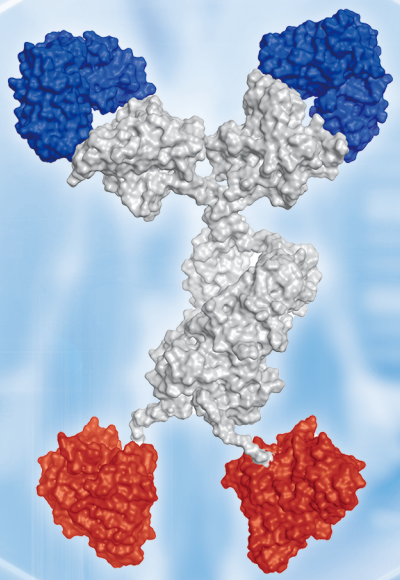
Leads Biolabs

南京维立志博生物科技股份有限公司
Nanjing Leads Biolabs Co., Ltd.

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

Stock code: 9887



2025
ANNUAL REPORT

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Company Profile

Founded in 2012, Nanjing Leads Biolabs Co., Ltd. (南京维立志博生物科技股份有限公司) is a clinical-stage biotechnology company focused on the discovery, development, and commercialization of new therapies in oncology, autoimmune, and other severe diseases.

With our science-driven R&D approach and three proprietary technology platforms — X-body™ (4-1BB Engager), LeadsBody™ (CD3 T Cell Engager), and TOPiKinectics™ (ADC) — we have established a multi-modal, differentiated pipeline in oncology and autoimmune diseases that includes TCEs, bispecific/trispecific antibodies, ADCs, and first-in-class TCE-ADCs.

As of the date of this report, we highlight a selected pipeline of 14 drug candidates across oncology and autoimmune diseases. Among these, one core product (LBL-024, a pivotal-stage PD-L1 and 4-1BB dual-targeting bispecific antibody) is accelerating toward registration and is being evaluated in a total of 13 cancer indications across 9 Proof-of-Concept (POC) studies. Three other candidates are making rapid progress in clinical development, and a deep preclinical portfolio includes five candidates in IND-enabling stage and five approaching PCC nomination, positioning us to create enduring value through disciplined execution and scientific excellence.

Additionally, we have established end-to-end in-house capabilities across early research, translational medicine, clinical development, CMC, and business development. Looking ahead, we remain committed to delivering life-changing therapies for patients worldwide, as we strive to become a global leader in immuno-oncology therapeutics.

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Dr. Kang Xiaoqiang
(Chairman of the Board, chief executive officer and general manager)
Dr. Lai Shoupeng
Mr. Zuo Honggang (左鴻剛)

Non-executive Directors

Mr. Zhang Yincheng (張銀成)
Dr. Chen Renhai (陳仁海)
Dr. Ni Jia (倪佳)
(resigned with effect from March 27, 2026)

Independent Non-executive Directors

Dr. Zhang Hongbing
Mr. Du Yilong (杜以龍) *(Lead INED)*
Ms. Du Jiliu (杜季柳)

AUDIT COMMITTEE

Ms. Du Jiliu (杜季柳) *(Chairperson)*
Mr. Du Yilong (杜以龍)
Dr. Chen Renhai (陳仁海)

REMUNERATION COMMITTEE

Mr. Du Yilong (杜以龍) *(Chairperson)*
Ms. Du Jiliu (杜季柳)
Mr. Zhang Yincheng (張銀成)

NOMINATION COMMITTEE

Dr. Zhang Hongbing *(Chairperson)*
Dr. Kang Xiaoqiang
Ms. Du Jiliu (杜季柳)

JOINT COMPANY SECRETARIES

Mr. Zuo Honggang (左鴻剛)
Ms. Jian Xuegen (簡雪艮)
(member of the Hong Kong Institute of Certified Public Accountants and the Chinese Institute of Certified Public Accountants)

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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AUTHORIZED REPRESENTATIVES

Dr. Kang Xiaoqiang
Mr. Zuo Honggang (左鴻剛)

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Corporate Information

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STOCK CODE

9887

WEBSITE

www.leadsbiolabs.com

LISTING DATE

July 25, 2025

Chairman's Statement

Dear Shareholders,

On behalf of the Board of Directors of Leads Biolabs, I would like to express my sincere gratitude to all our shareholders, partners, and stakeholders for their long-term trust, support, and commitment to the Company.

In 2025, China's biopharmaceutical industry officially entered a new era of original innovation, with oncology treatment undergoing a pivotal transformation into the Immuno-Oncology 2.0 (IO 2.0) era. Facing significant unmet clinical needs globally, Leads Biolabs has stayed true to its founding mission of "patient-centricity, innovation-driven". Focused on the core IO 2.0 track, we delivered two transformative breakthroughs guided by our strategy of global first-in-class (FIC) and highly differentiated innovation: a comprehensive upgrade of our T-cell engager (TCE) technology platform with the creation of the world's first TCE-ADC fusion technology, cementing our innovation moat; and a step-change improvement in clinical operation capabilities, with advancement of core pipelines outpacing expectations and multiple clinical datasets featured in oral presentations at top-tier global academic conferences including ASCO and ASH. We continue to make steady progress toward our long-term vision of "becoming a leading global innovative biopharmaceutical company".

Currently, earlier-generation immune checkpoint inhibitors, led by PD-1/L1 therapies, are the cornerstone of solid tumor treatment, but their clinical limitations are increasingly evident. These therapies only release the "brake" on immune cells, but cannot actively activate the body's anti-tumor immune response, leading to limited benefits in patients with "cold tumors" or PD-1 resistance, unresolved challenges including primary and acquired resistance, insufficient long-term survival benefits, and treatment-related adverse events that restrict broader clinical application. Overcoming these mechanistic limitations to deliver durable survival benefits for patients is the core focus of global oncology R&D, and the fundamental driver of all our pipeline development at Leads Biolabs.

Against this backdrop, the next-generation combination regimen of IO 2.0 + TCE + ADC has emerged as the definitive industry growth direction, marking the end of the single-target immunotherapy era. We are firmly committed to the immune agonist space, as agonists comprehensively mobilize the body's endogenous anti-tumor immunity at the upstream level, delivering more durable and safer tumor cell killing, and fundamentally addressing the clinical bottlenecks of earlier-generation therapies. Meanwhile, multi-mechanism synergistic therapies centered on bispecific/multi-specific antibodies, TCEs, and innovative ADC-immunotherapy combinations are reshaping the global oncology treatment landscape. Competition in the IO 2.0 era hinges on the synergistic advancement of bispecific antibodies (bsAbs) with differentiated mechanisms: VEGF bsAbs offer broad anti-tumor potential, IL-2 – biased bsAbs address PD-1 resistance, and 4-1BB bsAbs enable tumor-specific immune activation as a cornerstone of next-generation combination therapies.

Chairman's Statement

Global FIC and highly differentiated innovation remain the cornerstone of our R&D strategy. On this basis, we have independently built three proprietary core technology platforms: the next-generation bispecific/multispecific antibody platform (X-body™), T-cell engager platform (LeadsBody™), and antibody-drug conjugate (ADC) platform (TOPiKinectics™), establishing a unique innovation moat and full-stack R&D capabilities. Among them, the X-body™ platform enables flexible multi-mechanism deployment via tumor microenvironment (TME)-specific conditional activation, overcoming the industry-wide challenge of balancing efficacy and toxicity with traditional bispecific antibodies. The LeadsBody™ platform, focused on the CD3 target, achieves steric hindrance-based conditional activation through unique epitope screening, structural modification, and Fc engineering, laying a robust technical foundation for global TCE development. The TOPiKinectics™ platform has full in-house design capabilities including site-specific conjugation, addressing key industry pain points of narrow therapeutic windows and frequent drug resistance associated with traditional ADCs.

The three platforms operate with deep, integrated synergy, rather than in isolation. They can independently generate innovative molecules with global competitiveness, while also developing next-generation regimens such as "bsAb + ADC" and "immune agonist + bsAb" via complementary mechanisms, as well as our forward-looking next-generation multi-dimensional ADC pipeline represented by TCE-ADC. This delivers deep synergy between precision targeting and immune activation, building full-stack innovation capabilities from target discovery to global clinical development, and consolidating our differentiated global competitive advantage.

Leveraging these three platforms, we have built two irreplaceable competitive barriers. The first is our highly differentiated, tiered pipeline strategy. Focused on unmet clinical needs in the IO 2.0 space, we have built a product matrix centered on our PD-L1/4-1BB bsAbs, TCE bsAbs, and differentiated ADCs, covering all major solid tumor indications, with targeted deployment in PD-1 resistance, cold tumors, and other high-unmet-need segments. This creates a healthy pipeline echelon spanning early-stage development, pivotal clinical trials, and regulatory filing, with each asset holding global FIC/best-in-class (BIC) potential. The second is our globally leading R&D capabilities in immune agonists, our core differentiator. Among numerous agonist targets, we have strategically focused on 4-1BB (CD137) for two key reasons: it sits in the upstream pathway of immune cell activation, enabling comprehensive immune modulation; and its activation mechanism offers a highly controllable safety window, with mature druggability fully validated by the widespread adoption of 4-1BB in second-generation CAR-T therapies. Our differentiated low-affinity molecular design achieves an optimal balance of safety and efficacy, avoiding systemic toxicity of traditional agonists while demonstrating significant anti-tumor activity across multiple tumor types, with pan-tumor indication expansion potential and long-term clinical and commercial value.

Chairman's Statement

In 2025, we delivered landmark breakthroughs across pipeline R&D, clinical translation, and commercial value realization, anchored to our core strategic goals. Our lead product LBL-024, based on large-sample clinical data from more than 600 accumulated patients, has demonstrated early and substantial potential as a new cornerstone drug in the IO 2.0 era, serving as the cornerstone of our IO 2.0 commercialization strategy and a strong global competitor in this space, with milestone breakthroughs in clinical development and indication expansion in 2025.

First, LBL-024 demonstrates an excellent safety profile: clinical data from 600+ patients has fully validated its favorable safety and tolerability, laying a solid foundation for subsequent full-indication expansion and combination therapy development. In terms of efficacy, LBL-024 shows outstanding pan-cancer therapeutic potential, with positive clinical data observed in multiple refractory solid tumors including extra-pulmonary neuroendocrine carcinoma (EP-NEC), small cell lung cancer (SCLC), non-small cell lung cancer (NSCLC), and biliary tract cancer (BTC). In particular, LBL-024 delivers breakthrough benefits in populations with high unmet needs, such as EP-NEC with limited treatment options and "cold tumor" populations with extremely low response rates to immunotherapy. For example, in the first-line (1L) SCLC indication population, it achieved an objective response rate (ORR) of 88%, significantly outperforming the ~60% ORR of the current standard of care (SOC), while also showing clear benefits in NSCLC patients with low PD-L1 expression. Most critically, LBL-024 demonstrates a significant overall survival (OS) tailing benefit: it achieved an excellent median OS of 11.9 months in the late-line EP-NEC population, doubling the survival benefit of existing therapies, with a clear OS benefit trend also observed in the 1L EP-NEC population.

By targeting tumor tissue via PD-L1 and activating anti-tumor immunity via 4-1BB agonism, LBL-024 is expected to significantly remodel the TME, convert "cold tumors" to "hot tumors", mechanically overcome efficacy limitations of earlier-generation immunotherapies, and deliver meaningful overall survival (OS) benefits for patients. Patient enrollment in its registrational trial is fully completed, with a Biologics License Application (BLA) for third-line and above (3L+) EP-NEC planned for Q3 2026, marking our official entry into the critical stage of commercialization. Its ongoing and planned indications expanded from two in 2024 to 13, comprehensively covering major solid tumors, with enrollment progress in multiple indications outpacing expectations. Relevant clinical results were presented orally at the 2025 American Society of Clinical Oncology (ASCO) Annual Meeting, strongly validating the product's leading global clinical value.

This year, we look forward to more releases of important clinical data for LBL-024: at the World Conference on Lung Cancer (WCLC) in September 2026, we plan to release larger-sample clinical data for the 1L NSCLC indication; at the European Society for Medical Oncology (ESMO) Annual Congress in October 2026, we plan to release key progression-free survival (PFS) and OS data for 1L EP-NEC and 1L SCLC, as well as data for BTC and other indications, to continuously validate the product's pan-cancer therapeutic value and long-term survival benefits.

Chairman's Statement

Our core pipeline asset LBL-034, which addresses key pain points of the current standard of care (SOC) for hematologic malignancies with an irreplaceable differentiated competitive profile, has advanced rapidly in clinical development. Its robust clinical data fully validate the druggability and global competitiveness of our LeadsBody™ TCE platform, which we will leverage to advance a TCE pipeline for solid tumors. Its Phase I clinical data, presented orally at the 2025 ASH Annual Meeting, showed a 12-month progression-free survival (PFS) rate of 61.2%, an ORR of 75% in the extramedullary disease subgroup, an ORR of 85.7% in BCMA-pretreated patients, and a complete response/stringent complete response (CR/sCR) rate of 57.1%, demonstrating strong anti-tumor efficacy. Its Phase II trial is currently progressing rapidly. Our first clinical-stage autoimmune asset, LBL-047 (DNTH212 outside China), completed overseas rights out-licensing in October 2025 and entered Phase I trials in December 2025, fully realizing the pipeline's global commercial value. For early-stage R&D, we accelerated our next-generation FIC pipeline development: 5 preclinical assets advanced to IND-enabling stages, and 5 candidates achieved preclinical candidate (PCC) nomination in 2025. Leveraging continuous innovation from our three core platforms, we plan to submit 4 Investigational New Drug (IND) applications for novel molecules between this year and early next year, with ongoing clinical translation of global FIC molecules to strengthen our pipeline echelon and inject core momentum into our long-term growth.

We have established a core business development (BD) strategy of "in-house R&D as the foundation, global collaboration as the enabler", with a unique "China-originated innovation + global partner-led commercialization" model. We focus on building our core technology platforms and developing FIC/BIC molecules; following clinical proof-of-concept, we strategically partner with top global pharmaceutical companies to out-license overseas rights for rapid progressing of clinical development, indication expansion, market registration, and commercialization in major overseas markets, maximizing our innovative pipeline's global value via partners' global clinical resources, regulatory registration expertise and commercial networks. In 2025, we achieved landmark BD breakthroughs: the total deal value for LBL-047 out-licensing reached $1 billion, with upfront payment received on schedule and the project progressing smoothly. The global collaboration for our autoimmune pipeline LBL-051 is advancing rapidly, with milestone payments expected this year. We are also in discussions with leading domestic and global pharmaceutical companies on clinical combination therapy collaborations to further maximize our pipeline's global value.

Compliance is the foundation of our sustainable development. We integrate compliance management across all business operations, with a full-chain compliance system aligned with global mainstream regulatory requirements. We continuously improve corporate governance and internal controls, stay true to our R&D mission, advance ESG initiatives, and fulfill corporate social responsibilities to achieve high-quality, synergistic development of the Company and society.

Looking ahead, amid global competition in the IO 2.0 era, we will remain committed to original innovation, stay focused on unmet clinical needs, deepen our expertise in our three core technology platforms, accelerate commercialization and global development of our core products, advance clinical translation of our FIC pipeline, and expand our global BD footprint. We will deliver strong returns to our shareholders, and continue to contribute Leads Biolabs' expertise to advancing global oncology treatment.

Kang Xiaoqiang
Chairman of the Board and Chief Executive Officer of Leads Biolabs

Financial Highlights

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Revenue	**177,255**	–
Research and development costs	**(289,085)**	(185,683)
Administrative expenses	**(82,700)**	(87,692)
Change in fair value of redemption liabilities on equity shares	**–**	(42,084)
Loss for the year	**(211,419)**	(301,216)

Our revenue increased from nil for the year ended December 31, 2024 to RMB177.3 million for the year ended December 31, 2025. This revenue was attributable to the upfront and near-term milestone payments of RMB177.3 million received under the license agreement with Dianthus Therapeutics for LBL-047.

Our research and development costs increased by RMB103.4 million, or 55.7%, from RMB185.7 million for the year ended December 31, 2024 to RMB289.1 million for the year ended December 31, 2025. This increase was primarily attributable to: (i) elevated CMC development milestone expenses, largely related to preparation for the BLA submission of LBL-024; (ii) increased clinical development expenses, mainly driven by accelerated patient enrollment and clinical progress for LBL-024 and LBL-034; and (iii) higher pre-clinical expenses as we advanced multiple pipeline assets to the IND-enabling stage.

Our administrative expenses decreased by RMB5.0 million or 5.7% from RMB87.7 million for the year ended December 31, 2024 to RMB82.7 million the year ended December 31, 2025. This decrease was primarily due to: (i) the decrease in share-based compensation expenses in 2025, as the share-based incentives granted in 2024 vested immediately and were fully recognized in that year; partially offset by (ii) higher listing expenses recognized in 2025; and (iii) increased staff costs and post-listing compliance expenses driven by the expansion of our corporate functions following the Listing.

Change in fair value of redemption liabilities on equity shares was nil for the year ended December 31, 2025, as the redemption rights granted to our pre-IPO Investors had been terminated pursuant to certain supplemental agreements for the year ended December 31, 2024, and we no longer recognized any redemption liabilities on equity shares or any loss or gain on fair value changes of such liabilities.

Loss for the year decreased by RMB89.8 million, or 29.8%, from RMB301.2 million in 2024, to RMB211.4 million in 2025, primarily based on the factors described above.

Business Highlights

During fiscal year 2025, we successfully advanced our pipeline development with key clinical and preclinical milestones: our core product LBL-024 completed patient enrollment for its registrational trial and remains on track for BLA submission in the third quarter of 2026 for 3L+ EP-NEC. We delivered an oral presentation for 1L EP-NEC at the 2025 ASCO Annual Meeting. In addition, we expanded clinical trials of LBL-024 into a total of 13 cancer indications and reported positive data updates for small cell lung cancer (SCLC) and non-small cell lung cancer (NSCLC) in 2025. For LBL-034, we orally presented its Phase I data at the 2025 American Society of Hematology (ASH) Annual Meeting and are now rapidly advancing its Phase II trial. Our first clinical-stage autoimmune asset, LBL-047 (known as DNTH212 outside of China), was successfully licensed out in October 2025 and entered a Phase I clinical trial in December 2025. Furthermore, five of our preclinical assets have advanced into the IND-enabling stage, and five additional candidates progressed toward PCC nomination.

Key achievements during the period and up to the date of this report are summarized below:

CLINICAL STAGE PRODUCTS

Progress of Core Product

- **Opamtistomig (LBL-024, PD-L1/4-1BB BsAb)**

  Opamtistomig (LBL-024), our pivotal-stage asset, is emerging as a next-generation pan-cancer backbone therapy with potential overall survival (OS) benefit. This uniquely engineered bispecific antibody is designed to simultaneously block PD-1/L1 immune suppression and conditionally activate 4-1BB, an agonist pathway. With the goal of positioning LBL-024 as a pan-cancer first-line backbone immunotherapy, we are advancing a total of 9 clinical studies in China across 13 solid tumor indications in China, consisting of one pivotal registrational study and eight proof-of-concept (POC) studies. Encouraging clinical progress has been achieved across multiple indications, including extrapulmonary neuroendocrine carcinoma (EP-NEC), small cell lung cancer (SCLC), non-small cell lung cancer (NSCLC), ovarian cancer (OC), and biliary tract cancer (BTC).

REGULATORY PROGRESS

- **BLA Submission Plan:** LBL-024 has completed patient enrollment for its registrational trial and is on track for BLA submission for 3L+ EP-NEC in China. Supported by robust pivotal trial data, we are planning a pre-BLA submission to the NMPA in the second quarter of 2026, followed by a BLA submission in the third quarter of 2026.

- **Global Approvals:** In parallel, we are paving the way for potential approvals in key international markets. This effort is reinforced by the regulatory recognition LBL-024 has already received: in January 2026, it was granted FDA Fast Track Designation and EU Orphan Drug Designation for the treatment of EP-NEC, which are key milestones that support its path toward approvals in these regions.

Business Highlights

ENROLLMENT PROGRESS

In 2025, we advanced enrollments for LBL-024 across 12 cancer indications. As of the date of this report, over 600 patients have been enrolled across indications, of which over 200 patients were enrolled in EP-NEC studies (including both monotherapy and combination therapy cohorts).

- **Pivotal Trial:** The single-arm, pivotal registrational trial of LBL-024 monotherapy for 3L+ EP-NEC in China completed patient enrollment in August 2025. A total of 96 patients enrolled in this trial, and the full dataset supports the planned BLA submission.

- **Indication Expansion:** During 2025, we rapidly advanced enrollments for six POC studies across new cancer indications in addition to EP-NEC, SCLC and NSCLC. First patient enrollments were completed for 1L advanced melanoma (September 2025), 1L BTC (October 2025), 1L HCC (November 2025), platinum-resistant ovarian cancer (December 2025), 1L and 2L TNBC (February 2026), and 1L ESCC (March 2026). For 2026, two new cancer indications are planned for Phase II POC studies: 1L gastric or gastroesophageal junction (G/GEJ) adenocarcinoma in the first half of 2026 and a GI cancer in the second half of 2026.

CLINICAL DATA UPDATES

A Phase I/IIa Study of LBL-024 as Monotherapy in Multiple Solid Tumors Including 2L/3L+ EP-NEC

- Among 45 evaluable patients with 2L/3L+ EP-NEC, three achieved a complete response (CR), 12 achieved a partial response (PR), and eight achieved stable disease (SD), yielding an objective response rate (ORR) of 33.3% and a disease control rate (DCR) of 51.1% as of June 3, 2025. The median progression-free survival (PFS) for the overall, 2L, and 3L+ populations was 2.8, 4.1, and 2.8 months, respectively. The median overall survival (OS) was 11.9 months as of June 3, 2025. The 6-month OS rates for the overall, 2L, and 3L+ populations were 77.8%, 85.9%, and 70.8%, respectively.

- As of June 3, 2025, no dose-limiting toxicity (DLT) was observed, and the maximum tolerated dose (MTD) was not reached at the highest dose tested (25.0 mg/kg). Most adverse events were Grade 1 or 2 and manageable.

- We plan to submit updated data from this trial for publication in top-tier peer-reviewed journals in 2026.

A Phase Ib/II Study of LBL-024 in Combination Therapy with Chemotherapy in 1L EP-NEC and SCLC

For the 1L EP-NEC cohort (Phase Ib/II, combination therapy):

- We delivered an oral presentation for the 1L EP-NEC at the 2025 ASCO Annual Meeting in June 2025, reporting safety, efficacy and pharmacokinetic (PK) data from 52 efficacy-evaluable patients with a data cutoff date of April 15, 2025. Across all dose levels, the ORR was 75.0% and DCR was 92.3%, with a prolonged PFS trend observed.

- Updated data with a cutoff date of June 5, 2025, further demonstrates promising efficacy: among 52 efficacy-evaluable patients, three achieved CR, 36 achieved PR, and nine achieved SD, demonstrating an ORR of 75.0% (39/52) and a DCR of 92.3% (48/52). The 15 mg/kg dose group showed a particularly promising ORR of 79.2% (19/24). Furthermore, during the dose-optimization stage of the Phase II trial, an ORR of 83.3% was observed at the 15 mg/kg dose. As of the date of this report, encouraging survival trends continue to be observed in patients with EP-NEC. The clinical results are expected to be reported in 2026 at an international conference.

- No DLTs were observed, and the MTD was not reached up to 15 mg/kg. Treatment-emergent adverse events (TEAEs) occurring in ≥10% of patients were mostly mild to moderate in severity (Grade 1–2), with no unexpected safety signals identified. The most common TEAEs were hematologic toxicities and nausea, which are typically associated with EP/EC chemotherapy.

For the 1L SCLC cohort (Phase II, combination therapy):

- As of December 31, 2025, among 59 efficacy evaluable patients, an ORR of 88.1% and a DCR of 96.6% were observed. As of the date of this report, survival follow-up is ongoing. The results of the Phase II trial are expected to be presented at a major international conference in 2026.

A Phase II Study of LBL-024 in Combination Therapy with SOC in 1L and 2L+ NSCLC

- In July 2025, we enrolled the first patient in a Phase II trial of LBL-024 in combination with standard of care (SOC) for 1L and 2L+ treatment of driver gene – negative NSCLC. This four-cohort study evaluates: LBL-024 plus docetaxel with or without bevacizumab in immune-pretreated 2L+ non-squamous NSCLC; LBL-024 plus docetaxel in immune-pretreated 2L+ squamous NSCLC; LBL-024 plus pemetrexed and carboplatin (with maintenance) in 1L non-squamous NSCLC; and LBL-024 plus paclitaxel and carboplatin (with maintenance) in 1L squamous NSCLC. Early clinical data have shown promising efficacy across both 1L and immune-pretreated 2L+ NSCLC populations. As of October 31, 2025, an ORR of 50.0% and a DCR of 94.4% were observed in 18 evaluable patients. As of the date of this report, over 100 patients have been enrolled; enrollment is targeted for completion in the second quarter of 2026, with updated data planned for submission for presentation at an international conference in 2026.

PROGRESS OF OTHER SELECTED CLINICAL-STAGE PRODUCTS

Oncology

- **LBL-034 (GPRC5D/CD3 BsAb)**

  LBL-034 is a novel GPRC5D-targeting T-cell engager (TCE) with a proprietary 2:1 structure, featuring differentiated binding to GPRC5D and CD3 to enhance anti-tumor activity while mitigating the risk of CD3-induced CRS. LBL-034 has demonstrated a favorable safety profile and encouraging anti-tumor activity in its Phase I study of patients with relapsed/refractory multiple myeloma (RRMM), including difficult-to-treat, high-risk subgroups. These data, highlighting its best-in-class therapeutic potential, were presented as an oral presentation at the 2025 American Society of Hematology (ASH) Annual Meeting.

Business Highlights

Clinical Progress

A Phase I/II Study of LBL-034 as Monotherapy in RRMM

➢ **Phase II enrollment progress and study design**

- In August 2025, we enrolled the first patient in a Phase II trial of LBL-034 as monotherapy for RRMM. Enrollment is ongoing, with over 40 patients now enrolled in Phase II, contributing to a total of nearly 100 patients across the Phase I/II study. The Phase II study is designed to evaluate the efficacy of LBL-034 in four patient cohorts: 4L+ RRMM, 2L+ RRMM with extramedullary disease (EMD), RRMM following progression on BCMA-targeted therapies, and plasma cell leukemia (PCL).

➢ **Phase I clinical data updates**

- We delivered an oral presentation at the 2025 ASH Annual Meeting in December 2025, reporting compelling efficacy and safety data from the Phase I study of LBL-034 in RRMM based on the October 20, 2025 cutoff. Deep and durable responses were achieved across multiple dose levels (400 - 1,200 μg/kg), with an ORR of 82.5%, a DCR of 92.5%, and a 12-month PFS rate of 61.2%. Detailed results are as follows:

- In the Phase I portion of LBL-034 as monotherapy for the treatment of RRMM, an ORR of 82.5% was observed across the 400-1,200 μg/kg dose levels (n=40) as of October 20, 2025. Notably, at higher doses, LBL-034 demonstrated a robust objective response rate similar to CAR-T treatment without posing additional safety concerns. Specifically, in the 400 μg/kg group (n=18), the ORR was 77.8%, with a very good partial response or better (≥VGPR) rate of 61.1% and a complete response or better (≥CR) rate of 55.6%. The 800 μg/kg group (n=11) achieved an ORR of 90.9%, with ≥VGPR and ≥CR rates of 81.8% and 63.6%, respectively. In the 1,200μg/kg dose group (n=11), the ORR and ≥VGPR rate were both 81.8%, and the ≥CR rate was 36.4%. A trend toward sustained clinical benefit was observed across the 400–1,200μg/kg dose groups (n=40), with a 12-month progression-free survival (PFS) rate of 61.2% at a median follow-up of 9.6 months. In the 400μg/kg cohort, where median follow-up had reached 13.1 months, the 12-month PFS rate was 56.8%. Furthermore, the rate of minimal residual disease (MRD) negativity was appreciably higher than that reported with current standard therapies.

- Encouraging efficacy was also observed in difficult-to-treat subgroups as of the same cutoff date. Subgroup of patients with difficult-to-treat EMD exhibited substantial clinical benefit with a favorable safety profile, achieving an ORR of 75.0%, including two patients who attained stringent complete response (sCR). Notably, in the 1,200μg/kg dose group (n=3), patients with EMD achieved an ORR of 100%, with rapid shrinkage of extramedullary lesions observed. In patients who had previously received BCMA-targeted therapies, LBL-034 demonstrated an ORR of 85.7%, with a CR/sCR rate of 57.1%.

- No DLT was observed up to a dosage of 1,200μg/kg, and MTD was not reached. LBL-034 was associated primarily with hematologic and low-grade non-hematologic TEAEs. No ≥G3 TEAEs closely related to quality of life occurred. All these events were manageable. Most TEAEs were Grade 1 or 2, with nearly all events occurring in the first treatment cycle. The incidence of adverse events has significantly decreased in subsequent treatment cycles.

Business Highlights

REGULATORY AND BUSINESS DEVELOPMENT UPDATE

- In January 2026, LBL-034 was granted U.S. FDA Fast Track Designation for the treatment of RRMM.
- We are actively seeking global partnerships with leading pharmaceutical companies to maximize the clinical and commercial value of LBL-034.

- **LBL-007 (LAG3 mAb)**

  LBL-007 is a novel anti-LAG-3 antibody designed to restore T-cell activity by blocking the LAG-3 immune checkpoint, with synergistic antitumor effects when combined with PD-1 blockade observed both preclinically and clinically. We completed a Phase II trial in melanoma in August 2024 and are concluding a Phase II trial for nasopharyngeal carcinoma (NPC).

CLINICAL HIGHLIGHTS

- In the Phase II trial, LBL-007 in combination with tislelizumab (anti-PD-1 antibody) and chemotherapy for the treatment of NPC achieved an ORR of 83.3% (including 3 CR) and a DCR of 97.6% among 42 evaluable patients with 1L NPC, as of July 24, 2025. As of the same cut-off date, the median progression-free survival (mPFS) was 15.8 months, the median duration of response (mDoR) was 14.7 months, and the median overall survival (mOS) was not yet reached. No DLT was observed and the MTD had not been reached up to the highest dose level. Data from this trial were published online in December 2025 in Clinical Cancer Research, a leading international oncology journal.
- In February 2025, the Journal of Hematology & Oncology (impact factor 29.9) has published online the results of the Phase Ib/II clinical study of LBL-007. This study represents the first clinical trial to evaluate the efficacy of a LAG-3 antibody in combination with a PD-1 inhibitor for the treatment of NPC.

Autoimmune

- **LBL-047 (anti-BDCA2/TACI bispecific fusion protein)**

  LBL-047 is our proprietary dual-targeting fusion protein designed to block BAFF/APRIL and BDCA2 simultaneously, thereby inhibiting both B cell activation and pDC function. With glycoengineering for enhanced ADCC and Fc engineering for longer half-life, it represents a novel therapeutic candidate for multiple autoimmune indications such as systemic lupus erythematosus (SLE), cutaneous lupus erythematosus (CLE), Sjögren's syndrome (SS), lupus nephritis (LN) and dermatomyositis (DM). In collaboration with Dianthus Therapeutics, we are advancing LBL-047 globally. We retain full rights in Greater China and are currently conducting an independent Phase I trial in healthy subjects and patients with SLE.

Business Highlights

REGULATORY AND BUSINESS DEVELOPMENT UPDATE

- We received an IND approval for LBL-047 from the FDA in September 2025, followed by an approval from the NMPA in November 2025.

- On October 16, 2025, we entered into an exclusive global license agreement with Dianthus Therapeutics (NASDAQ: DNTH) for the development and commercialization of LBL-047, with a total potential deal value of up to US$1 billion, inclusive of development, regulatory, and commercial milestones across multiple indications. Under the terms, we granted Dianthus exclusive rights to research, develop, manufacture, and commercialize LBL-047 outside Greater China. We are eligible to receive up to US$38 million in upfront and near-term milestone payments as part of the total potential deal value. Additionally, we are entitled to tiered royalties ranging from mid-single to low double digits on net sales outside Greater China. Both parties are advancing clinical development as planned.

- As of the date of this report, we have received aggregate payments of US$30 million under the license agreement, consisting of upfront and near-term milestone payments of US$25 million received in December 2025 and a development milestone payment of US$5 million received in January 2026.

CLINICAL PROGRESS

A Phase I Study of LBL-047 in Healthy Adults and Patients with Systemic Lupus Erythematosus

- This Phase I, randomized, double-blind, placebo-controlled, dose-escalation study evaluates LBL-047 in healthy subjects (Part A) for safety and pharmacokinetics, and then in patients with mild-to-moderate SLE (Part B; SLEDAI-2K 4-10) for safety and preliminary efficacy.

- In December 2025, we enrolled the first healthy subject. Enrollment for the Part A trial is ongoing, and we are preparing to initiate Part B patient enrollment in the second quarter of 2026.

PRE-CLINICAL STAGE PRODUCTS

Oncology

- **LBL-054 (CDH17/CD3 TCE-ADC)**

  - LBL-054 a first-in-class TCE-ADC engineered by integrating our proprietary LeadsBody™ TCE platform with our ADC linker-payload technology. It targets CDH17, a cell adhesion protein broadly expressed in gastrointestinal cancers including colorectal, gastric and pancreatic tumors.

  - We advanced it into the IND-enabling stage in the third quarter of 2025 and expect to submit IND applications to the NMPA and the FDA in the fourth quarter of 2026 or the first quarter of 2027.

Business Highlights

- **LBL-061 (EGFR/PD-L1 ADC)**

  - LBL-061 is a next-generation bispecific ADC designed to simultaneously target EGFR and PD-L1, two clinically validated oncogenic and immune checkpoint molecules, respectively. EGFR is a key driver of tumor proliferation and metastasis, frequently overexpressed in solid tumors such as HNSCC, NSCLC, and NPC.

  - We entered the IND-enabling stage for LBL-061 in the third quarter of 2025 and expect to submit IND applications to the NMPA and the FDA in the fourth quarter of 2026 or the first quarter of 2027.

- **LBL-076 (CD38/GPRC5D/CD3 TriAb)**

  - LBL-076 is a first-in-class trispecific TCE to co-target GPRC5D, CD38 and CD3, designed to enhance cytotoxicity against MM cells. Simultaneous targeting of two validated TAAs by a single TCE, LBL-076 delivers enhanced cytotoxic potency across the full spectrum of GPRC5D and CD38 expression levels in both in vitro and in vivo models, indicating significant therapeutic potential to transform outcomes for MM patients relapsed or refractory to single-target therapies.

  - We entered the IND-enabling stage for LBL-076 in the fourth quarter of 2025 and expect to submit IND applications to the NMPA and the FDA in the fourth quarter of 2026 or the first quarter of 2027.

- **LBL-066 (PD-L1/4-1BB Plus TriAb)**

  - LBL-066 represents our next-generation asset built on our X-body™ platform, which generated LBL-024. It is a trispecific antibody that simultaneously targets PD-L1, 4-1BB, and an additional target. The additional target arm results in more potent, tumor-specific T-cell activation and enhanced anti-tumor immunity.

  - We entered the IND-enabling stage for LBL-066 in the fourth quarter of 2025 and expect to submit IND applications to the NMPA and the FDA in the fourth quarter of 2026 or the first quarter of 2027.

- **LBL-058 (DLL3/CD3 TCE-ADC)**

  - LBL-058 is a TCE-ADC targeting Delta-like ligand 3 (DLL3), a protein highly expressed on the surface of SCLC and other neuroendocrine tumor cells.

  - We validated the TCE-ADC platform through in vitro and in vivo studies by July 2025. The preclinical evaluation of the candidate molecules is underway. We expect to achieve PCC nomination in the first half of 2026.

