PHARMESIS INTERNATIONAL LTD.

Co. Registration No. 200309641E

Unaudited Condensed Interim Financial Statements for the 6 months ended 30 June 2026

A. UNAUDITED CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT FOR THE FIRST HALF ENDED 30 JUNE 2026

	Group		
	6 months ended 30.06.2026	6 months ended 30.06.2025	+ / (-)
	RMB'000	RMB'000	%
Revenue	11,865	27,202	(56.4)
Cost of sales	(7,837)	(16,864)	(53.5)
Gross Profit	**4,028**	**10,338**	(61.0)
Other income	1,167	670	74.2
Selling and distribution costs	(2,963)	(5,275)	(43.8)
Administrative costs	(6,298)	(6,772)	(7.0)
Loss from operations	(4,065)	(1,039)	291.2
Finance income	–	26	n.m.
Finance costs	(295)	(359)	(17.8)
Net finance costs	(295)	(333)	(11.4)
Loss before taxation	**(4,360)**	**(1,372)**	217.8
Income tax expense	–	–	n.m.
Loss for the period, representing total comprehensive income attributable to Equity holders of the Company	**(4,360)**	**(1,372)**	217.8
Loss per share (RMB cents)			
Basic and diluted	(13.8)	(4.3)	

NOTES TO THE CONSOLIDATED INCOME STATEMENT

(a) Loss for the period is arrived at after crediting/(charging):-

	Group		
	6 months ended 30.06.2026	**6 months ended 30.06.2025**	**+ / (-)**
	RMB'000	**RMB'000**	**%**
Rental income	1,119	601	86.2
Finance income	–	26	n.m.
Government grant	43	33	30.3
Allowance for expected credit loss - trade	(414)	(113)	266.4
Depreciation and amortisation	(1,448)	(1,449)	0.0
Foreign exchange (loss)/gain	(9)	28	n.m.

n.m. denotes not meaningful

B. UNAUDITED CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	GROUP		COMPANY	
	As at 30.6.2026 RMB'000	**As at 31.12.2025 RMB'000**	**As at 30.6.2026 RMB'000**	**As at 31.12.2025 RMB'000**
Non-current assets				
Property, plant and equipment	13,348	13,837	5	–
Investment property	38,635	39,233	–	–
Right-of-use assets	1,966	2,319	17	51
Investments in subsidiaries	–	–	54,999	54,999
Goodwill on consolidation	1,323	1,323	–	–
Deferred tax asset	57	57	–	–
Other current assets	710	710	–	–
	56,039	**57,479**	**55,021**	**55,050**
Current assets				
Inventories	14,203	16,298	–	–
Trade receivables	7,648	16,098	–	–
Prepaid expenses	102	34	–	–
Other receivables	1,091	1,511	21	21
Cash and cash equivalents	5,349	4,312	2,038	2,718
	28,393	**38,253**	**2,059**	**2,739**
Current liabilities				
Bank borrowings	15,000	15,000	–	–
Trade payables	7,163	11,480	–	–
Accrued liabilities and other payables	10,641	12,876	2,262	2,571
Lease liabilities	223	396	18	53
Tax payable	24	136	12	13
	33,051	**39,888**	**2,292**	**2,637**
Net current (liabilities)/assets	**(4,658)**	**(1,635)**	**(233)**	**102**
Non-current liabilities				
Lease liabilities	196	299	–	–
	196	**299**	**–**	**–**
Net assets	**51,185**	**55,545**	**54,788**	**55,152**
Equity attributable to equity holders of the Company				
Share capital	54,838	54,838	54,838	54,838
Reserves	(3,653)	707	(50)	314
Total equity	**51,185**	**55,545**	**54,788**	**55,152**

1(b)(ii) Aggregate amount of group's borrowing and debt securities

Amount repayable in one year or less, or on demand

In RMB'000

As at 30 June 2026		As at 31 December 2025	
Secured	Unsecured	Secured	Unsecured
15,000	–	15,000	–

Amount repayable after one year

In RMB'000

As at 30 June 2026		As at 31 December 2025	
Secured	Unsecured	Secured	Unsecured
–	–	–	–

The above does not include the lease liabilities recognised under SFRS(I) 16.

