr. Wang is primarily responsible for the overall strategic planning, business direction and operational management of our Group. Dr. Wang also currently holds or previously held the following positions in the subsidiaries of our Group:

Name of subsidiary	Position(s)	Period
Beijing Jacobio	Legal Representative, Chairman of the Board	July 2015 to present
Jacobio US	Chief Executive Officer Director, Treasurer	June 2019 to present December 2018 to present
Jacobio HK	Director	July 2018 to present
Jacomab	Legal Representative, Chairman of the Board Legal Representative, Executive Director	December 2016 to June 2019 June 2019 to present

Dr. Wang has more than 30 years of experience in the pharmaceutical industry. Dr. Wang currently serves as the chairman of the board of directors of Hebecell Holding Limited since September 2021, the chairman of the board of directors of Hebecell Holding (HK) Limited since October 2021. Prior to founding our Group, from August 1983 to August 1985 and from August 1988 to August 1989, Dr. Wang served as a physician at Hebei Handan Area Sanitation and Epidemic Prevention Station（河北邯鄲地區衛生防疫站）. From August 1992 to June 1993, Dr. Wang worked at the teaching and research section of immunology of the School of Basic Medical Sciences of Beijing Medical University（北京醫科大學）(currently known as the Peking University Health Science Center（北京大學醫學部）). Subsequently, in January 2003, Dr. Wang co-founded Zhejiang Betta Pharmaceuticals Co., Ltd.（浙江貝達藥業有限公司）, where he served as a director and the general manager（總經理）from its inception in January 2003 to August 2013. From August 2013 to August 2017, he served as a director and the president（總裁）of Betta Pharmaceuticals Co., Ltd.（貝達藥業股份有限公司）(Shenzhen Stock Exchange stock code: 300558) ("Betta Pharma"), the successor of Zhejiang Betta Pharmaceuticals Co., Ltd. since August 2013. From December 2021 to June 2023, the chairman of the board of directors of Beijing Jiake Cell Biotech Co., Ltd.（北京加科細胞生物科技有限公司）and Beijing Hebecell Technology Co., Ltd.（北京赫柏賽爾科技有限公司）. In addition, Dr. Wang used to serve as a post-doctoral fellow at Koleske Lab of Yale University which focuses on research in the fields of molecular biology and biochemistry.

Dr. Wang completed a secondary technical program in public health offered by Hebei Cangzhou Medical College（河北省滄州衛生學校）in September 1983, and a three-year college program for public health physicians offered by Hebei Employees' Medical College（河北省職工醫學院）(currently known as Hebei University Medical College（河北大學醫學院）) in July 1988, respectively. Dr. Wang obtained his master's degree in environmental hygiene in December 1992 from Chinese Academy of Preventive Medicine（中國預防醫學科學院）and his doctoral degree in biochemistry and molecular biology from University of Arkansas for Medical Sciences in December 1999.

Directors and Senior Management

Ms. Xiaojie WANG（王曉潔）， aged 62, has been a Director since July 31, 2018, and was re-designated as an executive Director on August 20, 2020. Ms. Wang has been serving as the President of Administration of our Group since September 2015. Since joining our Group, Ms. Wang has participated in the daily operations of our Group and is primarily responsible for the overall administration, operational and financial management of our Group. Ms. Wang also currently holds or previously held the following positions in the subsidiaries of our Group:

Name of subsidiary	Position(s)	Period
Beijing Jacobio	Director, President of Administration	September 2015 to present
Jacobio US	President, Secretary	December 2018 to present
Jacobio HK	Director	August 2018 to present
Jacomab	Director	December 2016 to November 2017
	Manager	December 2016 to November 2017 and June 2019 to present

Ms. Wang has more than 20 years of experience in the pharmaceutical industry. Prior to joining our Group, from March 2003 to March 2015, Ms. Wang worked at Betta Pharma, where she served as a vice president prior to her resignation.

Ms. Wang obtained her bachelor's degree in sugar engineering from Dalian Institute of Light Industries（大連輕工業學院）(currently known as Dalian Polytechnic University（大連工業大學）) in July 1986. Ms. Wang completed a postgraduate program in business administration offered by Peking University（北京大學）in May 2007 and a program for executive masters of business administration with a focus on the nationwide medical industry offered by Peking University in October 2008.

Ms. Yunyan HU（胡雲雁）， aged 63, has been a Director since July 31, 2018 and was re-designated as an executive Director on August 20, 2020. Ms. Hu has been serving as the Executive Vice President of our Group since March 2019. Ms. Hu is primarily responsible for directing and overseeing the research and development of our Group. Ms. Hu also holds the following positions in the subsidiaries of our Group:

Name of subsidiary	Position(s)	Period
Beijing Jacobio	Director	September 2017 to present
	Vice President of Research and Development	April 2017 to March 2019
	Executive Vice President	March 2019 to present
Jacobio HK	Director	August 2018 to present

Ms. Hu has more than 20 years of experience in the pharmaceutical industry. Prior to joining our Group, between 2004 to August 2013, Ms. Hu served as the director of the drug analysis office, director of the quality control department and deputy director of research and development at the Beijing research and development center of new drugs of Zhejiang Betta Pharmaceuticals Co., Ltd. Ms. Hu served as the deputy director of research and development center from August 2013 to March 2016 and a supervisor from August 2013 to February 2017, respectively, at Betta Pharma.

Ms. Hu graduated from an undergraduate program in analytical chemistry offered by Lanzhou University in July 1982 and obtained her master's degree in analytical chemistry from the Lanzhou Institute of Chemical Physics, Chinese Academy of Sciences（中國科學院蘭州化學物理研究所）in August 1987.

Directors and Senior Management

Non-Executive Director

Dr. Te-li CHEN（陳德禮）， aged 57, has been a non-executive Director since August 20, 2020. Dr. Chen is primarily responsible for participating in decision-making in respect of major matters such as corporate and business strategies.

Dr. Chen has over 26 years of experience in the medical industry. From May 1997 to August 2012, Dr. Chen served as a physician in Taipei Veterans General Hospital（台北榮民總醫院）. From August 2012 to January 2016, Dr. Chen served as an associate professor in internal medicine in the National Yang-Ming University（國立陽明大學）. Since July 2016, Dr. Chen has been serving as the chairman of the board and the general manager of BioGend Therapeutics Co., Ltd.（博晟生醫股份有限公司）(Taipei Exchange stock code: 6733) which principally engages in the research and development, production and sales of medical equipment.

Dr. Chen obtained his bachelor's degree in medicine from the National Defense Medical Center（國防醫學院）in Taiwan in July 1995. Dr. Chen obtained his doctoral degree from the Institute of Tropical Medicine of the National Yang-Ming University（國立陽明大學）in Taiwan in June 2008. Dr. Chen was certified as a physician by the Ministry of Health and Welfare in Taiwan（台灣衛生福利部）in December 1995.

Independent non-executive Directors

Dr. Ruilin SONG（宋瑞霖）， aged 63, has been an independent non-executive Director since December 21, 2020 and is responsible for supervising and providing independent judgment to our Board.

Dr. Song has been dedicated to the research of China's pharmaceutical policies, especially the policies for pharmaceutical innovation. Dr. Song has served as a member of the council of the Chinese Pharmaceutical Association（中國藥學會）(the "**Association**") since November 2009 and a member of the Pharmaceuticals Management Expert Committee（藥事管理專業委員會）of the Association since July 2016. Dr. Song is currently serving as the Executive president of PhIRDA（中國醫藥創新促進會）.

Dr. Song was an independent director of Shanxi Zhendong Pharmaceutical Co., Ltd.（山西振東製藥股份有限公司）(Shenzhen Stock Exchange stock code: 300158) from June 2015 to July 2021, Boya Bio-pharmaceutical Group Co., Ltd.（博雅生物製藥集團股份有限公司）(Shenzhen Stock Exchange stock code: 300294) from March 2017 to February 2021, and an independent director of Tibet Aim Pharm. Inc.（西藏易明西雅醫藥科技股份有限公司）(Shenzhen Stock Exchange stock code: 002826) from July 2015 to August 2021. He then served as an independent non-executive director of Shenzhen Chipscreen Biosciences Co., Ltd.（深圳微芯生物科技股份有限公司）(Shanghai Stock Exchange stock code: 688321) from June 2018 to March 2024. Dr. Song has been serving as a non-executive director of Luye Pharma Group Limited（綠葉製藥集團有限公司）(Stock Exchange stock code: 02186) since March 2017, an independent non-executive director of Shanghai Henlius Biotech, Inc.（上海復宏漢霖生物技術股份有限公司）(Stock Exchange stock code: 02696) since September 2019, an independent non-executive director of Simcere Pharmaceutical Group Limited（先聲藥業集團有限公司）(Stock Exchange stock code: 02096) since November 2019, an independent non-executive director of Mediwelcome Healthcare Management & Technology Inc.（麥迪衛康健康醫療管理科技股份有限公司）(Stock Exchange stock code: 02159) since December 2020, and an independent non-executive director of Guangzhou Innogen Pharmaceutical Group Co., Ltd.（廣州銀諾醫藥集團股份有限公司）(Stock Exchange stock code: 02591) since October 2024.

Directors and Senior Management

Dr. Song obtained his bachelor's degree in law from China University of Political Science and Law (中國政法大學) in July 1985, his master's degree in business administration from China Europe International Business School (中歐國際工商學院) in November 2004 and his doctoral degree in social and administrative pharmacy from China Pharmaceutical University (中國藥科大學) in December 2018.

Dr. Ge WU (吳革), aged 59, has been an independent non-executive Director since December 21, 2020 and is responsible for supervising and providing independent judgment to our Board.

Dr. Wu has extensive experience in financial management and accounting. Dr. Wu has been successively serving as a lecturer from September 1994 to July 2001, an associate professor from July 2001 to December 2005 and a professor since December 2005 at the Accounting Department of the International Business School of University of International Business and Economics (對外經濟貿易大學).

Dr. Wu was an independent director of Yunnan Bowin Technology Industry Co., Ltd (雲南博聞科技實業股份有限公司)(Shanghai Stock Exchange stock code: 600883) from May 2015 to April 2021, an independent non-executive director of Beijing North Star Company Limited (北京北辰實業股份有限公司)(Shanghai Stock Exchange stock code: 601588; Stock Exchange stock code: 0588) from May 2015 to May 2021 and an independent director of Beijing Vastdata Technology Co., Ltd. (北京海量數據技術股份有限公司) (Shanghai Stock Exchange stock code: 603138) from June 2014 to June 2020. He then served as an independent director of Minsheng Investment Management Co., Ltd. (民生控股股份有限公司)from April 2019 to August 2024. Dr. Wu has been serving as an independent director of Beijing Huada Jiutian Technology Co., Ltd. (北京華大九天科技股份有限公司)(Shenzhen Stock Exchange stock code: 301269) since December 2020, an independent director of Guodian Dianli Development Co., Ltd. (國電電力發展股份有限公司)(Shanghai Stock Exchange stock code: 600795) since June 2021, and an independent director of Huazhi Jiuxing Retail Management Co., Ltd. (華致酒行連鎖管理股份有限公司)(Shenzhen Stock Exchange stock code: 300755) since April 2022.

Dr. Wu obtained his bachelor's degree in mathematics from Nanjing Normal University (南京師範大學) in July 1989, his master's degree in accounting from Nankai University (南開大學) in June 1994 and his doctoral degree in finance from University of International Business and Economics (對外經濟貿易大學) in June 2008.

Directors and Senior Management

Dr. Bai LU（魯白），aged 68, has been an independent non-executive Director since March 23, 2023 and is responsible for supervising and providing independent judgment to our Board.

Dr. Lu has long been committed to the research of neurotrophic factors and synaptic plasticity, as well as neurodegenerative and psychiatric diseases, and is an world-renowned neurobiologist. Dr. Lu is the founder of 4B Technologies (Beijing) Co., Limited（福貝生物醫藥科技(北京)有限公司), a biotech company specializing in the development of transformative medicines for nervous system diseases and the co-founder of BioFront Therapeutics (Beijing) Co., Ltd.（百放英庫醫藥科技(北京)有限公司), a company aiming to identify disease drivers and develop first-in-class therapeutics through profit-sharing partnerships with academic investigators. Dr. Lu also serves as the scientific advisory and a director of Gnosis Healthineer (Beijing) Co., Ltd（靈犀醫學科技(北京)有限公司）since February 2022, providing scientific advice.

Dr. Lu served as a researcher in Roche Institute of Molecular Biology and an associate professor in the Department of Biological Sciences of Columbia University from June 1993 to December 1995. Dr. Lu joined National Institutes of Health (NIH) in 1996 and served as the chief of the Neural Development and Plasticity Section of NIH and the associate director of the Division of Cognitive and Mental Health of a trans-NIH translational research program (GCAP) from January 1996 to June 2009. From July 2009 to October 2013, Dr. Lu served as the vice president of the R&D center of GlaxoSmithKline China. From December 2009 to September 2013, Du. Lu was a guest professor in Tsinghua University and served as the professor of Department of Pharmacology and Pharmaceutical Science and executive vice dean of the Medical School of Tsinghua University（清華大學）from October 2013 to January 2016. Dr. Lu has been serving as the professor at the School of Pharmaceutical Sciences of Tsinghua University since January 2016.

Dr. Lu received a bachelor's degree in biology at East China Normal University（華東師範大學）in the PRC in June 1982, a doctoral degree in neurobiology from Cornell University in the United States in June 1990 and then worked in postdoctoral research at Rockefeller University in the United States from July 1990 to June 1993.

Directors and Senior Management

SENIOR MANAGEMENT

The following table provides certain information about our senior management:

Name	Age	Position	Roles and Responsibilities	Date of joining our Group	Date of appointment as senior management of the Company
Yinxiang WANG (王印祥)	61	Chief Executive Officer, Chairman of our Board	Overall strategic planning, business direction and operational management	July 2015	July 17, 2015[1]
Andrea Wang-Gillam (王宜)	56	Co-Chief Executive Officer, Chief Medical Officer, Global Head of R&D	Directing clinical development of our Group's products	July 2020	July 16, 2020
Xiaojie WANG (王曉潔)	62	President of Administration	Overall administration, operational and financial management	September 2015	September 1, 2015
Yunyan HU (胡雲雁)	63	Executive Vice President	Directing and overseeing research and development	April 2017	March 20, 2019

Note:

(1) The date of appointment indicates the date of first appointment as senior management at Beijing Jacobio.

Yinxiang WANG (王印祥), see "– Directors – Executive Directors" for details.

Xiaojie WANG (王曉潔), see "– Directors – Executive Directors" for details.

Yunyan HU (胡雲雁), see "– Directors – Executive Directors" for details.

Andrea Wang-Gillam (王宜), aged 56, has served as Chief Medical Officer and Senior Vice President of the Company since July 2020, and was subsequently promoted to Executive Vice President in 2022. Since 2024, she has been serving as Global Head of Research and Development of the Group. In November 2025, she was promoted as a Co-Chief Executive Officer of the Company. She was also appointed as a director of Jacobio (HK) Pharmaceutical Co., Limited since July 2024. Dr. Wang-Gillam is responsible for leading Jacobio's global research and clinical development strategy and overseeing the advancement of the Company's oncology pipeline.

Dr. Wang-Gillam has more than 18 years of experience in clinical research and development in the field of oncology. Prior to joining our Group, between June 2007 and July 2020, Dr. Wang-Gillam first served as an assistant professor, and starting from 2015, both an associate professor in oncology and the clinical director of the gastrointestinal oncology program at Washington University in St. Louis. From 2017 to July 2020, Dr. Wang-Gillam served as the director of the developmental therapeutics program of the division of oncology at the same university.

Dr. Wang-Gillam obtained her bachelor's degree in biology from Ouachita Baptist University in May 1993 and her doctorate of medicine and of philosophy (MD-PhD) from University of Arkansas for Medical Sciences (UAMS) in May 2001. Dr. Wang-Gillam has been a medical oncology specialist certified by the American Board of Internal Medicine (ABIM) since 2007.

Directors and Senior Management

JOINT COMPANY SECRETARIES

Ms. Qing Xue（薛青）， aged 38, was appointed as our joint company secretary on August 20, 2020. Since August 2019, Ms. Xue has been serving as the finance director of Beijing Jacobio, where she is responsible for the day-to-day financial management. Prior to joining our Group, from January 2010 to July 2019, Ms. Xue worked at an international accounting firm where she served as a senior audit manager prior to her resignation. Ms. Xue obtained her bachelor's degree in international accounting in July 2010 from Capital University of Economics and Business（首都經濟貿易大學）. Ms. Xue is currently a member of the American Institute of Certified Public Accountants, a certified public accountant of the State Board of Accountancy of the Commonwealth of Virginia, a member and a fellow of the Association of Chartered Certified Accountants, a member of the Chartered Professional Accountants of British Columbia and a non-practising member of The Chinese Institute of Certified Public Accountants.

Mr. Ming Fai CHUNG（鍾明輝）， aged 47, was appointed as one of our joint company secretaries on August 24, 2022. Mr. Chung is a senior president of SWCS Corporate Services Group (Hong Kong) Limited and has over 21 years of experience in corporate secretary, mergers and acquisitions, financial reporting and auditing. Mr. Chung is currently a fellow of the Hong Kong Institute of Certified Public Accountants and a member of CPA Australia. He obtained his bachelor's degree in commerce from the Australian National University in December 2003.

Save as disclosed above, during the Reporting Period, there was no change in the Board and the information of Directors which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Corporate Governance Report

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Our Group is committed to implementing high standards of corporate governance to safeguard the interests of the Shareholders and enhance the corporate value as well as the responsibility commitments. Our Company has adopted the CG Code set out in Appendix C1 to the Listing Rules as its own code of corporate governance.

The Board is of the view that our Company has complied with all applicable code provisions of the CG Code for the year ended December 31, 2025 and up to the date of this report, except for a deviation from the code provision C.2.1 of Part 2 of the CG Code as described below.

Under code provision C.2.1 of Part 2 of the CG Code, the responsibility between the chairman and chief executive should be separate and should not be performed by the same individual. However, Dr. Yinxiang Wang ("**Dr. Wang**") is our chairman of the Board and the co-chief executive officer of our Company, and Dr. Andrea Wang Gillam has been appointed as a co-chief executive officer of the Company with effect from November 13, 2025. With extensive experience in the pharmaceutical industry and having served in our Company since its establishment, Dr. Wang is in charge of overall strategic planning, business direction and operational management of the Group, and Dr. Wang Gillam is responsible for business development and operational management in the global markets. The Board considers that the vesting the roles of chairman and co-chief executive officer in the same person is beneficial to the management of the Group. The balance of power and authority is ensured by the operation of our Board and our senior management, which comprises experienced and diverse individuals. The Board currently comprises three executive Directors, one non-executive Director and three independent non-executive Directors, and therefore has a strong independence element in its composition.

The Board will continue to review and monitor the practices of the Company with an aim of maintaining a high standard of corporate governance.

CORPORATE CULTURE AND STRATEGY

Our Company maintains an open and inclusive culture of scientific research. At the frontier of life science, we focus on innovation and growth while pushing the boundaries of knowledge. Our people have never regretted their choice to work with the Group. Our Company is able to transform research into clinically meaningful results. We appreciate every original data and offer everyone a chance to have their say, so we can transform science-based ideas into real clinical value.

Our employees are our most valuable assets to our Company. We are committed to providing a competitive welfare package to help our employees balance work and life and feel a sense of security.

Corporate Governance Report

THE BOARD OF DIRECTORS

Board composition

As at December 31, 2025, the Board consists of three executive Directors, namely Dr. Yinxiang WANG, Ms. Xiaojie WANG and Ms. Yunyan HU, one non-executive Director, namely Dr. Te-li CHEN, and three independent non-executive Directors, namely Dr. Ruilin SONG, Dr. Ge WU and Dr. Bai LU. The overall management and supervision of the Company's operation and the function of formulating overall business strategies were vested in the Board. There are no financial, business, family or other material relationships among members of the Board. During the year ended December 31, 2025, the Board had at all times met the requirements of Rules 3.10(1) and (2) of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise. The three independent non-executive Directors represent more than one-third of the Board, complying with the requirement under Rule 3.10A of the Listing Rules whereby independent non-executive directors of a listed issuer must represent at least one-third of the board. The Board believes there is sufficient independence element in the Board to safeguard the interest of Shareholders.

Dr. Te li CHEN has ceased to be a member of the Nomination Committee with effect from March 19, 2025. Ms. Yunyan HU, an executive Director, has been appointed as a member of the Nomination Committee with effect from March 19, 2025 upon the recommendation of the Nomination Committee.

Directors' responsibilities

The Board takes the responsibility to oversee all major matters of the Company, including the formulation and approval of all policy matters, overall strategies, internal control and risk management systems, and monitor the performance of the senior executives. The Directors have to make decisions objectively in the interests of the Company. As of December 31, 2025, the Board comprised seven Directors, including three executive Directors, one non-executive Director and three independent non-executive Directors. Their names and biographical details are set out in the "Directors and Senior Management" section of this annual report.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expense for discharging their duties to the Company. The Company has also established effective mechanisms to ensure independent views and input are available to the Board. These mechanisms in place are subject to annual review of the implementation and effectiveness by the Board that underpins a strong independent board of directors.

The Board would regularly review the contribution required from each Director to perform his or her responsibilities to the Company, and whether the Director is spending sufficient time performing them.

Liability insurance for Directors and senior management of the Company is maintained by the Company with appropriate coverage for certain legal liabilities which may arise in the course of performing their duties.

Corporate Governance Report

Delegation by the Board

The management, consisting of executive Directors along with other senior executives, is delegated with responsibilities for implementing the strategy and direction as adopted by the Board from time to time, and conducting the day-to-day management and operations of the Group. Executive Directors and senior executives meet regularly to review the performance of the businesses of the Group as a whole, coordinate overall resources and make financial and operational decisions. The Board also gives clear directions as to their powers of management including circumstances where management should report back and will review the delegation arrangements on a periodic basis to ensure that they remain appropriate to the needs of the Group.

Directors' responsibilities for financial statements

The Directors acknowledge their responsibilities for preparing the consolidated financial statements of the Group in accordance with statutory requirements and applicable accounting standards. The Directors also acknowledge their responsibilities to ensure that the consolidated financial statements of the Group are published in a timely manner. The Directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the Directors have prepared the consolidated financial statements of the Group on a going concern basis.

Independent non-executive Directors

Independent non-executive Directors play a significant role in the Board by virtue of their independent judgment and their views carry significant weight in the Board's decisions. The functions of independent non-executive Directors include bringing an impartial view and judgment on issues of the Company's strategies, performance and control; and scrutinizing the Company's performance and monitoring performance reporting.

All independent non-executive Directors possess extensive academic, professional and industry expertise and management experience and have made positive contributions to the development of the Company through providing their professional advice to the Board.

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

The independence of the independent non-executive Directors has been assessed in accordance with the applicable Listing Rules and each of the independent non-executive Directors has provided an annual written confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that the diversity of experience, skills, expertise and background of each of the independent non-executive Directors and all independent non-executive Directors meet the guidelines for assessing independence set out in Rule 3.13 of the Listing Rules. The Board considers that they are independent.

Board diversity policy

In order to enhance the effectiveness of our Board and maintain the high standard of corporate governance, we have adopted the board diversity policy, which sets out our objectives and approach to achieve and maintain the diversity of our Board. Pursuant to the board diversity policy, we seek to achieve board diversity through the consideration of a number of factors when selecting the candidates for our Board, including but not limited to gender, skills, age, professional experience, knowledge, cultural, educational background, and other qualities. The ultimate decision of the appointment will be based on merit and the contribution that the selected candidates will bring to our Board.

Corporate Governance Report

Our Directors have a balanced mix of knowledge, skills, perspectives and experience, including overall management and strategic development, business, science, investment, accounting and consulting. They obtained professional and academic qualifications, including business administration, applied physics, biological sciences, chemistry, engineering, and law. Furthermore, our Board possesses members spanning a wide range of ages, from 57 to 68 years old. Taking into account our existing business model and specific needs as well as the different backgrounds of our Directors, our Board reviewed and confirmed the implementation and effectiveness of the board diversity policy and is satisfied with the board composition. Our Board and the Nomination Committee will assess the Board composition regularly.

The Nomination Committee is responsible for reviewing the diversity of our Board from time to time to ensure its continued effectiveness. The Board recognizes the importance and benefits of gender diversity at the Board level. The measurable objective of the Company's board diversity policy is to ensure that there is at least one Director of a different gender. As of December 31, 2025, two of our Board members are female Directors and the Company is in full compliance with the board diversity requirements under Rule 13.92 of the Listing Rules and met the measurable objective of board diversity. The Board has reviewed the implementation and effectiveness of the Board Diversity Policy for the year ended December 31, 2025 and is satisfied with the current gender diversity of our Board. The Nomination Committee and the Board will continue to review the implementation and effectiveness of the board diversity policy on an annual basis. In relation to reviewing and assessing the Board composition and the suitability and the potential contribution to the Board of a proposed candidate, the board diversity policy sets a number of non-exhaustive factors, including skills, professional experience, educational background, knowledge, expertise, culture, independence, age and gender. We will also continue to take steps to promote gender diversity at all levels of our Company, including but without limitation at our Board and senior management levels.

As of December 31, 2025, the ratio of male and female employees (including senior management) of the Company was 41.8% and 58.2%, respectively. The Board considers that the Group's workforce (including senior management) is sufficiently diverse in terms of gender. The Company is committed to creating a fair, unbiased, equal and diversified recruitment and working environment.

Appointment, re-election and removal of Directors

Each of the executive Directors, non-executive Director and independent non-executive Directors has entered into a service contract or a letter of appointment with the Company for a term of three years. Such term is subject to his or her retirement by rotation and re-election at an annual general meeting of the Company in accordance with the Articles of Association. The Articles of Association provide that the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election at such general meeting.

In accordance with the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being, shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. The members of the Company may, at any general meetings convened and held in accordance with the Articles of Association, by ordinary resolution remove a Director at any time before the expiration of his or her period of office notwithstanding anything to the contrary in the Articles of Association or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement).

Compensation of Directors and Senior Management

The emoluments of the Directors and Senior Management of the Group are decided by the Board with reference to the recommendation given by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

Corporate Governance Report

Details of Directors and the top five highest paid individuals are set out in note 13 and 14, respectively to the consolidated financial statements. During the Reporting Period, no emoluments were paid by the Group to any Directors or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. For the year ended December 31, 2025, none of the Directors has waived or agreed to waive any emoluments.

Except as disclosed above, no other payments have been made or are payable for the year ended December 31, 2025, by the Group to or on behalf of any of the Directors.

Directors' training and continuing professional development

Every newly appointed Director has been given a comprehensive, formal and tailored induction on appointment. Subsequently, the Directors will receive updates on the Listing Rules, legal and other regulatory requirements and the latest development of the Group's business and are encouraged to participate in continuous professional development to develop their knowledge and skills.

During the year ended December 31, 2025, the Directors were regularly briefed on the amendments to or updates on the relevant laws, rules and regulations. Internally-facilitated briefings for Directors would be arranged and reading material on relevant topics would be provided to Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expense.

During the year ended December 31, 2025, each of the Directors has attended the training courses conducted by the legal adviser of the Company. The content of such training related to the duties of directors and ongoing obligations of listed companies.

According to the training records maintained by the Company, the continuing professional development programs and anti-commercial bribery had been received by each of the Directors during the year ended December 31, 2025, namely Dr. Yinxiang WANG, Ms. Xiaojie WANG, Ms. Yunyan HU, Dr. Te-li CHEN, Dr. Ruilin SONG, Dr. Ge WU, and Dr. Bai LU. The professional development and anti-commercial bribery programs include attending trainings, seminars or conferences arranged by the Company or other external parties, and reading related materials.

Board meetings

Code provision C.5.1 of Part 2 of the CG Code stipulates that Board meetings should be held at least four times a year at approximately quarterly intervals with the active participation of the majority of the Directors, either in person or through electronic means of communications. Apart from regular Board meetings, the Chairman should at least annually hold meeting with the independent non-executive Directors without the presence of other Directors under code provision C.2.7 of Part 2 of the CG Code.

The Company adopts the practice of holding regular Board meetings at least four times a year and approximately once every quarter, involving active participation, either in person or through electronic means of communication, of a majority of Directors. The Company gives not less than 14 days' notice of all regularly scheduled Board meetings to give all Directors an opportunity to attend the regular meetings and to put relevant matters on the agenda. For other Board and committee meetings, reasonable notice will generally be given. The agenda and accompanying Board papers are sent to the Directors or committee members at least three days prior to the meeting to ensure that they have sufficient time to review the documents and prepare adequately for the meeting. When a Director or committee member is unable to attend a meeting, he or she will be informed of the matters to be discussed and will have an opportunity to express his or her views to the Chairman prior to the meeting. Minutes of the meetings are kept by the company secretary of the Company and copies will be sent to all Directors for reference and records.

Corporate Governance Report

The attendance record of each Director at the Board and general meeting of the Company held during the year ended December 31, 2025 is set out in the table below:

Name of Directors	Attendance/ Number of Board Meeting(s)	Attendance/ Number of General Meeting(s)
Executive Directors		
Dr. Yinxiang WANG	6/6	1/1
Ms. Xiaojie WANG	6/6	1/1
Ms. Yunyan HU	6/6	1/1
Non-executive Director		
Dr. Te-li CHEN	6/6	1/1
Independent Non-executive Directors		
Dr. Ruilin SONG	6/6	1/1
Dr. Ge WU	6/6	1/1
Dr. Bai LU	6/6	1/1

BOARD COMMITTEES

The Board has established three committees with specific written terms of reference to oversee particular aspects of the Group's affairs.

Audit Committee

The Company established the Audit Committee in compliance with Rules 3.21 to 3.23 of the Listing Rules with written terms of reference in compliance with the CG Code set out in Appendix C1 to the Listing Rules. The primary functions of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems of the Group, overseeing the audit process, and performing other duties and responsibilities as assigned by the Board.

As at December 31, 2025, the Audit Committee consists of one non-executive Director, Dr. Te-li CHEN, and two independent non-executive Directors, Dr. Ge WU and Dr. Bai LU, with Dr. Bai LU as the chairman. Dr. Ge WU is appropriately qualified under Rules 3.10(2) and 3.21 of the Listing Rules.

The Audit Committee held two meetings during the Reporting Period to review and consider the interim financial results and reports for the six months ended June 30, 2025, the annual financial results and reports for the year ended December 31, 2024 and review the appropriateness and effectiveness of the risk management and internal control systems.

The Audit Committee also met the external auditors twice during the Reporting Period without the presence of the executive Directors and the management.

Corporate Governance Report

The attendance records of the members of the Audit Committee are as follows:

Name of Directors	Attendance/ Number of Audit Committee Meeting(s)
Dr. Bai LU	2/2
Dr. Te-li CHEN	2/2
Dr. Ge WU	2/2

Remuneration Committee

The Company established the Remuneration Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules. The primary functions of the Remuneration Committee include, but are not limited to, the following: (i) making recommendations to our Board on our policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration; (ii) determining the specific remuneration packages of all Directors and senior management; (iii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by our Board; and (iv) reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules from time to time.

As at December 31, 2025, the Remuneration Committee consists of one executive Director, Ms. Wang, one non-executive Director, Dr. Te-li CHEN, and three independent non-executive Directors including Dr. Ruilin SONG, Dr. Ge WU and Dr. Bai LU, with Dr. Ruilin SONG as the chairman.

The Remuneration Committee held two meetings during the Reporting Period to review and make a recommendation to the Board on the remuneration policy and structure of the Company and the remuneration packages of the executive Directors and senior management, the 2020 Plan and 2021 Plan as well as other related matters. The executive Directors and non-executive Directors do not receive remuneration from the Company. The remuneration packages of the executive Directors shall be determined according to their roles as senior management of the Company. The remuneration packages of senior management are determined by the Remuneration Committee, with the delegated responsibility by the Board, with reference to the duties, responsibilities and performance of such members of senior management and the results of the Group. No executive Director can be involved in deciding his or her own remuneration.

The attendance records of the members of the Remuneration Committee are as follows:

Name of Directors	Attendance/ Number of Remuneration Committee Meeting(s)
Dr. Ruilin SONG	2/2
Ms. Xiaojie WANG	2/2
Dr. Te-li CHEN	2/2
Dr. Ge WU	2/2
Dr. Bai LU	2/2

Corporate Governance Report

Nomination Committee

The Company established the Nomination Committee with written terms of reference in compliance with Appendix C1 to the Listing Rules. The primary functions of the Nomination Committee include, without limitation, reviewing the structure, size and composition of our Board, assessing the independence of independent non-executive Directors and making recommendations to our Board on matters relating to the appointment of Directors. In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's gender, skills, age, professional experience, knowledge, culture, educational background and other qualities. The ultimate decision of the appointment will be based on merit and the contribution which the selected candidates will bring to our Board. The Company has adopted a nomination policy, which is incorporated in the terms of reference of the Nomination Committee and sets out the selection criteria and nomination procedures for identifying and recommending candidates for appointment or reappointment of Director.

As at December 31, 2025, the Nomination Committee consists of two executive Directors, Dr. Wang and Ms. Yunyan HU, and three independent non-executive Directors including Dr. Ruilin SONG, Dr. Ge WU and Dr. Bai LU, with Dr. Wang as the chairman.

The Nomination Committee held two meetings during the Reporting Period to review, among others, the structure, size, composition and diversity (including the skills, knowledge, experience, gender, age, cultural and educational background, ethnicity, professional experience and length of service) of the Board to ensure that the Board has a balance of expertise, skills and experience appropriate for the requirements of the business of the Company, to assess the independence of the independent non-executive Directors, and to discuss the Directors who retired by rotation in accordance with the Articles of Association, being eligible, had offered themselves for re-election at the AGM of the Company.

The attendance records of the members of the Nomination Committee are as follows:

Name of Directors	Attendance/ Number of Nomination Committee Meeting(s)
Dr. Yinxiang WANG	2/2
Dr. Te-li CHEN *(resigned with effect from March 19, 2025)*	0/0
Ms. Yunyan HU *(appointed with effect from March 19, 2025)*	2/2
Dr. Ruilin SONG	2/2
Dr. Ge WU	2/2
Dr. Bai LU	2/2

Corporate Governance Report

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its code for the Directors' dealings in the securities of the Company since the Listing and, upon specific enquiries of all the Directors, each of them has confirmed that he or she complied with the required standard set out in the Model Code for the year ended December 31, 2025. No incident of non-compliance by the Directors was noted by our Company during the Reporting Period.

As required by the Company, relevant officers and employees of the Company are also bound by the Model Code, which prohibits them from dealing in securities of the Company at any time when he or she possesses insider information in relation to those securities. No incident of non-compliance with the Model Code by the relevant officers and employees was noted by the Company.

REMUNERATION PAYABLE TO MEMBERS OF SENIOR MANAGEMENT

Pursuant to code provision E.1.5 of Part 2 of the CG Code, the annual remuneration of members of the senior management (other than Directors) by the band for the year ended December 31, 2025, is set out below:

Remuneration band	Number of members of senior management
HK$7,500,001 – HK$8,000,000	1

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the corporate governance duties, including:

- to develop and review the Company's policies and practices on corporate governance;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- to review the Company's compliance with Appendix C1 to the Listing Rules (Corporate Governance Code).

The Board had performed the above duties during the year ended December 31, 2025.

Corporate Governance Report

RISK MANAGEMENT AND INTERNAL CONTROL

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

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives and establishing and maintaining appropriate and effective risk management and internal control systems. Such risks include, amongst others, material risks relating to environmental, social and governance. The Company has an internal audit function responsible for independently reviewing the adequacy and effectiveness of the risk management and internal control systems of the Company.

The Audit Committee assists the Board at least annually, in reviewing the design, implementation and monitoring of the risk management and internal control systems of the Company.

Risk management

The Company has adopted a series of risk management policies that set out a risk management framework to identify, assess, evaluate and monitor key risks associated with the Company's strategic objectives on an on-going basis.

All departments conducted internal control assessment regularly to identify risks that potentially impact the business of the Group and various aspects, including key operational and financial processes, regulatory compliance, information security, and environmental, social and governance. Self-evaluation has been conducted annually to confirm that control policies are properly complied with by each department. The management, in coordination with department heads, assessed the likelihood of risk occurrence, provided treatment plans, monitored the risk management progress, and reported to the Audit Committee and the Board on the effectiveness of the systems as well as the assessment on any change in nature and extent of significant risks during the Reporting Period.

Internal control

The Company ensures internal control measures are designed and implemented in all major aspects of the Company's operations and details of internal control activities are included in the operating policies and procedures. Every month, the management revisits the policies and procedures and furnishes updates as necessary.

The Company has an internal audit team in place, which is responsible for independently reviewing the adequacy and effectiveness of the risk management and internal control system of the Company, and reporting the results to the Board. The internal control supervisor of the Company is responsible for coordinating the internal control, sorting out and improving the business process and management mechanism, and carrying out the effectiveness evaluation of internal control. In addition to the internal audit team, all departments are liable for risk management and internal control within their working scope. Each department should cooperate with the internal audit team closely to conduct the internal control and risk management review, report to the management on the important milestone of the business and the strategies established by the Company, and identify, evaluate and manage high risks on time.

Corporate Governance Report

The Company has established a general risk management and internal control environment. The Company has built an internal control process framework covering capital, revenue and receivables, cost and accounts payable, R&D expenses, long-term assets management, tax, contract management and financial management system and financial report and carries out risk assessment regularly to ensure risk management and internal control being in operation effectively. The internal audit team will issue an annual internal audit management self-evaluation report (the "**Internal Audit Report**") showing the risks detected in the above coverage and submit to the Board for review. The 2025 Internal Audit Report was submitted to the Board on February 24, 2026.

During the year ended December 31, 2025, the Board reviewed the risk management and internal control systems of the Group and considered that such systems are effective and adequate. The Audit Committee has reviewed and considered that internal audit team of the Group had adequate resources to carry out the assessment and the effectiveness of the risk management and internal control systems for the Reporting Period.

INSIDE INFORMATION

The Company has adopted an inside information policy in accordance with the SFO and the Listing Rules relating to the handling and dissemination of inside information. Under this policy, the Company disseminates information to the person on a need-to-know basis. Unless the inside information falls within any of the safe harbors as permitted under the SFO, the Company is required to disseminate such information through the electronic publication system operated by the Stock Exchange to the public in a timely manner.

The Board is responsible for monitoring and implementing the procedural requirements in the inside information policy.

All Directors, officers and relevant employees are required to take reasonable precautions for preserving the confidentiality of inside information and the relevant announcement (if applicable) before publication. If the Group believes that the necessary degree of confidentiality cannot be maintained, the Group will immediately disclose the information to the public as soon as reasonably practicable.

WHISTLEBLOWING AND ANTI-CORRUPTION

The Company has adopted an anti-corruption policy to create a clean and efficient working atmosphere, strengthen the awareness of self-discipline, improve the concept of legal system and regulate the behaviors of all employees. All the business activities including official activities, procurement, financial and accounting and daily office work are governed by the policy. The Audit Committee and each of the department head are responsible for monitoring and implementing the policy. Every year, the Audit Committee assesses the effectiveness and suitability of the anti-corruption policy and reports to the Board. The results of the implementation of the policy will be regarded as part of the annual evaluation of all the employees.

The Company has also set up a reporting hotline for the employees to report any suspicious activities with their real names or anonymously. The chief executive officers of the Company shall conduct a special investigation within one week to verify the information provided by the informant. Upon verification, the corresponding reward and punishment measures shall be imposed on the informant and the person being reported in accordance with the whistleblowing policy. The person being reported shall not strike the informant and, upon discovery, shall be dismissed.

Please refer to the Environmental, Social and Governance Report of this annual report for further details on the Company's whistleblowing and anti-corruption policies and updates.

Corporate Governance Report

FINANCIAL REPORTING

Directors' responsibilities for the financial statements

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended December 31, 2025.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Auditor's remuneration

For the year ended December 31, 2025, the remunerations paid or payable to Deloitte Touche Tohmatsu, the external auditor of the Company, in respect of its audit services are approximately RMB1.6 million. A statement by Deloitte Touche Tohmatsu about their reporting responsibilities for the financial statements is included in the Independent Auditors' Report on pages 142 to 143.