- **LBL-056 (Dual Payload Bispecific ADC)**

  - LBL-056 is our first dual-payload bispecific ADC, being developed for the treatment of multiple solid tumors. We are concurrently advancing our dual-payload platform and optimizing candidate molecules, with PCC nomination targeted in the first half of 2026.

Business Highlights

- **LBL-081 (PD-L1-based Bispecific ADC)**

  - LBL-081, a PD-L1-based bispecific ADC, is being developed for the treatment of multiple solid tumors. Lead optimization is ongoing, with PCC nomination targeted in the first half of 2026.

- **LBL-082 (Co-stimulatory Enhanced Trispecific TCE)**

  - LBL-082, a next-generation product from our LeadsBody™ TCE platform, is being developed for the treatment of multiple solid tumors. Lead optimization is ongoing, with PCC nomination targeted in the first half of 2026.

Autoimmune

- **LBL-051 (CD19/BCMA/CD3 TriAb)**

LBL-051 is a first-in-class trispecific T-cell engager targeting CD19 and BCMA to deplete pathogenic B cells in autoimmune diseases. Built on our proprietary LeadsBody™ platform, it is precisely engineered for an optimal efficacy-safety balance. Through our collaboration with Aditum Bio, we established a new company, namely, Oblenio Bio, to advance its global development. We are on track to submit the first IND in the first half of 2026.

- On November 5, 2024, we entered into a collaboration, exclusive option and license agreement with Oblenio Bio, Inc. ("New Co"), a U.S. company newly formed by Aditum Bio, for the development and commercialization of LBL-051. Under the agreement, we granted New Co an exclusive, worldwide license to develop, manufacture and commercialize LBL-051, subject to New Co's exercise of its option following the applicable option period.

- As consideration for the option, we received upfront payments totaling US$15 million, with US$7.5 million in December 2024 and US$7.5 million in January 2025. In addition, we received US$4.4 million and US$6.0 million for the research and development services provided to New Co in fiscal year 2024 and fiscal year 2025, respectively.

- IND-enabling activities are complete, and submissions for human clinical trials are in preparation, with the first submission completed in the first quarter of 2026.

- **LBL-071 (TL1A-based BsAb)**

  - LBL-071, a TL1A-targeted bispecific antibody, is being developed for the treatment of inflammatory bowel disease (IBD) and other immune-mediated inflammatory diseases (IMIDs). Lead optimization is ongoing, and we expect to complete PCC nomination in the first half of 2026.

LATEST PRODUCT PIPELINE

The following diagram summarizes the development status of our selected drug candidates as of the date of this report:

Category	Program	Target (Modality)	Regimen	Indication(s)	Line(s) of treatment	Discovery / Preclinical	IND-Enabling	Phase I	Phase II	Registrational / Phase III	Current Status/Upcoming Milestone	Commercial Rights	Partner (if applicable)
Clinical / Oncology	LBL-024 ★	PD-L1/4-1BB (BsAB)	Mono	EP-NEC	≥3L	China (NMPA)					Enrollment for the pivotal registration study completed in August 2025 (n=96); Expect to file BLA with the NMPA by Q3 2026	Global	
			+Chemo	EP-NEC	1L	China (NMPA)					Phase II patient enrollment completed in December 2024 (n=72); Plan to submit trial data for presentation at an international conference in 2026; EOP2 with CDE in preparation; expect to initiate the Phase III study in H2 2026	Global	
			+Chemo	SCLC	1L	China (NMPA)			(2)		Patient enrollment of Phase II trial completed in May 2025 (n=60); Plan to submit trial data for presentation at an international conference in 2026	Global	
			+Chemo ±VEGF mAb	NSCLC	≥2L	China (NMPA)			(1)		Initiated patient enrollment of Phase II trial in July 2025 Plan to submit trial data for presentation at an international conference in 2026	Global	
			+Chemo	NSCLC	1L	China (NMPA)			(1)		Initiated patient enrollment of Phase II trial in July 2025 Plan to submit trial data for presentation at an international conference in 2026	Global	
			+Chemo	BTC	1L	China (NMPA)			(1)		Initiated patient enrollment of Phase II trial in October 2025	Global	
			+Chemo	ESCC	1L	China (NMPA)			(1)		Initiated patient enrollment of Phase II trial in March 2026	Global	
			+VEGF mAb	HCC	1L	China (NMPA)			(1)		Initiated patient enrollment of Phase II trial in November 2025	Global	
			+Chemo	G/GEJ adenocarcinoma	1L	China (NMPA)			(1)		Plan to initiate Phase II patient enrollment in H1 2026	Global	
			±LBL-007 ±PD-1 mAb	Melanoma	1L	China (NMPA)					Initiated patient enrollment of Phase Ib/II trial in September 2025	Global	
			±Chemo	TNBC	1L and 2L	China (NMPA)					Initiated patient enrollment of Phase Ib/II trial in February 2026	Global	
			+Chemo	OC	Platinum-resistant	China (NMPA)					Initiated patient enrollment of Phase Ib/II trial in December 2025	Global	
			To be announced	GI cancer	1L/≥2L						To initiate patient enrollment of Phase II trial in H2 2026	Global	
			Mono	Solid Tumors	≥2L	US(FDA)					IND, Orphan Drug Designation for NEC, and Fast Track Designation for EP-NEC were approved by the FDA in July 2021, November 2024, and January 2026, respectively.	Global	

Abbreviations: BTC = Biliary tract carcinoma; EP-NEC = Extra-pulmonary neuroendocrine carcinoma; ESCC = Esophageal squamous cell carcinoma; G/GEJ = gastric or gastroesophageal junction; GI = Gastrointestinal; HCC = Hepatocellular carcinoma; OC = Ovarian cancer; SCLC = Small cell lung cancer; TNBC = Triple-negative breast cancer

Notes:

1. We have obtained an IND approval for a Phase II trial of LBL-024 in combination with SOC treatments in 1L BTC, ESCC, HCC, GC,1L/≥2L NSCLC, and other solid tumors from the NMPA in September 2024, and therefore we can skip the Phase I stage and directly initiate a Phase II trial.
2. The Phase II 1L SCLC trial has enrolled 90 patients in total, with 60 in the experimental arm and 30 in the randomized control arm (atezolizumab + chemotherapy).

★ Core Product ▲ Key Product

Category		Program	Target (Modality)	Regimen	Indication(s)	Line(s) of treatment	Discovery / Preclinical	IND-Enabling	Phase I	Phase II	Registrational/ Phase III	Current Status/Upcoming Milestone	Commercial Rights	Partner (if applicable)
Clinical	Oncology	LBL-034 ▲	GPRC5D/CD3 (BsAB)	Mono	MM	Relapsed/ refractory	China (NMPA)					Initiated patient enrollment of Phase II trial in August 2025	Global	
							US(FDA)					IND, Orphan Drug Designation, and Fast Track Designation approved by the FDA in July 2023, October 2024, and January 2026, respectively	Global	
		LBL-007 ▲	LAG3 (mAb)	+PD-1 mAb+Chemo	NPC	1L	China (NMPA)					Phase II patient enrollment completed in September 2023; Expect to complete Phase II trial in H2 2026	Global	
				±PD-1 mAb±Chemo	NPC	2L	China (NMPA)					Phase II patient enrollment completed in January 2024; Expect to complete Phase II trial in H2 2026		
				+PD-1 mAb±Chemo	Melanoma	1L/1L+	China (NMPA)					Phase I trial completed in August 2024		
	Autoimmune	LBL-047	BDCA2/TACI (fusion protein)	Mono	SLE	/	China (NMPA)					Obtained NMPA IND approval in November 2025; Initiated subject enrollment of Phase I trial in December 2025	Greater China	(3) DIANTHUS THERAPEUTICS
				/	SLE	/	US(FDA)					Obtained FDA IND approval in Sep 2025		
Pre-clinical	Oncology	LBL-054 ◆	CDH17/CD3 (TCE-ADC)	/	Multiple Solid Tumors	/						Entered the IND-enabling stage in Q3 2025; Expect to submit IND applications to NMPA and FDA in Q4 2026 or Q1 2027	Global	
		LBL-061 ◆	EGFR/PD-L1 (BsADC)	/	Multiple Solid Tumors	/						Entered the IND-enabling stage in Q3 2025; Expect to submit IND applications to NMPA and FDA in Q4 2026 or Q1 2027	Global	
		LBL-076 ◆	CD38/GPRC5D/CD3 (TriAb)	/	MM	/						Entered the IND-enabling stage in Q4 2025; Expect to submit IND applications to NMPA and FDA in Q4 2026 or Q1 2027	Global	
		LBL-066 ◆	PD-L1/4-1BB Plus TriAb (TriAb)	/	Multiple Solid Tumors	/						Entered the IND-enabling stage in Q4 2025; Expect to submit IND applications to NMPA and FDA in Q4 2026 or Q1 2027	Global	
		LBL-056	Dual Payload BsADC (BsADC)	/	Multiple Solid Tumors	/						Expect to complete PCC nomination in H1 2026	Global	
		LBL-058	DLL3/CD3 (TCE-ADC)	/	NEC, SCLC, and other solid tumors	/						Expect to complete PCC nomination in H1 2026	Global	
		LBL-081	PD-L1-based BsADC (BsADC)	/	Multiple Solid Tumors	/						Expect to complete PCC nomination in H1 2026	Global	
		LBL-082	Co-stimulatory Enhanced Tri-TCE (Tri-TCE)	/	Multiple Solid Tumors	/						Expect to complete PCC nomination in H1 2026	Global	
	Autoimmune	LBL-071	TL1A-based BsAB (BsAb)	/	IBD and other IMIDs	/						Expect to complete PCC nomination in H1 2026	Global	
		LBL-051 ◆	CD19/BCMA/CD3 (TriAb)	/	SLE, LN, MG, Systemic Sclerosis, Autoimmune	/						IND-enabling activities are complete, and submissions for human clinical trials are in preparation, with the first submission completed in Q1 2026.	Global(2)	Aditum Bio

Abbreviations: DM = Diabetes mellitus; IBD = Inflammatory bowel disease; IgAN = IgA nephropathy; IMIDs = Immune-mediated inflammatory diseases; LN = Lupus nephritis; MG = Myasthenia gravis; MM = Multiple myeloma; MS = Multiple sclerosis; NEC = Neuroendocrine carcinoma; SCLC = Small cell lung cancer; SLE = Systemic lupus erythematosus; LN = Lupus nephritis; Sjögren's Syndrome = Sjögren's syndrome

★ Core Product ▲ Key Product ◆ IND submission planned

Notes:

3. In November 2024, we entered into a collaboration, exclusive option and license agreement with Oblenio Bio, Inc. ("NewCo"), a U.S. company newly formed by Aditum Bio Fund 3, L.P. ("Aditum Bio"). Under the Oblenio Agreement, we grant NewCo an exclusive, worldwide license to develop, manufacture, commercialize and otherwise exploit LBL-051 for all uses, subject to NewCo's election to exercise its option to retain such license after the applicable option period.
4. In October 2025, we entered into an exclusive global license agreement with Dianthus Therapeutics, Inc.. Pursuant to the Agreement, Dianthus will receive exclusive global rights to research, develop, manufacture and commercialize LBL-047 outside Greater China.

Management Discussion and Analysis

BUSINESS OVERVIEW

PD-1/L1 immunotherapies have revolutionized oncology, yet several critical limitations persist, including low response rates, limited efficacy in "cold tumors" and PD-L1-low populations, inherent and acquired resistance, and limited duration of survival. These substantial unmet needs have driven the field beyond the PD-1/L1 era toward Immuno-Oncology 2.0 (IO 2.0), characterized by rational, multi-mechanism combination strategies integrating next-generation modalities such as TCEs, bispecific antibodies, next-generation immunostimulants, and ADC-IO combinations. These approaches aim to enhance anti-tumor efficacy, improve the therapeutic index, overcome resistance, and more importantly, with the incorporation of immunostimulants, to achieve durable responses that meaningfully extend survival.

Our exploration of the IO 2.0 paradigm, rooted in deep expertise in T-cell biology and early pioneering insights from frontline immuno-oncology development, began with a strategic focus on immunostimulants, alongside parallel investigation of immune checkpoint inhibitors and alternative pathways to synergize with them. This has yielded LBL-024, our next-generation 4-1BB bispecific, which delivers tumor-localized costimulatory activation through conditional, cross-linking-dependent agonism, circumventing the systemic and liver toxicities associated with first-generation 4-1BB agonists. Building on a decade of cumulative expertise in bispecific antibody engineering and tumor immunobiology, we have also strategically expanded into TCEs and ADCs to integrate complementary mechanisms, affording a distinct competitive advantage in rationally designing IO-centric combinations with enhanced therapeutic potential.

We have thus developed our three proprietary, synergistic technology platforms: IO 2.0, TCE and ADC over the last decade. Each has already generated globally competitive first-in-class and best-in-class candidates, and their mechanistic complementarity enables next-generation combination strategies (e.g., bispecific + ADC, immunostimulant + bispecific). Together, they form a sustainable competitive moat that underpins our long-term strategic advantage.

- **X-body™:** A next-generation bispecific/multispecific antibody platform supporting end-to-end molecular design and optimization. It overcomes the historical efficacy-toxicity trade-off of costimulatory agonists. Our selection of the target 4-1BB was driven by its precision, durable memory effects, and established tail benefit for long-term survival. With its safety now effectively addressed through our unique design, 4-1BB is positioned to unlock its full potential, delivering first-in-class molecules such as LBL-024, a differentiated PD-L1/4-1BB bispecific antibody with a compelling safety and efficacy profile in clinical trials.

- **LeadsBody™:** A TCE platform engineered for tumor-specific conditional CD3 activation. Through proprietary epitope screening, structural engineering, and Fc optimization, it enables specific tumor antigen engagement activation, mitigating systemic cytokine release while maintaining potent anti-tumor activity. The platform delivers globally competitive FIC/BIC molecules, with an iteratively optimized next-generation version designed for solid tumors.

- **TOPiKinectics™:** An ADC platform incorporating stable conjugator, hydrophilic linker, and highly-permeability payloads. Its proprietary design capabilities enable targeted tumor killing with minimal off-target toxicity, addressing key industry challenges such as narrow therapeutic windows and acquired resistance associated with conventional ADCs. Multiple bispecific ADC and TCE-ADC candidates are advancing toward IND, with the first IND submission expected in the fourth quarter of 2026.

Leveraging our three core platforms, we have established two key competitive advantages.

First, a differentiated, multi-stage pipeline. We focus on IO 2.0 modalities including PD-L1/4-1BB bispecifics, TCEs, and next-generation ADCs, spanning major solid tumor indications (lung, gastrointestinal, head and neck, liver and biliary, gynecological, dermatological) and hematologic malignancies, as well as high-unmet-need niches such as PD-1/L1 resistance, cold tumors, and rare cancers. Each asset is rationally designed to address specific unmet medical needs, with FIC and BIC potential, supported by a clear, stage-gated development cascade from discovery through registration.

Second, differentiated design and superior safety in immunostimulant molecules. Built on deep discovery expertise, proprietary epitope selection, and structure-based engineering, our molecules enable tumor-restricted conditional activation. Preclinical and early clinical data support a favorable therapeutic window and robust anti-tumor activity relative to competitors, overcoming the systemic toxicities that have historically hampered the field, and enabling rational next-generation combination strategies.

As of the date of this report, we highlight a selected pipeline of **14 drug candidates** across oncology and autoimmune diseases. Among these, one core product is accelerating toward registration, three are making rapid progress in clinical development, and a deep preclinical portfolio includes five candidates in IND-enabling stage and five approaching PCC nomination, positioning us to create enduring value through disciplined execution and scientific excellence.

Our Product Candidates

During the Reporting Period and up to the date of this report, we continued advancing the development of our pipeline. Our key achievements and planned next steps as of the date of this report include:

Core Product

- ***Opamtistomig (LBL-024, PD-L1/4-1BB BsAb)***

  - Opamtistomig (LBL-024), our pivotal-stage asset, is emerging as a next-generation pan-cancer backbone therapy with potential overall survival (OS) benefit. As of the date of this report, we are currently conducting 9 trials across 13 solid tumor indications in China, comprising one pivotal registrational study and eight POC studies, with over 600 patients enrolled across all indications. Encouraging clinical progress has been achieved in non-small cell lung cancer (NSCLC), small cell lung cancer (SCLC), extrapulmonary neuroendocrine carcinoma (EP-NEC), ovarian cancer (OC), and biliary tract cancer (BTC).

  - LBL-024 is a PD-L1 and 4-1BB dual-targeting bispecific antibody designed to work by boosting the anti-tumor immune responses, combining the blocking of immune "**brakes**" with the activation of T cells. Engineered in a 2:2 format, it features two binding domains for each of PD-L1 and 4-1BB and a significantly differentiated affinity ratio of approximately 1:300 for 4-1BB versus PD-L1. The dual functions of LBL-024 – lifting PD-1/PD-L1 immune inhibition and intensifying 4-1BB modulated T cell activation – could allow it to achieve synergistic tumor-killing effects and promising cancer therapeutic potential comparable to PD-1/L1 inhibitors. Moreover, our unique molecular design, characterized by a balance between efficacy and safety profiles, and is expected to provide LBL-024 the potential to conditionally activate 4-1BB-mediated immune responses, thereby localizing 4-1BB activation in TME and could reduce the systemic toxicity that long impeded the development of 4-1BB agonistic therapies.

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

  - A Pivotal Registrational Study and Subsequent BLA Submission in China for EP-NEC

    - LBL-024 is the first 4-1BB – targeted drug candidate globally to advance to the registrational stage for EP-NEC. As of the date of this report, a total of over 200 patients have been enrolled in EP-NEC studies (monotherapy and combination therapy). The following key milestones, achieved in 2025 and as of the date of this report, reinforce its position as a potential first-in-class therapy:

      - In August 2025, we completed patient enrollment for its single-arm, pivotal registrational clinical trial of LBL-024 monotherapy for the treatment of EP-NEC in China.

      - Building on the excellent data observed from this trial, we plan to submit a pre-BLA submission for LBL-024 to the NMPA in the second quarter of 2026, followed by a BLA submission in the third quarter of 2026.

      - Additionally, in January 2026, LBL-024 was granted EU Orphan Drug Designation and U.S. FDA Fast Track Designation for the treatment of EP-NEC.

  - A Phase I/IIa Study of LBL-024 as Monotherapy in Multiple Solid Tumors Including 2L/3L+ EP-NEC

    - In its Phase I/IIa trial, 175 patients were enrolled, including 64 in Phase I cohort and 111 in Phase IIa cohort, as of June 3, 2025. No DLT was observed, and the MTD was not reached up to the highest dose tested of 25mg/kg as of the same cut-off date.

Safety Data Observed in the Phase I/IIa Trial of LBL-024 as Monotherapy

	Phase I								Phase IIa	Total
AE, n (%)	0.2mg/kg (n=1)	0.8mg/kg (n=3)	3.2mg/kg (n=13)	6mg/kg (n=7)	10mg/kg (n=12)	15mg/kg (n=12)	25mg/kg (n=16)	Phase I Total (n=64)	15mg/kg (n=111)	n=175
Treatment emergent adverse event	1 (100.0)	3 (100.0)	12 (92.3)	7 (100.0)	12 (100.0)	12 (100.0)	16 (100.0)	63 (98.4)	100 (90.1)	163 (93.1)
Treatment-related adverse event	1 (100.0)	3 (100.0)	10 (76.9)	5 (71.4)	11 (91.7)	11 (91.7)	16 (100.0)	57 (89.1)	82 (73.9)	139 (79.4)
Serious adverse event (SAE)	0 (0.0)	2 (66.7)	5 (38.5)	3 (42.9)	5 (41.7)	3 (25.0)	3 (18.8)	21 (32.8)	37 (33.3)	58 (33.1)
Treatment-related SAE	0 (0.0)	2 (66.7)	3 (23.1)	1 (14.3)	3 (25.0)	2 (16.7)	1 (6.3)	12 (18.8)	18 (16.2)	30 (17.1)
≥3 Grade AE	0 (0.0)	2 (66.7)	6 (46.2)	5 (71.4)	7 (58.3)	4 (33.3)	4 (25.0)	28 (43.8)	45 (40.5)	73 (41.7)
≥3 Grade TRAE	0 (0.0)	2 (66.7)	4 (30.8)	1 (14.3)	5 (41.7)	3 (25.0)	3 (18.8)	18 (28.1)	20 (18.0)	38 (21.7)
TRAE leading to interruption	0 (0.0)	1 (33.3)	3 (23.1)	1 (14.3)	5 (41.7)	3 (25.0)	1 (6.3)	14 (21.9)	27 (24.3)	41 (23.4)
TRAE leading to discontinuation	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	1 (8.3)	2 (16.7)	1 (6.3)	4 (6.3)	3 (2.7)	7 (4.0)

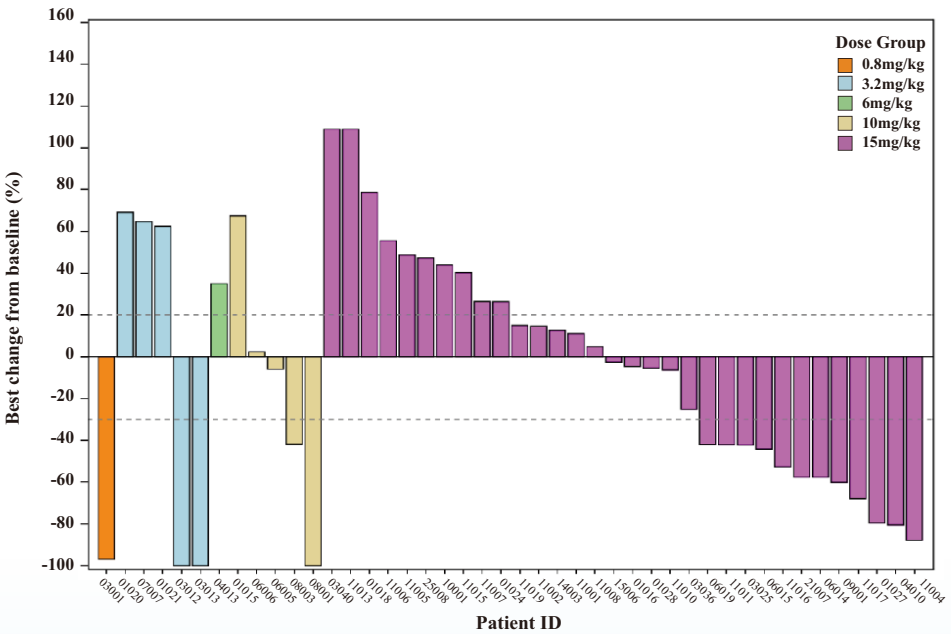
- LBL-024 demonstrated efficacy that appears superior to historical benchmarks in previously treated advanced NEC. For advanced EP-NEC, platinum-based chemotherapy remains the first-line standard of care – most commonly EP/EC (etoposide plus cisplatin/carboplatin) or IP (irinotecan plus cisplatin) – and therapeutic options beyond first line are very limited. In the second line and later settings for EP-NEC, PD-1 inhibitors (pembrolizumab or nivolumab) have shown an ORR of only 7.1%, while the combination of atezolizumab plus cabozantinib achieved an ORR of 0% in grade 3 EP-NEN.

- As of June 3, 2025, four CR were observed (one in BTC, three in 2L/3L+ EP-NEC). Among 45 evaluable patients with 2L/3L+ EP-NEC, three achieved CR, 12 achieved PR, and eight achieved SD, indicating an ORR of 33.3%, and a DCR of 51.1%, as of June 3, 2025.

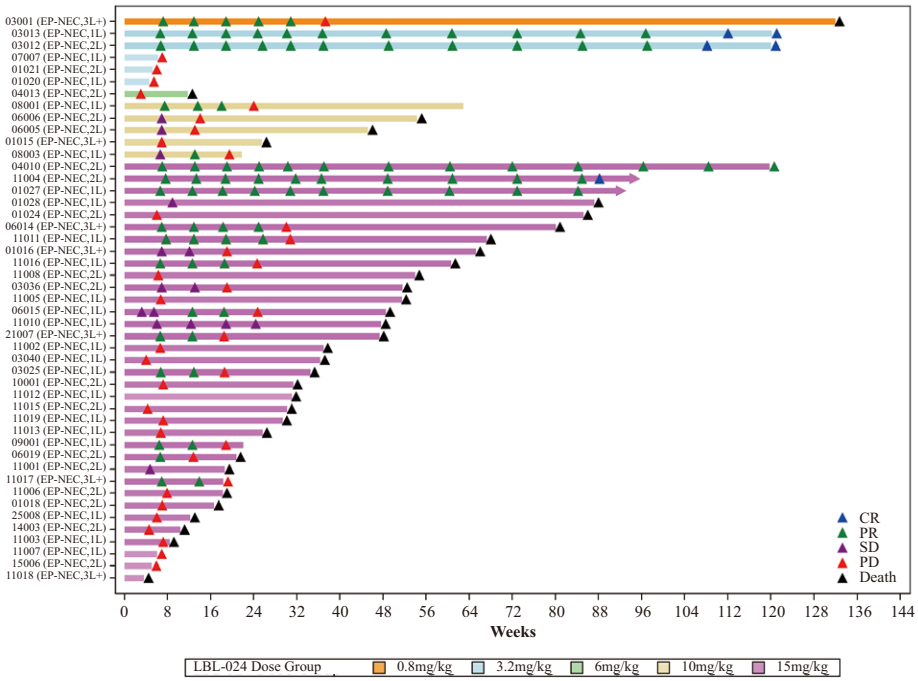
Efficacy Data Observed in the Phase I/IIa Trial of LBL-024 as Monotherapy in 2L/3L+ EP-NEC (N=45)

Response n (%)	Phase I					Phase IIa	15mg/kg (n=33)		Total (n=45)
	0.8mg/kg (n=l)	3.2mg/kg (n=5)	6mg/kg (n=l)	10mg/kg (n=5)	15mg/kg (n=3)	15mg/kg (n=30)	2L (n=16)	3L+ (n=17)	
CR	0	2 (40.0)	0	0	0	1 (3.3)*	0	1 (5.9)*	3 (6.6)*
PR	1 (100.0)	0	0	1 (20.0)	1 (33.3)	9 (30.0)	6 (37.5)	4 (23.5)	12 (26.7)
SD	0	0	0	3 (60.0)	1 (33.3)	4 (13.3)	2 (12.5)	3 (17.6)	8 (17.8)
PD	0	3 (60.0)	1 (100.0)	1 (20.0)	1 (33.3)	15 (50.0)	8 (50.0)	8 (47.1)	21 (46.7)
NE	0	0	0	0	0	1 (3.3)	0	1 (5.9)	1 (2.2)
ORR, n (%)	1 (100.0)	2 (40.0)	0	1 (20.0)	1 (33.3)	10 (33.3)	6 (37.5)	5 (29.4)	15 (33.3)
DCR, n (%)	1 (100.0)	2 (40.0)	0	4 (80.0)	2 (66.7)	14 (46.7)	8 (50.0)	8 (47.1)	23 (51.1)

LBL-024-001 Percent Change in Tumor IO Naïve EP-NEC



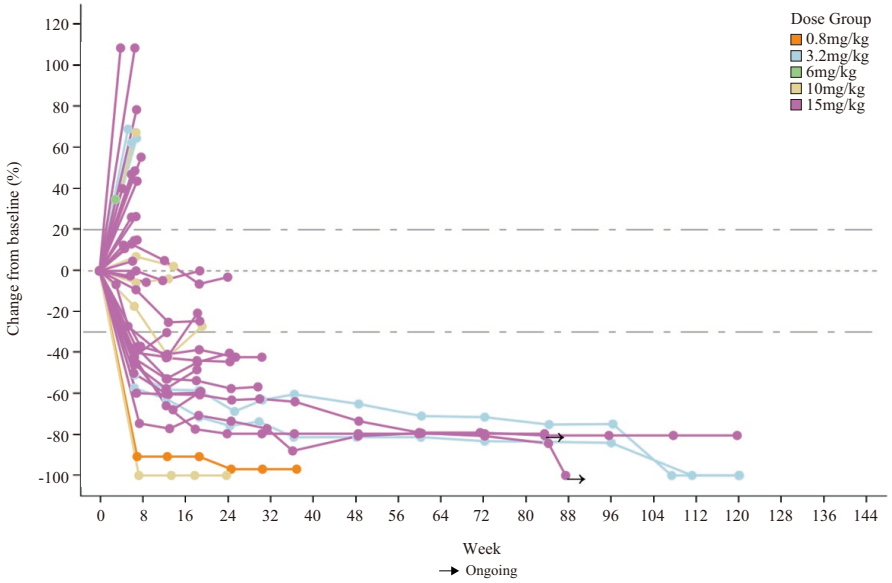
LBL-024 Tumor Evaluation IO Naïve EP-NEC



- As of June 3, 2025, the median OS was 11.9 months for the 2L+ EP-NEC population, follow-up is ongoing and the estimate is not yet mature. The 6-month OS rates for the overall, 2L, and 3L+ populations were 77.8%, 85.9%, and 70.8%, respectively.

- We plan to submit the updated data from this study for publication in top-tier peer-reviewed journals in 2026.

LBL-024-001 Tumor Response by Week IO Naive EP-NEC



Data Cutoff: June 3, 2025

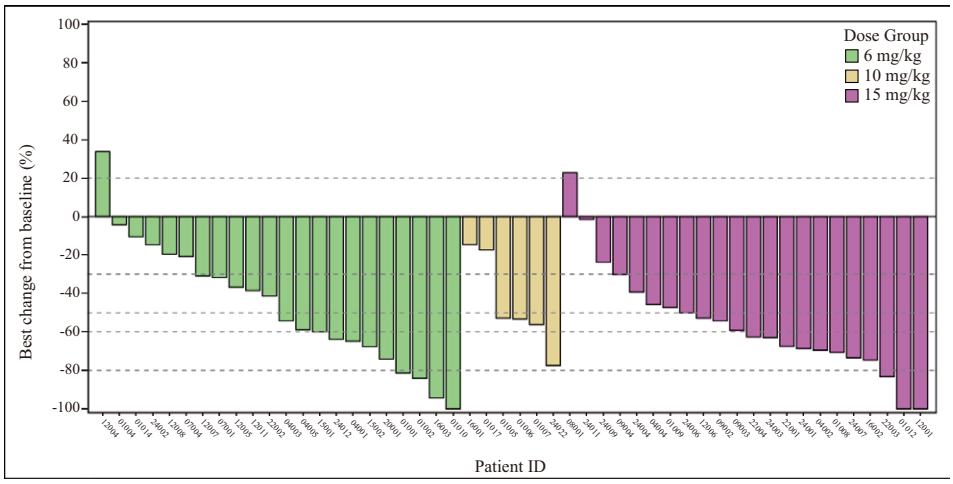
o A Phase Ib/II Study of LBL-024 in Combination Therapy with Chemotherapy in 1L EP-NEC and SCLC

For the 1L EP-NEC cohort (Phase Ib/II, combination therapy):

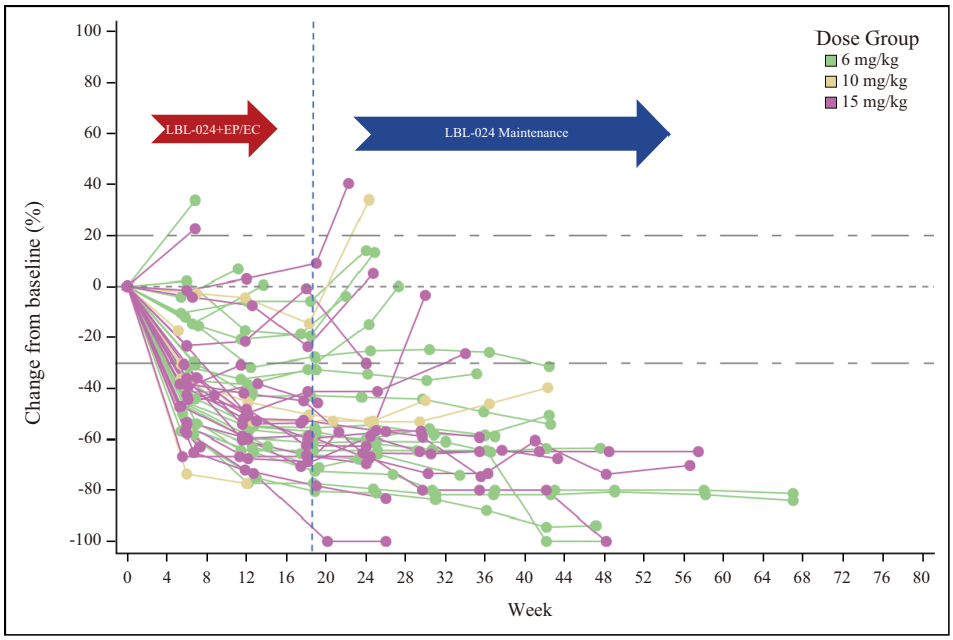
◆ We delivered an oral presentation for the 1L EP-NEC at the 2025 ASCO Annual Meeting in June 2025, reporting safety, efficacy and pharmacokinetic (PK) data from 52 efficacy-evaluable patients with a data cutoff date of April 15, 2025. Across all dose levels, the ORR was 75.0% and DCR was 92.3%, with a prolonged PFS trend observed across all three dose cohorts.

Updated data with a cutoff date of June 5, 2025, further demonstrates promising efficacy: among 52 efficacy evaluable patients, three achieved CR, 36 achieved PR and nine achieved SD, demonstrating an encouraging ORR of 75.0% (39/52) and a DCR of 92.3% (48/52). Notably, the 15mg/kg dose group showed a particularly promising ORR of 79.2%(19/24). Furthermore, during the dose optimization stage of the Phase II trial, an ORR of 83.3% was observed at the 15 mg/kg dosage. Overall, 57.7% (30/52) of efficacy-evaluable patients achieved tumor shrinkage greater than 50%. As of the date of this report, encouraging survival trends continue to be observed in patients with EP-NEC. The clinical results are expected to be reported in 2026 in an international conference.

LBL-024-002 Percent Change for 1L EP-NEC



LBL-024-002 Tumor Response by Week for 1L EP-NEC

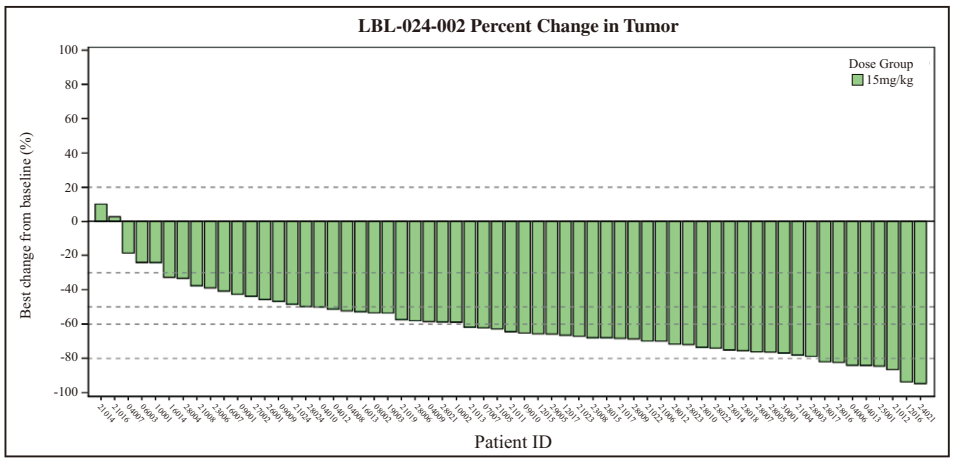


- In the Phase Ib dose escalation stage, no dose-limiting toxicities (DLTs) were observed, and the MTD was not reached. Among the 26 patients treated at the 15 mg/kg dose, the incidence of adverse events (AEs) was comparable to that observed at 6 mg/kg. Treatment-emergent adverse events (TEAEs) occurring in ≥10% of patients were mostly mild to moderate in severity (Grade 1–2), with no unexpected safety signals identified. The most common TEAEs were hematologic toxicities and nausea, which are typically associated with EP/EC chemotherapy.

