QYuns 荃信生物

Qyuns Therapeutics Co., Ltd.
江蘇荃信生物醫藥股份有限公司

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

(Stock Code: 2509)

DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO THE ACQUISITION OF EQUITY INTERESTS IN A SUBSIDIARY

THE ACQUISITION

The Board is pleased to announce that on June 26, 2026, Saifu Juli (a wholly owned subsidiary of the Company) and Taizhou Huacheng entered into the Equity Transfer Agreement pursuant to which Saifu Juli has conditionally agreed to acquire and Taizhou Huacheng has conditionally agreed to sell the Target Equity Interest, being approximately 34.0001% of the equity interest of Cellularforce, at the consideration of RMB86.02 million. Equity transfer shall occur on the date of completion of the equity change of registration with the relevant authority, which shall be procured by Saifu Juli within 30 Business Days after full payment of the consideration and execution of the Equity Transfer Agreement.

As at the date of this announcement, the Company indirectly owned approximately 65.9999% of the equity interest of Cellularforce through Saifu Juli. Upon completion of the Acquisition, the Company will indirectly own 100% of the equity interest of Cellularforce through Saifu Juli. Cellularforce will become a wholly owned subsidiary of the Company and the financial results of which will continue to be consolidated into the consolidated financial statements of the Group.

LISTING RULES IMPLICATIONS

As certain applicable percentage ratios of the transaction contemplated under the Equity Transfer Agreement is more than 5% but less than 25%, the transaction contemplated under the Equity Transfer Agreement would constitute a discloseable transaction for the Company, and is subject to reporting and announcement requirements only under Chapter 14 of the Listing Rules.

As at the date of this announcement, Taizhou Huacheng owned approximately 34.0001% of the equity interest of Cellularforce. Accordingly, as a substantial shareholder of the Company's subsidiary, Taizhou Huacheng is a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules. Thus, the transaction contemplated under the Equity Transfer Agreement would constitute a connected transaction for the Company under Chapter 14A of the Listing Rules.

Given that (i) the Board has approved the transaction contemplated under the Equity Transfer Agreement, and the Directors (including the independent non-executive Directors) have also confirmed that the terms of the Equity Transfer Agreement are fair and reasonable, the transaction contemplated are on normal commercial terms or better, and are in the interests of the Company and the Shareholders as a whole; and (ii) the connected transaction is conducted between the Group and a connected person at the subsidiary level, the transaction contemplated under the Equity Transfer Agreement is subject to the reporting and announcement requirements only, and is exempt from circular (including independent financial advice) and Shareholders' approval requirements by virtue of Rule 14A.101 of the Listing Rules.

THE ACQUISITION

The Board is pleased to announce that on June 26, 2026, Saifu Juli (a wholly owned subsidiary of the Company) and Taizhou Huacheng entered into the Equity Transfer Agreement pursuant to which Saifu Juli has conditionally agreed to acquire and Taizhou Huacheng has conditionally agreed to sell the Target Equity Interest, being approximately 34.0001% of the equity interest of Cellularforce, at the consideration of RMB86.02 million.

The principal terms of the Equity Transfer Agreement are set out as follows:

Date:	June 26, 2026	
Parties:	(1)	Saifu Juli, as the purchaser; and
	(2)	Taizhou Huacheng, as the seller.

Consideration

Pursuant to the Equity Transfer Agreement, the consideration payable by Saifu Juli for the Target Equity Interest is RMB86.02 million, which was ultimately determined through the public listing process at Taizhou Public Resource Trading Platform (泰州市公共資源交易平臺). Saifu Juli shall pay the consideration in full within 5 Business Days after receipt of the confirmation of transaction price and the fee payment list issued by Taizhou Government Service Center (泰州市政務服務中心) . All payments (including equity transfer price, transaction service fees and notarization fees) shall be made to Taizhou Government Service Center (泰州市政務服務中心) for unified settlement. The consideration will be satisfied in cash by bank transfer and the Company will use its internal resources and bank loans to settle the consideration.