Details of the fees paid/payable in respect of the audit and non-audit services provided by Deloitte Touche Tohmatsu for the year ended December 31, 2025, are set out in the table below:

Services rendered for the Company	**Fees paid and payable** ***RMB'000***
Audit service[1]	1,200
Non-audit service[2]	364
Total	**1,564**

Notes:

(1) Audit services in connection with the audit of the financial statements of the Company and its subsidiaries for the Reporting Period.

(2) Non-audit services in connection with tax advisory.

JOINT COMPANY SECRETARIES

Directors have access to the services of the joint company secretaries to ensure that the board procedures are followed. The current joint company secretaries of the Company are Ms. Qing XUE ("**Ms. Xue**") and Mr. Ming Fai CHUNG ("**Mr. Chung**"). Both Ms. Xue and Mr. Chung have the necessary qualifications and experience as required under Rules 3.28 and 8.17 of the Listing Rules. Mr. Chung is the senior vice president of SWCS Corporate Services Group (Hong Kong) Limited.

In compliance with Rule 3.29 of the Listing Rules, Ms. Xue and Mr. Chung have undertaken no less than 15 hours of relevant professional training during the year of 2025. The main contact person of Mr. Chung in the Company is Ms. Xue.

Corporate Governance Report

SHAREHOLDERS' RIGHTS

Convening an extraordinary general meeting

Pursuant to Article 64 of the Articles of Association, the Board may, whenever it thinks fit, convene an extraordinary general meeting. Extraordinary general meetings shall also be convened on the requisition of one or more Shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid-up capital of the Company having the right of voting at general meetings, on a one vote per Share basis in the share capital of the Company. Such requisition shall be made in writing to the Board or the Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company. The requisitionist(s) may add resolutions to the agenda of a general meeting requisitioned under the Articles of Association.

Putting forward proposals at general meetings

Save for the aforementioned Shareholder's rights in Article 64 of the Article of Association, there are no provisions under the Articles of Association regarding procedures for shareholders to put forward proposals at general meetings other than a proposal of a person for election as Director. Shareholders may follow the procedures set out above to convene an extraordinary general meeting for any business specified in such written requisition.

As regards the procedures for shareholders to propose a person for election as a Director, they are available on the Company's website at www.jacobiopharma.com.

Enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the joint company secretary of the Company at the Company's principal place of business in Hong Kong at 40/F., Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong. The Company will not normally deal with verbal or anonymous enquiries.

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

Corporate Governance Report

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

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

In 2025, we proactively arranged a total of 852 investor engagement sessions and participated in 56 broker strategy conferences through physical or virtual meetings. Company representatives including the Chairman, Co-Chief Executive Officer, Chief Medical Officer and the investor relations team explained the development and trend of the industry and updated investors on our operational conditions, strategic planning and future outlook. Our management has take actions to address any comments raised by investors.

To promote effective communication, the Company maintains a website at www.jacobiopharma.com, where information and updates on the Company's business developments and operations, financial information, corporate governance practices and other information are available for public access. During the Reporting Period, the Board has reviewed the shareholders communication policy and confirmed its effectiveness.

CHANGES IN CONSTITUTIONAL DOCUMENTS

During the Reporting Period, there is no change in the Company's constitutional documents.

Environmental, Social and Governance Report

ABOUT THE REPORT

Report Explanation

This Environmental, Social, and Governance Report (hereinafter referred to as "this Report") is an annual report aimed at objectively disclosing Jacobio Pharmaceuticals Group Limited's (hereinafter referred to as "Jacobio," "the Company," or "we") performance in the field of Environmental, Social, and Governance (ESG) in 2025. For information regarding governance, readers are advised to refer to the "Corporate Governance Report" included in this annual report.

Basis of Compilation

This report has been prepared in accordance with the requirements of the *Environmental, Social and Governance Reporting Code (the "ESG Reporting Code")* as set out in Appendix C2 to the Main Board Listing Rules of the Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). It has also been prepared with reference to the *Global Reporting Initiative (GRI) Standards* issued by the Global Sustainability Standards Board (GSSB) and the United Nations Sustainable Development Goals (SDGs). The Report strictly adheres to the "Comply or Explain" requirement in the *ESG Reporting Code*.

Reporting Scope and Boundaries

Unless otherwise specified, the information contained in this report covers the period from 1 January 2025 to 31 December 2025 (hereinafter referred to as the "Reporting Period"), with certain content relating to periods outside the reporting period. The Company's principal business operations are in China, with offices and laboratories located in Beijing, Shanghai, and Boston, USA. The scope of disclosure in this report covers the research and development (R&D) and supporting activities conducted at the offices and laboratories of Jacobio Pharmaceuticals Group Limited in China and the United States.

During the reporting period, the KRAS G12C inhibitor IRECARY® (generic name: Glecirasib), which was independently developed by Jacobio, was approved for marketing. The commercialisation activities of this product, including production, packaging, sales, and logistics, have been out-licensed to be independently managed by Shanghai Allist Pharmaceuticals Co., Ltd. (688578.SH). The Company did not directly participate in these stages, nor did it exercise control over the relevant operations. Based on the aforementioned business model and disclosure principles, this report does not include environmental and resource consumption data generated from the commercialisation activities independently carried out by the partner. The Company primarily generates economic returns through authorised milestone payments and sales royalties, while continuing to focus on R&D compliance and collaborative arrangements with the partner regarding product safety.

The Company will continue to assess and dynamically adjust the scope of ESG disclosure in accordance with changes in its business model and its actual level of involvement.

Reporting Principles

This report is prepared in accordance with the reporting principles set out in the *ESG Reporting Code*. The principles followed include:

Materiality: This Report has identified the major stakeholders and the ESG issues of concern to each stakeholder during the preparation process, and has made targeted disclosures in this Report according to the relative importance of the issues of concern.

Environmental, Social and Governance Report

Quantification: This Report presents key performance indicators related to environmental and social aspects using quantitative data. The measurement standards, methods, assumptions, and/or calculation tools for the key performance indicators in the Report, as well as the sources of conversion factors used, have been explained at their respective locations.

Consistency: The data collection methods in this Report remain consistent with previous years. If there is any change in the statistical methods or disclosure, it will be fully explained in the Report's notes.

Data Sources and Reliability Assurance

The information and cases in this report are primarily sourced from public information, statistical reports, relevant documents, and internal communication files. Unless otherwise specified, all currency types and amounts involved in the data of this report are denominated in RMB. The Board of Directors of the Company (hereinafter referred to as the "Board," with its members as "Directors") commits that the Report does not contain any false or misleading information and is responsible for its truthfulness, accuracy, and completeness.

Report Acquisition

The electronic version of the Report is available for download and reading on the Company's website (www.jacobiopharma.com). The Report is written in both Chinese and English. If there are any discrepancies between the two versions, the Chinese version shall prevail.

ABOUT JACOBIO

Company Overview

Jacobio Pharmaceuticals Group Co., LTD. (Stock Code: 01167.HK) was officially established in Beijing in July 2015, focusing on the research and development of new medicines in the clinical stage, dedicated to providing breakthrough treatment solutions for patients. The Company's mission is to be an innovator in biopharmaceuticals, offering effective innovative therapies to global patients. The vision is to collaborate with partners and become a globally recognised leader in pharmaceutical development. The Company's laboratories are located in Beijing and Shanghai, China, and Boston, the United States, and we are equipped with an Induced Allosteric Drug Discovery Platform (IADDP). On 22 May 2025, the KRAS G12C inhibitor IRECARY® (generic name: Glecirasib), independently developed by the Company, was officially approved for marketing, signifying that Jacobio has officially embarked on a new journey of commercialisation from the early-stage R&D phase.

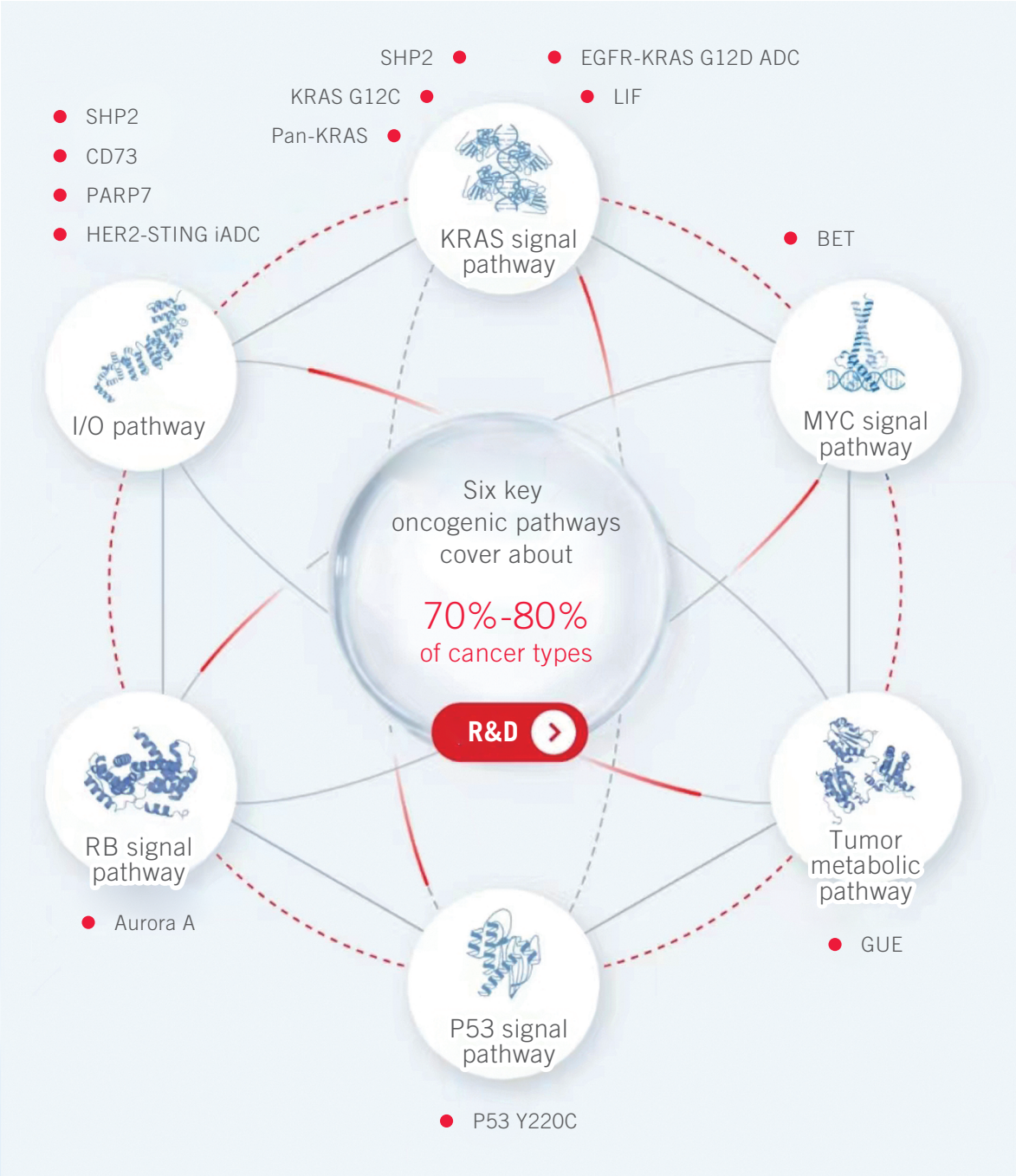
Our Pipeline:

Corporate Culture: We develop novel drugs with a professional attitude and embrace the challenges of diseases with elegance. Jacobio is committed to seize new opportunities in drug R&D that are created by breakthroughs in basic research and bring more effective therapeutic options to cancer patients.

Environmental, Social and Governance Report

Our Strategy

The core project of Jacobio is organised around the KRAS pathway and is dedicated to attacking targets where no drug has been successful.



Environmental, Social and Governance Report

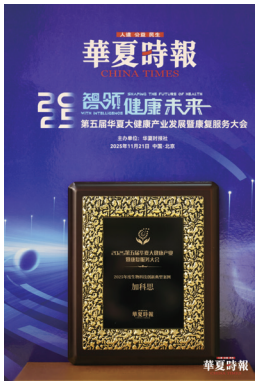
2025 in Figures

Compliant Operations and Enhanced Governance	• 0 intellectual property infringement litigation cases • 0 major illegal incidents or litigation cases involving embezzlement, bribery, extortion, fraud, or money laundering • 42 new invention patent applications filed and 22 new invention patents granted in 2025 • 0 data breaches or customer privacy breaches
Driven by Innovation, with Quality as the Foundation	• 188.59 million is invested in research and development • 5 R&D achievements presented at international academic conferences • 0 customer complaints related to product quality incidents
Low-Carbon Operations and Green Development	• All laboratory waste gas undergoes harmless treatment exceeding national emission standards by 10% • Total GHG emissions amounted to 1,243.12 tCO_2e
Empower Employees and March Forward in Pursuit of Dreams	• Total employee training hours amounted to 694 hours • Hired 26 new employees • Maternity leave return-to-work rate achieved 100% • 0 occupational disease incidents
Shoulder Responsibilities and Move Forward Hand in Hand	• In 2025, a total of 79 new suppliers underwent admission audits • Including 72 from Chinese Mainland, 2 from Hong Kong, and 5 from overseas

Major Achievements and Honours

Major Achievements	Awarding unit
Clinical Research Progress	Clinical research results of Jacobio's KRAS G12C and SHP2 inhibitor combination therapy were published in *The Lancet Respiratory Medicine*.
Capital Market Performance	Jacobio was included in the MSCI China All Shares Small Cap Index.
Overseas Clinical Progress	Jacobio completed the first patient dosing of its Pan-KRAS inhibitor in the United States.
Product Launch Progress	Jacobio's KRAS G12C inhibitor IRECARY® (generic name: Glecirasib) was officially approved for marketing in China.

Environmental, Social and Governance Report

Award Name	Awarding Organisation
 2025 Typical Case of Biotechnology Innovation	*China Times*
 2025 China Listed Companies Yinghua Award HK-Listed Stock ESG Exemplary Case	*China Fund News*
2025 Wind ESG Rating – Biotechnology III Industry Grade A	*Wind Information Co., Ltd.*

Environmental, Social and Governance Report

COMPLIANT OPERATIONS AND ENHANCED GOVERNANCE

Alignment with UN SDGs

Key Issues

- Compliance Governance
- Business Ethics
- Anti-corruption
- Data Security and Customer Privacy Protection
- Intellectual Property Protection
- Clinical Trial Safety

Jacobio adheres to the principle of compliant operations, actively practices ESG concepts, establishes the sound corporate governance system, promotes compliance in key internal areas, and strives unremittingly towards sustainable development.

Corporate Governance

Jacobio strictly adheres to the requirements of a series of relevant laws, regulations, and normative documents, including the *Company Law of the People's Republic of China,* the *Securities Law of the People's Republic of China*, and the *Corporate Governance Code* set out in *Appendix C1* to the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*, systematically promoting the standardised operation of the Company.

In terms of corporate governance structure, we have established a comprehensive system with the general meeting of shareholders as the highest authority and the Board of Directors as the decision-making core, supported by several specialised committees operating in synergy. The Board has established a Nomination Committee, an Audit Committee, and a Remuneration Committee. Each specialised committee has a clear division of labour, focusing on key matters within specific areas of the Company. Leveraging their professional expertise and extensive experience, they provide professional guidance and decision-making support for the Company's steady development, ensuring efficient operation within a standardised governance framework.

Jacobio attaches great importance to the diversity of the Board and has formulated and continuously implemented the *Board Diversity Policy*. During the selection and appointment process of Directors, the Company comprehensively considers various diversity factors, including professional skills, regional and industrial experience, background, gender, ethnicity, and other relevant qualities, to optimise the structure of the Board, support prudent and effective decision-making, and enhance overall performance efficiency. The Nomination Committee of the Company is responsible for supervising the implementation of the *Board Diversity Policy* and reviewing the structure, size, and composition of the Board annually, providing corresponding recommendations when necessary. Our Board members hail from diverse professional fields such as business administration, biology, biochemistry, molecular biology, and finance. With their profound professional knowledge and extensive experience, they provide strong support for the Board's scientific decision-making and propel the Company's steady progress.

Environmental, Social and Governance Report

Key Performance: During the reporting period, the Board consisted of 7 directors, including 3 Executive Directors, 1 Non-executive Director, and 3 Independent Non-executive Directors, with independent directors accounting for 42.86% and 2 female directors representing 28.57% of the total number of directors.

Duties of specialized committees

Audit Committee	Remuneration Committee	Nomination Committee
• To assist the Board in providing independent opinions on the effectiveness of the Company's financial reporting procedures, internal control systems, and risk management systems • To oversee the audit process and perform other duties and responsibilities assigned by the Board	• To make recommendations to the Board on the remuneration policy and structure for all Directors and senior management, and on the establishment of a formal and transparent procedure for developing remuneration policy, to determine the specific remuneration packages of all Directors and senior management • To review and approve performance-based remuneration with reference to the corporate goals and objectives resolved by the Board • To review and/or approve matters relating to share schemes under Chapter 17 of the *Listing Rules* from time to time	• To review the structure, size, and composition of the Board • To assess the independence of independent non-executive Directors • To make recommendations to the Board on matters relating to the appointment of Directors

Compliant Operations

Compliance with Business Ethics

Jacobio regards integrity and honesty as vital principles of corporate operation and management. We strictly comply with applicable laws and regulations including the *Anti-Money Laundering Law of the People's Republic of China*, the *Anti-Monopoly Law of the People's Republic of China,* and the *Anti-Unfair Competition Law of the People's Republic of China*, as well as relevant regulatory requirements in the locations where we operate. We explicitly oppose commercial corruption such as bribery, extortion, and unfair competition, striving to create a compliant and transparent business environment and to develop long-term cooperation with business partners on this basis.

The Company has established and implemented internal management systems such as the *Anti-Corruption Management System and the Employee Handbook* to standardise employee conduct and integrate integrity requirements into the employee management system. The Company explicitly prohibits employees from exploiting their positions or duties to seek improper benefits, including soliciting or accepting money, gifts, or other forms of undue advantages. During the processes of recruitment, promotion, appraisal, and resignation, the Company conducts comprehensive assessments of employees' professional integrity. If any non-compliance is identified, the Company will take corresponding measures according to the severity of the circumstances in accordance with laws and regulations; serious cases will be referred to judicial authorities.

Environmental, Social and Governance Report

The Company has established a reporting mechanism for business ethics violations, encouraging employees, suppliers, and partners to report acts that violate business ethics, such as corruption, bribery, and unfair competition. We have set up a whistleblowing hotline and the "Our Voice" email address, supporting both confidential and anonymous reporting. Upon receiving a report, the Company responds promptly, initiating investigation procedures at the earliest opportunity to conduct comprehensive and meticulous verification and handling of the reported content, ensuring every piece of information reflected by the whistleblower is properly addressed. Regarding issues identified during the investigation, the Company takes immediate and effective measures to ensure timely rectification, guaranteeing that corporate operations consistently adhere to the standards of integrity and honesty.

Meanwhile, the Company attaches great importance to protecting the legitimate rights and interests of whistleblowers. We have formulated comprehensive whistleblower protection regulations to keep the identity of whistleblowers and the content of reports confidential, preventing any form of information leakage and prohibiting any form of retaliation. During the reporting period, the Company was not involved in any significant legal cases or litigation regarding corruption, bribery, extortion, fraud, or money laundering.

The Company values training related to anti-corruption and the promotion of integrity, regularly conducting training sessions on anti-corruption, anti-fraud, and non-compete restrictions for the Board and all employees. During the reporting period, a total of 7 Directors, 31 senior management members, 49 middle management members, and 116 general and technical staff participated in anti-corruption training, achieving a training coverage rate of 100%.

Case：Business Ethics and Compliance Awareness Training for New Employees

On 31 October, the Company organised induction training for new employees, incorporating anti-fraud and non-compete restrictions into the training curriculum to help new joiners understand the Company's fundamental requirements regarding business ethics and compliant operations. The training was conducted through an offline face-to-face session lasting 30 minutes, primarily targeting new employees of the year, with a total of 7 participants. By conducting targeted compliance training during the induction stage, the Company strengthened new employees' awareness of compliance bottom lines and codes of conduct, laying a solid foundation for their subsequent standardised performance of duties.

Environmental, Social and Governance Report

Intellectual Property Protection

Jacobio strictly complies with domestic laws and regulations such as the *Patent Law of the People's Republic of China,* the *Trademark Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*, as well as international standards including the *America Invents Act* (AIA), the *European Patent Convention* (EPC), and the *Patent Cooperation Treaty* (PCT). We have established and continuously improved our intellectual property (IP) protection management and protection system.

The Company attaches great importance to the IP work and has established an Intellectual Property Management Department, which is responsible for the full-process management of IP acquisition, maintenance, application, and protection. To standardise internal IP management, the Company has formulated and implemented institutional documents such as confidentiality agreement templates and standard clauses for IP ownership, clearly defining IP ownership and related rights and responsibilities to provide institutional support for IP management.

Meanwhile, at different stages of R&D activities, the Company adopts corresponding IP risk management measures based on project characteristics:

- **At the product initiation stage,** we conduct freedom to operate searches and analyses, systematically searching relevant IP information to identify potential risks and perform design-around;
- **At the pre-clinical R&D stage,** we continuously conduct IP information searches and risk screening, making necessary adjustments to R&D strategies based on the search results;
- **At the clinical trial and new drug launch stage,** we timely submit patent and related priority applications according to R&D progress to protect R&D achievements.

The Company values the protection of the IP rights and interests of its partners and individual employees. When undertaking collaborative R&D projects, we clearly stipulate IP ownership and the principles for distributing research results by signing agreements such as *Technical Cooperation Agreements, Technical Service Agreements*, and *Clinical Trial Agreements*, thereby reducing IP risks during collaboration. Regarding employee IP management, the Company conducts necessary IP and non-compete reviews before new employees join to prevent potential IP compliance risks. During the reporting period, no significant IP infringement incidents occurred.

At the same time, the Company carries out IP-related publicity and education through departmental regular meetings, business discussions, and compliance training to enhance employees' awareness of the protection of patent rights, trademark rights, copyrights, and trade secrets, supporting the standardised management and effective protection of IP.

Key Performance

As at the end of the reporting period, Jacobio had a cumulative total of 47 trademark rights and approximately 390 global invention patent applications, of which 146 invention patents were granted. During the reporting period, there were 42 new invention patent applications and 22 new invention patents granted.

Environmental, Social and Governance Report

Data Security and Privacy Protection

Jacobio always regards information security and privacy protection during the R&D process of new drugs as its top priority. The Company strictly abides by domestic laws and regulations such as the *Personal Information Protection Law of the People's Republic of China* and the *Technical Guidelines for Electronic Data Capture in Clinical Trials*. Meanwhile, we actively refer to international standards such as the *ICH*[1] *Good Clinical Practice* (ICH GCP) and the *General Data Protection Regulation* (GDPR) to strengthen data security and privacy protection management, ensuring the standardisation and security of data management in all aspects. In 2025, we experienced no data leakage or customer privacy breach incidents.

In terms of information security management, the Company continuously optimises its information security efforts based on the ISO 27001 Information Security Management System certification standard and the Level 2 standards of the *GB/T 22239 – 2019 Information Security Technology – Baseline for Classified Protection of Cybersecurity*. We have formulated a series of management systems, including the *Jacobio Information Security Management Measures,* the *Jacobio Intranet Computer Room Security Management Regulations*, and the *Jacobio System Data Backup and Recovery Management Regulations*, establishing a comprehensive information security management system to ensure the security, integrity, and availability of the Company's information assets.

Data Security Management Measures:

- USB device restrictions: Completely disabling employee access to USB devices has reduced the risk of data leakage
- Disk encryption: Encrypting the disks of employee endpoint devices to prevent unauthorized access to data in case of device loss
- Hierarchical access control: Implementing strict hierarchical access control on project data to ensure that sensitive data is only accessible to authorized personnel
- Advanced security accounts: Providing selected employees with higher security level accounts to meet the operational needs of handling sensitive data.
- Integrating the conference room equipment into the domain management system, and establishing an access password to ensure the security of internal discussions and presentations within the Company
- Data incident response: Establish a comprehensive data breach emergency response process, including rapid isolation, assessment, and reporting mechanisms.

Regarding privacy protection, the Company maintains a rigorous and responsible attitude toward strengthening the protection of both employee and customer privacy. For employee privacy, we have formulated the *Employee Privacy Protection Statement* in compliance with the requirements of the GDPR, clarifying the Company's responsibilities and obligations in personal data protection and emphasising employees' rights over their personal data. For customer privacy, we have constructed a rigorous and comprehensive protection system across multiple dimensions – institutional, technical, and emergency response – to effectively safeguard the legitimate rights and interests of our customers.

Environmental, Social and Governance Report

Customer Privacy Protection Measures:

Institutional Management of Privacy Protection

- Clarify the Company's responsibilities in data collection, storage, processing, and sharing to ensure customers' right to be informed and their control over their data
- Ensure that relevant internal management systems comply with international and local privacy protection regulations such as GDPR and HIPAA (if applicable)

Data Access Permission Management

- Implement the principle of least privilege, allowing only relevant personnel to access customer data to ensure the security of sensitive information
- Adopt a hierarchical permission control system to impose strict classification and access restrictions on customer data

Data Encryption and Storage

- Encrypt customer data during transmission and storage to ensure data cannot be accessed without authorisation
- Regularly back up customer data to prevent data loss or destruction

Technical Security Measures

- Deploy firewalls, Intrusion Detection Systems (IDS), and anti-malware systems to protect customer data from cyberattacks
- Utilise Multi-Factor Authentication (MFA) and disk encryption technologies to safeguard employee terminals and servers

Third-Party Compliance and Contract Management

- Sign Data Protection Agreements (DPA) when cooperating with third parties to ensure their adherence to the same privacy protection standards
- Regularly review the compliance of third-party data processors

Data Breach Emergency Response

- Establish a data breach emergency response process, including detection, isolation, investigation, and reporting mechanisms
- Promptly notify relevant customers after an incident occurs and take remedial measures

Environmental, Social and Governance Report

Privacy Protection Training

- Regularly conduct data security and privacy protection training for employees to enhance overall compliance awareness and operational capabilities
- Incorporate introductions to information security knowledge into the induction training system for new employees to help them establish a strong sense of information security
- Conduct customised special training on data security management for employees based on the business needs of various departments
- Emphasise the confidentiality obligations regarding customer data in daily operations and establish an accountability mechanism for non-compliant behaviour

Technical Ethics

Jacobio has always upheld a deep respect for and firm protection of patient rights, committed to promoting human health and well-being by providing safe and effective medical services, and safeguarding the welfare of animals used in clinical trials.

Clinical Trial

Jacobio strictly adheres to the most stringent domestic and international laws and ethical standards, such as the *Regulations of the People's Republic of China on the Administration of Human Genetic Resources* and the *Measures for the Ethical Review of Life Sciences* and *Medical Research Involving Human Subjects*. Based on these, comprehensive operating procedures are established to implement strict monitoring throughout every stage of clinical trials, ensuring the scientific validity and safety of the trials.

The Company respects every subject, comprehensively protect their legal rights and interests. We strictly adhere to established standard operating procedures in the selection of research centres and researchers, initiation visits to research centres, routine inspection, and close-out visits, ensuring compliance with ICH guidelines and regulations. We prepare informed consent forms as required and submit them for review by the ethics committee. After ethical approval, researchers will introduce the content of the informed consent form to the subjects to ensure that each subject fully understands the research objectives, methods, and potential risks before participating in the clinical study. Clinical trials are conducted on the basis of ensuring informed consent of the subjects.

Animal Welfare

Jacobio strictly complies with relevant laws and regulations such as the *Laboratory Animals – General Code of Animal Welfare (GB/T 42011-2022), Laboratory Animal – Guideline for Ethical Review of Animal Welfare (GB/T 35892-2018), Technical Specification of Ethical Review for Laboratory Animal Welfare (DB11/T 1734-2020),* and *Regulations of Beijing Municipality on Administration of Experimental Animals*. We have established the Animal Management and Animal Welfare Ethics Committee of Jacobio (referred to as "Jacobio Animal Committee"), with the Senior Vice President of Pharmacology of the Company serving as the director, responsible for reviewing animal experiment protocols and managing personnel and facilities. The Jacobio Animal Committee conducts reviews and supervision of the experimental design and implementation process of experimental animals based on the basic principles of ethical review of experimental animal welfare.

Environmental, Social and Governance Report

ESG Governance

Board of Directors Statement

The Board of Jacobio deeply recognises the importance of corporate social responsibility and environmental, social and governance practices. As the highest authority and decision-making body for the Company's ESG affairs, the Board is responsible for overseeing ESG-related matters. Integrating our business characteristics with actual operating conditions, we actively identify and assess ESG risks, focus on and promptly respond to the concerns of various stakeholders, and drive the Company toward achieving sustainable development.

The Company has formulated an ESG strategy with "HOPE" at its core. This strategy guides the Company to continuously cultivate four key areas: "Harmonious Coexistence, Optimised Governance, Professional Innovation, and Evolving Together", supporting the Company's steady progress on the path of sustainable development. Meanwhile, we have established environmental targets and regularly review the progress of their implementation. In 2025, based on the actual needs of the Company, we conducted a comprehensive evaluation and review of the achievement of environmental targets and ESG-related work. For detailed information regarding the evaluation of environmental targets, please refer to the descriptions in the "Environmental Management System" section of this report.

ESG Strategy

Centered on "HOPE," Jacobio has established an ESG strategic framework and is advancing sustainability initiatives across four dimensions: "Harmonious Coexistence, Optimised Governance, Professional Innovation, and Evolving Together." The company integrates these principles into its business operations and R&D practices.

As an innovative pharmaceutical enterprise, the Company focuses on health-related topics within the United Nations Sustainable Development Goals. We continuously advance the research and development of innovative drugs in major disease areas such as oncology, with a strategic focus on challenging drug targets. We aim to open up more treatment pathways for cancer patients worldwide, significantly improve the five-year survival rate of cancer patients, and strive to transform cancer into a manageable "Chronic Disease", thereby enhancing the "Health and Well-being" of patients globally and bringing them a glimmer of hope.

Environmental, Social and Governance Report

ESG Governance Framework

Jacobio has established a three-tier ESG governance structure consisting of the "Decision-making Level, Management Level, and Execution Level". As the decision-making level, the Board assumes the heavy responsibility of establishing the Company's overall ESG strategy and targets, while reviewing and supervising the Company's ESG performance and taking responsibility for reviewing ESG reports. An ESG Working Group has been established under the Board to function as the management level. This group primarily assists the Board in advancing the implementation of ESG strategies and targets, and co-ordinates and supervises the execution and implementation of ESG-related matters. The various functional departments of the Company constitute the execution level within the governance structure, undertaking the responsibility for the specific execution of various ESG tasks to effectively promote the implementation of ESG management at all levels of the Company, ensuring that ESG strategies are effectively carried out.

During the reporting period, the Company further optimised its management structure by establishing a Co-Chief Executive Officer (Co-CEO) mechanism. Dr. Wang Yinxiang, the Chairman, and Dr. Wang Yi, the Chief Medical Officer, jointly serve as Co-CEOs, respectively responsible for the Company's overall strategy and R&D system construction, as well as overseas market expansion, international cooperation, and clinical development management. While maintaining strategic unity, this structure enhances global business synergy and execution efficiency.

<table>
<tr><td>Decision-making Level</td><td colspan="5">The Board of Directors</td></tr>
<tr><td>Management Level</td><td colspan="5">ESG Working Group</td></tr>
<tr><td rowspan="2">Execution Level</td><td colspan="5">ESG-related Departments</td></tr>
<tr><td>General Administration Department</td><td>Human Resources Department</td><td>Finance Department</td><td>Legal Department</td><td>Investor Relations Department</td></tr>
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ESG Governance Structure

Environmental, Social and Governance Report

Stakeholder Communication

Jacobio attaches great importance to communication and exchange with stakeholders. We conduct information communication through multiple channels to understand and respond to stakeholders' key concerns regarding the Company's operations and sustainability-related matters. The Company regards the opinions and suggestions of stakeholders as one of the important references for improving ESG management and related decision-making. Based on the Company's business characteristics, identified major stakeholders include government and regulatory authorities, investors, employees, customers, suppliers, the media, non-governmental organisations (NGOs), and communities.

In terms of information disclosure, the Company provides stakeholders with information related to its operations and financial position by regularly publishing annual reports, holding annual and interim results conferences, and fulfilling information disclosure obligations for major matters. This supports stakeholders' understanding of the Company's situation and promotes continuous communication.

Key Performance

During the reporting period, we held 1 general meeting of shareholders, participated in 56 investment bank strategy conferences, and conducted 852 communication sessions with investors.

Investor education

Environmental, Social and Governance Report

Key Stakeholders	Key ESG Issues of Concern	Main Communication Channels
Governments and Regulatory Authorities	• Clinical Trial Safety • Product Quality Safety • Compliance Governance • Anti-Corruption • Resource Management • Climate Change Mitigation • Medical Accessibility • Community Investment	• Incident Reporting • Policy Consultation • Information Disclosure • Official Correspondence
Investors	• Clinical Trial Safety • Product Quality Safety • Compliance Governance • Anti-Corruption	• Shareholders' Meetings • Results Announcement • Semi-Annual and Annual Reports • Announcements of Significant Events • Online and Offline Communications • Company Website
Employees	• Basic Rights of Employees • Occupational Health And Safety • Talent Attraction And Retention • Employee Diversity • Product Quality Safety • Research and Development	• Employee Performance Appraisal and Feedback • Employee Internal Communication Meetings • Corporate Internal Announcements and Emails • Employee Activities • Jacobio's WeChat Official Account and Internal Publications
Customers	• Clinical Trial Safety • Product Quality Safety • Research and Development • Data Security and Customer Privacy Protection • Medical Accessibility	• Information Disclosure • Daily Business Communication
Suppliers	• Research and Development • Intellectual Property Protection • Business Ethics • Driving Industry Development	• Supplier Inspection • Regular Communication Meetings with Suppliers
Media	• Resource Management • Greenhouse Gas Emissions • Climate Change Mitigation • Driving Industry Development • Medical Accessibility • Business Ethics • Clinical Trial Safety	• Press Conferences • Media Interviews • Advertising • Social Media • Industry Seminar
NGOs and Communities	• Community Investment	• Community Engagement and Communication • Identification of Community Demands

Environmental, Social and Governance Report

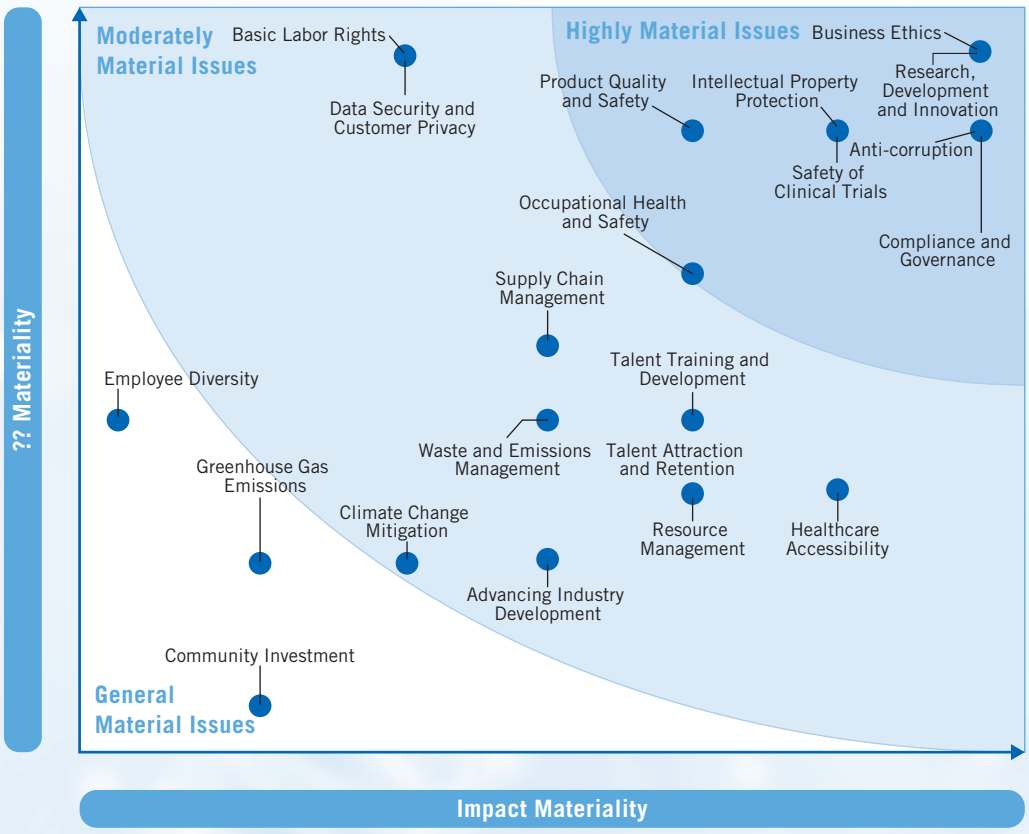
Material Topics

Jacobio identified 21 material topics based on the *ESG Reporting Code* to the Main Board Listing Rules of the Hong Kong Stock Exchange, referencing the *Global Reporting Initiative (GRI) Standards*, and considering industry-specific importance. These topics were prioritised by importance to stakeholders and to the Company's operations, establishing the priority of various ESG topics.

During the reporting period, the Company reviewed and reprioritised the identified topics through questionnaire surveys and expert opinion to support the reasonableness and robustness of the materiality assessment results.

Identification of ESG Topics	Based on the external business environment, policy trends, industry development and our own business characteristics, a series of ESG topics are identified to form the ESG topic library
ESG Topics Prioritization	Stakeholders are invited to participate in surveys on the importance of the topics of concern through online questionnaires, collecting feedback on the importance of each ESG topic from each stakeholder
ESG Topics Review	The Board conducts a final review of the assessment results of the material topics and publishes the results

Assessment of Material Topics



Environmental, Social and Governance Report

Highly Material Issues	Research, Development and Innovation Business Ethics Anti-corruption Compliance and Governance Intellectual Property Protection Safety of Clinical Trials Product Quality and Safety Occupational Health and Safety
Moderately Material Issues	Basic Labor Rights Data Security and Customer Privacy Supply Chain Management Talent Training and Development Talent Attraction and Retention Waste and Emissions Management Resource Management Healthcare Accessibility Climate Change Mitigation Advancing Industry Development
General Material Issues	Employee Diversity Greenhouse Gas Emissions Community Investment

Environmental, Social and Governance Report

DRIVEN BY INNOVATION, WITH QUALITY AS THE FOUNDATION

Alignment with UN SDGs

Key Issues

- Research, Development and Innovation
- Product Quality and Safety
- Healthcare Accessibility

Jacobio consistently places R&D innovation at its core, continuously advancing drug discovery and clinical development centered on innovative targets with clear clinical value. Throughout the R&D process, the Company establishes and operates a stringent quality management and compliance system. We emphasize product quality control and safety management during the research stage to ensure the reliability and sustainability of our innovative achievements. Meanwhile, Jacobio focuses on the social value generated by innovative drugs in addressing unmet clinical needs. By accelerating the transformation of R&D results into clinical applications, we promote healthcare accessibility from the source and provide patients with new therapeutic options.

Research, Development and Innovation

Jacobio regards R&D innovation as the cornerstone for delivering therapeutic solutions and enhancing core competitiveness. Adhering to the R&D philosophy of "Providing Effective Innovative Therapies for Patients Worldwide," the Company has consistently increased investment in innovative drug R&D and continuously strengthened the construction of R&D platforms and technical capabilities to support sustainable innovation.

Key Performance

As of the end of the reporting period, the Company had 164 R&D personnel, with cumulative R&D investment reaching RMB188.59 million.