For the 1L SCLC cohort (Phase II, combination therapy):

- Among 59 efficacy evaluable patients, an ORR of 88.1% and a DCR of 96.6% was observed, as of December 31, 2025. As of the date of this report, survival follow-up is ongoing. The results of the Phase II trial are expected to be presented at a major international conference in 2026.

LBL-024-002 Percent Change in Tumor for 1L SCLC



Note: 59 evaluable patients from Phase II and 2 patients from Phase Ib are shown above

o A Phase II Study of LBL-024 in Combination Therapy with SOC in 1L and 2L+ NSCLC

- In July 2025, we enrolled the first patient in a Phase II trial of LBL-024 in combination with SOC for 2L+ treatment of driver gene-negative NSCLC. This four-cohort study evaluates LBL-024 plus docetaxel with or without bevacizumab in immune-pretreated 2L+ non-squamous NSCLC, LBL-024 plus docetaxel in immune-pretreated 2L+ squamous NSCLC, LBL-024 plus pemetrexed and carboplatin (with maintenance) in 1L non-squamous NSCLC, and LBL-024 plus paclitaxel and carboplatin (with maintenance) in 1L squamous NSCLC. Early clinical data have shown promising efficacy across both 1L and immune-pretreated 2L+ NSCLC populations. As of October 31, 2025, an ORR of 50.0% and a DCR of 94.4% were observed in 18 evaluable patients. As of the date of this report, over 100 patients have been enrolled; enrollment is targeted for completion in the second quarter of 2026, with updated data planned for submission at an international conference in 2026.

- Phase Ib/II or Phase II Studies of LBL-024 as Monotherapy or in Combination for Multiple Indications

  - During 2025, we have rapidly advanced enrollments for six POC studies across new cancer indications in addition to EP-NEC, SCLC and NSCLC. First patient enrollments have been completed for 1L advanced melanoma (September 2025), 1L BTC (October 2025), 1L HCC (November 2025), platinum-resistant ovarian cancer (December 2025), 1L and 2L TNBC (February 2026), and 1L ESCC (March 2026). For 2026, two new cancer indications are planned for Phase II POC studies: 1L G/GEJ adenocarcinoma in the first half of 2026 and a GI cancer in the second half of 2026.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that LBL-024 will ultimately be successfully developed and marketed by our Company.

Selected Other Clinical Stage Products

- **LBL-034 (GPRC5D/CD3 BsAb)**

  - LBL-034, one of our key products, a humanized bispecific T-cell engager targeting both GPRC5D and CD3, which redirects T cells to selectively attack cancer cells, offering a promising therapeutic approach for the treatment of hematological malignancies. LBL-034 is one of the lead assets among our portfolio of CD3 T-cell engagers. By harnessing our proprietary LeadsBody™ platform, a CD3 T-cell engager platform developed in-house, LBL-034 is designed with a 2:1 format, with two high-affinity Fabs targeting GPRC5D and one scFv targeting CD3. The tailored positioning and spatial arrangement of the molecule enable LBL-034 to selectively bind to T cells only when GPRC5D+ cells are present, thereby conditionally activating T cells within the GPRC5D-expressing TME.

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

A Phase I/II Study of LBL-034 as Monotherapy in RRMM

  - Phase II enrollment progress and study design

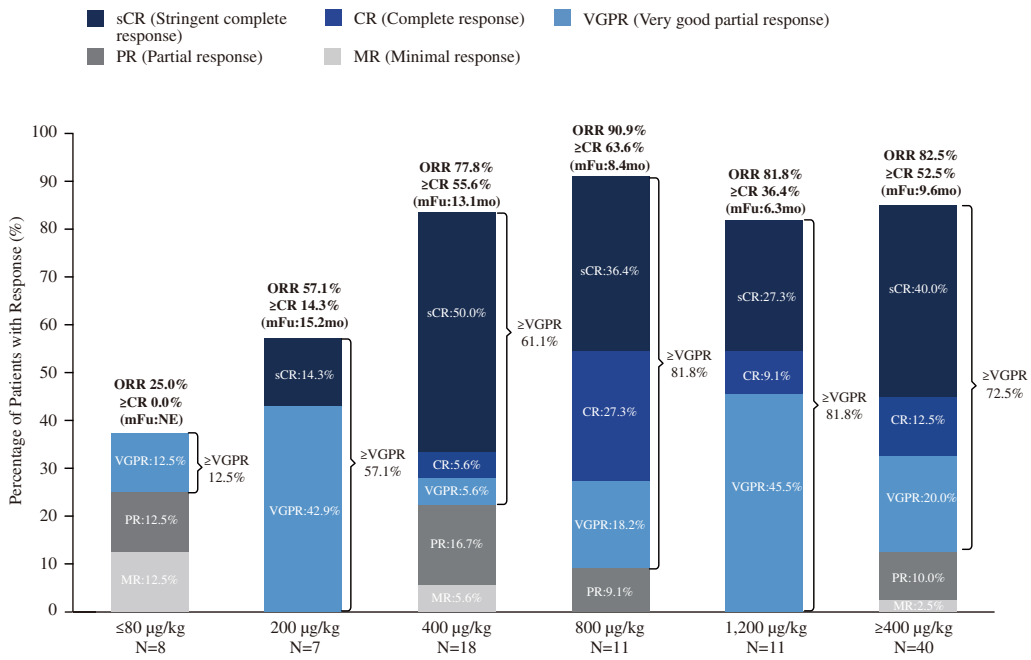
    - In August 2025, we enrolled the first patient in a Phase II trial of LBL-034 as monotherapy for relapsed or refractory multiple myeloma (MM). Enrollment is ongoing, with over 40 patients now enrolled in Phase II, contributing to a total of nearly 100 patients across the Phase I/II study. The primary objective of the Phase II study is to evaluate the efficacy of LBL-034 in four patient cohorts: 4L+ RRMM, 2L+ RRMM with extramedullary disease (EMD), RRMM following progression on BCMA-targeted therapies, and plasma cell leukemia (PCL).

➢ Phase I clinical data updates

- We delivered an oral presentation at the 2025 ASH Annual Meeting in December 2025, reporting compelling efficacy and safety data from the Phase I study of LBL-034 in RRMM based on the October 20, 2025 cutoff. Deep and durable responses were achieved across multiple dose levels (400 – 1,200 μg/kg), with an ORR of 82.5%, a DCR of 92.5%, and a 12-month PFS rate of 61.2%. Detailed results are as follows:

- In the Phase I portion of LBL-034 as monotherapy for the treatment of relapsed/refractory MM, an ORR of 82.5% was observed across the 400-1,200 μg/kg dose levels (n=40) as of October 20, 2025. Notably, at higher doses, LBL-034 demonstrated a robust objective response rate similar to CAR-T treatment without posing additional safety concerns. Specifically, in the 400 μg/kg group (n=18), the ORR was 77.8%, with a very good partial response or better (≥VGPR) rate of 61.1% and a complete response or better (≥CR) rate of 55.6%. The 800 μg/kg group (n=11) achieved an ORR of 90.9%, with ≥VGPR and ≥CR rates of 81.8% and 63.6%, respectively. In the 1,200μg/kg dose group (n=11), the ORR and ≥VGPR rate were both 81.8%, and the ≥CR rate was 36.4%. A trend toward sustained clinical benefit was observed across the 400–1,200μg/kg dose groups (n=40), with a 12-month progression-free survival (PFS) rate of 61.2% at a median follow-up of 9.6 months. In the 400μg/kg cohort, where median follow-up had reached 13.1 months, the 12-month PFS rate was 56.8%. Furthermore, the rate of minimal residual disease (MRD) negativity was appreciably higher than that reported with current standard therapies.

LBL-034 Efficacy Results Across All Dose Levels



Data Cutoff: Oct 20th, 2025

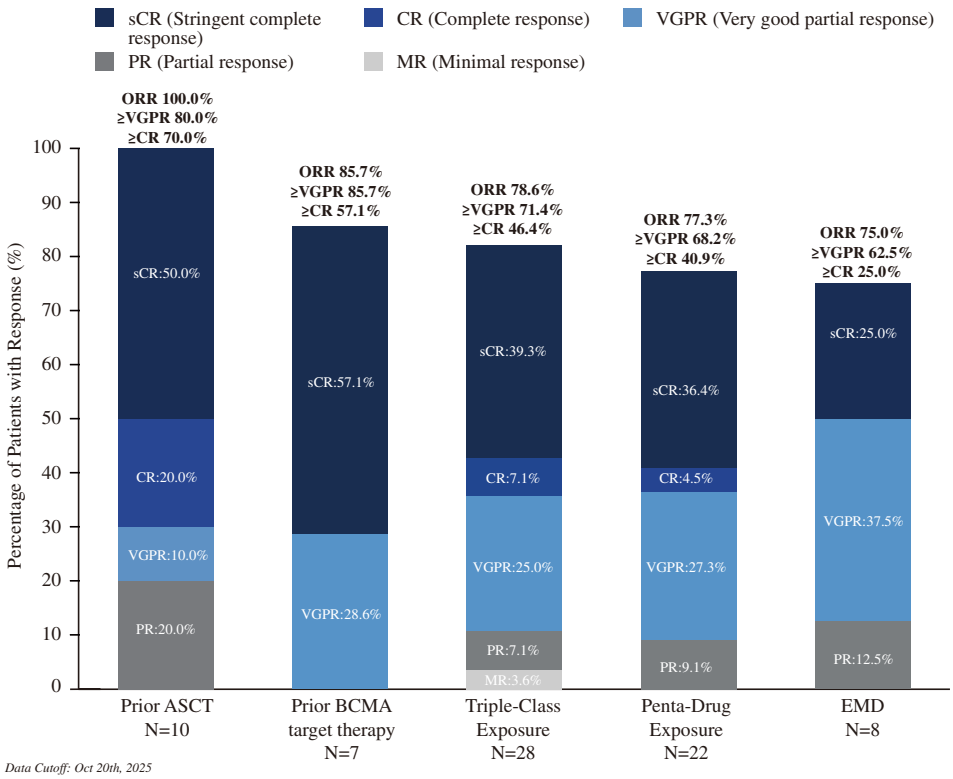
Note: mFu = median follow-up

Notes for 1,200μg/kg group:

With a median follow-up of only 6.3 months for this group as of the cut-off date, the dataset remains immature; efficacy among the patients continues to evolve, and the proportion achieving VGPR or even CR may increase with additional follow-up.

- Encouraging efficacy was also observed in difficult-to-treat subgroups as of the same cutoff date. The subgroup of patients with difficult-to-treat EMD exhibited substantial clinical benefit with a favorable safety profile, achieving an ORR of 75.0%, including two patients who attained stringent complete response (sCR). Notably, in the 1,200 μg/kg dose group, patients with EMD achieved an ORR of 100%, with rapid shrinkage of extramedullary lesions observed. In patients who had previously received BCMA-targeted therapies, LBL-034 demonstrated an ORR of 85.7%, with a CR/sCR rate of 57.1%.

Response in Difficult-to-Treat Subgroups with Dose Levels ≥400 μg/kg



Data Cutoff: Oct 20th, 2025

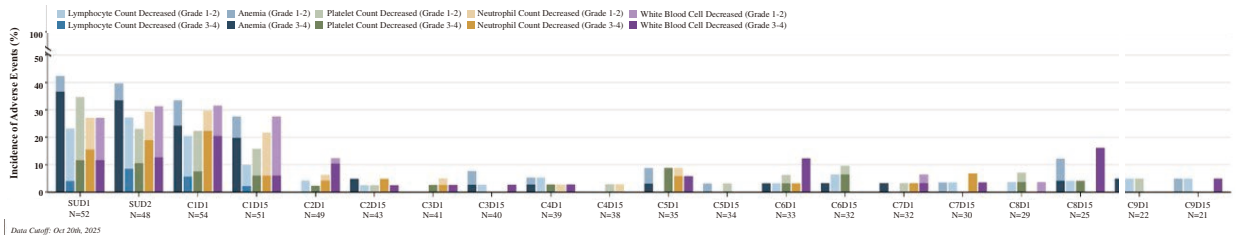
- As of October 20, 2025, no DLT was observed up to a dosage of 1,200 μg/kg, and MTD was not reached. LBL-034 was associated primarily with hematologic and low-grade non-hematologic TEAEs. No ≥G3 TEAEs closely related to quality of life occurred. All these events were manageable.

	TEAE	LBL-034	
		Any grade	Grade 3-4
Hematological	Lymphocyte count decreased	40 (71.4%)	31 (55.4%)
	Platelet count decreased	36 (64.3%)	10 (17.9%)
	White blood cells decreased	36 (64.3%)	15 (26.8%)
	Anemia	31 (55.4%)	9 (16.1%)
	Neutrophil count decreased	30 (53.6%)	16 (28.6%)
Non-hematological	CRS	41 (73.2%)	1 (1.8%)
	Hypokalemia	34 (60.7%)	7 (12.5%)
	Upper respiratory tract infection	31 (55.4%)	9 (16.1%)
	AST Increased	22 (39.3%)	4 (7.1%)
	Oral Pain	21 (37.5%)	2 (3.6%)
	Bacterial infection	22 (39.3%)	12 (21.4%)
	Pyrexia	20 (35.7%)	0
	ALT Increased	17 (30.4%)	1 (1.8%)
	Stomatitis	16 (28.6%)	0
	Hypoalbuminemia	16 (28.6%)	0
	Pruritus	15 (26.8%)	0
	Rash	14 (25.0%)	0
	Cough	13 (23.2%)	0
	Dysphagia	13 (23.2%)	0

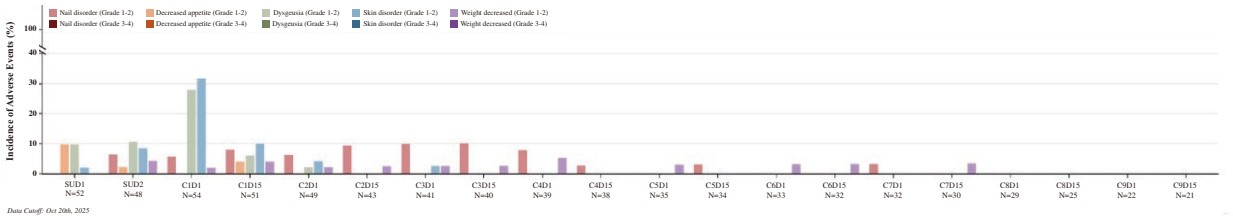
	TEAE	LBL-034	
		Any grade	Grade 3-4
QoL-related TEAEs	Nail disorder	30 (53.6%)	0
	Dysgeusia	28 (50.0%)	0
	Skin disorder	24 (42.9%)	0
	Weight decreased	11 (19.6%)	0
	Fatigue	7(12.5%)	0
	Decreased appetite	6 (10.7%)	0

- Most TEAEs were Grade 1 or 2, with nearly all events occurring in Cycle 1. The incidence of adverse events has significantly decreased in subsequent treatment cycles.

Hematological TEAEs throughout the Treatment Cycles



Non-hematological TEAEs throughout the Treatment Cycles



Note: C = cycle, D = day, SUD = step-up dose

Regulatory and Business Development Update

- In January 2026, LBL-034 was granted U.S. FDA Fast Track Designation for the treatment of RRMM.
- We are actively seeking global partnerships with leading pharmaceutical companies to maximize the clinical and commercial value of LBL-034.

- **LBL-007 (LAG3 mAb)**

  - LBL-007, one of our key products, is a fully human IgG4 monoclonal antibody targeting LAG3 to restore immune function, boosting T-cell activity and enhancing the effectiveness of cancer immunotherapy. Configured to target unique epitopes of LAG3, our LBL-007 can bind to LAG3 with high affinity and block LAG3's engagement with all four identified immune inhibitory ligands, including MHC-II, LSECtin, Gal-3 and FGL-1. Upon binding to LAG3, LBL-007 induces potent endocytosis, reducing LAG3 expression on the cell surface, which further blocks ligand interaction and enhances immune responses.

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

Clinical Highlights

- In the Phase II trial, LBL-007 in combination with tislelizumab (anti-PD-1 antibody) and chemotherapy for the treatment of NPC achieved an ORR of 83.3% (including 3 CR) and a DCR of 97.6% among 42 evaluable patients with 1L NPC, as of July 24, 2025. As of the same cut-off date, the median progression-free survival (mPFS) was 15.8 months, the median duration of response (mDoR) was 14.7 months, and the median overall survival (mOS) was not yet reached. No DLT was observed and the MTD had not been reached up to the highest dose level. Data from this trial were published online in December 2025 in Clinical Cancer Research, a leading international oncology journal.

- In February 2025, the Journal of Hematology & Oncology (impact factor 29.9) published online the results of the Phase Ib/II clinical study of LBL-007. This study represents the first clinical trial to evaluate the efficacy of a LAG-3 antibody in combination with a PD-1 inhibitor for the treatment of NPC.

- **LBL-047 (anti-BDCA2/TACI bispecific fusion protein)**

  - LBL-047 is a bispecific fusion protein composed of a humanized anti-BDCA2 antibody and an engineered TACI ectodomain. It targets both BAFF/APRIL and BDCA2, designed to simultaneously inhibit the activity of plasmacytoid dendritic cells (pDCs) and the differentiation and activation of B cells for multiple autoimmune indications such as systemic lupus erythematosus (SLE), cutaneous lupus erythematosus (CLE), Sjögren's syndrome (SS), lupus nephritis (LN) and dermatomyositis (DM). The glycosylation of LBL-047 is modified to enhance ADCC effects, and the Fc region is engineered to achieve an extended half-life.

  - In collaboration with Dianthus Therapeutics, we are advancing LBL-047 globally. We retain full rights in Greater China and are currently conducting an independent Phase I trial in healthy subjects and patients with SLE.

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

Regulatory and Business Development Update

- We received IND approval for LBL-047 from the U.S. FDA in September 2025, followed by approval from the NMPA in November 2025.

- On October 16, 2025, we entered into an exclusive global license agreement with Dianthus Therapeutics (NASDAQ: DNTH) for the development and commercialization of LBL-047, with a total potential deal value of up to US$1 billion, inclusive of development, regulatory, and commercial milestones across multiple indications. Under the terms, we granted Dianthus exclusive rights to research, develop, manufacture, and commercialize LBL-047 outside Greater China. We are eligible to receive up to US$38 million in upfront and near-term milestone payments as part of the total potential deal value. Additionally, we are entitled to tiered royalties ranging from mid-single to low double digits on net sales outside Greater China. Both parties are advancing clinical development as planned.

- As of the date of this report, we have received aggregate payments of US$30 million under the license agreement, consisting of upfront and near-term milestone payments of US$25 million received in December 2025 and a development milestone payment of $5 million received in January 2026.

Clinical Progress

A Phase I Study of LBL-047 in Healthy Adults and Patients with Systemic Lupus Erythematosus

- This Phase I, randomized, double-blind, placebo-controlled, dose-escalation study evaluates LBL-047 in healthy subjects (Part A) for safety and pharmacokinetics, and then in patients with mild-to-moderate SLE (Part B; SLEDAI-2K 4-10) for safety and preliminary efficacy.

- In December 2025, we enrolled the first healthy subject. Enrollment for the Part A trial is ongoing, and we are preparing to initiate Part B patient enrollment in the second quarter of 2026.

Selected Preclinical-Stage Products

- **LBL-051 (CD19/BCMA/CD3 TriAb)**

  - LBL-051 is a CD19/BCMA/CD3 targeting trispecific antibody, designed for the treatment of B-cell and autoantibody-driven autoimmune diseases, including systemic lupus erythematosus (SLE), generalized myasthenia gravis (gMG), and multiple sclerosis (MS). It is also a therapy with the potential to treat RRMM.

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

    - On November 5, 2024, we entered into a collaboration, exclusive option and license agreement with Oblenio Bio, Inc., a U.S. company newly formed by Aditum Bio, for the development and commercialization of LBL-051. Under the agreement, we granted New Co an exclusive, worldwide license to develop, manufacture and commercialize LBL-051, subject to New Co's exercise of its option following the applicable option period.

    - As consideration for the option, we received upfront payments totaling US$15 million, with US$7.5 million in December 2024 and US$7.5 million in January 2025. In addition, we received US$4.4 million and US$6.0 million for the research and development services provided to New Co in fiscal year 2024 and fiscal year 2025, respectively.

    - IND-enabling activities are complete, and submissions for human clinical trials are in preparation, with the first submission completed in the first quarter of 2026.

- **LBL-061 (EGFR/PD-L1 ADC)**

  - LBL-061 is a next-generation bispecific ADC designed to simultaneously target EGFR and PD-L1, two clinically validated oncogenic and immune checkpoint molecules, respectively. EGFR is a key driver of tumor proliferation and metastasis, frequently overexpressed in solid tumors such as HNSCC, NSCLC, and NPC.

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

    - We entered the IND-enabling stage for LBL-061 in the third quarter of 2025 and expect to submit IND applications to the NMPA and the FDA in the fourth quarter of 2026 or the first quarter of 2027.

- **LBL-054 (CDH17/CD3 TCE-ADC)**

  - LBL-054 is a first-in-class T-cell engager antibody-drug conjugate (TCE-ADC) designed for the treatment of CDH17-positive gastrointestinal cancers, including gastric and colorectal cancers. By integrating our proprietary LeadsBody™ T-cell engager platform with our ADC linker-payload technology, this novel molecule enables dual mechanisms of tumor killing: T-cell-mediated cytotoxicity via CD3 engagement and targeted payload delivery via CDH17 binding. The CDH17-targeting arm provides high-affinity tumor recognition, while the finely tuned CD3-binding arm recruits and activates T cells specifically within the tumor microenvironment. The ADC component features a humanized IgG1 antibody engineered to remove Fc functionality for reduced blood toxicity, conjugated to a clinically validated TOP1i payload at an optimized drug-to-antibody ratio of six. This bispecific engagement combined with targeted chemotherapy is designed to achieve potent antitumor activity while minimizing systemic off-target effects.

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

    - We entered the IND-enabling stage for LBL-054 in the third quarter of 2025 and expect to submit IND applications to the NMPA and the FDA in the fourth quarter of 2026 or the first quarter of 2027.

- **LBL-076 (CD38/GPRC5D/CD3 TriAb)**

  - LBL-076 is a first-in-class trispecific TCE to co-target GPRC5D, CD38 and CD3, designed to enhance cytotoxicity against MM cells. Its molecular architecture is rationally optimized: the GPRC5D arm carries precisely tuned valency, and the CD38 arm is positioned distally to maximize tumor-directed cytotoxicity while curbing CD38-mediated on-target, off-tumor toxicity. Simultaneous targeting of two validated TAAs by a single TCE, LBL-076 delivers enhanced cytotoxic potency across the full spectrum of GPRC5D and CD38 expression levels in both in vitro and in vivo models, indicating significant therapeutic potential to transform outcomes for MM patients relapsed or refractory to single-target therapies.

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

    - We entered the IND-enabling stage for LBL-076 in the fourth quarter of 2025 and expect to submit IND applications to the NMPA and the FDA in the fourth quarter of 2026 or the first quarter of 2027.

- **LBL-066 (PD-L1/4-1BB Plus TriAb)**

  - LBL-066 represents our next-generation asset built on our X-body™ platform. It is a trispecific antibody that simultaneously targets PD-L1, 4-1BB, and an additional target. The additional target arm resulting in more potent, tumor-specific T-cell activation and enhanced anti-tumor immunity.

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

    - We entered the IND-enabling stage for LBL-066 in the fourth quarter of 2025 and expect to submit IND applications to the NMPA and the FDA in the fourth quarter of 2026 or the first quarter of 2027.

- **LBL-058 (DLL3/CD3 TCE-ADC)**

  - LBL-058 is a TCE-ADC targeting Delta-like ligand 3 (DLL3), a protein highly expressed on the surface of SCLC and other neuroendocrine tumor cells. DLL3 is minimally expressed in normal adult tissues, making it an ideal target for therapeutic intervention in SCLC. LBL-058 is designed to leverage the unique expression profile of DLL3, offering a promising therapeutic strategy for this highly malignant and treatment-resistant tumor type, which has a 5-year survival rate of only 7%. LBL-058 represents a dual-function TCE-ADC molecule that combines the properties of a TCE and an ADC. It consists of a DLL3-targeting TCE conjugated with a TOP1i payload via this design. The molecule is engineered with fine-tuned affinities for DLL3 and CD3: it has a high affinity for DLL3-positive tumor cells and a lower affinity for CD3 on T cells, reducing the risk of off-target cytotoxicity. This specificity enables LBL-058 to selectively activate T cells in the presence of DLL3-positive tumor cells, inducing a potent tumor-directed immune response. Furthermore, the TOP1i payload is delivered directly into tumor cells through DLL3-mediated endocytosis, maximizing its cytotoxic effect while sparing normal tissues.

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

    - We validated the TCE-ADC platform through in vitro and in vivo studies by July 2025. Preclinical evaluation of the candidate molecules is underway. We expect to achieve PCC nomination in the first half of 2026.

- **LBL-056 (Dual Payload Bispecific ADC)**

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

    - o LBL-056 is our first dual-payload bispecific ADC, being developed for the treatment of multiple solid tumors. We are concurrently advancing our dual-payload platform and optimizing candidate molecules, with PCC nomination targeted in the first half of 2026.

- **LBL-081 (PD-L1-based Bispecific ADC)**

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

    - o LBL-081, a PD-L1-based bispecific ADC, is being developed for the treatment of multiple solid tumors. Lead optimization is ongoing, with PCC nomination targeted in the first half of 2026.

- **LBL-082 (Co-stimulatory Enhanced Trispecific TCE)**

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

    - o LBL-082, a next-generation product from our LeadsBody™ TCE platform, is being developed for the treatment of multiple solid tumors. Lead optimization is ongoing, with PCC nomination targeted in the first half of 2026.

- **LBL-071 (TL1A-based BsAb)**

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

    - o LBL-071, a TL1A-targeted bispecific antibody, is being developed for the treatment of inflammatory bowel disease (IBD) and other immune-mediated inflammatory diseases (IMIDs). Lead optimization is ongoing, and we expect to complete PCC nomination in the first half of 2026.

Warning under Rule 18A.08(3) of the Listing Rules: There is no assurance that LBL-034, LBL-007, LBL-061, LBL-076, LBL-066, LBL-056, LBL-081, LBL-082, LBL-071, LBL-054, LBL-058, LBL-051 and LBL-047 will ultimately be successfully developed and marketed by our Company.

Our proprietary technology platforms

Anchored by our deep understanding of molecular mechanism and disease biology, we have successfully developed a number of proprietary technology platforms geared towards different targets, mechanisms of action, and modalities. These technology platforms provide us with a broad arsenal of advanced tools and techniques for antibody design, screening and development, and empower us to engineer customized drug assets with high specificity in meeting underserved clinical demands across a wide spectrum of indications. Our major technology platforms primarily include two T-cell engager platforms, the X-body™ platform (a 4-1BB engager platform) and the LeadsBody™ platform (a CD3 T-cell engager platform), as well as TOPiKinectics™ platform (a ADC platform):

- **X-body™ platform (4-1BB engager platform)**

  - Our X-body™ platform leverages advanced antibody engineering technology to create differentiated bispecific antibodies in a 2:2 format with high yield, high purity and excellent druggability. This platform enables us to (i) balance the affinity between TAA and 4-1BB, (ii) facilitate the crosslinking and activation of the 4-1BB receptor only when binding to TAA at tumor sites, thereby localizing 4-1BB activation in TAA expressing tumor microenvironment, and (iii) bolster the immune response within the tumor microenvironment, while mitigating the risk of systemic toxicities.

  - Through X-body™ platform, we have successfully developed Opamtistomig (LBL-024, 4-1BB/PD-L1 BsAb). Our unique molecular design enables LBL-024 to overcome the major hurdle of liver toxicity associated with 4-1BB, and to achieve synergistic antitumor effects through both immune activation and the alleviation of immune suppression.

- **LeadsBody™ platform (CD3 T-cell engager platform)**

  - Our LeadsBody™ platform enables diverse modifications to molecular design of CD3-targeted bispecific antibodies. These key modifications include: (i) variable expression levels which controls how strongly the antibodies bind to TAA, (ii) fine-tuning CD3 affinity with differentiated profiles of cytokine release, (iii) conditional T-cell redirecting and activation mechanisms within tumor microenvironments, and (iv) differing spatial structures.

  - Our LeadsBody™ platform offers several significant advantages, including: (i) optimized proportions and affinities of TAA and CD3 binding domains directing the action of T-cell engagers to the tumor site, minimizing off-target toxicity, (ii) structural optimizations inducing effective killing of target cells by T cells while reducing cytokine secretion, and (iii) both in vitro and in vivo studies, T-cell engagers exhibited durable antitumor effects with less T-cell exhaustion induction.

  - Through LeadsBody™ platform, we have successfully developed a portfolio of CD3 T-cell engagers that demonstrate favorable anti-tumor efficacy and safety in preclinical/clinical studies, including LBL-034 (GPRC5D/CD3 BsAb), LBL-076 (CD38/GPRC5D/CD3 TriAb), and LBL-082(Co-stimulatory Enhanced Tri-TCE).

- **TOPiKinectics™ platform (ADC platform)**

  - While ADC utilizing DNA topoisomerase I inhibitors such as DXd and SN-38 have transformed cancer treatment and provided significant clinical benefits, a need persists for more effective and safer ADCs to overcome resistance and improve patients' quality of life. To address this challenge, we have designed and developed a novel TOPiKinectics™–ADC platform featuring several key innovations, including stable conjugator, cleavable/hydrophilic linker and Exatecan (a more potent topoisomerase I inhibitor with less sensitivity to multidrug resistance (MDR)). Characterized by enhanced therapeutic index, superior stability, and improved pharmacokinetics profile, TOPiKinectics™–ADC has been benchmarked against equivalent DXd-ADCs in a set of preclinical assessments. Our novel preclinical ADC candidates include:

    LBL-054 (CDH17/CD3 TCE-ADC)

    We entered the IND-enabling stage for LBL-054 in the third quarter of 2025 and expect to submit IND applications to the NMPA and the FDA in the fourth quarter of 2026 or the first quarter of 2027. The target indications are gastrointestinal tumors, including gastric and colorectal cancers.

    LBL-061 (EGFR/PD-L1 ADC)

    IND-enabling studies are ongoing, with an expected IND filing in the fourth quarter of 2026 or the first quarter of 2027. The target indications are NSCLC, HNSCC, and CRC.

    LBL-058 (DLL3/CD3 TCE-ADC)

    We validated the TCE-ADC platform through in vitro and in vivo studies by July 2025. Preclinical evaluation of the candidate molecules is underway. We expect to achieve PCC nomination in the first half of 2026.

    LBL-056 (Dual Payload Bispecific ADC)

    We are concurrently advancing our dual-payload platform and optimizing the candidate molecules, with PCC nomination targeted in the first half of 2026.

    LBL-081 (PD-L1-based Bispecific ADC)

    Lead optimization is ongoing, with PCC nomination targeted in the first half of 2026.

BUSINESS PROSPECTS

Looking ahead to 2026 and beyond, we are building a leading biopharma company with a diversified, high-value pipeline and multiple commercialized first-in-class and best-in-class assets.

We will continue to strengthen LBL-024's position within the IO 2.0 landscape as a pan-cancer backbone therapy. We are on track to submit the first BLA for LBL-024 in China for EP-NEC in the third quarter of 2026, while actively advancing its expansion across a broad range of solid tumor indications. Throughout 2026, we anticipate multiple key data readouts across indications to be presented at major international conferences. Supported by regulatory designations already granted by both the FDA and EMA, these data are expected to further elevate LBL-024's global regulatory standing and academic recognition. Looking ahead, LBL-024 is well positioned to serve as a backbone therapy in combination regimens, with the potential to maximize clinical benefit. Through a sequence of strategic milestones — initial registration, broad indication expansion, and rational combination development — we aim to establish LBL-024 as a foundational therapy in oncology and deliver sustainable long-term value.

We will remain at the forefront of IO 2.0 innovation, powered by our integrated platform ecosystem – X-body™ (bi-/multi-specific), LeadsBody™ (TCE), and TOPiKinectics™ (ADC). This integrated ecosystem will enable us to advance 3-5 preclinical assets into IND-enabling stage each year, including trispecific antibodies, proprietary TCE-ADCs, and other cutting-edge modalities designed to overcome immune resistance, penetrate cold tumors, and address hard-to-treat cancers where current immunotherapies have limited impact. By maintaining a consistent cadence of innovation across modalities, we will continue to expand our clinical development with both standalone programs and rational cross-modal combinations, supporting our long-term leadership in shaping the future of immuno-oncology.

Our growth strategy will continue to be anchored in strategic collaborations with top multinational corporations (MNCs) that bring strong commercialization expertise. Through a proactive out-licensing approach targeting a consistent annual cadence of transactions, we expect to generate a steady stream of immediate cash inflows while advancing our product candidates toward successful commercialization. Over time, we plan to build an in-house commercial team in China while partnering globally to expand our international penetration. We may also conduct selected clinical trials in the U.S. to support regulatory and strategic goals.

In terms of our operational business model, we maintain an asset-light model for manufacturing and commercialization to ensure efficiency and cost-effectiveness. We will continue to partner with leading CDMOs to supplement internal capacity for clinical and commercial supply. We may moderately scale up in-house manufacturing over time to support the long-term growth of our pipeline and commercial products.

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 Product.

FINANCIAL REVIEW

Revenue

Our revenue increased from nil in 2024 to RMB177.3 million in 2025. This revenue was attributable to the upfront and near-term milestone payments of RMB177.3 million received under the license agreement with Dianthus Therapeutics for LBL-047.

Other Income and Gains

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Other Income		
Bank interest income	**29,562**	8,285
Government grants*	**1,485**	7,982
Gains		
Foreign exchange gains, net	**–**	2,042
Total	**31,047**	18,309

Note*: Government grants have been received from the PRC local government authorities to support the subsidiaries' research and development activities. There are no unfulfilled conditions related to these government grants.

Our other income and gains increased by 69.6% from RMB18.3 million for the year ended December 31, 2024 to RMB31.0 million for the year ended December 31, 2025, primarily due to higher bank interest income resulting from increased cash balances available for treasury activities following our Listing.

Research and Development Expenses

	Year ended December 31, 2025 RMB'000	2024 RMB'000
Clinical trial expenses	**76,187**	48,352
Staff costs	**78,898**	66,613
Preclinical and CMC expenses	**70,933**	19,190
Depreciation and amortization expenses	**16,969**	22,734
Costs of materials and consumables	**25,702**	12,259
Share-based compensation	**2,561**	1,926
Others	**17,835**	14,609
Total	**289,085**	185,683

Our research and development costs increased by 55.7% from RMB185.7 million for the year ended December 31, 2024 to RMB289.1 million for the year ended December 31, 2025, primarily due to (i) elevated CMC development milestone expenses, largely related to preparation for the BLA submission of LBL-024; (ii) increased clinical trial expenses, mainly driven by accelerated patient enrollment and clinical progress for LBL-024 and LBL-034; and (iii) higher pre-clinical expenses, as we advanced multiple pipeline assets to the IND-enabling stage.

Administrative Expenses

	Year ended December 31, 2025 RMB'000	2024 RMB'000
Professional service fees	**4,423**	2,534
Listing expenses	**21,556**	14,531
Staff costs	**32,735**	21,150
Share-based compensation	**7,286**	40,014
Depreciation and amortization expenses	**3,355**	3,314
General office expenses	**3,432**	3,370
Rental fees	**401**	426
Others	**9,512**	2,353
Total	**82,700**	87,692

Our administrative expenses decreased by 5.7% from RMB87.7 million for the year ended December 31, 2024 to RMB82.7 million for the year ended December 31, 2025, primarily due to (i) the decrease in share-based compensation expenses in 2025, as the share-based incentives granted in 2024 vested immediately and were fully recognized in that year; partially offset by (ii) higher Listing expenses recognized in 2025; and (iii) increased staff costs and post-listing professional service fees expenses driven by the expansion of our corporate functions following the Listing.