Details of any collateral

The bank borrowings are secured over the land use rights and buildings of a subsidiary.

C. UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2026

	Group	
	6 months ended 30.06.2026	**6 months ended 30.06.2025**
	RMB'000	**RMB'000**
Cash flows from operating activities		
Loss before tax	(4,360)	(1,372)
Adjustments for:		
Allowance for expected credit losses on trade receivablescredit loss - trade	414	113
Depreciation and amortisation	1,448	1,449
Interest expense	295	359
Interest income	–	(26)
Operating (loss)/profit before changes in working capital	(2,203)	523
Changes in working capital		
Trade receivables	8,036	23,741
Prepayments, deposits and other receivables	352	459
Inventories	2,095	(78)
Trade payables	(4,317)	(20,304)
Accrued liabilities and other payables	(2,235)	(4,325)
Cash flows generated from operations	1,728	16
Interest received	–	26
Interest paid	(295)	(359)
Income tax paid	(112)	(118)
Net cash flows generated from/(used in) operating activities	**1,321**	**(435)**
Cash flows from investing activities		
Purchase of property, plant and equipment	(8)	(299)
Purchase of right of use asset	–	(268)
Net cash flows used in investing activities	**(8)**	**(567)**
Cash flows from financing activities		
Repayment of principal portion of lease liabilities	(276)	(341)
Net cash flows used in financing activities	**(276)**	**(341)**
Net increase/(decrease) in cash and cash equivalents	1,037	(1,343)
Cash and cash equivalents at beginning of period	4,312	4,604
Cash and cash equivalents at end of period	**5,349**	**3,261**

D. UNAUDITED CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group In RMB'000	Share Capital	Premium paid on acquisition of non-controlling interest	Statutory Reserve	Accumulated profits/(losses)	Total Equity
At 1 January 2026	54,838	(10,854)	9,507	2,054	55,545
Total comprehensive income	–	–	–	(4,360)	(4,360)
At 30 June 2026	**54,838**	**(10,854)**	**9,507**	**(2,306)**	**51,185**
At 1 January 2025	88,446	(10,854)	9,507	(25,527)	61,572
Capital reduction	(33,608)	–	–	33,608	–
Total comprehensive income	–	–	–	(1,372)	(1,372)
At 30 June 2025	**54,838**	**(10,854)**	**9,507**	**6,709**	**60,200**

Company In RMB'000	Share Capital	Accumulated Losses	Total Equity
At 1 January 2026	54,838	314	55,152
Total comprehensive income	–	(364)	(364)
At 30 June 2026	**54,838**	**(50)**	**54,788**
At 1 January 2025	88,446	(33,608)	54,838
Capital reduction	(33,608)	33,608	–
Total comprehensive income	–	3,311	3,311
At 30 June 2025	**54,838**	**3,311**	**58,149**

E. Notes to the condensed interim consolidated financial statements

E1. Corporate information

Pharmesis International Ltd. (the "Company") is a limited liability company incorporated in Singapore and is listed on the Singapore Exchange. The registered office and principal place of business of the Company is located at 5 Kallang Sector #03-02, Singapore 349279.

The principal activity of the Company is investment holding. The principal activities of the Group are development, manufacture, packaging and sale of western medicine, Traditional Chinese Medicine ("TCM"), health tonic products, wholesale of drugs, raw products, antibiotics and antibiotics agents. There have been no significant changes in the nature of these activities during the year.

The Group operates principally in the People's Republic of China ("PRC").

E2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2025.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except in the current financial period, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2026. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

The condensed interim financial statements are presented in Renminbi ("RMB") which is the Company's functional currency and all values are rounded to the nearest thousands, except when otherwise indicated.