In terms of platform construction, leveraging long-term expertise and technical advantages in allosteric inhibitors, the Company has built a proprietary technical platform for the R&D of allosteric site inhibitors. Additionally, drawing on technical accumulation in small-molecule drug R&D, we have further established an iADC R&D platform, continuously expanding the pathways for innovative drug development.

Environmental, Social and Governance Report

In terms of R&D management, the Company continuously improves its R&D and innovation management system, defines R&D objectives and phased planning, and has the clinical team decompose tasks for various functional teams in alignment with the Company's overall R&D direction. Each team refines deliverables and action plans based on established goals, and tracks R&D progress through regular evaluations and discussions to ensure the orderly advancement of R&D activities. Meanwhile, the Company has formulated the *Service Invention-Creation Reward and Remuneration Agreement* to clarify incentive mechanisms for employees in service inventions-creations, encouraging innovative practices and fostering an R&D atmosphere that respects knowledge and innovative achievements.

In terms of academic research, the Jacobio R&D team actively engages in frontier exploration. In 2025, we published a total of 5 R&D achievements at various international academic conferences. Among these, the Phase I/IIa clinical study results of the Company's in-development KRAS G12C inhibitor Glecirasib in combination with the SHP2 inhibitor JAB-3312 (Sitneprotafib) were officially published in the top international medical journal *The Lancet Respiratory Medicine* (Impact Factor: 32.8). This marks the global debut of comprehensive clinical data for an all-oral, small-molecule KRAS G12C and SHP2 combination therapy in an authoritative journal, further demonstrating Jacobio's technological leadership and innovation strength within the industry.

In terms of accelerating the R&D process and enhancing the global accessibility of innovative achievements, the Company actively promotes international cooperation, engaging in multi-level collaboration with global research institutions, biotechnology companies, and pharmaceutical enterprises across key stages, including drug discovery, clinical research, and commercialization. Through methods such as out-licensing, joint development, and product in-licensing, the Company continuously integrates global R&D resources to explore innovative therapeutic solutions for unmet clinical needs, driving innovative achievements to benefit more patients.

Case: Focusing on Core Innovative Pipelines to Optimize R&D Resource Allocation

In October 2025, the Company reached a strategic transaction with Oceanpine Capital regarding non-oncology early-stage R&D assets, introducing external capital and industry partners to jointly advance the development of early-stage cardiovascular projects. Through this transaction, while retaining partial interests in the relevant projects, the Company achieved a rational sharing of R&D risks and effective resource allocation, further focusing on core oncology innovation pipelines represented by KRAS, iADC, and others. The proceeds from the transaction will be primarily used for the R&D, production, and commercialization of the Company's key innovative oncology therapies, providing strong support for the continuous advancement of core products.

Environmental, Social and Governance Report

Product Quality and Safety

Jacobio regards product responsibility and drug safety as vital components of fulfilling its corporate social responsibility. As an enterprise with innovative drug R&D as its core business, the Company deeply understands that product quality and safety are not only key to benefiting patients but also core elements in promoting the improvement of national health and well-being. Therefore, the Company consistently adheres to the principles of high standards and strict requirements, maintaining comprehensive control over product quality. Rigorous quality requirements have been established across various stages, including raw material procurement, R&D processes, and clinical trials, in an effort to provide safe and effective medicines for patients.

Product Quality Management

Jacobio attaches great importance to product quality and compliance management, strictly abiding by relevant laws, regulations, and technical specifications, including the *Drug Administration Law of the People's Republic of China,* the *Measures for the Administration of Drug Registration,* the *Good Clinical Practice (GCP),* the *Good Laboratory Practice (GLP)*, the *Good Manufacturing Practice (GMP)*, and the *Guidelines for International Multi-Center Clinical Trials (Trial)*. Meanwhile, during the R&D and production management processes, the Company continuously refines its drug R&D quality management system by referencing the requirements of the U.S. Food and Drug Administration (FDA) *Code of Federal Regulations* (21 CFR) regarding investigational new drug studies, protection of human subjects, and Good Laboratory Practice (GLP), as well as the European Medicines Agency (EMA) *EU GMP* regulations for sterile medicinal product manufacturing. This ensures the quality and data integrity of R&D projects and clinical trial products, strengthening quality control throughout the entire process.

Quality Control Measures throughout the Entire Process include:

- Organization and Personnel Management
- Training Management
- Facilities and Equipment Management
- Materials and Product Management
- Document Management
- Records and Data Management
- Supplier Management
- Production and Release Management of Investigational Medicinal Products
- Non-conforming Product Management
- Drug Recall Management, etc.

Environmental, Social and Governance Report

Quality Management System

To systematically implement quality management requirements, Jacobio continuously optimizes the construction of its quality management system based on standards such as GMP, ICH Q7, and ISO 9001. The Company has formulated and implemented a series of quality management documents, including the *Quality Manual*, the *Management Procedures for Product Quality Review and Annual Reports*, and the *Management of Batch, Batch Number, and Expiration Date for GMP Products*. Among them, the *Quality Manual* serves as the guiding document for the Company's quality management system, defining quality management principles, organizational responsibilities, and operational mechanisms. It covers the full-process quality management requirements from R&D and clinical development to the commercialization stage.

The Company has established a Quality Department as the primary functional department for quality management. It is responsible for formulating and maintaining quality standards and procedures, as well as supervising and evaluating the operation of the quality management system to ensure the effective implementation of all quality management requirements.

Quality Policy: Jacobio is committed to developing and producing active pharmaceutical ingredients (APIs) and drugs that meet the high-quality standards defined in current Good Manufacturing Practice (cGMP) regulations for pharmaceutical production, in accordance with applicable global regulatory requirements.

In practice, the Company carries out quality management work centered on key links such as drug R&D management, supplier management, and production process optimization, continuously improving product quality levels and supporting the transformation of R&D achievements into safe, effective, and controllable products.

Environmental, Social and Governance Report

Product Quality Management Measures

Measures	Measure description
Strengthening Drug Research and Development Management	• Ensuring the authenticity and reliability of research data: Strictly adhere to scientific research methods and norms, continuously improve data integrity systems, and strengthen the audit and supervision of data and records during the R&D process to ensure that data is authentic and accurate • Conducting in-depth quality research: Gain a comprehensive understanding of the physical, chemical, and biological properties of drugs, as well as their stability under various environmental conditions, to provide a scientific basis for drug production, storage, and usage
Strengthening Supplier Management	• Emphasizing supplier audits: The Company has established a supplier audit system and conducted audits targeting various types of suppliers, primarily including Contract Development and Manufacturing Organizations (CDMOs), raw material manufacturers, and GLP laboratories • Selecting high-quality suppliers: Conduct rigorous evaluation and screening of CDMOs, raw material manufacturers, and GLP laboratories to establish long-term and stable cooperative relationships, ensuring the quality and stability of products and services provided by suppliers • Signing Quality Assurance Agreements: The Company signs Quality Assurance Agreements with each CDMO, which are updated every two to three years. These agreements clearly define the quality obligations and audit requirements to be fulfilled by both parties
Continuously Optimizing Production Processes and Quality Control	• Determining optimal production process parameters through experiments and validation, and maintaining strict control during the production process • Establishing a comprehensive quality control system, strengthening the monitoring of production processes, and setting scientific, reasonable, and rigorous drug quality standards. Retention samples and stability studies are conducted for every batch of drugs to enable timely traceability and root cause analysis in the event of any issues
Strict Management of Transport and Storage for Investigational Medicinal Products	• Strict storage conditions and management: Ensure that drugs are stored under appropriate and approved conditions, and establish a rigorous warehouse entry and exit management system to ensure accurate dispensing and receiving of drugs • For drugs requiring refrigeration or freezing: Use professional cold-chain transport equipment to ensure that drug temperatures consistently meet requirements throughout the transportation process. Temperature data is monitored and recorded during transit

Environmental, Social and Governance Report

Quality Control

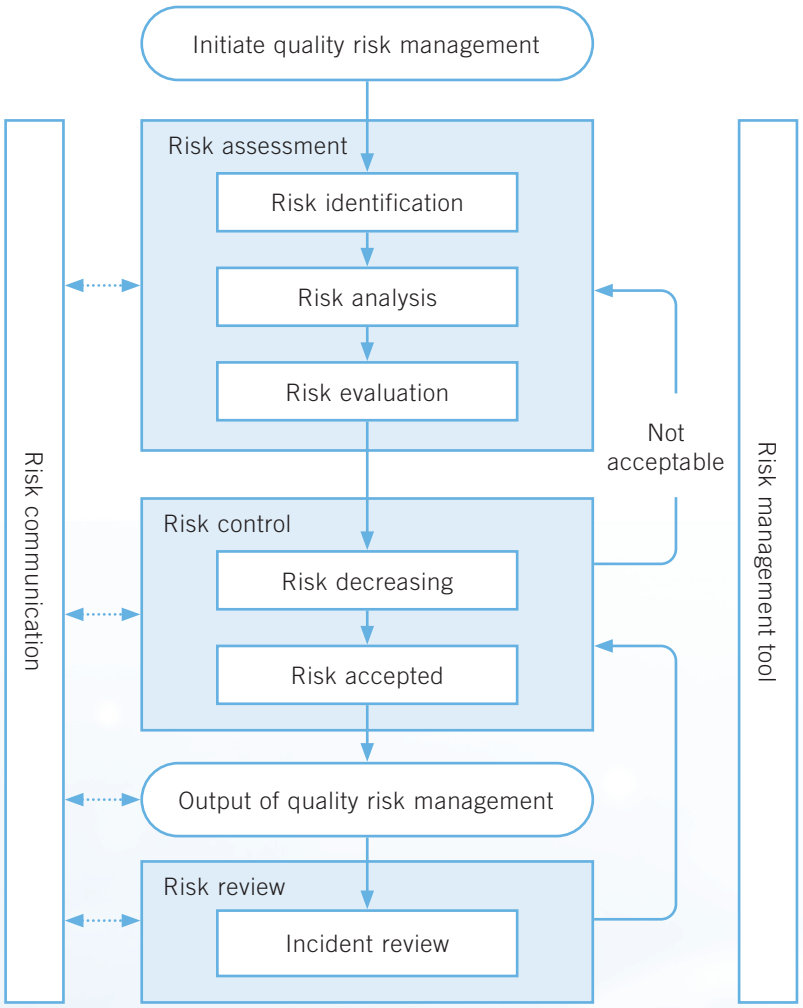
During the drug R&D and clinical trial processes, Jacobio continuously strengthens its quality control management. By conducting quality audits, establishing product quality risk management mechanisms, and refining internal quality management procedures, the Company ensures that R&D activities and clinical trial processes comply with established quality requirements and regulatory standards.

In accordance with the relevant provisions of the *Quality Manual*, the Company implements full-process quality control for materials, equipment, and products. All incoming materials and components must undergo inspection, verification, or testing according to established procedures before use to ensure compliance with corresponding quality standards. Products shall not be released until inspections are completed and compliance is confirmed; final inspections and tests must be conducted before shipment. Relevant review procedures include the verification of qualified data and compliance with quality specifications. For critical equipment, the Company effectively manages testing and production equipment through regular calibration and maintenance to ensure that equipment remains in a controlled state at all times. Meanwhile, the Company clearly identifies the inspection status of raw materials, components, work-in-progress, finished products, and equipment through labelling management, segregation measures, and complete production and quality records, achieving traceable management of quality status.

In terms of quality risk management, the Company has formulated and implemented the *Quality Risk Management* system, establishing a quality risk management process that covers the entire product life-cycle. Relying on systematic risk assessment tools and a professional quality management team, the Company identifies and assesses risks in key scenarios such as new product introduction, technology transfer, and changes in suppliers or distributors. A risk register is then compiled, and corresponding control and mitigation measures are taken based on risk levels. The Company periodically reviews identified and addressed risks, summarizes experiences, and continuously optimizes the risk management process to adapt to changes in regulatory requirements and business development.

Furthermore, the Company has established a relatively comprehensive quality audit mechanism, covering various forms such as internal audits (including quality system audits and product audits), external customer audits, supplier audits, and regulatory inspections. It regularly conducts relevant quality audit activities to continuously enhance the level of quality management and safeguard the safety and efficacy of its products.

Environmental, Social and Governance Report



Quality Risk Management Procedures

Environmental, Social and Governance Report

Quality Culture Cultivation

Adhering to the concept of "Quality First," Jacobio continuously promotes quality awareness among all employees to enhance its quality management level. The Company organizes internal training and participates in external industry training on an irregular basis, ensuring that all personnel fully recognize the importance of drug quality and consciously abide by quality management regulations. Meanwhile, the Company maintains an open policy, encouraging all personnel to report any quality-related issues to management, thereby promoting the continuous improvement and enhancement of quality management systems and product quality.

In 2025, we conducted professional training for personnel involved in R&D, supervision of outsourced manufacturing, transportation, and storage of investigational medicinal products to improve their professional skills and quality awareness.

The specific training topics are as follows:

- standardised Writing of Synthetic Process Laboratory Records
- CDE *Technical Guidelines for Research on Changes to Marketed Chemical Drugs (Trial)*, etc.
- CDE 2025 "Drug Evaluation Cloud Classroom" Session 12 (Biologics R&D Related)
- Supervision and Administration of Drug Manufacturing (Beijing Municipal Medical Products Administration)
- Safety Reporting Requirements During Clinical Trials

Product Safety Management

Jacobio places patient medication safety as its top priority and has constructed a rigorous and comprehensive product safety management system. We closely monitor adverse drug reactions, establish recall mechanisms, and eliminate false advertising to provide patients with products that are safe in quality and authentic and accurate in information, thereby safeguarding patient health.

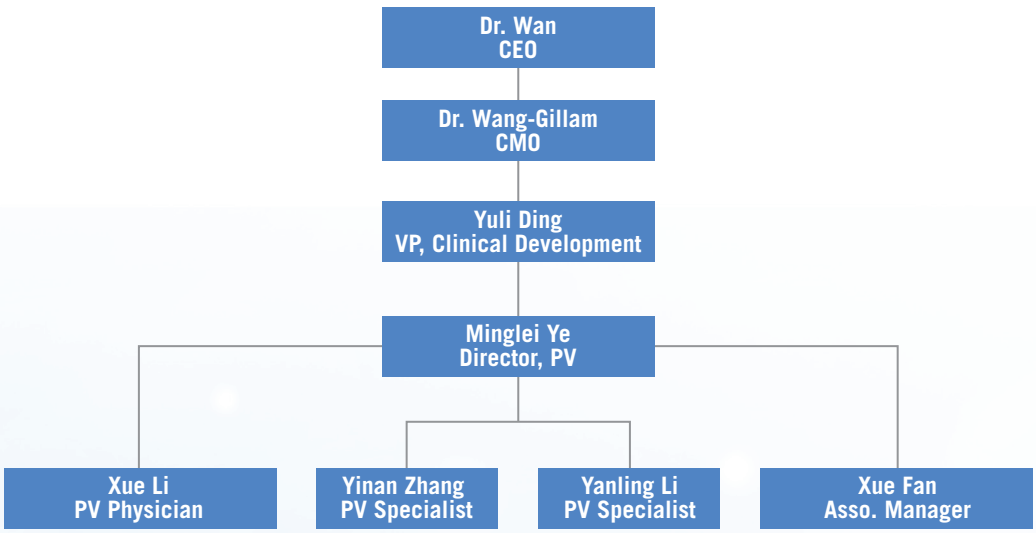
Pharmacovigilance

Jacobio focuses on the safety of medication users. During the reporting period, some of the drugs independently developed by the Company have been approved for marketing. However, their commercial operations and post-marketing responsibilities have been legally undertaken by partners through licensing and collaboration; the Company is not directly involved in these activities. The Company has established a relatively comprehensive Pharmacovigilance (PV) management system during the R&D and clinical stages. Supporting internal management policies have been formulated, such as *Preparing and Reporting SAE & SUSAR to Regulatory Authorities, Management of Individual Case Safety Report (ICSR) Queries in the PV Database*, and *Handling Individual Case Safety Report Amendments in the PV Database*. These ensure comprehensive monitoring and assessment of adverse drug reactions after marketing, enabling the timely identification and resolution of drug safety issues.

Environmental, Social and Governance Report

In terms of organizational management, the Company has established a 5-level pharmacovigilance responsibility system coordinated by the Chairman. An independent Pharmacovigilance Department has been set up to serve as the lead department for drug safety management, responsible for key functions such as PV operations and PV medicine. The PV function collaborates with relevant departments, including Clinical Operations Department, Medical Department, Statistics and Data Management Department, and Pre-clinical Toxicology Department. Together, they advance safety information management during the R&D and clinical research stages, forming a working mechanism coordinated by the PV function and supported by relevant departments.

The PV structure of the company consists of the following:



Regarding process management, the Company has established internal management processes in accordance with applicable regulatory requirements, covering scenarios such as Individual Case Safety Reports (ICSR), Serious Adverse Events (SAE), and Suspected Unexpected Serious Adverse Reactions (SUSAR). These processes standardize the collection, verification, medical evaluation, and internal communication of safety information. Relevant safety information is evaluated within the R&D management framework to support the identification of potential safety signals and risk assessment.

At the execution level, the Company utilises information technology to enhance the standardization and traceability of PV during the R&D stage. By introducing an automated SAE reporting system and integrating it with Electronic Data Capture (EDC) systems such as Medidata, ClinicalOne, and Aurora, the Company has achieved systematic collection and management of safety data. This reduces the risk of omissions and errors associated with manual processing and supports the timely execution of internal PV activities.

Environmental, Social and Governance Report

Drug Recall

During the reporting period, some of the products independently developed by Jacobio have been approved for marketing. However, the commercial operations and post-marketing management responsibilities of the relevant products have been legally undertaken by partners through licensing and collaboration; therefore, no drug recall matters were involved. Nevertheless, we still attach great importance to drug safety risk management. In strict accordance with relevant laws, regulations, and regulatory requirements such as the *Drug Administration Law of the People's Republic of China,* the *Administrative Measures for Drug Recalls*, and *GMP*, we have formulated and implemented institutional documents including the *Management Procedures for Drug Recalls* and *Post-marketing Risk Management for Drugs*. We have established a standardised and executable drug recall management mechanism and implemented hierarchical management for drug recalls. This ensures timely response and proper handling upon discovery of quality issues that may affect medication safety. During the reporting period, no product recall events occurred within the Company.

Based on the potential impact of risks on patient health, the Company implements hierarchical management for drug recalls, including:

Class I Recall: Where the use of the drug may cause or has already caused serious health hazards

Class II Recall: Where the use of the drug may cause or has already caused temporary or reversible health hazards

Class III Recall: Where the use of the drug generally will not cause health hazards, but recall is necessary due to other reasons

Jacobio Pharmaceuticals' Product Recall Process

Collecting Information Related to the Quality and Safety of Medicines	• Proactively collect and record information regarding drug quality issues, adverse drug reactions/events, and other safety risk information • Require contracted drug manufacturing enterprises, drug-using units, etc., to promptly notify the Company upon discovering potential quality issues or other safety hazards in the drugs they produce or use • Recalls ordered by drug regulatory authorities
Investigate and Assess Potential Quality Issues or Other Safety Hazards	• Determine the scope and content of the investigation based on the actual situation • Classify the recall level according to the degree of severity • Generate an investigation and assessment report based on the findings and the recall classification, and scientifically formulate a recall plan
Recall	• Proactively initiating recalls based on the recall plan • Evaluating the effectiveness of the recall in a timely manner • Publishing recall information • Implementing recalls in accordance with the requirements of recall orders issued by drug regulatory authorities
Recall Management	• Formulating recall handling measures

Environmental, Social and Governance Report

Product Labelling and Traceability

Jacobio attaches great importance to product identification and information traceability management. The Company has formulated and implemented the *Records and Data Management*, the *Identification Management Procedures*, and the *Supervision and Management Procedures for Outsourced Manufacturing*. These documents provide unified and standardised management for records and data generated during R&D, production, and quality management, specifying operational requirements for identification management to ensure that product-related information is authentic, complete, and traceable. Through standardised identification and records management, the Company effectively supports product quality management and risk response, while providing patients with clear and transparent product labelling information to safeguard their right to know and medication safety.

Meanwhile, the Company strictly complies with the *Trademark Law of the People's Republic of China* and other relevant laws and regulations. It has developed the *Jacobio Brand Basic Specifications* to clearly define requirements for the use, display, and management of brand identity. By strengthening the management of trademarks and brand assets, the Company maintains its brand image and value, enhancing public trust in its brand.

Responsible Marketing

During the process of market communication and information disclosure, Jacobio adheres to the principles of responsible marketing and strictly follows relevant laws and regulations, such as the *Advertising Law of the People's Republic of China* and the *Measures for the Examination of Drug Advertisements*. The Company ensures that externally released academic data, R&D progress, and key milestone information are objective, accurate, and compliant, resolutely eliminating false publicity, improper marketing, or behaviours that mislead patients.

In terms of internal management, the Company has established a comprehensive review mechanism for promotional content. All external publicity materials related to the Company must undergo professional review by the brand communication department and relevant business departments, with a focus on the accuracy and compliance of the content. For important information disclosed to the public for the first time, the Board of Directors participates in the review to strengthen supervision from a governance perspective. This ensures that the disclosure is clear and prudent, avoiding any misleading impact on the public and the market.

During the reporting period, the Company was not involved in any direct promotion or induced promotion of products under development.

Environmental, Social and Governance Report

Healthcare Accessibility

Jacobio believes that drug accessibility is a vital social manifestation of innovative drug R&D. As a pharmaceutical enterprise with R&D at its core, the Company is committed to providing new treatment options for patient groups with unmet clinical needs by continuously advancing the research and clinical development of innovative drugs, thereby promoting the accessibility of innovative medicines from the source of R&D.

The Company focuses on innovative targets with clear clinical value and accelerates the translation of R&D achievements into the clinical application stage through independent R&D and external collaborations. During the reporting period, some of the Company's independently developed products entered the commercialization stage through licensing and collaboration, providing new treatment possibilities for patients in relevant disease areas.

Case: Innovative Drug R&D Expanding Treatment Options for Oncology Patients

In May 2025, IRECARY® (Glecirasib), a KRAS G12C inhibitor independently developed by the Company, was approved for marketing by the National Medical Products Administration for the treatment of patients with previously treated KRAS G12C-mutated non-small cell lung cancer. This innovative drug was developed through systematic research targeting a undruggable target. Clinical studies have demonstrated its favourable efficacy and gastrointestinal safety profile, providing a new treatment option for patients. The Company continues to advance multi-indication and global clinical research for this product, aiming to bring the benefits of innovative achievements to more patients.

Customer Service

Jacobio is committed to providing high-quality customer service. The Company has established the *Complaints Management Procedure* and *Return Management Procedure* to enhance customer satisfaction by implementing a comprehensive communication, complaint, and coordination management mechanism to meet customer needs and safeguard customer rights.

We require all personnel involved in complaint handling to receive training on complaint handling procedures. Furthermore, we perform trend analysis on complaint data through quarterly quality reviews to identify areas for improvement and continuously enhance service quality. In 2025, no customer complaints occurred due to product quality issues.

At the execution level of complaint management, the Company has established a clear and traceable complaint handling process.

Environmental, Social and Governance Report

Jacobio Quality Complaint Handling Process

Submit Complaints	• For internal complaints, fill out the complaint registration form • For external complaints, provide relevant information according to the complaint application form requirements
Accept Complaints	• Complaints can be received via phone, email, in person, or any other medium; try to retain the original complaint information, such as phone recordings • Complaints must be recorded in the *Complaint Registration Form* and assigned a unique number for traceability • All complaints must be acknowledged and categorised within 2 working days
Investigate Complaints	• Investigate complaints within 5 working days • Relevant departments and personnel shall assist in the investigation, or request assistance from third parties providing products or services to provide information • Collect relevant information and conduct the investigation in accordance with relevant SOPs, such as the *Deviation Management Procedure*, and keep records
Resolution Complaints	• Develop and implement a resolution plan in accordance with the *Corrective and Preventive Action Management Procedure* within 5 working days of receiving the complaint • The resolution plan must be communicated to the customer, along with the expected timeframe for handling • The handling plan must be agreed upon by the customer before implementation
Review Complaints	• Review the complaints in accordance with the *Management Procedures for Product Quality Review and Annual Report*, to identify any recurring complaints or trends • Conduct a root cause analysis for repeated complaints and take corrective and preventive actions to prevent future occurrences • Notify customers of the measures and changes implemented based on their complaints
Escalate Complaints	• If a complaint cannot be handled within the specified time frame, it must be reported to the next level of management • Confirm the need to escalate the complaint and document it accordingly

Environmental, Social and Governance Report

LOW-CARBON OPERATIONS AND GREEN DEVELOPMENT

Alignment with UN SDGs

Important issues

- Emission Management
- Greenhouse Gas Emissions
- Resource Management
- Addressing Climate Change

Jacobio integrates the concept of green development into its daily operation and management. We continuously improve our environmental management system, strengthen the control of pollutant emissions, actively respond to climate change, and enhance resource management. By promoting energy conservation and emission reduction initiatives, we strive to mitigate the environmental impact of our operational activities and build an environmentally friendly enterprise.

Environmental Management System

Jacobio strictly complies with the requirements of laws and regulations, including the *Environmental Protection Law of the People's Republic of China,* the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste,* the *Water Pollution Prevention and Control Law of the People's Republic of China,* the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China,* and the *Law of the People's Republic of China on Environmental Impact Assessment*. Integrating our own operational characteristics, we have formulated and implemented internal management documents such as the *Corporate Environmental Management System* and the *Atmospheric Pollution Prevention and Control Procedures* to define environmental management responsibilities and operational requirements, thereby standardising environmental management practices.

In terms of organisational structure, the Company has established an Environmental Protection Task Force and an EHS Department, responsible for the coordination and execution of environmental management-related tasks, covering environmental compliance, daily supervision, and continuous improvement. Adhering to the principles of "Prioritising Protection, Focusing on Prevention, Comprehensive Governance, Public Participation, and Accountability for Damage", the Company continuously identifies and controls environmental risks, striving to mitigate potential impacts on the environment on the basis of compliant operations.

Environmental, Social and Governance Report

In 2025, we reviewed the progress of our environment-related targets and continued to advance relevant initiatives.

Environmental Targets	Target Setting	Progress Made
Emission Reduction Targets	All laboratory exhaust gases achieve harmless treatment that is 10% higher than the national emission standard	• In 2025, all laboratory exhaust gases of our Company have achieved harmless treatment that exceeds the national emission standard by 10%
	By the end of 2060, our Company's operating premises in China will fully achieve carbon neutrality	• The plan is promoted in accordance with the carbon neutrality goal
Waste Reduction Targets	By the end of 2025, our employees will fully adopt direct drinking water instead of bottled water	• By the end of 2025, our employees has fully adopted direct drinking water instead of bottled water
	By the end of 2025, the Company will fully promote paperless office, with per capita paper consumption reduced to 50% compared to 2020	• By the end of 2025, the Company had fully promoted paperless office, with per capita paper consumption decreased by 82% compared to 2020
	Through meticulous management and optimisation of experimental processes, hazardous waste generated and transferred will be reduced by 2% to 5% annually	• By the end of 2025, the amount of hazardous waste generated and transferred decreased by 18% compared to 2023
Energy Saving Targets	The installation rate of LED lights across all operating premises of the Company shall reach 100%	• All operating premises used LED lighting, and ensured that LED lights were used for daily maintenance and replacement
	All newly purchased instruments and equipment of the Company shall meet or exceed the National Grade 1 Energy Efficiency Standard	• A total of four sets of newly purchased instruments and equipment all met the National Grade 1 Energy Efficiency Standard

Environmental, Social and Governance Report

Environmental Targets	Target Setting	Progress Made
Water Saving Targets	By the end of 2025, all laboratories of the Company will maintain a 100% coverage of water-saving equipment	• In 2025, all laboratories of the Company maintained a 100% coverage of water-saving equipment
	By the end of 2025, 50% of the wastewater generated during the purified water production process in all laboratories of the Company will be recycled	• In 2025, 50% of the wastewater generated during the purified water production process in all laboratories of the Company was recycled
Others	By the end of 2025, 100% of the office paper purchased by the Company will be certified by the Forest Stewardship Council (FSC)	• The Company achieved 100% procurement of office paper with China Environmental Labelling certification in 2022 and has continued to maintain this practice
	By the end of 2025, all office premises of the Company will obtain ISO 14001 Environmental Management System certification	• Continuously followed up on the work related to ISO 14001 Environmental Management System certification

Climate Change Mitigation

Jacobio pays close attention to the potential impact of climate change on the ecological environment, public health, and business operations, and integrates climate change-related issues into the overall framework of the Company's sustainable development and risk management. In accordance with the requirements of "Part D: Climate-related Disclosures" of *the ESG Reporting Code* of the Hong Kong Stock Exchange, and incorporating the four core elements proposed by the Task Force on Climate-related Financial Disclosures (TCFD), the Company has disclosed its climate change-related governance, strategy, risk management, as well as metrics and targets.

The Company systematically identified and disclosed its major climate-related risks and opportunities in the previous reporting period. During the reporting period, the Company conducted an annual review of the existing identification results based on its business model, asset structure, and the locations of its operations. Given that the Company's business remains focused on R&D activities, and there have been no significant changes in the scale or structure of its operations, the Company considers that the identified major climate-related risks and opportunities remain applicable, and no new significant climate-related risks or opportunities have been added.

Environmental, Social and Governance Report

Governance

In the process of responding to climate change and advancing ESG work, the Board of Jacobio assumes the overall responsibility for decision-making and supervision. As the highest decision-making and supervisory body for ESG matters, the Board regularly reviews and supervises the implementation of ESG-related issues, including climate change, and deliberates on ESG reports that encompass climate change content.

To support the Board in performing its duties, the Company has established an ESG Working Group to assist the Board in coordinating the identification, assessment, and management of climate change-related risks, and to promote the implementation of relevant decisions at the business and functional levels. As the primary executive bodies, various functional departments advance ESG-related work, including climate change mitigation, in accordance with their respective division of responsibilities.

Strategy

Based on the Company's current business model and operational characteristics, the Company identified the major climate-related risks and opportunities relevant to its operations in 2024 and analysed their potential impacts under different climate scenarios. The Company selected the low-emission scenario (SSP1-2.6) and the high-emission scenario (SSP5-8.5) from the Shared Socioeconomic Pathways (SSPs) to assess physical risks. Furthermore, the Company analysed transition risks and climate-related opportunities based on the "Net Zero Emissions by 2050 Scenario (NZE)" and the "Stated Policies Scenario (STEPS)" proposed by the International Energy Agency (IEA).

The analysis results indicate that, under various climate scenarios, the primary risks faced by the Company include operational disruptions potentially caused by extreme weather, rising operational costs resulting from chronic climate change, as well as pressures from policy, market, and technological adjustments during the low-carbon transition. Meanwhile, as stakeholders' attention to climate issues increases, the Company also faces certain development opportunities in improving energy efficiency, optimising operational management, and participating in climate actions.

During the reporting period, the Company conducted a review based on the existing climate scenario analysis and risk identification results, taking into account annual business activities and changes in the external environment. Given that the Company's activities remain primarily focused on R&D and do not involve asset-heavy production or large-scale supply chain operations, the Company considers that the identified climate-related risks and opportunities remain applicable, and there have been no significant changes in relevant strategic judgement.

Environmental, Social and Governance Report

Climate Scenario Description

Climate Scenario	**SSP 1-2.6**	**SSP 5-8.5**
Physical Risk Scenario Description	In this scenario, the world gradually progresses towards a more sustainable path. It is dedicated to limiting the global average temperature rise to well below 2°C, in line with the ambitious greenhouse gas (GHG) emission reduction goals outlined in the *Paris Agreement*, with a projected increase in global temperatures of approximately 1.8ºC above pre-industrial levels by 2100.	This represents a scenario where, in the absence of new climate policy interventions, GHG emissions continue to increase in the future, leading to high levels of radiative forcing. By the end of the 21st century, the global average temperature could rise by more than 4°C above pre-industrial revolution levels.
Source of the Scenario	Intergovernmental Panel on Climate Change (IPCC) (Sixth Assessment Report, AR6) of the United Nations	

Climate Scenario	**NZE**	**STEPS**
Transformation Risk/Opportunity Scenario Description	The IEA has proposed a Net Zero by 2050 scenario, outlining recommendations on technology and emission reduction strategies, international cooperation, and transformation of the energy sector. This scenario projects that it would limit the global average temperature rise to 1.5ºC.	This scenario is an analysis based on currently implemented policies and announced but not yet fully implemented policy proposals. There is a 50% probability that temperatures will rise by 2.4ºC in 2100 under this scenario.
Source of the Scenario	The International Energy Agency	

Environmental, Social and Governance Report

Risk/ Opportunity Type	Impact Routes	Financial Impact	Responses	Analysis Of The Degree Of Impact Under Different Climate Scenarios					
				Short-Term	Medium-Term	Long-Term	Short-Term	Medium-Term	Long-Term
Physical risk				**SSP1-2.6**			**SSP5-8.5**		
Acute Risk	The occurrence of extreme weather conditions such as earthquakes, typhoons, thunderstorms, and heavy fog may lead to disruptions in the supply chain and damage to infrastructure	Increasing operating costs, decreased revenue, and asset impairment losses	• Strengthen weather monitoring and early warning systems, and issue alerts in a timely manner • Secure alternative suppliers to ensure a steady supply of materials • Establish and improve emergency response mechanisms, and conduct preventive drills	Low	Low	Moderate	Low	Moderate	High
Chronic Risk	Chronic risks such as drought, sea level rise, and the intensification of El Niño phenomena can affect the health and safety of company employees, or increase operating costs such as electricity and water expenses, and equipment depreciation	Increasing operating costs	• Use high-efficiency, energy-saving heating and cooling systems • Promote environmental awareness and conserve water and electricity in daily life • Improve building insulation, such as by adding insulation materials to withstand extreme cold or heat	Low	Low	Low	Low	Low	Moderate
Transformation Risk and Climate-related Opportunity				**NZE**			**STEPS**		
Policy Risk	The government's introduction of policies supporting low-carbon transition and more stringent emission reduction measures may increase a company's R&D costs for green operations or carbon trading costs	Increase operating costs	• Closely monitor policy changes, comply with laws and regulations, and ensure the company's operations are lawful and compliant • Actively utilise clean energy and adjust the energy consumption mix	Low	Low	Moderate	Low	Low	Low
Market Risk	Suppliers may increase their operating costs due to carbon reduction policies, leading to a rise in raw material prices and a decrease in the profit margin of the company's products	Profit margin decrease	Establish strategic cooperation with high-quality partners to strengthen supply chain risk resilience	Low	Low	Moderate	Low	Low	Low

Environmental, Social and Governance Report

Risk/ Opportunity Type	Impact Routes	Financial Impact	Responses	Analysis Of The Degree Of Impact Under Different Climate Scenarios					
				Short-Term	Medium-Term	Long-Term	Short-Term	Medium-Term	Long-Term
Physical risk				SSP1-2.6			SSP5-8.5		
Reputation Risk	Stakeholders are increasingly paying attention to companies' performance in addressing climate change, and pharmaceutical companies that can provide low-carbon products or services are more competitive	Revenue decrease	Actively respond to stakeholders' concerns about the company's climate performance, enhance our own performance while increasing transparency of information	Low	Low	Low	Low	Low	Low
Technical Risk	Due to the government's introduction of more stringent environmental protection policies, the company needs to raise the energy efficiency standards of its operational equipment, which may require new investments for energy-saving and environmentally friendly renovations	Increase operating costs	Continuously monitor environmental protection policies and carry out environmental renovations in a timely manner based on the company's actual situation	Low	Moderate	Moderate	Low	Low	Low
Reputation Opportunity	Actively participate in climate action to enhance the company's reputation among society and stakeholders	Revenue increase	Continuously monitor and actively participate in climate action	Low	Moderate	Moderate	Moderate	Moderate	Moderate
Technical Opportunity	Improve energy efficiency through technology research and development, utilization of clean energy, process optimization, and management upgrades	Decrease operating costs	Carry out technology research and development as well as iteration in a timely manner based on the company's overall strategy and operating conditions	Moderate	Moderate	High	Moderate	Moderate	Moderate

Note: Short-term (1-3 years), medium-term (3-5 years), 5 years and above.

Environmental, Social and Governance Report

Risk Management

The Company has integrated climate change-related risks into its overall risk management system and formulated corresponding adaptation and mitigation measures in light of its business realities. During the reporting period, the Company continued to identify, assess, and manage climate-related risks through existing risk management mechanisms.

Adaptation and Mitigation Measures:

- To address the risk of damage to employees and assets, we have improved our internal management systems and plans. When extreme weather is imminent, we issue early warning information to employees and allow for flexible remote working. We provide guidance for employee travel and workplace safety during extreme weather to prevent casualties
- To address the risk of business disruption, we have established and refined emergency disaster relief mechanisms and periodically assess the impact of severe weather on the Company's operations. We have set up an emergency command centre and collaborate with regional rescue units to conduct preventive drills
- To address environmental risks, we have strengthened daily inspections. In the event of an emergency, we immediately activate contingency plans, conduct emergency evacuation and first aid if necessary, and carry out investigation, assessment, and review of the incident
- To address technical risks, we actively develop new technologies and products, increase R&D investment, and strengthen technical barriers to enhance our competitiveness

Metrics and Targets

Jacobio is committed to promoting low-carbon operations and has set a long-term target to “Achieve carbon neutrality across all operating premises in Chinese Mainland by the end of 2060”.

The Company’s GHG emissions primarily originate from fuel consumption by self-owned vehicles as well as purchased electricity and heat. Specifically, fuel consumption by self-owned vehicles is categorised as Scope 1 GHG emissions, while purchased electricity and heat are categorised as Scope 2 GHG emissions. Given that the Company is currently in a transition stage of R&D and commercialisation, a stable foundation for data collection and accounting of emissions from the relevant supply chain and partners has not yet been established. At this stage, it is difficult to obtain complete and reliable Scope 3 emission data. Therefore, Scope 3 GHG emission data is not disclosed in this reporting period. The Company will continue to monitor regulatory requirements and the development of industry practices, and will prudently assess the accounting and disclosure arrangements for Scope 3 emission data in conjunction with its business development.

Environmental, Social and Governance Report

In 2025, the Company's GHG emissions were as follows:

GHG emission indicators	Data for 2025
Total ghg emissions (scope 1+scope 2)	1,243.12 (tCO_2e)
Direct ghg emissions (scope 1)	
Including: gasoline	5.98 (tCO_2e)
Indirect ghg emissions (scope 2)	
Including: purchased electricity	1,172.19 (tCO_2e)
purchased heat	64.96(tCO_2e)
Ghg emissions per capita	6.34 (tCO_2e/Capita)
Ghg emissions per square meter of floor space	0.08 (tCO_2e/m^2)

Resource Management

Energy Management

Jacobio strictly complies with laws and regulations such as the *Energy Conservation Law of the People's Republic of China* and strengthens its energy management. Our energy consumption mainly consists of petrol, electricity, and heating, with electricity being the most consumed energy source. We have set energy-saving targets to achieve a 100% installation rate of LED lights across all operating premises and to ensure that all newly purchased instruments and equipment meet or exceed the National Grade 1 Energy Efficiency Standard. In 2025, all our operating premises utilised LED lighting, and we ensured that LED lights were used for all daily maintenance and replacements. A total of four sets of newly purchased instruments and equipment all met the National Grade 1 Energy Efficiency Standard.

We practice the philosophy of "Electricity Conservation" and actively implement power-saving measures to reduce energy consumption.