Other Expenses

Our other expenses increased from RMB20.0 thousand for the year ended December 31, 2024 to RMB25.8 million for the year ended December 31, 2025, primarily due to the net foreign exchange losses recognized in 2025. These losses resulted from the significant depreciation of the USD against the RMB at year end, which adversely affected the valuation of our USD-denominated cash and cash equivalents held as of December 31, 2025.

Finance Costs

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Interests on bank borrowings	**6,429**	5,404
Interests on lease liabilities	**759**	360
Total	**7,188**	5,764

Our finance costs increased from RMB5.8 million for the year ended December 31, 2024 to RMB7.2 million for the year ended December 31, 2025, primarily due to the increase in interest expense of RMB1.0 million resulting from a moderate increase in our bank borrowings.

Income Tax Expense

No income tax expense was recognized for the year ended December 31, 2024. For the year ended December 31, 2025, we recognized RMB15.5 million in income tax expense, representing withholding tax on the RMB177.3 million upfront payment received from Dianthus Therapeutics under the license agreement.

Loss for the Year

Based on the factors described above, the Group's loss decreased from RMB301.2 million for the year ended December 31, 2024 to RMB211.4 million for the year ended December 31, 2025.

Non-IFRS Measure

To supplement our consolidated statement of profit or loss and other comprehensive income which are presented in accordance with IFRSs, we also use adjusted loss as a non-IFRS measure, which is not required by, or presented in accordance with, IFRSs. We believe that the presentation of the non-IFRS measure when shown in conjunction with the corresponding IFRS measures provides useful information to management and investors in facilitating a comparison of our operating performance from period to period. In particular, the non-IFRS measure eliminates impact of certain expenses, including changes in fair value of redemption liabilities on equity shares, share-based payment compensation and listing expenses. Such non-IFRS measure allows investors to consider metrics used by our management in evaluating our performance.

The use of the non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for, or superior to, analysis of our results of operations or financial condition as reported under IFRSs. In addition, the non-IFRS financial measure may be defined differently from similar terms used by other companies and therefore may not be comparable to similar measures presented by other companies.

The table below sets forth a reconciliation of the loss to adjusted loss (non-IFRS measure) during the periods indicated:

	For the year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Loss for the year	**(211,419)**	(301,216)
Added:		
Changes in fair value of redemption liabilities on equity shares	**–**	42,084
Share-based payment compensation	**9,847**	41,940
Listing expenses	**21,556**	14,531
Adjusted loss (non-IFRS measure) for the year	**(180,016)**	(202,661)

Capital Structure, Liquidity and Financial Resources

The Group maintained a solid liquidity position during the Reporting Period. As of December 31, 2025, the Group had a combined balance of cash and cash equivalents, time deposits with original maturity over three months, and financial assets at FVTPL of RMB1,548.1 million (as of December 31, 2024: RMB538.7 million), consisting of RMB1,221.2 million in cash and cash equivalents (as of December 31, 2024: RMB372.5 million), RMB326.9 million in time deposits with original maturity over three months (as of December 31, 2024: nil), and nil in FVTPL financial assets (as of December 31, 2024: RMB166.2 million). The significant increase in cash resources was primarily attributable to (i) net proceeds received from the initial public offering completed in July 2025 and the exercise of the over-allotment option in August 2025; and (ii) upfront, near-term and research and development payments received under the license agreements for LBL-047 and LBL-051.

As of December 31, 2025, the Group's current assets were RMB1,690.2 million (as of December 31, 2024: RMB596.3 million), which primarily consisted of cash and cash equivalents of RMB1,221.2 million, time deposits with original maturity over three months of RMB326.9 million, inventories of RMB58.0 million and prepayments, deposits and other receivables of RMB84.2 million. As of December 31, 2025, the Group's current liabilities were RMB502.2 million (as of December 31, 2024: RMB398.3 million), which primarily consisted of trade and other payables of RMB56.8 million, interest-bearing bank borrowings of RMB260.1 million, contract liabilities of RMB178.2 million and lease liabilities of RMB7.1 million.

Currently, the Group follows a set of funding and treasury policies to manage its capital resources and prevent risks involved. The Group expects to fund its working capital and other capital requirements from a combination of various sources, including but not limited to internal financing and external financing at reasonable market rates. In order to better control and minimize the cost of funds, the Group's treasury activities are centralized and all cash transactions are dealt with banks with good reputation.

Gearing Ratio

As of December 31, 2025, the Group's gearing ratio, calculated as total liabilities divided by total assets, was 28.9% (as of December 31, 2024: 60.3%). The decrease was mainly due to the increase in total assets following the receipt of the IPO proceeds.

Indebtedness

As of December 31, 2025, we had unsecured bank borrowings of RMB260.1 million, as compared to RMB255.2 million as of December 31, 2024. All of our bank borrowings were at fixed rates, with interest rates ranging from 2.10% to 2.70% as of December 31, 2025 (December 31, 2024: 2.80% to 3.45%).

Our lease liabilities increased from RMB11.3 million as of December 31, 2024 to RMB20.5 million as of December 31, 2025. The increase was mainly due to new lease contracts and lease modifications or renewals entered into during the Reporting Period.

Capital Commitments

As of December 31, 2025, the Group had capital commitments contracted, but not provided for, of RMB3.4 million (as of December 31, 2024: RMB0.1 million), which were related to the acquisition of property, plant and equipment.

Contingent Liabilities

As of December 31, 2025, our Group did not have any contingent liabilities (as of December 31, 2024: nil).

Pledge of Assets

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

Foreign Exchange Exposure

Certain financial assets and liabilities of the Group are denominated in foreign currencies and are therefore exposed to foreign exchange risk. In particular, as of December 31, 2025, a significant portion of our cash and cash equivalents and time deposits was denominated in USD, and part of our cash balances was denominated in HKD.

We currently do not have a formal foreign currency hedging policy. However, our management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

EMPLOYEES AND REMUNERATION POLICY

As of December 31, 2025, the Group had a total of 244 full-time employees. The total remuneration for the year ended December 31, 2025, including share-based payment compensation, was RMB124.2 million, as compared to RMB129.7 million for the year ended December 31, 2024. The decrease in total remuneration was mainly due to the decrease in share-based compensation expenses in 2025, as the share-based incentives granted in 2024 vested immediately and were fully recognized in that year, partially offset by the increase in salaries, discretionary bonuses, allowances and benefits in kind, resulting from the recruitment of additional clinical and R&D personnel to accelerate the advancement of our pipeline in 2025, as well as the expansion of our corporate functions following the Listing.

We provide various incentives and benefits for our employees. We offer competitive salaries, bonuses and share-based payment 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.

There is no forfeited contributions that may be used by the Group to reduce the existing level of contribution. In recognition of the contributions of our employees and to incentivize them to further promote our development, the Company approved and adopted the Pre-IPO Share Incentive Plan on September 16, 2020 and further amended and approved on April 17, 2024. Please refer to the paragraph headed "Appendix VI – Statutory and General Information – C. Further Information about Directors, Supervisors and Substantial Shareholders – 4. Pre-IPO Share Incentive Plan" to the Prospectus for further details. In addition, the Company approved and adopted the H Share Award Scheme on December 17, 2025. Please refer to the announcement dated November 25, 2025 and the circular dated November 28, 2025 for details.

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 training programs to our employees from time to time to ensure their awareness and compliance with our policies and procedures in various aspects.

SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

As of the date of this report, there were no material subsequent events after the Reporting Period other than those disclosed above.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association, or the laws of the PRC, which would oblige the Company to offer new shares of the Company on a pro-rata basis to its existing shareholders.

FINAL DIVIDEND

The Board has resolved not to recommend a final dividend for the year ended December 31, 2025 (2024: Nil).

Directors and Senior Management

DIRECTORS

The Board currently consists of eight Directors, including three executive Directors, two non-executive Directors and three independent non-executive Directors.

Executive Directors

Dr. Kang Xiaoqiang, aged 65, is a co-founder of our Group, an executive Director, our Chief Executive Officer and the general manager of our Company. He is primarily responsible for the overall strategic planning of our Group and business operations and making key business and operational decisions of our Group.

Dr. Kang was first appointed as an executive Director and our general manager in November 2012 and served until March 2014, and was appointed as a Supervisor from March 2014 to August 2015. From August 2015 to November 2015, Dr. Kang served as an executive Director and our general manager. Dr. Kang has been serving as the chairman of our Board, a Director, our chief executive officer and the general manager of our Company since November 2015 and was redesignated as our executive Director in October 2024. Dr. Kang also holds various directorships and management positions in our Group companies, including (i) the executive director and general manager of Lizhi Biologic since July 2018; (ii) a director of Leads Biolabs Hong Kong Limited since March 2024; and (iii) a director of Leads Biolabs Inc. since June 2022, where he has been primarily responsible for the overall management of the Group companies.

Dr. Kang has over 26 years of experience in the pharmaceutical industry. Prior to founding our Group, Dr. Kang worked for ImClone Systems starting in February 1998, which was later acquired by Eli Lilly and Company, a global pharmaceutical company listed on the New York Stock Exchange (stock code: LLY) in 2008. Following the acquisition, Dr. Kang joined Eli Lilly where he assumed different positions from 2008 to 2014, with his latest position being Principal Scientist of Immunology. During Dr. Kang's tenure at ImClone and Lilly, he contributed to the development and successful launch of Erbitux® and led the research and development of multiple anti-cancer antibody drugs including two that entered into clinical stage.

Dr. Kang obtained a bachelor's degree in medicine from Hubei Medical College (湖北醫學院) (currently known as Wuhan University School of Medicine (武漢大學醫學院)) in June 1985, a master's degree in medicine from Tongji Medical University (同濟醫科大學) in June 1988 majoring in medical science, and his doctorate degree in biomedical sciences from the University of North Texas Health Science Center at Fort Worth in June 1994. He then conducted research in tumor immunotherapy as a postdoctoral fellow at the National Cancer Institute of the U.S. ("NCI") in the laboratory of Dr. Steven Rosenberg from October 1994 to June 1998.

Dr. Kang has also been appointed as the consulting expert for Nanjing 14th Five-Year new medicine and life and health industry planning (南京市十四五新醫藥和生命健康產業規劃) since August 2020.

Dr. Lai Shoupeng, aged 81, is a co-founder of our Group, an executive Director, our chief strategic officer and executive vice president. He is primarily responsible for the strategic planning, overseeing the operation of CMC team and overall operation management of our Group.

Dr. Lai was appointed as our executive vice president and chief operating officer in May 2013. He was later re-designated as our Chief Strategic Officer in November 2014. Dr. Lai was appointed as an executive Director and general manager in March 2014 and served until August 2015. He was appointed as a Supervisor from August 2015 to November 2015. Dr. Lai has been serving as our Director since November 2015 and a supervisor of Lizhi Biologic since July 2018.

Dr. Lai has nearly 30 years of experience in the biomedical industry. Prior to founding our Group, Dr. Lai worked at GenVec, Inc., a biopharmaceutical company listed on the NASDAQ Global Market (stock code: GNVC). He also worked at AnGes, Inc., a biopharmaceutical company listed on the Tokyo Stock Exchange (stock code: 4563) as an associate director of the process development department, a principal scientist, and an advisor successively. His previous experience focused on biopharmaceutical production process development, Good Manufacturing Practice (GMP) production equipment, project management, and outsourcing CMC and clinical trial management to contract manufacturing organizations (CMOs) and contract research organizations (CROs).

Dr. Lai obtained a master's degree in plant physiology from Institute of Plant Physiology and Ecology of China Academy of Sciences (中國科學院上海植物生理研究所) in July 1982 and a doctorate degree from the University of Maryland in December 1991. Dr. Lai conducted research in vascular endothelial growth factor and anti-angiogenesis at Georgetown University Lombardi Cancer Center in the U.S. in early 1990s. He also conducted research in the field of tumor immunotherapy at the NCI in the laboratory of Dr. Steven Rosenberg from 1994 to 1996. Dr. Lai also serves at the Board of Directors of Chinese Biopharmaceutical Association – USA (美國華人生物醫藥科技協會).

Mr. Zuo Honggang (左鴻剛), aged 49, was appointed as an executive Director in October 2024, the secretary of the Board of the Company in July 2024 and joint company secretary in July 2025. Mr. Zuo has been serving as our Chief Financial Officer since January 2024 and is primarily responsible for the formulation of financial and development strategies and overseeing the overall financial management and corporate development of the Group.

Mr. Zuo has more than 20 years of experience in corporate finance, management and equity investment. From July 1998 to April 1999, Mr. Zuo served as an accounting assistant at American International Assurance Company, Ltd., Shanghai Branch. From April 1999 to June 2002, Mr. Zuo served as a management consultant at PricewaterhouseCoopers (Shanghai) Consulting Company Ltd. From June 2003 to December 2007, Mr. Zuo served as a director of business analysis and finance leader successively at Mastercard Worldwide in New York, a global payment technology company listed on the New York Stock Exchange (stock code: MA). From November 2007 to October 2009, Mr. Zuo served as a vice president at GE Capital, where he was responsible for the company's global mergers and acquisitions. From December 2009 to September 2011, Mr. Zuo served as a vice president at AlixPartner (Shanghai) Business Advisory Services Limited, a consulting company. From October 2011 to August 2013, Mr. Zuo served as a manager at Intermediate Capital Asia Pacific Limited, an investment fund. From September 2013 to March 2019, Mr. Zuo served as an executive director at Goldman Sachs Group, Inc., a company listed on the New York Stock Exchange (stock code: GS). From June 2019 to June 2021, Mr. Zuo served as a director, chief financial officer and chief strategic officer at OneSmart International Education Group Ltd., an education company listed on the New York Stock Exchange, (stock code: ONE). From August 2021 to November 2023, Mr. Zuo served as a director and chief financial officer at Genecast Group Inc.

Mr. Zuo obtained his bachelor's degree in industrial foreign trade from Shanghai Jiao Tong University (上海交通大學) in July 1998. He further obtained his master's degree in business administration from Massachusetts Institute of Technology in June 2004.

Non-executive Directors

Mr. Zhang Yincheng (張銀成), aged 51, was appointed as our non-executive Director in May 2023. Mr. Zhang is primarily responsible for participating in major decisions on our Group's operations and development.

Mr. Zhang has more than 20 years of experience in securities and equity investment, he served as a corporate consultant of the financial advisory department at SWS Research Co., Ltd. (上海申銀萬國證券研究所有限公司) from March 2002 to March 2004. From April 2004 to July 2015, Mr. Zhang served a vice president and director at Jinggong Holding Group Co., Ltd. (精工控股集團有限公司), a subsidiary of Zhongjianxin Holdings Group Co., Ltd. (中建信控股集團有限公司) and served as a president and director at Zhongjianxin Holdings Group Co., Ltd. from August 2004 to June 2019. Since September 2010, Mr. Zhang has been a partner at Shanghai Hankang Private Equity Fund Management Co., Ltd. (上海漢康私募基金管理有限公司).

Mr. Zhang obtained his bachelor's degree in industrial business administration from Hebei University of Technology (河北工業大學) in July 1997 and a master's degree in political economy from Zhejiang University (浙江大學) in March 2002. He further obtained an EMBA degree from Guanghua School of Management of Peking University (北京大學光華管理學院) in July 2012.

Dr. Chen Renhai (陳仁海), aged 46, was appointed as our non-executive Director in July 2017. Dr. Chen is primarily responsible for participating in major decisions on our Group's operations and development.

Dr. Chen has nearly 20 years of experience in the pharmaceutical and investment management industries. Dr. Chen has been the founder partner and executive partner at Ennovation Ventures (恩然創投) and Nanjing Jieyuan Growth Venture Capital Partnership (Limited Partnership) (南京捷源成長創業投資合夥企業(有限合夥)) since July 2015 and October 2015, respectively.

Dr. Chen obtained his bachelor's degree in pharmacy from Second Military Medical University (第二軍醫大學) (currently known as Naval Medical University (中國人民解放軍海軍軍醫大學)) in June 2002 and a master's degree in biochemistry and molecular biology from Shanghai Institutes for Biological Sciences of Chinese Academy of Sciences (中國科學院上海生命科學研究院) in March 2006. He further obtained a doctorate degree in pharmacology from Shanghai Institute of Pharmaceutical Industry (上海醫藥工業研究院) in June 2014.

Dr. Ni Jia (倪佳), aged 44,was appointed as our non-executive Director in July 2024. Dr. Ni is primarily responsible for participating in major decisions on our Group's operations and development. With effect from March 27, 2026, Dr. Ni has tendered his resignation as a non-executive Director of the Company.

Dr. Ni has nearly 20 years of experience in the pharmaceutical industry. He worked at Peng Li Biomedical Technology (Shanghai) Co., Ltd. (澎立生物醫藥技術(上海)有限公司, currently known as Peng Li Biomedical Technology (Shanghai) Co., Ltd. (澎立生物醫藥技術(上海)股份有限公司)) from June 2008 to April 2010. He also served as the deputy director of the pharmacology department at Shanghai Prisys Biotechnologies Co., Ltd. (上海浦靈生物科技有限公司). From January 2016 to December 2021, he worked at Haisco Pharmaceutical Group Co., Ltd. (海思科醫藥集團股份有限公司). Since March 2023, he has been working at the investment research department of Shanghai Zhengxingu Investment Management Co., Ltd. (上海正心谷投資管理有限公司).

Dr. Ni obtained his bachelor's degree in pharmacy from Ocean University of China (中國海洋大學) in 2003 and a doctorate degree in pharmacology from Shanghai Institute of Materia Medica, Chinese Academy of Sciences (中國科學院上海藥物研究所) in 2008.

Independent Non-executive Directors

Dr. Zhang Hongbing, aged 64, was appointed as an independent non-executive Director in October 2024 with effect upon the Listing. He is responsible for supervising and offering independent judgement to the Board.

Dr. Zhang has more than 25 years of experience in teaching and scientific research. He has experience working at the National Institutes of Health of the U.S. and at Brigham & Women's Hospital, which is affiliated with Harvard Medical School. Since 2006, Dr. Zhang has been serving as a professor at the Chinese Academy of Medical Sciences & Peking Union Medical College (中國醫學科學院北京協和醫學院).

Dr. Zhang completed his undergraduate course in medicine at Yichang Medical College (宜昌醫學專科學校) (currently known as China Three Gorges University (三峽大學)) in August 1982, obtained a master's degree in medicine from Tongji Medical University (同濟醫科大學) (currently known as Tongji Medical College of Huazhong University of Science and Technology (華中科技大學同濟醫學院)) in June 1988 and a doctorate degree from the Perelman School of Medicine at University of Pennsylvania in May 1998. He has been a member of the Academic Committee of Chinese Academy of Medical Sciences & Peking Union Medical College (中國醫學科學院北京協和醫學院學術委員會) and was awarded the Outstanding Contribution to Scientific Research Award (科學研究「傑出貢獻獎」) in November 2016. Dr. Zhang was awarded by the National Science Fund for Distinguished Young Scholars (國家傑出青年) in 2007. Further, Dr. Zhang has also been honored in the Highly Cited Chinese Researchers annually published by Elsevier for a decade since 2014.

As of the Latest Practicable Date, Dr. Zhang held approximately 1.2% of the partnership interests of Nanjing Kanglai Enterprise Management Consulting Center (limited partnership) (南京康來企業管理諮詢中心(有限合夥)), a limited partner of Lizhi Partnership (one of our Share Incentive Platforms), representing an indirect interest of approximately 0.02% of the total share capital of our Company.

Mr. Du Yilong (杜以龍), aged 52, was appointed as an independent non-executive Director in October 2024 with effect upon the Listing. Mr. Du is also the lead independent non-executive Director of the Company (the "Lead INED"). He is responsible for supervising and offering independent judgement to the Board.

Mr. Du has over 20 years of experience in legal, corporate finance, and corporate governance fields. He successively served as an associate at Sidley Austin LLP from August 2002 to October 2005, and at Simpson Thacher & Bartlett from April 2007 to October 2009. Mr. Du worked with Goldman Sachs from November 2009 to October 2015, where he served as an executive director. Mr. Du was a partner at Latham & Watkins LLP's Hong Kong office from October 2015 to September 2016 and a partner of its Beijing office from October 2016 to December 2017. From January 2018 to June 2018, he served at Didi Chuxing Technology Co., Ltd. He rejoined Latham & Watkins LLP's Beijing office as a partner from June 2018 to May 2019. From June 2019 to December 2023, he worked at Warburg Pincus Asia LLC and was a managing director, and general counsel for China and Southeast Asia. Mr. Du has been serving as a special counsel at Zhong Lun Law Firm LLP (中倫律師事務所) since May 2025.

Mr. Du obtained a bachelor's degree in mathematics and a master's degree in law from Peking University (北京大學) in July 1996 and July 1999, respectively. He then obtained a juris doctor degree from Columbia University in May 2002.

Ms. Du Jiliu (杜季柳), aged 56, was appointed as an independent non-executive Director in October 2024 with effect upon the Listing. She is responsible for supervising and offering independent judgement to the Board.

Ms. Du has over 30 years of experience in finance and accounting. Ms. Du held various positions at China International Capital Corporation Limited (中國國際金融股份有限公司) from April 2000 to February 2014 as the head of finance department and successively an executive general director. She subsequently served as the executive general manager and later a vice general manager at CICC Fund Management Co., Ltd. (中金基金管理有限公司) from February 2014 to September 2017, and also served as a counsel from October 2017 to December 2021. Ms. Du served as a director of Zhong Xin Tong Ren Capital Ltd. (中鑫同人資本管理有限公司) from October 2018 to April 2025. Ms. Du has been serving as the chairman of the supervisory board of Beijing Aita Animal Protection Public Welfare Foundation since October 2024, and has been serving as the head of integrated management department of Hualing Private Equity Fund Management (Beijing) Co., Ltd. (華領私募股權基金管理(北京)有限公司) since April 2025. Ms. Du has been serving as an independent non-executive director at Jenscare Scientific Co., Ltd. (寧波健世科技股份有限公司) (Stock code: 9877.HK), a medical device company focused on developing solutions for structural heart disease, since June 2022.

Ms. Du obtained a bachelor's degree in economics and management from Central Institute of Finance and Banking (中央財政金融學院) (currently known as Central University of Finance and Economics (中央財經大學)) in June 1992. She received her EMBA degree from Shanghai Advanced Institute of Finance of Shanghai Jiao Tong University (上海交通大學上海高級金融學院) in December 2018. She has been a fellow member of the Association of Chartered Certified Accountants since October 2009. She has also been admitted as a non-practicing member of the Chinese Certified Public Accountants certified by the Beijing Institute of Certified Public Accountants (北京註冊會計師協會) since 1995, a Certified Internal Auditor certified by China Institute of Internal Audit (中國內部審計協會) since November 2002, and passed the exam of practicing qualification in funds (基金從業資格) issued by the Asset Management Association of China (中國證券投資基金業協會)since November 2013. In November 2023, she was awarded the title of Senior Economist by the Beijing Advanced Professional Title Review Committee (北京市高級職稱評審委員會).

SENIOR MANAGEMENT

For the biographical details of Dr. Kang, Dr. Lai and Mr. Zuo Honggang, please see "— Directors – Executive Directors."

Dr. Cai Shengli, aged 56, has served as our chief medical officer since July 2022. Dr. Cai is responsible for leading all the clinical development and the related functions.

Prior to joining our Group, Dr. Cai served as post-doctoral fellow, research scientist and instructor successively at MD Anderson Cancer Center in Texas, USA from October 2000 to December 2006, a senior genetic engineer and senior program leader successively of Intrexon from 2007 to 2008, the biomarker program leader of oncology at Novartis Pharmaceuticals Corporation from 2009 to 2011. Dr. Cai served as the medical leader of TMCP at Daiichi-Sankyo from October 2011 to March 2015, senior global clinical leader at Bayer HealthCare Pharmaceuticals Inc. from March 2015 to May 2021. From May 2021 to June 2022, Dr. Cai held several leadership positions at Hengrui USA (Luzsana), including VP of clinical science oncology and deputy head of development.

Dr. Cai obtained a bachelor's degree in clinical medicine from Yan'an Medical School (延安醫學院) (currently known as Medical School of Yan'an University (延安大學醫學院)) in July 1993 and a master's degree of medicine from Medical School of Kunming (昆明醫學院) (currently known as Kunming Medical University (昆明醫科大學)) in July 1996, and a doctorate degree in surgery from Peking University (北京大學) in June 2000.

Dr. Cai is currently a member of American Association for Cancer Research (美國癌症研究協會), American Society of Clinical Oncology (美國臨床腫瘤學會), Society for Immunotherapy of Cancer (癌症免疫治療學會), American Society of Hematology (美國血液學會), and European Society for Medical Oncology (歐洲腫瘤學學會).

Dr. Cai was awarded the AACR-AFLAC Scholar-in-Training Award by American Association for Cancer Research in April 2004, the 2005 AACR-AstraZeneca Scholar-in-Training Award by American Association for Cancer Research in April 2005, and the 2010 Cozzarelli Prize by PNAS editors committee.

Dr. Ling Hong, aged 67, has served as our senior vice president and chief scientific officer since July 2020. Dr. Ling is responsible for new project proposal, early discovery and preclinical and GLP toxicity and safety studies, and in charge of intellectual property management.

Prior to joining our Group, Dr. Ling has served as physician (research assistant), chief resident, assistant professor and attending physician successively in Internal Medicine department at the First Affiliated Hospital of Hunan Medical University (湖南醫科大學附屬第一醫院) (currently known as Xiangya Hospital of Central South University (中南大學湘雅醫院)) for over four years since 1987, and enrolled post-doctoral fellowship in the Division of Renal Biology and Hypertension at University of Colorado School of Medicine from September 1995 to December 1998, instructor and faculty in medicine at Massachusetts General Hospital Harvard Medical School from December 1998 to July 2000. From July 2000 to March 2014, Dr. Ling served several positions at Sanofi-Genzyme R&D Center, including staff scientist, senior scientist and principal scientist and worked as a member of the tissue protection and repair department and the glomerular disease biology team. He served as an associate director and a member of leadership team of China R&D center at AbbVie from April 2014 to September 2015, responsible for in vitro screening of small molecule drugs and development of clinical biomarkers. He also worked as the legal representative and general manager at Star Biolab Biology Technology (Shanghai) Co., Ltd. (星百萊生物技術(上海)有限公司) from September 2015 to May 2016. Dr. Ling further served as CSO, head of clinical research from September 2016 to October 2017, and interim CMO from June 2017 to October 2017 at Nanjing Sanhome Pharmaceutical Co., Ltd. (南京聖和藥業股份有限公司). Dr. Ling has been serving as vice president of the Institute of Innovative Drugs at Qilu Pharmaceutical Co., Ltd. (齊魯製藥有限公司) from November 2017 to July 2020.

Dr. Ling obtained a bachelor's degree in medicine from Zhongshan Medical School (中山醫學院) (currently known as Sun Yat-sen University School of Medicine (中山大學醫學院)) in August 1983 and a master's degree in medicine from Zhejiang Medical University (浙江醫科大學) (currently known as Zhejiang University School of Medicine (浙江大學醫學院)) in August 1987, and a doctorate degree in medical pharmacology from University of Wuerzburg in March 1995. Dr. Ling was awarded the Smart Decision and Quick Action Gold Prize by AbbVie during his time in AbbVie and honored as a Taishan Scholar (泰山學者) by the Department of Science and Technology of Shandong Province (山東省科學技術廳) in September 2018.

JOINT COMPANY SECRETARIES

Mr. Zuo Honggang (左鴻剛) was appointed as a joint company secretary of our Company on October 25, 2024 with effect from the Listing Date. For the biographical details of Mr. Zuo, see "– Directors" in this section.

Ms. Jian Xuegen (簡雪艮) was appointed as a joint company secretary of our Company on October 25, 2024 with effect from the Listing Date. She is primarily responsible for the corporate secretarial matters of our Group. Ms. Jian is an assistant vice president of SWCS Corporate Services Group (Hong Kong) Limited. Ms. Jian obtained her bachelor's degree of accounting from the South China University of Technology in July 2008. She is a member of the Hong Kong Institute of Certified Public Accountants. She is also a member of the Chinese Institute of Certified Public Accountants.

CHANGES IN DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INFORMATION

Save as disclosed in this annual report and up to the date of this annual report, there are no other changes in the Directors', the Supervisors' or the chief executive officer's information as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Report of Directors

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

PRINCIPAL ACTIVITIES

The Group is a clinical-stage biotechnology company focused on the discovery, development, and commercialization of new therapies in oncology, autoimmune, and other severe diseases.

The activities and particulars of the Company's subsidiaries are shown under Note 1 to the consolidated financial statements. An analysis of the Group's results for the year ended December 31, 2025 by principal activities of the Group is set out in the section headed "Management Discussion and Analysis" in 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.

RESULTS

The results of the Group for the year ended December 31, 2025 are set out in the consolidated financial statements in this annual report.

DIVIDEND

The Board has resolved not to recommend the payment of a final dividend for the year ended December 31, 2025 (2024: Nil). As of December 31, 2025, there was no arrangement under which a Shareholder has waived or agreed to waive any dividend.

SHARE CAPITAL AND SHARES ISSUED

Details of the movement in the share capital of the Group for the year ended December 31, 2025 and details of the Shares issued during the year ended December 31, 2025 are set out in Note 24 to the consolidated financial statements in this annual report.

RESERVES

As of December 31, 2025, the reserves of the Group available for distribution to shareholders amounted to RMB1,140 million.

Details of the movement in reserves of the Group for the year ended December 31, 2025 are set out in Notes 25 to the consolidated financial statements in this annual report.

Report of Directors

BUSINESS REVIEW

A review of the business of the Group during the year ended December 31, 2025 as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), including a discussion and analysis on the Group's future business development and the financial and operational key performance indicators employed by the Directors in measuring the performance of the Group's business is set out in the section headed "Management Discussion and Analysis" and "Financial Summary" in this annual report. These discussions form part of this report of Directors. 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.

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

- Some of our product candidates target rare and advanced cancers with small patient populations and/or limited natural survival. For certain indications, our addressable market and the population of eligible patients may be smaller than expected or may decline in the future. As a result, we face significant market, commercial, and operational risks that could adversely impact our business and financial prospects.

- If we are unable to obtain and maintain adequate patent and other intellectual property protection for our drug candidates throughout the world, or if the scope of such intellectual property rights obtained is not sufficiently broad, third parties could develop and commercialize products and technologies similar or identical to ours and compete directly against us, and our ability to successfully commercialize our drug candidates may be materially adversely affected.

- We rely heavily on the success of our clinical-stage and preclinical-stage drug candidates. Failure to successfully complete clinical development, obtain regulatory approvals, or achieve commercialization, as well as significant delays or cost overruns in these processes, could materially harm our business, financial condition, results of operations, and prospects. Since inception, we have incurred substantial net losses and expect to continue doing so for the foreseeable future. There is no guarantee that we will generate sufficient revenue to achieve or maintain profitability, and potential investors risk losing substantially all of their investments in our H Shares.

- We have entered into collaborations with our partners, and may form or seek additional collaborations or strategic alliances or enter into additional licensing arrangements in the future. We may not realize any or all benefits of such alliances or licensing arrangements, and disputes may arise between us and our collaboration partners.

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 our H Shares.

For the measures related to the risks, please refer to "Corporate Governance Report" in this report.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended December 31, 2025, the Group's five largest suppliers accounted for 26.6%, as compared to 33.5% of the Group's total purchases for the year ended December 31, 2024. The Group's single largest supplier accounted for 9.5% for the year ended December 31, 2025, as compared to 9.3% of the Group's total purchases for the year ended December 31, 2024.

For the year ended December 31, 2025, the Group's only customer accounted for 100% of total revenue. For the year ended December 31, 2024, the Group had no revenue, so the customer concentration percentage is not applicable.

One of our five largest supplier indirectly holds approximately 8.8% equity interest in Hankang Small and Medium Enterprises Development Fund (Weifang) Partnership Enterprise (Limited Partnership) (漢康中小企業發展基金(濰坊)合夥企業(有限合夥)) ("Hankang SME"), who owned 1.35% of our total issued share capital as of December 31, 2025. For more information related to Hankang Capital and Hankang SME, see "History, Development and Corporate Structure – Establishment and Major Shareholding Changes of Our Company" of the Prospectus. Save for such supplier, all of our five largest suppliers in each year/period for the year ended December 31, 2025 were Independent Third Parties. Save as disclosed above, none of the Directors or any of their close associates (as defined in the Listing Rules) or any Shareholders (whom, to the best knowledge and belief of the Directors, own more than 5% of the Company's total issued share capital) had a material interest in the Group's five largest customers or suppliers during the Reporting Period.

KEY RELATIONSHIPS 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 achieve corporate sustainability through engaging, collaborating and cultivating strong relationship with them.

Further details of an account of the Company's key relationships with its employees, customers, suppliers and other business associates that have a significant impact on the Company are set out in the Environmental, Social and Governance Report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

We are committed to environmental protection and promoting corporate social responsibility and best corporate governance practices to develop sustainable value for stakeholders and take up responsibilities as a corporate citizen.

Further details of the Company's environmental policies and performance are set out in the Environmental, Social and Governance 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.

USE OF PROCEEDS

To support the Company's clinical development strategy and enhance its capital operation platform, the Company issued a total of 42,391,800 H Shares pursuant to the Global Offering (including the full exercise of the Offer Size Adjustment Option and the Over-allotment Option) and commenced trading on the Main Board of The Stock Exchange of Hong Kong Limited on July 25, 2025. All Offer Shares were issued at a Final Offer Price of HK$35.00 per H Share. The net proceeds from the Global Offering, taking into account the full exercise of the Offer Size Adjustment Option and the Over-allotment Option, were approximately HK$1,363.1 million after deducting underwriting fees and commissions and estimated expenses payable by us in connection with the Global Offering, which will be utilized for the purposes as set out in the Prospectus.

As of the date of this report, there was no change in the intended use of net proceeds as previously disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus. To the extent that the net proceeds of the Global Offering are not immediately used for the purposes described above, we will only deposit the unused net proceeds into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the SFO or applicable laws and regulations in other jurisdictions).

The table below sets out the planned applications of the net proceeds and actual usage from the Listing Date to December 31, 2025. Any discrepancies in this table between the total and sums of amounts are due to rounding.

Use of Proceeds	Approximate % of the total amount	Net proceeds available for use (HK$ in million)	Utilized proceeds from the Listing Date to December 31, 2025 (HK$ in million)	Unutilized proceeds from the Listing Date to December 31, 2025 (HK$ in million)	Expected timetable for the full utilization of the unutilized proceeds
For the ongoing and planned clinical development and regulatory affairs of clinical-stage drug candidates	65.0%	886.0	113.5	772.5	By end of 2028
Fund the continuous clinical development and regulatory affairs of our Core Product LBL-024	46.0%	627.0	68.4	558.6	By end of 2028
Fund the continuous clinical development and regulatory affairs of our key products, including LBL-034, LBL-033 and LBL-007	19.0%	259.0	45.1	213.9	By end of 2028
For the advancement of our preclinical assets, expansion of our existing pipeline, as well as optimization of our technology platforms	15.0%	204.5	46.9	157.6	By end of 2028
For upgrading our manufacturing capacity, and to a lesser extent, for commercialization of our drug candidates after they are approved for sale	10.0%	136.3	–	136.3	By end of 2029
For working capital and general corporate purposes	10.0%	136.3	42.7	93.6	By end of 2027
	100.00%	1,363.1	203.1	1,160.0	

PROSPECTS

A description of the future development in the Company's business is provided in the "Chairman's Statement" and the "Management Discussion and Analysis" in this annual report.