Basis of the consideration

The consideration for the Acquisition was arrived at based on normal commercial terms after arm's length negotiation among the parties to the Equity Transfer Agreement and ultimately determined through a public listing process at Taizhou Public Resource Trading Platform (泰州市公共資源交易平臺) in accordance with its rules and procedures, after taking into account of, among others, the valuation of 34.0001% equity interest of Cellularforce of RMB86.02 million based on market approach as at the Valuation Date by the Valuer, together with (i) the business and financial prospects of the Target Company; and (ii) the reasons and benefits of the Acquisition as stated under the paragraph headed "Reasons for and benefits of the Acquisition" in this announcement.

Completion

Equity transfer shall occur on the date of completion of the equity change of registration with the relevant authority, which shall be procured by Saifu Juli within 30 Business Days after full payment of the consideration and execution of the Equity Transfer Agreement. As at the date of this announcement, the Company indirectly owned approximately 65.9999% of the equity interest of Cellularforce through Saifu Juli. Upon completion of the Acquisition, the Company will indirectly own 100% of the equity interest of Cellularforce through Saifu Juli. Cellularforce will become a wholly owned subsidiary of the Company and the financial results of which will continue to be consolidated into the consolidated financial statements of the Group.

INFORMATION OF THE GROUP AND THE VENDOR

The Group

The Company is a biotech company exclusively focused on biologic therapies for autoimmune and allergic diseases.

The Seller

The Seller, Taizhou Huacheng Medical Investment Group Co., Ltd., is a limited liability company incorporated in the PRC in 2009. As at the date of this announcement, Taizhou Huacheng is wholly owned by Taizhou Medicine City Holding Group Co., Ltd. (泰州醫藥城控股集團有限公司) ("**Taizhou Medicine**"), a company wholly owned by the Management Committee of Taizhou Medical New and High-tech Industrial Development Zone (泰州醫藥高新技術產業開發區管理委員會), which is an administrative agency of Jiangsu Provincial Committee of the Communist Party of China (中國共產黨江蘇省委員會) and Jiangsu Provincial People's Government (江蘇省人民政府) for the management of Taizhou Medical New and High-tech Industrial Development Zone and is therefore a PRC governmental body.

As at the date of this announcement, Taizhou Huacheng owned approximately 34.0001% of the equity interest of Cellularforce. Accordingly, as a substantial shareholder of the Company's subsidiary, Taizhou Huacheng is a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules.

INFORMATION ON THE TARGET COMPANY

The Target Company, Jiangsu Cellularforce Biopharma Co., Ltd., is a company established in the PRC with limited liability on August 2, 2018. As at the date of this announcement, the Target Company was owned as to 65.9999% by Saifu Juli and 34.0001% by Taizhou Huacheng.

The Target Equity Interest was subscribed by Taizhou Huacheng at an original subscription cost of RMB34 million upon the founding of Cellularforce with an initial registered capital of RMB100 million on August 2, 2018, with an additional RMB26 million subscribed on June 26, 2019, representing an aggregate paid-in capital of RMB60 million.

Cellularforce is our CMC-focused subsidiary and is primarily responsible for cell line development, process development, formulation development, analytical method development, quality control, quality assurance, pilot and commercial scale manufacturing of our Group. It also provides CDMO services externally, applying its CMC capabilities to support partner projects across development and manufacturing.

Financial Information of the Target Company

Set out below is a summary of the audited financial information of Cellularforce for the two years ended December 31, 2024 and 2025 prepared in accordance with the Accounting Standards for Business Enterprises (ASBE) issued by the Ministry of Finance of the PRC:

	For the year ended December 31	
	2024	**2025**
	(audited)	(audited)
	RMB'000	*RMB'000*
Revenue	87,630.4	119,875.7
Net loss before taxation	(40,633.3)	(21,502.7)
Net loss after taxation	(40,560.1)	(21,429.5)

Note: The statutory financial statements of Cellularforce for the years ended December 31, 2024 and 2025 were audited by Jiangsu Fangcheng Accounting Firm (General Partnership) (江蘇方成會計師事務所(普通合夥)).

As at December 31, 2025, the net assets/(liabilities) of Cellularforce as stated in the audited financial information were approximately RMB(35.37) million.