<u>Going concern assumption</u>

The Group reported a net loss of RMB 4.4 million for the financial period ended 30 June 2026. As at 30 June 2026, the Group reported a net current liabilities position of RMB 4.7 million, with current assets of RMB 28.4 million and current liabilities of RMB 33.1 million. The Board has carefully assessed the Group's liquidity and believes that the net current liabilities position does not indicate any risk on the Group's ability to operate as a going concern. The assessment is supported by the following:

The Group's underlying business remains highly cash generative. For the financial period ended 30 June 2026, the Group generated a positive net operating cash inflow of RMB 1.3 million, as compared to an operating cash outflow of RMB 0.4 million in the previous financial period ended 30 June 2025.

The Group remains focused on driving revenue growth, enhancing margins, and executing prudent capital expenditure to support sustainable cash generation. The Board continues to exercise prudent capital management and will evaluate strategic financial restructuring option to further optimize the balance sheet as and when appropriate.

Based on the above, the Board is of the opinion that the Group will be able to meet its short-term debt obligations as and when they fall due and able to continue as going concern.

E2.1. New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

E2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2025.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

E3. Seasonal operations

The Group’s businesses are not affected significantly by seasonal or cyclical factors during the financial period.

E4. Segment information and revenue information

For management purposes, the Group is organised into business units based on their products, and has 3 reportable operating segments as follows:

(i) ***Western drugs/TCH Procurement*** – Western drugs refer mainly to chemically formulated drugs. TCH Procurement refers to procurement and processing of Traditional Chinese Herbs ("TCH").

(ii) ***TCM formulated drugs/IP Rental*** – TCM formulated drugs refer to Traditional Chinese Medicine. IP rental refers to rental of investment property.

(iii) ***Distribution*** - This segment refers to agency products and internally manufactured products which are marketed through the distribution arm.

Analysis by business segment

6 months ended 30.06.2026	Western drugs/TCH Procurement RMB'000	TCM formulated drugs/ IP rental RMB'000	Distribution RMB'000	Elimination RMB'000	Group RMB'000
Revenue					
External customers	1,168	6,105	4,592	–	11,865
Inter segment	1,424	2,180	–	(3,604)	–
Total Revenue	**2,592**	**8,285**	**4,592**	**(3,604)**	**11,865**
Result					
Segment result	(1,610)	(475)	(615)		(2,700)
Unallocated corporate expenses					(1,365)
Loss from operations					(4,065)
Finance income	–	–	–		–
Finance costs	(36)	(255)	(4)		(295)
Income tax expense					–
Loss before non-controlling interest					(4,360)
Non-controlling interest					–
Net loss attributable to equity holders of the Company					(4,360)
Assets and liabilities					
Segment assets	12,577	58,881	10,893		82,351
Unallocated corporate assets					2,081
Total assets					84,432
Segment liabilities	2,191	27,216	1,548		30,955
Unallocated corporate liabilities					2,292
Total liabilities					33,247
Other segment information					
Capital expenditure	–	8	–		8
Depreciation and amortisation	425	1,023	–		1,448
Finance costs	36	255	4		295
Allowance for expected credit loss - trade	137	21	256		414

6 months ended 30.06.2025	Western drugs/TCH Procurement RMB'000	TCM formulated drugs/ IP rental RMB'000	Distribution RMB'000	Elimination RMB'000	Group RMB'000
Revenue					
External customers	1,296	8,304	17,602	–	27,202
Inter segment	9,310	6,435	–	(15,745)	–
Total Revenue	**10,606**	**14,739**	**17,602**	**(15,745)**	**27,202**
Result					
Segment result	1,180	(365)	(166)		649
Unallocated corporate expenses					(1,688)
Profit from operations					(1,039)
Finance income	1	25	–		26
Finance costs	(46)	(313)	–		(359)
Income tax expense					–
Loss before non-controlling interest					(1,372)
Non-controlling interest					–
Net loss attributable to equity holders of the Company					(1,372)
Assets and liabilities					
Segment assets	18,828	61,300	8,069		88,197
Unallocated corporate assets					1,188
Total assets					89,385
Segment liabilities	3,755	23,675	656		28,086
Unallocated corporate liabilities					1,100
Total liabilities					29,186
Other segment information					
Capital expenditure	–	567	–		567
Depreciation and amortisation	441	1,008	–		1,449
Finance income	(1)	(25)	–		(26)
Finance costs	46	313	–		359
Allowance for expected credit loss - trade	121	105	(113)		113