Electricity Conservation Measures:

- Formulated the *Power Distribution Management Regulations* to standardise daily inspections, maintenance cycles, and emergency response measures for the Company's power distribution system, define requirements for power connection and safe electricity use, and strengthen the management of the Company's power distribution system and temporary electricity operations
- Selecting equipment that meets the National Grade 1 Energy Efficiency Standard
- Conducting regular inspections to check the use of lighting fixtures, ensuring that employees turn off unnecessary electrical equipment such as computers and monitors when leaving their desks or after work, and encouraging employees to turn off lights when leaving
- Systematically replacing high energy-consuming lamps with LED energy-saving lights
- Utilising variable frequency control functions for air conditioning, fresh air, and exhaust systems to achieve systemic energy savings

Environmental, Social and Governance Report

In 2025, the Company's energy consumption was as follows:

Energy consumption index	Data for 2025
Total energy consumption	2,395.93 MWh
Direct energy consumption	
Including: gasoline	22.83MWh
Indirect energy consumption	
Including: electricity	2,209.17 MWh
heat	163.94 MWh
Energy consumption per capita	12.22 (MWh/Capita)
Energy consumption per square meter of floor space	0.16 (MWh/m^2)

Water Resource Management

Jacobio strictly complies with the *Water Law of the People's Republic of China* and other relevant laws and regulations. Adhering to the philosophy of water conservation and environmental protection, we have formulated and achieved the following water-use targets: as of the end of 2025, 100% coverage of water-saving equipment has been achieved in all of the Company's laboratories; and 50% recycling of wastewater generated during the laboratory purified water production process has been realised. To implement these targets, the Company has adopted measures such as installing water-saving faucets, optimizing water management, and conducting water conservation publicity and training. These efforts aim to reduce leaks and drips during operations, continuously improve water resource utilization efficiency, enhance employees' awareness of water conservation, and actively promote the development of a resource-conserving enterprise.

Water conservation measures:

- Fully adopting potable water
- In the laboratory, reducing the water flow from the faucet when cleaning with water
- Upgrading and replacing the laboratory faucets with single-sensing energy-efficient faucets to promote water conservation and efficiency
- The bathroom faucet is a single-handle sensor-operated energy-saving faucet, which helps prevent situations like forgetting to turn it off
- A water-saving sign is posted at the faucet in the restroom to remind employees to conserve water
- Conducting water conservation awareness and education among employees at Jacobio

Environmental, Social and Governance Report

In 2025, the Company's water consumption was as follows:

Water Consumption Indicators	Data for 2025
Total water consumption	2,150 (Tonnes)
Water consumption per capita	11.44 (Tonnes/Capita)
Water consumption per square meter of floor space	0.15 (Tonnes/m^2)

Material Management

Some of Jacobio's independently developed products have been approved for marketing; however, the commercial operations and post-marketing production activities of the relevant products are legally undertaken by partners through licensing and collaboration. The Company is currently not involved in large-scale commercial production activities and does not use product packaging materials. At present, our material consumption primarily consists of office supplies. Regarding the management of office supply usage, we consistently uphold the principle of rational utilization and fully support employees in using office supplies efficiently for work needs. We vigorously promote the application of paperless and online office models, encouraging employees to use double-sided printing when document printing is necessary, thereby effectively conserving office paper and minimizing unnecessary paper waste. Meanwhile, when purchasing paper, we prioritise paper with environmental certifications to implement our green philosophy.

Emission Management

Jacobio strictly complies with relevant laws and regulations, including the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, and the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*. We have formulated internal management systems such as the *Regulations for the Prevention and Control of Air Pollution, Waste Management System*, and *Safety Management System for Dangerous Chemicals in Laboratory* to clarify management methods for various emissions. We control pollutant emissions through measures such as process improvement, regular testing, retrofitting of environmental protection facilities, and routine maintenance.

Exhaust Gas Management

Jacobio's emission of exhaust gas mainly come from the relevant processes and operations in experiments. We have ventilation hoods in places where emissions may occur during experimental synthesis and analysis. The ventilation hoods are connected to activated carbon exhaust treatment devices, and the emissions are discharged into the atmosphere after meeting the standards. In 2025, we conducted emissions testing at the emission outlet, and the results all met national standards.

Environmental, Social and Governance Report

To ensure compliance with emission standards for daily operations, we regularly replace the activated carbon, conduct equipment inspections, and maintenance on the treatment system to ensure proper operation.

In 2025, the Company's air emissions were as follows:

Exhaust gas emission indicators	Data for 2025
Non-methane hydrocarbons	0.03 (Tonnes)
Particulate matter	0.01 (Tonnes)
Ammonia	0.02 (Tonnes)
Hydrogen sulfide	0.0009 (Tonnes)

Wastewater Management

Jacobio values wastewater management by regularly engaging qualified third-party testing agencies to conduct comprehensive and detailed analysis of wastewater quality. We closely monitor wastewater discharge dynamics, thoroughly assess potential environmental impacts of R&D activities, and ensure compliance with wastewater discharge standards. We are committed to reducing wastewater discharge, with a total of 2,150 tonnes in 2025, a year-on-year decrease of 469 tonnes.

Jacobio's wastewater mainly originates from laboratory activities and daily life. Laboratory wastewater, which is relatively small in quantity, is collected and treated by qualified third-party providers. Domestic wastewater is discharged into the community septic tank for treatment as required, and once it meets the standards, it is then discharged into the municipal sewage system.

In 2025, the Company's wastewater discharge were as follows:

Wastewater discharge indicators	Data for 2025
Total wastewater discharge	2,150 (tonnes)
Chemical oxygen demand (COD)	0.19 (Tonnes)
Ammonia nitrogen	0.008 (Tonnes)
Five-day biochemical oxygen demand (BOD_5)	0.06 (Tonnes)
Suspended solids (SS)	0.14 (Tonnes)

Environmental, Social and Governance Report

Waste Management

Jacobio strictly complies with the requirements of laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and the *National Directory of Hazardous Wastes*. We have established a waste management system, formulated the *Management Regulations on the Prevention and Control of Environmental Pollution by Solid Waste*, and set up an EHS department responsible for managing and controlling the waste generated by the Company.

The harmless waste we generate mainly includes household garbage and office consumables. In terms of household waste management, we strictly adhere to relevant regulations in the operating area, carefully classify household waste, and transfer it to the park property management for proper disposal. For electronic waste such as hard drives and computers, we prioritise recycling to minimize the actual generation of electronic waste, promoting efficient resource utilization and sustainable development.

The hazardous waste we generate mainly includes medical waste and waste liquid produced during the experimental process, as well as hazardous consumables such as waste toner cartridges and fluorescent tubes. In handling hazardous waste, we strictly follow the different types of waste, use different containers for collection, weighing, and labelling, preprocess them, properly transfer them to the corresponding temporary storage area, and hand them over to qualified third parties for transportation and disposal.

To reduce waste emissions, we have implemented the following measures:

- Household waste:
  - ✓ Encouraging employees to dine in the cafeteria, reducing takeout orders, and minimizing the generation of household waste
  - ✓ Classifying waste to maximize the retention of recyclables
- Hazardous waste:
  - ✓ Strictly controlling the procurement quantity of chemical reagents, implementing centralized procurement measures to ensure the minimum storage level necessary for normal conduct of experimental activities at Jacobio
  - ✓ Enhancing the utilization efficiency of chemical reagents in experimental activities

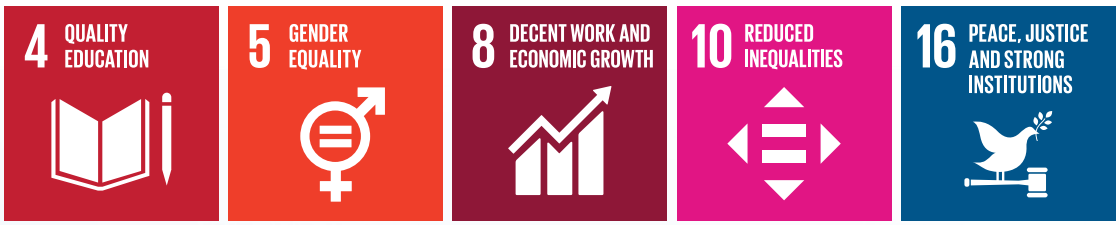
Environmental, Social and Governance Report

In 2025, the Company's waste emissions were as follows:

Waste emission indicators	Data for 2025
Total hazardous waste discharge	52.59 (Tonnes)
Hazardous waste per capita	0.27 (Tonnes/capita)
Hazardous waste per square meter of floor space	0.004 (Tonnes/m^2)
Total non-hazardous waste discharge	8.27 (Tonnes)
Non-hazardous waste per capita	0.04 (Tonnes/capita)
Non-hazardous waste per square meter of floor space	0.0006 (Tonnes/m^2)

EMPOWER EMPLOYEES AND MARCH FORWARD IN PURSUIT OF DREAMS

Alignment with UN SDGs



Important issues

- Basic Rights of Employees
- Occupation Health and Safety
- Talent Training and Development
- Talent Attraction and Retention
- Employee Diversity

Jacobio always adheres to the concept of "People-oriented", upholds the principle of diversified employment, comprehensively protects the legitimate rights and interests of employees, constructs a multi-level career development system, balances employees' work and life, and strives to create an equal, inclusive, comfortable, and safe working environment.

Environmental, Social and Governance Report

Employee Employment

Compliant Employment

Jacobio strictly follows relevant laws and regulations, including the *Labor Law of the People's Republic of China,* the *Labor Contract Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China*, the *Law of the People's Republic of China on Safeguarding the Rights and Interests of Women*, and the *Special Rules on the Labor Protection of Female Employees*, to establish and maintain employment relationships with employees in accordance with the law. The Company has formulated and implemented internal management systems such as the *Employee Handbook and Performance Feedback and Appeals*, which clearly standardize matters such as recruitment, remuneration and benefits, attendance and leave, performance communication, and grievance mechanisms to safeguard the legitimate rights and interests of employees.

The Company adheres to employment principles of open recruitment, fair competition, and merit-based selection, and opposes any form of discrimination and harassment. During the recruitment and employment process, employees are not treated differently based on factors such as ethnicity, race, age, gender, religious beliefs, or marital status. Neutral terminology is consistently used in recruitment advertisements to avoid descriptions that might trigger discrimination or cause misunderstanding. Through institutional documents such as the Code of Conduct, the Company explicitly requires employees to maintain mutual respect at work and prohibits any form of discrimination, harassment, or misconduct.

The Company strictly prohibits the employment of child labor and forced labor. During recruitment and onboarding, the Company verifies employee identity information and explicitly stipulates employment age standards in the *Employee Handbook* and recruitment requirements to prevent the risk of child labor. The Company respects employees' work intentions and labor rights, implements the standard working hour system in accordance with the law, and guarantees employees' rights to reasonable working hours, rest, and leave. Should any non-compliance such as child labor or forced labor be discovered, the Company will terminate the labor relationship and conduct an investigation and handling process in accordance with laws and regulations. During the reporting period, no incidents of child labor, forced labor, discrimination, or harassment occurred.

Employee Diversity

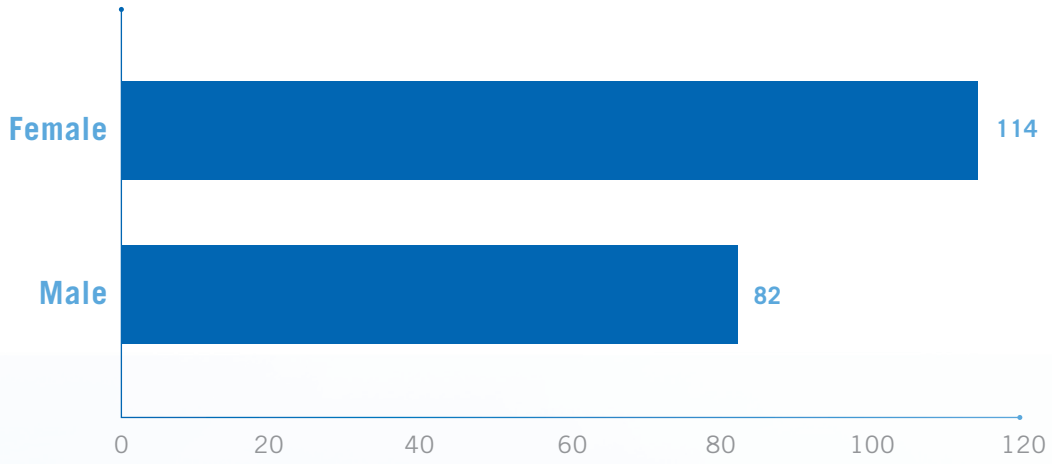
Jacobio pays close attention to the diverse composition of its workforce during recruitment and employment. We attract talents from different professional backgrounds, regions, and age groups through various channels such as the Company's official website, campus recruitment, and recruitment platforms, forming a relatively diversified employee structure.

In employment practices, the Company focuses on job competency and work requirements in position setting and daily management, avoiding unnecessary distinctions based on employees' personal characteristics. During the reporting period, the Company had a total of 196 active employees, including 2 employees with disabilities (1 male and 1 female). In accordance with relevant laws and regulations, the Company provides equal employment opportunities and basic labor protection for these employees.

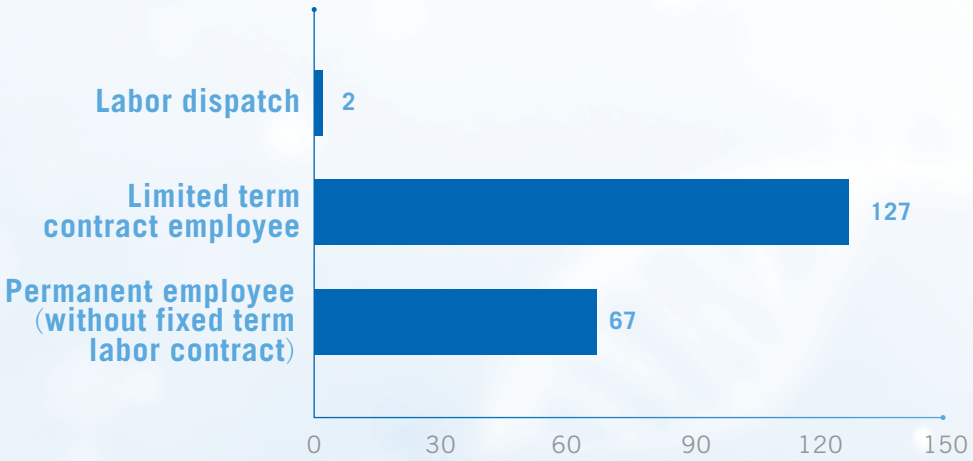
Environmental, Social and Governance Report

During the reporting period, the composition of the Company's employees by gender, employment type, age, region, and rank is as follows:

The number of employees-by Gender

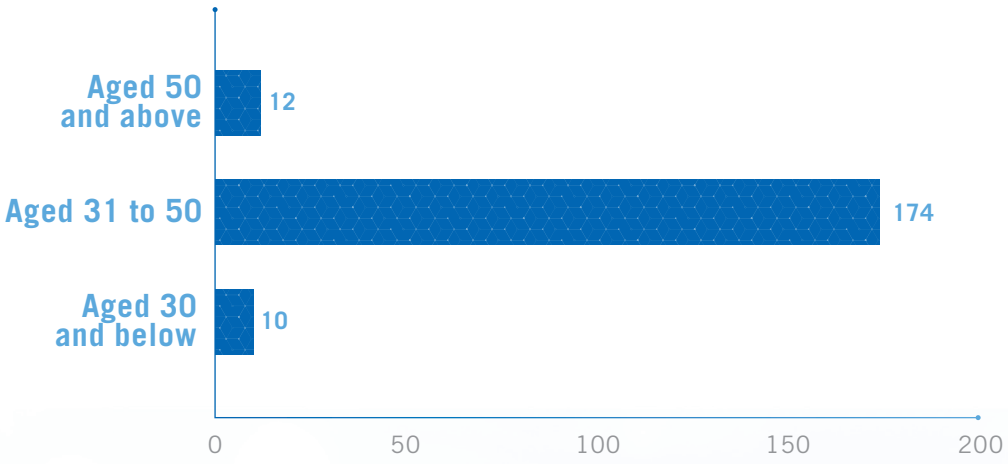


The number of employees-by employment type

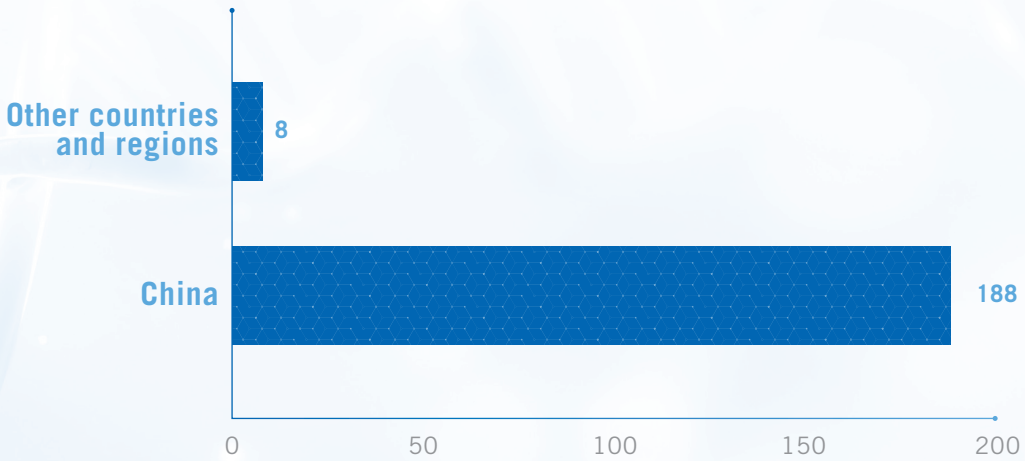


Environmental, Social and Governance Report

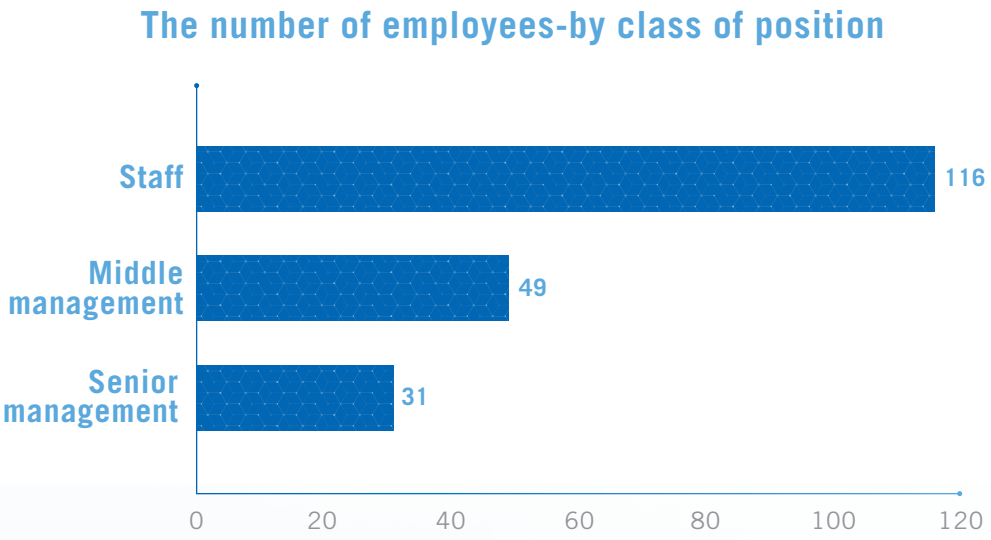
The number of employees-by age



The number of employees-by region



Environmental, Social and Governance Report

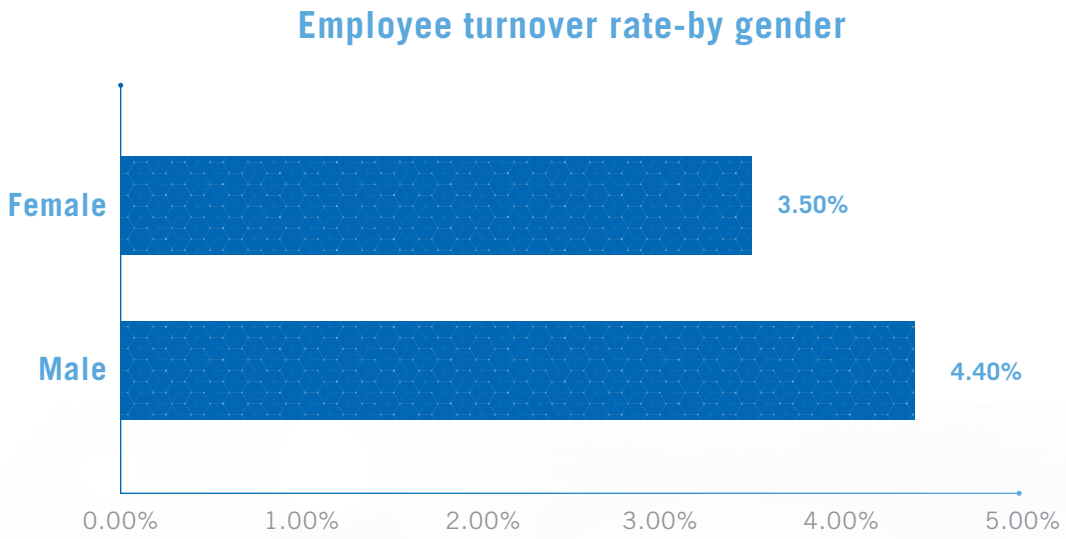


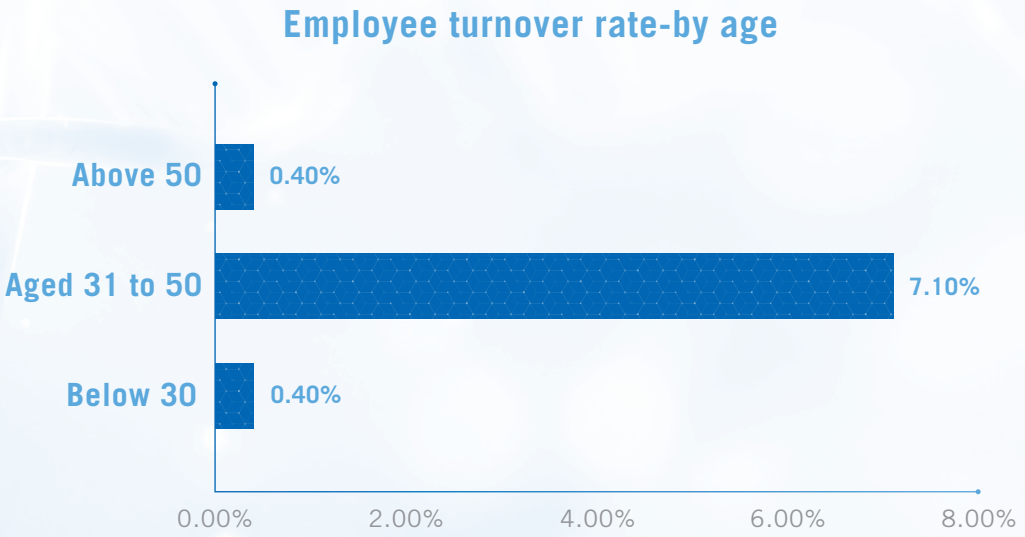
Employee Retention

Jacobio regards talents as the most valuable asset of the Company, committed to effectively attracting and retaining talents through various measures such as improving employment standards, optimizing compensation and benefits systems, providing multidimensional development opportunities, enhancing employee communication, and talent exchange visits. In talent selection, cultivation, and retention, we strive to achieve the best match of talents and positions, fully tap into the potential of each employee, and provide a broad stage for them to showcase their talents. Additionally, we sign non-compete agreements with key employees, maximizing the positive impact of such agreements on employee retention through reasonable clause design and appropriate incentive measures.

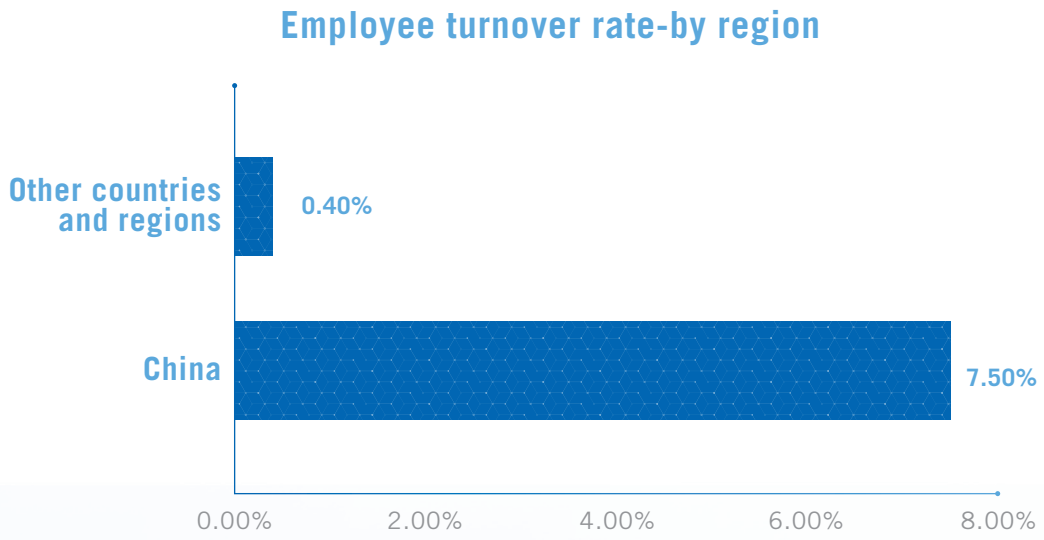
Environmental, Social and Governance Report

During the reporting period, the Company had 26 new employees, and the employee turnover rate was 7.9%. The Company's employee turnover rate broken down by different categories is as follows:





Environmental, Social and Governance Report



Employee Development and Training

Employee Promotion

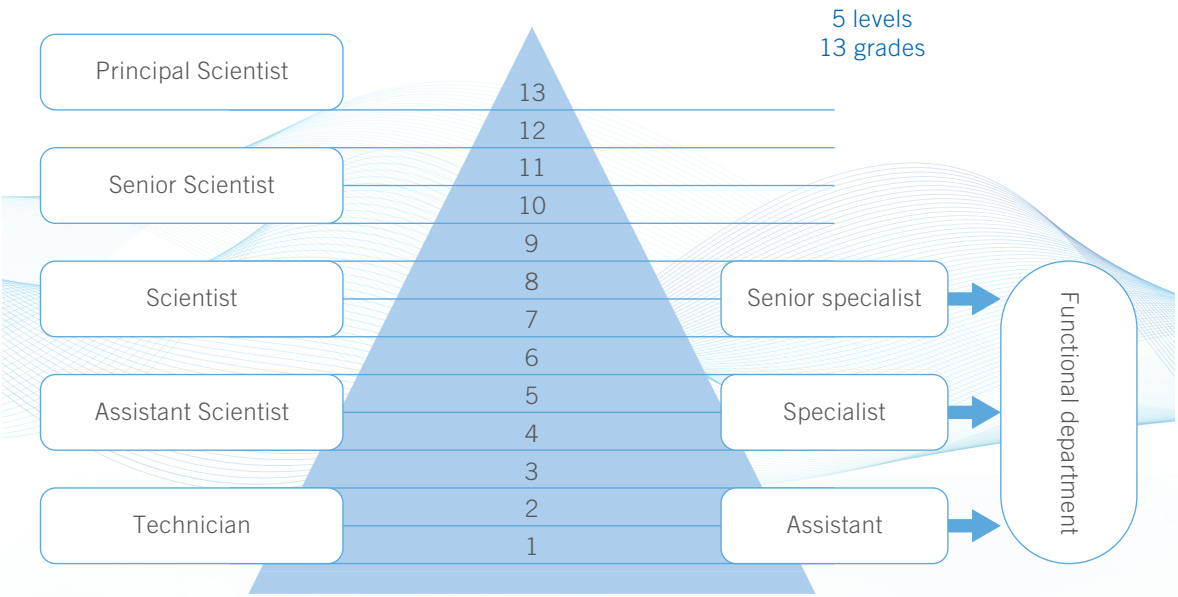
Jacobio pays close attention to the development of every employee, values the potential demonstrated by employees in different positions, and is committed to providing clear and stable career development paths.

Every year, we conduct technical rank and administrative level evaluations for research and management personnel. We carry out regular talent reviews by comprehensively considering the Company's development needs alongside employees' overall quality and competence. Through this process, we map out clear promotion channels, helping employees gain a thorough understanding of their career progression paths.

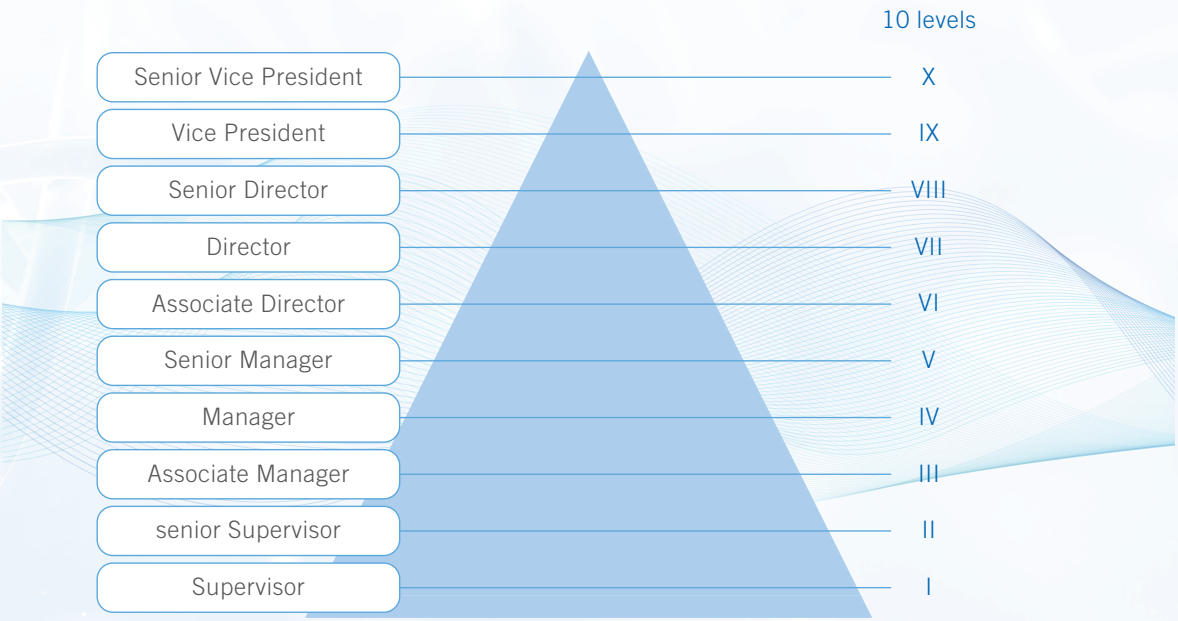
We have formulated the *Promotion Management System* to standardize promotion management by clarifying promotion criteria, level classifications, and other details. To meet the diverse career development needs of our employees, we have established a "Dual-Track" promotion mechanism where technical and administrative paths run in parallel, providing abundant opportunities for advancement.

The technical channel includes five levels: Principal Scientist, Senior Scientist, Scientist, Assistant Scientist, Technician, divided into 13 grades. The managerial channel includes ten levels such as Senior Vice President, Vice President, and Senior Director.

Environmental, Social and Governance Report



Technical Channel Promotion Path



Managerial Channel Promotion Pathway

Environmental, Social and Governance Report

Employee Training

Jacobio is committed to providing employees with opportunities for training and growth, helping them fully realize their business potential and management capabilities. We also advocate for the establishment of learning and sharing mechanisms to accumulate organizational wisdom. Employees can proactively apply for relevant training resources through various courses organized by the Company or their departments, based on their specific job requirements and personal development needs.

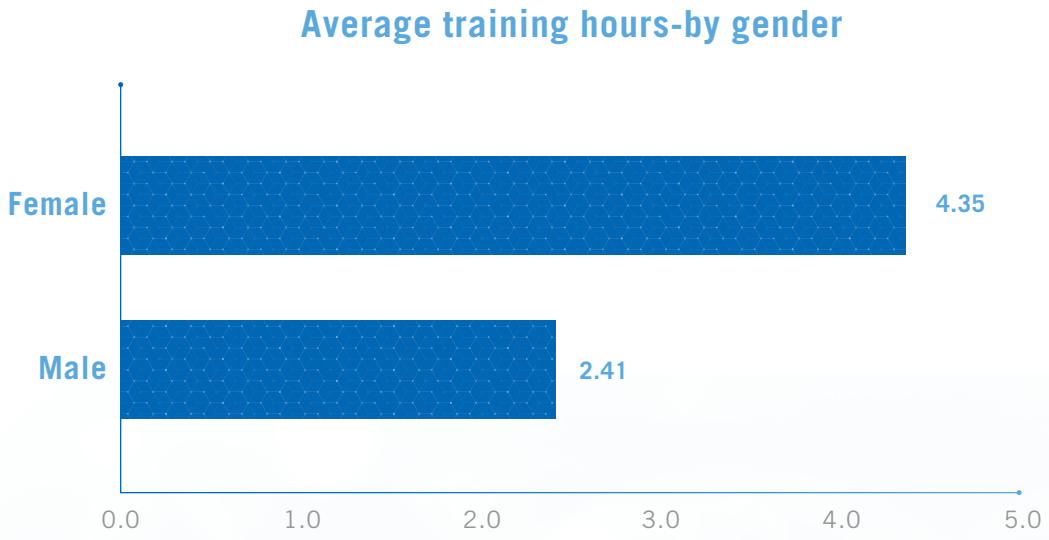
Our training system consists of two major components: internal and external training. Internal training primarily includes induction training and on-the-job training. Induction training covers corporate culture, company policies, workplace etiquette, intellectual property (IP), and safety management. On-the-job training involves professional technical sessions provided by various departments based on work requirements; employees unable to attend may request training materials from the Human Resources Department for self-study.

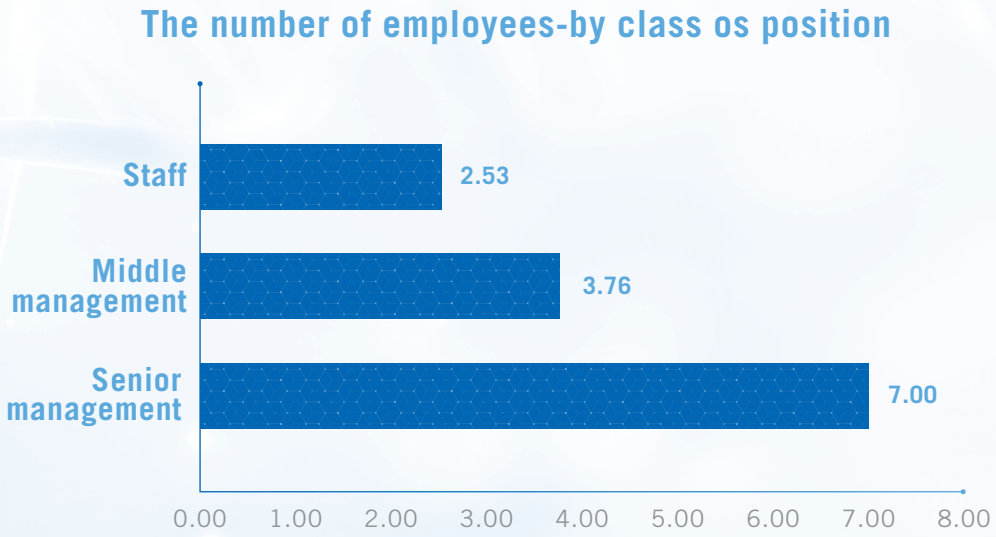
Regarding external training, the Company encourages employees to participate in professional qualification certifications, continuing education, external courses, professional title assessments, overseas study tours, and academic degree education. The Company reimburses relevant training expenses in accordance with corporate policies to enhance employees' professional skills and overall quality.

During the reporting period, the Company conducted various training activities covering new employee orientation, professional technical training, and management capability enhancement. A total of RMB98,578 was invested in training to support employee capacity building.

Environmental, Social and Governance Report

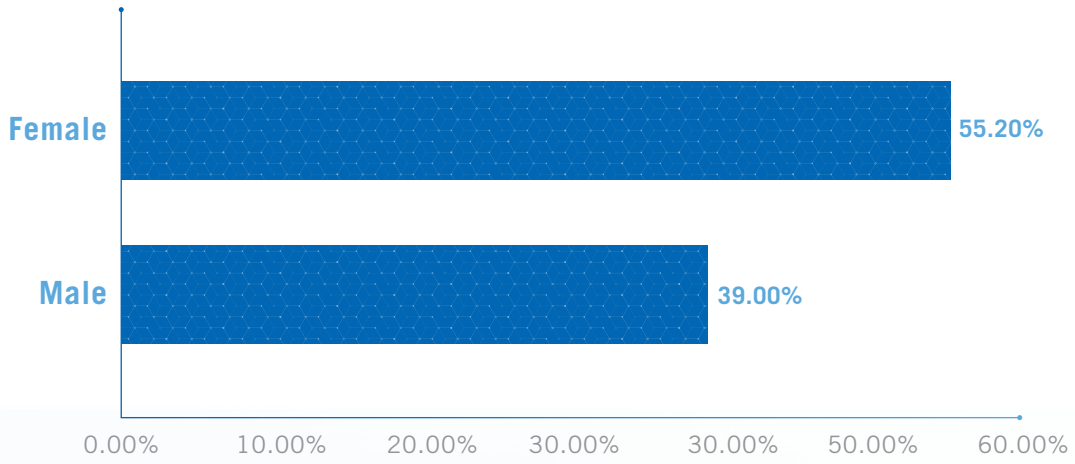
During the reporting period, the total training hours for company employees were 694 hours, with an average training duration per person of 3.54 hours. The average training duration and percentage breakdown by gender and job level are shown in the following chart:



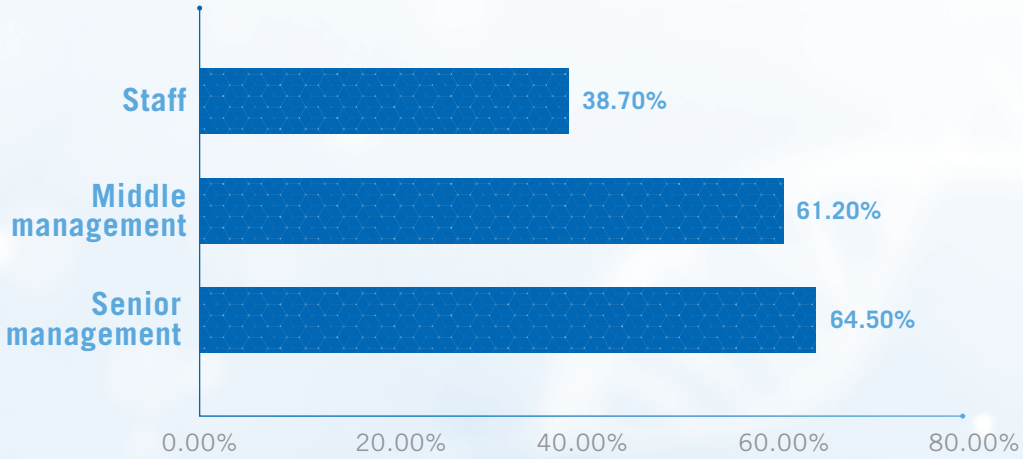


Environmental, Social and Governance Report

The percentage of employees trained-by gender



The percentage of employees trained-by class of position



Environmental, Social and Governance Report

Employee Care and Communication

Employee Compensation and Benefits

Jacobio strictly complies with international and local laws and regulations to establish a compensation and benefits management system aligned with the Company's development stage. The Company clearly defines salary management and benefit arrangements in the *Employee Handbook* to provide employees with fair and transparent rewards. The Company's compensation structure consists of basic salary, performance-based pay, year-end bonuses, and project bonuses. To ensure the fairness of the performance management process, the Company has formulated and implemented the *Performance Feedback and Appeals* system, clarifying the processes for performance communication and appeals. If an employee disagrees with their performance evaluation results, they may submit a written appeal to the Human Resources Department, which will review the case in accordance with regulations and provide written feedback on the outcome.

Regarding employee benefits, in addition to providing statutory benefits and leave in accordance with the law, the Company offers various internal benefit arrangements based on actual conditions to support employees' needs at different career stages. During the reporting period, a total of 18 employees took maternity leave, 12 of whom completed their leave and returned to work as scheduled within the year, representing a 100% return-to-work rate.