VALUATION OF TARGET EQUITY INTEREST

In accordance with the relevant provisions governing the transfer of state-owned assets, the Seller engaged a qualified valuer to carry out a valuation of the Target Equity Interest. Based on the valuation report prepared by the Valuer using market approach, the value of the Target Equity Interest as at the Valuation Date was RMB86.02 million.

Valuation Methodology

When selecting an appropriate valuation approach, the Valuer considered the applicability of the asset-based approach, the income approach and the market approach, and adopted the market approach in the Valuation due to the following reasons:

- The asset-based approach refers to the valuation method that determines the value of the valuation object on the basis of the balance sheet of the entity being valued as of the valuation date, by assessing the value of the assets and liabilities within the balance sheet as well as identifiable off-balance-sheet items. The Target Company possesses numerous intangible resources, such as service platforms, marketing teams, operating licenses, a relatively high market position, and stable customer relationships, which are difficult to identify and quantify individually to reflect its value. Therefore, the asset-based approach was not adopted in the Valuation.

- The income approach refers to the valuation method that determines the value of the valuation object by capitalizing or discounting the expected future income of the enterprise. However, due to the inherent limitations of the income approach, it requires assumptions on future revenue, operating costs, cash flows, discount rates, growth rates, and various other parameters, and the accuracy of projections based on such assumptions is relatively low with poor reference value. Therefore, the income approach was not adopted in this Valuation.

- The market approach refers to the valuation method that determines the value of the valuation object by comparing it with comparable listed companies or comparable transaction cases. Currently, a number of listed companies in the same industry as the Target Company, with similar product types, business structures and operating models, can be identified. In addition, the purpose of the Valuation is precisely to provide a market value reference for the equity transfer, and thus the market approach was considered appropriate for the Valuation. Given that the Target Company has not yet achieved stable profitability and its net book value of assets is relatively small, and that the enterprise value-to-sales (EV/S) multiple can reflect the growth potential of the Target Company, the EV/S multiple is considered a relatively appropriate indicator for calculating the market value of the Target Company. The Valuer adopted the above multiple for the Valuation.

Comparable Companies

In accordance with the requirements of the Asset Valuation Standards – Enterprise Value, the market approach valuation should select companies that are comparable to the valuation object. The principles for selecting comparable listed companies for the Valuation are as follows:

(a) having a certain period of listing and trading history

(b) having similar or comparable business models, operating nature and industries

After screening, the comparable listed companies selected for the Valuation are set out in the table below:

No.	Stock Code	Company Name	EV/S	Adjusted EV/S
1	300759.SZ	Pharmaron	5.53	5.64
2	300363.SZ	Porton Pharma	5.82	5.91
3	002821.SZ	Asymchem	7.17	7.30

Based on the purpose of the Valuation, the valuation object, industry characteristics, financial analysis indicators of the enterprise, and with reference to the disclosure of financial data of each comparable company and the enterprise comparison indicators selected in the Enterprise Performance Evaluation Standard 2025 prepared by the Assessment and Distribution Bureau of the State-owned Assets Supervision and Administration Commission of the State Council, the Valuer adjusted the EV/S multiples after considering the following five factors:

(i) enterprise scale (including total assets and operating revenue);

(ii) solvency (including quick ratio and gearing ratio);

(iii) operating efficiency (including current asset turnover and total asset turnover);

(iv) profitability (including return on total assets, return on net assets and net profit margin on revenue); and

(v) growth capacity (including total asset growth rate, operating revenue growth rate and net profit growth rate).

The adjusted EV/S multiples of each listed company are set out in the table above. Based on the average adjusted EV/S multiple, the EV/S multiple of the Target Company is 6.28.

As the comparable companies selected for the Valuation are listed companies, their shares are relatively liquid. In contrast, the Target Company is not a listed company and does not have the systematic market trading and pricing mechanism associated with publicly traded shares. Accordingly, a discount for lack of marketability was applied in determining the fair value of the Target Company. The trading prices of the comparable listed companies selected under the market approach reflect the value of controlling interests, whereas the valuation object represents a minority interest and lacks control. Accordingly, the Valuer applied a minority discount rate to make a reasonable adjustment to the fair value of the Target Company. After deducting the debt value on this basis, the total value of the shareholders' equity of the Target Company was derived.