DIRECTORS AND SUPERVISORS

The Directors and Supervisors during the Reporting Period and up to the date of this report of Directors are as follows:

Executive Directors

Dr. Kang Xiaoqiang *(Chairman of the Board, chief executive officer and general manager)*
Dr. Lai Shoupeng
Mr. Zuo Honggang (左鴻剛)

Non-Executive Directors[1]

Mr. Zhang Yincheng (張銀成)
Dr. Chen Renhai (陳仁海)
Dr. Ni Jia (倪佳) *(resigned with effect from March 27, 2026)*

Independent Non-executive Directors[2]

Dr. Zhang Hongbing
Mr. Du Yilong (杜以龍) *(Lead INED)*
Ms. Du Jiliu (杜季柳)

Supervisors[3]

Mr. Jin Hui (金輝)
Mr. Wang Zhou (汪舟)
Ms. Li Mengwei (李夢薇)

Notes: (1) On March 27, 2026, the Board resolved to propose Dr. Wu Fenglan (吳鳳嵐) to be appointed as a non-executive Director. Such proposed appointment is subject to the approval from the Shareholders at the AGM and will take effect upon the approval from the Shareholders at the AGM.

(2) The Independent Non-executive Directors were appointed with effect from the Company's listing on July 25, 2025.

(3) The Supervisory Committee was cancelled on December 17, 2025 following the EGM held on the same date. The functions and powers of the Supervisory Committee are now performed by the Audit Committee of the Board.

(4) On July 25, 2025, Mr. Luo Wangqian (羅王倩), Ms. Zhong Changni (鍾昌妮), Dr. Du Jiangbo (杜江波), Dr. Lu Dongcheng and Mr. Zhu Jianlin (朱建林) ceased to be Directors of the Company.

The Company has received, from each of the independent non-executive Directors, a confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all the independent non-executive Directors are independent.

BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT

The biographical information of the Directors and the senior management of the Company are set out in "Directors and Senior Management" in this annual report.

DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

We have entered into a service contract with each of our Directors and Supervisors which contains provisions in relation to, among other things, compliance with relevant laws and regulations and observance of the Articles of Association.

The principal particulars of these service contracts are: (a) each of the contracts is for a term of three years following his/her respective effective date of his/her appointment; and (b) each of the contracts is subject to termination in accordance with their respective terms. The contracts may be renewed in accordance with our Articles of Association and the applicable rules.

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

EMPLOYEES AND REMUNERATION POLICIES

A review of the employees and remuneration policies of the Group during the year is set out in the "Management Discussion and Analysis – Financial Review – Employees and Remuneration Policies" on page 58 of this annual report.

RETIREMENT BENEFITS SCHEME

Details of the retirement benefits scheme of the Company are set out in Note 2.4 to the consolidated financial statements in this annual report.

REMUNERATION OF THE DIRECTORS AND SUPERVISORS AND FIVE HIGHEST PAID INDIVIDUALS

Our Directors and Supervisors, certain of whom are also employees of our Company, receive compensation in the form of salaries, bonuses, allowances and benefits in kind, equity-settled share award expense and pension scheme contributions. Our independent non-executive Directors receive compensation based on their responsibilities. The remuneration of the Directors, Supervisors and senior management members is determined with reference to the remuneration paid by comparable companies and the achievement of major operating indicators of the Company.

Details of the remuneration of the Directors, Supervisors and the five highest paid individuals for the Reporting Period are set out in Note 10 and 11 to the consolidated financial statements in this annual report.

During the Reporting Period, there was no emolument paid by the Group to any of the Directors, Supervisors 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. None of the Directors or Supervisors waived or agreed to waive any emoluments for the year ended December 31, 2025.

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

Save as disclosed in this annual report, none of the Directors and Supervisors nor any entity connected with the Directors or Supervisors had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance, whether for the provision of services or otherwise, to the Group to which the Company or any of its subsidiaries was a party subsisting during or at the end of the year ended December 31, 2025.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

During the year ended 31 December 2025, the Company had no controlling shareholder.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors had any interest in a business which competes or is likely to compete, directly or indirectly, with business of the Group for the year ended December 31, 2025.

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

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed from the period from the Listing Date to December 31, 2025 and up to the date of this report between the Company and a person other than a Director or any person engaged in the full-time employment of the Company.

CONNECTED TRANSACTION

During the Reporting Period, the Group did not conduct any non-exempt connected transactions or continuing connected transactions in accordance with the Listing Rules. The Company confirms that it has complied with the disclosure requirements in accordance with 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 29 to the consolidated financial statements in this annual report. None of the related party transactions constitutes a connected transactions or continuing connected transactions required to be disclosed under the Listing Rules.

DISCLOSURE OF INTERESTS

A. Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or Its Associated Corporations

As of December 31, 2025, the interests and/or short positions (as applicable) of our Directors and chief executives in the shares, underlying shares and debentures of our Company or any of its associated corporations, within the meaning of Part XV of the SFO, which were required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions (as applicable) which he/she is taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which were required to be notified to our Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name of Director/ Supervisor/Chief Executive	Capacity/ Nature of interest	Description of Shares[1]	Number of Shares Held or Interested	Approximate percentage of shareholding in our Unlisted Shares/H Shares (as appropriate)[2]	Approximate percentage of shareholding in the total share capital of our Company[2]
Dr. Kang	Beneficial owner	Unlisted Shares	3,937,308	8.63%	1.98%
		H Shares	3,937,309	2.57%	1.98%
	Interest in controlled corporations[3]	Unlisted Shares	7,846,659	17.20%	3.95%
		H Shares	8,582,723	5.60%	4.32%
	Interest jointly held with another person[4]	Unlisted Shares	3,192,410	7.00%	1.61%
		H Shares	3,192,411	2.08%	1.61%
Dr. Lai	Beneficial owner	Unlisted Shares	3,192,410	7.00%	1.61%
		H Shares	3,192,411	2.08%	1.61%
	Interest jointly held with another person[4]	Unlisted Shares	11,783,967	25.83%	5.92%
		H Shares	12,520,032	8.17%	6.29%
Mr. Zuo Honggang (左鴻剛) ("Mr. Zuo")	Beneficial owner	H Shares	25,000	0.02%	0.01%
	Interest in controlled corporations[5]	Unlisted Shares	1,423,938	3.12%	0.72%
		H Shares	2,160,002	1.41%	1.09%
Dr. Chen Renhai (陳仁海) ("Dr. Chen")	Interest in controlled corporations[6]	Unlisted Shares	6,765,170	14.83%	3.40%
		H Shares	8,118,024	5.30%	4.08%

Notes:

(1) For the avoidance of doubt, both Unlisted Shares and H Shares are ordinary Shares in the share capital of our Company and are considered as one class of Shares. All interests stated are long positions.

(2) The calculation is based on the total number of issued Shares, 198,891,800 Shares, including 45,613,109 Unlisted Shares and 153,278,691 H Shares as of December 31, 2025.

(3) Lizhi Partnership, one of our Share Incentive Platforms and a limited partnership established under the laws of the PRC, is managed by its executive partner, Dr. Kang, who controls the voting rights and decision-making of Lizhi Partnership. As such, Dr. Kang is deemed to be interested in the 12,845,442 Shares (including 6,422,721 Unlisted Shares and 6,422,721 H shares) held by Lizhi Partnership under the SFO.

Each of LeadsBio Limited and LeadsTech Limited is one of our Share Incentive Platforms and a private company incorporated under the laws of Hong Kong. As of December 31, 2025, LeadsBio Limited was held by Dr. Kang and Mr. Zuo as to 44.15% and 55.85%, respectively. Pursuant to a voting agreement dated May 27, 2025 entered into between Dr. Kang and Mr. Zuo, Dr. Kang is entitled to exercise the corresponding voting right of the ordinary shares held by Mr. Zuo in LeadsBio Limited. As of December 31, 2025, Mr. Zuo was the sole shareholder of LeadsTech Limited. Pursuant to a voting agreement dated April 12, 2024 entered into between Dr. Kang and Mr. Zuo, Dr. Kang is entitled to exercise the entire voting rights of the ordinary shares held by Mr. Zuo in LeadsTech Limited. Dr. Kang will continue to control the voting rights attached to the Shares held by LeadsBio Limited and LeadsTech Limited upon vesting of any share awards granted to Mr. Zuo by virtue of the above voting arrangements. As such, Dr. Kang is deemed to be interested in the 1,663,936 Shares (including 463,936 Unlisted Shares and 1,200,000 H shares) held by LeadsBio Limited and 1,920,004 Shares (including 960,002 Unlisted Shares and 960,002 H shares) held by LeadsTech Limited under the SFO.

(4) Dr. Kang, Dr. Lai and our Share Incentive Platforms namely Lizhi Partnership, LeadsBio Limited and LeadsTech Limited (collectively, the "AIC Parties") entered into an acting-in-concert agreement on April 12, 2024 (the "AIC Agreement") pursuant to which the AIC Parties had confirmed and agreed that they would: (i) act in concert with respect to the matters relating to the daily operations, key matters or any other matters required to be approved by the shareholders' meetings or board meetings of the Company; (ii) consult each other and reach a consensus before voting at board meetings and/or shareholders' meetings of the Company; and (iii) in case that the AIC Parties fail to reach a consensus, vote based on Dr. Kang's opinion. As such, each of the AIC Parties are deemed to be interested in the Shares each other is interested in under the SFO. For further details of the AIC Agreement, please refer to the Prospectus.

(5) As of December 31, 2025, Mr. Zuo Honggang held approximately 55.85% of the total issued shares of LeadsBio Limited, representing an indirect shareholding interest of approximately 0.47% in the Company, and all the issued shares of LeadsTech Limited, representing an indirect shareholding interest of approximately 0.97% in the Company. As such, Mr. Zuo is deemed to be interested in the Shares held by LeadsBio Limited and LeadsTech Limited under the SFO.

(6) The general partner of Nanjing Ennovation Raylight Venture Capital Partnership (Limited Partnership) (南京恩然瑞光創業投資合夥企業(有限合夥)) ("Ennovation Raylight") is Nanjing Ennovation Raylight Venture Management Partnership (Limited Partnership) (南京恩然瑞光投資管理中心(有限合夥)), which is ultimately controlled by its executive partner, Dr. Chen. As such, Dr. Chen is deemed to be interested in 5,901,290 Shares (including 2,950,645 Unlisted Shares and 2,950,645 H shares) held by Ennovation Raylight under the SFO.

The general partner of Nanjing Jieyuan Growth Venture Capital Partnership (Limited Partnership) (南京捷源成長創業投資合夥企業(有限合夥)("Nanjing Jieyuan") is Nanjing Jieyuan Investment Management Partnership (Limited Partnership) (南京捷源投資管理合夥企業(有限合夥)), which is ultimately controlled by its executive partner, Dr. Chen. As such, Dr. Chen is deemed to be interested in 2,974,369 H Shares held by Nanjing Jieyuan under the SFO.

The general partner of Nanjing Qiruiyoukang Venture Capital Partnership (Limited Partnership) (南京其瑞佑康創業投資合夥企業(有限合夥)) ("Nanjing Qiruiyoukang") is Nanjing Jiakang Venture Capital Partnership (Limited Partnership) (南 京佳康創業投資合夥企業(有限合夥)) ("Nanjing Jiakang"), which is ultimately controlled by Dr. Chen. As such, Dr. Chen is deemed to be interested in 1,526,891 Unlisted Shares and 1,526,891 H Shares held by Nanjing Qiruiyoukang under the SFO.

The general partner of Nanjing Enjie Venture Capital Partnership (Limited Partnership) (南京恩捷創業投資合夥企業（有限合夥）("Nanjing Enjie") is Nanjing Jiakang, which is ultimately controlled by Dr. Chen. As such, Dr. Chen is deemed to be interested in 666,118 Unlisted Shares and 666,119 H Shares held by Nanjing Enjie under the SFO.

The general partner of Nanjing Ennovation Chengfeng Entrepreneurship Investment Partnership (Limited Partnership) (南京恩然呈豐創業投資合夥企業（有限合夥）("Ennovation Chengfeng") is Shanghai Ennovation Entrepreneurship Investment Management Center (Limited Partnership) (上海恩然創業投資管理中心（有限合夥）), which is ultimately controlled by its executive partner, Dr. Chen. As such, Dr. Chen is deemed to be interested in 937,500 Unlisted Shares held by Ennovation Chengfeng under the SFO.

The general partner of Nanjing Jiakang Ruizhen Venture Investment Partnership (Limited Partnership) (南京佳康瑞臻創業投資合夥企業（有限合夥）("Nanjing Jiakang Ruizhen") is Nanjing Jiakang, holding 1.00% partnership interest of Nanjing Jiakang Ruizhen and ultimately controlled by Dr. Chen. As such, Dr. Chen is deemed to be interested in 684,016 Unlisted Shares held by Nanjing Jiakang Ruizhen under the SFO.

Save as disclosed above, as of December 31, 2025, none of the Directors and chief executive of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations as recorded in the register required to be kept under section 352 of the SFO or required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

B. Substantial Shareholder's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or Its Associated Corporations

As of December 31, 2025, so far as our Directors are aware, the persons who held interests and/or short positions in the Shares or underlying Shares which would be required to be notified to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by our Company pursuant to Section 336 of the SFO were set out in the table below:

Name of Shareholder	Capacity/ Nature of interest	Description of Shares[1]	Number of Shares Held or Interested	Approximate percentage of shareholding in our Unlisted Shares/H Shares (as appropriate)[2]	Approximate percentage of shareholding in the total share capital of our Company[2]
Dr. Kang	Beneficial owner	Unlisted Shares	3,937,308	8.63%	1.98%
		H Shares	3,937,309	2.57%	1.98%
	Interest in controlled corporations[3]	Unlisted Shares	7,846,659	17.20%	3.95%
		H Shares	8,582,723	5.60%	4.32%
	Interest jointly held with another person[4]	Unlisted Shares	3,192,410	7.00%	1.61%
		H Shares	3,192,411	2.08%	1.61%
Dr. Lai	Beneficial owner	Unlisted Shares	3,192,410	7.00%	1.61%
		H Shares	3,192,411	2.08%	1.61%
	Interest jointly held with another person[4]	Unlisted Shares	11,783,967	25.83%	5.92%
		H Shares	12,520,032	8.17%	6.29%

Name of Shareholder	Capacity/ Nature of interest	Description of Shares[1]	Number of Shares Held or Interested	Approximate percentage of shareholding in our Unlisted Shares/H Shares (as appropriate)[2]	Approximate percentage of shareholding in the total share capital of our Company[2]
Lizhi Partnership[3]	Beneficial owner	Unlisted Shares	6,422,721	14.08%	3.23%
		H Shares	6,422,721	4.19%	3.23%
	Interest jointly held with another person[4]	Unlisted Shares	8,553,656	18.75%	4.30%
		H Shares	9,289,722	6.06%	4.67%
LeadsTech Limited[3]	Beneficial owner	Unlisted Shares	960,002	2.10%	0.48%
		H Shares	960,002	0.63%	0.48%
	Interest jointly held with another person[4]	Unlisted Shares	14,016,375	30.73%	7.05%
		H Shares	14,752,441	9.62%	7.42%
LeadsBio Limited[3]	Beneficial owner	Unlisted Shares	463,936	1.02%	0.23%
		H Shares	1,200,000	0.78%	0.60%
	Interest jointly held with another person[4]	Unlisted Shares	14,512,441	31.82%	7.30%
		H Shares	14,512,443	9.47%	7.30%
Ennovation Raylight[5]	Beneficial owner	Unlisted Shares	2,950,645	6.47%	1.48%
Nanjing Ennovation Raylight Venture Management Partnership (Limited Partnership) (南京恩然瑞光投資管理中心(有限合夥))[5]	Interest in controlled corporations	Unlisted Shares	2,950,645	6.47%	1.48%
Nanjing Jiakang[5]	Interest in controlled corporations	Unlisted Shares	2,877,025	6.31%	1.45%
Dr. Chen[5]	Interest in controlled corporations	Unlisted Shares	6,765,170	14.83%	3.40%
		H Shares	8,118,024	5.30%	4.08%
Loyal Valley Fund III[6]	Beneficial owner	Unlisted Shares	9,991,770	21.91%	5.02%
Loyal Valley Capital Advantage Fund III Limited[6]	Interest in controlled corporations	Unlisted Shares	9,991,770	21.91%	5.02%
LVC Management Holdings Limited[6]	Interest in controlled corporations	Unlisted Shares	9,991,770	21.91%	5.02%

Name of Shareholder	Capacity/ Nature of interest	Description of Shares[1]	Number of Shares Held or Interested	Approximate percentage of shareholding in our Unlisted Shares/H Shares (as appropriate)[2]	Approximate percentage of shareholding in the total share capital of our Company[2]
Vistra Trust (Singapore) Pte. Limited[6]	Interest in controlled corporations	Unlisted Shares	9,991,770	21.91%	5.02%
Lin Lijun (林利軍)[6]	Interest in controlled corporations	Unlisted Shares	12,674,142	27.79%	6.37%
Shanghai Hankang[7]	Interest in controlled corporations	H Shares	10,889,631	7.10%	5.48%
Yuan Quanhong (苑全紅)[7]	Interest in controlled corporations	H Shares	10,889,631	7.10%	5.48%
NJNA Management Committee[8]	Interest in controlled corporations	Unlisted Shares H Shares	3,432,418 9,318,524	7.53% 6.08%	1.73% 4.69%

Notes:

(1) For the avoidance of doubt, both Unlisted Shares and H Shares are ordinary Shares in the share capital of our Company and are considered as one class of Shares. All interests stated are long positions.

(2) The calculation is based on the total number of issued Shares, 198,891,800 Shares, including 45,613,109 Unlisted Shares and 153,278,691 H Shares as of December 31, 2025.

(3) See note 3 to the table in "A. Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or Its Associated Corporations" section.

(4) See note 4 to the table in "A. Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or Its Associated Corporations" section.

(5) See note 6 to the table in "A. Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or Its Associated Corporations" section.

(6) The general partner of Loyal Valley Capital Advantage Fund III LP ("Loyal Valley Fund III") is Loyal Valley Capital Advantage Fund III Limited, which is ultimately controlled by Lin Lijun (林利軍). As such, Lin Lijun (林利軍) is deemed to be interested in the Shares held by Loyal Valley Fund III under the SFO.

The general partner of Shanghai Leyong Investment Partnership Enterprise (Limited Partnership) (上海樂永投資合夥企業（有限合夥）) ("Shanghai Leyong") is Shanghai Zhengxingu Investment Management Co., Ltd. (上海正心谷投資管理有限公司) ("Zhengxingu Investment", formerly known as Shanghai Shengge Investment Management Co., Ltd.*, (上海盛歌投資管理有限公司)), which is controlled by Lin Lijun (林利軍). As such, Lin Lijun (林利軍) is deemed to be interested in 1,998,356 Unlisted Shares held by Shanghai Leyong under the SFO.

The general partner of Shanghai Jishi Lemei Private Equity Investment Fund Partnership Enterprise (Limited Partnership) (上海濟世樂美私募投資基金合夥企業（有限合夥）) ("Shanghai Jishi Lemei") is Zhengxingu Investment. As such, Lin Lijun (林利軍) is deemed to be interested in 684,016 Unlisted Shares held by Shanghai Jishi Lemei under the SFO.

(7) The general partner of Suzhou Jianxin Hankang Venture Investment Partnership Enterprise (Limited Partnership) (蘇州建信漢康創業投資合夥企業（有限合夥）) ("Suzhou Hankang") is Shanghai Hankang Private Equity Fund Management Co., Ltd. (上海漢康私募基金管理有限公司) ("Shanghai Hankang") which is ultimately controlled by Yuan Quanhong (苑全紅). As such, each of Shanghai Hankang and Yuan Quanhong (苑全紅) is deemed to be interested in 6,853,584 H Shares held by Suzhou Hankang under the SFO.

Beijing Hankang Jianxin Venture Investment Co., Ltd. (北京漢康建信創業投資有限公司) ("Beijing Hankang") is managed by a private fund manager, Beijing Hankang Venture Capital Management Co., Ltd. (北京漢康創業投資管理有限公司), which is wholly owned by Shanghai Hankang and ultimately controlled by Yuan Quanhong (苑全紅). As such, each of Shanghai Hankang and Yuan Quanhong (苑全紅) is deemed to be interested in 3,036,869 H Shares held by Beijing Hankang under the SFO.

The general partner of Hankang Small and Medium Enterprises Development Fund (Weifang) Partnership Enterprise (Limited Partnership) (漢康中小企業發展基金（濰坊）合夥企業（有限合夥）) ("Hankang SME") is Shanghai Hanshan Management Consulting Partnership (Limited Partnership) (上海漢杉管理諮詢合夥企業（有限合夥）) ("Shanghai Hanshan"). The general partner of Shanghai Hanshan is Shanghai Hankang, which is ultimately controlled by Yuan Quanhong (苑全紅). As such, each of Shanghai Hankang and Yuan Quanhong (苑全紅) is deemed to be interested in 999,178 H Shares held by Hankang SME under the SFO.

As such, each of Shanghai Hankang and Yuan Quanhong (苑全紅) is deemed to be interested in an aggregate of 10,889,631 H Shares as of December 31, 2025 under SFO, as recorded in the register required to be kept by our Company pursuant to Section 336 of the SFO.

Besides, to the best knowledge of the Directors, Hankang Biotech Fund III, L.P. is a limited partnership established in the Cayman Islands and is managed by Hankang Biotech III, LLC, which is ultimately owned by Ms. Meichai Zhang. Carob Investment Pte Ltd, a limited partner, holds approximately 37.23% interest in Hankang Biotech Fund III, L.P., while no other limited partner holds 30% or more interest. Splendid Biotech Fund L.P. is a limited partnership established in the Cayman Islands and is managed by Pole Star Biotech LLC, which is ultimately owned by Yuan Quanhong (苑全紅), who is a close associate of Meichai Zhang as defined under the Listing Rules. As such, Yuan Quanhong (苑全紅) is deemed to be interested in 224,200 H Shares held by Hankang Biotech Fund III, L.P. and 224,200 H Shares held by Splendid Biotech Fund L.P. under the SFO. And Yuan Quanhong (苑全紅) is deemed to be interested in an aggregate of 11,338,031 H Shares as of December 31, 2025 under SFO.

(8) The general partner of Nanjing Jiangbei Medical Innovation Industry Fund (Limited Partnership) (南京江北醫療創新產業基金（有限合夥）) ("Jiangbei Fund") is Ningbo Zhirong Beita Investment Management Co., Ltd. (寧波志榮貝塔投資管理有限公司), which is ultimately controlled by Sun Jigang (孫冀剛). All of the limited partners of Jiangbei Fund, being Nanjing Beilian Venture Capital Co., Ltd. (南京北聯創業投資有限公司), Nanjing Jiangbei New Area Technology Investment Group Co., Ltd. (南京江北新區科技投資集團有限公司), Nanjing Biotech and Pharmaceutical Valley Construction and Development Co., Ltd. (南京生物醫藥谷建設發展有限公司) and Nanjing Software Park Technology Development Co., Ltd. (南京軟件園科技發展有限公司) are ultimately controlled by NJNA Management Committee. As such, NJNA Management Committee is deemed to be interested in 4,817,264 H Shares held by Jiangbei Fund under the SFO.

The general partner of Nanjing Jiangbei High-tech Industrial Development Equity Investment Fund (Limited Partnership) (南京江北高新技術產業發展股權投資基金（有限合夥）) ("Nanjing Jiangbei High-tech Fund") is Nanjing Jiangbei High-tech Fund is Nanjing Yangtze River Investment Fund Management Co., Ltd. (南京揚子江投資基金管理有限公司), which is ultimately controlled by NJNA Management Committee. All of the limited partners of Nanjing Jiangbei High-tech Fund, namely Nanjing Yangzijiang Innovation and Venture Capital Fund (Limited Partnership) (南京揚子江創新創業投資基金（有限合夥）), Nanjing Yangzi State-owned Investment Group Co., Ltd. (南京揚子國資投資集團有限責任公司) and Nanjing Software Park Technology Development Co., Ltd. (南京軟件園科技發展有限公司), as limited partners of Nanjing Jiangbei High-tech Fund, are ultimately controlled by NJNA Management Committee. As such, NJNA Management Committee is deemed to be interested in 1,221,511 Unlisted Shares held by Nanjing Jiangbei High-tech Fund under the SFO.

Certain limited partners of Nanjing Jieyuan, namely Nanjing High-Tech Ventures Investment Co., Ltd (南京高新創業投資有限公司) and Nanjing Biotech and Pharmaceutical Valley Construction and Development Co., Ltd. (南京生物醫藥谷建設發展有限公司), hold approximately 26.55% and 8.85% of the partnership interests of Nanjing Jieyuan, respectively, and are ultimately controlled by NJNA Management Committee. As such, NJNA Management Committee is deemed to be interested in the 2,974,369 H Shares held by Nanjing Jieyuan under the SFO.

All of the limited partners of Nanjing Qiruiyoukang, namely Nanjing Gaoxin Venture Capital Co., Ltd. (南京高新創業投資有限公司) and Nanjing Jiangbei Xingchuang Venture Capital Fund Partnership (Limited Partnership) (南京江北星創創業投資基金合夥企業（有限合夥）), are ultimately controlled by NJNA Management Committee. As such, NJNA Management Committee is deemed to be interested in the 1,526,891 H Shares and 1,526,891 Unlisted Shares held by Nanjing Qiruiyoukang under the SFO.

Certain limited partners of Nanjing Jiakang Ruizhen, namely Nanjing Jiangbei New Area High Quality Development Industry Investment Fund (Limited Partnership) (南京江北新區高質量發展產業投資基金（有限合夥）), Nanjing Biotech and Pharmaceutical Valley Construction and Development Co., Ltd. (南京生物醫藥谷建設發展有限公司) and Nanjing Yangtze River Investment Fund Management Co., Ltd. (南京揚子江投資基金管理有限公司), hold approximately 59.67%, 20.00% and 0.33% of the partnership interests of Nanjing Jiakang Ruizhen, respectively, and are ultimately controlled by NJNA Management Committee. As such, NJNA Management Committee is deemed to be interested in the 684,016 Unlisted Shares held by Nanjing Jiakang Ruizhen under the SFO.

As of December 31, 2025, save as disclosed above, the Directors and the chief executives of our Company are not aware of any other person (other than the Directors or chief executives of our Company) who had an interest or short position in the Shares or underlying Shares which would be required to be notified to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO; or as recorded in the register required to be kept by our Company pursuant to Section 336 of the SFO.

MATERIAL LITIGATION

During the Reporting Period, the Company was not engaged in any material litigation or arbitration of material importance, or the Directors were not aware of any material litigation or claim pending or threatened against the Group.

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

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). As of December 31, 2025, the Company did not hold any treasury shares. Treasury shares presented in notes to the financial statements represented shares held by the trustee under the H Share Award Scheme, and does not fall within the meaning of "treasury shares" under the Listing Rules.

BANK LOANS AND OTHER BORROWINGS

Details of bank loans and other borrowings of the Group for the year ended December 31, 2025 are set out in Note 22 to the consolidated financial statements in this annual report. During the year ended December 31, 2025, the Company had not breached any terms of its loan agreements that are significant to the Group's operations.

DEBENTURES ISSUED

The Group did not issue any debentures during the Reporting Period.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

For the purpose of this annual report, the Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during the Reporting Period are set out in Note 15 to the consolidated financial statements in this annual report.

FINANCIAL SUMMARY

The Company's H Shares were listed on the Stock Exchange on July 25, 2025. A summary of the Group's results, assets and liabilities for the last three financial years is set out on page 173 of this annual report. This summary does not form part of the audited consolidated financial statements.

SUFFICIENCY OF PUBLIC FLOAT

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

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights over shares of the Company under the Company's Articles of Association, or the laws of the PRC, which would oblige the Company to offer new shares on a pro-rata basis to existing Shareholders.

TAX RELIEF AND EXEMPTION

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

PERMITTED INDEMNITY PROVISION

The Company has arranged appropriate liability insurance coverage for the Directors, Supervisors and senior management of the Group during the year ended December 31, 2025 which is still in force.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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 and any of their spouse and 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.

EQUITY-LINKED AGREEMENTS

Save as disclosed in "Pre-IPO Share Incentive Plan" and "H Share Award Scheme" set out below, no equity-linked agreements that will or may result in the Company issuing Shares or that require the Company to enter into any agreements that will or may result in the Company issuing Shares were entered into by the Group during the Reporting Period, or subsisted as of December 31, 2025.

PRE-IPO SHARE INCENTIVE PLAN

The Company adopted the Pre-IPO Share Incentive Plan which was approved on April 17, 2024, for the purpose of attracting and retaining talents who promote the success of the Group's operations. The terms of the Pre-IPO Share Incentive Plan are not subject to the provisions of Chapter 17 of the Listing Rules as the Pre-IPO Share Incentive Plan do not involve the grant of new options or awards by the Company to subscribe for H Shares after the Listing.

The following is a summary of the general information of the Pre-IPO Share Incentive Plan.

(a) Objectives

The objectives of the Pre-IPO Share Incentive Plan are to build incentive and constructive mechanisms for core employees, to achieve our medium and long-term strategies and to advance development of the Company.

(b) Eligibility

Pursuant to the plan measures for the Pre-IPO Share Incentive Plan (the "Plan Measures"), participants (the "Participants") of the Pre-IPO Share Incentive Plan include employees of our Company, its subsidiaries, and branches, as well as other eligible recipients approved by the administrator of the Pre-IPO Share Incentive Plan, Dr. Kang (the "Administrator"). Each Participant under the Pre-IPO Share Incentive Plan should have established a labor, employment, or service relationship with either the Company, its subsidiaries, or its branches.

(c) Grant of awards

Each Participant will be granted restricted shares in the form of economic interest in the relevant Share Incentive Platforms either as a limited partner or shareholder (the "Awards"). Upon becoming the limited partner or shareholder of the relevant Share Incentive Platforms, the Participant indirectly receives economic interest in the number of Shares underlying the Awards granted to the Participant held by the relevant Share Incentive Platforms.

(d) Payment of the price of the awards

The Participants must subscribe for the Awards with personal funds or self-financed funds, and should ensure that their source of funds is lawful. The subscription period of the Awards shall be determined by the Administrator. The Participants shall make the corresponding payment for Awards fully and timely.

(e) Administration

Pursuant to the Plan Measures, all management powers of our Share Incentive Platforms reside with the Administrator, Dr. Kang. The Administrator retains sole discretion over, among other things, the matters of the Pre-IPO Share Incentive Plan, including the implementation, amendment, termination and interpretation of the Pre-IPO Share Incentive Plan, subject to compliance with applicable laws, regulations, rules and the Plan Measures. The Administrator is authorized to determine, at its discretion and decide matters including, among others:

- Determining the price of the Awards;
- Determining the list of the Participants from time to time;
- Determining the number of Awards to be granted to the Participants;
- Arranging the Participants for execution the grant agreement, the shareholding platform partnership agreement and other relevant documents;
- Determining and amend the terms and conditions of the Awards; and
- Other matters that the Administrator shall be responsible for as stipulated in the Pre-IPO Share Incentive Plan.

(f) Restrictions on transfer

Prior to the Listing, the Participants may not transfer any or all of his or her interest in the relevant Share Incentive Platforms unless specified in the Plan Measures or with the written approval of the Administrator pursuant to the terms of the Plan Measures or the relevant grant agreements.

After the Listing, in addition to the restrictions under the Pre-IPO Share Incentive Plan, the transfer or sale by the Participants shall be subject to the lock-up requirements under the relevant laws and regulations and the stock exchange rules, or the respective agreements entered into between the Company and the relevant Participants pursuant to the terms of the Pre-IPO Share Incentive Plan (if applicable).

(g) Rights attached to the awards

The Administrator, Dr. Kang, shall exercise voting rights on behalf of the eligible participants under the Pre-IPO Share Incentive Plan in respect of the Shares underlying the Awards. Unless otherwise specified in the respective shareholding platform partnership agreement/articles of association or the grant agreement, the eligible participants under the Pre-IPO Share Incentive Plan have the rights to any dividends or distributions from any Shares underlying the awards.

(h) Maximum number of shares

The Company was listed on the Stock Exchange on July 25, 2025. Prior to the Listing, an aggregate of 16,429,382 Shares (representing approximately 8.26% of total issued share capital of the Company as at December 31, 2025) underlying the shares awards available for grant under the Pre-IPO Share Incentive Plan had been granted to 195 eligible participants (being the individuals who are the limited partners or shareholders of the Sharer Incentive Platforms) under the Pre-IPO Share Incentive Plan. After the Listing, no further grant has been or will be made under the Pre-IPO Share Incentive Plan. Given the underlying Shares under the Pre-IPO Share Incentive Plan had been issued by the Company to the relevant Share Incentive Platforms, there will be no dilutive effect to the issued Shares upon unlocking of awards granted under the Pre-IPO Share Incentive Plan.

(i) Maximum entitlement of each eligible participant

Pursuant to the Plan Measures, the Awards granted to the Company's C-level executive in a single instance shall not exceed 1.5% of the Company's total registered capital.

(j) Unlocking period

Any transfer or sale of the Shares underlying the awards granted under the Pre-IPO Share Incentive Plan is subject to the unlocking schedule as set out in the individual grant letter.

(k) Remaining life

Unless otherwise resolved by the Company's board of directors, the Plan Measures shall be valid for a period of ten years from the effective date. As at the date of this report, the remaining life of the Pre-IPO Share Incentive Plan is approximately seven years and 11 months.

(I) Share awards granted under the Pre-IPO Share Incentive Plan

Details of the awards granted under the Pre-IPO Share Incentive Plan are set out below:

Name/Category of grantees	Date of grant	Unlocking period[1]	Purchase price of share awards per share (RMB)	Closing price immediately before the date of grant	Fair value of share awards on the date of grant per share (RMB)[2]	Number of share awards locked as at January 1, 2025	Number of share awards granted during the Reporting Period	Number of share awards unlocked during the Reporting Period	Weighted average closing price of the Shares immediately before the date unlocked per share (HKD)	Number of share awards cancelled/ forfeited during the Reporting Period	Number of share Awards Lapsed during the Reporting Period	Number of share awards locked as at December 31, 2025
Directors												
Dr. Kang	February 13, 2017 February 15, 2023	4 years with 25% unlocked each year	0.12-5.23	N/A[3]	0.47-8.70	1,669,200	–	556,398	N/A[5]	–	–	1,112,802
Dr. Lai	February 15, 2023	4 years with 25% unlocked each year	0.81	N/A[3]	6.98	1,112,800	–	370,932	N/A[5]	–	–	741,868
Mr. Zuo	May 7, 2024 October 29, 2024 May 27, 2025	4 years with 25% unlocked each year	0.81	N/A[3]	5.30-8.00	1,865,807	54,184	–	N/A	–	–	1,919,991
Dr. Zhang Hongbing	November 25, 2016	4 years with 25% unlocked each year	0.81	N/A[3]	0.53	–	–	–	N/A	–	–	–
Supervisors												
Ms. Li Mengwei	October 31, 2022	4 years with 25% unlocked each year	0.81	N/A[3]	4.43-9.92	370	–	185	HKD57.00	–	–	185
	From February 15, 2023 to February 1, 2024					1,993	–	509	N/A[5]	–	–	1,484
	April 1, 2025					–	37,093	–	N/A	–	–	37,093
Five highest paid individuals during the Reporting Period (excluding the Directors and the Supervisors)												
In aggregate	From July 1, 2022 to February 1, 2024	4 years with 25% unlocked each year	0.81	N/A[3]	4.08-6.69	755,493	–	368,473	N/A[5]	–	–	387,020
	December 31, 2023					27,820	–	9,273	HKD51.00	–	–	18,547
Other employee grantees (excluding the Directors, Supervisors and five highest paid individuals during the Reporting Period)												
In aggregate	From March 5, 2021 to May 29, 2024	4 years with 25% unlocked each year	0.81-6.74	N/A[3]	0.40-9.92	236,218	–	113,558	N/A[5]	10,696	–	111,964
	From July 26, 2022 to December 31, 2023					11,594	–	5,192	HKD57.72	185	–	6,217
	April 1, 2025					–	453,280	–	N/A	–	–	453,280

Notes:

(1) The share awards will be unlocked on a time-based basis over the individual unlocking period, with 25% of the share awards unlocked on each anniversary year of the grant date pursuant to the individual grant letter.