Our Benefit Policies:

- Five social insurance and housing fund
- Commercial insurance
- Meal allowance for work
- Paid leave (annual leave, sick leave, marriage leave, maternity leave, paternity leave, parental leave, etc.)
- Annual health check-up
- Annual travel expansion
- Holiday gifts
- Hospitalization allowance
- Club activities

Environmental, Social and Governance Report

Employee Care

Jacobio cares about the workplace experience and well-being of every employee. By organizing employee activities, we promote communication and collaboration among colleagues, fostering a stable and open working atmosphere while enhancing team cohesion. These activities are conducted on a voluntary basis and tailored to employees' actual situations, aiming to improve their sense of happiness and belonging at Jacobio. During the reporting period, the Company organized activities such as fitness walks and hotpot camping to enrich employees' leisure time and facilitate team interaction.

Case: Dragon Boat Festival Hike: Strengthening "Jacobio" Momentum

On May 30, 2025, ahead of the Dragon Boat Festival, the Company organized a park hiking activity for employees. The event aimed to encourage moderate exercise and alleviate physical strain caused by prolonged sitting, supporting employees in maintaining a healthy work-life balance.

Employee Communication

Jacobio implements the concept of democratic management, actively builds multi-dimensional communication channels, listens to employees' voices, and maintains effective communication with them. We have established a labor union organization to serve as a two-way communication bridge for employees. Employees can participate in democratic management through the labor union organization, which also fully protects their legal rights and interests. By 2025, the labor union covers 174 employees. Additionally, employees can voice their opinions and suggestions through internal company networks, enterprise WeChat, employee suggestion boxes, "Ask the Boss" meetings, "Our Voice" email, and other platforms to participate in company management.

Employee Health and Safety

Production Safety

Jacobio is committed to creating a safe and healthy working environment. We strictly adhere to relevant laws and regulations, such as the *Work Safety Law of the People's Republic of China*, and the *Regulation on Work-Related Injury Insurance*, as well as industry guidelines. We have established a comprehensive safe production management system by formulating policies including the *Management Manual of Production Safety, Hazardous Chemicals Management System, the Laboratory Personal Safety Protection, Laboratory Personal Safety Protection, Use and Maintenance manual of Instrument Equipment in Synthetic Room, Special Plan for Fire Accidents*, and *Special Plan for Hazardous Chemicals Accidents* to establish a comprehensive safety production management system.

We actively fulfill the main responsibility for safety production. In the operational locations in China and the United States, we have established an EHS management team and a Health and Safety Committee, clearly defining the safety production management responsibilities of relevant departments and team leaders. The Health and Safety Committee is composed of the Company's key executives, EHS specialists, and safety officers from various departments, responsible for coordinating and managing safety work in each department, and convening an meeting quarterly.

To effectively implement safe production and strengthen the promotion of a safety culture, we regularly conduct safe production inspections and hazard screenings, formulate annual safe production training plans, and carry out relevant training activities. Additionally, the Company organizes "Safety Month" publicity and education activities as well as emergency drills.

Environmental, Social and Governance Report

In 2025, we formulated and achieved the following safe production targets:

- Zero work-related accidents resulting in serious injuries or fatalities
- The rectification rate of hidden safety hazards in production accidents is 100%
- 100% participation and qualification rate in occupational safety training

Occupational Health and Safety

We strictly adhere to relevant laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, Law of the People's Republic of China on the Prevention and Treatment of Infectious Diseases*, and *Technical Specifications for Occupational Health Surveillance*. We have established internal management systems including the *Occupational Disease Prevention and Control Responsibility System, Occupational Health Operation Regulations, Occupational Disease Protection Equipment Management System, Occupational Disease Hazard Emergency Rescue and Management System*, and *Maintenance and Overhaul System for Occupational Disease Protection Facilities*. These measures have helped us establish a comprehensive system for OHS management and promote the work in an orderly manner.

We identify, analyse, and control occupational disease hazard factors and adopt effective occupational disease protective facilities. As a new drug R&D enterprise, we are well aware of the risks employees may face from exposure to hazardous chemicals during the research process. Therefore, we have implemented strict safety protection measures in hazardous chemical laboratories, such as installing fume hoods and universal suction hoods, emergency shower systems and eyewash stations, and equipping laboratories with fire sand and liquid absorbent cotton, to fully safeguard the OHS of every employee.

During the reporting period, we proactively conducted on-site inspections and inquiries to identify OHS risks, and implemented measures such as hardware improvements, upgrades, and system updates to effectively manage and control these risks.

Key Performance: During the reporting period, our total investment in OHS amounted to RMB100,201.08, and no occupational disease incidents occurred.

Environmental, Social and Governance Report

SHOULDER RESPONSIBILITIES AND MOVE FORWARD HAND IN HAND

Alignment with UN SDGs

Important issues

- Supply Chain Management
- Community Investment
- Driving Industry Development

Jacobio continues to enhance supply chain management, committed to collaborating with suppliers to build a sustainable supply chain. We consider social responsibility as a crucial pillar for our sustainable development, actively engage in industry dialogues, and participate in social welfare activities to contribute to societal progress.

Supply Chain Management

Jacobio has closely aligned with the Company's actual situation and established internal management systems such as *Supplier Management System, Goods Procurement Management System*, and *Contractor Management System* to standardize supplier lifecycle management, physical and service procurement processes, and promote sustainable development of the supply chain.

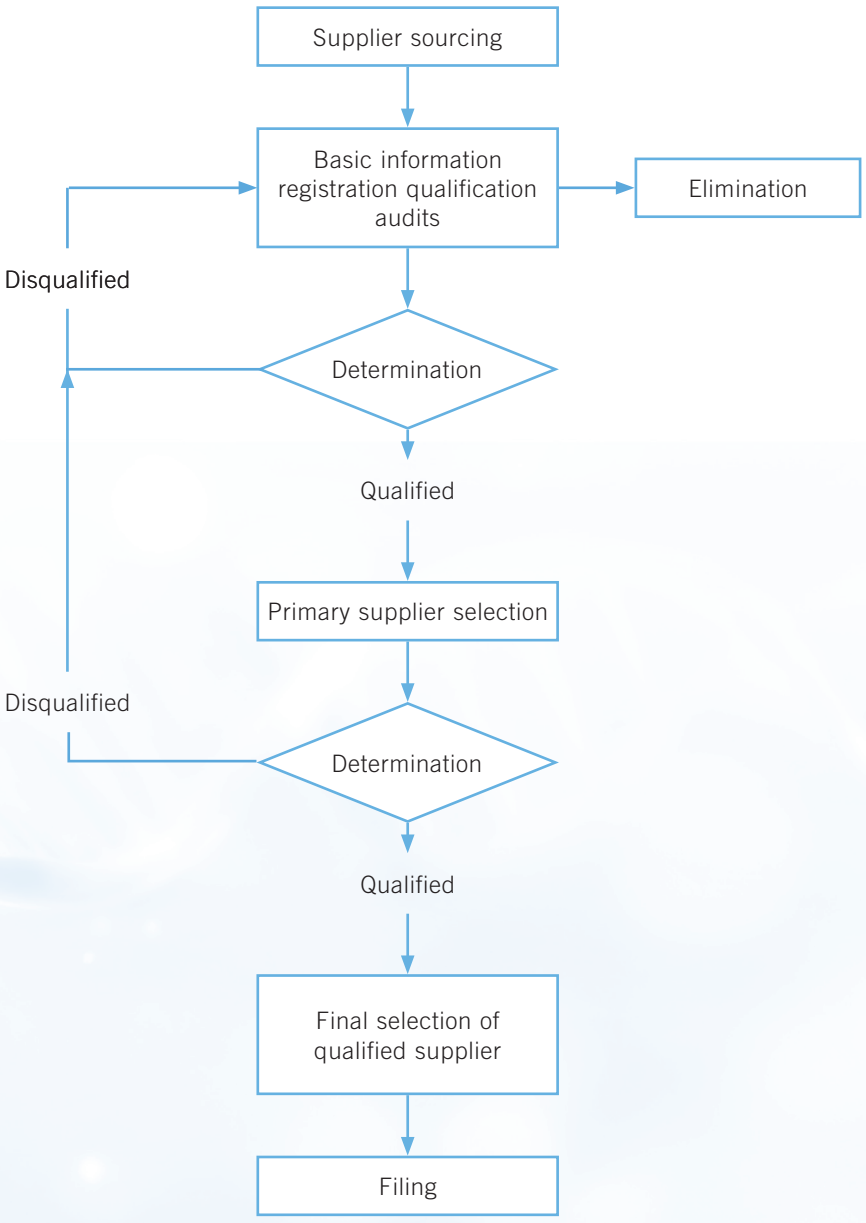
Supplier Admission

The Company has formulated and implemented the *Supplier Management System* to exercise full-process management over the sourcing, admission, evaluation, and phase-out of suppliers. In the sourcing stage, we specify that the procurement department takes the lead in organizing related activities. The procurement department categorises potential suppliers into production and research, fixed assets, services, intangible assets, and office supplies based on supplier types and characteristics.

When conducting supplier investigations and qualification audits, procurement personnel comprehensively evaluate multiple key factors, including but not limited to corporate background, business qualifications, production capacity, product quality, service levels, integrity and compliance status, and sustainability performance. Meanwhile, to identify potential environmental and social risks of suppliers, the Company strictly executes qualification review procedures, focusing on the construction of their EHS management systems and requiring the provision of corresponding supporting materials. To promote the sustainable development of the supply chain, the Company continues to adopt the "Three-Way Competitive Bidding" procurement principle to select suppliers with excellent comprehensive capabilities, giving priority to partners that meet national environmental protection requirements and provide eco-friendly products under equal conditions. Suppliers who pass the audit and meet the standards are included in the Qualified Supplier List.

Environmental, Social and Governance Report

Key Performance: During the reporting period, the Company completed onboarding qualification audits 79 suppliers, including 72 from Chinese Mainland, 2 from Hong Kong, China, and 5 from overseas.



Supplier Audit Process

Environmental, Social and Governance Report

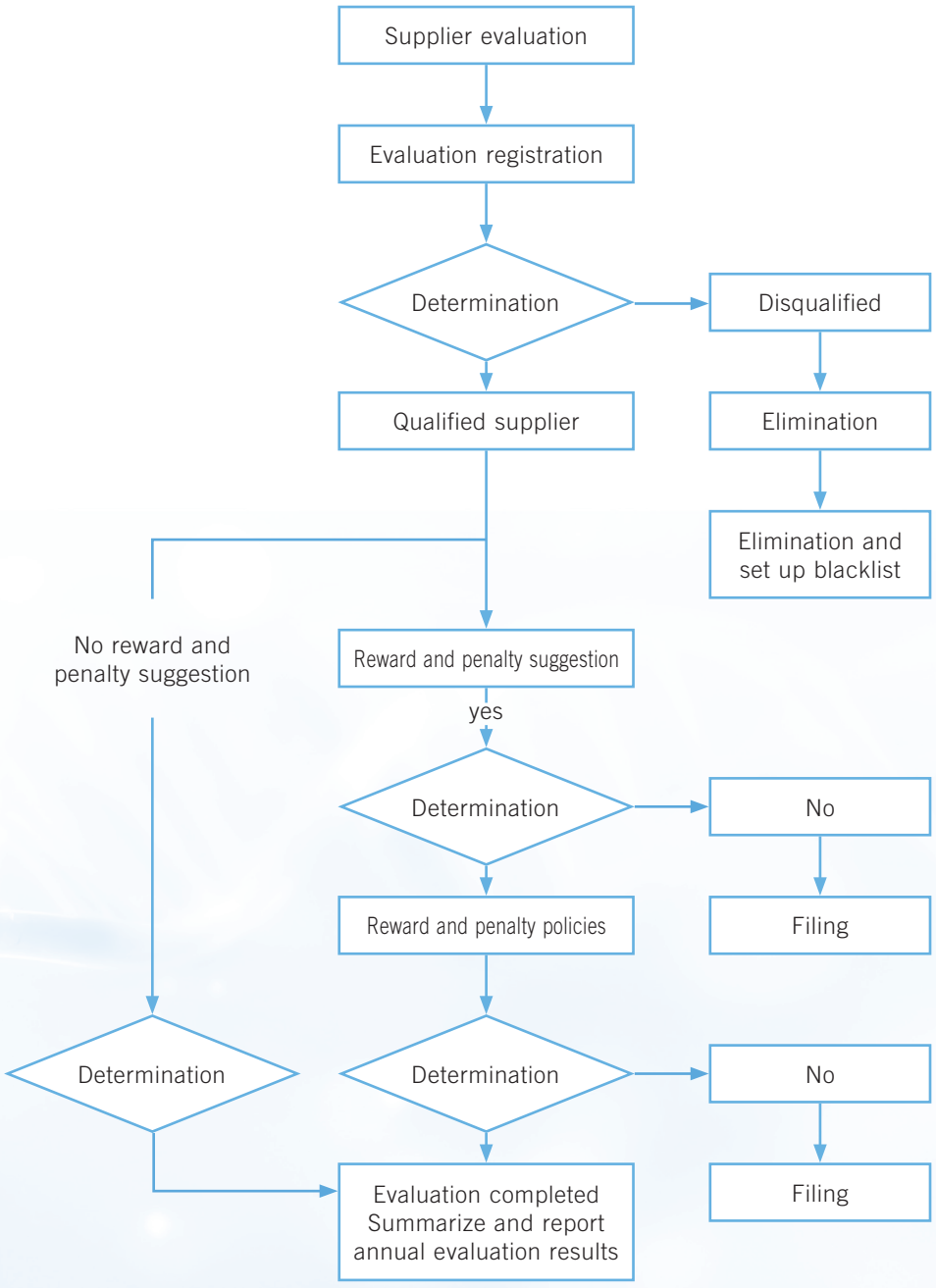
Supplier Evaluation

Jacobio manages qualified suppliers through the implementation of an annual assessment and evaluation mechanism. The procurement department, as the executing body of the assessment, rigorously evaluates and assesses suppliers comprehensively based on the *Supplier Assessment Form* from multiple dimensions. The assessment content covers a wide range of key business areas such as quality control, cost management, service alignment, etc., to comprehensively measure the supplier's performance.

Based on the assessment results of suppliers, we have established a tiered management system and implemented corresponding reward and penalty mechanisms for suppliers at different levels.

Evaluation Results of Suppliers	Excellent	Good	Average	Poor
Reward and penalty policies	• Establish long-term cooperation • Provide more cooperation opportunities • Provide written recognition	• Provide more cooperation opportunities while ensuring a reasonable supplier layout	• Assist or punish suppliers based on their situations	• Elimination

Environmental, Social and Governance Report



Supplier Evaluation Process

Environmental, Social and Governance Report

Corporate Social Responsibility

Industry Dialogue

While pursuing its own development, Jacobio actively participates in industry-wide exchanges and collaborations. We conduct external communication centered on the progress of innovative drug R&D and industrial synergy to drive innovation and progress in the pharmaceutical industry and promote the prosperity of the entire sector.

Case: Participating in the AACR-NCI-EORTC International Conference

In October 2025, Jacobio presented the preliminary clinical data of its pan-KRAS inhibitor JAB-23E73 at the AACR-NCI-EORTC International Conference. This facilitated academic exchange and technical discussions with international scientific peers, helping to advance the R&D and collaborative alignment of the Company's core innovative drug pipeline.

Science Communication

As an enterprise with innovative drug R&D as its core business, Jacobio leverages its professional advantages to participate in social responsibility practices through science communication and health education. The Company believes that providing the public with accurate and easy-to-understand knowledge related to medicine and R&D helps enhance societal awareness of disease prevention and control, clinical research, and the innovative drug R&D process. This represents a highly relevant and sustainable way for the Company to contribute to society.

The Company has established the “Science Bites” column on its WeChat official account and opened sections such as “Academic Publications” and “Patient Corner” on its official website to share popular science content related to disease awareness, clinical research, and innovative drug R&D with the public, promoting the standardised dissemination of medical knowledge. During the reporting period, the Company publicly shared 4 frontier academic research results on its official website to support the understanding of relevant disease mechanisms and treatment pathways by the academic community and the public. The Company has not yet systematically carried out offline public welfare or volunteer activities.

Environmental, Social and Governance Report

APPENDIX TO THE REPORT

ESG Key Performance Indicators

Key performance	Unit/Category	2025	2024	2023
Environmental				
Exhaust Gas[1]				
Non-Methane Hydrocarbon	Tonnes	0.03	0.08	0.09
Total Ammonia Emissions	Tonnes	0.02	0.05	0.00
Particulate Matters	Tonnes	0.01	0.05	0.0002
Hydrogen Sulfide	Tonnes	0.0009	0.005	/
Wastewater				
Total Wastewater[2]	Tonnes	1,697.00	2,619.00	4,133.00
Chemical Oxygen Demand (COD)	Tonnes	0.19	0.05	0.11
BOD_5	Tonnes	0.06	0.02	/
Suspended Solid	Tonnes	0.14	0.02	/
Ammonia Nitrogen	Tonnes	0.008	0.001	0.003
Greenhouse Gas[3]				
Direct GHG Emissions (Scope 1)	tCO_2e	5.98	17.05	33.98
Indirect GHG Emissions (Scope 2)	tCO_2e	1,237.14	1,162.97	1,476.44
Total GHG Emissions (Scope 1 and Scope 2)	tCO_2e	1,243.12	1,180.02	1,510.42
GHG Emissions per Capita	tCO_2e/Capita	6.34	4.59	5.23
GHG Emissions per Square Meter of Floor Space	tCO_2e/m^2	0.08	0.08	0.07
Waste				
Total Hazardous Waste Discharges	Tonnes	52.59	49.08	57.98
Hazardous Waste per Capita	Tonnes/Capita	0.27	0.21	0.21
Hazardous Waste per Square Meter of Floor Space	$Tonnes/m^2$	0.004	0.003	0.003
Total Non-Hazardous Waste Discharges[4]	Tonnes	8.27	7.12	8.26
Non-Hazardous Waste per Capita	Tonnes/Capita	0.04	0.03	0.03
Non-Hazardous Waste per Square Meter of Floor Space	$Tonnes/m^2$	0.0006	0.0005	0.004
Energy Consumption[5]				
Total Energy Consumption	MWh	2,395.93	2,197.40	2,803.83
Direct Energy Consumption – Gasoline	MWh	22.83	65.74	130.82
Indirect Energy Consumption – Purchased Electricity	MWh	2,209.17	1,828.84	2,397.40
Indirect Energy Consumption – Purchased Heat	MWh	163.94	302.82	275.61
Energy Consumption per Capita	MWh/Capita	12.22	8.55	9.70
Energy Consumption per Square Meter of Floor Space[6]	MWh/m^2	0.16	0.15	0.12
Water				
Total Water Consumption[7]	Tonnes	2,150	3,699	5,118
Water Consumption per Capita	Tonnes/Capita	11.44	15.74	19.39
Water Consumption per Square Meter of Floor Space	$Tonnes/m^2$	0.15	0.26	0.23

Environmental, Social and Governance Report

Social					
Employment and Diversity					
Total Number of Employees		Person	196	257	301
Gender	Male	Person	82	100	105
	Female	Person	114	157	196
Employment Type	Permanent Employee (Open-Ended Work Contracts)	Person	67	62	54
	Limited Term Contract Employee	Person	127	191	242
	Labor Dispatch	Person	2	4	5
Age	Aged 30 and Below	Person	12	37	69
	Aged 31 to 50	Person	174	209	222
	Aged 50 and Above	Person	10	11	10
Region	China	Person	188	248	291
	Other Countries and Regions	Person	8	9	10
Class of Position	Senior Management	Person	31	38	32
	Middle Management	Person	49	69	60
	Staff	Person	116	150	209
Employee Turnover Rate[8]					
Gender	Male	%	4.40	1.90	19.50
	Female	%	6.20	6.20	11.22
Age	Aged 30 and Below	%	0.40	1.90	20.29
	Aged 31 to 50	%	7.10	6.20	12.16
	Aged 50 and Above	%	0.40	0.00	10.00
Region	China	%	7.50	5.80	13.06
	Other Countries and Regions	%	0.40	2.30	40.00
Occupational Health and Safety					
Total Number of Work-related Fatalities		Person	0	0	0
Rate of Work-related Fatalities		%	0.00	0.00	0.00
Lost Days Due to Work-related Injury		Day	0	42	0
Employee development and training					
Percentage of Employees Trained	Male	%	39.00	27.00	92.20
	Female	%	55.20	26.80	95.50
	Senior Management	%	64.50	89.00	100.00
	Middle Management	%	61.20	37.70	93.50
	Staff	%	38.50	11.30	93.70
Average Training Hours per Capita	Male	Hour	2.41	2.03	5.20
	Female	Hour	4.35	3.12	5.40
	Senior Management	Hour	7.00	7.89	10.66
	Middle Management	Hour	3.76	4.60	6.37
	Staff	Hour	2.53	0.49	4.25

Environmental, Social and Governance Report

Key performance	Key Performance	Unit/Category	2025	2024	2023
Supply chain Management					
Total Number of Suppliers		Number	1,771	1,692	1,572
Region	Chinese Mainland	Number	1,626	1,554	1,440
	Hong Kong, Macau, and Taiwan of China	Number	11	9	7
	Other Countries and Regions	Number	134	129	125
Product Responsibilities					
The Percentage of Products Recalled due to Safety and Health Issues		%	0.00	0.00	0.00
The Number of Complaints on Products and Service[9]		Time	0	0	0
Anti-corruption					
The Number of Concluded Cases Regarding Corrupt Practices		Number	0	0	0
The Number of Employees Participating in Anti-Corruption Training		Person	116	257	301
The Number of Directors Participating in Anti-Corruption Training		Person	7	7	8

1 The Company has a relatively small number of company-owned vehicles, resulting in lower emissions of nitrogen oxides, sulfur oxides.

2 During the reporting period, the wastewater discharge of our Company was disclosed based on the testing reports issued by qualified third-party professional testing institutions.

3 Jacobio's GHG inventory includes carbon dioxide, methane, and nitrous oxide. GHG emissions are presented in carbon dioxide equivalents. The emission factors for gasoline in Scope 1 are sourced from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories (2019 Revision) issued by the Intergovernmental Panel on Climate Change (IPCC). The electricity emission factor in Scope 2 is selected from the 2023 National Grid Average Emission Factors published by the Ministry of Ecology and Environment, PRC, and the emission factor for purchased steam is selected from the Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions of Enterprises in Other Industrial Industries.

4 Non-hazardous waste mainly comes from domestic waste and electronic waste. Domestic waste is treated by the property management Company, which cannot be calculated separately. We have estimated the domestic waste data in accordance with the *First National Census on Pollution Sources – Manual for Waste Generation and Discharge Coefficients in Urban Households* issued by the State Council of the People's Republic of China. As the total amount of non-hazardous waste generated by Jacobio's operating sites outside China was relatively small, it was not included in this statistical scope. The total amount of non-hazardous waste emissions and the per capita amount of non-hazardous waste only included those in China.

5 Conversion coefficient to standard coal is sourced from National Standards of the People's Republic of China General Principles for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020).

6 Due to the relatively small office space area in the United States, it is negligible and therefore not taken into account.

7 Except for our operation locations in Beijing, water consumption in other operation locations is controlled by the property management Company in the location, and water expenses are included in the property management fee. Water consumption cannot be calculated separately. Therefore, total water consumption and intensity of water consumption during this reporting period are only the data of the operation locations in Beijing. Water consumption per capita is the ratio of water consumption of Beijing operating sites to the number of employees at Beijing operating sites. Since the water resources used by the Company are from municipal water supply, we do not have any problem in obtaining suitable water resources.

8 In 2025, the statistical calibers for the employee turnover rate were all the voluntary turnover rate.

9 It refers to complaint incidents arising from product quality issues.

Environmental, Social and Governance Report

Key performance	Key Performance	Unit/Category	2025	2024	2023

Index of Indicators

Index Position		HKEX ESG Reporting Code Index Number and content	GRI Standards Index Number
About the Report		Reporting Principles, Reporting Scope	2-1、2-2、2-3、2-4
About Jacobio			
Compliant Operations and Enhanced Governance	Corporate Governance		2-9、2-10
	Compliant Operations	B6、B6.3、B6.5、B7、B7.1、B7.2	418-1、205-2、205-3
	ESG Governance	Governance Structure	2-22、2-29、3-1、3-2、3-3
Driven by Innovation, with Quality as the Foundation	Research and Development		
	Product Quality And Safety	B6、B6.1、B6.4	416-1、416-2、417-1、417-2、417-3
	Healthcare Accessibility		
	Customer Service	B6、B6.1、B6.2	416-2
Low-carbon Operations and Green Development	Environment Management System	A1、A1.5、A1.6、A2、A2.3、A2.4、A3、A3.1	302-4、302-5
	Climate Change Mitigation	A4、A4.1	102-4、102-5、102-6、102-7、102-8、201-2
	Resource Management	A2、A2.1、A2.2、A2.5、A3、A3.1	103-1、103-2、103-4、103-5、302-1、302-2、302-3、303-4、303-5
	Emission Management	A1、A1.1、A1.2、A1.3、A1.4	305-1、305-2、305-4、305-7、306-1、306-2、306-3
Empower Employees and March Forward in Pursuit of Dreams	Employment	B1、B1.1、B1.2、B4、B4.1、B4.2	2-7、401-1、405-1、406-1、408-1、409-1
	Employee Development and Training	B3、B3.1、B3.2	404-1、404-2
	Employee Care and Communication	B1	401-2、401-3
	Employee Health and Safety	B2、B2.1、B2.2、B2.3	403-1、403-2、403-3、403-4、403-5、403-6、403-7、403-10
Shoulder Responsibilities and Move Forward Hand in Hand	Supply Chain Management	B5、B5.1、B5.2、B5.3、B5.4	308-1、308-2
	Corporate Social Responsibility	B8、B8.1、B8.2	413-1

Environmental, Social and Governance Report

READER FEEDBACK FORM

To continuously enhance our ESG practices and improve our ESG management capabilities, we greatly value your feedback and suggestions.

Please assist in addressing the issues raised in the feedback form and provide your feedback using one of the following methods.

Address: Building 8, No. 105, Jinghai 3rd Road, Economic and Technological Development Zone, Beijing.

Phone: 010-56315466

Postal code: 100176

Your information	
Name	
Company	
Phone number	
Email	
Feedback	

1. What is your overall assessment of the Company's ESG Report?

   ○ Excellent ○ Good ○ Average

2. Do you think the Report adequately reflects the significant impact of ESG issues on the Company?

   ○ Yes ○ Common ○ Not Sure

3. How do you assess the clarity, accuracy, and completeness of the information, data, and metrics disclosed in the Report?

   ○ Very High ○ High ○ Moderate ○ Low ○ Very Low

4. What aspect of the Report are you most satisfied with?

   _____

5. What specific information would you like to further understand?

   _____

6. Do you have any suggestions for our future report publications?

   _____

Directors' Report

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

PRINCIPAL ACTIVITIES

The Company is an investment holding company, and its subsidiaries are principally engaged in the in-house discovery and development of innovative oncology therapies. An analysis of the Group's revenue and operating results for the year ended December 31, 2025, by its principal activities are set out in note 5 to the consolidated financial statements of the Group on pages 171 to 174 of this annual report.

There were no significant changes in the nature of the Group's principal activities since the Listing Date and up to the date of this report.

BUSINESS REVIEW

A fair review of the business of the Group as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), including an analysis of the Group's financial performance and an indication of likely future developments in the Group's business is set out in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" of this annual report. These discussions form part of this annual report. Events affecting the Company that have occurred since the end of the financial year are set out in the section headed "Important Events After the Reporting Period" in this annual report.

KEY RELATIONSHIP WITH STAKEHOLDERS

The Group recognizes that various stakeholders including employees, customers, suppliers and other business associates are key to the Group's success. The Group strives to cultivate long-term relationships with them. An account of the Company's key relationships with its employees, customers and suppliers, and others that have a significant impact on the Company is set out in the "Environmental, Social and Governance Report".

PRINCIPAL RISKS AND UNCERTAINTIES

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

- its financial position;
- its ability to obtain additional financing to fund its operations;
- its ability to develop and commercialize its drug candidates, all of which are in pre-clinical or clinical development;
- its ability to identify additional drug candidates;
- its success in demonstrating the safety and efficacy of its drug candidates to the satisfaction of regulatory authorities or producing positive results in its clinical trials;
- material aspects of the research, development, and commercialization of pharmaceutical products being heavily regulated;
- lengthy, time-consuming, and inherently unpredictable regulatory approval processes of the regulatory authorities for its drug candidates;
- competition in the pharmaceutical industry where the Group serves; and
- its ability to obtain and maintain patent protection for its drug candidate.

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

Directors' Report

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to fulfilling its social responsibility, promoting employee benefits and development, protecting the environment and giving back to the community, and achieving sustainable growth. A discussion on the Group's environmental policies and performance is set out in the Environment, Social and Governance Report of this annual report.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

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

FINANCIAL RESULTS

The results of the Group for the year ended December 31, 2025, are set out in the section headed "Management Discussion and Analysis" of this annual report and the consolidated statement of profit or loss and consolidated statement of comprehensive loss on pages 145 to 146 of this annual report.

FINANCIAL SUMMARY

A summary of the Group's results, assets and liabilities for the last five financial years is set out in the section headed "Five-Year Financial Summary" of this annual report. This summary does not form part of the audited consolidated financial statements of the Group.

ADVANCE TO ENTITY PROVIDED BY THE COMPANY

During the yar ended December 31, 2025, the Company had not provided any advance to an entity which is subject to disclosure requirement under Rule 13.20 of the Listing Rules.

DIVIDEND POLICY AND FINAL DIVIDEND

Subject to the laws of the Cayman Islands and the Articles of Association, the Company may in general meeting declare dividends in any currency but no dividends shall exceed the amount recommended by the Board, and no dividends will be declared or payable except out of the profits and reserves of the Company lawfully available for distribution including share premium. We do not currently have an expected dividend payout ratio. The determination to pay dividends will be made at the discretion of the Board and will be based upon our cash flow, financial condition, capital requirements, and any other conditions that our Directors deem relevant.

The Board did not recommend the payment of the final dividend for the year ended December 31, 2025 (December 31, 2024: NIL).

Directors' Report

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting ("**AGM**") of the Company is scheduled to be held on Friday, June 5, 2026. A notice convening the AGM will be published on both the website of the Stock Exchange (www.hkexnews.hk) and the Company (www.jacobiopharma.com) and despatched to the Shareholders (if requested). In order to determine the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, June 2, 2026 to Friday, June 5, 2026, both days inclusive, during which period no transfer of shares will be registered. All transfer documents of the Company accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Monday, June 1, 2026.

MAJOR CUSTOMERS AND SUPPLIERS

Major Customers

For the year ended December 31, 2025, the Group has one customer, as such, the Group's sales to five largest customers accounted for 100% and the Group's sales to single largest customer accounted for 100% for the year ended December 31, 2025.

During the year ended December 31, 2025, none of the Directors or any of their close associates or any Shareholders (which, to the knowledge of the Directors, own more than 5% of total issued Shares of the Company) had any interest in the Group's customer.

Major Suppliers

For the year ended December 31, 2025, the Group's five largest suppliers accounted for 35.4%, as compared to 42.4% of the Group's total purchases for the year ended December 31, 2024. The Group's single largest supplier accounted for 22.5% for the year ended December 31, 2025, as compared to 14.1% of the Group's total purchases for the year ended December 31, 2024.

During the year ended December 31, 2025, none of the Directors or any of their close associates or any Shareholders (which, to the knowledge of the Directors, own more than 5% of total issued Shares of the Company) had any interest in the Group's five largest suppliers.

PROPERTY, PLANT, AND EQUIPMENT

Details of movements in property, plant, and equipment of the Group during the year ended December 31, 2025, are set out in note 16 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements in the share capital of the Group during the year ended December 31, 2025, and details of the Shares Repurchased during the year ended December 31, 2025, are set out in note 28 to the consolidated financial statements.

RESERVES

Details of the movement in the reserves of the Group and of the Company during the year ended December 31, 2025, are set out on pages 148 in the consolidated statement of changes in equity and in the notes 29 and 41 to the consolidated financial statements.

Directors' Report

DEBENTURE ISSUED

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

FINANCIAL STATEMENTS

The results of the Group for the year ended December 31, 2025, and the state of the Group's financial position as at that date are set out in the consolidated financial statements on pages 145 to 147 of this annual report.

DIRECTORS

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

Name of director	Position
Dr. Yinxiang WANG	Chairman and Executive Director
Ms. Xiaojie WANG	Executive Director
Ms. Yunyan HU	Executive Director
Dr. Te-li CHEN	Non-executive Director
Dr. Ruilin SONG	Independent non-executive Director
Dr. Ge WU	Independent non-executive Director
Dr. Bai LU	Independent non-executive Director

In accordance with Article 108(a) of the Articles of Association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. The Company at the general meeting at which a Director retires may fill the vacated office. Accordingly, Dr. Yinxiang WANG, Dr. Te-li CHEN and Dr. Ruilin SONG shall retire from office by rotation at the AGM and, being eligible, offer themselves for re-election.

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Board believed that each of the independent non-executive Directors demonstrated a high level of independent judgment during their tenure, and none were involved in any business or other relationships that could affect their effective performance of duties. Therefore, the Company considers all of the independent non-executive Directors are independent.

Directors' Report

DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

Each of the executive Directors has entered into a service contract with the Company under which he/she has agreed to act as an executive Director for a term of three years, which may be terminated by not less than 30 days' notice in writing served by either party on the other and is subject to termination provisions therein. Each of the non-executive Director(s) and the independent non-executive Directors has signed a letter of appointment with the Company for a term of three years which may be terminated 30 days in advance by either party in writing. The appointments of Directors are subject to the provisions of retirement and rotation of Directors under the Articles of Association.

None of the Directors proposed for re-election at the forthcoming AGM has a service contract with members of the Group that is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

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

CONTRACTS WITH SUBSTANTIAL SHAREHOLDERS

No contract of significance was entered into among the Company or any of its subsidiaries and the substantial shareholders or any of their subsidiaries, whether for the provision of services or otherwise, during the year ended December 31, 2025.

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

As at December 31, 2025, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO), which were required to be entered in the register kept by the Company pursuant to section 352 of the SFO, or which were otherwise required, to be notified to the Company and the Stock Exchange pursuant to the Model Code, are set out below:

Directors' Report

Interests In Shares of The Company

Name of director	Nature of Interest	Number of Shares [1]	Approximate percentage of shareholding [2]
Dr. Yinxiang WANG	Interest in controlled corporation; interest held jointly with another person	200,157,285 [3][4][7]	25.28%
Ms. Xiaojie WANG	Beneficial owner; founder of a discretionary trust; interest in controlled corporation; interest held jointly with another person	200,157,285 [3][5][7]	25.28%
Ms. Yunyan HU	Beneficial owner; founder of a discretionary trust; interest held jointly with another person	200,157,285 [3][6][7]	25.28%
Dr. Wang-Gillam	Beneficial owner	5,000,000 [8]	0.63%

Notes:

1. All interests stated are long positions.

2. The calculation is based on the total number of 791,755,080 Shares in issue (including 4,692,300 treasury Shares) as at December 31, 2025.

3. The entire share capital of each of Dr. Wang's SPV 1 and Dr. Wang's SPV 2 is directly owned by Dr. Wang and indirectly wholly owned by Dr. Wang and Ms. Zhu Shen, the spouse of Dr. Wang, respectively, and the voting rights of the Shares held by Willgenpharma Ltd which are intended to be used for employee incentive purposes are exercisable by Dr. Wang. Accordingly, Dr. Wang is deemed to be interested in such number of Shares held by Dr. Wang's SPV 1, Dr. Wang's SPV 2 and Willgenpharma Ltd. Dr. Wang is also deemed to be interested in all Shares held by Ms. Zhu Shen and Wordspharma Ltd, a company wholly-owned by Ms. Zhu Shen as Ms. Zhu Shen is the spouse of Dr. Wang. In addition, each of Dr. Wang, Dr. Wang's SPV 1, Dr. Wang's SPV 2 and Willgenpharma Ltd is also deemed to be interested in all Shares held by Ms. Wang, Ms. Wang's SPV, Gloryviewpharma Ltd, Blesspharma Ltd, Honourpharma Ltd, Ms. Hu and Ms. Hu's SPV as they are parties acting in concert.

4. Ms. Zhu Shen beneficially owns 9,886,250 Shares. In addition, the entire share capital of Wordspharma Ltd is wholly owned by Ms. Zhu Shen. Accordingly, Ms. Zhu Shen is deemed to be interested in such number of Shares held by Wordspharma Ltd. Moreover, Ms. Zhu Shen is the spouse of Dr. Wang. Accordingly, Ms. Zhu Shen is also deemed to be interested in the Shares in which Dr. Wang is interested.

5. As at December 31, 2025, the share capital of Ms. Wang's SPV is indirectly wholly owned by Ms. Wang and therefore she is deemed to be interested in the shares held by Ms. Wang's SPV under the SFO. The voting rights of the Shares held by Gloryviewpharma Ltd which are intended to use for employee incentive purposes are exercisable by Ms. Wang. Accordingly, Ms. Wang is deemed to be interested in the Shares held by Gloryviewpharma Ltd. In addition, each of Ms. Wang, Ms. Wang's SPV and Gloryviewpharma Ltd are deemed to be interested in all Shares held by Dr. Wang, Dr. Wang's SPV 1, Dr. Wang's SPV 2, Willgenpharma Ltd, Honourpharma Ltd, Blesspharma Ltd, Ms. Hu and Ms. Hu's SPV as they are parties acting in concert.

6. As at December 31, 2025, the share capital of Ms. Hu's SPV is indirectly wholly owned by Ms. Hu and therefore she is deemed to be interested in the shares held by Ms. Hu's SPV under the SFO. In addition, each of Ms. Hu and Ms. Hu's SPV is deemed to be interested in all Shares held by Dr. Wang, Dr. Wang's SPV 1, Dr. Wang's SPV 2, Willgenpharma Ltd, Honourpharma Ltd, Ms. Wang, Ms. Wang's SPV, Gloryviewpharma Ltd and Blesspharma Ltd as they are parties acting in concert.

7. Blesspharma Ltd and Honourpharma Ltd are our ESOP Platforms. The entire share capital of Blesspharma Ltd is wholly owned by Blesspharma Trust. Ms. Wang and Ms. Hu are the administrators of Blesspharma Trust and are able to exercise the voting rights of the Shares held by Blesspharma Ltd, therefore they are deemed to be interested in the Shares held by Blesspharma Ltd under the SFO. In addition, the entire share capital of Honourpharma Ltd is directly owned by Dr. Wang. As the actual grantor under the 2021 Plan, the voting rights of the Shares held by Honourpharma Ltd are held by Ms. Wang and Ms. Hu. Accordingly, Ms. Wang and Ms. Hu are deemed to be interested in such number of Shares held by Honourpharma Ltd under the SFO.

Directors' Report

8. As at December 31, 2025, Dr. Wang-Gillam is interested or deemed to be interested in 5,000,000 shares of the Company pursuant to Part XV of the SFO. Such interest comprises 5,000,000 share options granted indirectly through the employee incentive platform under the 2020 Plan. These options were granted on July 20, 2020, have been fully vested, but have not yet been exercised.