E4. Disaggregation of Revenue

6 months ended 30.06.2026	Western drugs RMB'000	TCM formulated drugs RMB'000	Distribution RMB'000	Group RMB'000
Revenue				
Western drugs	1,168	–	2,193	3,361
TCM formulated drugs	–	6,105	2,399	8,504
Total Revenue	**1,168**	**6,105**	**4,592**	**11,865**
Timing of transfer of goods or services				
At a point in time	1,168	6,105	4,592	**11,865**
Primary geographical market				
People's Republic of China	1,168	6,105	4,592	**11,865**
6 months ended 30.06.2025				
Revenue				
Western drugs	1,296	–	10,871	12,167
TCM formulated drugs	–	8,304	6,731	15,035
Total Revenue	**1,296**	**8,304**	**17,602**	**27,202**
Timing of transfer of goods or services				
At a point in time	1,296	8,304	17,602	**27,202**
Primary geographical market				
People's Republic of China	1,296	8,304	17,602	**27,202**

E5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2026 and 31 December 2025:

	Group		Company	
	As at 30.06.26 RMB'000	As at 31.12.25 RMB'000	As at 30.06.26 RMB'000	As at 31.12.25 RMB'000
Group				
Financial assets				
Trade receivables	7,648	16,098	–	–
Other receivables	1,091	1,511	21	21
Cash and cash equivalents	5,349	4,312	2,038	2,718
Total	14,088	21,921	2,059	2,739
Financial liabilities				
Bank borrowings	15,000	15,000	–	–
Trade and other payables and accrued liabilities (excluding VAT payable and advances from customers)	15,626	22,664	2,262	2,571
Lease liabilities	419	695	18	53
Total	31,045	38,359	2,280	2,624

E6. Subsequent events
There are no known subsequent events which have led to adjustments to this set of interim financial statements.

<u>Other information</u>

1(a) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

<u>Share Capital</u>
There is no change in the Company's issued share capital since the previous financial period ended 31 December 2025.

1(b) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The total number of issued shares as at 31 December 2025 and 30 June 2026 are 31,700,000 ordinary shares.

1(c) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2025.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group and the Company adopted the following new Singapore Financial Reporting Standards (International) ("SFRS(I)"), amendments and interpretations of SFRS(I)s effective for annual periods beginning on or after 1 January 2026. The adoption of these new SFRS(I) did not have any material impact on the financial statements of the Group.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-**

In RMB cents	Group 6 months ended 30.06.2026	 6 months ended 30.06.2025
(i) Based on weighted average number of shares	(13.8)	(4.3)
Weighted average number of shares	31,700,000	31,700,000

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
In RMB	30.06.2026	31.12.2025	30.06.2026	31.12.2025
Net asset value ("NAV") per ordinary share	1.61	1.75	1.73	1.74
No. of shares in computing NAV	31,700,000	31,700,000	31,700,000	31,700,000

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

INCOME STATEMENT

During the first half of FY 2026 ("1H 2026"), the Group's financial performance was materially impacted by a challenging operating environment. Domestically, macroeconomic uncertainties in China dampened market sentiment, while the Group's pharmaceutical portfolio faced intensified market competition and acute pricing pressures. Collectively, these headwinds compressed margins and severely affected the Group's overall first-half financial results.

In 1H 2026, the Group's revenue decreased by RMB 15.3 million or 56.4% from RMB 27.2 million in 1H 2025 to RMB 11.9 million. Revenue from non-prescribed TCM formulated drugs decreased by RMB 6.5 million mainly due to lower revenue from Er Ding products. Revenue from prescribed western drugs decreased by RMB 8.8 million mainly due to lower revenue from ATT products.

Gross profit margin decreased from 38.0% in 1H 2025 to 34.0% in 1H 2026, mainly due to decrease in gross profit margin from ATT products. Other income was RMB 1.2 million in 1H 2026 as compared to RMB 0.7 million in 1H 2025, mainly due to higher rental income and government grants. Rental income was lower in 1H 2025 due to rent free period at the beginning of the lease.