(2) The fair values of the share-based payment compensations are calculated in accordance with the accounting standards and policies adopted for preparing the Company's financial statements.

(3) The Company's H Shares were listed on the Main Board of the Stock Exchange on July 25, 2025. The grant of the share awards was made prior to the Listing Date.

(4) The Company granted Share Awards to employee grantees (excluding the Directors, Supervisors and five highest paid individuals) on November 25, 2016, February 13, 2017, August 8, 2017, August 10, 2017, August 22, 2017, July 10, 2017, September 5, 2017, September 20, 2017, October 3, 2017, December 18, 2017, March 12, 2018, March 12, 2019, July 23, 2019, August 6, 2019, November 26, 2019, December 6, 2019, December 16, 2019, January 8, 2020, April 22, 2020, October 16, 2020, March 5, 2021, July 8, 2021, July 15, 2021, January 4, 2022, April 6, 2022, April 15, 2022, July 1, 2022, July 26, 2022, October 31, 2022, February 15, 2023, August 31, 2023, December 31, 2023, February 1, 2024 and April 1, 2025, respectively.

(5) Weighted average closing price of the Shares immediately before the date unlocked per share is not applicable since the Company had not been listed on the unlocking day.

Share incentive platforms

The Company has established three Share Incentive Platforms, namely Lizhi Partnership, LeadsBio Limited and LeadsTech Limited. Lizhi Partnership was established pursuant to PRC law as the onshore Share Incentive Platform mainly for our PRC participants, and LeadsBio Limited and LeadsTech Limited were established pursuant to the Hong Kong law as the offshore Share Incentive Platforms mainly for our overseas participants. For further details of the Share Incentive Platforms, please refer to the Prospectus.

H SHARE AWARD SCHEME

The Company adopted the H Share Award Scheme which was approved on December 17, 2025, for the purpose of attracting and retaining talents who promote the success of the Group's operations. The provisions of the H Share Award Scheme comply with the requirements of Chapter 17 of the Listing Rules.

The following is a summary of the general information of the H Share Award Scheme.

(a) Purposes of the H share award scheme

The purposes of the H Share Award Scheme are: to promote the achievement of long-term sustainable development and performance goals of the Company; to closely align the interests of the Grantees with those of the Shareholders, investors and the Company, thereby enhancing the cohesion of the Company and facilitating the maximization of the value of the Company; and to improve the Company's incentive mechanism to attract, motivate and retain Directors, senior management and employees of the Group who have made outstanding contributions to the sustainable operation, development and long-term growth of the Company.

(b) Duration

Subject to any early termination as may be determined by the Board according to the rules of the H Share Award Scheme (the "Scheme Rules"), the H Share Award Scheme shall be valid and effective for a term of seven (7) years commencing on the adoption date (i.e. the date on which the adoption of the Scheme is approved by the Shareholders' general meeting) (the "Scheme Period"), after which no further Awarded Shares shall be granted. If there are any Awarded Shares that are granted but unvested by the end of the Scheme Period, the H Share Award Scheme and the Scheme Rules shall continue to be valid and effective to the extent necessary to give effect to the vesting of any Awarded Shares granted prior to the end of the Scheme Period and the expiry of the Scheme Period shall not affect any subsisting rights already granted to any Grantee thereunder.

(c) Eligible participants

Eligible Participants for the H Share Award Scheme include Employee Participants, the Related Entity Participants and Service Provider Participants. In assessing the eligibility of Eligible Participants, the Board and/or the Delegate will consider all relevant factors as appropriate.

(d) Sources of funds

The sources of funds for funding the H Share Award Scheme are (i) internal funds of the Company; and/or (ii) amounts payable by the Grantees to the Company (or such other persons as the Board and/or the Delegatee(s) may instruct) in accordance with the terms of the respective Award Letter and/or the Scheme Rules in order to receive the Awarded Shares (the "Scheme Funds"). The Grantees who pay the amounts shall ensure the funds are obtained from legal sources, and shall not engage in arrangements of holding by proxy or trust under which shareholdings are not actually attributable to the Grantees.

(e) Source and maximum number of target shares

The Target Shares under the H Share Award Scheme shall be funded by two sources (i) 50% by new H Shares to be issued by the Company to the Eligible Participants; and (ii) 50% by existing Shares to be acquired by the Trustee through on-market and/or off-market transactions on the secondary market at the prevailing market price by utilizing the Scheme Funds in accordance with the instructions of the Company and the relevant provisions of the Scheme Rules. The Company shall adopt the necessary procedures to comply with the provisions relating to off-market share buy-backs as set out in the Code on Share Buy-Backs issued by the Securities and Futures Commission (as amended, supplemented or otherwise modified from time to time). None of the Target Shares will be satisfied by treasury Shares under the H Share Award Scheme. The maximum number of Target Shares to be granted under the H Share Award Scheme shall not exceed 10% of the total number of Shares in issue (excluding treasury Shares) as at the Adoption Date, which is 19,889,180 H Shares.

(f) Scheme mandate limit and service provider sublimit

The total number of new Shares which may be issued under the H Share Award Scheme in respect of all Awards that may be granted under the H Share Award Scheme would be no more than 9,944,590 Shares (the "Scheme Mandate Limit"), representing no more than 5% of the total number of Shares in issue (excluding any treasury Shares) as at the Adoption Date.

Within the Scheme Mandate Limit, the total number of new Shares which may be issued in respect of all Awards to be granted to Service Provider Participants under the H Share Award Scheme shall not exceed 1% of the total number of Shares in issue as at the Adoption Date (excluding any treasury Shares) (the "Service Provider Sublimit"), provided that Awards lapsed in accordance with the terms of the H Share Award Scheme will not be regarded as utilized for the purpose of calculating the Service Provider Sublimit. The Service Provider Sublimit is subject to separate approval by the Shareholders at general meeting.

(g) Grant of awarded shares

Subject to the terms and conditions of the H Share Award Scheme, the Delegatee may at its sole discretion and on such terms and conditions as it may think fit, grant Awarded Shares to any Eligible Participant at the Grant Price and the amount of the relevant Grant Price shall be determined by the Delegatee(s) and set forth in the Award Letter. The Grant Price shall be determined by the Delegatee(s) from time to time based on considerations such as the characteristics and profile of the Eligible Participant.

(h) Vesting of awarded shares

Subject to all applicable laws, rules or regulations, the Delegatee(s) may determine the vesting criteria and conditions and the vesting periods for the Awarded Shares to be granted to each Grantee pursuant to the H Share Award Scheme. Save for any other resolution of the Board, the vesting period in respect of any Awarded Shares granted shall be no less than 12 months from (and including) the Grant Date.

Awarded Shares may be subject to a shorter vesting period as determined by (i) the Remuneration Committee if such Grantee is a Director or a senior manager (as defined under Rule 17.01A of the Listing Rules) of the Company, or (ii) the Board if such Grantee of the H Share Award Scheme is not a Director or a senior manager (as defined under Rule 17.01A of the Listing Rules) of the Company, provided that such Grantee is an Employee Participant, under certain circumstances as specified under the H Share Award Scheme.

(i) Performance targets

Vesting of the Awarded Shares shall be subject to the performance targets, if any, to be satisfied by the Grantees as determined by the Board from time to time. The Board and/or the Delegatee shall have the authority, after the grant of any Award which is performance-linked, to make fair and reasonable adjustments to the prescribed performance targets during the vesting period if there is a change in circumstances, provided that any such adjustments shall be considered fair and reasonable by the Board.

(j) Maximum entitlement of each eligible participant

If the grant of any Awarded Shares to an independent non-executive Director or a substantial Shareholder of the Company (or any of their respective associates) would result in the total number of Shares (excluding lapsed awards under this Scheme or any other share schemes of the Company) issued and to be issued in respect of Awarded Shares granted under this Scheme and any other share schemes of the Company to such person in the 12-month period up to and including the proposed grant date exceeding 0.1% (or such higher percentage as may be permitted under the Listing Rules from time to time) of the total issued Shares as at the proposed grant date (excluding treasury Shares), such further grant must be approved by the Shareholders in general meeting in advance and must comply with the requirements set out in the Listing Rules.

(k) Amount payable on application or acceptance

Amounts payable by the Grantees to the Company (or such other persons as the Board and/or the Delegatee(s) may instruct) shall be specified in the terms of the respective Award Letter and/or the Scheme Rules.

No Awarded Shares have been granted since the date of adoption of the H Share Award Scheme to the year ended 31 December 2025. As at 31 December 2025, the number of awards available for grant under the H Share Award Scheme is 19,889,180 H Shares, which accounts for approximately 10% of the Company's total issued Shares as at the date of this report. As at the date of this report, the remaining life of the H Share Award Scheme is approximately six years and eight months.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

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

The Group did not have any future plans for material investments or capital assets as of the date of this report. The Company will make further announcement in accordance with the Listing Rules, where applicable, if any investments and acquisition opportunities materialize.

DONATIONS

During the year ended December 31, 2025, the Group made charitable donations of approximately HK$3 million.

CORPORATE GOVERNANCE

Compliance with the CG code

The Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of the Shareholders and to enhancing corporate value and accountability. The Company has adopted the CG Code set out in Appendix C1 to the Listing Rules as its own code of corporate governance. Since the Listing Date and up to December 31, 2025, the Board is of the view that the Company has complied with all applicable code provisions of the CG Code, except for a deviation from the code provision C.2.1 and C.1.5 of the Corporate Governance Code.

Pursuant to code provision C.2.1 of the CG Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from, the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. The Company does not have a separate chairman and chief executive officer and Dr. Kang Xiaoqiang currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company if and when it is appropriate taking into account the circumstances of the Group as a whole.

Pursuant to code provision C.1.5 of the CG Code, independent non-executive directors and other non-executive directors are expected to attend shareholders' general meetings. During the Reporting Period, a non-executive Director of the Company was required to perform important official duties and was therefore unable to attend the Extraordinary General Meeting held on December 17, 2025. The Board acknowledges that this constitutes a deviation from code provision C.1.5 of the CG Code. However, the Board believes that the absence was reasonable and non-recurring in nature. Prior to the meeting, the absent non-executive Director had comprehensively reviewed all meeting documents, fully understood the contents of each proposal, and expressed his views and performed his duties as a Director through written opinions. The Board is of the view that such temporary absence will not have any material adverse effect on the Company's corporate governance standards, the normal functioning of the Board or the daily business operations of the Group. The Board will continue to monitor attendance at general meetings and remind all Directors of their obligations in this regard.

Save as disclosed above, the Company has complied with all code provisions under the CG Code throughout the period from the Listing Date to December 31, 2025. In order to maintain a high standard of corporate governance, the Board will continue to review and monitor the operation of the Company.

Compliance with the model code

The Company has adopted a code of conduct regarding the Directors', the Supervisors' and employees' securities transactions on terms no less exacting than the required standards set out in the Model Code.

Having made specific enquiries with all Directors and Supervisors, each of them has confirmed that he/she has complied with our Company's code of conduct regarding the Directors', the Supervisors' and employees' securities transactions since the Listing Date and up to the date of this report. No incident of non-compliance of the Model Code by the employees who are likely to be in possession of inside information of the Company was noted by the Company since the Listing Date and up to the date of this report.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

Resignation of non-executive director and proposed appointment of non-executive director

With effect from March 27, 2026, Dr. Ni Jia (倪佳) ("Dr. Ni") has tendered his resignation as a non-executive Director of the Company, in order to devote more time to his other future business commitments.

After taking into consideration the recommendation from the nomination committee of the Board, the Board resolved to nominate Dr. Wu Fenglan (吳鳳嵐) ("Dr. Wu") as a non-executive Director of the Company. The proposed appointment of Dr. Wu is subject to the approval by the Shareholders at the AGM by way of ordinary resolution.

Change in composition of the nomination committee

With effect from March 27, 2026, Dr. Zhang Hongbing, an independent non-executive Director and a member of the Nomination Committee, has been appointed as the chairperson of the Nomination Committee. Dr. Kang Xiaoqiang has ceased to act as the chairperson of the Nomination Committee but remains as a member of the Nomination Committee. The composition of the Nomination Committee remains otherwise unchanged.

For further details of the abovementioned events, please refer to the Company's announcement dated March 27, 2026.

Poster Presentation of Preclinical Assets at 2026 AACR

In April 2026, two preclinical assets of the Company, LBL-054 (a first-in-class CD3/CDH17 bispecific ADC) and LBL-061 (a novel EGFR/PD-L1 bispecific ADC), were selected for poster presentation at the 2026 Annual Meeting of the American Association for Cancer Research (AACR). These assets demonstrate the Company's technological strengths in the synergistic integration of immuno-oncology and antibody-drug conjugate (IO + ADC) platforms. For further details of the abovementioned events, please refer to the Company's announcement dated March 31, 2026.

Save as disclosed in this annual report, as at the date of this report, the Company is not aware of any other major subsequent events of the Company after December 31, 2025 and up to the date of this report which need to be disclosed in the annual report.

AUDITOR

The H Shares were listed on the Stock Exchange on July 25, 2025, and there has been no change in auditors since the Listing Date. The consolidated financial statements for the year ended December 31, 2025 have been audited by Ernst & Young, certified public accountants, who will retire at the conclusion of the AGM. Ernst & Young, being eligible, will offer itself for re-appointment. A resolution for the re-appointment of Ernst & Young as the auditor of the Company will be proposed at the AGM.

On behalf of the Board
Nanjing Leads Biolabs Co., Ltd.
南京维立志博生物科技股份有限公司
Dr. KANG XIAOQIANG
Chairman, Executive Director and Chief Executive Officer

Nanjing, the People's Republic of China, March 27, 2026

Corporate Governance Report

The Board of the Company is pleased to present this corporate governance report in this annual report (the "Corporate Governance Report").

CORPORATE GOVERNANCE CULTURE AND VALUES

The Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of the Shareholders and to enhancing corporate value and accountability. It believes that integrity, transparency and accountability are essential to achieving its long-term objectives.

CORPORATE GOVERNANCE PRACTICES

The Board and each Board committee are responsible for performing the functions set out in the Corporate Governance Code. During the year, the Board reviewed the Company's corporate governance policies and practices; the training and continuous professional development of Directors and senior management; the Company's policies and practices on compliance with legal and regulatory requirements; compliance with the Model Code and information disclosure regulations; and the Company's compliance with the Corporate Governance Code and the disclosure in this Corporate Governance Report. The Board is of the view that from the date of the listing of its H Shares up to the end of the Reporting Period (the "Relevant Period"), the Company has implemented corporate governance practices to comply with all the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules. Save for Code Provision C.1.5 and C.2.1 of Part 2 of the Corporate Governance Code (as described below), the Company has complied with the applicable code provisions of the Corporate Governance Code. The Board will continue to review and monitor the code of corporate governance practices of the Company with an aim of maintaining a high standard of corporate governance.

Requirements of the Code	Description
Code provision C.2.1 of the Corporate Governance Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.	Pursuant to code provision C.2.1 of the Corporate Governance Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from, the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. The Company does not have a separate chairman and chief executive officer and Dr. Kang currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company if and when it is appropriate taking into account the circumstances of the Group as a whole.
Code provision C.1.5 of the Corporate Governance Code stipulates that independent non-executive directors and other non-executive directors shall attend Shareholder's general meeting	Given that a non-executive Director of the Company shall perform important official duties during the Reporting Period, such Director did not attend the Extraordinary General Meeting of the Company held on December 17, 2025. Although this constitutes a deviation from Code provision C.1.5 of the Corporate Governance Code, the Board believes that relevant absences are reasonable and non-recurring. The absent non-executive Director had comprehensively reviewed the meeting documents before the meeting, fully understood the contents of each proposal, and performed his duties as a Director through written opinions. Executive directors and the management shall be fully responsible for the daily operation and management of the Company. The temporary absences in this meeting will not have any material adverse effect on the Company's corporate governance standards, the normal functioning of the Board or the daily business operations.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding the Directors', the Supervisors' and employees' securities transactions on terms no less exacting than the required standards set out in the Model Code. Having made specific enquiry of all Directors and Supervisors, all Directors and Supervisors have confirmed that they have complied with the required standards set out in the Model Code during the Relevant Period. To the best of the Company's knowledge, during the Relevant Period, the Company is not aware of any incidents of non-compliance of the Model Code by an employee.

BOARD OF DIRECTORS

The Company is headed by an effective Board which assumes responsibility for its leadership and control and be collectively responsibility for promoting the Company's success by directing and supervising the Company's affairs. Directors take decisions objectively in the best interests of the Company. The Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business and regularly reviews the contribution required from a Director to perform his responsibilities to the Company and whether the Director is spending sufficient time performing them that are commensurate with their role and the Board responsibilities. The Board includes a balanced composition of executive directors and non-executive directors (including independent non-executive directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

Each of our Directors has confirmed that he/she obtained the legal advice referred to in Rule 3.09D of the Listing Rules as regards the requirements under the Listing Rules that are applicable to him/her as a director of a listed issuer and the possible consequences of making a false declaration or giving false information to the Stock Exchange on August 2, 2024, and he/she has confirmed he/she understood his/her obligations as a director of a listed issuer.

Board Composition

As of 31 December 2025, our Board comprises nine Directors, including three executive Directors, three non-executive Directors and three independent non-executive Directors. The composition of our Board and the biographical details of each Director are set out in the section headed "Directors and Senior Management" of this Report. Save as disclosed therein, there is no other relationships (including financial, business, family or other material/relevant relationship(s)) between the Board members and in particular, between the Chairman and the Chief Executive Officer. The list of Directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time. The independent non-executive Directors are expressly identified in all corporate communications pursuant to the Listing Rules.

Board Meetings and Directors' Attendance Records

Regular Board meetings should be held at least four times a year involving active participation, either in person or through electronic means of communication, of a majority of Directors.

Since the Company was only listed on the Stock Exchange on July 25, 2025, during the Relevant Period, the Board only held two Board meetings.

During the Relevant Period, the Company held one Shareholders' general meeting.

The following table shows the attendance of Directors at Board meetings and Shareholders' general meetings during the Relevant Period:

Directors	Number of Board Meetings attended/held	Number of Shareholders' general meetings attended/held
Executive Directors		
Dr. Kang Xiaoqiang	2/2	1/1
Dr. Lai Shoupeng	2/2	1/1
Mr. Zuo Honggang	2/2	1/1
Non-Executive Directors [Note]		
Mr. Zhang Yincheng	2/2	1/1
Dr. Chen Renhai	2/2	1/1
Dr. Ni Jia *(resigned with effect from March 27, 2026)*	2/2	0/1
Independent Non-Executive Directors		
Dr. Zhang Hongbin	2/2	1/1
Mr. Du Yilong	2/2	1/1
Ms. Du Jiliu	2/2	1/1

Note: On March 27, 2026, the Board resolved to propose Dr. Wu Fenglan (吴鳳嵐) to be appointed as a non-executive Director. Such proposed appointment is subject to the approval from the Shareholders at the AGM and will take effect upon the approval from the Shareholders at the AGM.

During the Reporting Period, the chairman of the board held one meeting with independent non-executive Directors without the presence of other Directors.

Responsibilities, Accountabilities and Contributions of the Board and Management

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

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

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

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

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

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management.

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

Chairman and Chief Executive Officer

The Chairman and Chief Executive Officer of the Company are held by Dr. Kang Xiaoqiang who is the founder of the Company and has extensive experience in the industry. The Company will continuously review and comply with Code Provision C.2.1 of the Corporate Governance Code.

Independent Non-executive Directors

During the Relevant Period, the Board at all times met the requirements of Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

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

Board Independence

Dr. Kang, Dr. Lai and our Share Incentive Platforms entered into an acting-in-concert agreement on April 12, 2024, and Dr. Kang and Mr. Zuo entered into a voting agreement dated May 27, 2025. Save as disclosed above, there are no financial, business, family or other material/relevant relationships among the Directors of the Company, or between the Directors and senior management.

The Company has established feasible and effective mechanisms to ensure that the Board of Directors can obtain independent views and opinions. All Directors have access to all relevant information and the advice and services from the joint company secretaries and senior management of the Company in time, so as to ensure compliance with Board procedures and all applicable laws and regulations. Any Director, upon reasonable request to the Board, can seek independent professional advice in appropriate circumstances, at the Company's expenses. During the Relevant Period, the Board has reviewed the Board independence mechanisms and thinks that such mechanisms have been effectively implemented.

Appointment and Re-election of Directors

Under the Articles of Association, Directors (including non-executive Directors) shall be elected and appointed at the general meeting with a term of three years. The appointment of each Director is renewable upon re-election and re-appointment approved at the general meeting.

Each of the executive Directors, non-executive Directors, independent non-executive Directors and Supervisors has entered into a service contract with the Company with a specific term. The principal particulars of these service contracts are: (a) each of the contracts is for a term of three years following his/her respective effective date of his/her appointment; and (b) each of the contracts is subject to termination in accordance with their respective terms. The contracts may be renewed in accordance with our Articles of Association and the applicable rules.

Continuous Professional Development of Directors

Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that their contribution to the Board remains informed and relevant.

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

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

Prior to the Listing and during the Relevant Period, the Company organized training sessions conducted by the qualified professionals/legal advisers for all Directors. The training sessions covered Directors' duties and responsibilities. In addition, relevant reading materials covering Directors' duties and responsibilities have been provided to the Directors for their reference and studying.

The record of continuous professional development relating to director's duties and regulatory and business development that have been received by the Directors during the Relevant Period is summarized as follows:

Directors	Type of Training[1]
Executive Directors	
Dr. Kang Xiaoqiang	A/B
Dr. Lai Shoupeng	A/B
Mr. Zuo Honggang	A/B
Non-Executive Directors[2]	
Mr. Zhang Yincheng	A/B
Dr. Chen Renhai	A/B
Dr. Ni Jia *(resigned with effect from March 27, 2026)*	A/B
Independent Non-Executive Directors	
Dr. Zhang Hongbin	A/B
Mr. Du Yilong	A/B
Ms. Du Jiliu	A/B

Notes:

1. Types of Training

   A: Attending training sessions, including but not limited to, briefings, seminars, conferences and workshops

   B: Reading relevant news alerts, newspapers, journals, magazines and relevant publications

2. On March 27, 2026, the Board resolved to propose Dr. Wu Fenglan (吳鳳嵐) to be appointed as a non-executive Director. Such proposed appointment is subject to the approval from the Shareholders at the AGM and will take effect upon the approval from the Shareholders at the AGM.

BOARD COMMITTEES

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

Audit Committee

The Audit Committee consists of two independent non-executive Directors, namely Mr. Du Yilong and Ms. Du Jiliu, and one non-executive Director, namely Dr. Chen Renhai. Ms. Du Jiliu has the appropriate professional experiences as required under Rules 3.10(2) and 3.21 of the Listing Rules and is the chairperson of the Audit Committee.

The terms of reference of the Audit Committee are of no less exacting terms than those set out in the Corporate Governance Code and the PRC laws. The primary responsibilities of the Audit Committee are (a) to review annually the performance of the external audit firm, to submit a summary report of the audit work conducted by the external audit firm during the year to the Board, to make recommendations to the Board on the appointment, re-appointment, removal, audit service fee and terms of engagement of the external audit firm for the next year, as well as deal with any questions or matters related to the resignation or dismissal of the external audit firm; (b) to act as the Company's representative in liaising with the external audit firm, to be responsible for the communication between the Company's internal audit department and external audit firm, including examining and monitoring of the independence and objectivity of the external audit firm, the effectiveness of the audit process in accordance with applicable standards; and, prior to the commencement of the audit, discuss with the external audit firm about the nature, scope and method of audit and the reporting obligations during the year, and negotiate with the external audit firm to determine the schedule of auditing the financial report of the year, as well as procure the external audit firm to submit audit reports within the predetermined timelines and so forth; (c) to develop and implement, in accordance with the operational needs, policy on the external audit firm (including its affiliates) to supply non-audit services. The Audit Committee shall report and make recommendations to the Board if any actions or remedial measures are considered necessary; (d) to review the Company's accounting policies, financial position, financial reporting procedures and financial controls; to review the integrity, accuracy and fairness of the Company's financial statements, quarterly reports (if any), interim reports and annual reports and accounts, and to review significant financial reporting judgments contained therein, as well as the disclosure of the Company's financial information; (e) to discuss questions and doubts raised by the external audit firm upon its completion of reviewing the interim accounts and auditing the annual accounts of the Company and any other matters that the external audit firm may wish to discuss; (f) to examine the financial policies, internal audit systems, the effectiveness of the financial reporting process, internal control systems and risk management systems of the Company and provide opinions and recommendations for improvements; (g) the Audit Committee shall establish relevant procedures to ensure fair and independent investigation; (h) to advise and ensure that the Board takes effective remedial measures for the Company's failure to comply with the requirements of the Listing Rules regarding the establishment of an Audit Committee; (i) to complete other tasks assigned by the Board; and (j) to perform other duties imposed by the laws, regulations, regulatory documents, regulatory bodies including the Stock Exchange and the SFC, as well as the Articles of Association and the rules of procedures of the Board.

As the Company was listed on the Stock Exchange on July 25, 2025, one Audit Committee meeting was held during the Relevant Period to review the Group's consolidated financial statements and interim report for the six months ended June 30, 2025, and review the annual audit plan in 2025.

The attendance record of Audit Committee members during their respective tenure of office at the Audit Committee meeting of the Company held during the Relevant Period is set out in the table below:

Directors	Number of Board Meetings attended/held
Ms. Du Jiliu *(Chairperson)*	1/1
Mr. Du Yilong	1/1
Dr. Chen Renhai	1/1

Remuneration Committee

The Remuneration Committee consists of two independent non-executive Directors, namely Mr. Du Yilong and Ms. Du Jiliu, and one non-executive Director, namely Mr. Zhang Yincheng. Mr. Du Yilong is the chairperson of the Remuneration Committee.

The terms of reference of the Remuneration Committee are of no less exacting terms than those set out in the Corporate Governance Code and the PRC laws. The primary functions of the Remuneration Committee include (a) to make recommendations to the Board on the Company's remuneration policies and structure for all directors and senior management based on their main responsibilities, time required to devote in, importance of their positions, the remuneration level of other relevant positions in the similar enterprises, and the employment conditions of other positions in the Company, and on the establishment of a formal and transparent procedure for developing remuneration policies; (b) to review the management's remuneration proposals with reference to the Board's corporate policies and objectives; (c) to supervise the implementation of the Company's remuneration policies taking into account of the remuneration paid by similar companies, the time and responsibilities required, and the employment conditions of other positions within the Group; (d) to make recommendations to the Board on the determination of the remuneration packages of individual executive directors and senior management, including benefits in kind, pension rights and compensation amounts (including compensation payable for loss or termination of office or appointment), and to make recommendations to the Board on the remuneration of non-executive directors; (e) the Remuneration Committee shall seek independent professional opinions if necessary; (f) to review the compensation payable to executive directors and senior management for any loss or termination of office or appointment, so as to ensure that such compensation is consistent with the contractual terms and is otherwise fair, reasonable and not excessive; (g) to review compensation arrangements relating to the dismissal or removal of directors for misconduct, so as to ensure that such arrangements are consistent with the contractual terms or are otherwise reasonable and appropriate; (h) to ensure that any director or any of his/her associate (as defined in the Listing Rules) does not participate in the determination of his/her own remuneration; and in relation to a non-executive director who is also a member of the Remuneration Committee, his/her remuneration shall be determined by other members of the Remuneration Committee; (i) to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules; (j) other matters authorized by the Board.

The remuneration of the senior management of the Company, whose biographical details are included in section headed "Directors and Senior Management" of this annual report, for the year ended December 31, 2025 falls within the following bands:

Remuneration (RMB)	Number of persons
Nil to HKD2,500,000	1
HKD2,500,001 to HKD3,500,000	1
HKD3,500,001 to HKD4,500,000	1
HKD9,500,001 to HKD10,500,000	1
HKD11,500,001 to HKD12,500,000	1

As the Company was listed on the Stock Exchange on July 25, 2025, one Remuneration Committee meeting was held during the Relevant Period to review the remuneration policy and structure of the Company's Directors and senior management, discuss and advise the Board on the remuneration package for new Directors, and review matters related to the adoption of the H Share Award Scheme.

The attendance record of Remuneration Committee members during their respective tenure of office at the Remuneration Committee meeting of the Company held during the Relevant Period is set out in the table below:

Directors	Number of Board Meetings attended/held
Mr. Du Yilong *(Chairperson)*	1/1
Ms. Du Jiliu	1/1
Mr. Zhang Yincheng	1/1

Nomination Committee

The Nomination Committee consists of one executive Director, namely Dr. Kang, and two independent non-executive Directors, namely Dr. Zhang Hongbing and Ms. Du Jiliu. Dr. Zhang is the chairman of the Nomination Committee.

The terms of reference of the Nomination Committee are of no less exacting terms than those set out in the Corporate Governance Code and the PRC laws. The principal duties of the Nomination Committee include:

(a) to consider and formulate the selection criteria and procedures for directors and senior management and make recommendations to the board of directors. Factors to be considered include but not limited to: culture, education background, and work experience;

(b) to look for and identify qualified candidates for directors and make nominations to the board of directors, to review and make recommendations on candidates for directors (especially the chairman of the board of directors);

(c) to look for and identify qualified candidates for senior management, to review and make recommendations on candidates for senior management of the Company (especially the general manager);

(d) to review the independence of independent non-executive directors (the review of the independence of independent non-executive directors shall comply with the requirements of the Listing Rules and the relevant guidelines). If the board of directors proposes to submit a resolution at the shareholders' meeting for the election of a person as an independent non-executive director, the Nomination Committee shall set out the following in the circular and/or explanatory letter to shareholders accompanying the shareholders' meeting notice:

a) the process used for identifying the individual, the reasons the board of directors believes the individual should be elected, and the reasons why the board of directors considers the individual to be independent;

b) if the proposed independent non-executive director is to serve as a director of the seventh (or more) company listed on the Main Board or GEM of the Hong Kong Stock Exchange, the reasons why the board of directors believes the individual will still be able to devote sufficient time to the board of directors;

- the perspectives, skills, and experience the individual is expected to bring to the board of directors; and

- how the individual will contribute to the diversity of the board of directors.

(e) to review the structure, size and composition (including the skills, knowledge and experience) of the board of directors at least annually, assist the board of directors in maintaining a board skills matrix, and make recommendations to the board of directors on any proposed changes to complement the Company's corporate strategy; to make recommendations to the board of directors on the appointment or re-appointment of directors and succession planning for directors (especially the chairman of the board of directors and the general manager, applied as appropriate); to assess the structure of the committees under the board of directors and recommend directors to serve on the relevant committees and submit to the board of directors for approval;

(f) to establish reserve plans for directors and senior management, and to supplement and update such plans from time to time;

(g) to support the Company's regular evaluation of the board of directors by assessing the performance of the directors, and put forward opinions or suggestions to the board of directors on the replacement, appointment, re-appointment or succession of directors (including the chairman and the general manager and/or chief executive officer) based on the evaluation results;

(h) to formulate and, where appropriate, review and implement the board diversity policy adopted by the board of directors from time to time, review the progress on achieving the objectives, and disclose such policy or its summary in the Company's annual report;

(i) to review the size and composition of the board of directors based on the operation, scale of assets and shareholding structure of the Company, and making recommendations to the board of directors;

(j) to assess each director's time commitment and contribution to the board of directors, as well as the director's ability to discharge his or her responsibilities effectively, taking into account criteria including professional qualifications and work experience, existing directorships of issuers listed on the Main Board or GEM of the Hong Kong Stock Exchange and other significant external time commitments of such director and other factors or circumstances relevant to the director's character, integrity, independence and experience; and

(k) other matters as required by the relevant laws, administrative regulations, the Listing Rules, the Articles of Association and authorized by the board of directors.

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

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

As the Company was listed on the Stock Exchange on July 25, 2025, no Nomination Committee meeting was held during the Relevant Period.

Board Diversity Policy

The Company has adopted a Board Diversity Policy in order to enhance the effectiveness of the Board and to maintain a high standard of corporate governance. Pursuant to the Board Diversity Policy, the Company seeks to achieve diversity of the Board through the consideration of a wide range of factors, including but not limited to gender, age, cultural and educational background, industry experience, technical capabilities, professional qualifications and skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

For the purpose of implementation of the Board Diversity Policy, the Board has set the following measurable objectives to implement the Board Diversity Policy and review such objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives:

(A) at least one of the members of the Board shall be female;

(B) at least one-third of the members of the Board shall be independent non-executive Directors;

(C) at least one of the members of the Board shall have obtained accounting or other professional qualifications.

As of December 31, 2025, an analysis of the Board's current composition based on the measurable objectives is set out below:

Gender	
Male:	8 Directors
Female:	1 Director

Age Group	
41–50	3 Directors
51–60	3 Directors
61-70	2 Directors
71-80	1 Director

Designation	
Executive Directors:	3 Directors
Non-executive Directors:	3 Directors
Independent Non-executive Directors:	3 Directors

Business Experience	
Pharmaceutical, Biomedical and Drug R&D	4 Directors
Finance, Capital Markets and Accounting	3 Directors
Medical Research and Academia	1 Director
Legal and Corporate Governance	1 Director

Dr. Ni Jia (倪佳) has tendered his resignation as a non-executive Director of the Company, with effect from March 27, 2026. Following the resignation of Dr. Ni, The Board is pleased to announce that, after taking into consideration the recommendation from the nomination committee of the Board, the Board resolved to nominate Dr. Wu Fenglan (吳鳳嵐) as a non-executive Director of the Company. The proposed appointment of Dr. Wu is subject to the approval by the Shareholders at the upcoming annual general meeting of the Company by way of ordinary resolution.

The Nomination Committee and the Board are of the view that the current composition of the Board has achieved the objectives set in the Board Diversity Policy.

The Nomination Committee will review the Board Diversity Policy and the measurable objectives, as appropriate, to ensure the effectiveness of the Policy.

Gender Diversity

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

	Female	Male
Board	11.11%	88.89%
Senior Management	0.00%	100.00%
Other employees	57.74%	42.26%
Overall workforce	55.60%	44.40%

The Nomination Committee and the Board are of the view that the current gender diversity is satisfactory and achieve the objectives set in the Board Diversity Policy.

Nomination Policy

The Nomination Committee shall assess the structure, size and composition (including the skills, knowledge and experience) of the Board at least once every year and make recommendations on any proposed changes to the Directors and senior management to complement the Company's strategy, in accordance with the relevant requirements of the Company Law of the People's Republic of China and the Listing Rules and taking into consideration the characteristics and other specific circumstances of the Company. When considering the composition of the Board, the Committee shall take into account the diversity of the Board from various aspects, including but not limited to the gender, age, cultural and educational background and professional experience of the Directors; The Company has adopted a Director Nomination Policy, as contained in the terms of reference of the Nomination Committee, which sets out the selection criteria and nomination process and the Board succession planning considerations in relation to nomination and appointment of Directors of the Company and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level. The nomination process of appointment of new Director set out in the Director Nomination Policy is as follows:

(i) the human resources department and the Nomination Committee of the Company shall actively communicate with the relevant departments of the Company to assess the Company's demand for new directors and senior management, and come up with written materials;

(ii) the Nomination Committee may extensively look for candidates for directors and senior management within the Company, its holding (associate) enterprises as well as in the recruitment market;

(iii) the Nomination Committee shall collect and learn the information of the occupation, education background, job title, detailed working experience and all the part-time jobs of the initially proposed candidates, and come up with written materials;

(iv) to seek for the nominee's written consent to the nomination, otherwise, he/she shall not be considered as a candidate for directors and senior management;

(v) to convene meetings of the Nomination Committee to review the qualifications of the initially proposed candidates according to the job requirements of directors and senior management;

(vi) to submit proposals and the relevant materials to the board of directors in respect of candidates for directors and senior management within a reasonable period of time prior to the election of new directors and appointment of new senior management;

(vii) to carry out other follow-up work according to the decision and feedback of the board of directors.