Save as disclosed above, as at December 31, 2025, to the best knowledge of the Directors or chief executive of the Company, none of the Directors or chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations, (within the meaning Part XV of the SFO) which were 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 they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register to be kept by the Company pursuant to section 352 of the SFO, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

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

So far as is known to the Company, as at December 31, 2025, as recorded in the register required to be kept by the Company under section 336 of the SFO, the following persons, other than a Director or chief executive of the Company, had an interest of 5% or more in the Shares or underlying Shares:

Name of director	Nature of Interest	Number of Shares [1]	Approximate percentage of shareholding [2]
Dr. Wang's SPV 1 [3]	Beneficial interest; interest held jointly with another person	200,157,285	25.28%
Dr. Wang's SPV 2 [3]	Beneficial interest; interest held jointly with another person	200,157,285	25.28%
Willgenpharma Ltd [3]	Beneficial interest; interest held jointly with another person	200,157,285	25.28%
Ms. Zhu Shen [4]	Interest of spouse	200,157,285	25.28%
Ms. Wang's SPV [5]	Beneficial owner; interest held jointly with another person	200,157,285	25.28%
Gloryviewpharma Ltd [5]	Beneficial interest; interest held jointly with another person	200,157,285	25.28%
Blesspharma Ltd [6]	Beneficial interest; interest held jointly with another person	200,157,285	25.28%
Mr. Ze Liu [7]	Beneficial owner; interest held jointly with another person	200,157,285	25.28%
Ms. Hu's SPV [8]	Beneficial owner; interest held jointly with another person	200,157,285	25.28%
Honourpharma Ltd [9]	Beneficial interest; interest held jointly with another person	200,157,285	25.28%
Center Venture Holding I Limited (formerly known as BioEngine Capital Holding Limited) [10]	Beneficial interest	79,436,600	10.03%
Center Laboratories, Inc [10]	Interest in controlled corporation	87,486,890	11.05%
LAV Coda Limited [11]	Beneficial interest	34,134,075	4.31%

Directors' Report

Name of director	Nature of Interest	Number of Shares [1]	Approximate percentage of shareholding [2]
LAV Biosciences Fund IV, L.P. [11]	Interest in controlled corporation	33,670,875	4.25%
LAV GP IV, L.P. [11]	Interest in controlled corporation	39,670,875	5.01%
LAV Corporate IV GP, Ltd. [11]	Interest in controlled corporation	33,670,875	4.25%
LAV Asset Management (Hong Kong) Limited [11]	Interest in controlled corporation	46,734,925	5.90%
Mr. Yi Shi [11]	Interest in controlled corporation	46,734,925	5.90%
Ultimate Estate Limited [12]	Interest in controlled corporation; interest held jointly with another person	200,157,285	25.28%
Treasure Partner International Limited [13]	Interest in controlled corporation; interest held jointly with another person	200,157,285	25.28%

Notes:

1. All interests stated are long positions.

2. The calculation is based on the total number of 791,755,080 Shares in issue (including 4,692,300 treasury Shares) as at December 31, 2025.

3. The entire share capital of each of Dr. Wang's SPV 1 and Dr. Wang's SPV 2 is directly owned by Dr. Wang and indirectly wholly owned by Dr. Wang and Ms. Zhu Shen, the spouse of Dr. Wang, respectively, and the voting rights of the Shares held by Willgenpharma Ltd which are intended to be used for employee incentive purposes are exercisable by Dr. Wang. Accordingly, Dr. Wang is deemed to be interested in such number of Shares held by Dr. Wang's SPV 1, Dr. Wang's SPV 2 and Willgenpharma Ltd. Dr. Wang is also deemed to be interested in all Shares held by Ms. Zhu Shen and Wordspharma Ltd, a company wholly-owned by Ms. Zhu Shen as Ms. Zhu Shen is the spouse of Dr. Wang. In addition, each of Dr. Wang, Dr. Wang's SPV 1, Dr. Wang's SPV 2 and Willgenpharma Ltd is also deemed to be interested in all Shares held by Ms. Wang, Ms. Wang's SPV, Gloryviewpharma Ltd, Blesspharma Ltd, Honourpharma Ltd, Ms. Hu and Ms. Hu's SPV as they are parties acting in concert.

4. Ms. Zhu Shen beneficially owns 9,886,250 Shares. In addition, the entire share capital of Wordspharma Ltd is wholly owned by Ms. Zhu Shen. Accordingly, Ms. Zhu Shen is deemed to be interested in such number of Shares held by Wordspharma Ltd. Moreover, Ms. Zhu Shen is the spouse of Dr. Wang. Accordingly, Ms. Zhu Shen is also deemed to be interested in the Shares in which Dr. Wang is interested.

5. As at December 31, 2025, the share capital of Ms. Wang's SPV is indirectly wholly owned by Ms. Wang and therefore she is deemed to be interested in the shares held by Ms. Wang's SPV under the SFO. The voting rights of the Shares held by Gloryviewpharma Ltd which are intended to use for employee incentive purposes are exercisable by Ms. Wang. Accordingly, Ms. Wang is deemed to be interested in the Shares held by Gloryviewpharma Ltd. In addition, each of Ms. Wang, Ms. Wang's SPV and Gloryviewpharma Ltd are deemed to be interested in all Shares held by Dr. Wang, Dr. Wang's SPV 1, Dr. Wang's SPV 2, Willgenpharma Ltd, Honourpharma Ltd, Blesspharma Ltd, Ms. Hu and Ms. Hu's SPV as they are parties acting in concert.

6. The entire share capital of Blesspharma Ltd is wholly owned by Blesspharma Trust. Ms. Wang and Ms. Hu are the administrators of Blesspharma Trust and are able to exercise the voting rights of the Shares held by Blesspharma Ltd, therefore they are deemed to be interested in the Shares held by Blesspharma Ltd under the SFO. In addition, Blesspharma Ltd is deemed to be interested in all Shares held by Dr. Wang, Dr. Wang's SPV 1, Dr. Wang's SPV 2, Willgenpharma Ltd, Honourpharma Ltd, Ms. Wang, Ms. Wang's SPV, Gloryviewpharma Ltd, Ms. Hu and Ms. Hu's SPV as they are parties acting in concert.

Directors' Report

7. Mr. Ze Liu is the spouse of Ms. Wang. Accordingly, Mr. Ze Liu is deemed to be interested in the Shares in which Ms. Wang is interested.

8. As at December 31, 2025, the share capital of Ms. Hu's SPV is indirectly wholly owned by Ms. Hu and therefore she is deemed to be interested in the shares held by Ms. Hu's SPV under the SFO. In addition, each of Ms. Hu and Ms. Hu's SPV is deemed to be interested in all Shares held by Dr. Wang, Dr. Wang's SPV 1, Dr. Wang's SPV 2, Willgenpharma Ltd, Honourpharma Ltd, Ms. Wang, Ms. Wang's SPV, Gloryviewpharma Ltd and Blesspharma Ltd as they are parties acting in concert.

9. The entire share capital of Honourpharma Ltd is directly owned by Dr. Wang. As the actual grantor under the 2021 Plan, the voting rights of the Shares held by Honourpharma Ltd are held by Ms. Wang and Ms.Hu. Accordingly, Ms. Wang and Ms. Hu are deemed to be interested in such number of Shares held by Honourpharma Ltd under the SFO. In addition, Honourpharma Ltd is deemed to be interested in all Shares held by Dr. Wang, Dr. Wang's SPV 1, Dr. Wang's SPV 2, Willgenpharma Ltd, Blesspharma Ltd, Ms. Wang, Ms. Wang's SPV, Gloryviewpharma Ltd, Ms. Hu and Ms. Hu's SPV as they are parties acting in concert.

10. Pursuant to an internal reorganization of Center Laboratories, Inc., BioEngine Capital Inc. was merged by absorption into Center Laboratories, Inc. with effect from July 8, 2022, upon which BioEngine Capital Inc.'s assets (including its 100% shareholding in BioEngine Capital Holding Limited) were assumed by Center Laboratories, Inc. BioEngine Capital Inc. was dissolved with effect from August 2, 2022. BioEngine Capital Holding Limited was renamed Center Venture Holding I Limited with effect from August 22, 2022. To the best of our Director's knowledge, Center Venture Holding I Limited (formerly known as BioEngine Capital Holding Limited) is a directly wholly owned subsidiary of Center Laboratories, Inc. Accordingly, Center Laboratories, Inc. is deemed to be interested in the shares in which Center Venture Holding I Limited is interested. In addition, since Center Laboratories, Inc. is interested in 33.23% of the interests in Fangyuan, Center Laboratories, Inc. is also deemed to be interested in the Shares held by Fangyuan Growth SPC – PCJ Healthcare Fund SP.

11. To the best of our Director's knowledge, LAV Coda Limited is wholly owned by LAV Biosciences Fund IV, L.P., a Cayman exempted limited partnership fund. The general partner of LAV Biosciences Fund IV, L.P. is LAV GP IV, L.P., whose general partner is LAV Corporate IV GP, Ltd., a Cayman company owned by Mr. Yi Shi. Therefore, under the SFO, each of LAV Biosciences Fund IV, L.P., LAV GP IV, L.P., LAV Corporate IV GP, Ltd. and Mr. Yi Shi is deemed to be interested in the Shares held by LAV Coda Limited.

    To the best of our Director's knowledge, the general partner of LAV Biosciences Fund V, L.P. is LAV GP V, L.P., whose general partner is LAV Corporate V GP, Ltd., a Cayman company owned by Mr. Yi Shi as well. Therefore, under the SFO, each of LAV Biosciences Fund V, L.P., LAV GP V, L.P., LAV Corporate V GP, Ltd. and Mr. Yi Shi is deemed to be interested in the Shares held by LAV Biosciences Fund V, L.P.

    Therefore, Mr. Yi Shi is deemed to be interested in the Shares held by both LAV Coda Limited and LAV Biosciences Fund V, L.P. LAV Asset Management (Hong Kong) Limited entered into an investment management agreement to manage Shares held by the funds.

12. As at December 31, 2025, Dr. Wang, Willgenpharma Ltd, Yakovpharma Ltd, Johwpharma Ltd, Honourpharma Ltd, Ms. Hu, Ms. Hu's SPV, Wordspharma Ltd, Blesspharma Ltd, Gloryviewpharma Ltd, Ms. Wang and Ms. Wang's SPV are concert parties, each is deemed to be interested in aggregate interests of 200,157,285 Shares, including the Shares owned by Ms. Zhu Shen, Dr. Wang's wife, and Wordspharma Ltd, which is wholly owned by Ms. Zhu Shen. Besides, 22,932,500 Shares were directly held by Ms. Wang's SPV which is directly owned by Ultimate Estate Limited as to 99.5% and which in turn is wholly owned by Ms. Wang. Accordingly, Ultimate Estate Limited is deemed to be interested in 200,157,285 Shares.

13. As at December 31, 2025, Dr. Wang, Willgenpharma Ltd, Yakovpharma Ltd, Johwpharma Ltd, Honourpharma Ltd, Ms. Hu, Wordspharma Ltd, Blesspharma Ltd, Gloryviewpharma Ltd, Ms. Wang and Ms. Wang's SPV are concert parties, each is deemed to be interested in aggregate interests of 200,157,285 Shares, including the Shares owned by Ms. Zhu Shen, Dr. Wang's wife, and Wordspharma Ltd, which is wholly owned by Ms. Zhu Shen. Besides, 23,081,095 Shares were directly held by Ms. Hu's SPV which is directly owned by Treasure Partner International Limited as to 99.5%. Accordingly, Treasure Partner International Limited is deemed to be interested in 200,157,285 Shares.

Directors' Report

Save as disclosed above, as at December 31, 2025, the Company had not been notified of any persons (other than a Director or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares that were recorded in the register required to be kept under section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURE

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

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended December 31, 2025, none of our Directors had any interest in a business, apart from the business of our Group, which competed or was likely to compete, directly or indirectly, with our business, which would require disclosure under Rule 8.10 of the Listing Rules.

CONNECTED TRANSACTIONS

During the year ended December 31, 2025, the Group did not enter into any connected transactions and continuing connected transactions which required reporting, annual review, announcements and/or independent shareholders' approval under Chapter 14A of the Listing Rules. Details of related party transactions of the Group for the year ended December 31, 2025 are set out in note 38 to the consolidated financial statements. None of the related party transactions constitutes a connected transaction or continuing connected transaction subject to independent shareholders' approval, annual review, and disclosure requirements in Chapter 14A of the Listing Rules.

PRE-EMPTIVE RIGHTS

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

DISTRIBUTABLE RESERVES

As of December 31, 2025, the Company did not retain any profits under IFRSs as reserves available for distribution to our equity shareholders.

DONATION

During the year ended December 31, 2025, the Group made charitable donations of RMB20,000 (December 31, 2024: nil).

TAX RELIEF AND EXEMPTION

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

Directors' Report

BANK BORROWINGS AND OTHER BORROWINGS

The bank borrowings and other borrowings primarily consisted of unsecured long-term and short-term bank loans which are denominated in RMB. Details of the bank borrowings of our Group as at December 31, 2025 are set out in note 26 to the consolidated financial statements.

PUBLIC FLOAT

According to information that is publicly available to the Company and within the knowledge of the Board, the Company has maintained the public float as required under the Listing Rules during the year ended December 31, 2025 and up to the date of this annual report.

CORPORATE GOVERNANCE

The Board is of the opinion that the Company had adopted, applied and complied with the code provisions as set out in the Corporate Governance Code contained in Appendix C1 to the Listing Rules during the year under review. Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report of this annual report.

SUBSIDIARIES

Particulars of the Company's subsidiaries as at December 31, 2025, are set out in note 39 to the consolidated financial statements.

PERMITTED INDEMNITY

Pursuant to the Articles of Association and subject to the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages, and expenses which they or any of them may incur or sustain in or about the execution of their duty in their offices. Such permitted indemnity provision has been in force for the year ended December 31, 2025. The Company has taken out liability insurance to provide appropriate coverage for the Directors.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements were entered into by the Group or existed during the year ended December 31, 2025.

MANAGEMENT CONTRACTS

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

Directors' Report

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year ended December 31, 2025, the Company repurchased a total of 1,758,600 shares on the Stock Exchange for an aggregate consideration of approximately HK$12.66 million before expenses. As of the date of this report, all such repurchased Shares have been held by our Company as treasury shares. Particulars of the repurchases made by the Company during the Reporting Period are as follows:

		Price paid per Share		
Month of purchase in 2025	**Number of Shares purchased**	**Highest price paid** *(HK$)*	**Lowest price paid** *(HK$)*	**Aggregate consideration paid** *(HK$)*
April	86,100	3.12	3.08	266,799.00
July	110,400	7.49	5.01	671,499.00
September	216,000	9.57	9.14	1,996,779.00
October	864,900	7.94	7.08	6,417,030.00
November	481,200	7.26	6.51	3,305,481.00
Total	1,758,600			12,657,588.00

The share repurchases reflected the confidence of the Board in the Company's long-term strategy and growth prospects. The Directors considered that the share repurchases were in the best interests of the Company and the Shareholders as a whole. Our Company intends to use the treasury shares to resell at market price to raise additional funds, to transfer or use for share grants under share schemes that comply with Chapter 17 of the Listing Rules and for other purposes permitted under the Listing Rules, the articles of association of our Company and the applicable laws of the Cayman Islands, subject to market conditions and our Group's capital management needs.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended December 31, 2025.

MATERIAL LITIGATION

The Company was not involved in any material litigation or arbitration during the year ended December 31, 2025. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the year ended December 31, 2025.

STOCK INCENTIVE PLANS

The Company has two existing share schemes, namely the 2020 Stock Incentive Plan (the "**2020 Plan**") and the 2021 Stock Incentive Plan (the "**2021 Plan**").

2020 Stock Incentive Plan

The Company adopted the 2020 Plan on March 1, 2020. A summary of the principal terms of the 2020 Plan is set out below:

Directors' Report

Purpose

The purposes of the 2020 Plan are to attract and retain the best available personnel, to provide additional incentives to Employees, Directors of the Company or Related Entity and any person engaged by the Company or any Related Entity to render consulting or advisory services to the Company or such Related Entity.

Eligible participants

Employees, Directors of the Company or Related Entity and any person engaged by the Company or any Related Entity to render consulting or advisory services to the Company or such Related Entity. The award shall be granted in the form of option, restricted share and other right or benefit ("**2020 Awards**") under the 2020 Plan.

Maximum number of shares

The maximum aggregate number of Shares which are available to all 2020 Awards is 11,531,025 Shares (which are satisfied by existing Shares), representing approximately 1.46% of the issued Shares as of the date of this annual report. No further 2020 Awards will be granted under the 2020 Plan.

There is no maximum limit of 2020 Awards which may be granted to each grantee subject to the compliance of the Listing Rules.

Exercise period

Any 2020 Awards granted under the 2020 Plan shall be exercisable at such times and under such conditions as determined by the administrator of the 2020 Plan ("**2020 Awards Administrator**") under the terms of the 2020 Plan and specified in the respective award agreement between the Company and the grantees.

Vesting of 2020 Awards

The vesting period of 2020 Awards under the 2020 Plan shall be determined by the 2020 Awards Administrator subject to the terms of the 2020 Plan and described in the respective award agreement between the Company and the grantee.

Details of the exercise period and vesting period of individual grants are stated in the tables below.

Consideration

There is no amount payable on application or acceptance of the 2020 Awards.

Exercise price or purchase price

The exercise or purchase price, if any, for a 2020 Award shall be determined by the 2020 Awards Administrator.

Life

The 2020 Plan shall continue in effect until the tenth (10th) anniversary of March 1, 2020. The remaining life of the 2020 Plan is approximately 3 years and 10 months as of the date of this annual report.

No 2020 Awards were granted under the 2020 Plan during the year ended December 31, 2025. Details of movement of 2020 Awards under the 2020 Plan during the Reporting Period are set out below:

Grantees	Nature	Date of grant	Number of outstanding options or unvested restricted shares as at January 1, 2025	Vesting Period	Exercise Period	Purchase Price	Exercise Price	Options or restricted shares granted during 2025	Options exercised during 2025	Restricted shares vested during 2025	Options or restricted shares lapsed/forfeited during 2025	Options or restricted shares cancelled during 2025	Number of options outstanding or restricted shares unvested as at December 31, 2025	Weighted average closing price of Shares immediately before date of vesting during 2025
Directors of the Company														
Dr. Wang	Restricted shares	2020/7/20	–	2020 to 2023	N/A	USD0.00002	N/A	–	N/A	–	–	–	–	–
Ms. Wang	Restricted shares	2020/7/20	–	2020 to 2023	N/A	RMB0.02	N/A	–	N/A	–	–	–	–	–
Ms. Hu	Restricted shares	2020/7/20	–	2020 to 2023	N/A	RMB0.02	N/A	–	N/A	–	–	–	–	–
Five highest paid individuals during 2025 (excluding Directors)	Options	2020/7/20	5,000,000	2020 to 2025	90 days following the 5th year anniversary of the grant date	Nil	USD0.00002[1] or USD 0.8	–	–	N/A	–	–	5,000,000	N/A
Other grantees in aggregate														
Employees	Options	2022/3/25	250,000	2022 to 2024	90 days following the 5th year anniversary of the grant date	Nil	USD0.8	–	–	N/A	–	–	250,000	N/A
	Restricted shares	2020/3/1	435,070	2020 to 2025	N/A	RMB0.02	N/A	–	N/A	435,070	–	–	–	HK$2.65
		2020/7/20	–	2020 to 2023	N/A	USD0.00002	N/A	–	N/A	–	–	–	–	–
		2021/9/14	50,000	2021 to 2025	N/A	RMB0.02	N/A	–	N/A	–	–	–	50,000	N/A
		2022/9/16	–	2022 to 2024	N/A	RMB0.02	N/A	–	N/A	–	–	–	–	HK$2.65
		2022/12/1	694,374	2022 to 2027	N/A	RMB0.02 or Nil	N/A	–	N/A	140,314	–	–	554,060	HK$3.35
Total	**Options**	-	**5,250,000**	-	-	-	-	-	-	-	-	-	**5,250,000**	-
	Restricted shares	-	**1,179,444**	-	-	-	-	-	-	**575,384**	-	-	**604,060**	-

Notes:

1. As a result of the capitalisation issue which took place immediately before the completion of the Global Offering, the exercise price disclosed has been adjusted in proportion to the modification of the number of share options, and the modifications mentioned above did not result in any incremental fair value granted.

2. As the shares under the 2020 Plan are existing Shares, the total number of Shares available for issue under the 2020 Plan is 0. The number of shares that may be issued in respect of the 2020 Awards granted under the 2020 Plan during the Reporting Period divided by the weighted average number of Shares in issue during the Reporting Period is not applicable.

Directors' Report

2021 Stock Incentive Plan

The Company has adopted the 2021 Plan on August 31, 2021. A summary of the principal terms of the 2021 Plan is set out below:

Purpose

The purposes of the 2021 Plan are to attract and retain the best available personnel, to provide additional incentives to Employees and to promote the success of the Company's business.

Eligible participants

Persons eligible to receive Awards under the 2021 Plan are Employees, who is in the employ of the Company or any Related Entity and is manager level or above, or considered essential for the Company's development by the Company's management team, subject to the control and direction of the Company or any Related Entity as to both the work to be performed and the manner and method of performance. The award shall be granted in the form of hypothetical number of Shares, to be settled upon vesting in Shares, restricted share ("**RSU**") or other right or benefit granted or sold ("**2021 Awards**") under the 2021 Plan.

Administration

With respect to grants of 2021 Awards to Employees, the 2021 Plan shall be administered by the administrator, namely Ms. Xiaojie WANG and Ms. Yunyan HU, Directors of the Company, or a person designated by Ms. Xiaojie WANG and Ms. Yunyan HU (the "**Administrator**").

Maximum number of shares

The Administrator may instruct the actual grantor (being Blesspharma Ltd or Honourpharma Ltd), at any time as they deem appropriate, to purchase existing Shares on the open market utilizing consideration received in relation to the grant of 2021 Awards. Subject to the adjustments upon changes in capitalization, the maximum aggregate number of Shares which are available for all 2021 Awards is (i) 10,000,000 existing Shares, representing 1.26% of the issued Shares as of the date of this annual report; plus (ii) existing Shares purchased on the open market from time to time. No purchase of existing Shares will be made if the relevant purchase on the open market would result in the actual grantor holding in aggregate more than 1.30% of total number of issued Shares of the Company in issue as of the date of the adoption of the Plan or 10,000,000 Shares, whichever is lower. No existing Shares had been purchased on the open market during the year ended December 31, 2025 and up to the date of this annual report. The number of 2021 Awards available for grant under the 2021 Plan as of January 1, 2025 and December 31, 2025 were 5,275,844 and 5,467,218, respectively. As of the date of this annual report, the total number of Shares available for grant under the 2021 Plan was 5,467,218 Shares, representing approximately 0.67% of the issued Shares of the Company.

There is no maximum limit of 2021 Awards which may be granted to each grantee subject to the compliance of the Listing Rules.

Directors' Report

Life

The 2021 Plan shall continue in effect until the tenth (10th) anniversary of August 31, 2021. The remaining life of the 2021 Plan is approximately 5 years and 6 months as of the date of this annual report.

Vesting of 2021 Awards

The vesting period of 2021 Awards under the 2021 Plan shall be determined by the Administrator subject to the terms of the 2021 Plan and described in the respective award agreement between the Company and the grantee. Details of the vesting period of individual grants are stated in the tables below.

Purchase price

The purchase price, if any, for a 2021 Award under the 2021 Plan shall be determined by the Administrator.

Consideration

Subject to applicable laws, the consideration to be paid for the Shares to be issued upon purchase of a 2021 Award including the method of payment, shall be determined by the Administrator. In addition to any other types of consideration the Administrator may determine, the Administrator is authorized to accept as consideration for Shares issued the payment methods as provided in the award agreement. The Administrator may at any time or from time to time, by adoption of or by amendment to the standard forms of award agreement or by other means, grant 2021 Awards which do not permit all of the foregoing forms of consideration to be used in payment for the Shares or which otherwise restrict one or more forms of consideration.

For further details of the 2021 Plan, please refer to the announcements of the Company dated August 31, 2021 and October 8, 2021.

Directors' Report

No 2021 Awards were granted under the 2021 Plan during the year ended December 31, 2025. Details of movement of the 2021 Awards under the 2021 Plan during the year ended December 31, 2025 are set out below:

Grantees	Nature	Date of grant	Number of restricted shares unvested as at January 1, 2025	Vesting Period	Purchase price [2]	Restricted shares granted during 2025 [1]	Restricted shares lapsed/ forfeited during 2025	Restricted shares cancelled during 2025	Restricted shares vested during 2025	Number of restricted shares unvested as at December 31, 2025	Weighted average closing price of Shares immediately before date of vesting during 2025
Directors of the Company											
Nil											
Five highest paid individuals during 2025 (excluding Directors)	Restricted shares	2022/12/1 [1][2]	322,875	2022 to 2026	Nil	–	–	–	121,975	200,090	HK$3.62
Other grantees in aggregate											
Employees	Restricted shares	2022/12/1 [1][2]	2,938,288	2022 to 2026	Nil	–	191,374	–	971,125	1,775,789	HK$3.54
Employees	Restricted shares	2024/6/14 [2]	100,000	2024 to 2028	Nil	–	–	–	–	100,000	N/A
Total	**Restricted shares**	–	**3,361,163**	–	–	–	**191,374**	–	**1,093,100**	**2,076,689**	–

Notes:

1. The Company has set specific performance targets for all the grantees. Performance targets for grantees in the clinical department include submitting registrational clinical trial applications and completing the first patient enrollment, and obtaining approval for the NDA of certain drug candidates. For grantees in other departments, the performance targets include obtaining approval for IND applications of various drug candidates.

2. As the shares under the 2021 Plan are existing Shares, the total number of Shares available for issue under the 2021 Plan is 0. The number of shares that may be issued in respect of the 2021 Awards granted under the 2021 Plan during the year ended December 31, 2025 divided by the weighted average number of Shares in issue during the year ended December 31, 2025 is not applicable.

Directors' Report

MATERIAL CONTRACTS AND EXECUTION

Beijing Jacobio and AstraZeneca AB have entered into a licence and collaboration agreement to develop and commercialize Pan-KRAS inhibitor JAB-23E73 on December 21, 2025 ("**Licence and Collaboration Agreement**"). Pursuant to the Licence and Collaboration Agreement and subject to its terms and conditions thereof, Beijing Jacobio is entitled to receive an upfront payment of US$100 million from AstraZeneca and is eligible to receive additional milestone payments upon the achievement of certain development, regulatory and commercial milestones, with the total potential consideration amounting to up to US$1,915 million. In addition, upon the successful commercialization of the Licensed Products, Beijing Jacobio will be entitled to receive tiered royalties calculated based on the net sales of the Licensed Products. For details, please refer to the announcement of the Company dated December 21, 2025.

Save for the Licence and Collaboration Agreement, during the Reporting Period, the Group did not have any material custody, contracting or lease arrangements, nor were there such arrangements carried forward to the Reporting Period from the previous period.

USE OF PROCEEDS FROM GLOBAL OFFERING

Net proceeds from the Global Offering

Our Company's Shares were listed on the Main Board of the Stock Exchange on the Listing Date. Our Group received net proceeds (after deduction of underwriting commissions and related costs and expenses) from its Global Offering of approximately HK$1,421.8 million, equivalent to approximately RMB1,183.1 million including shares issued as a result of the partial exercise of the over-allotment option (the "**Net Proceeds**"). The Net Proceeds have been utilized in the manner, proportion and the expected timeframe as set out in the annual results announcement for the year ended December 31, 2022 and change in use of proceeds which was published on March 22, 2023 (the "**2022 Annual Results Announcement**") and the supplemental announcement to the 2023 Interim report and the 2023 Annual report of our Company which was published on August 21, 2024 and the annual results announcement for the year ended December 31, 2024 and change in use of proceeds which was published on March 19, 2025 ("**2024 Annual Results Announcement**"). All unutilized Net Proceeds were utilized by December 31, 2025.

Directors' Report

As at December 31, 2025, all of the Net Proceeds had been utilized as follows:

Grantees	Original use of Net Proceeds *RMB million*	Original percentage of Net Proceeds	Revised allocation of Net Proceeds as disclosed in the 2022 Annual Results Announcement *RMB million*	Percentage of Net Proceeds after re-allocation as disclosed in the 2022 Annual Results Announcement	Unutilized Net Proceeds as at December 31, 2024 *RMB million*	Utilized Net Proceeds since January 1, 2025 and up to March 18, 2025 *RMB million*	Unutilized Net Proceeds as at March 19, 2025 *RMB million*	Revised allocation of Net Proceeds as disclosed in the 2024 Annual Results Announcement	Percentage of Net Proceeds after re-allocation as disclosed in the 2024 Annual Results Announcement	Revised amounts of Unutilized Net Proceeds as at March 19, 2025 *RMB million*	Utilized Net Proceeds since March 20, 2025 and up to June 30, 2025 *RMB million*	Unutilized Net Proceeds as at December 31, 2025 *RMB million*
Fund registrational clinical trials and preparation for registration filings of JAB-3068 in the Territory	300.6	25%	–	–	–	–		–	–	–	–	–
Fund the clinical trials of sitneprotafib (JAB-3312) in combination with JAB-21822 and registrational clinical trials and preparation for registration filings of sitneprotafib (JAB-3312) in the Territory	213.0	18%	213.0	18%	–	–		213.0	18%	–	–	–
Fund the set-up of our sales and marketing team and commercialization activities of sitneprotafib (JAB-3312) and JAB-21822 in China	47.3	4%	47.3	4%	47.3	–	47.3	–	–	–	–	–
Fund ongoing and planned clinical trials of JAB-8263	118.3	10%	118.3	10%	41.3	4.4	36.9	88.3	7%	6.9	6.9	–
Fund clinical development of JAB-21822, including registrational clinical trials and preparation for NDA	254.6	22%	454.6	38%	–	–		454.6	38%	–	–	–
For the ongoing and planned early-stage drug discovery and development, including pre-clinical and clinical development of our other pipeline assets, discovery and development of new drug candidates	107.3	9%	207.9	18%	–	–		285.2	25%	77.3	77.3	–
Fund the planned decoration of our R&D center and construction of our in-house GMP-compliant manufacturing facility	94.6	8%	94.6	8%	–	–		94.6	8%	–	–	–
For working capital and general corporate purposes	47.4	4%	47.4	4%	–	–		47.4	4%	–	–	–
Total	1,183.1	100%	1,183.1	100%	88.6	4.4	84.2	1,183.1	100%	84.2	84.2	–

Directors' Report

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this annual report, no important events affecting the Company occurred after the reporting period and up to the date of this annual report.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this annual report, we do not have other plans for material investments and capital assets.

AUDITOR

The consolidated financial statements of the Group for the year ended December 31, 2025, have been audited by Messrs. Deloitte Touche Tohmatsu, who will retire at the AGM. Messrs. Deloitte Touche Tohmatsu, being eligible, will offer themselves for re-appointment. A resolution for the re-appointment of Messrs. Deloitte Touche Tohmatsu as the auditor of the Company will be proposed at the AGM.

The Board has appointed Messrs. Deloitte Touche Tohmatsu as the new auditor of the Company with effect from June 7, 2024, to fill the vacancy following the retirement of PricewaterhouseCoopers. Save as disclosed above, there was no other change of auditors of the Company in the preceding three years.

By order of the Board
JACOBIO PHARMACEUTICALS GROUP CO., LTD.

Yinxiang WANG
Chairman

Hong Kong, March 10, 2026

Independent Auditor's Report

Deloitte. 德勤

TO THE SHAREHOLDERS OF JACOBIO PHARMACEUTICALS GROUP CO., LTD.
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Jacobio Pharmaceuticals Group Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 144 to 210, which comprise the consolidated statement of financial position as at December 31, 2025 and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 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 International Standards on Auditing ("ISAs"). 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 International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code"), as applicable to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, 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.

Key audit matter	How our audit addressed the key audit matter
Cut-off of outsourcing service fees As disclosed in Note 6 to the consolidated financial statements, the Group incurred outsourcing service fees amounting to approximately RMB38.6 million for the year ended December 31, 2025, which accounts for 20.5% of the Group's research and development ("R&D") expenses, representing the largest item of the R&D expenses. The R&D activities with these contract research organizations and clinical trial centers mainly being hospitals (collectively referred as "Outsourced Service Providers") are documented in detailed agreements and are typically performed over a specified period. We identified the cut-off of outsourcing services fees as a key audit matter due to its significant amount to the consolidated financial statements and risk of not accruing outsourcing services fees incurred for services provided by the Outsourced Service Providers in the appropriate reporting period.	Our procedures included: • Obtaining an understanding of key controls, management's basis and assessment in relation to the accrual process of the R&D expenses including service fees paid to Outsourced Service Providers; • Testing the service fees paid and payable to contract research organizations, on a sample basis, by reading the key terms set out in research agreements and evaluating the completion status with reference to the relevant supporting documents, to determine whether the service fees were recorded based on the respective contract sums and progress achieved; and • Testing the service fees paid and payable to clinical trial centers, on a sample basis, by checking the accrual of the clinical trial related costs, against the clinical trial data and terms of services.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include 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.

Independent Auditor's Report

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE 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 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 either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible 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 solely to you, as a body, in accordance with our agreed terms of engagement, 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 ISAs 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 ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Independent Auditor's Report

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group 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 those charged with governance 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 those charged with governance 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 those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ip Yat Hung.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
March 10, 2026

Consolidated Statement of Profit or Loss

	Notes	For the year ended December 31, 2025 ***RMB'000***	2024 *RMB'000*
Revenue	*5*	**53,525**	155,708
Cost of revenue	*6*	**(593)**	–
Gross profit		**52,932**	155,708
Research and development expenses	*6*	**(188,586)**	(330,177)
Administrative expenses	*6*	**(34,427)**	(43,051)
Other income	*8*	**3,844**	14,324
Other gains and losses – net	*9*	**2,021**	15,023
Share of results of a joint venture		**(529)**	–
Operating loss		**(164,745)**	(188,173)
Finance income	*10*	**31,700**	40,863
Finance expenses	*10*	**(12,936)**	(8,399)
Finance income – net	*10*	**18,764**	32,464
Loss before income tax		**(145,981)**	(155,709)
Income tax expense	*11*	**–**	–
Loss for the year attributable to owners of the Company		**(145,981)**	(155,709)
Loss per share attributable to owners of the Company:			
– Basic and diluted (in RMB per share)	*12*	**(0.19)**	(0.20)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	For the year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Loss for the year	**(145,981)**	(155,709)
Other comprehensive expense:		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	**(17)**	(236)
Other comprehensive expense for the year, net of tax	**(17)**	(236)
Total comprehensive expense for the year attributable to owners of the Company	**(145,998)**	(155,945)

Consolidated Statement of Financial Position

	Notes	As at December 31, 2025 RMB'000	2024 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment	16	**65,429**	77,191
Right-of-use assets	17	**64,462**	74,301
Intangible assets		**853**	842
Interest in a joint venture	18	**2,601**	–
Long-term investments measured at fair value through profit or loss ("FVTPL")	19	**15,261**	18,163
Other receivables and prepayments	20	**–**	57
Financial assets at FVTPL	21	**1,939**	–
Total non-current assets		**150,545**	170,554
Current assets			
Trade receivable	5	**8,834**	7,678
Other receivables and prepayments	20	**11,273**	6,397
Financial assets at FVTPL	21	**160,025**	–
Cash and bank balances	22	**973,651**	1,174,539
Total current assets		**1,153,783**	1,188,614
Total assets		**1,304,328**	1,359,168
EQUITY			
Equity attributable to owners of the Company			
Share capital	28	**523**	523
Treasury shares	28	**(15,840)**	(4,565)
Other reserves	29	**4,114,966**	4,114,739
Share-based compensation reserve	30	**166,473**	161,991
Accumulated losses		**(3,495,489)**	(3,349,508)
Total equity		**770,633**	923,180
LIABILITIES			
Non-current liabilities			
Redemption liability	23	**157,299**	106,240
Borrowings	26	**89,124**	16,000
Lease liabilities	27	**60,615**	70,123
Deferred income		**365**	779
Total non-current liabilities		**307,403**	193,142
Current liabilities			
Trade payables	24	**43,519**	117,960
Other payables and accruals	25	**65,447**	58,930
Borrowings	26	**5,638**	56,060
Lease liabilities	27	**9,790**	9,896
Financial liability at FVTPL	32	**101,898**	–
Total current liabilities		**226,292**	242,846
Total liabilities		**533,695**	435,988
Total equity and liabilities		**1,304,328**	1,359,168

The consolidated financial statements on pages 144 to 210 were approved and authorized for issue by the Board of Directors on March 10, 2026 and are signed on its behalf by:

DIRECTOR **DIRECTOR**

Consolidated Statement of Changes in Equity

	Share capital *RMB'000*	Treasury shares *RMB'000*	Other reserves *RMB'000*	Share-based compensation reserve *RMB'000*	Accumulated losses *RMB'000*	Total *RMB'000*
Balance at January 1, 2024	**523**	**–**	**4,114,620**	**152,027**	**(3,193,799)**	**1,073,371**
Comprehensive expense						
Loss for the year	–	–	–	–	**(155,709)**	**(155,709)**
Exchange differences on translation of foreign operations	–	–	**(236)**	–	–	**(236)**
Total comprehensive expense for the year	–	–	**(236)**	–	**(155,709)**	**(155,945)**
Transactions with owners						
Repurchase of shares *(Note 28)*	–	**(4,565)**	–	–	–	**(4,565)**
Share-based payments *(Note 30)*	–	–	–	**9,964**	–	**9,964**
Contribution from an investor *(Note 23)*	–	–	**355**	–	–	**355**
Balance at December 31, 2024	**523**	**(4,565)**	**4,114,739**	**161,991**	**(3,349,508)**	**923,180**
Comprehensive expense						
Loss for the year	–	–	–	–	**(145,981)**	**(145,981)**
Exchange differences on translation of foreign operations	–	–	**(17)**	–	–	**(17)**
Total comprehensive expense for the year	–	–	**(17)**	–	**(145,981)**	**(145,998)**
Transactions with owners						
Repurchase of shares *(Note 28)*	–	**(11,275)**	–	–	–	**(11,275)**
Share-based payments *(Note 30)*	–	–	–	**4,482**	–	**4,482**
Contribution from an investor *(Note 23)*	–	–	**244**	–	–	**244**
Balance at December 31, 2025	**523**	**(15,840)**	**4,114,966**	**166,473**	**(3,495,489)**	**770,633**

Consolidated Statement of Cash Flows

	Note	Year ended December 31, 2025 RMB'000	2024 RMB'000
Operating activities			
Loss before income tax		**(145,981)**	(155,709)
Adjustments for:			
Depreciation of property, plant and equipment		**12,004**	11,968
Amortization of intangible assets		**556**	524
Depreciation of right-of-use assets		**10,246**	13,966
Net fair value changes on long-term investments measured at FVTPL		**2,902**	18
Finance income – net		**(18,764)**	(32,464)
Share-based compensation expenses		**4,482**	9,964
Net foreign exchange loss/(gain)		**16,242**	(4,793)
Fair value changes on financial assets at FVTPL		**(2,002)**	–
Gain on disposal of investment in a subsidiary		**(19,167)**	–
Share of results of a joint venture		**529**	–
Loss on disposal of property, plant and equipment		**–**	137
Gain on modification of leases		**–**	(3,933)
Loss on remeasurement of redemption liability		**–**	957
Operating cash flows before movements in working capital		**(138,953)**	(159,365)
(Increase)/decrease in trade receivable		**(1,156)**	1,661
(Increase)/decrease in other receivables and prepayments		**(5,546)**	4,785
(Decrease)/increase in trade payables		**(72,587)**	36,769
Increase in other payables and accruals		**6,071**	34,274
Decrease in deferred income		**(414)**	(415)
Cash used in operations		**(212,585)**	(82,291)
Interests received		**1,540**	8,171
Net cash used in operating activities		**(211,045)**	(74,120)
Investing activities			
Purchases of property, plant and equipment		**(1,100)**	(12,090)
Purchases of intangible assets		**(567)**	–
Proceeds on disposal of property, plant and equipment		**–**	258
Placement of bank deposits with original maturities of over 3 months		**(1,561,901)**	(1,525,001)
Withdrawal of bank deposits with original maturities of over 3 months		**1,494,733**	1,692,454
Interest received on bank deposits with original maturities of over 3 months		**24,900**	41,763
Purchase of structured deposits		**(1,060,000)**	
Proceeds from disposal of structured deposits		**871,977**	–
Withdrawals of long-term bank deposits		**–**	50,013
Withdrawals of restricted bank deposits		**–**	4,721
Payment of rental deposits		**–**	(112)
Refund of rental deposits		**–**	4,218
Net cash inflow on disposal of a subsidiary	*32*	**114,540**	–
Net cash (used in)/from investing activities		**(117,418)**	256,224

Consolidated Statement of Cash Flows

	Note	Year ended December 31, 2025 RMB'000	2024 RMB'000
Financing activities			
Interests paid		**(5,001)**	(6,578)
Proceeds from borrowings		**114,867**	87,702
Repayment of borrowings		**(92,165)**	(89,258)
Payments for repurchase of shares		**(11,275)**	(4,565)
Principal elements of lease payments		**(10,021)**	(11,020)
Contribution from an investor		**45,000**	45,000
Net cash from financing activities		**41,405**	21,281
Net (decrease)/increase in cash and equivalents		**(287,058)**	203,385
Cash and cash equivalents at beginning of the year		**677,092**	469,155
Effects of exchange rate changes on cash and cash equivalents		**(16,258)**	4,552
Cash and cash equivalents at end of the year	*22*	**373,776**	677,092

Notes to the Consolidated Financial Statements

1. GENERAL INFORMATION

Jacobio Pharmaceuticals Group Co., Ltd. (the "Company") was incorporated in the Cayman Islands on June 1, 2018 as an exempted company with limited liability under the Companies Law (Cap.22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (collectively, the "Group") are principally engaged in research and development of new drugs.