Valuation Result

Under the market approach, the total value of the shareholders' equity of the Target Company was valued at RMB253 million.

Pursuant to the articles of association of the Target Company, profits are distributed among shareholders in proportion to their paid-up capital contributions. The value of the 34.0001% equity interest of the Target Company shall be calculated in accordance with the following formula:

Valuation of 34.0001% equity interest = (Total equity value of the Target Company + Unpaid subscribed capital) × Subscribed capital ratio of the shareholder – Unpaid subscribed capital of the shareholder

Accordingly, the valuation of the 34.0001% equity interest of the Target Company is RMB86.02 million.

Major Assumptions

The key assumptions adopted in the Valuation include:

- The Valuer has assumed that there will be no material change in the existing political, legal, technological, fiscal or economic conditions that might adversely affect the business of the Target Company.

- The Valuer has assumed that the basic information and financial data provided are true, complete, and accurate.

- The Valuer has assumed that the scope of valuation is limited to the appraisal statements provided, and has not considered any possible contingent assets or contingent liabilities beyond the list provided.

- The Valuer has assumed that there will be no significant change in the business scope or method of operation during the future operating period, and that the Target Company's main business structure, revenue and cost composition, as well as its sales strategies and cost control in future operations, will remain consistent with its recent years' status without major changes.

- The Valuer has assumed that no consideration has been given to any potential mortgage, guarantee, or special transaction arrangements that the Target Company or its assets may incur in the future, or any additional costs that such special transactions might require, which could affect the valuation conclusion.

Analysis of and Reasons for the Difference Between the Valuation and the Audited Value

Under the market approach, the valuation of the total value of the shareholders' equity of the Target Company as at the Valuation Date appreciated significantly as compared with the latest audited book value of the shareholders' equity of the Target Company. The book value of net assets of the Target Company was negative, primarily due to the substantial capital expenditure on plant construction in the early stage with high depreciation costs, and the fact that the business is still in order build-up stage with unutilised capacity. Such book value does not reflect its true market value. The Target Company possesses a full set of GMP-compliant production and quality control systems, mature process development technologies, high-quality core customer resources, a backlog of confirmed orders on hand for the longer term, and strategic and business synergy value deeply intertwined with the Company. These factors collectively constitute the core support for the valuation of the Target Company.

View of the Board on the Valuation

The Directors (including the independent non-executive directors) are of the view that the principal assumptions, quantitative inputs, methodology and valuation analysis adopted in the valuation report are fair and reasonable.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Cellularforce is our CMC-focused subsidiary and is primarily responsible for cell line development, process development, formulation development, analytical method development, quality control, quality assurance, pilot and commercial scale manufacturing of our Group. The Acquisition is to facilitate the smooth submission and approval of new drug applications (NDA) for the Group's core pipeline products, Crusekitug (QX002N, anti-IL-17A monoclonal antibody) and Oturkibart (QX005N, anti-IL-4R α monoclonal antibody). It also aims to consolidate the Group's resources, strengthen internal synergies, optimise the management structure, and further enhance the governance effectiveness and operational efficiency of Cellularforce.

The Board is of the view that the Acquisition is in line with the overall business development strategy of the Group and is believed to be beneficial to the overall management of the Group's business. The Target Equity Interest constitutes state-owned assets, and the transfer of the Target Equity Interest has been approved by the relevant state-owned assets regulatory authority and was conducted through public tender process. Moreover, after completion of the Acquisition, the Company's shareholding in Cellularforce will increase from approximately 65.9999% to 100%, the Directors are of the view that the Acquisition is strategically aligned with the Group's objectives to accelerate core product approvals, enhance synergies, and improve operational and management efficiency.

Accordingly, the Directors (including the independent non-executive Directors) consider that the transaction is on normal commercial terms or better and is fair and reasonable, and is in the interests of the Group and the Shareholders as a whole.

None of the Directors has any material interest in the Equity Transfer Agreement and none of them is required to abstain from voting on the board resolutions approving of the Equity Transfer Agreement and the transaction contemplated thereunder.