The Nomination Committee shall submit its decisions, recommendations and/or proposals to the Board for consideration and decision. Among which, the nomination of director candidates must be submitted to the general meeting of Shareholders for review and approval after being reviewed by the Board and before implementation.

The criteria for assessing the suitability and the potential contribution to the Board of a proposed candidate as set out in the Board Diversity Policy, including but not limited to the following, are gender, age, cultural and educational background, industry experience, technical capabilities, professional qualifications and skills, knowledge and length of service.

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

RISK MANAGEMENT AND INTERNAL CONTROLS

The Company attaches great importance to the effective operation of its risk management and internal control systems and is committed to continuously refining a governance framework that aligns with its business model and development strategy. The Board is responsible for establishing, improving and ensuring the effective implementation of the Company's risk management and internal control systems. The Audit Committee oversees the Company's financial reporting processes and the overall risk management and internal control framework. Under the leadership of the Board and the Audit Committee, the Company has established a risk governance structure built upon three lines of defence, with clearly defined responsibilities across all departments.

The first line of defence comprises the Company's operational and functional departments, whose management personnel directly identify, evaluate and manage risks within their respective scopes of responsibility, and are required to monitor key risk exposures, report material changes in a timely manner, and implement appropriate mitigation and rectification measures. The second line of defence consists of senior management and the risk management function, which formulate risk management policies and standards, guide departmental implementation and maintain ongoing supervision over material risks, including strategic, operational, market, regulatory, R&D, and liquidity risks. The third line of defence is the internal audit function, which performs independent and objective reviews of the effectiveness of key risk management and internal control measures, reports directly to the Audit Committee, and follows up on remediation actions to ensure their timely and satisfactory completion.

To ensure lawful and compliant operations, protect assets, ensure the authenticity and integrity of financial information, and improve operational efficiency and effectiveness, the Company has developed a comprehensive evaluation mechanism covering entity-level controls as well as major process level controls. The evaluation covering areas including financial reporting and disclosure controls, human resources and payroll, IT general controls, insurance, taxation, R&D and other core business processes. Deficiencies identified during the review have been remediated through the enhancement of governance structures, the implementation of key policies and procedures, and the strengthening of compliance mechanisms. The Company has also engaged a compliance adviser to assist the Board and senior management in ensuring continuing compliance with the Listing Rules.

The Company has further established and implemented internal control policies across all major operational areas, including related party transactions, risk management, environmental protection, occupational health and safety and other regulatory compliance matters. Regular training is provided to employees to strengthen compliance awareness, and new employees are required to complete onboarding compliance training and assessments. The internal audit function conducts periodic reviews of internal control implementation, reports findings to management and the Audit Committee, and monitors the execution of rectification measures.

The Board conducts at least one annual review of the effectiveness of the Company's internal control and risk management systems. Taking into account the Audit Committee's reports, management updates and internal audit findings, the Board assesses the adequacy, design and operating effectiveness of the overall internal control system. Based on the review conducted for the year ended December 31, 2025, the Board considers that the Company's risk management and internal control systems are effective and adequate.

Whistleblowing Policy

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

Anti-Corruption Policy

The Company has also in place the Anti-Corruption Policy to safeguard against corruption and bribery within the Company. The Company has an internal reporting channel that is open and available for employees of the Company to report any suspected corruption and bribery. Employees can also make anonymous reports according to the procedures as set out in the Whistleblowing Policy.

Disclosure of Inside Information Policy

The Company has developed its disclosure policy which provides a general guide to the Company's Directors, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries. Control procedures have been implemented to ensure that unauthorized access and use of inside information are strictly prohibited.

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements for the year ended December 31, 2025 with the support of the accounting and finance team.

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

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

The statement of the external auditors of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report of this annual report.

AUDITORS' REMUNERATION

The remuneration paid or payable to the Company's external auditors of the Group in respect of audit services and non-audit services for the year ended December 31, 2025 amounted to RMB2.18 million and RMB0.185 million respectively.

An analysis of the remuneration paid to the external auditors of the Group, in respect of audit services and non-audit services for the year ended December 31, 2025 is set out below:

Service Category	**Fees Paid/Payable RMB'000**
Audit Services	2,180
Non-audit Services	
– ESG advisory services	185
	2,365

JOINT COMPANY SECRETARIES

The Group has appointed Mr. Zuo and Ms. Jian Xuegen, an assistant vice president of SWCS Corporate Services Group (Hong Kong) Limited (a professional corporate consultation service provider), as the joint company secretaries of the Company. Mr. Zuo is the main contact person of Ms. Jian Xuegen in the Group.

They have complied with Rule 3.29 of the Listing Rules by taking no less than 15 hours of the relevant professional training during the Relevant Period.

All Directors have access to the advice and services of the joint company secretaries on corporate governance and board practices related matters.

SHAREHOLDERS' RIGHTS

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

Convening an Extraordinary General Meeting

A shareholders' general meeting is required to be held once every year and be held within six months of the end of the previous fiscal year. An extraordinary general meeting is required to be held within 2 months of the occurrence of any of the following:

- the number of Directors is less than the minimum number stipulated by the PRC Company Law or less than two-thirds of the number specified in the Articles of Association;
- the unrecovered losses of the Company amounted to one-third of the Company's total paid-in share capital;
- Shareholders severally or jointly holding more than 10% or more of the Company's Shares request in writing to hold such meeting;
- the Board deems it necessary;
- the Audit Committee proposes to hold such a meeting; or
- any other circumstances as provided for in the laws, administrative regulations, departmental rules, regulatory documents, the Listing Rules, or the Articles of Association.

A shareholders' general meeting shall be convened by the Board, and presided over by the Chairman of the Board. In the event that the Chairman cannot or does not fulfill his duties, the vice chairman shall preside over the meeting, where the vice chairman cannot or does not fulfil his duties, a Director nominated by half or more of the Directors shall preside over the meeting. Where the Board is unable to perform or fail to perform the duty of convening the extraordinary general meeting, the Audit Committee may convene and preside over shareholders' general meeting in a timely manner. If the Audit Committee fails to convene and preside over shareholders' general meeting, Shareholders individually or in aggregate holding 10% or more of the Company's Shares for 90 days or more consecutively may unilaterally convene and preside over shareholders' general meeting.

Putting Forward Proposals at General Meetings

A single Shareholder who holds, or several shareholders who jointly hold, more than 1% of the Shares may submit an interim proposal in writing to the Board ten days before the general meeting is held. The Board shall notify other Shareholders within 2 days upon receipt of the proposal, and submit the said interim proposal to the general meeting for deliberation. The contents of the interim proposal shall fall with the scope of powers of the general meeting, and the proposal shall have a clear agenda and specific matters on which resolutions are to be made.

Putting Forward Enquiries to the Board

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

Contact Details

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

Address: 18 E. Jialingjiang Str., Bldg. 03 Fl.8, Nanjing Jiangsu Province 210019, P.R.C (For the attention of the Board of Directors/Company Secretary)

Email: ir@leadsbiolabs.com

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.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS/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. For this purpose, the Company has set up a website (www.leadsbiolabs.com), where relevant latest information, the up-to-date state of the Company's business operation and development, the Company's financial information and corporate governance practices and other data are available to the public.

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.

During the year ended December 31, 2025, the Company has amended its Articles of Association. An up-to-date version of the Company's Articles of Association is also available on the Company's website and the Stock Exchange's website.

Shareholders' Communication Policy

The Company has in place a Shareholders' Communication Policy to ensure that Shareholders' views and concerns are appropriately addressed. The Board reviewed the implementation and effectiveness of the Shareholders' Communication Policy and the results were satisfactory.

The Company has established a number of channels for maintaining an on-going dialogue with its Shareholders as follows:

(a) Corporate Communication

"Corporate Communication" as defined under the Listing Rules refers to any document issued or to be issued by the Company for the information or action of holders of any of its securities, including but not limited to the following documents of the Company: (a) the Directors' report, annual accounts together with a copy of the auditor's report and, where applicable, its summary financial report; (b) the interim report and, where applicable, its summary interim report; (c) the quarterly report; (d) a notice of meeting; (e) a listing document; (f) a circular; and (g) a proxy form. The Corporate Communication of the Company will be published on the Stock Exchange's website in a timely manner as required by the Listing Rules. Corporate Communication will be provided to Shareholders and non-registered holders of the Company's securities in both English and Chinese versions or where permitted, in a single language, in a timely manner as required by the Listing Rules. Shareholders and non-registered holders of the Company's securities shall have the right to choose the language (either English or Chinese) or means of receipt of the Corporate Communication (in printed form or through electronic means).

(b) Announcements and Other Documents pursuant to the Listing Rules

The Company shall publish announcements (on inside information, corporate actions and transactions etc.) and other documents (e.g. the Articles of Association) on the Stock Exchange's website in a timely manner in accordance with the Listing Rules.

(c) Company's Website

Any information or documents of the Company posted on the Stock Exchange's website will also be published on the Company's website (www.leadsbiolabs.com). Other corporate information about the Company's business developments, goals and strategies, corporate governance and risk management will also be available on the Company's website.

(d) Shareholders' Meetings

The annual general meeting and other general meetings of the Company are primary forum for communication between the Company and its Shareholders. The Company shall provide Shareholders with relevant information on the resolutions(s) proposed at a general meeting in a timely manner in accordance with the Listing Rules. The information provided shall be reasonably necessary to enable Shareholders to make an informed decision on the proposed resolution(s). Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at the meetings for and on their behalf if they are unable to attend the meetings. Where appropriate or required, the chairman of the Board and other Board members, the chairmen of Board committees or their delegates, and the external auditors should attend general meetings of the Company to answer Shareholders' questions (if any).

(e) Other Investor Relations Communication Platforms

Roadshows (both domestic and international), media interviews, marketing activities for investors and specialist industry forums etc. will be launched on a required basis.

Dividend Policy

The Company has adopted a policy on payment of dividends pursuant to code provision F.1.1 of the CG Code taking into consideration of various elements including but not limited to the Company's strategic development objectives, operation plan, profitability, cash flow and financing. The policy sets out the factors in consideration, procedures, methods and intervals of the payment of dividends with an objective to provide the shareholders with continuing, stable and reasonable returns on investment while maintaining the Company's business operation and achieving its long-term development goal.

AMENDMENTS TO CONSTITUTIONAL DOCUMENTS

During the Relevant Period, the Company has amended the Articles of Association. Details of such amendments are set out in the circular to shareholders dated November 28, 2025. The latest version of the Articles of Association of the Company is also available on the Company's website and the website of the Stock Exchange. Save as disclosed above, there were no other material changes to the Articles of Association during the Relevant Period.

Independent Auditor's Report

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To the shareholders of Nanjing Leads Biolabs Co., Ltd.
(Incorporated in the People's Republic of China with limited liability)

OPINION

We have audited the consolidated financial statements of Nanjing Leads Biolabs Co., Ltd. (the "Company") and its subsidiaries (the "Group") set out on pages 107 to 172, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (the "IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

KEY AUDIT MATTERS (continued)

Key audit matter	How our audit addressed the key audit matter
Accounting for research and development costs The Group incurred research and development ("R&D") costs of approximately RMB289,085,000 for the year ended 31 December 2025. A significant portion of the R&D costs relates to service fees paid to research organisations, clinical site management operators and clinical trial centres (collectively referred to as "Outsourced Service Providers"). The Group engages Outsourced Service Providers to perform certain R&D activities under contractual arrangements. The related expenses are recognised in profit or loss based on the specific contractual terms, which may include the progress of relevant R&D activities and other contractual milestones associated with the respective projects. Determining the stage of completion of the R&D projects requires management to exercise significant judgement and estimation in assessing the progress of services performed by the Outsourced Service Providers based on available project information and supporting documentation. We identified the accounting for the R&D costs incurred in connection with the Outsourced Service Providers as a key audit matter due to the estimations used in determining the progress of the R&D projects and the risk of misallocation in the appropriate financial reporting periods. Related disclosures are included in notes 2.4 and 3 to the financial statements.	Our procedures in relation to R&D costs incurred in connection with the Outsourced Service Providers included the following: We obtained an understanding of the Group's key controls over the recognition and measurement process of R&D costs. We inquired management regarding periodical fluctuations in R&D costs and performed analytical review thereon. We selected, on a sampling basis, R&D costs and i) reviewed the key terms in the related agreements with Outsourced Service Providers; ii) inquired of R&D personnel; and iii) inspected supporting documents to verify the progress of the R&D projects and assessed the amounts of R&D costs recognised. We conducted procedures to search for unrecorded liabilities subsequent to 31 December 2025.

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

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

- 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.

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

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is KEE Wendy Wing Shi (practising certificate number: P07757).

Ernst & Young
Certified Public Accountants
Hong Kong
27 March 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

YEAR ENDED 31 DECEMBER 2025

	Notes	2025 RMB'000	2024 RMB'000
REVENUE	5	**177,255**	–
Cost of sales		**–**	–
Gross profit		**177,255**	–
Other income and gains	6	**31,047**	18,309
Other expenses	7	**(25,763)**	(20)
Research and development costs		**(289,085)**	(185,683)
Administrative expenses		**(82,700)**	(87,692)
Fair value gains on financial assets at fair value through profit or loss ("FVTPL")		**541**	1,718
Finance costs	8	**(7,188)**	(5,764)
Change in fair value of redemption liabilities on equity shares		**–**	(42,084)
LOSS BEFORE TAX	9	**(195,893)**	(301,216)
Income tax expense	12	**(15,526)**	–
LOSS FOR THE YEAR		**(211,419)**	(301,216)
OTHER COMPREHENSIVE INCOME			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**3,679**	76
OTHER COMPREHENSIVE INCOME FOR THE YEAR		**3,679**	76
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(207,740)**	(301,140)
Profit attributable to:			
Owners of the Company		**(211,419)**	(301,216)
Total comprehensive income attributable to:			
Owners of the Company		**(207,740)**	(301,140)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY *(expressed in RMB)*			
Basic and diluted	14	**(1.21)**	(2.01)

Consolidated Statement of Financial Position

31 DECEMBER 2025

	Notes	2025 RMB'000	2024 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	15	**29,323**	36,378
Right-of-use assets	16	**19,692**	11,189
Intangible assets		**1,758**	–
Prepayments, deposits and other receivables	17	**40,419**	25,569
Total non-current assets		**91,192**	73,136
CURRENT ASSETS			
Prepayments, deposits and other receivables	17	**84,168**	57,590
Inventories	18	**58,016**	–
Financial assets at fair value through profit or loss ("FVTPL")	19	**–**	166,175
Cash and cash equivalents	20	**1,221,150**	372,542
Time deposits with original maturity over three months	20	**326,893**	–
Total current assets		**1,690,227**	596,307
CURRENT LIABILITIES			
Trade and other payables	21	**56,840**	53,188
Interest-bearing bank borrowings	22	**260,091**	255,212
Contract liabilities	5	**178,205**	84,220
Lease liabilities	16	**7,068**	5,716
Total current liabilities		**502,204**	398,336
NET CURRENT ASSETS		**1,188,023**	197,971
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,279,215**	271,107
NON-CURRENT LIABILITIES			
Lease liabilities	16	**13,401**	5,547
Total non-current liabilities		**13,401**	5,547
Net assets		**1,265,814**	265,560
EQUITY			
Equity attributable to owners of the Company			
Share capital	24	**198,892**	156,500
Treasury shares	24	**(72,667)**	–
Reserves	25	**1,139,589**	109,060
Total equity		**1,265,814**	265,560

Dr. Kang Xiaoqiang
Director

Mr. Zuo Honggang
Director

Consolidated Statement of Changes in Equity

YEAR ENDED 31 DECEMBER 2025

	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Share-based payment reserve RMB'000	Foreign currency translation reserve RMB'000	Accumulated losses RMB'000	Total equity RMB'000
At 1 January 2025	156,500	–	233,021	71,594	5	(195,560)	265,560
Loss for the year	–	–	–	–	–	(211,419)	(211,419)
Other comprehensive income for the year:							
Exchange differences on translation of foreign operations	–	–	–	–	3,679	–	3,679
Total comprehensive loss for the year	–	–	–	–	3,679	(211,419)	(207,740)
Share-based payment compensation (Note 26)	–	–	–	9,847	–	–	9,847
Shares repurchased under H share award scheme (Note 24)	–	(72,667)	–	–	–	–	(72,667)
Share issue expenses (Note 24)	–	–	(79,076)	–	–	–	(79,076)
Issue of shares (Note 24)	42,392	–	1,307,498	–	–	–	1,349,890
At 31 December 2025	198,892	(72,667)	1,461,443*	81,441*	3,684*	(406,979)*	1,265,814

The amount of treasury shares as defined under Listing Rule is nil.

	Paid-in capital/share capital RMB'000	Capital reserves RMB'000	Share-based payment reserve RMB'000	Other reserves RMB'000	Foreign currency translation reserve RMB'000	Accumulated losses RMB'000	Total equity RMB'000
At 1 January 2024	17,018	971,350	29,654	(984,000)	(71)	(982,756)	(948,805)
Loss for the year	–	–	–	–	–	(301,216)	(301,216)
Other comprehensive income for the year:							
Exchange differences on translation of foreign operations	–	–	–	–	76	–	76
Total comprehensive loss for the year	–	–	–	–	76	(301,216)	(301,140)
Capital contribution from employee incentive platforms	505	–	–	–	–	–	505
Share-based payment compensation (Note 26)	–	–	41,940	–	–	–	41,940
Termination of redemption liabilities	–	361,588	–	984,000	–	–	1,345,588
Conversion into a joint stock company ("Capitalisation Issue") (Note 24)	132,477	(1,220,889)	–	–	–	1,088,412	–
Issue of Series C+ shares (Note 24)	6,500	120,972	–	–	–	–	127,472
At 31 December 2024	156,500	233,021*	71,594*	–*	5*	(195,560)*	265,560

* These reserves accounts comprise the consolidated reserves of RMB1,139,589,000 (2024: RMB109,060,000) in the consolidated statement of financial position.

Consolidated Statement of Cash Flows

YEAR ENDED 31 DECEMBER 2025

	Notes	2025 RMB'000	2024 RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		**(195,893)**	(301,216)
Adjustments for:			
Finance costs	8	**7,188**	5,764
Interest income		**(29,562)**	(8,285)
Share-based payment compensation expenses	9	**9,847**	41,940
Depreciation of property, plant and equipment	9	**15,200**	20,242
Depreciation of right-of-use assets	9	**5,574**	5,800
Amortisation of intangible assets	9	**435**	–
Change in fair value of redemption liabilities on equity shares		**–**	42,084
Fair value gains on financial assets at FVTPL		**(541)**	(1,718)
Loss on the disposal of items of property, plant and equipment	7	**3**	–
Foreign exchange losses/(gains), net		**25,760**	(2,042)
		(161,989)	(197,431)
Increase in inventories		**(58,016)**	–
Increase in prepayments, deposits and other receivables		**(42,220)**	(38,939)
Increase in contract liabilities		**93,985**	84,220
Increase in trade and other payables		**5,240**	25,049
Cash used in operations		**(163,000)**	(127,101)
Interest received		**24,099**	8,285
Withholding tax related to licensing revenue		**(15,526)**	–
Net cash flows used in operating activities		**(154,427)**	(118,816)

Consolidated Statement of Cash Flows

YEAR ENDED 31 DECEMBER 2025

	Notes	2025 RMB'000	2024 RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		**(8,225)**	(2,975)
Purchases of time deposits with original maturity over three months		**(321,430)**	–
Purchases of items of intangible assets		**(2,193)**	–
Proceeds from disposal/(purchases) of financial assets at FVTPL, net		**166,716**	(64,327)
Proceeds from disposal of property, plant and equipment		**2**	–
Net cash flows used in investing activities		**(165,130)**	(67,302)
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank borrowings draw down		**341,000**	274,980
Repayment of bank borrowings		**(336,000)**	(80,980)
Interest paid of bank borrowings		**(6,550)**	(5,192)
Lease payments, including related interest		**(5,630)**	(5,362)
Capital contribution from employee incentive platforms		**–**	505
Proceeds from issue of shares upon initial public offering		**1,349,890**	–
Proceeds from issue of Series C+ shares		**–**	130,000
Payments of repurchase of shares		**(72,667)**	–
Issued costs paid		**–**	(2,680)
Payments of listing expenses		**(79,797)**	(2,252)
Net cash flows from financing activities		**1,190,246**	309,019
NET INCREASE IN CASH AND CASH EQUIVALENTS		**870,689**	122,901
Cash and cash equivalents at beginning of year		**372,542**	247,523
Effect of foreign exchange rate changes, net		**(22,081)**	2,118
CASH AND CASH EQUIVALENTS AT END OF YEAR	20	**1,221,150**	372,542

1. CORPORATE AND GROUP INFORMATION

Nanjing Leads Biolabs Co., Ltd. (the "Company") was incorporated as a limited liability company in the People's Republic of China (the "PRC") on 27 November 2012. On 14 August 2024, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. Its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited on 25 July 2025. The registered office address of the Company is Building 05, Accelerator IV, No. 122 Huakang Road, Jiangbei New District, Nanjing, Jiangsu Province, the PRC and the principal place of business is Floor 8, Building 03, 18E, Jialingjiang Street, Nanjing, Jiangsu Province, the PRC.

The Company and its subsidiaries (collectively referred as the "Group") are principally engaged in the research, development and commercialisation of novel antibody drugs.

Information about subsidiaries

Particulars of the Company's subsidiaries are as follows:

Name	Place and date of incorporation/ registration and place of operations	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Nanjing Lizhi Biopharmaceutical Co., Ltd* (南京禮至生物醫藥有限公司)	The PRC/Chinese mainland, 12 July 2018	Renminbi ("RMB") 1,000,000	100%	–	Research and development
Leads Biolabs Inc.	United States of America ("USA"), 23 June 2022	United States dollars ("USD") 5,000	100%	–	Research and development
Leads Biolabs Hong Kong Limited (香港禮至生物醫藥有限公司)	Hong Kong, 15 March 2024	Hong Kong dollar ("HKD")100,000	100%	–	Research and development

* These entities are limited liability enterprise established under the PRC law. Their English names represent the best effort made by the directors of the Company, as they had not been registered with official English names.

2. ACCOUNTING POLICIES

2.1 Basis of preparation

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

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2. ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 Changes in accounting policies and disclosures

The Group has adopted amendments to IAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

In addition, the IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions. The amendments did not have any impact on the Group's financial statements.

2. ACCOUNTING POLICIES (continued)

2.3 Issued but not yet effective IFRS accounting standards

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	*Presentation and Disclosure in Financial Statements*[2]
IFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[2]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[1]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to IAS 21	*Translation to a Hyperinflationary Presentation Currency*[2]
Annual Improvements to IFRS Accounting Standards – Volume 11	*Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*[1]

1 Effective for annual periods beginning on or after 1 January 2026
2 Effective for annual/reporting periods beginning on or after 1 January 2027
3 No mandatory effective date yet determined but available for adoption

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

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

2. ACCOUNTING POLICIES (continued)

2.3 Issued but not yet effective IFRS accounting standards (continued)

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

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

2. ACCOUNTING POLICIES (continued)

2.3 Issued but not yet effective IFRS accounting standards (continued)

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

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

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

2. ACCOUNTING POLICIES (continued)

2.3 Issued but not yet effective IFRS accounting standards (continued)

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

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

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

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

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

2.4 MATERIAL ACCOUNTING POLICIES

Fair value measurement

The Group measures its structured deposits and wealth management products at fair value through profit or loss at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

For assets and liabilities that are recognised in the financial statement on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Furniture and equipment	19% to 32%
Leasehold improvements	Shorter of remaining lease terms and estimated useful lives

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Research and development costs

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Office premises and laboratory	3 to 5 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Leases (continued)

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate used to determine such lease payments) or a change in assessment of an option to purchase the underlying asset.

The Group's lease liabilities are presented in a separate line on the consolidated statement of financial position.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office premises (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment that is considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Investments and other financial assets

Initial recognition and measurement

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

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

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been an increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs.

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs.

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (trade and other payables, and borrowings)

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Treasury shares

Own equity instruments which are reacquired and held by the Company or the Group (treasury shares) are recognised directly in equity at cost. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Group's revenue is generated from the collaboration agreement with the third parties which generally contains multiple performance obligations including (1) grants of licenses to intellectual property rights and (2) the research and development services.

Collaboration revenue

At contract inception, the Group analyses the collaboration arrangements to assess whether they are within the scope of IFRS 11 *Joint Arrangements* to determine whether such arrangements involve joint operating activities performed by parties that are both active participants in the activities and are exposed to significant risks and rewards dependent on the commercial success of such activities.

In determining the appropriate amount of revenue to be recognised as the Group fulfils its obligations under each of the collaboration agreements, the management of the Company performs the five-step model under IFRS 15. The collaboration arrangements may contain more than one unit of account or performance obligation, including grants of licenses to intellectual property rights (the "Licenses"), agreements to provide research and development services and other deliverables. The collaborative arrangements typically do not include a right of return for any deliverable. In general, the consideration allocated to each performance obligation is recognised when the obligation is satisfied either by delivering a good or rendering a service, limited to the consideration that is not constrained. Non-refundable payments received before all of the relevant criteria for revenue recognition are satisfied are recorded as contract liabilities.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Licenses of intellectual property

Upfront non-refundable payments for Licenses are evaluated to determine if they are distinct from the other performance obligations identified in the arrangements. For the Licenses determined to be distinct, the Group recognises revenues from non-refundable up-front fees allocated to the licenses at a point in time when the Licenses are transferred to the licensee and the licensee is able to use and benefit from the Licenses.

Research and development services

The portion of the transaction price allocated to research and development services performance obligation is deferred and recognised as collaboration revenue at the point in time when the research and development services are rendered to customers.

Milestone payments

At the inception of each arrangement that includes development milestone payments, the management of the Company evaluates whether the milestones are considered probable of being reached and estimates the amount to be included in the transaction price using the most likely amount method. If it is probable that a significant revenue reversal would not occur, the associated milestone value is included in the transaction price. Milestones related to development-based activities may include initiation of various phases of clinical trials. Due to the uncertainty involved in meeting these development-based targets, they are generally fully constrained at contract inception. The management of the Company assesses whether the variable consideration is fully constrained for each reporting period based on the facts and circumstances surrounding the clinical trials. Upon changes to constraint associated with the developmental milestones, variable consideration is included in the transaction price when a significant reversal of revenue recognised is not expected to occur and allocated to the separate performance obligations. Due to the inherent uncertainty with the approval process, regulatory milestones are fully constrained until the period in which those regulatory approvals are achieved. Regulatory milestones are included in the transaction price in the period regulatory approval is obtained.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Royalties

For arrangements that include sales-based royalties, including milestone payments based on the level of sales, and the Licenses that are deemed to be the predominant items to which the royalties relate, the Group recognises revenue at the later of (i) when the related sales occur, and (ii) when the performance obligation to which some or all of the royalties have been allocated is satisfied (or partially satisfied).

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract costs

Costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

(a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;

(b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and

(c) The costs are expected to be recovered.

The capitalised contract costs are charged to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related services to the customer).

Share-based payments

The Group operates stock option schemes and restricted share unit schemes. Employees (including directors) and consultants of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments ("equity-settled transactions"). The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer, further details of which are given in note 26 to the financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of restricted shares unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

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

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Other employee benefits

Pension scheme

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

Housing fund – Chinese mainland

The Group contributes on a monthly basis to a defined contribution housing fund plan operated by the local municipal government. Contributions to this plan by the Group are expensed as incurred.

Borrowing costs

All borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Foreign currencies

These financial statements are presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss and other comprehensive income are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of the overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of the overseas subsidiaries which arise throughout the year are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

(a) Identifying performance obligation under contracts which have bundled sales of the Licenses and research and development services

The Group entered into contracts which provides the Licenses together with pre-clinical research and development services to a customer. The Group determined that both the Licenses and research and development services are not distinct. The Group is providing a significant integration service because the presence of the Licenses and research and development services together in the contract result in a combined functionality. In addition, the Licenses and research and development services are highly interdependent or highly interrelated, because the Group would not be able to transfer the Licenses if the research and development services were not completed. Consequently, the Group has combined the sales of the Licenses and research and development services as a single performance obligation.

(b) Determining the timing of satisfaction of the Licenses and research and development services

For the Licenses which the customer gets a right to use, revenue for the Licenses and research and development services is recognised at the point of time when the control of the Licenses is transferred to the customer and the customer is able to consume and benefit from the Licenses.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements (continued)

Research and development expenses

All research expenses are charged to profit or loss as incurred. Expenses incurred on each pipeline to develop new products are only capitalised and deferred in accordance with the accounting policy for research and development expenses in Note 2.4 to the financial statements. Determining the amounts to be capitalised requires management to make judgements on the technical feasibility of existing pipelines to be successfully commercialised and bring economic benefits to the Group.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

The Group has tax losses carried forward. These losses related to the Company and subsidiaries that have a history of losses, have not expired, and may not be used to offset taxable income elsewhere in the Group. The subsidiaries have neither any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

If the Group had been able to recognise all unrecognised deferred tax assets as at 31 December 2025, the profit and equity would have increased by RMB301,657,000. Further details on deferred taxes are disclosed in note 12 to the financial statements.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty

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

Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as a subsidiary's stand-alone credit rating).

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets (including right-of-use assets) at the end of each reporting period. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Accrual of research and development costs

The Group relies on contract research organisations, clinical site management operators and clinical trial centres (collectively referred as "Outsourced Service Providers") to conduct, supervise, and monitor the Group's ongoing clinical trials. Determining the amounts of research and development costs incurred up to the end of the reporting period requires the management of the Group to estimate and measure the progress of receiving research and development services under the contracts with Outsourced Service Providers using inputs such as number of patient enrolments, time elapsed and milestones achieved.

4. OPERATING SEGMENT INFORMATION

Operating segment information

For management purposes, the Group has only one reportable operating segment, which is developing and commercialising pharmaceutical products. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

(a) Revenue from external customer

	2025 RMB'000	2024 RMB'000
USA	**177,255**	–

The revenue information above is based on the location of the customer.

(b) Non-current assets

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

Information about a major customer

Revenue of approximately RMB177,255,000 was derived from a single customer for the year ended 31 December 2025 (2024: Nil).

5. REVENUE

An analysis of revenue from contracts with customers is as follows:

(a) Disaggregated revenue information

	2025 RMB'000	2024 RMB'000
Licensing revenue – at a point in time	177,255	–

(b) Performance obligations

License-out of LBL-051

In November 2024, the Group entered into a collaboration, exclusive option and license agreement (the "Oblenio Agreement") with Oblenio Bio, Inc. ("New Co"), a USA company newly formed by Aditum Bio Fund 3, L.P. Under the Oblenio Agreement, the Group has grant New Co an exclusive, worldwide license to develop, manufacture, commercialise and otherwise exploit LBL-051 for all uses, subject to New Co's election to exercise its option to retain such license after the applicable option period. The Group received upfront payments of USD7,500,000 and USD7,500,000 in December 2024 and January 2025, respectively, as consideration for the option of LBL-051. The Group also received USD4,381,885 and USD5,971,675 for the research and development services provided to New Co during the years ended 31 December 2024 and 2025, respectively. As of 31 December 2025, New Co has not exercised the option of LBL-051 and the research and development services have not been completed. Therefore, the accumulated upfront payments and payments for research and development services totaling USD11,881,885 (equivalent to RMB84,220,000) and USD25,353,560 (equivalent to RMB178,205,000) received from New Co were presented as contract liabilities as of 31 December 2024 and 31 December 2025, respectively. Once New Co exercised the option and the research and development services have been completed, the considerations already received will be recognised in revenue.

License-out of LBL-047

In October 2025, the Group entered into a license and collaboration agreement (the "Dianthus Agreement") of LBL-047 with Dianthus Therapeutics, Inc. Under the Dianthus Agreement, the Group received an upfront and near-term milestone payments of USD25,000,000 (equivalent to RMB177,255,000) in December 2025. As of 31 December 2025, the Group had completed the transfer of all necessary licensed know-how required for the manufacture of the compounds and licensed products. Therefore, the Group recognised licensing revenue of RMB177,255,000 during the year ended 31 December 2025.

6. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	2025 RMB'000	2024 RMB'000
Other income		
Government grants*	**1,485**	7,982
Bank interest income	**29,562**	8,285
Total other income	**31,047**	16,267
Other gains		
Foreign exchange gains, net	**–**	2,042
Total	**31,047**	18,309

* The Group received certain government grants related to income to compensate for the Group's costs already incurred in the past. There are no unfulfilled conditions or contingencies relating to these government grants. These grants were recognised in profit or loss upon receipt.

7. OTHER EXPENSES

	2025 RMB'000	2024 RMB'000
Foreign exchange losses, net	**25,760**	–
Loss on disposal of property, plant and equipment	**3**	–
Others	**–**	20
Total	**25,763**	20

8. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 RMB'000	2024 RMB'000
Interests on bank borrowings	**6,429**	5,404
Interests on lease liabilities	**759**	360
Total	**7,188**	5,764

9. LOSS BEFORE TAX

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

	2025 RMB'000	2024 RMB'000
Depreciation of property, plant and equipment	**15,200**	20,242
Depreciation of right-of-use assets	**5,574**	5,800
Amortisation of intangible assets	**435**	–
Research and development costs	**289,085**	185,683
Auditor's remuneration	**2,180**	2,200
Lease payments not included in the measurement of lease liabilities	**833**	615
Listing expenses	**21,556**	14,531
Staff costs (including executive directors, non-executive directors and supervisors' emoluments): (note 10)		
– Salaries, discretionary bonuses, allowances and benefits in kind	**107,240**	81,513
– Pension scheme contributions (defined contribution scheme)*	**7,103**	6,250
– Share-based payment compensation	**9,847**	41,940
Total	**124,190**	129,703

* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

10. DIRECTORS' AND SUPERVISORS' REMUNERATION

Directors' and supervisors' remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	2025 RMB'000	2024 RMB'000
Fees	**475**	–
Other emoluments:		
Salaries, allowances and benefits in kind	**10,236**	4,605
Pension scheme contributions (defined contribution scheme)	**64**	59
Share-based payment compensation	**6,739**	37,482
Total other emoluments	**17,039**	42,146
Total	**17,514**	42,146

During the year and in prior years, certain directors were granted share options and restricted shares in respect of their services to the Group under the equity incentive plan of the Company, further details of which are set out in Note 26 to the financial statements. The fair values of such share options and restricted shares, which have been recognised in profit or loss over the vesting period, were determined as at the date of grant and the amount included in the financial statements for the current year is included in the above directors' and supervisor's remuneration disclosures. As the vesting condition of share awards granted to chief executive includes completion of IPO, the estimated vesting date had been adjusted to reflect the management's best estimation on the date of the completion of IPO as at 31 December 2024 and 2025.

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

	2025 RMB'000	2024 RMB'000
Dr. Zhang Hongbing	**119**	–
Mr. Du Yilong	**178**	–
Ms. Du Jiliu	**178**	–
Total	**475**	–

Dr. Zhang Hongbing, Mr. Du Yilong and Ms. Du Jiliu were appointed as independent non-executive directors with effect from July 2025.