The ordinary shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited on December 21, 2020.

The consolidated financial statements are presented in Renminbi ("RMB") and rounded to nearest thousand of RMB, unless otherwise stated.

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

Amendments to an IFRS Accounting Standard that is mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an IFRS Accounting Standard as issued by the International Accounting Standards Board ("IASB") for the first time, which are mandatorily effective for the annual period beginning on January 1, 2025 for the preparation of the consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability

The application of the amendments to an IFRS Accounting Standard in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

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

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency[3]
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11[2]
IFRS 18	Presentation and Disclosure in Financial Statements[3]

Notes to the Consolidated Financial Statements

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS (Continued)

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

[1] Effective for annual periods beginning on or after a date to be determined.
[2] Effective for annual periods beginning on or after 1 January 2026.
[3] Effective for annual periods beginning on or after 1 January 2027.

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

IFRS 18 Presentation and Disclosure in Financial Statements

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

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss. The Group currently presents interest received in operating activities, they will be classified in the investing activities on the consolidated statement of cash flows. The Group is in the process of assessing the additional disclosures required for the Group's MPMs as a separate note to the consolidated financial statements.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards as issued by IASB. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and by the Hong Kong Companies Ordinance.

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

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

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

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

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

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

Changes in the Group's interests in existing subsidiaries

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognized. A gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Investments in a joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of a joint venture are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of a joint venture used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in a joint venture is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment.

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the periods in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of leasehold improvement, the shorter of lease term or estimated useful lives as follows:

Machinery and equipment	5-10 years
Office equipment and furniture	3-5 years
Leasehold improvement	Shorter of remaining lease term or estimated useful life

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amounts. These are included in profit or loss.

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Research and development costs

The Group incurs significant costs and efforts on research and development activities. Research expenditures are charged to profit or loss as an expense in the period the expenditure is incurred. Development costs are recognized as assets if they can be directly attributable to a newly developed drug product and all the following can be demonstrated:

- The technical feasibility to complete the development project so that it will be available for use or sale;
- The intention to complete the development project to use or sell the intangible asset;
- The ability to use or sell the intangible asset;
- The manner in which the development project will generate probable future economic benefits for the Group;
- The availability of adequate technical, financial and other resources to complete the development project and use or sell the intangible asset; and
- The expenditure attributable to the asset during its development can be reliably measured.

Capitalized development costs are amortized using the straight-line method over the life of the related intangible asset. Amortization shall begin when the asset is available for use.

Development expenditures not satisfying the above criteria are recognized in the profit or loss as incurred.

During the years ended 31 December 2025 and 2024, there were no development costs meeting these criteria and capitalized as intangible assets.

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments

Financial assets and financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instrument.

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

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

Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place concerned.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification and subsequent measurement of financial assets

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

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

All other financial assets of the Group are subsequently measured at FVTPL.

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments *(Continued)*

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(i) Amortized cost and interest income

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

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or at fair value through other comprehensive income or designated as at fair value through other comprehensive income are measured at FVTPL.

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

Impairment of financial assets

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

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

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

***Financial instruments** (Continued)*

Financial assets (Continued)

Impairment of financial assets (Continued)

The Group always recognizes lifetime ECL for trade receivables.

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

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from governmental bodies, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

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

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

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments *(Continued)*

Financial assets (Continued)

Impairment of financial assets (Continued)

(i) Significant increase in credit risk (Continued)

Despite the foregoing, the Group assumes that the credit risk on the instruments have not increased significantly since initial recognition if the instruments is determined to have low credit risk at the reporting date. The instruments are determined to have low credit risk if (i) it has a low risk of default, (ii) the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the counterparty to fulfil its contractual cash flow obligations.

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

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments *(Continued)*

Financial assets (Continued)

Impairment of financial assets (Continued)

(iii) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

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

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

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade and other receivables where the corresponding adjustment is recognized through a loss allowance account.

Derecognition of financial assets

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

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

Financial liabilities and equity

Classification as debt or equity

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

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments *(Continued)*

Financial liabilities and equity (Continued)

Equity instruments

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

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination to which HKFRS 3 applies, (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

For financial liabilities that are designated as at FVTPL, the amount of changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to accumulated losses upon derecognition of the financial liability.

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

***Financial instruments** (Continued)*

Financial liabilities and equity (Continued)

Financial liabilities at amortized cost

Financial liabilities including trade payables, other payables and accruals, redemption liability and borrowings are subsequently measured at amortized cost, using the effective interest method.

Derecognition of financial liabilities

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

Redemption liability

Redemption liability arises from a contract that contains an obligation to purchase equity instruments of the Group for cash or another financial asset. As the Group does not have the unconditional right to avoid delivering cash or another financial asset to repurchase its equity interests, the Group recognized a financial liability initially at the present value of the estimated future cash outflows of the redemption obligation.

Subsequently, if the Group revises its estimates of payments, the Group will adjust the carrying amount of the financial liability to reflect the present value of revised estimated future cash outflows and the adjustments will be recognized in profit or loss. The interests accrued on the redemption liability are recorded in finance expenses.

Revenue from contracts with customers

Revenue from contracts with customers is recognized 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.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same. For contracts that contain more than one performance obligations, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

***Revenue from contracts with customers** (Continued)*

Control is transferred over time and revenue is recognized over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

For granting of a license that is distinct from other promised goods or services, when the promise is considered as providing the customers the right to use the Group's intellectual property, the performance obligation is satisfied at a point in time at which the license is granted.

For contracts that contain variable consideration, the Group estimates the amount of consideration to which it will be entitled using the expected value method or the most likely amount, which better predicts the amount of consideration to which the Group will be entitled. The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

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

Notwithstanding the above criteria, the Group shall recognize revenue for a sales-based or usage-based royalty promised in exchange for a license of intellectual property only when (or as) the later of the following events occurs:

- the subsequent sale or usage occurs; and
- the performance obligation to which some or all of the sales-based or usage-based royalty has been allocated has been satisfied (or partially satisfied).

Further details of the Group's accounting policies relating to revenue from contracts with customers is provided in Note 5.

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Leases

Definition of 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.

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

The Group as lessee

Short-term leases

The Group applies the short-term lease recognition exemption to leases of certain office premises and equipment that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

The cost of right-of-use assets includes:

- the amounts of the initial measurement of the lease liabilities;
- any lease payments made at or before the commencement date, less any lease incentives received; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

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

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

***Leases** (Continued)*

The Group as lessee (Continued)

Refundable rental deposits

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

Lease liabilities

At the commencement date of a lease, the Group recognizes and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates and an entity-specific adjustment whether the risk profile of the entity that enters into the lease is different to that of the Group.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

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

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

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Foreign currencies

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

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognized in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity under the heading of other reserves.

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

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

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

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated to the assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognized immediately in profit or loss.

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

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

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

Cash and cash equivalents

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of:

(a) cash, which comprises of cash on hand; and

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

Government grants

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

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

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

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Employee benefits

Retirement benefit costs

The employees of the Group are members of state-managed retirement benefit schemes, the obligations of the Group under which are equivalent to those arising in a defined contribution retirement benefit plan. Payments to state-managed retirement benefit schemes are recognized as an expense when employees have rendered service entitling them to the contribution.

Short-term employee benefits

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

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

Share-based payments

Equity-settled share-based payment transactions

Share options and restricted share units granted to employees

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 30 to the Group's consolidated financial statements.

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

Notes to the Consolidated Financial Statements

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Taxation

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

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

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

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

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

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

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

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

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

Notes to the Consolidated Financial Statements

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

Estimation of fair value of long-term investments measured at FVTPL

Long-term investments measured at FVTPL, in the absence of an active market, is estimated by using appropriate valuation techniques. The Group used back-solve method to determine the underlying equity fair value of the investee and then adopted the equity allocation model to determine the fair value of the long-term investments measured at FVTPL as at date of purchase and at the end of each reporting period. Key assumptions, such as expected volatility, discount for lack of marketability ("DLOM") and risk-free rate are disclosed in Note 37. Any change in key assumptions used in the valuation allocation model will have impacts on the fair values.

5. SEGMENT AND REVENUE INFORMATION

Management has determined the operating segments based on the reports reviewed by chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors of the Company.

(a) Description of segments

The Group is principally engaged in the research and development of new drugs. The CODM reviews the operating results of the business as one operating segment to make decisions about resources to be allocated. Therefore, the CODM regards that there is only one segment which is used to make strategic decisions. The Group's non-current assets are mainly located in the People's Republic of China (the "PRC") and the Group's revenue are all derived from PRC.

(b) License and collaboration agreement with a customer

During the year ended December 31, 2025, the revenue were recognized from the milestone payments of the license agreement with Shanghai Allist Pharmaceuticals Co., Ltd ("Allist") (the "Allist Agreement") at the time the milestone were achieved. Based on the Allist Agreement, Allist shall obtain exclusive licenses for developing, manufacturing and commercializing certain innovative therapies developed by the Group in certain territories. The considerations of the Allist Agreement consist of non-refundable upfront payment, reimbursements for research and development costs already incurred, variable considerations including milestone payments and royalties on net sales of the licensed products and considerations payable to Allist based on certain trigger events. The Group recognized revenue of RMB155,708,000 during the year ended December 31, 2024 at the time the license was transferred to Allist.

Notes to the Consolidated Financial Statements

5. SEGMENT AND REVENUE INFORMATION (Continued)

(c) Clinical trial data management and statistical analysis services

During the year ended December 31, 2025, the Group entered contracts with Allist to provide clinical trial data management and statistical analysis services to Allist.

(d) An analysis of revenue from contracts with customer is as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Revenue from the agreements recognized:		
At a point in time	**52,689**	155,708
Over time	**836**	–
	53,525	155,708

(e) Assets related to contracts with customer

The Group has recognized the following assets related to contracts with customer:

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
Current		
Trade receivable relating to contracts with customers	**8,834**	7,678
Less: loss allowance	**–**	–
	8,834	7,678

As of January 1, 2024, trade receivable from contracts with customer amounted to RMB9,339,000.

The carrying amount of trade receivable relating to contracts with customers with amount of RMB8,834,000 (2024: RMB7,678,000) is within one year aging band which is presented based on the date of rendering of services.

Further detailed analysis of credit risk of trade receivable are set out in Note 36.

Notes to the Consolidated Financial Statements

5. SEGMENT AND REVENUE INFORMATION (Continued)

(f) Performance obligations for contracts with customer and revenue recognition policies

License and collaboration agreement with a customer

The Group enters into license and collaboration agreement for research, development, manufacturing and commercialization services. The terms of these arrangements typically include non-refundable upfront payments, reimbursements for costs incurred and variable considerations including milestone payments, royalties on net sales of licensed products and considerations payable to customers. As part of the accounting for these arrangements, the Group uses significant judgement: (i) to determine the performance obligations; and (ii) to estimate variable consideration.

After assessment, the Group considers that the arrangements include the following two performance obligations:

Licenses of intellectual property: For licenses determined to be distinct, the Group recognizes revenue from non-refundable, upfront payments allocated to the license at a point in time, when the license is transferred to the licensee and the licensee is able to use and benefit from the license.

Research and development services: For research and development services determined to be distinct, the portion of the reimbursements for costs incurred and is recognized at a point in time when delivered the results of research and development activities.

The Group uses judgement to determine whether milestone payments or other variable consideration should be included in the transaction price.

Milestone payments: At the inception of each arrangement that includes milestone payments, the Group estimates the amount of consideration to which it will be entitled using the most likely amount, which best predicts the amount of consideration to which the Group will be entitled. The potential milestone payments that the Company is eligible to receive were considered as variable consideration as all milestone amounts were fully constrained due to uncertainty of achievement.

Royalties: For arrangements that include sales-based royalties, the Group recognizes revenue at the later of (i) when the related sales occur, or (ii) when the performance obligation to which some or all of the royalty has been allocated has been satisfied (or partially satisfied).

Considerations payable to customers: Includes cash amounts that the Group pays, or expects to pay, to the customer which is deducted from revenue if no distinct service or good is obtained and are presented under “other payables and accruals” in Note 25.

Notes to the Consolidated Financial Statements

5. SEGMENT AND REVENUE INFORMATION (Continued)

(f) Performance obligations for contracts with customer and revenue recognition policies (Continued)

Clinical trial data management and statistical analysis services

Such services are recognized as a performance obligation satisfied over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance. Revenue is recognized for the services based on the time consuming out of total budgeted time. The directors have assessed that the stage of completion determined as the proportion of the total time expected to conduct clinical trial data management and statistical analysis that has elapsed at the end of the reporting period is an appropriate measure of progress towards complete satisfaction of these performance obligations under IFRS 15.

6. EXPENSES BY NATURE

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Outsourcing service fees	**38,628**	154,165
Employee benefits expenses *(Note 7)*	**134,879**	153,526
Raw materials and consumables used	**6,899**	14,610
Depreciation and amortization	**22,806**	26,458
Professional services expenses	**5,451**	7,827
Expenses for short-term leases	**820**	948
Auditor's remuneration	**1,277**	1,422
Others	**12,846**	14,272
Total	**223,606**	373,228

For the year ended December 31, 2025, the Group incurred research and development expenses of approximately RMB188,586,000 (2024: RMB330,177,000) which mainly consisted of outsourcing service fees, employee benefit expenses, raw materials and consumables used in relation to research and development activities.

Notes to the Consolidated Financial Statements

7. EMPLOYEE BENEFITS EXPENSES

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Wages, salaries and bonuses	**105,333**	111,886
Social security costs and housing benefits	**12,384**	15,751
Share-based compensation expenses *(Note 30)*	**4,482**	9,964
Contribution to pension plans *(Note 31)*	**9,182**	11,801
Other employee benefits	**3,498**	4,124
	134,879	153,526

Employee benefits expenses have been charged to the consolidated statement of profit or loss as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Cost of revenue	**593**	–
Research and development expenses	**112,395**	126,998
Administrative expenses	**21,891**	26,528
	134,879	153,526

8. OTHER INCOME

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Government grants related to		
– Research and development activities (i)	**–**	5,000
– Machinery (ii)	**414**	415
– Others (iii)	**3,430**	8,909
	3,844	14,324

Note:

Government grants include subsidies from local governments which are specifically for (i) the Group's research and development activities, which are recognized upon compliance with the attached conditions; (ii) compensations of the capital expenditure incurred for purchase of machinery in relation to research and development, which are recognized over the useful lives of the related assets; and (iii) subsidies to provide immediate financial support to the Group with no conditions attached which are recognized in profit or loss when the subsidies are received.

Notes to the Consolidated Financial Statements

9. OTHER GAINS AND LOSSES – NET

	Year ended December 31, 2025 RMB'000	2024 RMB'000
Net foreign exchange (losses)/gains	**(16,242)**	12,192
Fair value changes on financial assets at FVTPL	**2,002**	–
Fair value changes on long-term investments measured at FVTPL	**(2,902)**	(18)
Gain on disposal of investment in a subsidiary *(Note 32)*	**19,167**	–
Loss on disposal of property, plant and equipment	**–**	(137)
Loss on remeasurement of redemption liability *(Note 23)*	**–**	(957)
Gain on modification of leases	**–**	3,933
Others	**(4)**	10
	2,021	15,023

10. FINANCE INCOME – NET

	Year ended December 31, 2025 RMB'000	2024 RMB'000
Finance income		
– Interest income	**31,700**	40,863
Finance expenses		
– Interest costs on lease liabilities	**(2,935)**	(4,550)
– Interest costs on borrowings	**(2,066)**	(2,028)
– Interest costs on redemption liability	**(6,303)**	(1,821)
– Interest on considerations payable to a customer	**(1,632)**	–
	(12,936)	(8,399)
Finance income – net	**18,764**	32,464

Notes to the Consolidated Financial Statements

11. INCOME TAX EXPENSE

(a) Income tax expense

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Current PRC enterprise income tax ("EIT")	**–**	–

Under the law of the PRC on Enterprise Income Tax (the "EIT Law") and implementation regulations of the EIT Law, the statutory tax rate of the Company's PRC subsidiaries is 25% for both years.

Pursuant to the relevant laws and regulations, a subsidiary of the Company has been eligible as a High/New Technology Enterprise ("HNTE") which is subject to a tax concession rate of 15% during the years ended December 31, 2025 and 2024.

According to the relevant laws and regulations promulgated by the State Administration of Taxation of the PRC, enterprise engaging in research and development activities are entitled to claim 200% of their research and development expenditures, as tax deductible expenses ("Super deduction") when determining their assessable profits for that year.

No provision for PRC enterprise income tax was made as the Group's PRC subsidiaries incurred tax losses for the years ended December 31, 2025 and 2024.

No Hong Kong Profits Tax was provided for as there was no estimated assessable profit of the Group's Hong Kong subsidiary that was subject to Hong Kong Profits Tax for the years ended December 31, 2025 and 2024.

Under the prevailing laws of the Cayman Islands, the Company is not subject to tax on income or capital gains. In addition, the Cayman Islands does not impose a withholding tax on dividend payments by the Company to its shareholders.

A subsidiary of the Company which incorporated in Massachusetts, United States is subject to statutory United States federal corporate income tax at a rate of 21%. It is also subject to the state corporate income tax in Massachusetts at a rate of 8% during the years ended December 31, 2025 and 2024. No federal and state corporate income tax was provided for as there was no estimated assessable profit that was subject to federal and state corporate income tax during the years ended December 31, 2025 and 2024.

Notes to the Consolidated Financial Statements

11. INCOME TAX EXPENSE (Continued)

(a) Income tax expense (Continued)

The income tax expense for the year is reconciled to loss before income tax per the consolidated statement of profit or loss as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Loss before income tax	**(145,981)**	(155,709)
Tax credits calculated at statutory tax rate of 25%	**(36,495)**	(38,927)
Income not taxable for taxation purposes	**(4,081)**	(9,832)
Impact of applying different tax rate	**24,295**	43,429
Expenses not deductible for taxation purposes	**12,232**	4,681
Super deduction for research and development expenses	**(32,689)**	(66,273)
Utilization of tax losses previously not recognized	**(260)**	–
Tax losses not recognized as deferred income tax assets	**36,998**	66,922
Income tax expense	**–**	–

(b) Deferred taxation

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances before offsetting:

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
Deferred tax assets	**9,679**	11,244
Deferred tax liabilities	**(9,679)**	(11,244)

Notes to the Consolidated Financial Statements

11. INCOME TAX EXPENSE (Continued)

(b) Deferred taxation (Continued)

The following are the deferred tax liabilities and assets recognized and movements thereon during the current and prior years:

	Lease liabilities *RMB'000*	Right-of-use assets *RMB'000*	Total *RMB'000*
As at January 1, 2024	19,652	(19,652)	–
(Charged)/credited to profit or loss	(8,408)	8,408	–
As at December 31, 2024	11,244	(11,244)	–
(Charged)/credited to profit or loss	(1,565)	1,565	–
As at December 31, 2025	9,679	(9,679)	–

As at December 31, 2025, the Group had unused tax losses of approximately RMB3,043,009,000 (2024: RMB2,797,053,000), that can be carried forward against future taxable income. No deferred income tax assets have been recognized in respect of these tax losses due to the unpredictability of future taxable income. The unused tax losses of the Group were mainly from the subsidiaries incorporated in Chinese Mainland. Pursuant to the relevant regulations, the tax losses of the subsidiaries incorporated in Chinese Mainland, which are HNTE or Small and Medium-sized Technological Enterprises, will expire within 10 years; and the tax losses for Hong Kong subsidiary can be carried forward indefinitely. The expiry dates of unrecognized tax losses are as disclosed in the following table.

	As at December 31, 2025 *RMB'000*	2024 *RMB'000*
2025	–	3,026
2026	**17,674**	17,674
2027	**39,853**	39,853
2028	**100,454**	100,454
2029	**189,598**	190,725
2030	**20,627**	20,627
2031	**441,833**	441,833
2032	**681,837**	681,837
2033	**808,657**	802,681
2034	**435,990**	435,990
2035	**244,699**	–
Carried forward indefinitely	**61,787**	62,353
	3,043,009	2,797,053

Notes to the Consolidated Financial Statements

12. LOSS PER SHARE

(a) Basic loss per share

The calculation of the basic loss per share attributable to owners of the Company is based on the following data:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Loss for the year attributable to owners of the Company for the purpose of basic loss per share	**(145,981)**	(155,709)

Number of shares:

	Year ended December 31,	
	2025	2024
	'000	*'000*
Weighted average number of ordinary shares for the purpose of basic loss per share	**774,511**	774,809

Movement in fully paid ordinary shares of the Company for the year are shown in Note 28.

As at 31 December 2025, 13,825,470 shares (2024: 15,493,954) in relation to outstanding share options, ungranted or unvested restricted shares under employee incentive plans have not been included in the calculation of basic loss per share as presented above.

(b) Diluted loss per share

The Group had potential dilutive shares throughout the years ended December 31, 2025 and 2024 in connection with the share options and restricted shares as granted by the Group to its employees in the past. Due to the Group's losses for both years, the inclusion of these potential dilutive shares in the calculation of diluted loss per share would be anti-dilutive. Hence, the Group's diluted loss per share equals to its basic loss per share for both years.

Notes to the Consolidated Financial Statements

13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

The emoluments paid or payable to the directors and chief executive of the Company are as follows:

	Fees *RMB'000*	Salaries *RMB'000*	Discretionary bonuses (iv) *RMB'000*	Share-based compensation expenses *RMB'000*	Employer's social security costs *RMB'000*	Total *RMB'000*
Year ended December 31, 2025						
Executive directors						
Dr. Yinxiang Wang *(Chief Executive)*	–	2,880	660	–	165	3,705
Ms. Xiaojie Wang (i)	–	2,304	144	–	–	2,448
Ms. Yunyan Hu	–	2,304	300	–	–	2,604
Sub-total	–	7,488	1,104	–	165	8,757
Non-executive director						
Dr. Te-Li Chen	–	–	–	–	–	–
Independent non-executive directors						
Dr. Ruilin Song	400	–	–	–	–	400
Dr. Ge Wu (ii)	200	–	–	–	–	200
Dr. Bai Lu (ii)	200	–	–	–	–	200
Sub-total	800	–	–	–	–	800
Total	800	7,488	1,104	–	165	9,557

Notes to the Consolidated Financial Statements

13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

The emoluments paid or payable to the directors and chief executive of the Company are as follows: (Continued)

	Fees *RMB'000*	Salaries *RMB'000*	Discretionary bonuses (iv) *RMB'000*	Share-based compensation expenses *RMB'000*	Employer's social security costs *RMB'000*	Total *RMB'000*
Year ended December 31, 2024						
Executive directors						
Dr. Yinxiang Wang *(Chief Executive)*	–	2,740	–	–	160	2,900
Ms. Xiaojie Wang	–	2,304	–	–	–	2,304
Ms. Yunyan Hu	–	2,474	–	–	–	2,474
Sub-total	–	7,518	–	–	160	7,678
Non-executive directors						
Dr. Te-Li Chen	–	–	–	–	–	–
Ms. Yanmin Tang (iii)	–	–	–	–	–	–
Sub-total	–	–	–	–	–	–
Independent non-executive directors						
Dr. Ruilin Song	400	–	–	–	–	400
Dr. Ge Wu	200	–	–	–	–	200
Dr. Bai Lu	200	–	–	–	–	200
Sub-total	800	–	–	–	–	800
Total	800	7,518	–	–	160	8,478

(i) On June 10, 2025, Ms. Xiaojie Wang has been re-elected as an executive director.

(ii) On June 10, 2025, Dr. Ge Wu and Dr. Bai Lu have been re-elected as independent non-executive directors.

(iii) On August 31, 2024, Ms. Yanmin Tang resigned from her position as a non-executive director.

(iv) During the years ended December 31, 2025 and 2024, discretionary bonuses are mainly determined with reference to the performance of the relevant director.

There were no arrangements under which a director of the Company or the chief executive waived or agreed to waive any remuneration during the years ended December 31, 2025 and 2024.

No loans, quasi-loans and other dealings in favor of directors, their controlled bodies corporate and connected entities subsisted at the end of the year or at any time during the years ended December 31, 2025 and 2024.

No significant transactions, arrangements and contracts in relation to the Group's business to which the Group was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the years ended December 31, 2025 and 2024.

Notes to the Consolidated Financial Statements

14. FIVE HIGHEST PAID EMPLOYEES

For the year ended December 31, 2025, the five individuals whose emoluments were the highest in the Group include 3 (2024: 3) directors, whose emoluments are reflected in the analysis presented in Note 13 above. The emoluments payable to the remaining 2 (2024: 2) highest paid individuals who were neither a director nor chief executive of the Company were as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Basic salaries, other allowances and benefits in kind	**6,533**	6,723
Contribution to pension scheme	**193**	222
Discretionary bonus	**1,278**	–
Share-based compensation expenses	**1,866**	3,858
	9,870	10,803

The remaining 2 highest paid individuals fell within the following bands:

	Year ended December 31,	
	2025	2024
Emolument bands in Hong Kong Dollars ("HK$")		
HK$2,500,001 – HK$3,000,000	**1**	1
HK$7,500,001 – HK$8,000,000	**1**	–
HK$9,000,001 – HK$9,500,000	**–**	1
	2	2

15. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the year ended December 31, 2025, nor has any dividend been proposed since the end of the reporting period (2024: Nil).

Notes to the Consolidated Financial Statements

16. PROPERTY, PLANT AND EQUIPMENT

	Machinery and equipment *RMB'000*	Office equipment and furniture *RMB'000*	Leasehold improvement *RMB'000*	Total *RMB'000*
Cost				
At January 1, 2024	53,226	6,158	61,856	121,240
Additions	355	154	243	752
Disposals	(1,980)	(112)	–	(2,092)
Effects of exchange rate changes	25	–	–	25
At December 31, 2024	51,626	6,200	62,099	119,925
Additions	226	17	–	243
Effects of exchange rate changes	(4)	–	–	(4)
At December 31, 2025	**51,848**	**6,217**	**62,099**	**120,164**
ACCUMULATED DEPRECIATION				
At January 1, 2024	24,016	4,077	4,350	32,443
Provided for the year	5,026	963	5,979	11,968
Elimination on disposals	(1,595)	(102)	–	(1,697)
Effects of exchange rate changes	20	–	–	20
At December 31, 2024	27,467	4,938	10,329	42,734
Provided for the year	4,935	474	6,595	12,004
Effects of exchange rate changes	(3)	–	–	(3)
At December 31, 2025	**32,399**	**5,412**	**16,924**	**54,735**
CARRYING VALUES				
At December 31, 2025	19,449	805	45,175	65,429
At December 31, 2024	24,159	1,262	51,770	77,191

Notes to the Consolidated Financial Statements

17. RIGHT-OF-USE ASSETS

	As at December 31, 2025 RMB'000	2024 RMB'000
Leased properties	**64,066**	74,301
Leased an automobile	**396**	–
	64,462	74,301

The Group leases properties and automobile for its own use. Information about leases for which the Group is a lessee is presented below:

	As at December 31, 2025 RMB'000	2024 RMB'000
Cost	**80,104**	79,697
Accumulated depreciation	**(15,642)**	(5,396)
Net book amount	**64,462**	74,301

	Year ended December 31, 2025 RMB'000	2024 RMB'000
Opening net book amount	**74,301**	130,806
Additions	**407**	1,301
Lease modifications	**–**	(43,840)
Depreciation charged to profit or loss	**(10,246)**	(13,966)
Closing net book amount	**64,462**	74,301

Notes to the Consolidated Financial Statements

17. RIGHT-OF-USE ASSETS (Continued)

The consolidated statement of profit or loss and the consolidated statement of cash flows contain the following amounts relating to leases:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Depreciation charge of right-of-use assets	**10,246**	13,966
Interest costs on lease liabilities	**2,935**	4,550
Expenses relating to short-term leases	**820**	948
The cash outflow for leases as operating activities	**820**	948
The cash outflow for leases as financing activities	**12,956**	15,570

Note:

The Group leases properties and an automobile to operate its business. These leases are typically made for fixed terms of 2 to 10 years (2024: 2 to 10 years). Lease terms are negotiated on an individual basis and contain different payment terms and conditions.

The Group's lease agreements did not contain any contingent rent nor any early termination option or purchase option for lessee.

The Group regularly entered into short-term leases for properties. As at December 31, 2025, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

As at December 31, 2025 and 2024, the Group did not enter into new leases that have not yet commenced.

Notes to the Consolidated Financial Statements

18. INTEREST IN A JOINT VENTURE

	As at December 31, 2025 RMB'000	2024 RMB'000
Cost of investment in a joint venture	**3,130**	–
Share of post-acquisition loss	**(529)**	–
	2,601	–

Details of the Group's joint venture at the end of the reporting period are as follow:

Name of a entity	Country of incorporation/ registration	Principal place of business	Proportion of ownership interests held by the Group		Proportion of voting rights held by the Group		Principal activities
			31/12/2025	31/12/2024	**31/12/2025**	31/12/2024	
Jacoray Pharmaceutical Technology Co., Ltd. ("Jacoray") *(Note)*	PRC	PRC	**10%**	–	**10%**	–	Research and development of new drugs

Note:

On October 14, 2025, Jacobio Pharmaceuticals Co., Ltd. ("Beijing Jacobio"), a subsidiary of the Company, Jacoray, a former subsidiary of the Company and an industry partner ("Industry Partner") entered into a capital increase agreement ("Capital Increase Agreement"). On October 15, 2025, Beijing Jacobio, Jacoray, Industry Partner and Shanxi Haisong Management Consulting Partnership ("Oceanpine Capital") entered into an equity transfer agreement (the "Equity Transfer Agreement").

Pursuant to the Capital Increase Agreement, the Industry Partner injected into Jacoray with amount of RMB285,000 (the "Capital Increase"), and the Equity Transfer Agreement, among others, Oceanpine Capital agreed to pay Beijing Jacobio RMB125 million in cash as an upfront payment, plus an additional RMB75 million as a second instalment milestone payment, to acquire 80% equity interest in Jacoray (the "Equity Transfer", together with the Capital Increase, the "Transactions"). The Transactions were completed on December 1, 2025, accordingly, Jacoray will be 10% owned by Beijing Jacobio, 80% owned by Oceanpine Capital and 10% owned by the Industry Partner. As disclosed in Note 32, upon the completion of the Transactions, Beijing Jacobio lost control of Jacoray. As decisions about the relevant activities of Jacoray require the unanimous consent of Oceanpine Capital, Industry Partner and Beijing Jacobio, Beijing Jacobio has joint control over Jacoray with Industry Partner and Oceanpine Capital and have rights to the net assets of Jacoray, and Beijing Jacobio accounted the investments in Jacoray as interests in a joint venture using the equity method.

Notes to the Consolidated Financial Statements

18. INTEREST IN A JOINT VENTURE (Continued)

Summarized financial information of a material joint venture

Summarized financial information in respect of the Group's material joint venture is set out below. The summarized financial information represents amounts shown in the joint venture's financial statements prepared in accordance with IFRS Accounting Standards.

Jacoray

	As at December 31, 2025 *RMB'000*
Current assets	6,574
Current liabilities	(2,860)
The above amounts of assets include the following:	
Cash and bank balances	5,528

	From December 1, 2025 to December 31, 2025 *RMB'000*
Loss for the period	(5,290)

Reconciliation of the above summarized financial information to the carrying amount of the interest in the Jacoray recognized in the consolidated financial statements:

	As at December 31, 2025 *RMB'000*
Net assets of Jacoray	3,714
Proportion of the Group's ownership interest in Jacoray	10%
The Group's share of net assets of Jacoray	371
Goodwill	2,230
Carrying amount of the Group's interest in Jacoray	2,601

The goodwill was recognized when Jacoray became a joint venture as a result of the Transactions. The carrying amount of the Group's interest in Jacoray upon the completion of Transactions was measured based on the fair values of the identifiable net assets of the joint venture.

Notes to the Consolidated Financial Statements

19. LONG-TERM INVESTMENTS MEASURED AT FVTPL

	As at December 31, 2025 RMB'000	2024 RMB'000
Preferred shares investment in an associate (a)	**8,180**	11,755
Preferred shares investment in an investee (b)	**7,081**	6,408
	15,261	18,163

(a) In 2021, the Company has subscribed for 132,125 convertible redeemable series A preferred shares of Hebecell Holding Limited ("Hebecell") at a total consideration of United States Dollar ("USD") 2.5 million and has nominated one director in the board of directors of Hebecell. In 2024, 8,165 convertible redeemable series A preferred shares of Hebecell have been awarded to the Company at nil consideration. As of December 31, 2025, the Company hold 140,290 (2024: 140,290) convertible redeemable series A preferred shares of Hebecell.

(b) The investees of these preferred shares investments are principally engaged in research and development in biotechnology industry, and the major valuation techniques and assumptions used to determine fair values of long-term investments measured at FVTPL are disclosed in Note 37.

20. OTHER RECEIVABLES AND PREPAYMENTS

	As at December 31, 2025 RMB'000	2024 RMB'000
Prepayments for goods and services	**4,651**	3,891
Value-added tax recoverable	**6,249**	849
Retention receivables	**57**	57
Others	**316**	1,657
	11,273	6,454
Less: non-current portion (a)	**–**	(57)
Current portion	**11,273**	6,397

(a) The non-current portion of other receivables and prepayments is retention receivables not expected to be recovered in the coming 12 months.

Notes to the Consolidated Financial Statements

21. FINANCIAL ASSETS AT FVTPL

	As at December 31, 2025 RMB'000	2024 RMB'000
Contingent consideration (non-current portion) *(Note 32)*	**1,939**	–
Structured deposits (current portion) (a)	**160,025**	–
	161,964	–

(a) During the year ended December 31, 2025, the Group invested in structured deposits, which were issued by banks in the PRC with expected rates of return (not guaranteed) ranging from 0.01% to 2.40% per annum, which are linked to the fluctuation of Euro exchange rate against USD, Japanese Yen and Swiss Franc, Australian Dollar against USD, 10-year Chinese government bond yield, and gold spot price, with the term of less than one year. The structured deposits were classified as financial assets at FVTPL as their contractual cash flows are not solely payments of principal and interest.

22. CASH AND BANK BALANCES

The Group's cash and cash equivalents and other bank deposits are analyzed as below:

	As at December 31, 2025 RMB'000	2024 RMB'000
Cash and cash equivalents	**373,776**	677,092
Bank deposits with original maturities of over 3 months	**569,875**	497,447
Restricted bank balance (a)	**30,000**	–
	973,651	1,174,539

(a) As at December 31, 2025, restricted bank balance with amount of RMB30,000,000 have been frozen and had no interest rate as the Group was in the process of purchasing structured deposits.

Notes to the Consolidated Financial Statements

23. REDEMPTION LIABILITY

	As at December 31, 2025 RMB'000	2024 RMB'000
Redemption liability at amortized cost	**157,299**	106,240

Pursuant to a capital increase agreement of Beijing Jacobio dated June 30, 2023 (the "Investment Agreement"), a third party, Beijing E-town International Investment & Development Co., Ltd. (the "Investor") proposed to invest an aggregate amount of RMB150 million to subscribe for 3.03% of the registered capital of Beijing Jacobio. Payment for the subscription consideration will be made in cash in three instalments based on the milestones of Beijing Jacobio's research and development activities. During the year ended December 31, 2025, Beijing Jacobio has received the third instalment of RMB45 million, the first and second instalment with amounts of RMB60 million and RMB45 million, respectively, were received during the years ended December 31, 2024 and 2023.

Pursuant to the Investment Agreement, Beijing Jacobio is obligated to redeem the equity interests held by the Investor at the end of five-year period commencing on the date of the receipt of proceeds (the "Investment Period"), and has an option to redeem it at any time prior to the expiry of the Investment Period. The redemption price is the original investment principals plus interests calculated in accordance with terms of the Investment Agreement. The Investment Agreement was treated as a forward contract with fixed redemption price and the risks and rewards associated with ownership of the related equity investment in Beijing Jacobio had been transferred to the Group.

The Investment Agreement that contained an obligation for Beijing Jacobio to purchase its own equity instruments for cash gave rise to a financial liability recognized initially at the present value of the redemption amount and subsequently measured at amortized cost. A discount rate of 3.45% was applied to determine the present value of the redemption liability. The difference between the initial recognition amount of the redemption liability and the consideration paid by the Investor was recorded in other reserves (Note 29).

As of December 31, 2024, management re-evaluated its funding demand based on the progress of related projects and determined to change the estimated redemption time and recognized the remeasurement loss of RMB957,000 in other gains and losses – net.

Notes to the Consolidated Financial Statements

24. TRADE PAYABLES

	As at December 31, 2025 RMB'000	2024 RMB'000
Trade payables	**43,519**	117,245
Bills payables	**–**	715
Total	**43,519**	117,960

The aging analysis of trade payables based on the invoice date is as follows:

	As at December 31, 2025 RMB'000	2024 RMB'000
Less than 1 year	**43,519**	117,960

The carrying amounts of trade payables approximate their fair values.

25. OTHER PAYABLES AND ACCRUALS

	As at December 31, 2025 RMB'000	2024 RMB'000
Considerations payable to a customer *(Note 5(f))*	**46,239**	45,353
Payroll and welfare payables	**13,125**	6,137
Payables for purchases of property, plant and equipment	**1,918**	2,775
Tax payable	**1,725**	1,040
Accrued professional service fees	**700**	1,426
Others	**1,740**	2,199
Total	**65,447**	58,930

Notes to the Consolidated Financial Statements

26. BORROWINGS

	As at December 31, 2025 RMB'000	2024 RMB'000
Unsecured short-term bank borrowings	**5,638**	56,060
Unsecured long-term bank borrowings	**89,124**	16,000
	94,762	72,060

The carrying amounts of the above bank borrowings are repayable:

	As at December 31, 2025 RMB'000	2024 RMB'000
Within one year	**5,638**	56,060
Within a period of more than one year but not exceeding two years	**5,638**	4,000
Within a period of more than two year but not exceeding five years	**83,486**	12,000
	94,762	72,060
Less: Amounts due within one year shown under current liabilities	**(5,638)**	(56,060)
Amounts shown under non-current liabilities	**89,124**	16,000

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

	As at December 31, 2025 RMB'000	2024 RMB'000
Fixed-rate borrowings	**64,862**	72,060
Variable-rate borrowings	**29,900**	–
	94,762	72,060

The Group's variable-rate borrowings carry interest at Loan Prime Rate minus 66 basis points.

As at December 31, 2025, the unsecured bank borrowings are repayable within 1 to 3 years (2024: 1 to 3 years) and bear interests at effective interest rates ranging from 2.34% to 2.80% per annum (2024: 2.80% to 3.50% per annum).