Selling and distribution costs decreased from RMB 5.3 million in 1H 2025 to RMB 3.0 million in 1H 2026 mainly due to lower marketing expenses, in line with the lower revenue. Administrative costs decreased from RMB 6.8 million in 1H 2025 to RMB 6.3 million for 1H 2026 mainly due to lower personnel expenses.

Finance income was nil in 1H 2026 due to absence of interest income. Finance costs decreased from RMB 359,000 in 1H 2025 to RMB 295,000 in 1H 2026 mainly due to lower interest.

As a result of the above, the Group recorded a net loss after tax attributable to equity holders of the Company of RMB 4.4 million in 1H 2026, as compared to a net loss after tax of RMB 1.4 million in 1H 2025.

STATEMENT OF FINANCIAL POSITION

The Group's non-current assets stood at RMB 56.0 million as at 30 June 2026, representing a decrease of RMB 1.5 million from RMB 57.5 million as at 31 December 2025. This contraction was primarily driven by reductions in property, plant and equipment, investment property, and right-of-use assets.

The Group's current assets were RMB 28.4 million as at 30 June 2026, representing a decrease of RMB 9.9 million from RMB 38.3 million as at 31 December 2025. This decline was mainly driven by lower inventories as well as trade and other receivables, which were partially offset by higher cash balances and prepaid expenses.

The Group's current liabilities were RMB 33.1 million as at 30 June 2026, representing a decrease of RMB 6.8 million from RMB 39.9 million as at 31 December 2025. This decline was driven by lower trade payables, accrued liabilities and other payables, lease liabilities and tax payable.

The Group's non-current liabilities stood at RMB 0.2 million as at 30 June 2026, representing a decrease of RMB 0.1 million from RMB 0.3 million as at 31 December 2025. This reduction was driven entirely by a decrease in lease liabilities.

STATEMENT OF CASH FLOWS

Operating Activities
For the first half of 2026 ("1H 2026"), the Group recorded a net cash inflow from operating activities of RMB 1.3 million. This was primarily driven by positive operating cash generation, matching outlays for interest and income tax payments.

Investing Activities
Net cash used in investing activities for 1H 2026 was a nominal RMB 8,000, which was utilized entirely for the acquisition of plant and equipment.

Financing Activities
Net cash used in financing activities for the period amounted to RMB 0.3 million, resulting almost exclusively from the repayment of lease liabilities.

Cash Position
Consequently, the Group's cash and cash equivalents expanded from RMB 4.3 million as at 31 December 2025 to RMB 5.3 million as at 30 June 2026.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

In line with the prospect statement made in 4Q 2025.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group's pharmaceutical portfolio continues to face intense market competition and pricing pressures, compounded by domestic macroeconomic uncertainties. Anticipating a challenging outlook for the year ahead, management remains committed to a cautious operational approach, prioritizing robust sales growth alongside stringent cost-management initiatives.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of dividend	Interim special – 20th Anniversary
Dividend Type	Cash
Dividend Amount per share (in Singapore cents)	1 cent per ordinary share
Tax rate	Tax exempt (1-tier)

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividends have been recommended for the current financial period ended 30 June 2026 in view of the accumulated losses.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a mandate under Rule 920(1)(a)(ii). The interested person transactions during the period were:

Name of Interested Person(s)	Description of Interested Person Transactions	Aggregate value of all interested person transactions during the year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S$'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
Sichuan Song Zan Xue Bei Sheng Wu Ke Ji Co. Ltd. / Wu Xuedan	Cash advances from Song Zan	190	-
Sichuan Song Zan Xue Bei Sheng Wu Ke Ji Co. Ltd. / Wu Xuedan	Return of cash advance from Song Zan	-124	-

14. Negative confirmation pursuant to Rule 705(5) of the Listing Manual.

The Board of Directors of Pharmesis International Ltd. hereby confirms that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements for the first half ended 30 June 2026 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

The Company has procured all the required undertakings as required under Rule 720(1).

16. Disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use.

Not applicable.

BY ORDER OF THE BOARD

WU XUEDAN
EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER
14 August 2026