10. DIRECTORS' AND SUPERVISORS' REMUNERATION (continued)

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

	Salaries, allowances and benefits in kind RMB'000	Pension scheme contributions (defined contribution scheme) RMB'000	Share-based payment compensation RMB'000	Total RMB'000
Year ended 31 December 2025				
Executive directors:				
Dr. Kang Xiaoqiang (Note (a))	4,106	–	–	4,106
Dr. Lai Shoupeng	975	–	–	975
Mr. Zuo Honggang (Note (b))	4,185	16	6,736	10,937
	9,266	16	6,736	16,018
Non-executive directors:				
Mr. Zhang Yincheng	–	–	–	–
Mr. Chen Renhai	–	–	–	–
Dr. Ni Jia (Note (c))	–	–	–	–
	–	–	–	–
Supervisors: (Note (e))				
Mr. Jin Hui	–	–	–	–
Mr. Wang Zhou	–	–	–	–
Ms. Li Mengwei (Note (d))	970	48	3	1,021
	970	48	3	1,021
Total	10,236	64	6,739	17,039

10. DIRECTORS' AND SUPERVISORS' REMUNERATION (continued)

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

	Salaries, allowances and benefits in kind RMB'000	Pension scheme contributions (defined contribution scheme) RMB'000	Share-based payment compensation RMB'000	Total RMB'000
Year ended 31 December 2024				
Executive directors:				
Dr. Kang Xiaoqiang (Note (a))	900	–	22,450	23,350
Dr. Lai Shoupeng	975	–	5,414	6,389
Mr. Zuo Honggang (Note (b))	2,087	11	9,613	11,711
	3,962	11	37,477	41,450
Non-executive directors:				
Mr. Zhang Yincheng	–	–	–	–
Mr. Chen Renhai	–	–	–	–
Dr. Ni Jia (Note (c))	–	–	–	–
	–	–	–	–
Supervisors: (Note (e))				
Mr. Jin Hui	–	–	–	–
Mr. Wang Zhou	–	–	–	–
Ms. Li Mengwei (Note (d))	643	48	5	696
	643	48	5	696
Total	4,605	59	37,482	42,146

Notes:

(a) Dr. Kang Xiaoqiang is also the chief executive of the Group, and his remuneration disclosed above included the remuneration for the services rendered by him as the chief executive.

(b) Mr. Zuo Honggang was appointed as an executive director with effect from October 2024.

(c) Dr. Ni Jia was appointed as a non-executive director with effect from July 2024.

(d) Ms. Li Mengwei was appointed as a supervisor with effect from July 2024.

(e) Pursuant to the resolution passed by the shareholders of the Company on 17 December 2025, the supervisory committee was cancelled with effect from December 2025.

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

11. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two directors (2024: three directors), details of whose remuneration are set out in note 10 above. Details of the remuneration for the year of the remaining three (2024: two) highest paid employees who are not directors of the Company are as follows:

	2025 RMB'000	2024 RMB'000
Salaries, allowances and benefits in kind	15,861	8,629
Pension scheme contributions	48	36
Share-based payment compensation	1,102	2,196
Total	17,011	10,861

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

	2025 Number of employees	2024 Number of employees
Nil to HKD2,500,000	–	–
HKD2,500,001 to HKD3,500,000	1	1
HKD3,500,001 to HKD4,500,000	–	–
HKD4,500,001 to HKD5,500,000	–	–
HKD5,500,001 to HKD6,500,000	1	–
HKD6,500,001 to HKD7,500,000	–	–
HKD7,500,001 to HKD8,500,000	–	–
HKD8,500,001 to HKD9,500,000	–	1
HKD9,500,001 to HKD10,500,000	1	–
Total	3	2

In prior year, share options and restricted shares were granted to the non-director highest paid employees in respect of their services to the Group, further details of which are included in the disclosures in Note 26 to the financial statements. The fair values of such share options and restricted shares, which have been recognised in profit or loss over the vesting period, were determined as at the date of grant and the amount included in the financial statements for the current year is included in the above non-director highest paid employees' remuneration disclosures.

12. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Chinese mainland

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the Enterprise Income Tax ("EIT") rate of the PRC subsidiaries was 25% during the year.

During the year ended 31 December 2025, the Company was accredited as a "High and New Technology Enterprise" and therefore was entitled to a preferential tax rate of 15% in 2025.

According to the relevant EIT Law, an additional 100% of qualified research and development expenses incurred is allowed to be deducted from taxable income during the year.

Hong Kong

The subsidiary incorporated in Hong Kong is subject to Hong Kong profits tax at the rate of 16.5% on the estimated assessable profits arising in Hong Kong. No provision for Hong Kong profits tax was made for the year (2024: Nil) as the Group did not generate any assessable profits arising in Hong Kong during the year.

USA

The Company's subsidiary incorporated and operating in USA was subject to the federal corporate income tax rate at 21% during the current and prior years.

The income tax expense of the Group for the reporting period is analysed as follows:

	2025 RMB'000	2024 RMB'000
Current income tax	**15,526**	–
Deferred income tax	**–**	–
Total	**15,526**	–

Tax charge for the year represented withholding tax on licensing revenue.

12. INCOME TAX (continued)

A reconciliation of the tax expense applicable to loss before tax at the statutory tax rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

	2025 RMB'000	2024 RMB'000
Loss before tax	**(195,893)**	(301,216)
Tax at the statutory tax rate (25%)	**(48,973)**	(75,304)
Effect of different tax rates enacted by local authorities	**18,684**	6,955
Additional deductible allowance for research and development expenses	**(37,844)**	(39,938)
Deductible temporary difference and tax losses not recognised	**66,583**	97,588
Withholding tax related to licensing revenue	**15,526**	–
Expenses not deductible for tax	**1,550**	10,699
Tax charge at the Group's effective rate	**15,526**	–

The Group had tax losses in the Chinese mainland of RMB1,690,535,000 and RMB1,266,705,000 in aggregate as at 31 December 2025 and 2024, respectively, that will expire in one to ten years for offsetting against future taxable profits of the companies in which the losses arose.

The Group had tax losses in USA of RMB177,450,000 and RMB170,220,000 in aggregate as at 31 December 2025 and 2024 that are available indefinitely for offsetting against future taxable profits.

The Group had tax losses in Hong Kong of RMB9,030,000 and RMB2,938,000 in aggregate as at 31 December 2025 and 2024 that are available indefinitely for offsetting against future taxable profits.

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

13. DIVIDENDS

No dividend was paid or declared by the Company during the year (2024: Nil).

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

On 14 August 2024, the Company was converted to a joint stock limited liability company. A total of 150,000,000 shares of par value of RMB1.00 each were issued and allotted to the respective shareholders of the Company according to the paid-in capital registered under these shareholders on that day.

The calculation of the basic loss per share amounts for the years ended 31 December 2025 and 2024 is based on the loss for the year attributable to ordinary equity holders of the parent and the weighted average numbers of ordinary shares outstanding after taking into account the retrospective adjustments on the assumption that the Capitalisation Issue as disclosed in note 24 had been in effect on 1 January 2024 and the effect of treasury shares held.

No adjustment has been made to the basic loss per share amounts presented for the years ended 31 December 2025 and 2024 in respect of a dilution as the impact of share options and restricted shares had an anti-dilutive effect on the basic loss per share amounts presented.

The calculation of basic and diluted loss per share is based on:

	2025	2024
Loss		
Loss attributable to ordinary equity holders of the parent for the purpose of calculating basic and diluted loss per share (RMB'000)	**(211,419)**	(301,216)
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic and diluted loss per share calculation	**174,149,207**	150,004,808
Loss per share (basic and diluted) (RMB per share)	**(1.21)**	(2.01)

15. PROPERTY, PLANT AND EQUIPMENT

	Furniture and equipment RMB'000	Leasehold improvements RMB'000	Construction in progress RMB'000	Total RMB'000
31 December 2025				
At 1 January 2025:				
Cost	75,612	25,846	–	101,458
Accumulated depreciation	(43,446)	(21,634)	–	(65,080)
Net carrying amount	32,166	4,212	–	36,378
At 1 January 2025, net of accumulated depreciation	32,166	4,212	–	36,378
Additions	7,151	–	999	8,150
Disposal	(5)	–	–	(5)
Depreciation provided during the year	(11,971)	(3,229)	–	(15,200)
At 31 December 2025, net of accumulated depreciation	27,341	983	999	29,323
At 31 December 2025:				
Cost	82,650	25,846	999	109,495
Accumulated depreciation	(55,309)	(24,863)	–	(80,172)
Net carrying amount	27,341	983	999	29,323

15. PROPERTY, PLANT AND EQUIPMENT (continued)

	Furniture and equipment RMB'000	Leasehold improvements RMB'000	Construction in progress RMB'000	Total RMB'000
31 December 2024				
At 1 January 2024:				
Cost	74,214	24,630	355	99,199
Accumulated depreciation	(30,670)	(14,247)	–	(44,917)
Net carrying amount	43,544	10,383	355	54,282
At 1 January 2024, net of accumulated depreciation	43,544	10,383	355	54,282
Additions	1,489	545	316	2,350
Disposal	(12)	–	–	(12)
Transfer	–	671	(671)	–
Depreciation provided during the year	(12,855)	(7,387)	–	(20,242)
At 31 December 2024, net of accumulated depreciation	32,166	4,212	–	36,378
At 31 December 2024:				
Cost	75,612	25,846	–	101,458
Accumulated depreciation	(43,446)	(21,634)	–	(65,080)
Net carrying amount	32,166	4,212	–	36,378

16. LEASES

The Group as a lessee

The Group has lease contracts for various office premises and laboratory used in its operations. Leases of office premises and laboratory generally have lease terms between 3 and 5 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

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

	Office premises and laboratory RMB'000
As at 1 January 2024	6,812
Addition	10,177
Depreciation charge	(5,800)
As at 31 December 2024 and 1 January 2025	**11,189**
Addition	**5,141**
Depreciation charge	**(5,574)**
Lease modification	**8,936**
As at 31 December 2025	**19,692**

16. LEASES (continued)

The Group as a lessee (continued)

(b) Lease liabilities

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

	2025 RMB'000	2024 RMB'000
Carrying amount at 1 January	**11,263**	6,088
New leases	**5,141**	10,177
Accretion of interest recognised during the year	**759**	360
Lease modification	**8,936**	–
Payments	**(5,630)**	(5,362)
Carrying amount	**20,469**	11,263
Analysed into:		
Current portion	**7,068**	5,716
Non-current portion	**13,401**	5,547
Within one year	**7,068**	5,716
In the second year	**6,098**	3,795
In the third to fifth years, inclusive	**7,303**	1,752

The maturity analysis of lease liabilities is disclosed in Note 32 to the financial statements.

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

	2025 RMB'000	2024 RMB'000
Depreciation of right-of-use assets	**5,574**	5,800
Interest on lease liabilities	**759**	360
Expenses relating to short-term leases	**460**	367
Expenses relating to low-value leases	**373**	248
Total amount recognised in profit or loss	**7,166**	6,775

(d) The total cash outflow for leases is disclosed in Note 27 to the financial statements.

17. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025 RMB'000	2024 RMB'000
Non-current:		
Value-added tax recoverable	**36,196**	24,165
Rental deposits	**2,003**	1,404
Prepayments for other expenses	**2,220**	–
Total	**40,419**	25,569
Current:		
Prepayments for research and development services	**81,812**	50,273
Deferred listing expense	**–**	5,093
Prepayments for other expenses	**1,478**	1,360
Rental and other deposits	**579**	673
Others	**299**	191
Total	**84,168**	57,590

The financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts. In addition, there is no significant change in the economic factors based on the assessment of the forward-looking information, so the directors of the Company are of the opinion that the ECLs in respect of these balances are minimal. The balances are interest-free and are not secured with collateral.

18. INVENTORIES

	2025 RMB'000	2024 RMB'000
Contract costs	**58,016**	–

The balance represents costs incurred to fulfil the performance obligations under the Oblenio Agreement as set out in note 5.

19. FINANCIAL ASSETS AT FVTPL

	2025 RMB'000	2024 RMB'000
Structured deposits and wealth management products	**–**	166,175

19. FINANCIAL ASSETS AT FVTPL (continued)

The structured deposits and wealth management products are principal guaranteed and purchased from reputable banks in Chinese mainland with expected return by reference to the performance of (i) the underlying instruments in the currency market, the interbank market, the bond market, and the security and equity market and (ii) the derivative financial assets. The yields on all of these wealth management products are not guaranteed, hence they were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows do not qualify for solely payments of principal and interest and after making an investment, the Group closely monitor the performance and fair value of these investments on a regular basis.

The fair values were based on cash flows discounted using the expected yield rate and were within Level 2 of the fair value hierarchy.

20. CASH AND CASH EQUIVALENTS/TIME DEPOSITS WITH ORIGINAL MATURITY OVER THREE MONTHS

Cash and cash equivalents

	2025 RMB'000	2024 RMB'000
Cash and bank balances	**1,221,150**	372,542
Denominated in		
RMB	**14,269**	147,821
USD	**1,197,704**	224,721
HKD	**9,177**	–

Time deposits with original maturity over three months

	2025 RMB'000	2024 RMB'000
Time deposits with original maturity over three months	**326,893**	–
Denominated in		
USD	**326,893**	–

The time deposits are placed with banks in the Chinese mainland with a term of over three months upon placement, which carry interest at a fixed rate of 4.20% to 4.32% per annum as at 31 December 2025.

The RMB is not freely convertible into other currencies, however, under the Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

21. TRADE AND OTHER PAYABLES

	2025 RMB'000	2024 RMB'000
Trade payables	**6,490**	3,524
Payroll payables	**20,718**	11,888
Accrued expenses for research and development services	**21,152**	22,373
Listing expenses	**4,837**	10,957
Other taxes payable	**981**	778
Other payables:		
– Payables for property, plant and equipment	**103**	178
– Others	**2,559**	3,490
Total	**56,840**	53,188

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2025 RMB'000	2024 RMB'000
Within 3 months	**6,490**	3,524

Trade and other payables are unsecured and non-interest-bearing. The carrying amounts of financial liabilities included in trade and other payables as at the end of the reporting period approximated to their fair values due to their short-term maturities.

22. INTEREST-BEARING BANK BORROWINGS

	As at 31 December 2025		
	Effective interest rate per annum %	Maturity	RMB'000
Current – repayable within one year			
Bank loans – unsecured	2.10%-2.70%	2026	260,091

	As at 31 December 2024		
	Effective interest rate per annum %	Maturity	RMB'000
Current – repayable within one year			
Bank loans – unsecured	2.80%-3.45%	2025	255,212

23. DEFERRED TAX

Deferred tax liabilities

	Right-of-use assets RMB'000
As at 1 January 2024	1,703
Deferred tax charged to profit or loss during the year	1,094
As at 31 December 2024	2,797
Deferred tax charged to profit or loss during the year	157
As at 31 December 2025	**2,954**

23. DEFERRED TAX (continued)

Deferred tax assets

	Tax Losses RMB'000	Lease liabilities RMB'000	Total RMB'000
As at 1 January 2024	181	1,522	1,703
Deferred tax credited to profit or loss during the year	–	1,094	1,094
As at 31 December 2024	181	2,616	2,797
Deferred tax (charged)/credited to profit or loss during the year	(181)	338	157
As at 31 December 2025	**–**	**2,954**	**2,954**

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	2025 RMB'000	2024 RMB'000
Net deferred tax assets recognised in the consolidated statement of financial position	–	–
Net deferred tax liabilities recognised in the consolidated statement of financial position	–	–
Net deferred tax liabilities	–	–

24. SHARE CAPITAL/TREASURY SHARES

The Company was incorporated on 27 November 2012 with initial authorised paid-in capital of RMB1,000,000 divided into 1,000,000 shares with par value of RMB1 each. On 14 August 2024, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The net assets of the Company as of the conversion base date, including paid-in capital, share premium and accumulated losses were converted into 150,000,000 share capital at RMB1.00 each. The excess of the net assets converted over the nominal value of the ordinary shares was credited to the Company's share premium.

Paid-in capital/Share capital

	Paid-in capital/Share capital RMB'000
As at 1 January 2024	17,018
Capital contribution from employee incentive platforms (Note (a))	505
Capitalisation issue upon conversion to a joint stock company	132,477
Issue of Series C+ shares (Note (b))	6,500
As at 31 December 2024 and 1 January 2025	156,500
Issue of shares upon initial public offering (Note (c))	42,392
As at 31 December 2025	**198,892**

Notes:

(a) In April 2024, a total number of 505,000 ordinary shares were issued to certain offshore special purpose vehicles in order to facilitate the administration of restricted shares granted to the employees as set out in Note 26 to financial statements.

(b) In November 2024, pursuant to series C+ ("Series C+) share purchase agreement, certain third-party investors subscribed for 6,500,000 ordinary shares of the Company at a total consideration of RMB130,000,000, with RMB6,500,000 and RMB123,500,000 credited to the Company's share capital and share premium, respectively.

(c) Based on the Company's Hong Kong public offering and international offering in July 2025, 36,862,500 ordinary shares with a par value of RMB1 per share were issued and allotted. The shares were offered at HKD35.00 per share, resulting in total proceeds, before share issue expenses, of HKD1,290,188,000 (equivalent to RMB1,173,851,000). In August 2025, the over-allotment option has been fully exercised by the overall coordinators in respect of an aggregate of 5,529,300 ordinary shares with a par value of RMB1 per share which were issued at a price of HKD35.00 per share, resulting in total proceeds, before share issue expenses, of HKD193,526,000 (equivalent to RMB176,039,000).

24. SHARE CAPITAL/TREASURY SHARES (continued)

Treasury shares:

	Number of shares repurchased	Treasury shares RMB'000
At 1 January 2024, 31 December 2024 and 1 January 2025	–	–
Shares repurchased under H share award scheme	1,335,000	72,667
At 31 December 2025	**1,335,000**	**72,667**

On 17 December 2025, shareholders of the Group approved the adoption of the H share award scheme. Pursuant to the H share award scheme, 1,335,000 shares were purchased on the Hong Kong Stock Exchange by the trustee under the scheme at a total consideration of RMB72,667,000.

25. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 109 of the financial statements.

Share premium

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

Share-based payment reserve

The share-based payment reserve represents the equity-settled share award expenses as set out in note 31 to the financial statements.

Foreign currency translation reserve

This reserve represents all exchange differences arising from the translation of the financial statements of foreign operations into the Group's presentation currency.

26. SHARE-BASED PAYMENTS

Share Option Plan

The Company adopted a share incentive plan ("Share Option Plan") in 2016, as amended and restated in 2020, for the purpose of attracting and retaining the best talents who promote the success of the Group's operations. Eligible participants of the Share Option Plan include certain directors of the Company, employees and consultants of the Group.

In February 2024, the Company issued 75,708 shares of the Company (after taking into account the conversion into a joint-stock company) at an exercise price of RMB6.74 per share. The share options vest in the parts of 25%, 25%, 25% and 25% on the first, second, third and fourth anniversaries of the vesting commencement date.

Movements in share options during the year ended 31 December 2024 are as follows:

	2024
At the beginning of the year	12,147,288
Granted during the year	75,708
Forfeited during the year	(203,445)
Conversion to Pre-IPO Share Incentive Plan	(12,019,551)
At the end of the year	–

The fair value of the share options granted during the year ended 31 December 2024 was RMB356,000.

During the year ended 31 December 2024, share-based payment compensation expenses of RMB17,181,000 were charged to profit or loss under the Share Option Plan.

The fair value of share options granted under the Share Option Plan during the year ended 31 December 2024 was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. All numbers of shares of the Company and subscription price per share in this note have been adjusted retrospectively as if the Company's conversion into joint stock limited company on 14 August 2024. The following table lists the inputs to the model used:

	2024
Expected volatility	44.42%
Risk-free interest rate	2.43%
Discount for lack of marketability	12%

26. SHARE-BASED PAYMENTS (continued)

Pre-IPO Share Incentive Plan

In May 2024, the board of directors of the Company passed a resolution to modify the Share Option Plan by converting the form of share award from share options to restricted share plan (the "Pre-IPO Share Incentive Plan") under three share incentive platforms, representing 12,019,551 shares of the Company (after taking into account the conversion into a joint-stock company). Under the Pre-IPO Share Incentive Plan, the eligible recipients of share option scheme and the number of underlying shares of the Company awarded remain unchanged. But these eligible recipients will subscribe for the shares of the Company through certain share incentive platforms at the subscription price equal to the original exercise price of the Share Option Plan and these restricted shares will be unlocked over the same period of time as the original vesting period under the Share Option Plan. No incremental fair value is expected to be recognised for the modification because the modification as assessed by the management of the Company will not cause the increase in the total fair value of the share-based payments as measured at the date of modification.

During the years ended 31 December 2025 and 2024, the details of specific categories of restricted shares granted are as follows:

Date of grant	Number of shares granted	Exercise price per share	Lock-up schedule
May 2024	1,958,291	RMB0.81~RMB6.92	The restricted shares will be unlocked in the portions of 25%, 25%, 25% and 25% on the first, second, third and fourth anniversaries of the original vesting commencement date
May 2024	3,187,604	RMB0.12~RMB5.23	No lock-up requirements
February 2025 and April 2025	500,169	RMB0.81	The restricted shares will be unlocked in the portions of 25%, 25%, 25% and 25% on the first, second, third and fourth anniversaries of the original vesting commencement date
Total	5,646,064		

26. SHARE-BASED PAYMENTS (continued)

Pre-IPO Share Incentive Plan (continued)

The following restricted shares were outstanding under the Pre-IPO Share Incentive Plan during the year:

	2025	2024
At the beginning of year	1,408,017	–
Conversion from Share Option Plan (Note)	–	4,359,230
Granted during the year	500,169	5,145,895
Unlocked during the year	(488,553)	(8,076,679)
Forfeited during the year	(3,431)	(20,429)
At end of year	1,416,202	1,408,017

Note:

The Company converted 12,019,551 restricted shares of the Company for participants from the Share Option Plan as mentioned in the paragraph headed "Share Option Plan" in this note, among which 7,660,321 restricted shares vested and 4,359,230 restricted shares were still outstanding.

The fair value of the restricted shares granted under the Pre-IPO Share Incentive Plan during the years ended 31 December 2025 and 2024 were RMB4,895,000 and RMB35,194,000, respectively.

During the years ended 31 December 2025 and 2024, share-based payment compensation expenses of RMB9,847,000 and RMB24,759,000, respectively, were charged to profit or loss under the Pre-IPO Share Incentive Plan.

The fair value of restricted shares granted under the Pre-IPO Share Incentive Plan during the years ended 31 December 2025 and 2024 was estimated as at the date of grant using the back-solve method and by reference to the fair value of the ordinary shares. The following table lists the inputs to the model used:

	2025	2024
Expected volatility	56.5%	52.38%
Risk-free interest rate	1.6%	1.42%

27. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets of RMB5,141,000 (2024: RMB10,177,000) and non-cash additions to lease liabilities of RMB5,141,000 (2024: RMB10,177,000), respectively, in respect of lease arrangements for office premises.

During the year, the Group had non-cash additions to right-of-use assets of RMB8,936,000 (2024: Nil) and non-cash additions to lease liabilities of RMB8,936,000 (2024: Nil), respectively, in respect of lease modification for office premises.

(b) Changes in liabilities arising from financing activities

	Lease liabilities RMB'000	Interest-bearing bank borrowings RMB'000	Listing expenses RMB'000
At 1 January 2024	6,088	61,000	–
Additions	10,177	274,980	–
Accretion of interest	360	5,404	–
Listing expense	–	–	14,531
Prepaid listing expenses	–	–	5,093
Payment included in			
– Financing activities	(5,362)	(80,980)	(2,252)
– Operating activities	–	–	(6,415)
Interest payment	–	(5,192)	
Change in fair value of redemption liabilities on equity shares	–	–	–
Termination of redemption liabilities	–	–	–
At 31 December 2024 and 1 January 2025	11,263	255,212	10,957
Additions	5,141	341,000	–
Lease modification	8,936	–	–
Accretion of interest	759	6,429	–
Listing expense	–	–	21,556
Prepaid listing expenses	–	–	77,669
Payment included in			
– Financing activities	(5,630)	(336,000)	(79,797)
– Operating activities	–	–	(25,548)
Interest payment	–	(6,550)	–
At 31 December 2025	**20,469**	**260,091**	**4,837**

27. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(c) Total cash outflow for leases

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

	2025 RMB'000	2024 RMB'000
Within operating activities	**833**	615
Within financing activities	**5,630**	5,362
Total	**6,463**	5,977

28. COMMITMENTS

The Group had the following contractual commitments at the end of the reporting period:

	2025 RMB'000	2024 RMB'000
Property, plant and equipment	**3,401**	143

29. RELATED PARTY TRANSACTIONS

Compensation of key management personnel of the Group

	2025 RMB'000	2024 RMB'000
Directors' fees	**475**	–
Salaries, allowances and benefits in kind	**21,022**	3,973
Share-based payment compensation	**7,737**	37,477
Pension scheme contributions	**112**	36
Total	**29,346**	41,486

Further details of directors' and supervisors' emoluments are included in note 10 to the financial statements.

30. FINANCIAL INSTRUMENTS BY CATEGORY

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

Financial assets

	2025 RMB'000	2024 RMB'000
Financial assets at FVTPL	–	166,175
Financial assets at amortised cost		
Financial assets included in prepayments, deposits and other receivables	2,582	2,077
Time deposits with original maturity over three months	326,893	–
Cash and cash equivalents	1,221,150	372,542
Total	1,550,625	374,619

Financial liabilities

	2025 RMB'000	2024 RMB'000
Financial liabilities at amortised cost		
Interest-bearing bank borrowings	260,091	255,212
Financial liabilities included in trade and other payables	35,141	40,522
Total	295,232	295,734

31. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, time deposits with original maturity over three months, financial assets included in prepayments, deposits and other receivables (in the current portion), financial liabilities included in trade and other payables and interest-bearing bank borrowings approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair values of other non-current financial assets have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

31. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of the wealth management products which were all issued by reputable commercial banks have been estimated by using discounted cash flow valuation models with reference to observable inputs including fluctuations of gold price and foreign exchange rate.

Fair value hierarchy

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

Assets measured at fair value:

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
As at 31 December 2024				
Structured deposits and wealth management products	–	166,175	–	166,175

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

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

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Foreign currency risk

The Group has transactional currency exposures. Such exposures mainly arise from USD and HKD denominated cash and bank balances.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in foreign currency exchange rates, with all other variables held constant, of the Group's loss before tax (due to changes in the fair values of monetary assets which are cash and bank balances in USD and HKD).

	Increase/ (decrease) in rate of foreign currency %	Increase/ (decrease) in loss before tax RMB'000
2025		
If RMB weakens against USD	**(5)**	**(59,885)**
If RMB strengthens against USD	**5**	**59,885**
If RMB weakens against HKD	**(5)**	**(459)**
If RMB strengthens against HKD	**5**	**459**
2024		
If RMB weakens against USD	(5)	(11,236)
If RMB strengthens against USD	5	11,236

Credit risk

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

The Group's exposure to credit risk arising from cash and cash equivalents, time deposits with original maturity over three months and financial assets at FVTPL is limited and remote because the counterparties are state-owned banks or reputable commercial banks for which the Group considers having immaterial credit risk.

The Group's credit risk is primarily attributable to other receivables. Management has assessed that during the year, other receivables have not had a significant increase in credit risk since initial recognition. Thus, a 12-month expected credit loss approach that results from possible default events within 12 months of each reporting date is adopted by management.

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the operations and mitigate the effects of fluctuations in cash flows.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

	As at 31 December 2025		
	Within 1 year RMB'000	1 to 5 years RMB'000	Total RMB'000
Financial liabilities included in trade and other payables	35,141	–	35,141
Interest-bearing bank borrowings	263,239	–	263,239
Lease liabilities	7,751	14,050	21,801
Total	306,131	14,050	320,181

	As at 31 December 2024		
	Within 1 year RMB'000	1 to 5 years RMB'000	Total RMB'000
Financial liabilities included in trade and other payables	39,330	–	39,330
Interest-bearing bank borrowings	283,905	–	283,905
Lease liabilities	5,935	5,746	11,681
Total	329,170	5,746	334,916

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2025 and 2024.

33. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

	2025 RMB'000	2024 RMB'000
NON-CURRENT ASSETS		
Property, plant and equipment	**29,323**	36,378
Right-of-use assets	**19,692**	11,189
Investments in subsidiaries	**16,763**	14,607
Intangible assets	**1,758**	–
Prepayments, deposits and other receivables	**40,419**	25,569
Total non-current assets	**107,955**	87,743
CURRENT ASSETS		
Due from a subsidiary	**111,141**	106,417
Prepayments, deposits and other receivables	**83,636**	57,046
Inventories	**3,214**	–
Financial assets at FVTPL	**–**	166,175
Cash and cash equivalents	**1,147,157**	338,237
Time deposits with original maturity over three months	**326,893**	–
Total current assets	**1,672,041**	667,875
CURRENT LIABILITIES		
Trade and other payables	**50,826**	50,430
Interest-bearing bank borrowings	**260,091**	255,212
Lease liabilities	**7,068**	5,716
Total current liabilities	**317,985**	311,358
NET CURRENT ASSETS	**1,354,056**	356,517
TOTAL ASSETS LESS CURRENT LIABILITIES	**1,462,011**	444,260
NON-CURRENT LIABILITIES		
Lease liabilities	**13,401**	5,547
Total non-current liabilities	**13,401**	5,547
Net assets	**1,448,610**	438,713
EQUITY		
Share capital	**198,892**	156,500
Treasury shares	**(72,667)**	–
Reserves	**1,322,385**	282,213
Total equity	**1,448,610**	438,713

33. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

A summary of the Company's reserves is as follows:

	Capital reserves RMB'000	Treasury shares RMB'000	Share-based payment reserve RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Total (deficits)/ equity RMB'000
At 1 January 2024	971,350	–	29,654	(984,000)	(980,163)	(963,159)
Termination of redemption liabilities	361,588	–	–	984,000	–	1,345,588
Share-based payment compensation (Note 26)	–	–	41,940	–	–	41,940
Capitalisation Issue (Note 24)	(1,220,889)	–	–	–	1,088,412	(132,477)
Issue of Series C+ shares (Note 24)	120,972	–	–	–	–	120,972
Loss and other comprehensive loss for the year	–	–	–	–	(130,651)	(130,651)
At 31 December 2024 and 1 January 2025	233,021	–	71,594	–	(22,402)	282,213
Shares repurchased under H share award scheme (Note 24)	–	(72,667)	–	–	–	(72,667)
Issue of shares (Note 24)	1,228,422	–	–	–	–	1,228,422
Share-based payment compensation (Note 26)	–	–	9,847	–	–	9,847
Loss and other comprehensive loss for the year	–	–	–	–	(198,097)	(198,097)
At 31 December 2025	1,461,443	(72,667)	81,441	–	(220,499)	1,249,718

34. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 27 March 2026.

Financial Summary

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

	For the year ended December 31,		
	2025	2024	2023
	RMB'000	RMB'000	RMB'000
Revenue	**177,255**	–	8,865
Cost of sales	**–**	–	(3,185)
Other income and gains	**31,047**	18,309	13,472
Other expenses	**(25,763)**	(20)	–
Research and development costs	**(289,085)**	(185,683)	(230,858)
Administrative expenses	**(82,700)**	(87,692)	(38,047)
Fair value gains on financial assets at fair value through profit or loss ("FVTPL")	**541**	1,718	6,436
Changes in fair value of convertible bonds	**–**	–	(199)
Finance costs	**(7,188)**	(5,764)	(1,400)
Change in fair value of redemption liabilities on equity shares	**–**	(42,084)	(117,333)
Loss before tax	**(195,893)**	(301,216)	(362,249)
Income tax expense	**(15,526)**	–	–
Loss for the year	**(211,419)**	(301,216)	(362,249)

	As of December 31,		
	2025	2024	2023
	RMB'000	RMB'000	RMB'000
Non-current assets	**91,192**	73,136	80,361
Current assets	**1,690,227**	596,307	367,121
Current liabilities	**502,204**	398,336	1,394,510
Net current (liabilities) assets	**1,188,023**	197,971	(1,027,389)
Total assets less current liabilities	**1,279,215**	271,107	(947,028)
Non-current liabilities	**13,401**	5,547	1,777
Net (liabilities) assets	**1,265,814**	265,560	(948,805)

* The H Shares of the Company were listed on the Main Board of the Stock Exchange under Chapter 18A of the Listing Rules on July 25, 2025.

Definitions and Glossary

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

"AGM"	the annual general meeting of the Company to be held on May 15, 2026
"Accountants' Report"	the accountants' report of our Company
"Articles of Association" or "Articles"	the articles of association of our Company adopted by special resolution on October 25, 2024 with effect from the Listing Date, as amended, supplemented or otherwise modified from time to time
"Audit Committee"	the audit committee of our Board
"Board"	the board of directors of the Company
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China" or the "PRC"	the People's Republic of China, but for the purpose of this annual report and for geographical reference only, references herein to "China" and the "PRC" do not apply to Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Core Product"	has the meaning ascribed thereto in Chapter 18A of the Listing Rules and is the product for the purpose of satisfying the eligibility requirements under Chapter 18A of the Listing Rules and Chapter 2.3 of the Guide for New Listing Applicants; for the purpose of this annual report, our Core Product refers to LBL-024
"CMC"	chemistry, manufacturing and controls, processes used in preclinical and clinical development stages to ensure that pharmaceutical and biopharmaceutical drug products are consistently effective, safe and high quality for consumers

Definitions and Glossary

"Company," "our Company," or "the Company"	Nanjing Leads Biolabs Co., Ltd. (南京维立志博生物科技股份有限公司), a joint stock company incorporated in the PRC with limited liability on August 14, 2024, or, where the context requires (as the case may be), its predecessor, Nanjing Leads Biolabs Co., Ltd. (南京维立志博生物科技有限公司), a limited liability company established under the laws of the PRC on November 27, 2012
"Corresponding Period"	for the year ended December 31, 2024
"Director(s)"	the director(s) of our Company
"FDA"	Food and Drug Administration
"Group," "our Group," "we," "us," or "our"	the Company and its subsidiary from time to time
"H Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are traded in Hong Kong dollars and listed on the Stock Exchange
"H Share Award Scheme"	the H Share award scheme of our Company adopted on December 17, 2025
"HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Listing"	the listing of the H Shares on the Main Board of the Stock Exchange
"Listing Date"	July 25, 2025
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"NMPA"	the National Medical Products Administration of the PRC (國家藥品監督管理局), successor to the China Food and Drug Administration or CFDA (國家食品藥品監督管理總局)

Definitions and Glossary

"Over-allotment Option"	the option granted by our Company to the International Underwriters, exercisable by the Overall Coordinators (on behalf of the International Underwriters) pursuant to the International Underwriting Agreement, to require our Company to allot and issue up to an aggregate of 4,808,100 additional H Shares (representing not more than 15% of the Offer Shares initially available under the Global Offering assuming the Offer Size Adjustment Option is not exercised at all) or up to an aggregate of 5,529,300 additional H Shares (representing not more than 15% of the Offer Shares being offered under the Global Offering assuming the Offer Size Adjustment Option is exercised in full) at the Offer Price, to cover over-allocations in the International Offering, if any.
"Pre-IPO Share Incentive Plan"	the pre-IPO share incentive plan of our Company adopted on September 16, 2020 and further amended and approved on April 17, 2024
"Reporting Period"	the year ended December 31, 2025
"RMB" or "Renminbi"	the lawful currency of the PRC
"Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising the Unlisted Shares and H Shares
"Shareholder(s)"	shareholder(s) of the Company
"Supervisor(s)"	member(s) of the supervisory committee of the Company
"treasury shares"	has the meaning as defined under the Listing Rules
"Unlisted Foreign Share(s)"	ordinary share(s) issued by the Company with a nominal value of RMB1.00 each which is/are subscribed for and paid for in currency other than RMB by foreign investors and not listed on any stock exchange
"Unlisted Shares"	Domestic Shares and Unlisted Foreign Shares
"U.S." or "United States"	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
"U.S. dollar" or "US$"	United States dollar, the lawful currency of the United States
"%"	per cent