Notes to the Consolidated Financial Statements

27. LEASE LIABILITIES

	As at December 31, 2025 *RMB'000*	2024 *RMB'000*
Lease liabilities payable:		
Within one year	**9,790**	9,896
Within a period of more than one year but not exceeding two years	**10,158**	9,701
Within a period of more than two year but not exceeding five years	**32,631**	31,330
Within a period of more than five years	**17,826**	29,092
	70,405	80,019
Less: Amounts due for settlement with 12 months shown under current liabilities	**(9,790)**	(9,896)
Amounts due for settlement after 12 months shown under non-current liabilities	**60,615**	70,123

Lease liabilities were discounted at incremental borrowing rates of the Group mainly ranging from 3.95% to 5.50% (2024: 3.95% to 5.50%).

28. SHARE CAPITAL

	Number of ordinary shares	Nominal value of ordinary shares *USD'000*	Number of preferred shares	Nominal value of preferred shares *USD'000*
Authorized:				
As at January 1, 2024, December 31, 2024 and 2025	**1,000,000,000**	**100**	**–**	**–**

	Number of shares	Share capital *USD'000*	*RMB'000*
Issued and fully paid:			
As at January 1, 2024, December 31, 2024 and 2025	791,755,080	78	523

Notes to the Consolidated Financial Statements

28. SHARE CAPITAL (Continued)

During the year ended December 31, 2025, the Company repurchased 1,758,600 of its own ordinary shares through The Stock Exchange of Hong Kong Limited with an aggregate consideration of HK$12,657,588 (approximately RMB11,275,000) paid. All shares were not cancelled and remained as treasury shares at the end of the reporting period. The details of repurchase of its own shares during the year ended December 31, 2025 are as follows:

Months of repurchase	No. of ordinary shares	Price per share		Aggregate consideration paid
		Highest	Lowest	
		HK$	*HK$*	*HK$*
April	86,100	3.12	3.08	266,799
July	110,400	7.49	5.01	671,499
September	216,000	9.57	9.14	1,996,779
October	864,900	7.94	7.08	6,417,030
November	481,200	7.26	6.51	3,305,481
	1,758,600			12,657,588

During the year ended December 31, 2024, the Company repurchased 2,933,700 of its own ordinary shares through The Stock Exchange of Hong Kong Limited with an aggregate consideration of HK$4,989,528 (approximately RMB4,565,000) paid.

At December 31, 2025, the Company had outstanding treasury shares of 4,692,300 (2024: 2,933,700) shares.

29. OTHER RESERVES

	Capital reserve *RMB'000*	Foreign currency translation reserve *RMB'000*	Total *RMB'000*
As at January 1, 2024	4,114,384	236	4,114,620
Contribution from an investor *(Note 23)*	355	–	355
Exchange differences on translation of foreign operations	–	(236)	(236)
As at December 31, 2024	4,114,739	–	4,114,739
Contribution from an investor *(Note 23)*	244	–	244
Exchange differences on translation of foreign operations	–	(17)	(17)
As at December 31, 2025	4,114,983	(17)	4,114,966

Notes to the Consolidated Financial Statements

30. SHARE-BASED PAYMENTS

The Group has adopted employee incentive plans. These incentive plans were designed to provide incentives to employees, and shall be valid and effective for ten years commencing on each adoption date.

2020 employee incentive plan ("2020 Plan")

Restricted shares which had been granted under the 2020 Plan shall vest during the period from 2022 to 2027 if certain service conditions and/or non-market performance conditions are met.

Share options of Willgenpharma Ltd, an employee incentive platform of the Group, which had been granted under the 2020 Plan shall vest from 2024 to 2025 if certain service conditions or non-market performance conditions are met. The share options vested are exercisable during the exercise period pursuant to the stock option award agreements. When the options are exercised, participants will hold the ordinary shares of the Company indirectly.

On July 16, 2025, the Company entered supplemental agreement with grantees of 2020 Plan, which extended the exercise period of exercisable share options to 5 years following the 5th year anniversary of the vesting commencement date which was changed from July 16, 2025 to July 16, 2030.

No further award in the form of restricted share, share option and other rights or benefits would be granted under 2020 Plan.

2021 employee incentive plan ("2021 Plan")

Restricted shares which had been granted under the 2021 Plan shall vest during the vesting period of four years if certain service conditions and non-market performance conditions are met.

100,000 restricted shares were granted under the 2021 Plan on May 6, 2024 during the year ended December 31, 2024. The fair value of the restricted shares granted during the year was determined based on the price of the Company's shares traded on The Stock Exchange of Hong Kong Limited on the grant date on May 6, 2024, which was HK$1.86 per share. The restricted shares shall vest in 2028 if certain service conditions and non-market performance conditions are met.

As at December 31, 2025, 5,467,220 shares have not been granted under the 2021 employee incentive plans (2024: 5,275,846 shares). The summaries of share options and restricted shares under employee incentive plans are disclosed as follows:

Notes to the Consolidated Financial Statements

30. SHARE-BASED PAYMENTS (Continued)

(a) Share options

Set out below are the summaries of share options granted under the employee incentive plans:

	Year ended December 31,			
	2025		2024	
	Exercise price per option	**Number of options**	Exercise price per option	Number of options
As at January 1,	**USD0.00002 or USD0.8 (i), USD0.8**	**5,250,000**	USD0.00002 or USD0.8 (i), USD0.8	5,250,000
Granted during the year		**–**		–
Forfeited during the year		**–**		–
As at December 31,	**USD0.00002 or USD0.8 (i), USD0.8**	**5,250,000**	USD0.00002 or USD0.8 (i), USD0.8	5,250,000
Exercisable as at December 31,		**5,250,000**		–

(i) The exercise price of these share options is USD0.00002 per option and shall be adjusted to USD0.8 per option retrospectively if certain service conditions are not met.

(b) Restricted shares

Set out below are the summaries of restricted shares granted under the employee incentive plans:

	Number of restricted shares	
	2025	2024
As at January 1,	**4,540,607**	5,785,047
Granted during the year	**–**	100,000
Vested during the year	**(1,668,484)**	(1,072,690)
Forfeited during the year	**(191,374)**	(271,750)
As at December 31,	**2,680,749**	4,540,607

Notes to the Consolidated Financial Statements

30. SHARE-BASED PAYMENTS (Continued)

(c) Expenses arising from share-based payment transactions

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
2020 Plan	**2,778**	5,761
2021 Plan	**1,704**	4,203
	4,482	9,964

As at December 31, 2025, the accumulated expenses arising from share-based payment transactions amounting to RMB166,473,000 were recognized in the share-based compensation reserve (2024: RMB161,991,000).

31. RETIREMENT BENEFITS PLANS

The PRC employees of the Group are members of a state-managed retirement benefits plan operated by the government of the PRC. The PRC subsidiaries of the Company are required to contribute a specified percentage of payroll costs to the retirement benefits plan to fund the employee benefits. The only obligation of the Group with respect to the retirement benefits plan is to make the specified contributions. The retirement benefits cost charged to profit or loss for the year ended December 31, 2025 amounted to RMB9,182,000 (2024: RMB11,801,000). As at December 31, 2025, contributions of RMB684,000 (2024: RMB924,000) due in respect of the year ended 31 December 2025 had not been paid over to the plans. The amounts were paid subsequent to the end of the reporting period.

At December 31, 2025 and 2024, the Group had no forfeited contributions under the above retirement benefit scheme which may be used by the Group to reduce the existing level of contributions. There were also no forfeited contributions available at December 31, 2025 and 2024 under such scheme which may be used by the Group to reduce the contribution payable in future years.

Notes to the Consolidated Financial Statements

32. DISPOSAL OF A SUBSIDIARY

As referred to in Note 18, on December 1, 2025, the Group lost control over Jacoray, and Jacoray became a joint venture of the Group. The fair value of the 10% retained interest in Jacoray at the date on which control was lost was regarded as the cost at initial recognition of the Group's interest in a joint venture.

Analysis of assets and liabilities over which control was lost:

	RMB'000
Cash and bank balances	10,460
Other receivables and prepayments	727
Trade payables	(1,854)
Other payables and accruals	(329)
Net assets disposed of	9,004

Consideration includes:

	RMB'000
Cash received	125,000
Contingent consideration arrangement *(Note i)*	1,939
Total consideration	126,939

Gain on disposal of a subsidiary:

	RMB'000
Consideration received	125,000
Contingent consideration recognized as financial assets at FVTPL *(Note i)*	1,939
Fair value of interest retained in a joint venture *(Note ii)*	3,130
Financial liability at FVTPL *(Note iii)*	(101,898)
Net assets disposed of	(9,004)
Proportion of the Group's ownership interest in Jacoray at the date of loss control	100%
	(9,004)
Gain on disposal of a subsidiary	19,167

Net cash inflow arising on disposal

Cash consideration	125,000
Less: cash and cash equivalents disposed of	(10,460)
	114,540

Notes to the Consolidated Financial Statements

32. DISPOSAL OF A SUBSIDIARY (Continued)

Notes:

(i) Pursuant to the Equity Transfer Agreement, the contingent consideration with amount of RMB75,000,000 will be settled in cash by Oceanpine Capital upon satisfaction of certain conditions of the research project of Jacoray. The fair value of the contingent consideration was determined by the management of the Group with support of independent third-party valuer. As of the date of losing control of Jacoray, the continent consideration is measured at fair value with amount of RMB1,939,000.

(ii) The fair value of interest retained in Jacoray is based on the fair values of the identifiable net assets of Jacoray as of December 1, 2025, which was determined by the management of the Group with support of independent third-party valuer.

(iii) Pursuant to the Equity Transfer Agreement, Beijing Jacobio would refund the consideration with interests of 2.40% per year and additional shareholder loan provided by Oceanpine Capital to Jacoray (if any), if the milestones of the research project are not achieved on specific dates as set out in the Equity Transfer Agreement. The refundable payments are measured as financial liability at FVTPL with amount of RMB101,898,000 as of the date of losing control of Jacoray. The fair value of the financial liability was determined by the management of the Group with support of independent third-party valuer.

33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

	Lease liabilities *RMB'000*	Redemption liability *RMB'000*	Borrowings *RMB'000*	Total *RMB'000*
As at January 1, 2024	(136,298)	(58,817)	(73,616)	(268,731)
Cash used in/(from) financing activities	15,570	(45,000)	3,584	(25,846)
Lease modifications	46,560	–	–	46,560
New leases *(Note 17)*	(1,301)	–	–	(1,301)
Interest costs *(Note 10)*	(4,550)	(1,821)	(2,028)	(8,399)
Contribution from an investor *(Note 29)*	–	355	–	355
Loss on remeasurement of redemption liability *(Note 23)*	–	(957)	–	(957)
As at December 31, 2024	(80,019)	(106,240)	(72,060)	(258,319)
Cash used in/(from) financing activities	12,956	(45,000)	(20,636)	(52,680)
New leases *(Note 17)*	(407)	–	–	(407)
Interest costs	(2,935)	(6,303)	(2,066)	(11,304)
Contribution from an investor *(Note 29)*	–	244	–	244
As at December 31, 2025	**(70,405)**	**(157,299)**	**(94,762)**	**(322,466)**

Notes to the Consolidated Financial Statements

34. CAPITAL COMMITMENTS

The following is the details of capital expenditure contracted for but not provided in the consolidated financial statements:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Contracted but not provided for		
– Property, plant and equipment	**–**	58

35. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of debt and equity balances. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes the borrowings disclosed in Note 26, lease liabilities disclosed in Note 27 and redemption liability disclosed in Note 23, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, treasury shares and reserves.

The management of the Group reviews the capital structure regularly. As part of this review, the management of the Group considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the management, the Group will balance its overall capital structure through the payment of dividends, new shares issues and share buy-backs as well as raising, extension and early repayment of borrowings.

36. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Categories of financial instruments

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
Financial assets:		
Financial assets at amortized cost	**982,858**	1,183,931
Financial assets at FVTPL	**177,225**	18,163
Financial liabilities:		
Financial liabilities at amortized cost	**346,177**	348,013
Financial liability at FVTPL	**101,898**	–
Lease liabilities	**70,405**	80,019

Notes to the Consolidated Financial Statements

36. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, long-term investments measured at FVTPL, financial assets at FVTPL, cash and bank balances, trade payables, other payables and accruals, borrowings, redemption liability, financial liability at FVTPL and lease liabilities. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) Currency risk

The Group mainly operates in the PRC with most of the transactions settled in RMB, but also undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuation arise. As at the end of the reporting period, the Group had the following monetary items, which are cash and bank balances, long-term investments measured at FVTPL, other receivables and trade payables denominated in currencies other than RMB. In addition, the Group has intra-group balances between several subsidiaries denominated in foreign currency which also expose the Group to foreign currency risk.

	Assets	
	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
USD	**705,896**	749,530
HK$	**2,828**	6,904

	Liabilities	
	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
USD	**535**	28,850

Notes to the Consolidated Financial Statements

36. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

Market risk *(Continued)*

(i) Currency risk (Continued)

Sensitivity analysis

The Group was primarily subject to foreign currency risk from the movement of the exchange rates between RMB against HK$ and USD. At the end of the reporting period, if the exchange rate of RMB had been weakened against HK$ and USD by 5% (2024: 5%) and all other variables were held constant, the Group's pre-tax loss would decrease as follows. For a 5% (2024: 5%) strengthening of RMB against HK$ and USD, there would be an opposite impact on the pre-tax loss for the year.

	For the year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
USD	**35,268**	36,034
HK$	**141**	345

(ii) Interest rate risk

The Group's fair value interest rate risk relates primarily to bank deposits (Note 22), redemption liability (Note 23), fixed-rate borrowings (Note 26) and lease liabilities (Note 27). The Group is also exposed to cash flow interest risk in relation to variable-rate bank balances (Note 22) and variable-rate borrowings (Note 26) which carry prevailing market interests. The Group currently does not have a specified policy to manage its interest rate risk but will closely monitor their interest rate risk exposure in the future.

The sensitivity analysis below has been determined based on the exposure to interest rates for borrowings with variable interest rate at the end of the reporting period. The analysis is prepared assuming the variable-rate borrowings at the end of the reporting period were outstanding for the whole year. A 25 basis points (2024: N/A) increase or decrease represents management's assessment of the reasonably possible change in interest rates. Bank balances are excluded from sensitivity analysis as the management considers that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant.

If interest rates on variable-rate borrowings had been 25 basis points (2024: N/A) higher/lower and all other variables were held constant, the Group's pre-tax loss for the year ended December 31, 2025 would have increased/decreased by RMB75,000 (2024: N/A).

(iii) Other price risk

The Group invested in certain funds for investing in investees operating in bio-science industry sector as detailed in Note 19 and invested in structure deposits as detailed in Note 21. The Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Notes to the Consolidated Financial Statements

36. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

Credit risk

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognized financial assets as stated in the consolidated statements of financial position (including trade and other receivables and bank balances).

For bank balances, management considers the credit risk is low because the counterparties are state-owned or public listed commercial banks and financial institutions. The Group does not expect any losses and no loss allowance provision for restricted bank deposits and bank balances was recognized.

For trade and other receivables, management makes periodic assessments as well as individual assessment on the recoverability based on historical settlement records and past experience and adjusts for forward looking information. The Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade receivables. The Group does not expect any losses from trade receivable from the customers, which are reputable pharmaceutical companies with low credit risk, and the management concluded that the ECL for trade receivables are insignificant, hence no ECL recognized for the year end December 31, 2025 (2024: nil). In determining the ECL for other receivables, the management of the Group has taken into account the historical default experience and forward-looking information, as appropriate. The management believes that there has been no significant increase in credit risk of other receivables since initial recognition, and the credit impairment was assessed based on 12m ECL. The management concluded that the ECL for other receivables are insignificant, hence no ECL recognized for the year end December 31, 2025 (2024: nil).

Liquidity risk

In management of the liquidity risk, the Group monitors and maintains levels of bank balances and cash deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group had net current assets of RMB927,491,000 as at December 31, 2025 (2024: net current assets of RMB945,768,000). The directors closely monitor the cash flows of the Group and would arrange the financing, when necessary, to ensure the Group has sufficient funds to enable the Group to meet its financial obligations in the foreseeable future.

Notes to the Consolidated Financial Statements

36. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

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

	Weighted average interest rate	On demand or less than 1 year *RMB'000*	Between 1 and 2 years *RMB'000*	Between 2 and 5 years *RMB'000*	Over 5 years *RMB'000*	Total undiscounted cash flows *RMB'000*	Carrying amount *RMB'000*
As at December 31, 2025							
Trade payables	–	**43,519**	–	–	–	**43,519**	**43,519**
Other payables and accruals (excluding non-financial liabilities)	**3.60%/–**	**54,358**	–	–	–	**54,358**	**50,597**
Lease liabilities	**4.03%**	**12,941**	**12,377**	**36,696**	**18,378**	**80,392**	**70,405**
Borrowings	**2.36%**	**7,842**	**7,708**	**85,557**	–	**101,107**	**94,762**
Redemption liability	**3.45%**	–	–	**172,970**	–	**172,970**	**157,299**
Financial liability at FVTPL	**2.40%**	**128,000**	–	–	–	**128,000**	**101,898**
Total		**246,660**	**20,085**	**295,223**	**18,378**	**580,346**	**518,480**
As at December 31, 2024							
Trade payables	–	117,960	–	–	–	117,960	117,960
Other payables and accruals (excluding non-financial liabilities)	3.60%/–	56,400	–	–	–	56,400	51,753
Lease liabilities	3.95%	12,826	12,249	36,622	30,574	92,271	80,019
Borrowings	3.20%	57,314	4,448	12,336	–	74,098	72,060
Redemption liability	3.45%	–	–	122,190	–	122,190	106,240
Total		244,500	16,697	171,148	30,574	462,919	428,032

Notes to the Consolidated Financial Statements

37. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. In estimating the fair value, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group determines the appropriate valuation techniques and inputs for fair value measurements and works closely with the qualified valuer to establish the appropriate valuation techniques and inputs to the model.

Fair values are categorized into different fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 fair value measurements are those derived from valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable (significant unobservable input).

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

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Fair value hierarchy as at December 31, 2025

	As at December 31, 2025			
	Level 1 *RMB'000*	Level 2 *RMB'000*	Level 3 *RMB'000*	Total *RMB'000*
Assets				
Long-term investments measured at FVTPL	–	–	**15,261**	**15,261**
Financial assets at FVTPL	–	**160,025**	**1,939**	**161,964**
	–	**160,025**	**17,200**	**177,225**
Liability				
Financial liability at FVTPL	–	–	**101,898**	**101,898**

Notes to the Consolidated Financial Statements

37. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

Fair value hierarchy as at December 31, 2024

	As at December 31, 2024			
	Level 1 *RMB'000*	Level 2 *RMB'000*	Level 3 *RMB'000*	Total *RMB'000*
Asset				
Long-term investments measured at FVTPL	–	–	18,163	18,163

Financial assets/liability	Fair value as at December 31, 2025 *RMB'000*	Fair value as at December 31, 2024 *RMB'000*	Fair value hierarchy	Valuation technique and key input	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Structured deposits at FVTPL	160,025	–	Level 2	Discounted cash flow: Future cash flows are estimated based on estimated return	Not applicable	Not applicable
Contingent consideration	1,939	–	Level 3	Discounted cash flow: Future cash flows are estimated based on estimated return	Possibility of future cash inflows	The higher the possibility of future cash inflows, the higher the fair value
Long-term Investments measured at FVTPL	15,261	18,163	Level 3	– Black-Scholes option pricing model based on observable inputs; and – Back-solve method and equity allocation model based on a combination of observable and unobservable inputs	– Expected Volatility: 78.21% -138.43%; (2024: 78.21% -96.70%); – DLOM:30%-32%; (2024: 30%-32.10%) Risk-free rate: 3.66%-3.73%; (2024: 4.33%-4.43%)	The higher the expected volatility, the lower the fair value The higher the DLOM, the lower the fair value The higher the risk-free rate, the lower the fair value
Financial liability at FVTPL	101,898	–	Level 3	Discounted cash flow: Future cash flows are estimated based on estimated payment	Possibilities of each scenario of future cash outflows ("Possibilities")	The higher the Possibilities the higher the fair value

In the opinion of the directors of the Company, the changes of significant unobservable inputs will not have significant impacts on the carrying amounts of financial assets and financial liabilities.

Notes to the Consolidated Financial Statements

37. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Reconciliation of Level 3 Measurements

The following table represents the reconciliation of Level 3 fair value measurements throughout the years ended December 31, 2025 and 2024:

	Long-term investments measured at FVTPL *RMB'000*	Financial assets at FVTPL *RMB'000*	Financial liability at FVTPL *RMB'000*
As at January 1, 2024	18,181	–	–
Changes in fair value	(18)	–	–
As at December 31, 2024	18,163	–	–
Recognition from the Transaction *(Note 32)*	–	1,939	(101,898)
Changes in fair value	(2,902)	–	–
As at December 31, 2025	15,261	1,939	(101,898)

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the years ended December 31, 2025 and 2024.

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

The management of the Group considers that the carrying amounts of the Group's other financial assets and financial liabilities, approximate their fair values.

38. RELATED PARTY TRANSACTIONS

Key management includes directors and senior management:

	Year ended December 31,	
	2025 *RMB'000*	2024 *RMB'000*
Salaries and other short-term employee benefits	**15,079**	12,844
Share-based compensation expenses	**1,720**	3,858
	16,799	16,702

The salaries and other short-term employee benefits disclosed above include RMB2,893,000 (2024: RMB691,800) of salaries payable which were unpaid as at year end and are included in other payables and accruals.

Notes to the Consolidated Financial Statements

39. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Particulars of the Company's subsidiaries as at December 31, 2025 are as follows:

Name of subsidiaries	Place of incorporation and kind of legal entity	Principal activities and place of operation	Registered/ Issued share capital	Ownership interest held by the Group		Ownership interest held by other investors	
				2025	2024	**2025**	2024
Directly held:							
Jacobio (HK) Pharmaceuticals Co., Limited	Hong Kong, limited company	Investing holding, Hong Kong	10,000 shares of par value HK$1.00	**100.00%**	100.00%	–	–
Indirectly held:							
Beijing Jacobio	the PRC, limited liability company*	Research and development of new drugs, the PRC	RMB291,177,296	**96.97%**	96.97%	**3.03%**	3.03% *(Note 23)*
Jacomab Pharmaceuticals Co., Ltd.	the PRC, limited liability company*	Research and development of new drugs, the PRC	RMB5,400,000	**100.00%**	100.00%	–	–
Jacobio (US) Pharmaceuticals, Inc.	the United States of America ("U.S."), corporation	Research and development of new drugs, U.S.	5,000 shares of par value USD1.00	**100.00%**	100.00%	–	–
Jacoray	the PRC Limited liability Company	Research and development of new drugs, the PRC	RMB2,850,000	**N/A** ***(Note 18)***	100.00%	**N/A** ***(Note 18)***	–

* Registered as foreign-invested enterprise under PRC law

None of the subsidiaries had issued any debt securities at the end of the year (2024: nil).

40. EVENT AFTER THE REPORTING PERIOD

On December 21, 2025, Beijing Jacobio and AstraZeneca AB ("AstraZeneca") entered into a license and collaboration agreement (the "License and Collaboration Agreement") to develop and commercialize pharmaceutical products ("Licensed Products"). Upon the execution of the License and Collaboration Agreement and subject to its terms and conditions (including the satisfaction of certain regulatory approvals and closing conditions), AstraZeneca will be granted an exclusive license to research, develop, register, manufacture and commercialize the Licensed Products on a worldwide basis except for the PRC (excluding Hong Kong Special Administrative Region, the Macau Special Administrative Region, and Taiwan), and shall be responsible for all costs and activities associated with its further development and commercialization in accordance with the License and Collaboration Agreement. With respect to the PRC (excluding Hong Kong Special Administrative Region, the Macau Special Administrative Region, and Taiwan), the Licensed Products will be subject to a joint development and co-commercialization collaboration between Beijing Jacobio and AstraZeneca based on the License and Collaboration Agreement.

Pursuant to the Licence and Collaboration Agreement and subject to its terms and conditions thereof, Beijing Jacobio is entitled to receive an upfront payment of USD100 million from AstraZeneca and is eligible to receive additional milestone payments upon the achievement of certain development, regulatory and commercial milestones, with the total potential consideration amounting up to USD1,915 million. In addition, upon the successful commercialization of the Licensed Products, Beijing Jacobio will be entitled to receive tiered royalties calculated based on the net sales of the Licensed Products.

Notes to the Consolidated Financial Statements

40. EVENT AFTER THE REPORTING PERIOD (Continued)

Subsequent to the end of the reporting period, the terms and conditions under the License and Collaboration Agreements are subject to regulatory approvals and closing conditions, the management of the Group are in the processes to assess the financial impacts of the License and Collaboration Agreement.

41. STATEMENT OF FINANCIAL POSITION AND REVERSES OF THE COMPANY

Information about the financial position of the Company at the end of the reporting period includes:

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
ASSETS		
Non-current assets		
Investments in subsidiaries	**1,980,491**	1,770,883
Long-term investments measured at FVTPL	**15,261**	18,163
Amounts due from subsidiaries	**256,830**	262,589
Total non-current assets	**2,252,582**	2,051,635
Current assets		
Cash and bank balances	**402,644**	625,180
Total current assets	**402,644**	625,180
Total assets	**2,655,226**	2,676,815
EQUITY		
Share capital	**523**	523
Treasury shares	**(15,840)**	(4,565)
Other reserves	**4,358,930**	4,358,930
Share-based compensation reserve	**166,473**	161,991
Accumulated losses	**(1,855,560)**	(1,841,564)
Total equity	**2,654,526**	2,675,315
LIABILITIES		
Current liabilities		
Other payables and accruals	**700**	1,500
Total liabilities	**700**	1,500
Total equity and liabilities	**2,655,226**	2,676,815

Notes to the Consolidated Financial Statements

41. STATEMENT OF FINANCIAL POSITION AND REVERSES OF THE COMPANY (Continued)

Movements of reserves of the Company

	Treasury share *RMB'000*	Other reserves *RMB'000*	Share-based compensation reserve *RMB'000*	Accumulated losses *RMB'000*	Total *RMB'000*
Balance at January 1, 2024	–	4,358,930	152,027	(1,876,133)	2,634,824
Comprehensive income					
Profit for the year	–	–	–	34,569	34,569
Transactions with owners					
Repurchase of shares	(4,565)	–	–	–	(4,565)
Share-based payments	–	–	9,964	–	9,964
Balance at December 31, 2024	(4,565)	4,358,930	161,991	(1,841,564)	2,674,792
Comprehensive income					
Loss for the year	–	–	–	(13,996)	(13,996)
Transactions with owners					
Repurchase of shares	(11,275)	–	–	–	(11,275)
Share-based payments	–	–	4,482	–	4,482
Balance at December 31, 2025	**(15,840)**	**4,358,930**	**166,473**	**(1,855,560)**	**2,654,003**

Five-Year Financial Summary

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	For the Year Ended December 31,				
	2021	2022	2023	2024	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	***RMB'000***
Revenue	152,809	95,746	63,520	155,708	**53,525**
Cost of revenue	(139,979)	(83,112)	(60,317)	–	**(593)**
Research and development expenses	(280,838)	(445,647)	(372,320)	(330,177)	**(188,586)**
Administrative expenses	(44,578)	(42,551)	(46,615)	(43,051)	**(34,427)**
Loss for the year	(301,187)	(371,861)	(359,119)	(155,709)	**(145,981)**
Total comprehensive loss for the year	(301,392)	(371,557)	(359,046)	(155,945)	**(145,998)**

CONSOLIDATED BALANCE SHEET

	As at December 31,				
	2021	2022	2023	2024	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	***RMB'000***
Current assets					
Contract assets	64,919	15,033	–	–	**–**
Trade receivable	–	–	9,339	7,678	**8,834**
Other receivables and prepayments	32,675	25,026	11,224	6,397	**11,273**
Derivative financial instruments	4,550	–	–	–	**–**
Financial assets at FVTPL	–	–	–	–	**160,025**
Cash and bank balances	1,537,583	1,298,688	1,147,847	1,174,539	**973,651**
Current liabilities					
Trade payables	51,047	96,551	81,191	117,960	**43,519**
Other payables and accruals	24,868	44,361	35,994	58,930	**65,447**
Lease liabilities	4,918	13,131	14,329	9,896	**9,790**
Borrowings	–	–	73,616	56,060	**5,638**
Financial liability at FVTPL	–	–	–	–	**101,898**
Net current assets	1,558,894	1,182,896	963,280	945,768	**927,491**
Non-current assets	82,107	235,900	292,071	170,554	**150,545**
Non-current liabilities	3,913	136,272	181,980	193,142	**307,403**
Net assets	1,637,088	1,282,524	1,073,371	923,180	**770,633**
Total equity	1,637,088	1,282,524	1,073,371	923,180	**770,633**

Definitions and Glossary

"2020 Plan"	The 2020 Stock Incentive Plan adopted by the Company on March 1, 2020
"2021 Plan"	The 2021 Stock Incentive Plan adopted by the Company on August 31, 2021
"AGM"	the annual general meeting of the Company scheduled to be held on Friday, June 5, 2026.
"Allist"	Shanghai Allist Pharmaceuticals Co., Ltd.*(上海艾力斯醫藥科技股份有限公司), a limited liability company established in China and is listed on Shanghai Stock Exchange (stock code: 688578)
"Articles of Association"	articles of association of the Company
"ASCO"	American Society of Clinical Oncology
"AstraZeneca AB"	a private company incorporated in Sweden with limited liability and a wholly-owned subsidiary of AstraZeneca
"Audit Committee"	the audit committee of the Board
"Beijing Jacobio"	Jacobio Pharmaceuticals Co., Ltd.(北京加科思新藥研發有限公司), a limited liability company incorporated under the laws of PRC on July 17, 2015, being an indirect wholly-owned subsidiary of our Company
"BET"	bromodomain and extra-terminal motif; BET proteins (including BRD2, BRD3, BRD4, and BRDT) interact with acetylated lysine residues in histone to regulate gene expression and promote aberrant expression of many oncogenes
"Blesspharma Ltd"	a limited company incorporated in the BVI on July 27, 2020, which is an employee incentive platform of our Company
"Board"	the board of Directors
"BTD"	breakthrough therapy designations
"CD73"	ecto-5'-nucleotidase, a surface-expressed enzyme that hydrolyzes AMP into adenosine. CD73 is an immunosuppressive molecule that can be therapeutically targeted to restore effector T-cell function
"CDE"	the Center for Drug Evaluation of NMPA(中華人民共和國國家藥品監督管理局藥品評審中心)
"CDX"	cell line-derived xenograft, a model used for the research and testing of anti-cancer therapies. Human tumor samples are cultured as cell lines and implanted into mouse models to test the efficacy of antitumor compounds in vivo

Definitions and Glossary

"China" or "PRC"	the People's Republic of China excluding, for the purpose of this report, Hong Kong, the Macau Special Administrative Region and Taiwan
"Company" or "our Company"	JACOBIO PHARMACEUTICALS GROUP CO., LTD.(加科思藥業集團有限公司), an exempted company with limited liability incorporated under the laws of the Cayman Islands on June 1, 2018, which was formerly known as JACOBIO (CAY) PHARMACEUTICALS CO., LTD., the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1167)
"Core Product(s)"	has the meaning ascribed thereto in Chapter 18A of the Listing Rules
"Corporate Governance Code" or "CG Code"	Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"CRC"	colorectal cancer, a type of cancer arising from the colon or rectum
"DCR"	disease control rate, the total proportion of patients who demonstrate a response to treatment, equal to the sum of complete responses, partial responses and stable disease
"Directors"	director(s) of our Company
"Dr. Wang"	Dr. Yinxiang Wang(王印祥), our executive Director, Chief Executive Officer, and Chairman of our Board
"Dr. Wang's SPV 1"	Yakovpharma Ltd, a limited liability company incorporated under the laws of the BVI which is wholly owned by Dr. Yinxiang Wang
"Dr. Wang's SPV 2"	Johwpharma Ltd, a limited liability company incorporated under the laws of the BVI which is indirectly wholly owned by Dr. Yinxiang Wang and Ms. Zhu Shen, the spouse of Dr. Wang
"EGFR"	epidermal growth factor receptor
"EMA"	European Medicines Agency
"Employee"	any person, who is in the employ of our Company or any Related Entity and is manager level or above, or considered essential for our Company's development by the Company's management team, subject to the control and direction of our Company or any Related Entity as to both the work to be performed and the manner and method of performance. The payment of a director's fee by our Company or a Related Entity shall not be sufficient to constitute "employment" by our Company

Definitions and Glossary

"ESOP Platforms"	Willgenpharma Ltd, Gloryviewpharma Ltd, Honourpharma Ltd and Blesspharma Ltd
"G13D"	a hotspot mutation in the KRAS protein (glycine to aspartic acid at amino acid position 13)
"Global Offering"	the offer of Shares for subscription as described in the Prospectus
"GMP"	good manufacturing practice
"Greater China"	for the purpose of this report, includes Chinese Mainland, Taiwan, Hong Kong, and the Macau Special Administrative Region
"Group", "our Group", "we", "us" or "our"	our Company and all of its subsidiaries, or any one of them as the context may require or, where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries, or any one of them as the context may require, were or was engaged in and which were subsequently assumed by it
"Hebecell"	Hebecell Holding Limited, an exempted company incorporated with limited liability under the Laws of the Cayman Islands
"HER2"	receptor tyrosine-protein kinase erbB-2, a protein that normally resides in the membranes of cells and is encoded by the ERBB2 gene
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars" or "HK$" or "HKD"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"HRAS"	HRas proto-oncogene, a gene providing instructions for making a protein called H-Ras that is involved primarily in regulating cell division
"iADC"	immunostimulatory Antibody-drug Conjugate
"IC_{50}"	the half maximal inhibitory concentration, which is a measure of the potency of a substance in inhibiting a specific biological or biochemical function
"ICI(s)"	Immune checkpoint inhibitor(s)

Definitions and Glossary

"IFRS"	International Financial Reporting Standards Accounting Standards
"IND"	investigational new drug or investigational new drug application, also known as clinical trial application in China
"Independent third-party"	a person or entity who is not a connected person of our Company under the Listing Rules
"Jacobio HK"	JACOBIO (HK) PHARMACEUTICALS CO., LIMITED(加科思(香港)藥業有限公司), a limited liability company incorporated under the laws of Hong Kong on July 3, 2018, being a direct wholly-owned subsidiary of our Company
"Jacobio US"	JACOBIO (US) PHARMACEUTICALS, INC., a limited liability company incorporated under the laws of the State of Delaware on December 20, 2018, being an indirect wholly-owned subsidiary of our Company
"Jacomab"	Jacomab Pharmaceuticals Co., Ltd.(北京加科天實新藥研發有限公司), a limited liability company incorporated under the laws of PRC on December 7, 2016, being an indirect wholly-owned subsidiary of our Company
"Jacoray"	Jacoray Pharmaceutical Technology Co., Ltd.(北京加科瑞康醫藥科技有限公司)is a limited liability company incorporated under the laws of the PRC on February 5, 2024
"KRAS"	Kirsten rat sarcoma 2 viral oncogene homolog, a signal transducer protein, which plays an important role in various cellular signaling events such as in regulation of cell proliferation, differentiation and migration
"License-Out Agreement"	the exclusive out-licensing agreement entered between the Company and Allist on August 30, 2024 regarding the research and development, manufacturing, and commercialization of 艾瑞凱® (glecirasib, KRAS G12C) and sitneprotafib (JAB-3312, SHP2), within the Greater China
"Licence and Collaboration Agreement"	the exclusive licence and collaboration agreement entered between the Company and AstraZeneca AB on December 21, 2025 regarding the research, development, registration, manufacture and commercialization of JAB-23E73

Definitions and Glossary

"Listing"	the listing of our Company on the main board of the Stock Exchange on December 21, 2020
"Listing Date"	December 21, 2020, being the date on which the Offer Shares were listed and dealings in the Offer Shares first commenced on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Macau"	the Macau Special Administrative Region of the PRC
"Main Board"	the stock exchange (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Hong Kong Stock Exchange
"MF"	myelofibrosis, one of a collection of progressive blood cancers known as myeloproliferative neoplasms
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"mPFS"	median progression-free survival
"Ms. Hu"	Ms. Yunyan Hu (胡雲雁), our executive Director and Senior Vice President
"Ms. Hu's SPV"	Hmed Ltd, a limited liability company incorporated under the laws of the BVI which is wholly owned by Ms. Yunyan Hu
"Ms. Wang"	Ms. Xiaojie Wang (王曉潔), our executive Director and President of Administration
"Ms. Wang's SPV"	Risepharma Ltd, a limited liability company incorporated under the laws of the BVI which is wholly owned by Ms. Xiaojie Wang

Definitions and Glossary

"MYC"	a family of regulator genes and proto-oncogenes that code for transcription factors
"NDA"	new drug application
"nM"	nanomolar
"NMPA"	the National Medical Product Administration of the PRC(國家藥品監督管理局)
"Nomination Committee"	the nomination committee of the Board
"NRAS"	neuroblastoma RAS viral oncogene homolog, which provides instructions for making a protein called N-Ras that is involved primarily in regulating cell division
"NSCLC"	non-small cell lung cancer
"ODD"	orphan drug designation
"ORR"	Overall response rate or objective response rate
"p53"	a type of tumor suppressor gene
"p53 Y220C"	a common mutation (tyrosine at 220th residue is substituted by cysteine) that plays a major role in cancer progression
"PARP7"	members of the PARP enzymes
"PD-1"	programmed cell death protein 1, an immune checkpoint receptor expressed on T cells, B cells and macrophages. The normal function of PD-1 is to turn off the T cell-mediated immune response as part of the process that stops a healthy immune system from attacking other pathogenic cells in the body. When PD-1 on the surface of a T cell attaches to certain proteins on the surface of a normal cell or a cancer cell, the T cell turns off its ability to kill the cell
"PD-(L)1"	PD-1 ligand 1, which is a protein on the surface of a normal cell or a cancer cell that attaches to certain proteins on the surface of the T cell that causes the T cell to turn off its ability to kill the cancer cell
"PDAC"	pancreatic ductal adenocarcinoma cancer

Definitions and Glossary

"PDX"	patient-derived xenografts, a model of cancer where the tissue or cells from a patient's tumor are implanted into an immune-deficient or humanized mouse
"PK"	pharmacokinetics describes the absorption, distribution, metabolism, and excretion (also known as ADME) of drugs in the body
"Prospectus"	the prospectus of our Company dated December 9, 2020 being issued in connection with the Listing
"Q61H"	specific variations in the KRAS protein
"QD"	once daily
"R&D"	research and development
"RAS"	a low-molecular-weight GDP/GTP-binding guanine triphosphatase, which is a prototypical member of the small-GTPase superfamily
"RB"	retinoblastoma protein
"Register of Members"	the register of members of the Company
"RMB"	Renminbi, the lawful currency of the PRC
"Related Entity"	any Parent or Subsidiary of the Company and any business, corporation, partnership, limited liability company or other entity in which the Company or a Parent or a Subsidiary of the Company holds a substantial ownership interest, directly or indirectly
"Remuneration Committee"	the remuneration committee of the Board
"Reporting Period"	the year ended December 31, 2025
"RP2D"	recommended Phase II dose
"SCLC"	small cell lung cancer
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (as amended, supplemented or otherwise modified from time to time)

Definitions and Glossary

"Share(s)"	ordinary share(s) with a nominal value of US$0.0001 each in the share capital of our Company
"Shareholder(s)"	holder(s) of the Shares
"SHP2"	Src homology region 2 domain-containing phosphatase-2, a protein tyrosine phosphatase acting as a key regulator in the RAS signaling pathway
"STING"	stimulator of interferon genes protein
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription"	subscription of 22,100,100 Shares by the top-up vendor pursuant to the placing and subscription agreement entered into among our Company, the top-up vendor and the placing agent on February 10, 2023, details of which are set out in the announcements of our Company dated February 10 and 17, 2023
"TAA(s)"	tumor-associated antigen(s)
"TNBC"	triple-negative breast cancer
"treasury shares"	has the meaning ascribed thereto under the Listing Rules
"U.S."	The United States of America
"US$" or "USD"	United States dollars, the lawful currency of the United States
"U.S. FDA"	U.S. Food and Drug Administration
"%"	per cent