LISTING RULES IMPLICATIONS

As certain applicable percentage ratios of the transaction contemplated under the Equity Transfer Agreement is more than 5% but less than 25%, the transaction contemplated under the Equity Transfer Agreement would constitute a discloseable transaction for the Company, and is subject to reporting and announcement requirements only under Chapter 14 of the Listing Rules.

As at the date of this announcement, Taizhou Huacheng owned approximately 34.0001% of the equity interest of Cellularforce. Accordingly, as a substantial shareholder of the Company's subsidiary, Taizhou Huacheng is a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules.

Thus, the transaction contemplated under the Equity Transfer Agreement would constitute a connected transaction for the Company under Chapter 14A of the Listing Rules.

Given that (i) the Board has approved the transaction contemplated under the Equity Transfer Agreement, and the Directors (including the independent non-executive Directors) have also confirmed that the terms of the Equity Transfer Agreement are fair and reasonable, the transaction contemplated are on normal commercial terms or better, and are in the interests of the Company and the Shareholders as a whole; and (ii) the connected transaction is conducted between the Group and a connected person at the subsidiary level, the transaction contemplated under the Equity Transfer Agreement is subject to the reporting and announcement requirements only, and is exempt from circular (including independent financial advice) and Shareholders' approval requirements by virtue of Rule 14A.101 of the Listing Rules.

DEFINITIONS

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

"Acquisition"	the sale of the Target Equity Interest from Taizhou Huacheng to Saifu Juli
"Board"	the board of Directors of the Company
"Business Day"	any day other than (a) a Saturday or Sunday, or (b) a day on which commercial banking institutions in the PRC are authorised or required to be closed under applicable laws
"CDMO"	a contract development and manufacturing organization, which provides support to the pharmaceutical industry by providing development and manufacturing services outsourced on a contract basis

"Cellularforce" or "Target Company"	Jiangsu Cellularforce Biopharma Co., Ltd. (江蘇賽孚士生物技術有限公司), a company established in the PRC with limited liability on August 2, 2018 and an indirect non-wholly owned subsidiary of our Company which is owned as to 65.9999% by Saifu Juli and 34.0001% by Taizhou Huacheng
"CMC"	the chemistry, manufacturing and controls processes in the development, licensure, manufacturing and ongoing marketing of pharmaceutical products
"Company"	Qyuns Therapeutics Co., Ltd. (江蘇荃信生物醫藥股份有限公司), a limited liability company incorporated in the PRC in 2015, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2509)
"Director(s)"	the director(s) of the Company
"Equity Transfer Agreement"	the equity transfer agreement dated June 26, 2026 entered into between Saifu Juli and Taizhou Huacheng, pursuant to which Saifu Juli conditionally agreed to acquire and Taizhou Huacheng conditionally agreed to sell the Target Equity Interest
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"RMB"	Renminbi, the lawful currency of the PRC
"Saifu Juli"	Taizhou Saifu Juli Biomedical Co., Ltd. (泰州市賽孚聚力生物醫藥有限公司), a company established in the PRC with limited liability on July 6, 2018 and a direct wholly owned subsidiary of our Company
"Share(s)"	ordinary share(s) with par value RMB1.00 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

“Taizhou Huacheng” or the “Seller”	Taizhou Huacheng Medical Investment Group Co., Ltd. (泰州華誠醫學投資集團有限公司), a limited liability company incorporated in the PRC in 2009
“Target Equity Interest”	34.0001% of the entire registered and paid up capital of the Target Company
“Valuation Date”	November 30, 2025
“Valuer”	Jiangsu Gongcheng Real Estate and Asset Appraisal Consulting Co., Ltd. (江蘇恭誠土地房地產評估造價諮詢有限公司), an independent third party
“%”	per cent.

By order of the Board
Qyuns Therapeutics Co., Ltd.
Mr. Qiu Jiwan
Chairman of the Board and Executive Director

Hong Kong, June 26, 2026

As at the date of this announcement, the Board comprises Mr. Qiu Jiwan as chairman and executive director, Mr. Wu Yiliang and Mr. Lin Weidong as executive directors, Mr. Yu Xi and Mr. Wu Zhiqiang as non-executive directors, and Mr. Fung Che Wai, Anthony, Dr. Zou Zhongmei and Dr. Ling Jianqun as independent non-executive directors.